



AGENDA FOR THE EXECUTIVE

Members of the Executive are summoned to attend a meeting to be held in Committee Room 4, Town Hall, Upper Street, N1 2UD on **29 September 2016 at 7.00 pm.**

Lesley Seary
Chief Executive

Enquiries to : Philippa Green
Tel : 020 7527 3184
E-mail : democracy@islington.gov.uk
Despatched : 21 September 2016

Membership

Councillor Richard Watts
Councillor Janet Burgess MBE
Councillor Joe Caluori
Councillor Kaya Comer-Schwartz
Councillor Andy Hull

Councillor Asima Shaikh
Councillor Diarmaid Ward
Councillor Claudia Webbe

Portfolio

Leader of the Council
Executive Member Health and Social Care
Executive Member Children, Young People and Families
Executive Member for Community Development
Executive Member Finance, Performance and Community Safety
Executive Member for Economic Development
Executive Member for Housing and Development
Executive Member for Environment and Transport

Quorum is 4 Councillors

Please note

It is likely that part of this meeting may need to be held in private as some agenda items may involve the disclosure of exempt or confidential information within the terms of Schedule 12A of the Local Government Act 1972. Members of the press and public may need to be excluded for that part of the meeting if necessary.

Details of any representations received about why the meeting should be open to the public - none



Declarations of interest:

If a member of the Executive has a **Disclosable Pecuniary Interest*** in an item of business and it is not yet on the council's register, the Councillor **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent. Councillors may also **choose** to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency. In both the above cases, the Councillor **must** leave the room without participating in discussion of the item.

If a member of the Executive has a **personal** interest in an item of business they **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent but may remain in the room, participate in the discussion and/or vote on the item if they have a dispensation from the Chief Executive.

- ***(a) Employment, etc** - Any employment, office, trade, profession or vocation carried on for profit or gain.
- (b) Sponsorship** - Any payment or other financial benefit in respect expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) Land** - Any beneficial interest in land which is within the council's area.
- (e) Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

NOTE: Public questions may be asked on condition that the Chair agrees and that the questions relate to items on the agenda. No prior notice is required. Questions will be taken with the relevant item.

Requests for deputations must be made in writing at least two clear days before the meeting and are subject to the Leader's agreement. The matter on which the deputation wants to address the Executive must be on the agenda for that meeting.

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F.	Urgent non-exempt matters	
	Any non-exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.	
G.	Exclusion of press and public	
	To consider whether to exclude the press and public during discussion of the remaining items on the agenda, in view of their confidential nature, in accordance with Schedule 12A of the Local Government Act 1972.	
H.	Confidential / exempt items for information	
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I.	Urgent Exempt Matters	
	Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.	

The next meeting of the Executive will be on 20 October 2016

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London Borough of Islington

Executive - 21 July 2016

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 21 July 2016 at 7.00 pm.

Present: **Councillors:** Watts, Burgess, Caluori, Comer-Schwartz, Hull, Shaikh, Ward and Webbe

Also Present: **Councillors:** Greening

Councillor Richard Watts in the Chair

291 **APOLOGIES FOR ABSENCE**

None.

292 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

293 **MINUTES OF PREVIOUS MEETING**

RESOLVED:

That the Minutes of the meeting on 16 June 2016 be confirmed as a correct record and the Chair be authorised to sign them.

294 **INSURANCE RENEWAL (PROPERTY AND LIABILITY INSURANCE POLICIES)**

RESOLVED:

1. That the procurement strategy for ILC Liability, Property (including optional Terrorism) Insurance as outlined in this report be agreed.
2. That authority to award the contract be delegated to the Corporate Director of Finance and Resources, in consultation with the Executive Member for Finance, Performance and Community Safety, be agreed.

Reasons for decision – ensure that there is no break in property and liability insurance provision for the council.

Other options considered – none other than detailed in the report.

Conflicts of interest / dispensations granted – none.

295 **CCTV SCRUTINY REVIEW - RECOMMENDATIONS FROM ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE**

The Chair thanked the Committee for their work and agreed the following:

RESOLVED:

1. That the report of the Environment and Regeneration Scrutiny Committee be received.
2. That the Executive Member's response be reported to a future meeting of the Executive, including having due regard to any relevant implications of the Environment and Regeneration Scrutiny Committee's recommendations.

Reasons for decision – to receive the Scrutiny Committee's recommendations.
Other options considered – none other than detailed in the report.
Conflicts of interest / dispensations granted – none.

296 **SMART CITIES SCRUTINY - RECOMMENDATIONS FROM THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE**

The Chair thanked the Committee for their work and agreed the following:

RESOLVED:

1. That the report of the Environment and Regeneration Scrutiny Committee be received.
2. That the Executive Member's response be reported to a future meeting of the Executive, including having due regard to any relevant implications of the Environment and Regeneration Scrutiny Committee's recommendations.

Reasons for decision – to receive the Scrutiny Committee's recommendations.
Other options considered – none other than detailed in the report.
Conflicts of interest / dispensations granted – none.

297 **KNIFE CRIME AND MOBILE PHONE THEFT SCRUTINY REVIEW - RECOMMENDATIONS FROM THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE**

Councillor Greening presented the scrutiny committee's recommendations. The Chair thanked the Committee for their work on this important issue.

RESOLVED:

1. That the report of the Policy and Performance Scrutiny Committee be received and that a detailed response to the recommendations will be submitted to a future meeting.

Reasons for decision – to receive the Scrutiny Committee's recommendations
Other options considered – none other than specified in the report

Conflicts of interest / dispensations granted – none.

298 **TAX AVOIDANCE SCRUTINY - RECOMMENDATIONS FROM POLICY AND PERFORMANCE SCRUTINY COMMITTEE**

Councillor Greening presented the scrutiny committee's recommendations.

RESOLVED:

1. That the report of the Policy and Performance Scrutiny Committee be received and that a detailed response to the recommendations will be submitted to a future meeting.

Reasons for decision – to receive the Scrutiny Committee's recommendations
Other options considered – none other than specified in the report
Conflicts of interest / dispensations granted – none.

299 **PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING DOCUMENT PRE-CONSULTATION APPROVAL**

RESOLVED:

1. That the draft Planning Obligations (Section 106) SPD be approved for public consultation.
2. That the public consultation on the draft Planning Obligations (Section 106) SPD is scheduled to take place from 29 July to 23 September 2016 be noted.

Reasons for decision – to allow public consultation on the draft Planning Obligations (Section 106) SPD to proceed.
Other options considered – none other than as specified in the report
Conflicts of interest / dispensations granted – none.

300 **URBAN DESIGN GUIDE SUPPLEMENTARY PLANNING DOCUMENT PRE-CONSULTATION APPROVAL**

RESOLVED:

1. That the draft Urban Design Guide SPD be approved for public consultation.
2. That public consultation on the draft Urban Design Guide SPD is scheduled to take place from 29 July to 23 September 2016 be noted.

Reasons for decision – to allow public consultation on the draft Urban Design Guide SPD
Other options considered – none other than specified in the report
Conflicts of interest / dispensations granted – none.

301

PROCUREMENT STRATEGY - SUPPORTED LIVING ACCOMMODATION FOR SERVICE USERS WITH LEARNING DISABILITIES (COMPLEX/PHYSICAL AND SENSORY NEEDS) HIGH-VERY HIGH NEEDS - WINDSOR STREET

RESOLVED:

1. That the procurement strategy for care and support at Windsor Street as outlined in this report be agreed.

Reasons for decision –to meet our legal responsibilities to provide care and support services

Other options considered – none other than specified in the report

Conflicts of interest / dispensations granted – none.

MEETING CLOSED AT 7.13 pm

CHAIR



Report of: Executive Member for Finance, Performance and Community Safety

Meeting of:	Date	Ward(s)
Executive	29 th September 2016	

FINANCIAL MONITORING 2016-17 MONTH 4

1. SYNOPSIS

- 1.1 This report presents the forecast outturn position for 2016-17 as at 31st July 2016. Overall, there is a gross General Fund overspend of £3.7m, and a net overspend of £0.7m after a £3.0m drawdown from the contingency reserve. The report proposes actions to reduce the forecast net General Fund overspend.
- 1.2 The Housing Revenue Account (HRA) is forecast to break-even over the year.
- 1.3 It is forecast that £115.9m of capital expenditure will be delivered in 2016-17.

2. RECOMMENDATIONS

- 2.1. To note the overall forecast revenue outturn for the General Fund (**Table 1** and **Appendix 1**) of a gross overspend of £3.7m, including corporate items, and a net overspend of £0.7m after a £3.0m drawdown from the contingency reserve. (**Section 3**)
- 2.2. To note the actions needed to reduce the underlying forecast net General Fund overspend. (**Paragraph 3.2**)
- 2.3. To note that the HRA is forecast to break-even. (**Section 5, Table 1** and **Appendix 1**)
- 2.4. To note the latest capital position with forecast capital expenditure of £115.9m in 2016-17, and to agree re-profiling between financial years. (**Paragraphs 6.1 to 6.5, Table 2** and **Appendix 2**)
- 2.5. To agree that the additional schemes in **Paragraph 6.6.1 to 6.6.4** are funded within the 2016-17 capital programme by way of a drawdown from the earmarked capital reserve at the end of the financial year.

- 2.6. To agree the transfer of balances to the Invest to Save reserve from other earmarked reserves (**Paragraph 6.7** and **Table 3**) and the drawdown of £7.830m from the Invest to Save reserve to the Finance and Resources revenue budget for forecast Digital Services transformation (one-off) costs in 2016-17 (**Paragraph 6.8**).
- 2.7. To agree the transfer of £3.0m from the housing benefit reserve to the redundancy reserve. (**Paragraph 6.9**)

3. REVENUE POSITION: SUMMARY

- 3.1. A summary position of the General Fund and Housing Revenue Account is shown in **Table 1** with a more detailed breakdown contained in **Appendix 1** (by service area).

Table 1: 2016-17 General Fund and HRA Month 4 Forecast

	Forecast Over/(Under) Spend (£000)
<u>GENERAL FUND</u>	
Finance and Resources	1,414
Chief Executive's Department	1,000
Core Children's Services (Excluding Schools)	3,170
Environment and Regeneration	3,310
Housing and Adult Social Services	(17)
Public Health	7
DEPARTMENTAL TOTAL	8,884
Corporate Items	(5,168)
GROSS OVER/(UNDER) SPEND	3,716
Less: Drawdown from Contingency Reserve	(3,010)
NET OVER/(UNDER) SPEND	706
<u>HOUSING REVENUE ACCOUNT</u>	
NET (SURPLUS)/DEFICIT	0

- 3.2. There are many risks that could materialise into further overspends over the course of the financial year. To reduce the underlying, forecast net General Fund overspend, the following actions are being undertaken to bring the 2016-17 budget into balance:
- 3.2.1. Corporate Directors have identified further management actions to bring down their departmental overspends;
- 3.2.2. A review of 2015-16 carry-forwards and a thorough review and potential clawback on new carry-forwards at the end of this financial year; and
- 3.2.3. A freeze on all new, non-essential spending commitments.

4. GENERAL FUND

Finance and Resources Department (+£1.4m)

- 4.1. The Finance and Resources Department is forecasting an overspend of (+£1.4m). This is due to the following variances:
- 4.1.1. (+£1.1m) shortfall against the commercial property income target due to savings materialising over a longer timeframe.
 - 4.1.2. (+£0.1m) short-term delay to the Wi-Fi income saving compared to the original estimate.
 - 4.1.3. Re-phasing of the ICT shared service saving (+£0.5m) to allow the new service to get up and running.
 - 4.1.4. A compensating saving of (-£0.3m) through the more efficient use of staff for processing Housing Benefit claims.

Chief Executive's Department (+£1.0m)

- 4.2. The Chief Executive's Department is forecasting a (+£1.4m) provisional outturn overspend. Significant New Homes Bonus (NHB) grant funding was received over the 2015-17 period and it was planned that this would replace council funding and other reducing funding streams within the Strategy and Community Partnerships division. However, this funding has already been committed against other expenditure in the division, meaning that the budgeted savings are no longer deliverable. The overall shortfall is around £1.4m; however, management actions are being put in place to reduce this pressure over the next few months.

Children's Services

General Fund (+£3.2m)

- 4.3. A (+£3.2m) provisional outturn overspend is forecast for the General Fund (non-schools) Children's Services budget as a number of pressures against demand-led specialist services have continued from 2015-16 into 2016-17; especially in relation to increasing numbers of personal budget packages, care proceedings, care leavers, unaccompanied asylum seeking children and looked after children. Further overspends are occurring against secure accommodation costs and from the late notice of a further cut in grant funding from the Youth Justice Board. An overspend is also forecast against the universal free school meals budget as pupil numbers continue to increase and eligibility for statutory free school meals reduces. The key variances are as follows:
- 4.3.1. Increased demand for high level personal budgets to deliver community based packages. (+£0.2m)
 - 4.3.2. Increase in care proceedings including family assessment. Reflects a national trend where there has been an increase of 17% in care proceedings across the country. (+£0.19m)

- 4.3.3. Leaving Care costs for 18+ year olds - significant increase in the number of care leavers that we are obliged to offer a service to. Includes rising 18's (Southwark judgement). (+£0.56m)
- 4.3.4. Unaccompanied Asylum Seeker Children (UASC) - the numbers of UASC have increased by 36 over the duration of the last financial year. The authority is allocated grant to cover the costs of an individual; however, this is not sufficient to meet the sums expended. The first 25 cases are not funded by the Home Office. (+£0.15m)
- 4.3.5. Children Looked After (CLA) staffing including Independent Futures and the associated increase on client (non-placement) costs (e.g. travel, interpreters, and rents). (+£0.1m)
- 4.3.6. Increase in support packages for young people placed for Adoption because of severe disability and the need for 1 to 1 support to carers. (+£0.1m)
- 4.3.7. CLA Placements – increase in the number and complexity of cases for the under-18 cohort of CLA. These are mainly regulated residential placements. (+£0.55m)
- 4.3.8. Increase in support for 16-17 years olds living in supported accommodation. (+£0.5m)
- 4.3.9. Youth Justice – late notification of £40k reduction of Youth Justice Board grant for 2016-17. (+£0.04m)
- 4.3.10. Universal Free School Meals - increased pupil numbers and reduced eligibility for statutory free school meals. The forecast will be updated after the October 2016 schools' census. (+£0.5m)
- 4.3.11. Early Years Childcare Subsidy - expanded childcare provision at Moreland Children's Centre following redevelopment of the school and children's centre site has increased the number of subsidised places on offer. (+£0.08m)
- 4.3.12. Early Years transformation programme – estimated revenue cost of developing and implementing the new model. (+£0.2m)
- 4.4. Management action to reduce the overspend is currently underway which includes holding vacancies and reviewing high-cost social care packages, but demand in some areas is outstripping supply.

Schools (-£1.1m)

- 4.5. A Dedicated Schools Grant (DSG) underspend of (-£1.1m), or 0.7% of DSG, is forecast. All of the provisional DSG underspend consists of balances from previous years' underspends that are being managed to support specific areas of activity as previously agreed by Schools Forum.

Environment and Regeneration (+£3.3m)

- 4.6. The Environment and Regeneration Department is forecasting a (+£3.3m) overspend. The main reasons for the overspend are a combination of longstanding structural issues

previously contained by managerial action across the department, loss of income due to market conditions or decisions made by third parties impacting on earlier assumptions and delays in implementing earlier savings decisions. The main variances are detailed below.

- 4.7. The Public Realm division is forecast to be (+£2.3m) overspent. This is as a result of:
- 4.7.1. Delays in implementing complex service changes to deliver in year savings in the Refuse, Recycling and Commercial Waste Operations service, (+£1.6m). It is currently assumed that the target operating model will be implemented in January 2017 which will deliver £0.4m of the planned £2m full year saving. These new proposals would deliver a £1.6m full year saving from 2017-18; however, there is a risk that implementation will be subject to further delays.
 - 4.7.2. The delay referred to above has also had an impact on the procurement of new refuse collection vehicles as decisions around vehicle numbers and design specification cannot be made until the target operating model is finalised. This has led to ongoing lease costs that were not budgeted for of (+£0.3m).
 - 4.7.3. A shortfall in Commercial Waste income of (+£0.5m). Delays in realising the growth in the trade waste contract have resulted in a shortfall in trade waste income within this financial year.
 - 4.7.4. Advertising Concession Contract saving - a (+£0.4m) pressure as a result of existing contracts delaying implementation, and difficulty in identification of suitable sites that would generate sufficient revenues.
 - 4.7.5. Delays in realising savings from income generating opportunities through the Islington Council trading company, iCo, of (+£0.1m) with a risk that income will not be achieved over and above existing service income targets.
 - 4.7.6. Data circuits saving - a pressure of (+£1m) due to a lack of suitable General Fund sites.
 - 4.7.7. This is offset by improvements in the income streams within the parking account of (-£1.5m). All income streams within the parking account are currently performing above the levels expected in the financial model. If this trend continues, this will result in a significant underspend against budget which can be utilised against highways and transport related spend that would otherwise need to be funded from council revenue and/or capital resources. Improvements to the accuracy of Penalty Charge Notice (PCN) issues and debt recovery have increased the average value of a PCN, and parking bay suspension income remains high as a consequence of the high levels of economic activity in the borough. Pay and display levels are on target and permit sales have increased. Improvements to the monitoring of moving traffic offences are planned to be operational within the financial year, which will also improve compliance levels in this area.
 - 4.7.8. There are also some small underspends as a result of holding vacant posts across a number of service areas within the division, (-£0.1m) in total.

- 4.8. The Public Protection division is forecast to be (+£0.6m) overspent. There are a number of longstanding, structural budget issues within the Public Protection Division that have materialised over recent years. This was subject to extensive reporting during the 2015-16 monitoring cycle. The pressures are a mixture of unfunded staff costs through loss of grant income, unachievable income targets that relied on outdated business models (e.g. DVD / CD rentals in libraries), and other income pressures.
- 4.9. The Planning and Development division is forecast to be (+£0.4m) overspent. This comprises a (+£0.2m) base budget pressure due to unbudgeted legal costs of appeals and (+£0.2m) other net cost pressures including agency costs relating to back-filling posts (e.g. maternity and vacant posts). This is already partly offset by strong pre-application income performance which could further reduce this net overspend if it continues over the financial year.

Housing and Adult Social Services (Break-even Position)

- **Adult Social Care (Break-even Position)**

- 4.10. Adult Social Care is forecasting a break-even position over the financial year.

- **Housing General Fund (Break-even Position)**

- 4.11. The Housing General Fund is forecast to break-even over the financial year.

Public Health (Break-even Position)

- 4.12. Public Health is funded via a ring-fenced grant of £27.3m for 2016-17. There is a forecast break-even position for the financial year.

Corporate Items (-£5.2m)

- 4.13. By integrating Strategic Community Infrastructure Levy (CIL) funding with the capital medium term financial strategy (MTFS), it is forecast that there will be £3.5m of previously unbudgeted Strategic CIL funding available for funding infrastructure in the 2016-17 capital programme. This will deliver a saving of (-£3.5m) of the annual corporate revenue contribution to the capital programme in 2016-17 and over the medium term.
- 4.14. The Council has continued to follow a successful Treasury Management Strategy of shorter-term borrowing at low interest rates. This is forecast to save the General Fund (-£2.0m) in interest charges this financial year. The Treasury Management Strategy is kept under constant review to ensure that available resources are optimised and the longer-term interest rate position reviewed within an effective risk management framework and in line with the approved strategy.
- 4.15. Additional net unbudgeted grant income (-£0.6m) has been received to compensate for the impact of Government policy on our retained business rates income in 2016-17 (e.g. the continued doubling of small business rates relief).
- 4.16. These savings are partially offset by:
- 4.16.1. (+£0.8m) uncontrollable pressure due to the Council's statutory duty to provide assistance to all destitute clients who are Non-European Union nationals and can

demonstrate need under Section 21 of the National Assistance Act, 1948. This is commonly referred to as No Recourse to Public Funds (NRPF).

4.16.2. (+£0.1m) further legal costs relating to a settled claim against three privately owned mature London Plane trees that had been proven to cause subsidence. Due to strong public support, the Council argued for retaining the trees and won the appeal for the trees to be retained. The claimants then proceeded with a claim against the Council for repair costs.

5. **HOUSING REVENUE ACCOUNT**

5.1. The HRA is forecast to break-even over the financial year with no drawdown from HRA balances anticipated at this stage.

6. **CAPITAL PROGRAMME**

6.1. It is forecast that £115.9m of capital investment will be delivered in 2016-17. This is set out by department in **Table 2** below and detailed at **Appendix 2**.

Table 2: 2016-17 Capital Programme Month 4 Forecast

Department	2016-17 Capital Budget (£m)	2016-17 Capital Forecast (£m)	Forecast Re-profiling (to)/from Future Years (£m)
Children's Services	30.8	18.4	(12.4)
Environment and Regeneration	28.5	26.1	(2.4)
Housing and Adult Social Services	61.2	71.4	10.2
Total	120.5	115.9	(4.6)

Forecast Re-profiling

6.2. Under the Council's financial regulations, the re-profiling of capital budgets between financial years over £1m on an individual capital scheme is a function of the Executive. It is recommended that the forecast re-profiling below is approved.

Children's Services

6.3. New River College Pupil Referral Unit – £2m re-profiled from 2016-17 to 2017-18 based on the latest project cash flow forecast.

6.4. In addition, there is £9.3m re-profiling of funding from 2016-17 relating to capital schemes not due to commence until 2017-18.

Housing and Adult Social Services

6.5. New Homes Programme – the new homes programme is fully funded over the medium term. The first quarterly review in 2016-17 indicates deliverable new homes capital expenditure of £39.6m in 2016-17 compared the £29.4m estimated when setting the

2016-17 original budget. This will be reviewed at the second quarterly review before determining the amount of resources required to bring forward from future years to 2016-17.

Capital Reserve

6.6. In addition to the above re-profiling of schemes between financial years, it is recommended that the additional schemes below are funded within the 2016-17 capital programme by way of a drawdown from the earmarked capital reserve at the end of the financial year. This will require additional borrowing to fund the capital programme over the medium term, which will be reflected in the 2017-18 Prudential Indicators to be agreed as part of the 2017-18 Treasury Management and Investment Strategy.

6.6.1. Capital investment to deliver agreed property savings plan (£0.875m in 2016-17).

6.6.2. Build trampoline park in Sobell centre sports hall (£1.6m total cost with £1.4m in 2016-17 and £0.2m in 2017-18), which will generate additional revenue savings over remaining term of GLL contract (including repayment of capital costs).

6.6.3. Replace not-fit-for-purpose paladin bins on estates, which will make bins safer, easier to maintain and service and assist with delivering efficiencies in collection rounds (£1.0m in 2016-17).

6.6.4. Energy efficiency measures at the waste recycling centre and LED lighting at the town hall (£0.6m in 2016-17), which will generate additional revenue savings over the medium term.

Invest to Save Reserve

6.7. The available balance of the Invest to Save reserve is currently £5.7m. After a recent review of earmarked reserves, it is recommended that the balances totalling £3.326m in **Table 3** below can be released from other earmarked reserves and transferred to the Invest to Save reserve. This will provide a new available Invest to Save balance of £9m.

Table 3: Balances to Transfer to Invest to Save Reserve

Reserve	£m
Capital Reserve	1.300
Services Specific Reserve	1.182
Levies Reserve	0.844
Total	3.326

6.8. It is recommended that £7.830m of Invest to Save funding is drawn down to the Finance and Resources revenue budget for forecast Digital Services transformation (one-off) costs in 2016-17.

Redundancy Reserve

6.9. The current balance on the redundancy reserve for 2016-17 is £0.7m. This is forecast to be insufficient to cover redundancy costs for the remainder of this financial year, and going into the medium-term. It is recommended that £3.0m is transferred from the housing benefit reserve to the redundancy reserve, reducing the housing benefit reserve balance from £9m to £6m.

7. IMPLICATIONS

Financial Implications

- 7.1. These are included in the main body of the report.

Legal Implications

- 7.2. The law requires that the Council must plan to balance its spending plans against resources to avoid a deficit occurring in any year. Members need to be reasonably satisfied that expenditure is being contained within budget and that the savings for the financial year will be achieved, to ensure that income and expenditure balance.

Environmental Implications

- 7.3. This report does not have any direct environmental implications.

Resident Impact Assessment

- 7.4. A resident impact assessment (RIA) was carried out for the 2016-17 Budget Report approved by Full Council. This report notes the financial performance to date but does not have direct policy implications, so a separate RIA is not required for this report.

Background papers: None

Responsible Officer:

Mike Curtis
Corporate Director of Finance and Resources

Report Authors:

Martin Houston
Strategic Financial Advisor
Tony Watts
Head of Financial Planning

Signed by



Executive Member for Finance, Performance and
Community Safety

20 September 2016

Date

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Appendix 1 - Revenue Monitoring 2016-17 Month 4 by Service Area

GENERAL FUND				
Department / Service Area	Original Budget	Current Budget	Forecast Outturn	Forecast
				Over/(Under) Spend Month 4
	£'000	£'000	£'000	£'000
FINANCE AND RESOURCES				
Corporate Director of Finance and Resources	915	892	892	0
Digital Services and Transformation	1,345	(726)	(226)	500
Financial Management	(3,072)	(3,117)	(1,903)	1,214
Financial Operations	2,359	7,201	6,901	(300)
Internal Audit	551	547	547	0
Total Finance and Resources	2,098	4,797	6,211	1,414
CHIEF EXECUTIVE'S DEPARTMENT				
Chief Executive	4	0	0	0
Governance and Human Resources	340	636	636	0
Strategy and Community Partnerships	3,067	4,211	5,211	1,000
Total Chief Executive's Department	3,411	4,847	5,847	1,000
CHILDREN'S SERVICES				
Learning and Schools	21,927	22,758	22,428	(330)
Partnerships and Support Services	15,273	16,196	16,196	0
Targeted and Specialist Children and Families	38,482	41,028	43,418	2,390
Less Projected Ring-Fenced Schools Related Underspend	0	0	1,110	1,110
Total Children's Services	75,682	79,982	83,152	3,170
ENVIRONMENT AND REGENERATION				
Directorate	(2,458)	11,302	11,302	0
Planning and Development	1,796	1,252	1,664	412
Public Protection	10,609	7,303	7,864	561
Public Realm	24,694	15,468	17,805	2,337
Total Environment and Regeneration	34,641	35,325	38,635	3,310
HOUSING AND ADULT SOCIAL SERVICES (HASS)				
Temporary Accommodation (Homelessness Direct)	2,176	2,471	2,932	461
Housing Needs (Homelessness Indirect)	1,819	1,501	1,426	(75)
Housing Benefit	880	880	880	0
Housing Strategy and Development	217	174	142	(32)
Housing Administration	1,850	2,404	2,052	(352)
Total Housing General Fund	6,942	7,430	7,432	2
Adult Social Care	31,030	31,738	31,728	(10)
Integrated Community Services	15,772	15,534	15,353	(181)
Strategy and Commissioning	31,774	31,904	32,076	172
Total Adult Social Services	78,576	79,176	79,157	(19)
Total Housing and Adult Social Services	85,518	86,606	86,589	(17)
PUBLIC HEALTH				
NHS Health Checks	342	342	398	56
Obesity and Physical Activity	731	731	731	0
Other Public Health	(21,496)	(19,184)	(19,184)	0
Sexual Health	8,268	8,268	8,233	(35)
Smoking and Tobacco	673	673	602	(71)
Substance Misuse	7,444	7,444	7,465	21
Children and Young People	1,906	1,726	1,748	22
Children 0-5 Public Health	2,132	0	14	14
Total Public Health	0	0	7	7
DEPARTMENTAL TOTAL	201,350	211,557	220,441	8,884

Appendix 1 - Revenue Monitoring 2016-17 Month 4 by Service Area

Department / Service Area	Original Budget	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 4
	£'000	£'000	£'000	£'000
CORPORATE ITEMS				
Corporate and Democratic Core / Non Distributed Costs	15,129	14,545	14,545	0
Other Corporate Items	290	(874)	(4,850)	(3,976)
Corporate Financing Account	(22,475)	(22,475)	(24,475)	(2,000)
Levies	22,005	22,005	22,005	0
Transfer to/(from) Reserves	12,555	3,961	3,961	0
Specific Grants	(17,960)	(17,960)	(17,960)	0
Core Government Funding / Council Tax	(211,162)	(211,162)	(211,162)	0
No Recourse to Public Funds	268	403	1,211	808
Total Corporate Items	(201,350)	(211,557)	(216,725)	(5,168)
GROSS TOTAL	0	0	3,716	3,716
Drawdown from Contingency Reserve	0	0	(3,010)	(3,010)
NET TOTAL	0	0	706	706

Appendix 1 - Revenue Monitoring 2016-17 Month 4

HOUSING REVENUE ACCOUNT(HRA)					
Department / Service Area	Original Budget	Current Budget	Latest Actual	Forecast Outturn	Forecast Over/(Under) Spend Month 4
	£'000	£'000	£'000	£'000	£'000
Dwelling Rents	(160,331)	(160,331)	(53,444)	(162,031)	(1,700)
Non Dwelling Rents	(1,750)	(1,350)	(746)	(1,350)	0
Heating Charges	(2,000)	(2,000)	(666)	(2,000)	0
Leaseholders Charges	(9,748)	(9,748)	(3,250)	(9,748)	0
Other Charges for Services and Facilities	(4,377)	(4,377)	(1,342)	(4,577)	(200)
PFI Credits	(22,854)	(22,854)	(7,618)	(22,854)	0
Interest Receivable	(500)	(500)	0	(500)	0
Contribution from General Fund	(816)	(816)	0	(816)	0
Gross Income	(202,376)	(201,976)	(67,066)	(203,876)	(1,900)
Repairs and Maintenance	31,930	31,930	8,960	31,930	0
General Management	49,155	48,955	23,741	48,530	(425)
PFI Payments	39,714	39,714	17,339	39,964	250
Special Services	16,817	16,817	4,227	16,817	0
Rents, Rates, Taxes and Other Charges	739	539	286	679	140
Capital Financing Costs	46,387	46,387	0	46,387	0
Bad Debt Provisions	750	750	0	750	0
HRA Contingency	2,500	2,500	0	2,500	0
Transfer to HRA Reserves	14,384	14,384	0	16,319	1,935
Gross Expenditure	202,376	201,976	54,553	203,876	1,900
Net (Surplus)/Deficit	0	0	(12,513)	0	0

Appendix 2: Capital Monitoring 2016-17 Month 4

	2016-17 Budget Monitoring						
	Original Budget	Budget Changes During the Year	Revised Budget	Forecast Outturn	Forecast Re-profiling (to)/from Future Years	Expenditure to Date	% Budget Spent to Date
	£m	£m	£m	£m	£m	£m	£m
CHILDREN'S SERVICES							
Moreland Primary School	8.4	0.0	8.4	8.4	0.0	3.6	43%
Dowery Street Pupil Referral Unit	4.3	0.1	4.4	2.4	(2.0)	0.9	20%
The Bridge Free School	4.7	0.0	4.7	4.7	0.0	0.0	0%
Primary School Expansions	6.4	0.0	6.4	0.0	(6.4)	0.0	0%
Primary Capital Scheme	0.3	0.1	0.4	0.4	0.0	0.0	0%
Windows Scheme	0.4	0.0	0.4	0.4	0.0	0.1	25%
Primary Bulge Classes	0.1	0.1	0.2	0.2	0.0	0.1	50%
Primary Electrical Schemes	0.9	0.0	0.9	0.9	0.0	0.0	0%
Mechanical Schemes	0.4	0.1	0.5	0.5	0.0	0.0	0%
Early Years Two Year Old Places	0.9	0.1	1.0	0.5	(0.5)	0.0	0%
Other	3.0	0.5	3.5	0.0	(3.5)	0.0	0%
Total Children's Services	29.8	1.0	30.8	18.4	(12.4)	4.7	15%
ENVIRONMENT AND REGENERATION							
Other Environment and Regeneration	0.0	0.1	0.1	0.1	0.0	0.0	0%
Planning and Development	2.0	(1.8)	0.2	0.2	0.0	0.0	25%
Cemetaries	0.5	0.0	0.5	0.5	0.0	0.0	0%
Disabled Facilities	0.7	0.2	0.9	0.9	0.0	0.2	21%
Libraries	0.0	0.1	0.1	0.1	0.0	0.0	0%
Private Sector Housing	1.6	0.3	1.9	1.2	(0.7)	0.0	2%
Combined Heat and Power	4.0	0.4	4.4	4.3	(0.0)	1.0	22%
Energy Saving Council Buildings	0.2	0.7	0.9	0.9	(0.0)	0.2	19%
Vehicles	3.7	(1.6)	2.1	2.1	0.0	0.7	32%
Greenspace	0.4	1.5	1.9	1.4	(0.5)	0.2	12%
Highways	4.4	0.9	5.3	4.3	(1.0)	0.3	6%
Ironmonger Row Bath	0.0	0.0	0.0	0.2	0.2	0.2	0%
Leisure	4.5	0.1	4.6	4.6	0.0	1.2	26%
Other Energy Efficiency	0.7	0.5	1.2	1.2	0.0	0.0	0%
Recycling Improvements	0.9	(0.1)	0.8	0.3	(0.5)	0.0	0%
Special Projects	0.0	0.4	0.4	0.4	0.0	0.1	26%
Traffic and Engineering	3.3	(0.1)	3.2	3.3	0.1	0.5	16%
Total Environment and Regeneration	26.9	1.6	28.5	26.1	(2.4)	4.6	16%
HOUSING AND ADULT SOCIAL SERVICES							
HOUSING							
Major Works and Improvements	31.1	0.0	31.1	31.1	0.0	8.0	26%
New Build	29.4	0.0	29.4	39.6	10.2	6.4	22%
Total Housing	60.5	0.0	60.5	70.7	10.2	14.4	24%
ADULT SOCIAL SERVICES							
Care Services	0.0	0.7	0.7	0.7	(0.0)	0.0	1%
Total Adult Social Services	0.0	0.7	0.7	0.7	(0.0)	0.0	1%
Total Housing and Adult Social Services	60.5	0.7	61.2	71.4	10.2	14.4	24%
FINANCE AND RESOURCES							
Digital Services	1.5	(1.5)	0.0	0.0	0.0	0.0	0%
Total Finance and Resources	1.5	(1.5)	0.0	0.0	0.0	0.0	0%
TOTAL CAPITAL PROGRAMME	118.7	1.8	120.5	115.9	(4.6)	23.8	20%

Report of: Chair of Children’s Services Scrutiny Committee

Meeting of	Date	Ward(s)
Executive	29 September 2016	All

Delete as appropriate		Non-exempt
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Subject: Alternative Provision Scrutiny Review – Findings of the Children’s Services Scrutiny Committee

1. Synopsis

- 1.1 This report requests that the Executive receive the recommendations of the Children’s Services Scrutiny Committee following the completion of its review of Alternative Provision. A response to the recommendations set out in the report will be considered at a future meeting of the Executive.

2. Recommendations

- 2.1 That the report of the Children’s Services Scrutiny Committee be received.
- 2.2 That the Executive Member’s response be reported to a future meeting of the Executive, including having due regard to any relevant implications of the Children’s Services Scrutiny Committee’s recommendations.

3. Background

- 3.1 In September 2015 the Children’s Services Scrutiny Committee commenced a review of Alternative Provision. The aims of the review included identifying how the number of children in alternative provision can be reduced, how we can ensure that provision is on the highest quality, and how schools and academies are ensuring the best possible outcomes for the most vulnerable children. The Committee considered evidence from a range of witnesses and carried out several visits before forming its recommendations and finalising its report in June 2016. The report of the Committee is appended.

4. Implications

4.1 Financial Implications

The proposals in the report need to be costed before a response is made by the Executive.

4.2 Legal Implications

Relevant legal implications will be considered as part of the response to the review.

4.3 Environmental Implications

There are no environmental implications at this stage. Any environmental implications will be identified as part of the Executive Member response.

4.4 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The Committee has had regard to any equalities implications and resident impacts identified by witnesses during the course of the review. Details of any such implications are set out in the appended report. A Resident Impact Assessment has not been completed as the Executive is only asked to receive the report at this stage. The impact on residents will need to be fully considered as part of the Executive Member response to the review, at which point a Resident Impact Assessment will be completed if required.

5. Conclusion and reasons for recommendations

5.1 Overall, the Committee concluded that mainstream school is the best setting for the vast majority of pupils, however appreciated that alternative provision is beneficial for a small number of pupils disengaged from mainstream education. It is hoped that outcomes will be improved through strengthening referral mechanisms and developing the support provided to pupils within alternative provision and those at risk of referral.

5.2 The Committee has made fifteen recommendations related to the review objectives. Several of the recommendations are intended to minimise the need for and use of alternative provision. Recommendations have also been made to increase the effectiveness of alternative provision for the pupils who do require this style of education. In carrying out the review, the Committee met with officers, alternative provision providers, senior school representatives and pupils to gain a balanced view. The Executive is asked to endorse the Committee's recommendations.

Appendices:

- Alternative Provision – Report of the Children's Services Scrutiny Committee

Background papers:

- None.

Report author: Jonathan Moore, Senior Democratic Services Officer

Tel: 020 7527 3308

E-mail: jonathan.moore@islington.gov.uk

Alternative Provision

REPORT OF THE CHILDREN'S SERVICES SCRUTINY COMMITTEE



**London Borough of Islington
June 2016**

EXECUTIVE SUMMARY

Alternative Provision

Aims

- To identify how we can reduce the numbers of children on alternative provision;
- To identify how we can ensure that provision is of the highest quality;
- To make recommendations to further improve the outcomes, attendance, and accountability for those in alternative provision;
- To identify how schools and academies are ensuring the best possible outcomes for the most vulnerable children, including their emotional well-being, and make recommendations about how best practice can be in place in all schools and Academies;
- To evaluate the quality, standards and value for money of alternative provision providers, and the range of provision;
- To identify how early intervention and 'Think Family' approaches can be mainstreamed once the pump priming funding is no longer available.

Evidence

The review ran from September 2015 until May 2016 and evidence was received from a variety of sources:

1. Presentations from council officers

Gabby Grodentz, Head of Alternative Provision
Anthony Doudle, Head of School Improvement (Primary)
Kin Lawson, Operational Manager (Children in Need Provider Services)

2. Documentary evidence

Introductory Report
Islington Council Alternative Provision Brochure 2015-16
Ofsted – Alternative Provision: A report on the findings from the first year of a three-year survey
Department for Education – Alternative Provision: Statutory guidance for local authorities
Charlie Taylor – Improving Alternative Provision
Inclusion Trust – The alternative should not be inferior: what now for 'pushed out' learners?
North London Children's Efficiency Programme – Quality Framework for Alternative Provision
Details of AP and IFIT partnership pilot project
Briefing note: Referrals and attendance (statistics by school, reasons for referrals, case studies)
Briefing note: The role of schools (responsibilities, in-school support and referral processes)
Briefing note: Attainment and progression / delivering alternative provision (AP cohort demographics, breakdown of attendance and attainment, destinations post-16)

3. Information from witnesses

Anna Cain, The Boxing Academy (AP provider)
Rebekah Westgate, BSix College (AP provider)
Sarah Bealey, Elizabeth Garrett Anderson School
Julie Chambers, Highbury Fields School
Tom Mannion, St Aloysius' College
Nigel Smith, New River College
John d'Abbro OBE, New Rush Hall Group (AP provider in LB Redbridge)

4. Scrutiny visits

Council offices – discussion with the council's Alternative Provision service staff
Alternative Provision settings – The Boxing Academy and City and Islington College

Main Findings

The term 'Alternative Provision' refers to educational settings outside of mainstream school, suitable for pupils who are unable to remain in mainstream education due to their behaviour, illness or other reasons. Although the national definition of alternative provision encompasses provision for excluded pupils (i.e. pupil referral units), the focus of the committee's review was narrower, with an emphasis on the provision used as a last resort for pupils who are at risk of exclusion. Islington has a significant number of pupils referred to such provision, varying between 150 and 200 pupils over the past three years. The impetus for reviewing alternative provision was that outcomes for these pupils are generally unsatisfactory compared to their peers.

Alternative Provision in Islington is coordinated by the council. This is not a statutory requirement; however the council has opted to provide a service in order to establish a clear and standardised local framework in which pupils are referred to a quality-assessed provider, suitable for their needs, with strong monitoring arrangements in place.

One aim of the review was to identify how the numbers of children on alternative provision could be reduced. Children who spend a significant amount of time outside of mainstream school are known to have reduced life chances; and given the comparatively poor outcomes of alternative provision pupils the council had already identified that reducing the number of children in alternative provision was vital to improving outcomes.

The Committee concluded that there are two main methods to reducing the number of pupils in alternative provision; and considered that a combination of the two was required in order to be effective. The first is that numbers be reduced by working to decrease the demand, or the need, for alternative provision. This may be achieved through providing additional support to pupils at an earlier stage, as detailed elsewhere in this report. However, the witness evidence received suggested that some schools were more ready than others to refer pupils to alternative provision, particularly when it was thought that they would receive greater benefit from vocational education, sometimes accommodating requests of the pupil and their parents.

The Committee does not consider alternative provision to be an acceptable route into vocational education and would suggest that attaining GCSEs in mainstream school before commencing vocational studies would likely lead to better outcomes. However, the use of alternative provision in this way does suggest that there is currently an unmet demand for vocational qualifications to be provided within, or alongside, mainstream education. Although the widespread availability of vocational qualifications post-16 is recognised, **the committee recommends that the council review the options and pathways available for pupils wanting to study vocational qualifications at Key Stage 4, to ensure that the demand for vocational education does not contribute towards the need for alternative provision.**

The other means by which to reduce the number of pupils in alternative provision is to strengthen the referral system. It was suggested that a more rigorous referral mechanism could offer an increased level of challenge and help to deter some referrals. The Committee considered that establishing a formal panel process, through which schools would be required to present a robust case supported by evidence, would be the best approach. Crucially, the Committee concluded that schools should be active participants in this panel process, with senior school representatives on the panel to provide peer review to other schools. It is thought that it may help to establish a best-practice consensus among schools as to when it is appropriate to refer to alternative provision.

It is therefore recommended that the alternative provision referral process be strengthened in order to increase the accountability of schools and potentially reduce the number of pupils referred. It is recommended that a formal referral panel be established to consider applications for referral, the membership of which should include senior school

representatives and relevant council officers. This panel should have the authority to approve or decline applications and make recommendations associated with the child's education where appropriate.

It is also recommended that guidance be produced to support schools in making applications to the referral panel, and to assist the referral panel in decision-making. When considering a referral the panel should consider factors such as the needs of the pupil identified via assessment, the support available to the pupil inside and outside of school, the pupil's long term aspirations, attainment levels and the wishes of the pupil.

The Committee was keen to ensure that alternative provision was of the highest quality. Of the 15 providers used by Islington, 11 had received full quality assurance visits in the last two years. Of those 11, six were graded as Good and five were graded as Requires Improvement. Although some providers required improvement, the Committee was satisfied with the quality assurance framework and procedures in place. However, the Committee did consider wider issues relating to the qualifications on offer, aspirations for pupils and additional support available, and suggested that some improvements could be made in this area.

Many alternative provision providers offer vocational qualifications as, in general, these are best suited to their cohort. Some providers offer GCSEs including English and Maths; however this is not true in all cases, with some offering 'functional skills' qualifications as an alternative. The Committee had a number of discussions on the value of qualifications such as functional skills. Although it was recognised that alternative provision pupils are often less academically able than the mainstream cohort, the Committee considered that providers should be offering a challenging curriculum to their pupils in order to best prepare them for the future. There was a suggestion that some providers excessively focused on pupil expectations as opposed to aspirations and this could be to the detriment of some pupils. Some pupils in alternative provision are capable of sitting GCSEs and the Committee thought it to be a disservice to not allow them to study these qualifications if they want to, especially as functional skills are generally not as valued by colleges and employers. The Committee recommended that **all pupils should have the opportunity to study GCSEs and should be encouraged and supported to do so. The council should aspire for all pupils to achieve at least a grade C in GCSE English and Maths**, or the equivalent benchmark grade following the introduction of the numerical grading system in 2017.

In terms of additional support services, the Committee found that the resources of providers to deliver employment and careers support varies considerably. Some providers have dedicated careers services, whereas other smaller providers do not. The Committee concluded that the council could assist in this area by offering additional support to providers who do not have substantial resources to provide careers advice, as required. It is recommended that **the council should review its post-16 employment and skills outreach support offer to alternative provision pupils. The level of advisory support offered by alternative provision providers varies and a minimum offer should be agreed to ensure the best outcomes for pupils.**

The Committee reviewed a range of evidence related to pupil outcomes and considered how these could be improved. The Committee considered the variation in outcomes and suggested that while alternative provision can be very effective in turning around pupils disengaged from mainstream education, the needs of some pupils are so great that additional support is required in order for alternative provision to be effective. The Committee recommends that, **as alternative provision pupils tend to have a higher level of need and vulnerabilities, the council should review the SEN and CAMHS support available to alternative provision pupils and consider increasing the level of support if required.**

The providers interviewed suggested that some alternative provision pupils have undiagnosed special educational needs and therefore the true level of need is greater than the number of SEN pupils known to the alternative provision service. The Committee recommends that **to ensure that**

the educational and other needs of pupils are identified and that they have access to appropriate support, a standardised assessment framework be introduced for those pupils proposed to be referred to alternative provision. Such assessments should be carried out by schools before pupils are referred to alternative provision.

The Committee also considered that outcomes could be improved by strengthening information sharing between services. It was noted that a number of pupils were receiving family support from either statutory or non-statutory services. The alternative provision team was provided with the details of social workers allocated to pupils, however suggested that a more regular supply of information would assist with monitoring pupil process. The alternative provision team had sought to develop stronger relationships with social care, however commented that this can be difficult due to a particularly high turnover of staff. It is recommended that **the council should seek to further develop information sharing systems between the alternative provision service and other relevant areas of the council to ensure that the best interests of children are secured.**

The attendance of alternative provision pupils is a significant problem and the committee considered the reasons for this and the work underway to raise attendance. Over 60% of alternative provision pupils have an attendance rate of less than 95%, the government benchmark for attendance, and more than 50% are persistent absentees. Many pupils have poor attendance records prior to referral, with poor attendance being a factor in around a quarter of referrals.

To improve attendance the service appointed an education welfare officer in June 2014 to work with providers, pupils and their families on attendance. Although it is true that the attendance of many alternative provision pupils is unsatisfactory, officers were keen to emphasise that attendance should also be considered on an individual basis. For example, officers suggested that it should be considered a relative success if a pupil's attendance increases from 25% to 80%. It was also noted that once a pupil misses a proportion of the school year it is impossible for them to attain 95% attendance. The Committee appreciated this view, however concluded that alternative provision pupils must be held to the same standards as the mainstream cohort. For pupils to benefit from the specialist support they are receiving in alternative provision they must attend regularly. It was also commented that there is an additional cost to alternative provision and pupils must attend for value for money to be realised. **The Committee believes that alternative provision pupils should be achieving the benchmark of 95% attendance. There should be clear escalation policies around pupil attendance, with a robust accountability framework supporting this.**

The Committee considered the accountability of schools in improving attendance and outcomes. Throughout the review it was emphasised that schools retained statutory responsibility for pupils referred to alternative provision (so long as they had not been excluded) however there were concerns that the engagement of schools in the education of referred pupils varied considerably. Some witnesses suggested that schools could have a "hands off" approach once pupils are referred, considering that their responsibility had been delegated. It was thought that greater involvement from some schools would help to support pupil outcomes.

The Committee concluded that it is important that schools do not consider pupils to be "out of sight, out of mind" once they are referred to alternative provision. Whilst referral back to mainstream education is not always possible or desirable, it may be appropriate and beneficial in some instances for the pupil to remain a member of the school community, especially as schools are still accountable for their outcomes. Schools should remain actively involved in the welfare of pupils, especially on matters such as safeguarding and attendance, and should consider involving pupils in extra-curricular activities as appropriate.

The Committee sought to identify best practice for schools in how to work with with vulnerable pupils, as this could increase the effectiveness of support mechanisms in school and assist pupils in staying in mainstream education. One suggested improvement from providers was on schools' perception of alternative provision. It was reported that some pupils had a negative view of

alternative provision as their school had used the threat of referral as a punishment. Pupils then considered that they had failed because they had been referred. This problem was sometimes compounded if pupils were not studying GCSEs, as mainstream schools emphasised that GCSEs were an essential minimum requirement for colleges and any future employment. It was thought that if pupils had the mind-set that they had been referred for their own benefit and that alternative provision was going to provide them with new skills and experiences then they would be far more likely to succeed.

Following detailed consideration of the different approaches of schools, **the Committee identified the “never give up” approach adopted by schools such as Elizabeth Garrett Anderson and Highbury Fields to be best practice. Alternative provision should only be used as a last resort once all other attempts to engage the child in mainstream education have been exhausted. However, to ensure the best outcomes for the children that are referred due to exceptional circumstances, the council should work with schools and providers to improve the perception of alternative provision. It is important that alternative provision is viewed as a fresh start and a legitimate alternative to mainstream education for those who truly need it and not as a setting for failed pupils. Alternative provision should not be used as a threat.**

The Committee noted that a number of schools had implemented their own targeted interventions. Although the Committee did not consider the effectiveness of these in detail, it was thought that focusing on aspirations, positive works ethics and achievement would develop the resilience of pupils, help to identify positive pathways and ultimately assist in keeping pupils engaged in mainstream education. The Committee also considered best practice for primary schools; evidence was received from the Head of School Improvement (Primary) who emphasised the importance of instilling positive learning attitudes from a young age. The Committee recommends that **the council should encourage schools to implement targeted interventions for pupils at risk of referral to alternative provision. Such interventions should not narrowly focus on attainment, but should seek to raise aspirations, identify pathways and develop pupil resilience. The Committee is especially keen for such interventions to begin in primary school.**

The Committee also considered the best practice operated by alternative provision providers and queried if some of the techniques used effectively by providers could be translated into schools in order to support pupils at risk of referral. For example, it was suggested that mainstream schools could enforce discipline inconsistently, whereas Boxing Academy pupils needed clear boundaries and consistent discipline. Conversely, the Committee also thought that some providers could learn from mainstream schools. Some evidence received highlighted concerns that that the general standard of teaching and learning in alternative provision is not as high as that of mainstream school, particularly in relation to academic subjects such as English and Maths. The Committee thought that further partnership work should be encouraged and recommended that **shared learning should be facilitated between schools and alternative provision providers to increase standards in both settings. This could develop the teaching skills of alternative provision providers and assist schools in implementing the most effective behaviour management techniques for challenging pupils.**

The Committee reviewed matters related to the range, quality, standards and value for money of providers. There are a range of provisions available to pupils, including colleges offering vocational options alongside core academic subjects, practical courses such as carpentry and plumbing, academies with an emphasis on sport and schools which specialise in arts and media. The vocational options on offer include business, media, tourism, customer services, child care, hair and beauty, and music technology. As well as a range of subjects, there is also a range of learning styles available to suit pupils' needs.

The cost of provisions varied and the Committee did not compare the specific cost of each provision, however it was noted that schools paid the full cost of alternative provision for Year 10 pupils and the council only paid a supplement towards Year 11 pupils. The Committee noted the

difficulty of assessing value for money when attendance and outcomes were not satisfactory; however the schools who gave evidence thought that alternative provision represented good value for money.

In 2015 there was a significant increase in the number of pupils achieving Level 1 or above in Maths and English, increasing to 36% from 16.7% the previous year, however overall attainment remained relatively low. The schools participating in the review agreed that provisions were generally of a decent quality and this reflected the quality evaluation data, as set out earlier in the report. However, there were some concerns that alternative provision did not offer a strong enough academic challenge and that some providers did not have high enough aspirations for their pupils. For this reason, the Committee recommends that **the Council should only use alternative provision providers that have a broad outlook and high aspirations for their pupils; providers should focus on academic achievement and personal skills as well as pupil behaviour**

The early intervention and 'whole family' approach adopted by the council is intended to resolve issues before they become entrenched. The Committee noted that partnership work was underway between the Alternative Provision service and the Islington Families Intensive Team (IFIT) to increase the number of pupils educated in mainstream school and reduce the demand on alternative provision. A pilot project commenced in Autumn 2015 which provides a project worker to review schools' intervention practices, offer IFIT support to the families most in need and signpost to other services. The project worker is intended to integrate with existing support mechanisms in schools and reduce the number of young people referred to alternative provision by 25 a year. It was also noted that a Family Intervention Worker is being allocated to each school outside of the pilot project.

The Committee hopes that the early intervention work will be successful and developed further. It is recommended that **the council should continue to develop its wrap-around early help services for pupils at risk of referral to alternative provision in partnership with schools. It should be the aim to provide comprehensive and integrated support to pupils at risk of referral and their families at the earliest possible stage, in order to reduce the need for alternative provision by Key Stage 4.**

Conclusions

Overall, the Committee concluded that mainstream school is the best setting for the vast majority of pupils, however appreciated that alternative provision is beneficial for a small number of pupils disengaged from mainstream education. It is hoped that outcomes will be improved through strengthening referral mechanisms and developing the support provided to pupils within alternative provision and those at risk of referral.

The Committee has made fifteen recommendations related to the review objectives. Several of the recommendations are intended to minimise the need for and use of alternative provision. Recommendations have also been made to increase the effectiveness of alternative provision for the pupils who do require this style of education.

In carrying out the review, the Committee met with officers, alternative provision providers, senior school representatives and pupils to gain a balanced view. The Committee would like to thank the witnesses that gave evidence in relation to the scrutiny. The Executive is asked to endorse the Committee's recommendations.

Recommendations

Referral and assessment for Alternative Provision

1. The alternative provision referral process be strengthened in order to increase the accountability of schools and potentially reduce the number of pupils referred. It is recommended that a formal referral panel be established to consider applications for referral, the membership of which should include senior school representatives and relevant council officers. This panel should have the authority to approve or decline applications and make recommendations associated with the child's education where appropriate.
2. To ensure that the educational and other needs of pupils are identified and that they have access to appropriate support, a standardised assessment framework be introduced for those pupils proposed to be referred to alternative provision. Such assessments should be carried out by schools before pupils are referred to alternative provision.
3. Guidance be produced to support schools in making applications to the referral panel, and to assist the referral panel in decision-making. When considering a referral the panel should consider factors such as the needs of the pupil identified via assessment, the support available to the pupil inside and outside of school, the pupil's long term aspirations, attainment levels and the wishes of the pupil.

Early intervention

4. The council should encourage schools to implement targeted interventions for pupils at risk of referral to alternative provision. Such interventions should not narrowly focus on attainment, but should seek to raise aspirations, identify pathways and develop pupil resilience. The Committee is especially keen for such interventions to begin in primary school.
5. The council should continue to develop its wrap-around early help services for pupils at risk of referral to alternative provision in partnership with schools. It should be the aim to provide comprehensive and integrated support to pupils at risk of referral and their families at the earliest possible stage, in order to reduce the need for alternative provision by Key Stage 4.
6. As alternative provision pupils tend to have a higher level of need and vulnerabilities, the council should review the SEN and CAMHS support available to alternative provision pupils and consider increasing the level of support if required.
7. The council should seek to further develop information sharing systems between the alternative provision service and other relevant areas of the council to ensure that the best interests of children are secured.

Supporting Alternative Provision pupils to achieve good outcomes

8. All pupils should have the opportunity to study GCSEs and should be encouraged and supported to do so. The council should aspire for all pupils to achieve at least a grade C in GCSE English and Maths.

9. The council review the options and pathways available for pupils wanting to study vocational qualifications at Key Stage 4, to ensure that the demand for vocational education does not contribute towards the need for alternative provision.
10. The council should review its post-16 employment and skills outreach support offer to alternative provision pupils. The level of advisory support offered by alternative provision providers varies and a minimum offer should be agreed to ensure the best outcomes for pupils.
11. The Committee believes that alternative provision pupils should be achieving the benchmark of 95% attendance. There should be clear escalation policies around pupil attendance, with a robust accountability framework supporting this.
12. The Council should only use alternative provision providers that have a broad outlook and high aspirations for their pupils; providers should focus on academic achievement and personal skills as well as pupil behaviour.
13. Shared learning should be facilitated between schools and alternative provision providers to increase standards in both settings. This could develop the teaching skills of alternative provision providers and assist schools in implementing the most effective behaviour management techniques for challenging pupils.

Accountability

14. The Committee identified the “never give up” approach adopted by schools such as Elizabeth Garrett Anderson and Highbury Fields to be best practice. Alternative provision should only be used as a last resort once all other attempts to engage the child in mainstream education have been exhausted. However, to ensure the best outcomes for the children that are referred due to exceptional circumstances, the council should work with schools and providers to improve the perception of alternative provision. It is important that alternative provision is viewed as a fresh start and a legitimate alternative to mainstream education for those who truly need it and not as a setting for failed pupils. Alternative provision should not be used as a threat.
15. It is important that schools do not consider pupils to be “out of sight, out of mind” once they are referred to alternative provision. Whilst referral back to mainstream education is not always possible or desirable, it may be appropriate and beneficial in some instances for the pupil to remain a member of the school community, especially as schools are still accountable for their outcomes. Schools should remain actively involved in the welfare of pupils, especially on matters such as safeguarding and attendance, and should consider involving pupils in extra-curricular activities as appropriate.

MEMBERSHIP OF THE CHILDREN'S SERVICES SCRUTINY COMMITTEE – 2015/16

Councillors:

Councillor Kaya Comer-Schwartz (Chair)
Councillor Nick Ward (Vice-Chair)
Councillor Alice Donovan
Councillor Rakhia Ismail
Councillor Michelline Safi Ngongo
Councillor Angela Picknell
Councillor Diarmaid Ward
Councillor Nick Wayne

Co-opted members:

Erol Baduna, Primary Parent Governor
James Stephenson, Secondary Parent Governor
Mary Clement, Roman Catholic Diocese

Substitutes:

Councillor James Court
Councillor Alex Diner
Councillor Jenny Kay
Councillor Alice Perry
Councillor Dave Poyser

Acknowledgements:

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Officer Support:

Jeff Cole – Head of School Improvement (Secondary)
Gabby Grodentz – Head of Alternative Provision
Jonathan Moore – Senior Democratic Services Officer
Tania Townsend – Children's Partnership Development and Strategy Manager

1. Introduction

1.1 The Committee commenced the review in September 2015 with the following overall aims:

- To identify how we can reduce the numbers of children on alternative provision;
- To identify how we can ensure that provision is of the highest quality;
- To make recommendations to further improve the outcomes, attendance, and accountability for those in alternative provision;
- To identify how schools and academies are ensuring the best possible outcomes for the most vulnerable children, including their emotional well-being, and make recommendations about how best practice can be in place in all schools and Academies;
- To evaluate the quality, standards and value for money of alternative provision providers, and the range of provision;
- To identify how early intervention and 'Think Family' approaches can be mainstreamed once the pump priming funding is no longer available.

1.2 Evidence was received from a variety of sources. In carrying out the review the Committee received evidence from officers within the Children's Services directorate, in particular the Alternative Provision team; representatives of alternative provision providers, local schools and the New River College Pupil Referral Unit; pupils in alternative provision and a provider from another London Borough. The Committee conducted visits to the council offices and two providers to assess the delivery of alternative provision first hand and hear from staff. The Committee was also provided with written information, including briefing notes produced to support the review and a number of reports on the national context of alternative provision.

Local context

- 1.3 The term 'Alternative Provision' refers to educational settings outside of mainstream school, suitable for pupils who are unable to remain in mainstream education due to their behaviour, illness or other reasons. Although the national definition of alternative provision encompasses provision for excluded pupils (i.e. pupil referral units), the focus of the committee's review was narrower, with an emphasis on the provision used as a last resort for pupils who are at risk of exclusion.
- 1.4 Islington has a significant number of pupils referred to such provision, varying between 150 and 200 pupils over the past three years. The impetus for reviewing alternative provision was that outcomes for these pupils are generally unsatisfactory compared to their peers. Alternative provision pupils tend to have vulnerabilities, have lower levels of attendance and attainment, and exhibit behavioural problems. Statutory guidance expects alternative provision to enable pupils to achieve educational attainment on par with their peers regardless of circumstances; however in 2015 only 36% of alternative provision pupils received any pass grade in both English and Maths. Alternative provision is intended to help pupils overcome their behavioural difficulties; however 41% of young offenders in the borough had previously been in alternative provision. More than 50% of pupils are considered to be persistently absent. The majority of the cohort are white males from non-working families and at some point have received targeted intervention from agencies such as the Youth Offending Service, Targeted Youth Support, Families First, IFIT, AMASS and Children's Social Care. Around one in five pupils become NEET within a year of completing alternative provision, although this number is improving.
- 1.5 The performance of alternative provision pupils is a national issue and has been for some years. The previous Coalition Government sought to make policy improvements and appointed an expert advisor, Charlie Taylor, to report on the state of alternative provision and make recommendations to raise standards. Ofsted has also reviewed alternative provision nationally

and identified common weaknesses included safeguarding, poor reporting on academic performance and insufficient monitoring.

- 1.6 Alternative Provision in Islington is coordinated by the council. This is not a statutory requirement. Whilst local authorities are responsible for arranging suitable education for permanently excluded pupils, schools are responsible for the education of the pupils at risk of exclusion referred to alternative provision and could make referrals outside of the council's scheme. However, in Islington the local authority provides an alternative provision service in order to establish a clear and standardised local framework in which pupils are referred to a quality-assessed provider, suitable for their needs, with strong monitoring arrangements in place. The council uses 15 providers of alternative provision across north London, however bespoke provision can be sought if required. All but one local school makes use of the council's service; the exception being City of London Academy. However, the Academy places all alternative provision pupils at New River College, which due to strong partnership arrangements enables the council to monitor outcomes for all of the borough's alternative provision pupils.
- 1.7 In this context, the scrutiny review sought to assess the quality of local arrangements and make recommendations to improve their effectiveness. At the time the review started work was already underway to improve local arrangements. In particular, the council had identified the priorities of reducing the number of young people in alternative provision, improving the quality of alternative provision, and supporting the most vulnerable pupils. Attendance and attainment had been identified as the key areas for improvement.

2. Findings

Reducing the numbers of children on alternative provision

- 2.1 One aim of the scrutiny review was to identify how the numbers of children on alternative provision could be reduced. Children who spend a significant amount of time outside of mainstream school are known to have reduced life chances; and given the comparatively poor outcomes of alternative provision pupils the council had already identified that reducing the number of children in alternative provision was vital to improving outcomes.
- 2.2 The council had been working to reduce the number of admissions in recent years. The alternative provision service had developed referral and challenge processes since it was formed 2010; and a wrap-around support service (detailed later in this report) was piloted in 2015/16 as a form of early intervention, with the intention of keeping pupils at risk of referral in mainstream education. The number of alternative provision pupils decreased from 196 in 2012/13 to 124 in 2015/16 and it was the department's aim to reduce the number of pupils to around 100 in 2016/17.
- 2.3 There were several aspects to be considered in regard to this aim. First and foremost, the Committee sought reassurance that reducing the number of pupils in alternative provision was actually the right approach to improving outcomes for these young people. Following a large amount of evidence received, as summarised throughout this report, the Committee considers good-quality alternative provision to be a valid pathway for those who truly need an alternative to mainstream education; however the best place for the vast majority of pupils is in mainstream school and alternative provision should only be used as a last resort.
- 2.4 The Committee concluded that there were two main methods to reducing the number of pupils in alternative provision; and considered that a combination of the two was required in order to be effective. The first was that numbers be reduced by working to decrease the demand, or the need, for alternative provision. This is not a "quick fix"; work to reduce the need for alternative provision will be long term and will involve early intervention approaches and providing support

within mainstream schools to pupils at risk of referral, both of which are covered in detail elsewhere in this report. Working to raise aspirations, rectify behavioural issues, and support pupils – particularly the most vulnerable – in engaging with mainstream education should decrease the need for alternative provision, however this is a long term ambition centred around ways of working, as opposed to immediate actions.

- 2.5 However, the Committee did acknowledge another way to reduce demand for alternative provision. The evidence received from local schools identified two broad types of pupils referred to alternative provision. Those who, because of their behavioural, social, emotional, or other issues, were unable to function effectively in a mainstream education setting; and those who did not flourish in mainstream education and were attracted to the vocational education offered in alternative provision. This distinction is not entirely clear cut and to an extent there is some overlap between these two groups of pupils, however the witness evidence received suggested that some schools were more ready than others to refer pupils to alternative provision, particularly when it was thought that they would receive greater benefit from vocational education, sometimes accommodating requests of the pupil and their parents. Referrals data for 2015-16 indicated that pupil or parent request was the main reason for referral for 24 of the 124 pupils referred to alternative provision in that year. Requesting alternative provision was a contributing factor in a further 22 referrals, alongside behavioural issues, low attendance, or a combination of the two.
- 2.6 Whilst the Committee appreciates that not all pupils excel in academic subjects, it is not considered appropriate to refer pupils to alternative provision on request as a means of enabling them to study vocational qualifications. Alternative provision is intended to be used as a last resort for a small minority of pupils, and the difference must be maintained between those disengaged from mainstream education as a result of their behavioural problems or social and emotional difficulties, and those who are disinterested in mainstream education and would prefer a vocational pathway. Throughout the review a number of witnesses suggested that alternative provision can have an excessive emphasis on pupil behaviour; although the Committee agrees that the primary focus of alternative provision should be teaching and learning, it is also acknowledged that a sustained focus on behaviour is often required for those pupils who truly need alternative provision.
- 2.7 The Committee does not consider alternative provision to be an acceptable route into vocational education and would suggest that attaining GCSEs in mainstream school before commencing vocational studies would likely lead to better outcomes. However, the use of alternative provision in this way does suggest that there is currently an unmet demand for vocational qualifications to be provided within, or alongside, mainstream education. Although the widespread availability of vocational qualifications post-16 is recognised, **the Committee recommends that the council review the options and pathways available for pupils wanting to study vocational qualifications at Key Stage 4, to ensure that the demand for vocational education does not contribute towards the need for alternative provision.**
- 2.8 The other means by which to reduce the number of pupils in alternative provision is to amend the referral system. The Committee considered the current referral system, which is based around the ‘information passport’, a document completed by the school which provides background information about the pupil, detailing the interventions attempted to date, the reasons for referral, and other information intended to help the council and the alternative provision provider when placing a pupil.
- 2.9 The system is easy to navigate for pupils and parents as it is similar to the familiar process of applying for school places: once a referral is made by a school, the Alternative Provision team will make contact with the family and arrange visits to up to four providers. The family will then contact the Alternative Provision team to agree their final choice. It was advised that pupils who

engage in the referral process and visit multiple providers tend to integrate into alternative provision more successfully.

- 2.10 It was found that the information passport process does offer a level of challenge on referrals, in that schools are required to demonstrate that interventions within school have been attempted and meetings with parents have been held, however evidence received from officers highlighted difficulties with effectively challenging schools. It was noted that the quality of referral paperwork varies between schools, with some providing much more detail to justify referrals than others. As schools are ultimately responsible for the child's education, officers have to be cautious as if the council refused to accept a referral then a school could choose to make their own arrangements with a provider outside of the council's framework or exclude the pupil, both of which are likely to lead to poorer outcomes for the pupil.
- 2.11 It was suggested that a more rigorous referral mechanism could offer an increased level of challenge and help to deter some referrals. The Committee considered that establishing a formal panel process, through which schools would be required to present a robust case supported by evidence, would be the best approach. Crucially, the Committee concluded that schools should be active participants in this panel process, with senior school representatives on the panel to provide peer review to other schools. It is thought that it may help to establish a best-practice consensus among schools as to when it is appropriate to refer to alternative provision. The Panel may also consider it appropriate to refer pupils to other agencies or services before it is decided to remove them from mainstream education. It was noted that a similar arrangement is operated in the London Borough of Redbridge, and sometimes pupils are referred to another mainstream school instead of alternative provision.
- 2.12 **It is therefore recommended that the alternative provision referral process be strengthened in order to increase the accountability of schools and potentially reduce the number of pupils referred. It is recommended that a formal referral panel be established to consider applications for referral, the membership of which should include senior school representatives and relevant council officers. This panel should have the authority to approve or decline applications and make recommendations associated with the child's education where appropriate.**
- 2.13 The Committee appreciates that adopting a new referral mechanism will be a considerable change for both council officers and local schools. Schools will need support in both making referrals to the panel and decision-making when acting as a member of the panel. Referral criteria will also need to be established; the Committee suggests that robust but holistic criteria are adopted which offer real challenge to schools yet consider a range of factors to ensure that the best interests of the pupil are served. Therefore, **it is also recommended that guidance be produced to support schools in making applications to the referral panel, and to assist the referral panel in decision-making. When considering a referral the panel should consider factors such as the needs of the pupil identified via assessment, the support available to the pupil inside and outside of school, the pupil's long term aspirations, attainment levels and the wishes of the pupil.**

Ensuring that provision is on the highest quality

- 2.14 Given the vulnerabilities of many alternative provision pupils and that their outcomes are generally not as good as their peers; the Committee was keen to ensure that alternative provision was of the highest quality. The Committee noted the quality evaluation framework used to assess providers and found this to be robust. The Council is a member of the North London Children's Efficiency Programme (NLCEP) which jointly carries out Ofsted-style quality evaluations of providers across north London. This approach was developed to ensure that providers work to a common assessment framework which monitors consistency and quality in

leadership, management and delivery of vocational options for all alternative provision students. This partnership approach is also efficient, in that providers are not required to undergo repeated assessment from each individual borough, allowing them to focus on teaching.

- 2.15 The quality assessment framework covers areas such as safeguarding, health and safety, achievement and standards, teaching and learning, behaviour and safety, welfare and wellbeing, leadership and management, and so on. The criteria are weighted so that areas such as safeguarding and teaching and learning have a greater influence on the overall grade than areas such health and safety.
- 2.16 Quality assurance visits are carried out every two years unless a provision is graded as Inadequate or Requires Improvement. If a provision is graded as Inadequate then referrals are stopped and the provider is visited each half term to establish if improvements are being made. If improvements are not made quickly then the use of the provision is terminated. Provisions which receive the Requires Improvement grade are subject to a follow up assessment and are expected to achieve Good within a year or have made substantial progress towards that grade.
- 2.17 Of the 15 providers used by Islington, 11 had received full quality assurance visits in the last two years. Of those 11, six were graded as Good and five were graded as Requires Improvement. Following each quality assurance visit a Quality Improvement Plan is written in agreement with the provider. This identifies areas of weakness and actions and targets which need to be in place to support improvement; the plan is jointly reviewed by the provider and the council every half term. Data on provider quality is shared with schools and schools are invited to participate in quality assurance visits. The Committee was encouraged that officers had very regular contact with providers outside of the formal quality assessment framework, and therefore officers were able to informally monitor progress on visits to provisions, and had a sense of the day-to-day running of each provision. It was noted that the council also participates in training of alternative provision staff on inset days through the NLCEP.
- 2.18 Although some providers required improvement, the Committee was satisfied with the quality assurance framework and procedures in place. However, the Committee did consider wider issues relating to the qualifications on offer, aspirations for pupils and additional support available to pupils, and suggested that some improvements could be made in this area.
- 2.19 Many alternative provision providers offer vocational qualifications as, in general, these are best suited to their cohort. Some providers offer GCSEs including English and Maths; however this is not true in all cases, with some offering 'functional skills' qualifications as an alternative. Some providers, such as City and Islington College, offered both qualifications, however the many pupils studied for functional skills as these were not as challenging as GCSEs and providers did not want to set their pupils up to fail. This approach was supported by the council's Alternative Provision team, who noted that many alternative provision pupils sitting GCSEs did not pass and for this reason they were working with providers to identify pupils at risk of failure and move them onto Functional Skills qualifications. It was also noted that the alternative provision referral process could present barriers to studying GCSEs, for example, one pupil interviewed on a scrutiny visit wanted to sit GCSEs however was referred too late in the academic year to begin his studies.
- 2.20 The Committee had a number of discussions on the value of qualifications such as functional skills. Although it was recognised that alternative provision pupils are often less academically able than the mainstream cohort, the Committee considered that providers should be offering a challenging curriculum to their pupils in order to best prepare them for the future. There was a suggestion that some providers excessively focused on pupil expectations as opposed to aspirations and this could be to the detriment of some pupils. Some pupils in alternative provision are capable of sitting GCSEs and the Committee thought it to be a disservice to not allow them to study these qualifications if they want to, especially as functional skills are generally not as

valued by colleges and employers. The Committee recommended that **all pupils should have the opportunity to study GCSEs and should be encouraged and supported to do so. The council should aspire for all pupils to achieve at least a grade C in GCSE English and Maths**, or the equivalent benchmark grade following the introduction of the numerical grading system in 2017. It is appreciated that not all pupils will be able to achieve this grade; however alternative provision pupils are expected to be on par with the mainstream cohort and aspiring for pupils to achieve the benchmark grade is therefore appropriate. The Committee recognises that this may present a technical challenge as some providers do not offer these qualifications, however it is hoped that suitable arrangements can be made for those pupils wanting to study GCSEs.

- 2.21 The Committee also thought that improvements could be made to employment and careers support. In 2010/11, 34% of alternative provision pupils went on to become NEET. The Committee welcomed that this number had decreased to 12.4% by 2015/16, although noted that this was partially attributable to changes in how data is recorded and was still a considerable proportion of pupils.
- 2.22 The Committee found that the level of careers support varies significantly depending on the scale of the provider. For example, on a visit to City and Islington College it was noted that the college had a dedicated careers service, as would be the norm for a large further education college, with alternative provision pupils able to access this alongside the college's other pupils. In comparison, The Boxing Academy is a very small alternative provision setting and, although their dedication to their pupils could not be faulted, did not have the same resources available for careers advice. The Committee concluded that the council could assist in this area by offering additional support to providers who do not have substantial resources to provide careers advice, as required. It was recommended that **the council should review its post-16 employment and skills outreach support offer to alternative provision pupils. The level of advisory support offered by alternative provision providers varies and a minimum offer should be agreed to ensure the best outcomes for pupils.**

Outcomes, Attendance and Accountability

- 2.23 The Committee reviewed a range of evidence related to pupil outcomes and considered how these could be improved. Although the outcomes of alternative provision pupils vary, many do not achieve as well as the mainstream cohort. When considering the outcomes of some alternative provision pupils, it is essential to understand the types of issues affecting them. Evidence received indicated that many alternative provision pupils have a high level of need. Pupils may have behavioural or emotional difficulties, learning disabilities, mental health issues, or difficult home lives due to domestic violence, substance abuse, or other issues. Pupils may be known to the youth offending service. Many pupils had previous or ongoing involvement from statutory or non-statutory agencies.
- 2.24 Case studies were provided by officers to highlight the variation in outcomes of young people in alternative provision and the types of issues that affect them. One young male was referred to alternative provision, after initially engaging he suddenly stopped and his attendance dropped to 30%. It was discovered that a gang had taken him to a house outside of London where he was left by himself and forced to sell drugs. Once he was re-integrated into alternative provision his attendance improved to 82%, he received 3 A*s at GCSE and won a scholarship to a high-ranking boarding school, where he was studying for four AS levels. This positive outcome was in contrast to another young male who was achieving above average results at Key Stage 3, however insisted that he did not want to sit GCSEs and preferred vocational education outside of school. He entered alternative provision; however had behavioural difficulties and his attendance rate decreased. His parents had difficulties setting boundaries at home, however refused support from the local authority. He developed a cannabis habit and left alternative provision classified as NEET.

- 2.25 The Committee considered the variation in outcomes and suggested that while alternative provision can be very effective in turning around pupils disengaged from mainstream education, some pupils require additional support is required in order for alternative provision to be effective. For example, whereas mainstream schools will have an SEN coordinator and corresponding resources to ensure that pupils with SEN receive the right support, there is no equivalent position to oversee SEN support for all alternative provision pupils. Some schools, but not all, involve their SEN coordinator with their pupils referred to alternative provision. The expertise of providers and their capacity to offer additional SEN support varies. It was noted that the council's alternative provision team did monitor SEN support and discussed particular needs with providers, however officers did not have a wealth of experience in this area and only had limited resources to offer support.
- 2.26 A similar position was evident for mental health support. Schools may provide counsellors for pupils in need of support, whereas many providers do not have the resources to provide this. It was thought that mainstream schools had established relationships with CAMHS which eased referral processes however the same support was not as accessible to alternative provision pupils. Officers highlighted that some pupils would benefit from counselling or other specialist mental health support, particularly on bereavement issues. There were instances of alternative provision pupils being absent for up to two months following the death of a parent or a grandparent; it was noted that a number of pupils had grandparents as their main carer which meant that their death affected them more acutely than other children. The Committee recommends that, **as alternative provision pupils tend to have a higher level of need and vulnerabilities, the council should review the SEN and CAMHS support available to alternative provision pupils and consider increasing the level of support if required.** It was suggested that girls in particular may be in greater need on CAMHS support. John d'Abbro commented that, from his experience, young women tended to internalise problems which then presented as mental health issues, whereas troubled young men more often exhibited challenging behaviour. It was thought this was a problem for society as a whole, as the invisibility and stigma of mental health issues could result in female pupils not accessing appropriate support services.
- 2.27 The providers interviewed suggested that some alternative provision pupils have undiagnosed special educational needs and therefore the true level of need is greater than the number of SEN pupils known to the alternative provision service. In particular, it was highlighted that speech and language difficulties were widespread. A number of pupils also had attention disorders. There was a general concern that these needs had not previously been identified in the pupil's mainstream school, and it was queried if a referral would have been necessary if needs were identified and support was offered at a much earlier stage. It was thought that the smaller class sizes in alternative provision allowed more subtle educational needs to be identified. New River College, which also hosted excluded pupils, noted that it was in the process of developing Education Health and Care Plans for around 30 pupils who did not have a recognised special educational need at the time of their referral.
- 2.28 Although the needs and abilities of alternative provision pupils are assessed by their providers on referral as a matter of course, there is some concern about the assessment systems used. Officers and some providers thought that the assessment system favoured by the Department for Education and some providers was not sufficiently detailed. Some providers made use of the 'Yellis' assessment system as an alternative, which incorporated a cognitive assessment and was considered to be more detailed. It was concluded that the alternative provision system would benefit from a standardised pupil assessment framework, and the best way for this to be implemented would be through schools prior to referral, as this could highlight previously unidentified needs and might result in new interventions being attempted which may allow pupils to remain in mainstream school. **To ensure that the educational and other needs of pupils**

are identified and that they have access to appropriate support, a standardised assessment framework be introduced for those pupils proposed to be referred to alternative provision. Such assessments should be carried out by schools before pupils are referred to alternative provision.

- 2.29 The Committee also considered that outcomes could be improved by strengthening information sharing between services. A number of pupils receive family support from either statutory or non-statutory services; the alternative provision team is provided with the details of social workers allocated to pupils, however suggested that a more regular supply of information would assist with monitoring pupil process. The alternative provision team had sought to develop stronger relationships with social care, however commented that this can be difficult due to a particularly high turnover of staff. It is recommended that **the council should seek to further develop information sharing systems between the alternative provision service and other relevant areas of the council to ensure that the best interests of children are secured.** The Committee noted that some gaps in information were more difficult for the council to close. Although not only relevant to alternative provision, one school expressed concern about 'school hopping' pupils; those who move between local authority areas frequently to avoid exclusion and family intervention. Sometimes these pupils were from very challenging backgrounds but this was not apparent as the family was not known to local schools or agencies.
- 2.30 The attendance of alternative provision pupils is a significant problem and the Committee considered the reasons for this and the work underway to raise attendance. Over 60% of alternative provision pupils have an attendance rate of less than 95%, the government benchmark for attendance, and more than 50% are persistent absentees. Many pupils have poor attendance records prior to referral, with poor attendance being a factor in around a quarter of referrals. Attendance tends to decline throughout the academic year, with notable annual decreases in attendance following the Christmas holidays and towards the end of the academic year.
- 2.31 To improve attendance the service appointed an education welfare officer in June 2014 to work with providers, pupils and their families on attendance. This includes sending letters home, meeting with pupils and parents, and carrying out unannounced home visits as required. It was reported that the officer had helped to raise attendance, with an increase of pupils achieving 80% to 95% attendance, however many pupils are still falling short of full attendance. The alternative provision team also seeks to work with other agencies supporting the family to reinforce the importance of attendance. Officers noted that there was a perception among the parents of alternative provision pupils that there was no follow-up on non-attendance, however this was beginning to change slowly as warnings and, in some instances fines, had been issued. Other more positive approaches to supporting attendance have also been successful in some instances, for example certificates and rewards for improved attendance. Although providers noted the work of the education welfare officer, some providers and schools thought that reductions to the council's access and engagement service may adversely affect attendance.
- 2.32 It was suggested that some providers had not always sufficiently followed up non-attendance; however some provisions were very effective at improving pupil attendance. On a visit to The Boxing Academy, it was commented that attendance was often poor prior to referral however tended to improve at the Academy. It was thought that this was due to the Academy's family feel, positive atmosphere, and the relationship between pupils and staff. The Academy was also tough on pupils who did not attend, and would collect absent pupils from their home if required. Pupils also received punishments for lateness, for example washing up at lunchtime or doing press-ups, which may not be appropriate at other providers however worked well within the family-oriented and sports-focused ethos of the academy.
- 2.33 The Committee discussed attendance on several occasions. Although it is true that the attendance of many alternative provision pupils is unsatisfactory, officers were keen to

emphasise that attendance should also be considered on an individual basis. For example, officers suggested that it should be considered a relative success if a pupil's attendance increases from 25% to 80%. It was also noted that once a pupil misses a proportion of the school year it will be impossible for them to attain 95% attendance. The Committee appreciated this view, however concluded that alternative provision pupils must be held to the same standards as the mainstream cohort. For pupils to benefit from the specialist support they are receiving in alternative provision they must attend regularly. It was also commented that there is an additional cost to alternative provision and pupils must attend for value for money to be realised. **The Committee believes that alternative provision pupils should be achieving the benchmark of 95% attendance. There should be clear escalation policies around pupil attendance, with a robust accountability framework supporting this.**

2.34 The Committee considered the accountability of schools in improving attendance and outcomes. Throughout the review it was emphasised that schools retained statutory responsibility for pupils referred to alternative provision (so long as they had not been excluded) however there were concerns that the engagement of schools in the education of referred pupils varied considerably. Schools had the ability to monitor the attendance of their referred pupils daily and were provided with progress reports at least every half term. However, whilst some schools were acutely aware of their accountability, it was known that not all schools closely monitored attainment, attendance and the well-being of pupils following referral and it was thought that greater involvement from some schools would help to support pupil outcomes. Some witnesses suggested that schools could have a "hands off" approach once pupils were referred, considering that their responsibility had been delegated. It was noted that some schools did not attend child protection meetings for alternative provision pupils, with officers from the alternative provision team attending in their place.

2.35 The Committee appreciated the difficulties associated with schools maintaining involvement; for some pupils the relationship with their mainstream school had deteriorated to such an extent that further involvement in their education may actually be unhelpful, however considered that in general schools should continue to be an active partner in the child's education, especially when alternative provision pupils are known to have additional needs and vulnerabilities and often do not achieve to the same level as their peers. Although alternative provision class sizes were smaller to enable pupils to receive more intensive support, it was also thought that in some respects alternative provision could be insular, and that pupils may benefit from continued involvement in the school community, perhaps through participating in extra-curricular activities.

2.36 As part of the review it was considered if it was feasible for pupils to be referred back to mainstream school, or for alternative provision to be accessed on a flexible basis. It was noted that alternative provision was intended to be short term and that other boroughs, such as Redbridge, referred pupils back to mainstream school regularly. However, alternative provision operated differently in Islington as it was only available at Key Stage 4. As a result any referral back to mainstream school would almost certainly disrupt pupils' studies for GCSEs or other qualifications, as even if the school and alternative provision provider offered the same qualifications, they may be working to different syllabuses. It was thought that flexible alternative provision would not offer the intensive environment that pupils required and would present practical difficulties in terms of timetabling and travel between settings.

2.37 The Committee concluded that **it is important that schools do not consider pupils to be "out of sight, out of mind" once they are referred to alternative provision. Whilst referral back to mainstream education is not always possible or desirable, it may be appropriate and beneficial in some instances for the pupil to remain a member of the school community, especially as schools are still accountable for their outcomes. Schools should remain actively involved in the welfare of pupils, especially on matters such as safeguarding and attendance, and should consider involving pupils in extra-curricular activities as appropriate.**

Best practice for schools and academies

- 2.38 Schools have a major role to play in relation to alternative provision. The Committee sought to identify best practice for schools in how to work with vulnerable pupils, as this could increase the effectiveness of support mechanisms in school and assist pupils in staying in mainstream education. The evidence received suggested that a variety of approaches are being used, and this is mirrored by the disparity in the number of referrals to alternative provision. Some schools consistently referred a high number of pupils, whereas others referred few in comparison.
- 2.39 The Elizabeth Garrett Anderson School explained to the Committee that alternative provision was only used as a last resort. The school had a “never give up” attitude and wanted all of its pupils to remain in mainstream education. Prior to making a referral the school would be as creative and flexible as possible to accommodate pupils in mainstream education, tailoring the curriculum to pupil interests to keep them engaged. Pupils at risk of referral may be permitted to do a different activity for one afternoon a week, or work to a different timetable from other pupils if there is a legitimate reason for this. The school noted that, if they had greater capacity and resources, they would not make referrals to alternative provision and would instead seek to teach pupils in smaller classes and regularly take pupils out of school, to broaden pupils’ horizons and provide a more nurturing environment within mainstream education. The school made a low number of referrals in comparison to other schools.
- 2.40 St Aloysius’ College noted that its pupils had made good progress in alternative provision and that referrals often led to positive outcomes. The college did not recognise the need to decrease the number of pupils being referred to alternative provision, commenting that not all pupils were academic and alternative provision provided a vocational pathway that was better suited to the strengths of some pupils. Before referring pupils to alternative provision the school would monitor pupil progress and involve parents in discussions about the pupil’s pathway. The school made referrals to CAMHS, counselling, inclusion or anger management services as appropriate; and had also appointed pupil mentors, pairing Year 11 pupils with Year 9s, to encourage pupils to stay in mainstream education. However, it was noted that the school’s most challenging pupils tended to stay within mainstream education and the school did not consider alternative provision to be a setting exclusively for children with behavioural problems or other difficulties. Whilst the school recognised the limited resources available for alternative provision, it was queried if alternative provision should be considered as a pathway within a school ‘options’ system. Due to the demand for vocational qualifications the school had introduced a pathway for pupils post-16 which included BTEC qualifications at Levels 2 and 3 alongside GCSE English and Maths re-sits as required. The school suggested that many schools do not have technical facilities, such as those for woodwork, and there was now a demand for such subjects which could possibly be met through alternative provision, subject to providers being able to admit sufficient numbers of pupils.
- 2.41 Highbury Fields School recognised the importance of early intervention and had implemented internal criteria which had to be met before a referral was made to alternative provision. The school only used alternative provision as a last resort and focused on providing pastoral care and additional support to pupils at risk of referral. In particular, the school placed a great importance on English and Maths GCSEs and revised pupil timetables to give additional focus to these subjects if required. The senior leadership team met daily to discuss struggling pupils and the school’s governing body had agreed to invest in additional CAMHS support for vulnerable pupils. Referrals to external agencies such as Families First or IFIT would be made as appropriate. The school did receive enquires from some parents about referring their child to alternative provision however the school considers that mainstream education is the best setting for all pupils, believing that any pupil can succeed in school with the right level of support. Resources are focused on the most vulnerable pupils and the curriculum is tailored to their needs as far as possible. For such pupils the school made use of learning styles such as small group work, and worked to raise pupil aspirations and expectations. The school made a low number of referrals to

alternative provision.

- 2.42 The Committee also considered evidence from the New River College Pupil Referral Unit. The PRU was both a provider of alternative provision and commissioner, which gave it a unique insight. New River College focused on the needs of individual pupils and sought to give them the skills to make good progress in all aspects of their education. The College used alternative provision differently to mainstream schools; eight of its pupils were on part-time alternative provision as a means of providing them with a bespoke curriculum, and this was a particularly important tool for pupils with specific learning and behavioural needs. For example, some pupils spent two days a week with the Sparkplug organisation which provided training on motorcycle maintenance. It was commented that the behaviour and attendance of pupils on alternative provision tended to improve. New River College highlighted the difficulties its pupils faced and was keen to make referrals to CAMHS, speech and language therapists, and other services.
- 2.43 Several providers interviewed gave their views on good practice which could be applied to schools. Providers noted that alternative provision pupils need intensive support which is difficult to provide in mainstream schools, however commented that smaller class sizes enable teachers to give more attention to individual pupils. This view was mirrored by an alternative provision pupil interviewed by members, who commented that the increased attention he received in smaller classes did not give him the opportunity to misbehave. The value of pastoral support and providing pupils with life skills was highlighted by providers, as was the importance of engaging struggling pupils in their own education. It was suggested that many pupils in alternative provision did not understand the purpose of education and work was needed to rectify this from an early age. It was also commented that the council's School Improvement team did not have a dedicated behaviour specialist and helping schools to effectively manage behaviour may assist some pupils at risk of referral to alternative provision.
- 2.44 One suggested improvement from providers was on schools' perception of alternative provision. It was reported that some pupils had a negative view of alternative provision as their schools had used the threat of referral as a punishment. Pupils then considered that they had failed because they had been referred. This problem was sometimes compounded if pupils were not studying GCSEs, as mainstream schools emphasised that GCSEs were an essential minimum requirement for colleges and any future employment. It was thought that if pupils had the mindset that they had been referred for their own benefit and that alternative provision was going to provide them with new skills and experiences then they would be far more likely to succeed. One Boxing Academy pupil interviewed by members indicated that her school had told her she would not succeed in her chosen career due to her poor behaviour, however commented that the Boxing Academy had a much more supportive and positive outlook and since her referral she had a renewed ambition to succeed.
- 2.45 Following consideration of the above approaches to alternative provision, **the Committee identified the "never give up" approach adopted by schools such as Elizabeth Garrett Anderson and Highbury Fields to be best practice. Alternative provision should only be used as a last resort once all other attempts to engage the child in mainstream education have been exhausted. However, to ensure the best outcomes for the children that are referred due to exceptional circumstances, the council should work with schools and providers to improve the perception of alternative provision. It is important that alternative provision is viewed as a fresh start and a legitimate alternative to mainstream education for those who truly need it and not as a setting for failed pupils. Alternative provision should not be used as a threat.**
- 2.46 Best practice is not only applicable to secondary schools, but also at primary level. Evidence was received from the Head of School Improvement (Primary) who emphasised the importance of instilling positive learning attitudes from a young age. It was noted that pupils were tested 12 times during key stages 1 and 2 and some pupils who were not academically able could lack

confidence, have lower aspirations, or consider themselves to be failures as a result. It is important to provide constructive feedback to these children, with a focus on strengths and weaknesses, instead of grades. It was highlighted that securing good attendance at primary school is important to continuing good attendance at secondary school. It was also suggested that all staff should have the opportunity to contribute to pupil progress meetings, and changes to the curriculum and teaching assistant support should be made to keep children engaged in learning. Officers did not support separating primary school children by ability group and suggested that mixed ability groups better reflected real life and enabled pupils to interact with a greater range of pupils. The exception to this was grouping pupils by reading age when teaching literacy.

- 2.47 The Committee considered the use of pupil premium funding, which was intended to provide a rich and varied education to the most disadvantaged pupils, however was sometimes used on resources to improve attainment, such as “learning to learn” activities. Officers considered it important for schools to use pupil premium funding to vary their educational offer as this helped disengaged pupils. Some schools used the funding to provide varied educational experiences, however did not review their offering annually. It was commented that the best outcomes were achieved when the activities funded were tailored to the cohort. The effective use of pupil premium funding at primary school age was essential to keeping children engaged in education. Officers explained that using pupil premium funding to provide 1-to-1 support was expensive and, although it could assist children in catching-up with their peers, children in receipt of such support did not tend to keep-up in the longer term. For this reason, the council encouraged pupil premium funding to be spent on interventions which focused on developing life skills and resilience.
- 2.48 The Committee noted that a number of schools had implemented their own targeted interventions. Although the Committee did not consider the effectiveness of these in detail, it was thought that focusing on aspirations, positive works ethics and achievement would develop the resilience of pupils, help to identify positive pathways and ultimately assist in keeping pupils engaged in mainstream education. The Elizabeth Garrett Anderson had organised mother and daughter university visits and hosted literacy and numeracy classes for parents. Highbury Fields school had implemented a project titled ‘Achievement for All’ which worked with White British pupils and parents on attendance, attitudes, engagement and aspirations. Families on the project were assigned a mentor in the school and had 1-on-1 meetings three times a year. The programme was focused on pupils in Years 8 and 9, before pupils started their GCSEs, as intervening earlier was thought to lead to the best outcomes. New River College was operating its own ‘Achievement for All’ project and it was commented that this had significantly increased parental engagement. Highbury Grove was also offering additional support to students at risk of referral through the ‘Think Forward’ programme.
- 2.49 The Committee recommended that **the council should encourage schools to implement targeted interventions for pupils at risk of referral to alternative provision. Such interventions should not narrowly focus on attainment, but should seek to raise aspirations, identify pathways and develop pupil resilience. The Committee is especially keen for such interventions to begin in primary school.**
- 2.50 The Committee also considered the best practice operated by alternative provision providers and queried if some of the techniques used effectively by providers could be translated into schools in order to support pupils at risk of referral. For example, it was suggested that mainstream schools could enforce discipline inconsistently, whereas Boxing Academy pupils needed clear boundaries and consistent discipline. This was confirmed by a Boxing Academy pupil from Hackney who advised that she struggled with behaviour in mainstream school as teachers changed rules too often or applied them differently. While mainstream schools will rely on detentions to enforce behaviour, the Boxing Academy ensures that poor behaviour is followed with an immediate punishment, as pupils need to see immediate consequences for their behaviour in order for

discipline to be effective. Punishments are not usually severe; the primary intention is to demonstrate that negative behaviour always has consequences. The Boxing Academy also makes use of creative punishments and used these as learning opportunities. For example, after a minor incident for which no pupil took responsibility, the Academy held a “court” in which pupils provided evidence, argued their case and acted as a jury before the guilty pupil was identified. Although the Committee recognises the uniqueness of the Boxing Academy and that mainstream schools could not replicate its approach in its entirety, further clarity around boundaries, consistent discipline and immediate consequences in mainstream schools may help pupils at risk of referral to alternative provision. It was also noted that some providers incentivise good behaviour through the use of rewards. For example, City and Islington College operated a ‘reward room’ with games consoles. The College also gave pupils access to health and fitness equipment and it was thought that this not only contributed to pupil health and wellbeing, but also behaviour. For the same reasons the College had banned certain food products, such as energy drinks, from the premises. City and Islington College also sought to expand the horizons of pupils through ‘enrichment’ activities; visits to museums and other attractions which provide learning opportunities the pupils may not otherwise access.

- 2.51 Conversely, the Committee also thought that some providers could learn from mainstream schools. Some evidence received highlighted concerns that the general standard of teaching and learning in alternative provision is not as high as that of mainstream school, particularly in relation to academic subjects such as English and Maths. It was noted that the Elizabeth Garrett Anderson School had sought to work with providers to raise standards and some providers had observed lessons at the school, however witnesses explained that, for the most part, there was only limited partnership work between schools and providers. The Committee thought that further partnership work should be encouraged and recommended that **shared learning should be facilitated between schools and alternative provision providers to increase standards in both settings. This could develop the teaching skills of alternative provision providers and assist schools in implementing the most effective behaviour management techniques for challenging pupils.**

Alternative Provision: Range, Quality, Standards and Value for Money

- 2.52 There are a range of provisions available to pupils, including colleges offering vocational options alongside core academic subjects, practical courses such as carpentry and plumbing, academies with an emphasis on sport and schools which specialise in arts and media. The vocational options on offer include business, media, tourism, customer services, child care, hair and beauty, and music technology. As well as a range of subjects, there is also a range of learning styles available to suit pupils’ needs. Provisions such as the City and Islington College offer intensive support inside a large college campus. It was noted that the BSix Sixth Form College was particularly suitable for pupils with additional emotional needs. The Boxing Academy is a small setting with a ‘family’ atmosphere and a focus on ‘tough-love’ and team-work which is particularly helpful for disruptive pupils.
- 2.53 The Committee reviewed the academic results of providers. In 2015 there was a significant increase in the number of pupils achieving Level 1 or above in Maths and English, increasing to 36% from 16.7% the previous year, however overall attainment remained relatively low. It was noted that there was a discrepancy between the number of pupils registered and those who completed exams; five students failed to attend, two were remanded in custody, and there was one fatality. Of those who failed to attend exams, three suffered with mental health issues which impacted on their ability to leave their home.
- 2.54 The scrutiny visits carried out confirmed that providers were using innovative techniques to get the best out of their pupils. The Boxing Academy made use of ‘pod leaders’, staff somewhere

between a teaching assistant, mentor and boxing coach, to provide support to pupils who may distrust traditional teachers and to improve their attitude to education. City and Islington College also made use of non-teaching staff to engage pupils. The providers interviewed placed a great importance on engaging children in their education and developing their life skills. Pupils appeared to be aware of this; most understood the reasons why they had been referred and some spoke of their renewed motivation to achieve. One commented that he truly believed that if it was not for alternative provision he would be in prison. The schools interviewed valued the work of providers in turning around pupils, however there was a concern that some providers did not offer a strong enough academic challenge. Although the pupils referred to alternative provision were disengaged from alternative provision, this did not necessarily mean that they were not academically able.

- 2.55 The cost of provisions varied and the Committee did not compare the specific cost of each provision, however it was noted that schools paid the full cost of alternative provision for Year 10 pupils and the council only paid a supplement towards Year 11 pupils. The Committee noted the difficulty of assessing value for money when attendance and outcomes were not satisfactory; however the schools interviewed thought that alternative provision represented good value for money. In particular, it was thought that although the attainment of pupils varied, alternative provision was the right setting for many pupils. It was also suggested that alternative provision represented an overall saving to the public purse in the longer term. John d'Abbro noted that whilst alternative provision is a costly form of education, when implemented successfully it will reduce the demand on other, more costly high-dependency services – both during childhood and later in life.
- 2.56 The schools participating in the review agreed that provisions were generally of a decent quality and this reflected the quality evaluation data, as set out earlier in the report. However, there were some concerns that alternative provision did not offer a strong enough academic challenge and that some providers did not have high enough aspirations for their pupils. For this reason, the Committee recommended that **the Council should only use alternative provision providers that have a broad outlook and high aspirations for their pupils; providers should focus on academic achievement and personal skills as well as pupil behaviour.**

Mainstreaming early intervention

- 2.57 The early intervention and 'whole family' approach adopted by the council is intended to resolve issues before they become entrenched. The Committee noted that partnership work was underway between the Alternative Provision service and IFIT to increase the number of pupils educated in mainstream school and reduce the demand on alternative provision. A pilot project commenced in Autumn 2015 which provides a project worker to review schools' intervention practices, offer wrap-around IFIT support to the families most in need and signpost to other services. The project worker is intended to integrate with existing support mechanisms in schools and reduce the number of young people referred to alternative provision by 25 a year.
- 2.58 The pilot was taking place in the Holloway, Mount Carmel and Elizabeth Garrett Anderson schools and focused on pupils in Year 9 at risk of future referral to alternative provision. The 'whole family' approach looked to develop parental control and supervision and make changes at home to support the whole family. IFIT provided intensive support in the family home, out of hours if required, and required a minimum of two face-to-face visits a week. The project was funded by the participating schools for one year and at the time of the review it was too early to evaluate the effectiveness of the pilot. However, if the pilot was successful it was hoped to expand the project to other schools and year groups, subject to further funding being secured from local schools. It was noted that a Family Intervention Worker was also being allocated to each school outside of the pilot project. The Committee hoped that the early intervention work

would be successful and developed further. It was noted that a number of pupils at risk of referral previously had intervention from early help services, social care or the youth offending service, and it was suggested that this be kept under review to ensure effectiveness and to identify if families are accessing the right services at the right time.

- 2.59 The Committee compared the council's alternative provision and early intervention work to that of another borough. Whereas Islington focused on early intervention approaches before accepting alternative provision referrals in Key Stage 4, the London Borough of Redbridge offered alternative provision from primary school age onwards alongside targeted early intervention. For reasons of efficiency and quality control, Redbridge delivers all alternative provision through one provider which operates several settings. At primary age children are able to access alternative provision flexibly, whereas several specialist settings are available for secondary school pupils, including a special school, three pupil referral units and an adolescent psychiatric unit. Provisions use wrap-around multi-agency support, including family support workers and the use of specialist mental health support in the form of counsellors and therapists. Redbridge's alternative provision service also offers an outreach service to schools focusing on pupil behaviour. The result of having alternative provision available from an earlier age was that pupils were often able to re-integrate into mainstream school, with 80% of the pupils accessing alternative provision in Key Stage 3 referred back to mainstream school for Key Stage 4. Although the Committee did not suggest that Islington should roll out alternative provision from an earlier age, it was thought that Redbridge demonstrates good practice in effective early intervention and wrap-around support.
- 2.60 The importance of early intervention was recognised by schools, many of which were rolling out their own targeted interventions as detailed elsewhere in this report. New River College particularly emphasised the importance of early intervention and considered that there should be more targeted intervention for families at an earlier stage, suggesting that secondary school age was too late to address pupils' entrenched issues. In consideration of the above evidence the Committee agreed that local agencies should seek to resolve problems as early as possible in a coordinated way as this is more likely to reduce the demand for alternative provision and improve outcomes for the most challenging pupils, but noted the resource implications of this and the importance of securing funding. It is recommended that **the council should continue to develop its wrap-around early help services for pupils at risk of referral to alternative provision in partnership with schools. It should be the aim to provide comprehensive and integrated support to pupils at risk of referral and their families at the earliest possible stage, in order to reduce the need for alternative provision by Key Stage 4.**

3. Conclusions

- 3.1 Overall, the Committee concluded that mainstream school is the best setting for the vast majority of pupils, however appreciated that alternative provision is beneficial for a small number of pupils disengaged from mainstream education. It is hoped that outcomes will be improved through strengthening referral mechanisms and developing the support provided to pupils within alternative provision and those at risk of referral.
- 3.2 The Committee has made fifteen recommendations related to the review objectives. Several of the recommendations are intended to minimise the need for and use of alternative provision. Recommendations have also been made to increase the effectiveness of alternative provision for the pupils who do require this style of education.
- 3.3 In carrying out the review, the Committee met with officers, alternative provision providers, senior school representatives and pupils to gain a balanced view. The Committee would like to thank the witnesses that gave evidence in relation to the scrutiny. The Executive is asked to endorse the Committee's recommendations.

SCRUTINY INITIATION DOCUMENT (SID)
Review: Alternative Provision
Scrutiny Review Committee: Children's Services Scrutiny Committee
Director leading the review: Mark Taylor
Lead Officers: Gabby Grodentz and Jeff Cole
<p>Overall aims of the review:</p> <ul style="list-style-type: none"> • To identify how we can reduce the numbers of children on alternative provision. • To identify how we can ensure that provision is of the highest quality. • To make recommendations to further improve the outcomes, attendance, and accountability for those in alternative provision. • To identify how schools and academies are ensuring the best possible outcomes for the most vulnerable children, including their emotional well-being, and make recommendations about how best practice can be in place in all schools and Academies. • To evaluate the quality, standards and value for money of alternative provision providers, and the range of provision. • To identify how early intervention and 'Think Family' approaches can be mainstreamed once the pump priming funding is no longer available.
<p>How is the review to be carried out:</p> <p>Scope of the Review</p> <p>The review will focus on:</p> <ol style="list-style-type: none"> 1. The national and local context <ul style="list-style-type: none"> • The role and responsibilities of Schools and Academies, and the Local Authority 2. The reasons why children are in alternative provision <ul style="list-style-type: none"> • The profile of AP students including attainment, attendance and other outcomes • Trends in family histories • The child's journey into and through the AP system 3. The local AP arrangements <ul style="list-style-type: none"> • The role of schools • The local method for delivering alternative provision <ul style="list-style-type: none"> - Current AP providers - Current performance - Quality of providers • Funding and value for money

4. Opportunities to make local arrangements more effective

- The use of early intervention (i.e. the new wraparound service, IFIT, approaches used by schools, the demand for therapeutic interventions)
- Strategies to ensure schools take full ownership of children on AP
- Outcomes in individual schools with contextual data such as exclusions

Types of evidence:

1. Documentary evidence including

- Contextual report/presentation
- Anonymised audit of young people in alternative provision
- Case studies
- Government guidance and officer briefing notes
- Service plans, performance indicators and update on impact

2. Witness evidence including

- a. Officer presentations (e.g. IFIT, project lead for new wraparound service)
- b. A range of secondary schools and Academies, and New River College
- c. Effective providers of alternative provision
- d. Other 'good practice' local authorities e.g. Lincoln, Camden's White British Underachievement Project
- e. Young people in alternative provision and their parents

3. Visits

- A local provider of alternative provision, such as New River College.

Additional Information:

Programme	
Key output:	To be submitted to Committee on:
1. Scrutiny Initiation Document	15 September 2015
2. Draft Recommendations	17 May 2016
3. Final Report	28 June 2016

Children’s Services Scrutiny Committee – Work Programme: Alternative Provision

Our role as a scrutiny committee:

- To assess whether the range and quality of provision provides sufficient opportunities for attainment and clear pathways for progression;
- To consider whether accountability – for example by schools and the Council - for those in alternative provision is good enough;
- To review how to keep children in school and the use of Alternative Provision or exclusion as the last resort;
- To consider ways in which identification and early intervention support to pupils and their families, which improves attainment, resilience, empathy, self-awareness, attendance and other related outcomes, could be improved – early identification in education and early support;
- To make recommendations for innovation opportunities.

Focus

<p>Provision quality and range</p>	<p>SID Objective 2. To identify how we can ensure that provision is of the highest quality.</p> <p>SID Objective 5. To evaluate the quality, standards and value for money of alternative provision providers, and the range of provision.</p>
<p>Pupil outcomes and accountability</p>	<p>SID Objective 3. To make recommendations to further improve the outcomes, attendance, and accountability for those in alternative provision.</p> <p>SID Objective 4. To identify how schools and academies are ensuring the best possible outcomes for the most vulnerable children, including their emotional well-being, and make recommendations about how best practice can be in place in all schools and Academies.</p>
<p>Prevention and early intervention</p>	<p>SID Objective 1. To identify how we can reduce the numbers of children on alternative provision</p> <p>SID Objective 6. To identify how early intervention and ‘Think Family’ approaches can be mainstreamed once the pump priming funding is no longer available.</p>

Key questions

- How can pupils be ‘turned around’ before they become disengaged with their education? How can pupils and their parents/carers get the right help to support their needs?
- How do schools and academies retain full responsibility for learners they exclude or place in alternative provision – including the quality of their education and the outcomes they achieve?
- Is there a sufficient range of good or outstanding alternative provision which enables pupils to achieve good educational attainment on par with their peers regardless of circumstances or settings?
- What are the innovation opportunities that could secure better outcomes for this group of young people?

Work programme for alternative provision scrutiny

1. Additional documentation:

- Outcomes in individual schools with contextual data such as attendance and exclusions
- Performance report for current AP providers and value for money
- School referring numbers and demographic information

2. Witness suggestions:

Who	Organisation/remit	Area of focus
Context		
Gabby Grodentz	Islington Council - Head of Alternative Provision	How alternative provision is set up in Islington
Pupil outcomes and accountability		
Sarah Bealey	Schools - Elizabeth Garrett Anderson	Policies and practices of schools; strategies for full ownership of pupils in AP; identifying and enabling pupils to overcome specific personal, social and academic needs; improving engagement with education; enabling good academic attainment; reintegration into mainstream education; partnership working.
Julie Chambers	Schools – Highbury Fields	
Tom Mannion	St Aloysius' College	
Provision quality and range		
John d'Abbro OBE	AP service: New Rush Hall (LB Redbridge)	To provide a comparison with an AP service from another London borough.
Anna Cain	AP provider: The Boxing Academy	Outline of the provision provided to Islington (and other boroughs where relevant); how closely does provision match young people's needs; identifying and enabling pupils to overcome specific personal, social and academic needs; improving motivation, self-confidence, attendance and engagement with education; enable good academic attainment with appropriate accreditation and qualifications; and progression following the placement e.g. further education, employment, training or reintegration into mainstream education
Rebekah Westgate	AP provider: BSix	
Prevention and early intervention		
Nigel Smith	New River College	The role and practices of the New River College PRU.
Anthony Doudle	Islington Council – Head of School Improvement (Primary)	Early identification and intervention opportunities; primary to secondary transition.
Gabby Grodentz Kim Lawson	Islington Council – targeted and specialist early intervention support to pupils and their families: <ul style="list-style-type: none"> • New wraparound service for alternative provision • IFIT 	How schools, young people and parents are supported; what works; early success indicators

3. Work plan

9 November 2015: Witnesses – Provision quality and range		
Who	Organisation/remit	Area of focus
Gabby Grodentz	Islington Council – Head of Alternative Provision	Quality and range of provision in Islington
Anna Cain	The Boxing Academy	
Rebekah Westgate	BSix	

11 January 2016: Witnesses – Pupil outcomes and accountability		
Who	Organisation/remit	Area of focus
Sarah Bealey	Elizabeth Garrett Anderson School	Pupil outcomes and accountability / policies and practices of schools

2 February 2016: Witnesses – Prevention and early intervention / Pupil outcomes and accountability – *Extra evidence meeting*		
Who	Organisation/remit	Area of focus
Julie Chambers	Highbury Fields	Pupil outcomes and accountability / policies and practices of schools
Tom Mannion	St Aloysius' College	
Nigel Smith	New River College	Prevention and early intervention / The role and practices of the New River College PRU.

3 March 2016: Witnesses – Pupil outcomes and accountability / Prevention and early intervention		
Who	Organisation/remit	Area of focus
John d'Abbro OBE	New Rush Hall Group (TBC)	To provide a comparison with the way another borough commissions and delivers alternative provision, the way they work with partners, tackling the issue of schools retaining the responsibility for excluded students including quality of education and outcomes achieved.
Anthony Doudle	Islington Council – Head of School Improvement (Primary)	Early identification and intervention opportunities; primary to secondary transition.
Gabby Grodentz and Kim Lawson	Islington Council – targeted and specialist early intervention support to pupils and families <ul style="list-style-type: none"> • New wraparound service for alternative provision • IFIT 	How schools, young people and parents are supported; what works; early success indicators

4. Scrutiny visits

Who	Organisation/remit	Area of focus	When
Council officers	Council offices	To meet officers supporting the Alternative Provision service and to discuss their views.	18 January 2016
Young people and providers	The Boxing Academy and City and Islington College	To find out about young people's experiences of alternative provision, whether the provision and support was what they needed. How could alternative provision be more effective?	18 March 2016 22 March 2016

5. Key dates

- **12 April 2016:** Notes of scrutiny visits and concluding discussion
- **17 May 2016:** Draft Recommendations
- **28 June 2016:** Final Report

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Report of: Chair of Housing Scrutiny Committee

Meeting of	Date	Ward(s)
Executive	29 September 2016	All

Delete as appropriate		Non-exempt
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Subject: Responsive Repairs Scrutiny Review – Findings of the Housing Scrutiny Committee

1. Synopsis

- 1.1 This report requests that the Executive receive the recommendations of the Housing Scrutiny Committee following the completion of its review of the Responsive Repairs service. A response to the recommendations set out in the report will be considered at a future meeting of the Executive.

2. Recommendations

- 2.1 That the report of the Housing Scrutiny Committee be received.
- 2.2 That the Executive Member's response be reported to a future meeting of the Executive, including having due regard to any relevant implications of the Housing Scrutiny Committee's recommendations.

3. Background

- 3.1 In January 2016 the Housing Scrutiny Committee commenced a review of the Responsive Repairs service. The overall aim of the review was to consider resident experiences of the service; the objectives of the review included measuring satisfaction, evaluating the utility of the satisfaction metrics used, considering matters related to planning, prioritisation and communication, and evaluating how the service compares to the services of other London Boroughs and registered providers. The final report of the Committee was agreed in July 2016 and is appended.

4. Implications

4.1 Financial Implications

The proposals in the report need to be costed before a response is made by the Executive.

4.2 Legal Implications

Relevant legal implications will be considered as part of the response to the review.

4.3 Environmental Implications

There are no environmental implications at this stage. Any environmental implications will be identified as part of the Executive Member response.

4.4 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The Committee has had regard to any equalities implications and resident impacts identified by witnesses during the course of the review. Details of any such implications are set out in the appended report. A Resident Impact Assessment has not been completed as the Executive is only asked to receive the report at this stage. The impact on residents will need to be fully considered as part of the Executive Member response to the review, at which point a Resident Impact Assessment will be completed if required.

5. Conclusion and reasons for recommendations

- 5.1 The Committee concluded that resident experiences of the repairs service varied and that further work was required to develop the service, particularly in regard to completing repairs first time and communications. The Committee was satisfied that officers have a plan to achieve service improvements and hope that the changes proposed will lead to a corresponding increase in resident satisfaction. In carrying out the review, the Committee met with officers, members of the public and others to gain a balanced view. The Executive is asked to endorse the Committee's recommendations

Appendices:

- Responsive Repairs – Report of the Housing Scrutiny Committee

Background papers:

- None.

Report author: Jonathan Moore, Senior Democratic Services Officer

Tel: 020 7527 3308

E-mail: jonathan.moore@islington.gov.uk

Responsive Repairs

REPORT OF THE HOUSING SCRUTINY COMMITTEE



**London Borough of Islington
July 2016**

EXECUTIVE SUMMARY

Responsive Repairs

Overall aim: To consider resident experiences of the Responsive Repairs service.

Objectives:

- To identify the different types of responsive repairs carried out
- To measure the satisfaction of residents with responsive repairs, and to evaluate the utility of the metrics used
- To consider how works are reported, planned, prioritised, responded to, and communicated to residents
- To evaluate how the service compares to the services of other London Boroughs and registered providers
- To confirm that the services are designed to deliver customer focused outcomes
- To identify any areas for improvement

Evidence

The review ran from January to May 2016 and evidence was received from a variety of sources:

1. Witness evidence including:
 - Matt West, Head of Repairs and Maintenance
 - Paul Lightfoot, Group Leader for Direct Works
 - The views of tenants and leaseholders from the repairs Reference Group
 - Susan Richmond, Kwest Research – presentation regarding how impartial data is collected
 - Lorenzo Heanue, Productivity and Compliance Group Leader – details of call centre customer excellence accreditation
 - Michelle Reynolds, Group Commercial Director at Affinity Sutton and John Bell, Managing Director of CBS – presentation on Affinity Sutton's repairs service
 - Kim Wells, Head of Repairs at LB Camden – presentation on the organisation's repairs service
2. Documentary evidence
 - Introductory report
 - Details of call centre accreditation
 - Extract of new ICT system specification
 - Details of repairs apprentice scheme
 - Details of Kwest resident satisfaction survey and sample responses
 - Housing Direct key performance indicators

Main Findings

The council's responsive repairs service was brought back in-house in August 2014. The service carries out approximately 55,000 repairs each year and employs 105 trade staff, supported by contractors as demand requires. Since the service was brought back-in house performance levels have not been as high as expected; with monthly overall satisfaction ratings of around 70%. Councillors have also frequently received casework arising from the repairs service. For this reason the Committee sought to review resident experiences of the repairs service and identify areas for improvement.

The service has three categories of repair relating to severity and the expected wait from the time the repair is raised; 'emergency work' requires attendance within two hours; 'urgent work' requires attendance within 24 hours; and 'non-urgent work' is carried out within 20 calendar days. Approximately one third of repairs are categorised as urgent, however the service was working to reduce this number as it was thought that some repairs were misdiagnosed and a more accurate diagnosis would lead to a more effective use of resources.

Members gave examples of performance issues reported through case work. Evidence was also received from local residents, including members of the Repairs Reference Group, a resident panel appointed to provide detailed feedback on the council's repairs service. This indicated that experiences of the service varied considerably, which was consistent with the feedback reported to the service. Frequently arising complaints included repairs not being completed on the first visit; waiting too long to get through to Housing Direct; the wrong tradesperson being sent to complete the repair; repairs having to be chased up; residents not knowing when operatives will attend or operatives attending unannounced.

Whilst officers acknowledged that performance had not been satisfactory in all cases, constructive feedback was welcomed and a plan had been developed to improve the service. It was thought that service satisfaction and efficiency could be significantly improved by focusing on the number of repairs completed first time – the 'first time fix rate'. Evidence received from residents, officers and representatives of other repairs services indicated that fixing repairs first time was one of the biggest drivers of service satisfaction. This was not only convenient to residents, but was cost effective to the service by reducing the time spent on any one repair.

One significant piece of work to increase the first time fix rate was multi-skilling operatives. It was noted that many operatives were specialists in a particular trades, whereas a service prioritising completing repairs first time required a greater number of operatives sufficiently skilled in multiple trades to complete all aspects of a repair. Another key aspect of improving the first time fix rate would be reducing the time spent by operatives travelling to collect parts. It was noted that some repair services had a parts delivery service and the Committee suggested that this be explored further.

The Committee recommended that the service prioritise increasing the number of "first time fixes" in order to improve efficiency and tenant satisfaction. To achieve this it is suggested that officers further investigate the feasibility of a "ring and bring" service, to enable parts to be delivered to a repair without the operative leaving the property, and continue to invest in the multi-skilling of staff. The council should aspire for all operatives to be skilled in multiple trades as part of a "first time fix culture".

Service satisfaction is independently monitored by Kwest, a housing research company commissioned to interview around 400 Islington residents receiving repairs per month. The Committee noted the headline satisfaction statistics obtained from Kwest and decided to investigate surveying methods and satisfaction levels further, as the feedback councillors received on repairs suggested that satisfaction may not be as high as reported.

Reported satisfaction levels had increased since the survey questions were revised in December 2015. This is because the council had asked Kwest to survey satisfaction with the repair received '*on this occasion*' as opposed to '*overall satisfaction with the way Islington Council deals with repairs and maintenance*', which tended to yield lower results as residents included wider factors in their response. Data for the first part of 2015/16 indicated an '*overall satisfaction*' rating of around 70%, whereas service satisfaction '*on this occasion*' was higher at around 88% from December 2015 to the end of February 2016. Kwest emphasised that due to the change in interview questions it was not possible to provide a direct comparison to historic satisfaction data.

It was thought that the specific questions asked of respondents could be a factor in the discrepancy between the surveyed levels of satisfaction and that reported directly to councillors. Another factor may be differences in the sample of residents asked to respond to the survey. Kwest only surveyed residents once their repair had been resolved, whereas casework was more likely to relate to incomplete repairs. The survey also excluded those who had received multiple repairs to their property in order to link each interview to a single repair and Kwest did not survey those already interviewed in the last three months to avoid survey fatigue; the reasoning for these restrictions is clear, however one consequence of this could be that particularly complex cases are excluded from the survey, yet these are the cases which are more likely to generate councillor casework. Whilst it is welcomed that the survey data indicates that many residents are satisfied with the repairs to their property, it is important to view this data within the context of the survey's limits.

The Committee considered internal processes and the improvements in progress to the council's systems. Officers stressed that internal processes would be improved considerably following the implementation of a new ICT system in Autumn 2016. The new system was to feature an improved diagnostic script developed with trade staff, this was to ensure that operatives had all of the information they needed to carry out the repair and increased accuracy would also assist with prioritisation. The new system would ensure that appointments are made at a time when the required resources are available and automatically allocate repairs to trade staff based on their skill set, this would improve the number of appointments being kept, remove the need to manually allocate jobs, and ensure that the right staff attend the repair with the right resources. Following implementation of the new system trade staff would be issued with one job at a time through the use of mobile technology to ensure complete focus on each repair, and staff would be able order materials and book follow-up appointments as required with tenants while in their home. Remote tracking would also be available through the new system, and this would enable the service to provide time estimates for when staff would attend each property. These are thought to be considerable service improvements and members are keen for the new technology to be used to its full capacity. The Committee suggested that handheld technology could also be used to provide checklists for operatives when completing repairs.

The Committee welcomes the improvements expected through service's new ICT system, to be implemented in Autumn 2016. The system is intended to lead to a number of service improvements including improved diagnostic processes, automated repair allocations to staff, greater use of handheld technology, the ability to track operative progress remotely and improved communication with residents via the use of text messaging. It is hoped that the implementation of the system will lead to a corresponding increases in efficiency and satisfaction, and it is suggested that performance be reviewed after the new system has bedded-in to ensure that the improvements have been achieved. The Committee is keen to see the new technology fully utilised and supporting all aspects of the service, and in particular suggests that electronic checklists or scripts be introduced as an aide-memoire for operatives to check that all aspects of a repair are completed in line with service standards.

Some residents highlighted communications issues, particularly around missed appointments and communal repairs, and the Committee identified this as an area for improvement. The new ICT system will allow the use of text messaging and residents were particularly keen for this to be

utilised; advising when operatives were on route to a property, their estimated time of arrival, and if they were going to be late. The Committee agreed that the use of text messaging was a positive development, however noted that not all residents may want to be contacted in this way and suggested the service should always use the resident's preferred method of communication.

The Committee heard from residents that communication is key to a positive customer experience. The Committee recognises the work already underway to improve this aspect of the service, however notes that residents should be made aware as soon as possible if the operative is running late, if their appointment has been rescheduled, or if a communal repair has been completed. It is recommended that the service makes use of the resident's preferred communications channel; this may be telephone, text message, email, or for a message to be delivered through estates staff in the case of vulnerable residents.

The Committee also considered communication between services. It was confirmed that the responsive repairs service had positive working relationships with the capital programming team, the gas team and the estate maintenance team. When repairs occurred frequently due to failing components then referrals were made to the capital works programme. However, some of the residents interviewed were not aware of this referral process and it was thought that clearer communication surrounding this would be helpful.

The Committee notes the positive working relationship between responsive repairs and capital programming teams and how defects identified through the responsive repairs service are fed into the capital programme. To reassure residents that such defects will be rectified, it is recommended that clear escalation policies are established and residents are advised when defects are referred to the capital programming team.

The Committee received evidence on the repair services of Affinity Sutton and the London Borough of Camden to compare the council's service to that of others and identify any areas of best practice. Affinity Sutton and Camden had sought to improve service efficiency and tenant satisfaction by focusing on similar areas to Islington's repairs service – the first time fix rate and the multi-skilling of operatives. Both organisations had also made improvements by empowering operatives to take decisions at the front line. Operatives are responsible for deciding how repairs are to be carried out, for example whether to fix or replace a component. The evidence received suggested that this increased accountability, increased the speed of repairs, and resulted in efficiency savings through decreased levels of supervision.

Following the best practice of other in-house repairs services, the Committee recommends that operatives be empowered and supported to take decisions at the front-line in order to increase the speed of repairs, drive efficiencies and improve accountability. Operatives should be supported in identifying and completing any additional repairs required while at the property, as part of the "first time fix culture".

It was found that other repair services also placed a great importance on the quality of performance data. The London Borough of Camden used 'Clickview', software which allowed satisfaction and performance to be analysed daily on a team, trade and operative basis, and the Committee suggested that this would be a useful tool for Islington. The Committee also suggested that operatives could play a crucial role in collecting property asset data by taking photographs on their handheld devices. This could identify the particular arrangement of fixtures and fittings in properties to contribute towards the effective management of future repairs and capital improvements, and also assist with complaint resolution.

The Committee recommended that **the service should seek to improve the quality of its data through investment in detailed performance reporting software and the use of photography. The Committee would support the implementation of software such as Clickview, which enables repairs satisfaction and other metrics to be analysed in depth. The use of such**

technology would assist in the identification of areas for further improvement. Operatives could assist the service in further developing its asset data by taking photographs of the repair and other fixtures and fittings while at the property. Analysis of the most frequently requested repairs could contribute to effective asset management.

Members commented that the repairs services of both Islington and Camden faced many of the same challenges in terms of asset management, procurement and logistics. **The Committee notes the similarities between the in-house repairs services of Islington and Camden and recommends that the scope for joint working opportunities be explored in order to generate efficiencies and share best practice.**

One objective of the review was to confirm that the service is designed to deliver customer focused outcomes. Although the evidence received confirmed that there were some known performance issues, there was no suggestion that the service was not designed with customer service in mind.

One service improvement already implemented is the online repairs reporting system. This was well received by the residents interviewed, however some improvements were suggested. **The Committee welcomes the recent implementation of online repairs reporting and is keen to see this develop in usage and effectiveness. It is recommended that detailed resident feedback on this is sought in order to improve the customer experience.**

The residents interviewed commented that estates staff were very knowledgeable of their local area and felt they should play a role in the repairs service. **The Committee recognises that estate services co-ordinators and caretakers have a wealth of knowledge about their area and suggests that their relationship with the repairs service be developed further, as these staff may be able to assist in the diagnosis of communal repairs, assist with communication, and champion resident needs in partnership with Resident Liaison Officers.**

The Committee was pleased that the repairs service had implemented an apprenticeship scheme since coming back in-house and was providing local employment. The Committee concluded that **the repairs service should have a diverse workforce which reflects the residents of the borough. The Committee is encouraged by the service's introduction of an apprenticeship scheme and would like to see this expand over time as the service has the potential to provide quality employment and training to local people. It is hoped that, following the successful implementation of service improvements, the service will be able to seek commercial opportunities in order to generate income and expand the service.**

Conclusions

The Committee concluded that resident experiences of the repairs service varied and that further work was required to develop the service, particularly in regard to completing repairs first time and communications. The Committee was satisfied that officers have a plan to achieve service improvements and hope that the changes proposed will lead to a corresponding increase in resident satisfaction.

In carrying out the review, the Committee met with officers, members of the public and others to gain a balanced view. The Committee would like to thank witnesses that gave evidence in relation to the scrutiny. The Executive is asked to endorse the Committee's recommendations.

Recommendations

1. The service prioritise increasing the number of “first time fixes” in order to improve efficiency and tenant satisfaction. To achieve this it is suggested that officers further investigate the feasibility of a “ring and bring” service, to enable parts to be delivered to a repair without the operative leaving the property, and continue to invest in the multi-skilling of staff. The council should aspire for all operatives to be skilled in multiple trades as part of a “first time fix culture”.
2. The Committee welcomes the improvements expected through service’s new ICT system, to be implemented in Autumn 2016. The system is intended to lead to a number of service improvements including improved diagnostic processes, automated repair allocations to staff, greater use of handheld technology, the ability to track operative progress remotely and improved communication with residents via the use of text messaging. It is hoped that the implementation of the system will lead to a corresponding increases in efficiency and satisfaction, and it is suggested that performance be reviewed after the new system has bedded-in to ensure that the improvements have been achieved. The Committee is keen to see the new technology fully utilised and supporting all aspects of the service, and in particular suggests that electronic checklists or scripts be introduced as an aide-memoire for operatives to check that all aspects of a repair are completed in line with service standards.
3. The Committee heard from residents that communication is key to a positive customer experience. The Committee recognises the work already underway to improve this aspect of the service, however notes that residents should be made aware as soon as possible if the operative is running late, if their appointment has been rescheduled, or if a communal repair has been completed. It is recommended that the service makes use of the resident’s preferred communications channel; this may be telephone, text message, email, or for a message to be delivered through estates staff in the case of vulnerable residents.
4. Following the best practice of other in-house repairs services, the Committee recommends that operatives be empowered and supported to take decisions at the front-line in order to increase the speed of repairs, drive efficiencies and improve accountability. Operatives should be supported in identifying and completing any additional repairs required while at the property, as part of the “first time fix culture”.
5. The Committee notes the positive working relationship between responsive repairs and capital programming teams and how defects identified through the responsive repairs service are fed into the capital programme. To reassure residents that such defects will be rectified, it is recommended that clear escalation policies are established and residents are advised when defects are referred to the capital programming team.
6. The Committee recognises that estate services co-ordinators and caretakers have a wealth of knowledge about their area and suggests that their relationship with the repairs service be developed further, as these staff may be able to assist in the diagnosis of communal repairs, assist with communication, and champion resident needs in partnership with Resident Liaison Officers

7. The service should seek to improve the quality of its data through investment in detailed performance reporting software and the use of photography. The Committee would support the implementation of software such as Clickview, which enables repairs satisfaction and other metrics to be analysed in depth. The use of such technology would assist in the identification of areas for further improvement. Operatives could assist the service in further developing its asset data by taking photographs of the repair and other fixtures and fittings while at the property. Analysis of the most frequently requested repairs could contribute to effective asset management.
8. The repairs service should have a diverse workforce which reflects the residents of the borough. The Committee is encouraged by the service's introduction of an apprenticeship scheme and would like to see this expand over time as the service has the potential to provide quality employment and training to local people. It is hoped that, following the successful implementation of service improvements, the service will be able to seek commercial opportunities in order to generate income and expand the service.
9. The Committee notes the similarities between the in-house repairs services of Islington and Camden and recommends that the scope for joint working opportunities be explored in order to generate efficiencies and share best practice.
10. The Committee welcomes the recent implementation of online repairs reporting and is keen to see this develop in usage and effectiveness. It is recommended that detailed resident feedback on this is sought in order to improve the customer experience.

MEMBERSHIP OF THE HOUSING SCRUTINY COMMITTEE – 2015/16

Councillors:

Councillor Michael O'Sullivan (Chair)
Councillor David Poyser (Vice-Chair)
Councillor Raphael Andrews
Councillor Alex Diner
Councillor Aysegul Erdogan
Councillor Mouna Hamitouche MBE
Councillor Una O'Halloran
Councillor Flora Williamson

Co-opted members:

Rose-Marie McDonald – PFI Managed Tenants
Jim Rooke – Directly Managed Tenants

Substitutes:

Councillor Gary Heather
Councillor Olly Parker
Councillor Alice Perry
Councillor Gary Doolan
Councillor Rakhia Ismail
Councillor Jenny Kay
Councillor Angela Picknell
Councillor Nurullah Turan

Acknowledgements:

The Committee would like to thank all the witnesses who gave evidence to the review.

Officer Support:

*Matt West – Head of Repairs and Maintenance
Jonathan Moore – Senior Democratic Services Officer*

1. Introduction

- 1.1 The Committee commenced the review in January 2016 with the overall aim of considering resident experiences of the Responsive Repairs service.

The Committee also agreed to the following objectives:

- To identify the different types of responsive repairs carried out
 - To measure the satisfaction of residents with responsive repairs, and to evaluate the utility of the metrics used
 - To consider how works are reported, planned, prioritised, responded to, and communicated to residents
 - To evaluate how the service compares to the services of other London Boroughs and registered providers
 - To confirm that the services are designed to deliver customer focused outcomes
 - To identify any areas for improvement
- 1.2 In carrying out the review the Committee met with residents, officers, and representatives of other housing providers. The Committee also considered evidence from Kwest, the council's independent surveying organisation, and performance data relating to the service.

Local context

- 1.3 The council's responsive repairs service was brought back in-house in August 2014 and carries out approximately 55,000 repairs each year. The service is primarily available to council tenants; however leaseholders are entitled to a limited range of repairs, including repairs to communal areas. The service is comprised of several teams: Housing Direct receive calls reporting repairs and make appointments with residents; the Schedule Planning Team allocate repairs to trade staff; the technical Surveying Team attend properties in order to assess more complex repairs; and works are carried out by 105 trade staff, supported by contractors as demand requires. The management of the service is supported by the Legal Disrepair Team that manage any disrepair claims alongside Legal Services; the Customer Excellence Team that deal with complaints; and the Procurement and Contract Management Team.
- 1.4 Since the service was brought back-in house performance levels have not been as high as expected; with monthly overall satisfaction ratings of around 70%. Councillors have also frequently received casework arising from the repairs service which indicates that further development of the service is required. For this reason the Committee sought to review resident experiences of the repairs service and identify areas for improvement.

2. Findings

The different types of repairs carried out

- 2.1 The service has three categories of repair relating to severity and the expected wait from the time the repair is raised; 'emergency work' such as loss of power to a property requires attendance within two hours; 'urgent work' such as repairing the front door to a property requires attendance within 24 hours; and 'non-urgent work' such as re-plastering a wall is carried out within 20 calendar days. High value works, such as renewing a boundary wall, are also carried out within a 20 calendar day period. The service also delivers a handyman service to vulnerable tenants in partnership with Adult Social Services.
- 2.2 Approximately one third of repairs are categorised as urgent, however the service was working to reduce this number as it was thought that some repairs were misdiagnosed and a more accurate

diagnosis would lead to a more effective use of resources. Some complex repairs had to be carried out by specialist contractors, however the service was working to develop the skills of its workforce and as a result the number of works contracted out had reduced over the previous year.

The satisfaction of residents with responsive repairs

- 2.3 Service satisfaction is independently monitored by Kwest, a housing research company commissioned to interview around 400 Islington residents receiving repairs per month. Performance is monitored on a daily basis, with the latest performance statistics displayed in a prominent location in the office accessible to all staff. Islington' service attained an overall satisfaction rating of around 70% for the first part of 2015/16.
- 2.4 Members gave examples of performance issues reported through case work, such as one repair which required six visits to complete. The Committee commented on the consequences of this, such as tenants having to take significant amounts of time off work for repairs to be completed. Evidence was also received from local residents, including members of the Repairs Reference Group, a resident panel appointed to provide detailed feedback on the council's repairs service. This indicated that experiences of the service varied considerably. Whilst residents emphasised that some operatives were very good, examples were given of some operatives carrying out a "quick fix" as opposed to a comprehensive repair. Examples were also given of misdiagnosis and consequential problems, such as a metal worker arriving to repair a wooden fence. Some residents provided examples of missed appointments or operatives arriving to complete repairs outside of the agreed time period; and others reported staff not being empathetic to resident concerns and difficulties in escalating complaints.
- 2.5 The evidence received from residents was consistent with the feedback reported to the service. Frequently arising complaints included repairs not being completed on the first visit; waiting too long to get through to Housing Direct; the wrong tradesperson being sent to complete the repair; repairs having to be chased up; residents not knowing when operatives will attend or operatives attending unannounced. These themes were also reflected in the feedback received through the Kwest survey, which asked residents to suggest service improvements. The service was aware of the problems identified and recognised that improvements were required. Whilst officers acknowledged that performance had not been satisfactory in all cases, constructive feedback was welcomed and a plan had been developed to improve the service.
- 2.6 Officers advised that a number of service improvements were underway. It was thought that service satisfaction and efficiency could be significantly improved by focusing on the number of repairs completed first time – the 'first time fix rate'. Evidence received from residents, officers and representatives of other repairs services indicated that fixing repairs first time was one of the biggest drivers of service satisfaction. This was not only convenient to residents, but was cost effective to the service by reducing the time spent on any one repair. During the review the council's first time fix rate was around 84%, and officers confirmed the intention that, if a repair is particularly complex and cannot be completed on the first visit, then it should certainly be completed on the second visit. It was suggested that this was not happening frequently enough in Islington's service.
- 2.7 A number of work streams were progressing in order to improve the first time fix rate. One significant aspect was multi-skilling operatives. It was noted that many of the staff inherited through TUPE arrangements were specialists in a particular trades, whereas a service prioritising completing repairs first time would have a greater number of operatives sufficiently skilled in multiple trades to complete all aspects of a repair. Operational staff were being encouraged to learn multiple trades and the Committee considered that this would be essential to having an organisational culture centred on providing a first time fix. It was also thought that the first time fix

rate would be supported through implementation of the new ICT and diagnostic system, detailed later in this report.

- 2.8 The Committee considered that another key aspect of improving the first time fix rate would be reducing the time spent by operatives travelling to collect parts. The service's stores are maintained by an external contractor that provides a bespoke service to the council and officers advised that they were planning to review the stock held on vehicles to minimise parts collection. It was noted that some repairs services had a parts delivery service and the Committee suggested that this be explored further. Evidence received indicated that a "ring and bring" service had been implemented by the London Borough of Camden's repairs service with some success.
- 2.9 **The Committee recommended that the service prioritise increasing the number of "first time fixes" in order to improve efficiency and tenant satisfaction. To achieve this it is suggested that officers further investigate the feasibility of a "ring and bring" service, to enable parts to be delivered to a repair without the operative leaving the property, and continue to invest in the multi-skilling of staff. The council should aspire for all operatives to be skilled in multiple trades as part of a "first time fix culture".**
- 2.10 Other aspects of the service's performance are not directly linked to the first time fix rate, for example communication and certain internal processes, such as diagnostics and allocation. These are detailed later in this report.

The utility of surveying metrics

- 2.11 The Committee noted the headline satisfaction statistics obtained from Kwest and decided to investigate surveying methods and satisfaction levels further, as the feedback councillors received on repairs suggested that satisfaction may not be as high as reported.
- 2.12 Kwest is a housing research organisation commissioned by several housing providers, including local authorities, to independently and objectively evaluate satisfaction with services. The organisation has a long-standing relationship with the council and has surveyed Islington's repairs satisfaction since 2008. The organisation's surveying methods provide clients with daily feedback on their services; the data collected on the council's repairs service was automatically transferred to a spreadsheet which updated each night; data was available to Islington Council the following day, which allowed any complaints or other comments to be investigated as required.
- 2.13 The council's contract with the organisation was renewed in December 2015, at which point the council simplified its survey questions. It was also agreed that the organisation would increase its sample size to 15% of repairs completed. Surveys were carried out via telephone, with the interviewer filling in a response form online. If a resident was unhappy with the service received then a verbatim record of their comments was made. Interviews were carried out throughout the day and early evening Monday to Thursday, morning and afternoon on Friday, and also at the weekend. Multiple attempts were made to call residents and call-backs could be arranged for more convenient times.
- 2.14 Reported satisfaction levels had increased since the survey questions were revised in December 2015. This is because the council had asked Kwest to survey satisfaction with the repair received

'on this occasion' as opposed to *'overall satisfaction with the way Islington Council deals with repairs and maintenance'*, which tended to yield lower results as residents included wider factors in their response. Data for the first part of the 2015/16 year indicated an *'overall satisfaction'* rating of around 70%, whereas service satisfaction *'on this occasion'* was higher at around 88% of respondents either very or fairly satisfied from December 2015 to the end of February 2016. Kwest emphasised that due to the change in interview questions it was not possible to provide a direct comparison to historic satisfaction data. It was commented that, in general, organisations received a lower satisfaction score when they asked about overall satisfaction as opposed to satisfaction with a specific task.

- 2.15 It was thought that the specific questions asked of respondents could be a factor in the discrepancy between the surveyed levels of satisfaction and that reported directly to councillors. Another factor may be due to differences in the sample of residents asked to respond to the survey. Kwest only surveyed residents once their repair had been resolved, whereas casework was more likely to relate to incomplete repairs. The survey also excluded those who had received multiple repairs to their property in order to link each interview to a single repair and Kwest did not survey those already interviewed in the last three months in order to avoid survey fatigue; the reasoning for these restrictions is clear, however one consequence of this could be that particularly complex cases are excluded from the survey, yet these are the cases which are more likely to generate councillor casework.
- 2.16 Although the differences between surveyed levels of satisfaction and that reported to councillors was recognised, Kwest did anecdotally note that Islington tended to have a good level of satisfaction and Islington residents were generally happy to provide feedback, which was not true in all areas. Whilst it is welcomed that the survey data indicates that many residents are satisfied with the repairs to their property, it is important to view this data within the context of the survey's limits.

How works are reported, planned, prioritised, responded to, and communicated to residents

- 2.17 The Committee considered internal processes and the improvements in progress to the council's systems. The majority of repairs were reported via telephone to Housing Direct, however an online repairs reporting system had been implemented during 2015/16. Housing Direct staff worked to a diagnostic script in order to identify the repair required and jobs were then manually allocated to tradespeople. Jobs were prioritised in accordance with urgency and tradespeople could be required to complete six or seven jobs in one day, detailed on their PDA. It was suggested that these processes did not always result in a smooth service for residents; one resident reported that his repair was delayed as it was "lost" in the manual allocation system. It was also noted that appointments were made without knowing the availability of the resources needed to carry out the repair, which sometimes resulted in repairs being rescheduled, causing inconvenience to tenants.
- 2.18 Officers stressed that internal processes would be improved considerably following the implementation of a new ICT system in Autumn 2016. The new system was to feature an improved diagnostic script developed with trade staff, this was to ensure that operatives had all of the information they needed to carry out the repair and increased accuracy would also assist with prioritisation. The new system would ensure that appointments are made at a time when the required resources are available and automatically allocate repairs to trade staff based on their

skill set, this would improve the number of appointments being kept, remove the need to manually allocate jobs, and ensure that the right staff attend the repair with the right resources. Trade staff would be issued with one job at a time through the use of mobile technology to ensure complete focus on each repair, and staff would be able order materials and book follow-up appointments as required with tenants while in their home.

- 2.19 One issue highlighted by residents was that the service was not able to remotely track operatives. It was confirmed that remote tracking would be available through the new system, and this would enable the service to provide estimates for when staff would attend each property. This was thought to be a considerable service improvement. Whilst the Committee was encouraged by the various improvements due to be implemented through the new system, members were keen for the implementation of the system to be kept under review to ensure that the intended improvements are actually realised. Members were keen for the new technology to be used to its full capacity and suggested that handheld technology could be used to provide checklists for operatives when completing repairs.
- 2.20 **The Committee welcomes the improvements expected through service's new ICT system, to be implemented in Autumn 2016. The system is intended to lead to a number of service improvements including improved diagnostic processes, automated repair allocations to staff, greater use of handheld technology, the ability to track operative progress remotely and improved communication with residents via the use of text messaging. It is hoped that the implementation of the system will lead to a corresponding increases in efficiency and satisfaction, and it is suggested that performance be reviewed after the new system has bedded-in to ensure that the improvements have been achieved. The Committee is keen to see the new technology fully utilised and supporting all aspects of the service, and in particular suggests that electronic checklists or scripts be introduced as an aide-memoire for operatives to check that all aspects of a repair are completed in line with service standards.**
- 2.21 Some residents highlighted communications issues, particularly around missed appointments, and the Committee identified this as an area for improvement. One resident advised of a missed appointment due to the operative being called to an emergency repair. The resident accepted that this was sometimes necessary, however was not informed that her repair would need to be rescheduled and suggested that if the council contacted affected residents to let them know then this would minimise inconvenience and may help to reduce the number of complaints. Residents also requested greater communication surrounding repairs to communal areas. A leaseholder advised of a blocked drain in a communal area which was causing water damage to her property. As this was a communal repair, the leaseholder was not advised when the works were due to be carried out and was unable to inspect if the work had been completed due to restricted access. Improvements to communications were also requested by residents through the Kwest satisfaction survey.
- 2.22 The new ICT system will allow the use of text messaging and residents were particularly keen for this to be utilised, advising when operatives were on route to a property, their estimated time of arrival, and if they were going to be late. Affinity Sutton's repairs service made use of text messaging in this way and to confirm appointments and this was thought to be best practice. The Committee agreed that the use of text messaging was a positive development, however noted that not all residents may want to be contacted in this way and suggested the service should always use the resident's preferred method of communication.

- 2.23 **The Committee heard from residents that communication is key to a positive customer experience. The Committee recognises the work already underway to improve this aspect of the service, however notes that residents should be made aware as soon as possible if the operative is running late, if their appointment has been rescheduled, or if a communal repair has been completed. It is recommended that the service makes use of the resident's preferred communications channel; this may be telephone, text message, email, or for a message to be delivered through estates staff in the case of vulnerable residents.**
- 2.24 The Committee also considered communication between services. It was confirmed that the responsive repairs service had positive working relationships with the capital programming team, the gas team and the estate maintenance team. When repairs occurred frequently due to failing components then referrals were made to the capital works programme. However, some of the residents interviewed were not aware of this referral process and highlighted recurring issues which they felt should be addressed through the capital programme. The Committee agreed that clearer communications around the relationship between responsive repairs and the capital programme would be helpful, particularly in regards to when a repeated repair may be escalated to the capital programme.
- 2.25 **The Committee notes the positive working relationship between responsive repairs and capital programming teams and how defects identified through the responsive repairs service are fed into the capital programme. To reassure residents that such defects will be rectified, it is recommended that clear escalation policies are established and residents are advised when defects are referred to the capital programming team.**

How the service compares to that of other London Boroughs and registered providers

- 2.26 The Committee received evidence on the repair services of Affinity Sutton and the London Borough of Camden to compare the council's service to that of others and identify any areas of best practice. Affinity Sutton is a national housing association with 57,000 homes throughout England and offered an in-house repairs service carried out by two wholly owned service providers. The organisation had two categories of repair; those classified as an 'emergency' were dealt with the same day, and those which were 'non-emergency' were completed within seven days. As the organisation's housing stock was dispersed nationally, operatives worked in regional teams and were based from their own home, with details of repairs sent remotely to their PDAs and tablets.
- 2.27 The London Borough of Camden had an in-house repairs service which completed 60,000 repair orders each year. The service employed 130 trade staff and 14 apprentices. Camden's service was also based around local area teams in order to promote specialist knowledge. The organisation did not have categories of repair based on response times; instead, emergencies were dealt with as soon as possible, and all other repairs were completed at a time to suit the customer.
- 2.28 Affinity Sutton and Camden had sought to improve service efficiency and tenant satisfaction by focusing on similar areas to Islington's repairs service – the first time fix rate and the multi-skilling of operatives. Affinity Sutton had promoted multi-skilling through introducing competency based

salary bands; and had also supported first time fixes by developing its diagnostic processes. As a result all of the required information was captured in the first transaction in 90% of cases. It was noted that Camden only provided operatives with one repair at a time, as Islington would following the implementation of the new ICT system.

- 2.29 Both Affinity Sutton and Camden had also sought to make improvements by empowering operatives to take decisions at the front line. Staff were responsible for deciding how a repair was to be carried out, for example whether to fix or replace a component. The evidence received suggested that this increased accountability, increased the speed of repairs, and resulted in efficiency savings through decreased levels of supervision.
- 2.30 One Islington resident interviewed noted that repairs staff sometimes would not complete additional repairs while at a property, suggesting that each repair had to be logged individually with Housing Direct. The Committee considered that completing additional repairs while at a property should be supported as far as possible, as it is the most customer friendly approach and also the most efficient in the majority of cases. It is hoped that providing operatives with a greater responsibility for decision-making will give them the confidence to carry out additional repairs when required.
- 2.31 **Following the best practice of other in-house repairs services, the Committee recommends that operatives be empowered and supported to take decisions at the front-line in order to increase the speed of repairs, drive efficiencies and improve accountability. Operatives should be supported in identifying and completing any additional repairs required while at the property, as part of the “first time fix culture”.**
- 2.32 It was found that other repair services also placed a great importance on the quality of performance data. The London Borough of Camden used ‘Clickview’, software which allowed satisfaction and performance to be analysed daily on a team, trade and operative basis. Similarly, Affinity Sutton staff were personally responsible for the satisfaction associated with each individual repair and operatives had access to performance and benchmarking statistics and could evaluate their performance against others. The Committee recognised the value of quality data and suggested that something similar should be investigated for use by Islington’s repairs service. The Committee also suggested that operatives could play a crucial role in collecting property asset data by taking photographs on their handheld devices. This could identify the particular arrangement of fixtures and fittings in properties to contribute towards the effective management of future repairs and capital improvements, and also assist with complaint resolution.
- 2.33 The Committee recommended that **the service should seek to improve the quality of its data through investment in detailed performance reporting software and the use of photography. The Committee would support the implementation of software such as Clickview, which enables repairs satisfaction and other metrics to be analysed in depth. The use of such technology would assist in the identification of areas for further improvement. Operatives could assist the service in further developing its asset data by taking photographs of the repair and other fixtures and fittings while at the property. Analysis of the most frequently requested repairs could contribute to effective asset management.**

- 2.34 Members commented that the repairs services of both Islington and Camden faced many of the same challenges in terms of asset management, procurement and logistics. Officers confirmed that cross-borough discussions on best practice do take place and the Committee was keen to encourage further collaborative working. **The Committee notes the similarities between the in-house repairs services of Islington and Camden and recommends that the scope for joint working opportunities be explored in order to generate efficiencies and share best practice.**

Designing the service to customer focused outcomes

- 2.35 One objective of the review was to confirm that the service is designed to deliver customer focused outcomes. Although the evidence received confirmed that there were some known performance issues, there was no suggestion that the service was not designed with customer service in mind. One reason for bringing the service back in-house was to enable the council to exert greater control over the service for its tenants. The planned service improvements, such as the implementation of the new ICT system, were intended to increase the overall performance of the service. The service had accepted constructive criticism and had planned service improvements in response to the most frequent resident feedback; officers were able to demonstrate how each improvement would address a recurring feedback theme. The commissioning of satisfaction surveys, monitoring of performance and appointment of the repairs reference group further indicated that the service was focused on resident outcomes. There was also a focus on providing a good service to residents with additional needs; staff had recently received training on mental health issues to help them engage with vulnerable residents.
- 2.36 One service improvement already implemented is the online repairs reporting system. This was well received by the residents interviewed, however some improvements were suggested. The interface required residents to click on pictures which represented different types of repair, however residents commented that these did not always accurately represent each repair and there was a concern that this could potentially lead to misdiagnosis. It was also suggested that greater scope for written information would help to better identify repairs.
- 2.37 **The Committee welcomes the recent implementation of online repairs reporting and is keen to see this develop in usage and effectiveness. It is recommended that detailed resident feedback on this is sought in order to improve the customer experience.**
- 2.38 The Committee also considered that the Housing Direct team had received CCA Accreditation Version 6, an independent call centre customer service accreditation assessed against international service standards. Officers suggested that this was particularly positive given that the team had undergone a significant period of change since the service was brought back in-house; relocating to the Brewery Road site and experiencing an increase in calls as the service now handled calls previously managed by the contractor. Housing Direct performance indicators indicated that the average speed in which calls were answered was 26 seconds in 2015/16, with 94.55% of all calls answered.

Other areas for improvement

- 2.39 Through the evidence received the Committee identified other possible service improvements. The residents interviewed commented that estates staff were very knowledgeable of their local

area and felt they should play a role in the repairs service. The Committee agreed that close partnership arrangements between estates staff and the repairs service should be fostered, and that estates staff could contribute to the identification of repairs, particularly communal repairs, and support the work of Resident Liaison Officers.

2.40 The Committee recognises that estate services co-ordinators and caretakers have a wealth of knowledge about their area and suggests that their relationship with the repairs service be developed further, as these staff may be able to assist in the diagnosis of communal repairs, assist with communication, and champion resident needs in partnership with Resident Liaison Officers.

2.41 The Committee was pleased that the repairs service had implemented an apprenticeship scheme since coming back in-house and was providing local employment. Officers advised that the service was keen to contribute towards the training of local people and hoped to develop a more diverse workforce through the apprenticeship scheme. Specifically, the service was seeking to attract more female trade staff and had arranged workshop sessions for women and pupils from Elizabeth Garrett Anderson girls' school to encourage a greater number of female applicants. Ten apprenticeship opportunities were being advertised during the review, comprised of three multi-trade apprenticeships focusing on brickwork, painting and decorating, carpentry and joinery and plastering; and seven trade specific apprenticeships including a bricklayer, electrician, joiner/wood machinist, metal worker, painter/decorating, plasterer and a plumber. The particular trades were chosen with consideration of the anticipated future demand for services and succession planning of existing operatives. The apprenticeships will last between two and four years, depending on the specialism, and were expected to be up to NVQ Level 3.

2.42 The Committee queried if the service could seek to generate income by carrying out repairs to schools, colleges and other properties. Whilst this was an aspiration of the service, officers commented that service improvements would need to bed-in before the service began to trade commercially on any significant scale. The Committee hoped that this could be explored at a later date and the income generated be reinvested back into the council's services.

2.43 The repairs service should have a diverse workforce which reflects the residents of the borough. The Committee is encouraged by the service's introduction of an apprenticeship scheme and would like to see this expand over time as the service has the potential to provide quality employment and training to local people. It is hoped that, following the successful implementation of service improvements, the service will be able to seek commercial opportunities in order to generate income and expand the service.

3. Conclusions

3.1 The Committee concluded that resident experiences of the repairs service varied and that further work was required to develop the service, particularly in regard to completing repairs first time and communications. The Committee was satisfied that officers have a plan to achieve service improvements and hope that the changes proposed will lead to a corresponding increase in resident satisfaction.

3.2 In carrying out the review, the Committee met with officers, members of the public and others to gain a balanced view. The Committee would like to thank witnesses that gave evidence in relation to the scrutiny. The Executive is asked to endorse the Committee's recommendations.

SCRUTINY INITIATION DOCUMENT (SID)
Review: Responsive Repairs
Scrutiny Review Committee: Housing Scrutiny Committee
Director leading the review: Simon Kwong
Lead Officers: Matt West
Overall aim: To consider resident experiences of the Responsive Repairs service.
<p>Objectives of the review:</p> <ul style="list-style-type: none"> • To identify the different types of responsive repairs carried out • To measure the satisfaction of residents with responsive repairs, and to evaluate the utility of the metrics used • To consider how works are reported, planned, prioritised, responded to, and communicated to residents • To evaluate how the service compares to the services of other London Boroughs and registered providers • To confirm that the services are designed to deliver customer focused outcomes • To identify any areas for improvement
<p>How is the review to be carried out:</p> <p>Scope of the Review</p> <p>The review will focus on:</p> <ol style="list-style-type: none"> 1. Responsive Repairs <ul style="list-style-type: none"> • The types of repair carried out • Reporting and planning processes, including accessibility for those with disabilities • How responsive repairs are prioritised and methods of triage employed 2. Resident Satisfaction <ul style="list-style-type: none"> • How resident satisfaction can be measured • Current levels of resident satisfaction • Communication with residents • How resident satisfaction can be improved, if required 3. Other considerations <ul style="list-style-type: none"> • Comparisons to other London Boroughs <p>Types of evidence:</p> <ol style="list-style-type: none"> 1. Documentary evidence including <ul style="list-style-type: none"> • Contextual report/presentation • Service policies and strategies • Service evaluations and performance indicators

2. Witness evidence including

- Presentation from officers
- The views of tenants and leaseholders from the repairs Reference Group
- Presentation from Kwest regarding how impartial data is collected
- Presentation from external Call Centre Customer Excellence Accreditor

3. Visits

- Visit to the Brewery Road Site to see the operation in progress (*optional*)

Additional Information:

Programme	
Key output:	To be submitted to Committee on:
1. Scrutiny Initiation Document	13 July 2015
2. Draft Recommendations	26 May 2016
3. Final Report	11 July 2016

Housing Scrutiny Committee – Work Programme: Responsive Repairs

26 January 2016		
Who / What	Purpose	Other key information
Matt West & Paul Lightfoot – Presentation and Report	Introduction to the responsive repairs service and the scrutiny review.	To cover: <ul style="list-style-type: none"> the different types of responsive repairs carried out how works are reported, planned, prioritised, responded to, and communicated to residents

29 February 2016		
Who / What	Purpose	Other key information
Representatives from the Resident Panel.	To hear resident views on the service, including satisfaction, communication, and how satisfaction can be improved.	To cover: <ul style="list-style-type: none"> To measure the satisfaction of residents with responsive repairs, and to evaluate the utility of the metrics used

23 March 2013		
Who / What	Purpose	Other key information
Susan Richmond, KWest	To consider evidence from the council's resident surveying contractor, including current levels of satisfaction, surveying methods and data collection, and potentially comparisons to other housing providers.	To cover: <ul style="list-style-type: none"> To measure the satisfaction of residents with responsive repairs, and to evaluate the utility of the metrics used To confirm that the services are designed to deliver customer focused outcomes
Call Centre Customer Excellence Accreditor – written evidence	To consider matters related to customer service.	

19 April 2016

Who / What	Purpose	Other key information
Kim Wells, Head of Repairs, LB Camden	To compare the service against that of another borough.	To cover: <ul style="list-style-type: none"> To evaluate how the service compares to the services of other London Boroughs and registered providers
Michelle Reynolds, Group Commercial Director, Affinity Sutton	To compare the service against that of a registered provider.	To cover: <ul style="list-style-type: none"> To evaluate how the service compares to the services of other London Boroughs and registered providers
Extract of the new ICT system specification	To receive detailed information on the new repairs management system planned to be implemented in late 2016.	To provide additional detail to the scrutiny review.
Details of repairs apprentice scheme	Further information on how the apprentice scheme works, how many apprentices of each trade the council employs, how apprentices are trained, how long it takes for apprentices to be trained, and so on.	To provide additional detail to the scrutiny review.
Kwest resident satisfaction survey: further information	To provide a sample of anonymised data obtained via Kwest's survey; including suggested service improvements proposed by residents	To cover: <ul style="list-style-type: none"> To measure the satisfaction of residents with responsive repairs, and to evaluate the utility of the metrics used
Housing Direct KPIs	Following information on CCA accreditation at the March meeting, the Committee requested to review the latest KPI statistics for the service.	To cover: <ul style="list-style-type: none"> How works are reported, planned, prioritised, responded to, and communicated to residents



Report of: Executive Member for Environment and Transport

Executive	Date: 29 9 2016	Ward(s): ALL
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SUBJECT: Community Energy – Executive Member’s response to the Environment & Regeneration Scrutiny Committee’s recommendations

1. Synopsis

- 1.1 The Environment & Regeneration Scrutiny Committee’s report on Community Energy was agreed on 1.2.16 and received by the Executive on 21.4.16. The Scrutiny Committee’s recommendations are directed towards several services across the Council and this report summarises the response of these and actions being taken to address the recommendations.

2. Recommendations

- 2.1 To note the actions being taken forward to address the recommendations of the Environment & Regeneration Scrutiny Committee on Community Energy.

3. Background

- 3.1 Between October 2014 and January 2016, the Environment & Regeneration Scrutiny Committee explored the concept of Community Energy within Islington, the existing policies and strategies to encourage it, and the opportunities for the Council to provide assistance and support to both residents and local groups.
- 3.2 Community Energy is defined by Department of Energy and Climate Change’s (DECC) Community Energy Strategy as “community projects or initiatives focused on the four strands of reducing energy use, managing energy better, generating energy or purchasing energy”.
- 3.3 Since the commencement of the Community Energy Scrutiny, central government has made a number of significant changes which have greatly reduced the likelihood of community groups undertaking community energy projects.

These include changes to the finance of projects such as:

1. Reducing payments for generation FiTs (Feed in Tariffs) by two thirds
2. Removing or reducing three tax allowances
 - Enterprise Investment Scheme (EIS) allowances
 - Seed Enterprise Investment Scheme (SEIS) tax relief
 - Social Investment Tax relief (SITR)

On top of this, there had been considerable uncertainty until the end of March 2016, about whether VAT on energy efficiency and renewable works would increase from 5% to 20%. HMRC has however confirmed that this is now not the case and the EU has also spoken about being more flexible in this regard.

Although it will not have a large bearing on Islington, the DCLG have also changed rules to make the installation of wind turbines harder.

All the above has led to the current atmosphere around community energy being rather negative with the financial incentives largely removed.

- 3.4 The Scrutiny Committee concluded that there were various different things that the Council could do to both promote and support Community Energy, co-ordinate action by various groups, and help offer a gateway for communities to participate in Community Energy projects.
- 3.5 The recommendations cover general information provision, co-ordination within the Council, and specific project schemes.

4 Response to the recommendations

- 4.1 **Recommendation 1: That the Council continues to apply for any available funding to undertake energy efficiency measures in the borough.**

Response: The Council continues to look at various sources of funding from regional, national and European sources. Previously the Council has been successful and joined with other borough partners to bring funding to the borough and where possible, will continue to do so in the future. The Council will look into providing specific resources to enable bidding on available funding, and therefore this recommendation may have a funding implication. In particular, the Council will look for external funding that promotes and enables Community Energy projects to emerge.

- 4.2 **Recommendation 2: That more information on community energy could be provided to councillors, staff, and tenants and residents' associations so they could provide residents with information.**

Response: the Energy Advice Team have published web pages and drawn up fact sheets for dissemination to the public as well as staff and councillors. Coordination is ongoing with the Communications Team to make sure that the messages get to the right groups and that they are timed to the best effect.

Recommendation 7 (below) further deals with practical support to get Community Energy schemes up and running.

- 4.3 **Recommendation 3: That work take place to ensure there was a joined up approach between different departments dealing with energy issues for residents.**

Response: Internally, the Council has set up the Affordable Energy Board (AEB), which is chaired by the Executive Member for Environment & Transport, and also attended by the Executive Member for Housing and Development. The AEB seeks to provide a joined up approach across the Council and facilitates such coordination.

The AEB is fully reflective of Directors and Senior Managers across key areas of the Council including Environment and Regeneration, Housing, Finance, Legal, Media and Communications. As well as enabling key energy projects to develop, the AEB provides clear direction and facilitates policy and specific energy recommendations to emerge.

The AEB will continue to co-ordinate energy projects across the Council and will oversee the implementation of the Council's renewed efforts to provide a more joined up approach between different departments dealing with energy issues for residents. In particular, it will monitor the Council's efforts to promote and encourage Community Energy.

The Council has led on some significant and innovative energy work in recent years that have won awards, been highly commended or otherwise recognised as outstanding. These include, the Bunhill Energy Centre, providing cheaper, more affordable and efficient energy to heat homes locally and the work of SHINE, providing clear energy advice, advocacy, intervention and support to residents. The range of work that the Council undertakes in the field of Energy is extensive and includes, for example, the high rise insulation project, solar panel installation and a programme to eradicate the scourge of pre-payment meters.

Under the leadership of the Executive Member for Environment & Transport, the Council has now embarked on a simple branding exercise to pull together the various strands of work on Energy to provide a more joined-up approach that recognises the Council's expertise and communicates better with residents, community groups and other key stakeholders.

The outcome of the 'branding' work will act as the basis for enabling a more holistic approach, providing better communication and improving information to residents.

- 4.4 **Recommendation 4: That the Council should look to provide a retail offering to residents, however, the committee did not feel the Council currently had the expertise in-house, and therefore should undertake initial discussions with 'White Label' providers who could run the back office elements of the Islington offering.**

Response: The Council has been proactive in approaching potential partners and exploring the best way to implement this recommendation. A paper was approved by Executive on the 10.3.16, allowing the Council to enter in to a strategic partnership with a white label provider. Negotiations covering the detail of any such offer (including the factors in Recommendations 5 &6) are ongoing.

- 4.5 **Recommendation 5: That any final decision of provider should be based against, Council control of tariffs, which should include a green tariff, a resident focused debt process, and the long term economic sustainability of the company.**

And;

Recommendation 6: That any retail offering should be looked at holistically, with residents encouraged to switch tariffs, but also include the installation of smart meters, energy efficiency measures, and where possible, community energy generation. This would be more cost-effective, save residents more money, and should be done on street by street, estate by estate basis.

Response: Both when choosing and negotiating with potential partners, the Council has and will continue to get the best deal for residents bearing in mind the factors listed above.

These are both effectively subsidiary recommendations to Recommendation 4.

- 4.6 **Recommendation 7: That the Council should do more to encourage community energy and that consideration be given to working with an organisation such as Repowering London to provide a community energy scheme in Islington, or in-house capacity be found to help schemes get off the ground.**

Response: Informal discussions on solar panels have taken place with Repowering London and the Council has looked into providing this service in-house, though the general uncertainties and recent changes to the financing of community energy projects have had a detrimental effect on the numbers of communities looking to set up community generation projects.

It is currently considered unlikely that there will be significant expressions of interest from community groups without the Council largely funding any projects and providing buildings or land for community generation. Typically, before the recent changes, Councils would pay ~£50k per system installed on a Council block for community development, and then run a project to raise ~£60k from the public (some local residents and some out of borough sources) to pay for a system and deliver community benefit. This is the model that was for example used for Banister House in Hackney.

The Council has had a programme of placing solar panels on its own properties and housing estates, and so most of those prime and economically viable sites already have installations.

The Council will look at other ways to support residents and community groups carrying out energy improvements and setting up Community Energy schemes.

The Council will continue to monitor the policy environment around Community Energy, and should national policy become more favourable again, this may be the point at which further action may be possible.

There is a funding implication to this recommendation.

5. Implications

Financial implications:

- 5.1 Several recommendations suggest that tasks are undertaken that would require either procuring the services of an organisation or employing staff directly to undertake functions.

Initial estimates are that £100k-£120k would be required to fulfil these recommendations and further work on identifying possible sources of funding will be undertaken as appropriate.

Legal Implications:

- 5.2 Any legal implications will be included within the relevant decision reports.

Environmental Implications

- 4.3 Community Energy schemes generally take the form of energy efficiency interventions which reduce carbon emissions or generation of electricity via renewable means which de-carbonise the grid.

Resident Impact Assessment:

- 4.4 The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

As this report is for noting only, a formal EIA will be carried out when any further decision reports are required involving changes to services. In general, measures to increase community participation in energy matters are most likely to have a beneficial effect on those who tend to be more economically disadvantaged or vulnerable.

Signed by:



19.9.16

Executive Member for Environment and Transport Date

Appendices: None

Background papers: None

Report Author: Andrew Ford, Energy Advice Manger
Tel: 020 7527 2022
Email: andrew.ford@islington.gov.uk

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Report of: **Executive Member for Community Development**

Meeting of:	Date	Ward(s)
Executive	15 September 2016	All

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SUBJECT: Islington VCS Partnership Grants Programme 2016-2020 – Retained Funding Allocation

1 Synopsis

- 1.1** In November 2015 the VCS Committee ratified the Council's VCS Strategy, "*Towards a Fairer Islington: Voluntary & Sector Strategy 2016 – 2020*" (Appendix 1). Towards a Fairer Islington re-emphasised the Council's ongoing commitment to providing core grant funding to VCS organisations to deliver a range of activities and services that improve outcomes for local residents; and that can help build resilience and capacity across the sector.
- 1.2** In January 2016 the VCS Committee agreed proposals for a new VCS Partnership Grants Programme 2016-2020, to replace the Islington VCS Grants Fund and Advice Fund, across five programme strands:
- 1) Strategic Partners – Borough-wide Infrastructure
 - 2) Strategic Partners – Neighbourhood
 - 3) Delivery Partners
 - 4) Strategic Partner – Volunteering; and
 - 5) Strategic Partners – Advice
- 1.3** At the Council's VCS Committee in June 2016, grants were allocated to 43 organisations and one consortium, to the value of £2,554,000 per annum. Grant awards to run from 1st October 2016 to 31st March 2020.
- 1.4** Following an analysis of the proposed portfolio, including ongoing equality assessments and a Resident Impact Assessment (Appendix 2), The VCS Committee agreed the recommendation to retain £142,000 per annum of the overall annual budget of £2,696,000 for organisations provide strategic leadership and voice for people with disabilities, older people, inter-faith work, and organisations working in Caledonian Ward. This equates to a

total retained funding pot of £490,000 available between 1st October 2016 and 31st March 2020.

- 1.5 Between June and Sept 2016, the VCS development team worked with key corporate and voluntary and community sector funding partners to develop specifications for these areas of work, and where possible secure additional funding. This work has resulted in commitment to align resources with the Council's Housing Department (£80,000 over two years), Cripplegate (£90,000 over three years). These investments increase the available resource for these areas of work to a total funding pot of £660,000 for the period 1st October 2016 to 31st March 2020.
- 1.6 This report provides an overview of partnerships that have been established and recommendations on the allocation of this funding to address the gaps identified in the report to VCS Committee on 16th June 2016.

2 Recommendations

- 2.1 To agree the recommendations set out in section 8 of this report, which seek to address the identified gaps in the portfolio of VCS organisations awarded grant funding in June 2016.
- 2.2 To agree the allocation of funding of £131,428 per annum from the VCS budget, and a total of £460,000 between 1st October 2016 and 31st March 2020 which levers and additional £170,000 from other partners, as set in in section 8 of this report.

3 Background

- 3.1 Since August 2014, and to help the Council develop its thinking around future support for local voluntary organisations, the Council held a series of consultation events with the Voluntary and Community Sector, other public sector bodies and potential future investment partners. This work led to the development of a new VCS strategy for Islington. *“Towards a Fairer Islington: Voluntary & Community Sector Strategy 2016 – 2020”*. The Council's Voluntary and Community Sector Strategy 2016-2020 was agreed at VCS Committee in November 2015.
- 3.2 At a time when central government is cutting funding for public services and cutting welfare benefits for those out of work and in work, the VCS Strategy recognises that the need for a strong, resilient, independent voluntary and community sector, able to respond to the needs of Islington's residents, is greater than ever. The Strategy recognises the key role that the sector will have over the next four years in:
 - Addressing and preventing deeper complex social issues and long-term challenges that affect our residents
 - Supporting residents to be independent and resilient
 - Promoting community cohesion and championing equality
 - Supporting neighbourhoods and communities to grow
 - Providing or sign-posting residents to appropriate, high quality advice and guidance
- 3.3 The VCS Strategy identifies four ways in which the Council will continue to support the sector and its work in meeting the needs of residents:
 - **Funding:** including partnership grants and small grants programmes, a bespoke training and capacity building fund, and discretionary rate relief.

- **Commissioning and procurement:** Commissioning organisations to deliver services, and ensuring social value is included in our approach to commissioning.
- **Premises:** developing a borough-wide premises strategy that maximises the use of our buildings, and enables organisations to share premises, reduce costs and maximise income generation.
- **Working strategically with key partners:** to build the capacity of the sector, promote volunteering, support fundraising, establish networks, maximise our collective impact in neighbourhoods, and ensure a coordinated whole-Council approach to the VCS

4 The Islington VCS Partnership Grants Programme 2016-2020 – Retained Funding

4.1 At its meeting in June 2016, Islington’s VCS Committee agreed recommendations to provide funding of £2,554,000 per annum to 43 organisations and one consortium and to retain and award up to £140,000 per annum to address identified gaps in the portfolio of organisations. Specifically:

- Disabilities – Borough-wide
- Older people – Borough-wide
- Inter-Faith and Hate Crime
- Caledonian Ward – Delivery Partners
- Caledonian Ward – Neighbourhood Partner

5 Aligning Priorities and Securing Additional Investment

5.1 Between June 2016 and September 2016, Islington’s VCS Team has sought to engage with partners from HASS, Community Safety, Islington’s Clinical Commissioning Group and Islington’s Voluntary and Community Sector to scope specifications that speak to the priorities identified by these partners, and where possible, to align future procurement and investment in a coherent manner.

5.2 As a result of this engagement opportunities have been identified to establish a partnership approach to investment in neighbourhood delivery in Caledonian Ward with the Council’s Housing department (£40,000 per annum for two years) and Cripplegate (£30,000 per annum for three years). This partnership will see the development and delivery of a community development scheme programme for the ward.

5.3 Further work has been undertaken with HASS, NHS and Cripplegate to assess and evaluate current provision for residents with disabilities with the aim of aligning the work of Islington’s VCS Team with that of the development of Islington’s Prevention Alliance.

5.4 The partners identified above have been engaged to support the development of bespoke specifications in the areas of disabilities, older people, inter-faith work and delivery in the Caledonian ward. These specifications were issued, through a co-design approach, to organisations with a proven track record of working in these areas and that had submitted applications in the original programme.

5.5 Strategic Partners – Borough-wide – Disabilities

This funding stream was established to support strategic borough-wide organisations with the necessary expertise and capacity to:

- Act as a strategic leader in the area of disabilities
- Deliver, co-produce or provide sign-posting to services that improve wellbeing and quality of life for disabled people

- Transform attitudes and behaviours towards disabled people
- Ensure that Islington's voluntary and community sector and statutory services are responsive to the needs of disabled people

5.6 Strategic Partners - Borough-wide Older People

This funding stream was established to support strategic borough-wide organisations with the necessary expertise and capacity to:

- Provide strategic leadership for older people's services in Islington
- Deliver, co-produce or provide sign-posting to services that improve wellbeing and quality of life for older people
- Ensure that statutory services and Islington's voluntary and community sector are responsive to the needs of older people
- Transform attitudes and behaviours towards older people across Islington

5.7 Strategic Partners – Interfaith and Hate Crime

This funding stream was established to support strategic borough-wide organisations with the necessary expertise and capacity to:

- Act as a strategic leader for Inter-faith work in Islington
- Promote community cohesion and ensure that Islington is a place where diversity is valued, community relations are positive and people have a shared sense of belonging
- Identify, respond to and challenge all forms of intolerance, prejudice and hate crime emerging from, or affecting faith communities
- Strengthen the ability of faith-based organisations to positively engage with the local community, and for VCS organisations to positively engage with faith communities

In addition, Community safety has made a commitment to resource faith partners specifically affected by the adverse effects of hate crime. The specification and tender for this programme will be developed and delivered by the Council's Community Safety Team with support from the Council's VCS Team.

5.8 Delivery Partners – Caledonian

This funding stream was established to support organisations working in Caledonian ward with the necessary expertise and capacity to:

- Lead and deliver a programme of activities and services that improve outcomes for residents in the Caledonian Ward
- Promote community cohesion and ensure that Caledonian Ward is a place where diversity is valued, community relations are positive and people have a shared sense of belonging.
- Strengthen the VCS in Caledonian Ward by improving the ability of local organisations to be independent and resilient

5.9 Neighbourhood Partner – Caledonian

In partnership with Islington's Clinical Commissioning Group, Islington Council's Housing Team intends to set up a Community Wellbeing Project in Caledonian Ward, an approach that builds on the Good Neighbours Scheme developed by Cripplegate. The Council's Housing department has set aside a budget of £80,000 to deliver this project in Caledonian Ward between September 2017 and September 2019 (£40,000 per annum).

Cripplegate governors are committed to maintaining their support of voluntary and community sector organisations that can deliver social improvements in Caledonian ward, and have made a commitment to invest £30,000 per annum over a three year period.

Within this context, Islington's Housing and VCS Team have established a partnership with Cripplegate to ensure that investment in the ward is coherent, coordinated and extended until March 2020; with the aim of maximising value for residents and impact in the ward.

Similar schemes in other parts of the borough have been delivered within a budget of £75,000 per annum per annum. Delivering a scheme of this nature in Caledonian ward between October 2016 and 31st March 2020, would therefore cost approximately £262,500. Finance for this could be achieved through an investment of £80,000 from Housing, £92,500 from Islington's VCS Team and £90,000 from Cripplegate.

Work is underway to finalise a specification and tender process to ensure the delivery of an expanded community development programme in Caledonian ward. This work will be led by Islington Council's Housing Department.

6 Budget

- 6.1** At its meeting in January 2016, the VCS Committee agreed to retain £140,000 per annum of the overall budget of £2,696,000 until 31st March 2020. In addition, commitment has been secured to align a further £40,000 from Housing (over two years) and £30,000 from Cripplegate for three years. These investments increase the available resource for these areas of work to a total funding pot of £660,000 for the period 1st October 2016 to 31st March 2020, equivalent to £188,571 per annum.

7 Applications

- 7.1** For priorities where no further financial partnerships were possible to establish, prospectuses were issued to organisations that have a demonstrated expertise in delivering against the priority areas, and that submitted applications in the first round of VCS Grants funding. Including:
- Disabilities – Borough-wide: Disability Action Islington
 - Older people – Borough-wide: Islington Pensioners Forum
 - Inter-Faith and Hate Crime – Borough-wide: Islington Faith Forum
 - Caledonian Ward – Delivery Partners: Copenhagen Youth Project and Light Project-Pro International
- 7.2** For all strands, detailed feedback on organisation's original applications was provided and applicants were invited to submit a written application in response to the prospectuses issued and application forms. Applications were received from all organisations, with the exception of DAI, who have not responded within the available timeframe.
- 7.3** All applications received were independently assessed against the minimum criteria outlined in the prospectuses and in line with scoring matrices established for each grant strand. Applicants' responses to each of the criteria within the scoring matrix were rated on a scale of 1 to 5. Moderation meetings were held with assessors for each strand. All of the scores of individual officers were aggregated to identify an overall average score for each application. Each organisation was then visited to provide verbal feedback and refine proposals.

8 Funding Recommendations

8.1 Funding is recommended for four organisations as outlined in Table 1.

Table 1: Recommended grant funding for the retained funding of the VCS Grants Programme 2016-2020

Organisation	Recommended Grant Award Per Annum
Islington Pensioners Forum	£10,000
Islington Faith Forum	£25,000
Light Project Pro International	£15,000
Copenhagen Youth Project	£15,000
Total	£65,000

8.2 In addition, it is recommended that £26,428 per annum be allocated to establish and extend a community development project in Caledonian ward. This represents a financial commitment of £92,500 from the VCS budget between 1st October 2016 and 31st March 2020. This funding will help lever an additional £170,000 from Housing and Cripplegate to support this neighbourhood development programme.

8.3 Finally, as we have been unable to secure a viable proposal for work to support disabled residents across the borough, within the allocated timeframe, it is recommended the £40,000 of funding for work on disabilities continues to be retained and awarded through delegated responsibility by a senior council officer.

8.4 These recommendations would result in grant awards to the value of £131,428 per annum from the VCS budget; representing a financial commitment of £460,000 between 1st October 2016 and 31st March 2020.

8.5 That the remaining £30,000 (£8,571 per annum) be allocated for future development work to support capacity building within Islington's VCS.

9 Next Steps

9.1 Organisations recommended for funding will be required to sign grant agreements which will detail the six-monthly monitoring arrangements and conditions associated with the grants, and prepare annual service plans. Quarterly payments of grants will be conditional upon organisations upholding the conditions of the grant agreement.

9.2 Islington Council's Housing Team and VCS Team will work with Cripplegate to develop a specification and application process for the delivery of a community development scheme in the Caledonian ward.

10 Implications

10.1 Financial Implications:

Commitment to the grant allocations agreed by VCS Committee in June 2016 and a decision to award funding to the organisations recommended through the retained funding allocation (including a community development intervention in Caledonian ward) would result in a financial commitment of £2,686,000 per annum until 31st March 2020, against a budget of £2,696,000 per annum.

10.2 Legal Implications:

The Council has power to provide grants to voluntary and community sector organisations under the general power of competence set out in section 1 of the Localism Act 2011.

The provision of these grants is likely to be associated with state aid. The Council can provide state aid in relation to 'services of general economic interest' (SGEI) as detailed in Article 106(2) of the Treaty on the Functioning of the European Union and Schedule 3 paragraph 4 of the Competition Act 1998.

Aid of up to €500,000 (approximately £407,675) may be provided to an organisation for SGEI so long as that organisation has not received de minimis aid from any other source in the last three fiscal years which would result in the total de minimis aid to that organisation exceeding the €500,000 (Commission Regulation No 360/2012, the "de minimis Regulation").

In the event that an organization has received other de minimis aid that takes it over the threshold of £407,675, there is an alternative regime for SGEI exemption for high value compensation that may be used. This was established by Commission Decision (2012/12/EU, the "Decision") that came into force on 31 January 2012. Should this be necessary the detailed rules on calculation of cost and record keeping and reporting set out in the Decision will need to be complied with. In agreeing the recommended grant levels as proposed in the report the total value of grant provided to each organization over the extended period needs to be calculated in order to ensure compliance with the SGEI requirements as appropriate.

The council must also ensure that it complies with its duty to secure best value (Section 3 of the Local Government Act 1999)

10.3 Environmental Implications

There are no environmental implications associated with the delivery of the VCS Partnership Grants Programme.

10.4 Resident Impact Assessment:

10.4.1 A primary focus of "Towards a Fairer Islington: Voluntary & Community Sector Strategy 2016 - 2020" which the Partnership Grants Programme aims to support the delivery of is addressing inequality, promoting community cohesion and supporting our most vulnerable residents.

10.4.2 A key aim of the VCS Partnership Grants Programme 2016-2020 is to provide core funding to voluntary and community sector organisations working across Islington's diverse communities. The fund seeks, not only to pay due regard to the aims of the equality duty, but to actively support a portfolio of organisations that can pro-actively address structural inequalities within the borough. The recommendations in this report are designed to address the issues identified through a Resident Impact Assessment which was undertaken to assess the impact of funding recommendations made to the Council's VCS committee in June 2016 (Appendix 2).

11 Conclusion and reasons for recommendations

11.1 The current VCS Grants Fund and Advice Fund, part of the Islington Community Fund have provided a valuable resource to the voluntary and community sector since 2011. The end of these funding arrangements provides an opportunity for the Council to think afresh about how it wants to support the sector to help deliver against Council's priorities and the Council's VCS Strategy.

11.2 The recommendations in this report reflect the priorities and services outlined in “Towards a Fairer Islington: Voluntary & Community Sector Strategy 2016 - 2020” and the Advice Review which identifies how and where VCS organisations can add real value and support the Council in taking forward its ambitions to promote a fairer Islington.

Appendices

Appendix 1 Towards a Fairer Islington VCS Strategy 2016-2020.
Appendix 2 Resident Impact Assessment

Final report clearance:

Signed by:



15th September 2016

Received by: Executive Member for Community Development

Report Author: John Muir (VCS Development Manager)

Tel 020 7527 3264
Email john.muir@islington.gov.uk



ISLINGTON

Towards a Fairer Islington: Voluntary & Community Sector Strategy

2016-
2020

Foreword

Islington's voluntary and community sector (VCS) lies at the heart of our ambition for a fairer Islington. It is able to reach and develop relationships of trust with residents and communities which statutory services are not always able to do. Some of our most vulnerable residents will first turn to the VCS for support. The sector therefore plays an important role in providing a voice for the voiceless, mobilising community action and tackling the causes and effects of poverty, inequality, and social and economic exclusion.

Islington's VCS organisations have a long tradition of finding new approaches and developing innovative solutions to a range of social issues. They have been at the forefront of major social movements and helped change the face of both local and national policy. Building on this history, we want to maintain a vibrant, dynamic and independent sector, that is able to respond directly to the evolving interests and changing needs of the neighbourhoods and communities we collectively serve.

The VCS also has an important role in achieving community cohesion and other outcomes that we are seeking. This includes helping us deliver our public sector equality duty and the specific equality objectives that we have set. Islington enjoys good community cohesion, and is a good place to live, study and work for most people. However, we know that we can do more to address the third equality duty – fostering good relations between people from different groups.

This means improving relationships between communities and within communities. It is not just about the relationship between different ethnic groups. It is also about the relationships between young people and older people, disabled people and people who are not disabled, people who have lived here a long time and new arrivals, people from different neighbourhoods or wards, straight communities and gay communities, affluent and poor and so on. In particular, we want young people from different communities to grow up with a sense of common belonging, which also means helping them explore and access positive life opportunities.

At a time when central government is cutting funding for public services and cutting welfare benefits for those out of work and in work, we need strong and independent voluntary and community organisations more than ever. As well as providing day-to-day services to residents, we know that the sector can use its independence and creativity to challenge social injustices. Islington Council is therefore committed to continuing substantial support for the VCS, including maintaining our grants programmes and harnessing external funding opportunities.

This strategy sets out the role we see for voluntary and community sector organisations in the borough in helping us to meet our priorities. It outlines the approach that we will take in our work with the sector and makes a series of commitments that seek to maximise our collective resources in an increasingly constrained financial context.



Councillor Asima Shaikh
**Executive Member for Economic
and Community Development**

The Context for Our Strategy

The VCS in Islington

Islington has more than 2,200 independent voluntary and community organisations established for charitable, social, community or environmental benefit, rather than for profit. They vary in size, work in diverse fields and specialisms, and support a wide range of local beneficiaries (see Appendix A). We recognise that many organisations whose presence help to make Islington a vibrant place to live and work, receive no direct financial support from the Council.

Key parts of Islington's voluntary and community sector have consistently demonstrated their ability to deliver high quality services and compete for funding.

Current funding and support for the VCS

Our confidence in the VCS is visible through our contracting arrangements and grant funding. During 2014/15, the sector secured Council grants and contracts to the value of £41.15 million, delivering a range of services, many of which the Council has a statutory duty to provide (See Appendix B). Since 2011, 48 organisations have received direct grant funding of £2.3 million per annum from the VCS Grants Fund and the Advice Fund, enabling them to support and improve the quality of life for thousands of residents. The overall VCS grants fund of £3.5 million also includes grant funding provision for Direct Rate Relief, Local Initiatives Fund, Community Festivals Fund and the VCS Rescue Fund.

We also support the sector through in-kind arrangements, such as the provision of premises at below market rents, the transfer of buildings on long lease, the use of mandatory and discretionary rate relief, or by working directly with organisations to develop and deliver new services.

A harsher financial climate

The Council has faced, and will continue to face unprecedented cuts, which have forced us to reduce our spending dramatically. Between 2010 and 2016 our central government funding will have been cut by half. This includes savings of £38 million in 2015-16. Over the next four years we expect to have to save a further £70 million. Within this context, we need to meet our statutory obligations, maintain essential services and respond to increasing and changing needs of residents.

We remain determined to continue making a real difference in the areas that matter most to local people, and the voluntary sector is a key partner in this endeavour. However, budget reductions on this level will inevitably result in reductions to key Council grants and procurement opportunities. We hope that the VCS can adapt to a harsher financial climate by reducing costs, becoming more efficient and diversifying income sources.

Our Strategy

We see the VCS as key strategic and operational partners in delivering our vision and priorities for a fairer Islington.

Our Vision

We're determined to make Islington fairer: to create a place where everyone, whatever their background has the same opportunity to reach their potential and enjoy a good quality of life

We need Islington's VCS to work independently and in partnership with mainstream services to...

- Address and prevent complex social issues.
- Support residents to be resilient and independent.
- Promote cohesion and champion the needs of Islington's diverse communities.
- Mobilise community action and support neighbourhoods to develop and grow.
- Be dynamic and responsive to local need in creative ways.
- Provide and signpost residents to high quality advice and guidance

We will support Islington's voluntary and community sector through...

- **Funding:** Including small-grants and partnership grants programmes, discretionary rate relief, and a bespoke training and capacity building fund.
- **Contracting:** Commissioning organisations to deliver services and ensuring social value is included in our approach to commissioning.
- **Premises:** Developing a borough-wide premises strategy that maximises the use of our buildings, and enables organisations to use these for income generation.
- **Working strategically with key partners:** Including the VCS and Council departments to provide leadership and build the capacity of the sector, promote volunteering, support fundraising, establish networks, maximise our collective impact in neighbourhoods, and ensure a coordinate whole-Council approach to the VCS

Our vision and priorities



Islington's Council's Corporate Plan ("Towards a Fairer Islington") sets out the Council's vision and priorities for the next four years, what we will do to achieve them, and how we will measure our success.

Our Vision for the borough is to make Islington fairer and to create a place where everyone, whatever their background, has the opportunity to reach their potential and enjoy a good quality of life. Our priorities over the next four years are to:

1. Building more Council housing and supporting private renters
2. Help residents who are out of work to find the right job
3. Help residents cope with the rising cost of living
4. Make Islington a place where our residents have a good quality of life
5. Provide residents with good services on a tight budget

Supporting a Dynamic VCS

We want to support Islington's voluntary and community sector to maintain and renew its long-standing history of being dynamic, vibrant and independent. We want the sector to use its

independence and ability to be responsive, and to identify opportunities to improve quality of life for Islington residents in a rapidly changing environment.

At the same time we need the voluntary and community sector to be connected with mainstream services, supporting residents to access the range of opportunities in the borough that promote independence and resilience including help with finding the right job. In order to fulfil our ambitions for Islington, we need the voluntary and community sector to:

■ **Address and prevent deeper complex social issues and long term challenges that affect our residents.** We need the sector to provide innovative solutions and high quality services (both preventative and ameliorative) that improve outcomes for people affected by complex social issues such as, mental health, domestic violence, long-term health conditions and substance misuse. We need the sector to continue, and develop its work with particular population groups such as young people, carers, elderly residents and people with disabilities in these areas.

■ **Support residents to be independent and resilient.** We recognise that the social issues affecting the quality of life for Islington residents are often the consequence of structural issues such as the social isolation of older people, or experiences of disaffection and alienation amongst the young. In order to ensure that Islington is a place of opportunity for all of its residents we will need to work with organisations that support individuals to be independent and resilient and to access the range of opportunities available in the borough, for example through building capacities and skills for independent living, securing financial stability or sign-posting to preventative services. We need this work to improve outcomes for vulnerable residents. Where appropriate, we need the sector to support residents to find the right job.

- **Promote community cohesion and champion equality.** We want to ensure that Islington is a place where people have a sense of common belonging and feel safe, regardless of background or life stage. We need the sector to respond to the needs of Islington's diverse communities by championing equality, promoting positive relations and cohesion across, between and within different communities, combatting hate crime, and ensuring participation and access to services for all sections of the community.
- **Mobilise community action and support neighbourhoods to develop and grow.** We want to support organisations that enable local communities and neighbourhoods to develop and grow. Across the borough, we want to mobilise community action, and to ensure that community resources, skills, knowledge and spaces are used to their full potential. At a neighbourhood level, we want the voluntary and community sector to work with us to ensure that residents are able to access animated community spaces and a coherent offer of high quality activities, services and opportunities that meet local needs.
- **Provide or sign-post residents to appropriate, high-quality advice and guidance when residents are faced with difficulties.** We want to ensure that residents are able to access high quality advice, guidance and legal support when faced with difficulties. We recognise that many residents will first turn to local voluntary and community sector organisations for support. We therefore need the sector to combine its capacity to reach some of our most vulnerable residents with the ability to link residents to professional advice services and mainstream provision.

The support we will give the VCS

There are four ways in which we will support Islington's voluntary and community sector to be key partners in delivering our vision of a fairer Islington, the details of which are set out later in this document.

- **Funding:** including partnership grants and small grants programmes, a bespoke training and capacity building fund, and discretionary rate relief.

- **Commissioning and procurement:** Commissioning organisations to deliver services, and ensuring social value is included in our approach to commissioning.
- **Premises:** developing a borough-wide premises strategy that maximises the use of our buildings, and enables organisations to share premises, reduce costs and maximise income generation.
- **Working strategically with key partners** to build the capacity of the sector, promote volunteering, support fundraising, establish networks, maximise our collective impact in neighbourhoods, and ensure a coordinated whole-Council approach to the VCS

The sorts of organisations we will we support

To ensure that Islington's voluntary and community sector can support local residents and communities, we want to support a range of organisations, including:

- **Smaller organisations** that provide activities and deliver services at a neighbourhood level or to particular population groups.
- **Community anchors and neighbourhood centres** that are able to coordinate, and curate a coherent offer of local services in response to the needs of the local community.
- **Thematic networks**, which represent and articulate the needs of disadvantaged and excluded communities, and that ensure that services respond to the specific needs of different population groups.
- **Organisations that lead, challenge, and support the sector as a whole**, and that can work in partnership with the Council to champion change, resilience and innovation in the sector. We need voluntary and community sector organisations that are able to provide strong and visible leadership to the wider sector, to inspire organisations to continuously improve, to share best practice, and advocate on behalf of the sector. This could be through organisational development services to local groups, supporting organisations to attract and recruit volunteers, bringing external investment into the borough; or establishing networks to facilitate joint funding applications.

Our Approach

Our Voluntary and Community Sector Strategy responds to the needs that we have identified, the views expressed by local organisations in our consultation (Appendix C), and the Council's priorities for the borough over the coming years.

Our primary focus is on improving outcomes for residents. We're determined to make Islington fairer and to ensure that everyone, whatever their background has the same opportunity to reach their potential and enjoy a good quality of life. We want to work with organisations that can help us achieve this aim.

We want to support local organisations to operate in a different and fast changing environment. And so, our strategy is firmly focussed on helping local organisations to become more independent, financially resilient and better equipped to meet the challenges that lie ahead.

We recognise the important role of core funding and small grants for the voluntary and community sector. Funding and grants of this nature provide a foundation from which organisations can grow and develop responsive initiatives. We also know that over the next few years there are particular areas where Council spending will remain significant. We want to ensure that voluntary and community sector organisations that deliver high quality services and social value are well placed to be our providers of first choice.

Despite these commitments, we recognise that the Council's relationship with the voluntary and community sector cannot simply be based on funding. Both the Council and the voluntary and community sector will have to adapt, be flexible, identify efficiencies and collaborate in order to identify opportunities for mutual benefit.

Our approach therefore focuses on continuing to build and develop strong, outcome driven partnerships between the whole Council and the VCS. These partnerships will need to leverage the financial resources, physical space, and expertise that our voluntary and community sector organisations require to be independent, financially resilient and responsive to local need.

With the primary aim of improving outcomes for residents, we will look to use our resources to work with the sector to establish the infrastructure it needs to deliver high quality services and be resilient. We want to see a better connected sector, with more collaboration and sharing of resources between organisations and groups who share similar goals or who are serving the same communities. We want this infrastructure to support organisations whether we directly fund them or not.

The Islington Compact sets out how local statutory and voluntary sector organisations have agreed to work together to improve the quality of life for residents and will be refreshed over the lifespan of the strategy.

Delivering the Strategy

Delivering Islington's VCS strategy will require a cross Council approach, including commitment from a wide range of service directorates. We are committed to working across the organisation to ensure that the whole Council's approach to the voluntary and community sector is coherent, and that our energies and resources are maximised.

The Voluntary and Community Sector Committee oversees the Council's engagement with the Islington community and voluntary sector and to ensure value for money and fairness in the allocation of Council resources to the sector.

The Council's Third Sector Strategic Forum will serve as the primary officer mechanism to ensure that the Council adopts a consistent and coordinated approach to its engagement with the VCS.

The Council's Voluntary and Community Sector Development Team will be tasked with coordinating the Third Sector Strategic Forum. The team will be responsible for establishing an annual work plan, with clear milestones and reporting mechanisms to deliver the VCS strategy.

Playing a role as advocate and challenger, the team will develop stronger links with key corporate departments and services, and with Islington's voluntary and community sector. The Team will establish a work plan with our key partners to achieve the aspirations set out in this strategy, which will be reviewed on an annual basis.

Our consultation highlighted funding as the key concern of Islington's voluntary and community sector. We want the VCS to be able to focus on the delivery of its core services. Wherever possible we will try and draw together funding programmes to simplify and streamline application processes, and establish appropriate and proportionate monitoring processes

In recognition of the value of grants to local organisations and the potential for these to lever additional resources into Islington, we will look for opportunities to develop our grant and commissioning arrangements.

The Islington Community Fund

The Council is committed to continuing grant funding, we will maintain the Islington Community Fund, which will include a small grants programme, and continue our partnerships grants programme which will contain a responsive organisational development and training fund.

1) Small Grants Programmes

We will continue to support a range of local voluntary and community organisations through our small grants programme. These grants programmes are designed to support smaller organisations to add value to their programmes or to run one-off projects or activities often at a neighbourhood level and will include:

- The Community Chest programme: Small one-off grants for local organisations
- The Local Initiatives Fund: To support ward-specific projects and initiatives
- The Community Festivals Fund: For borough-wide events that support the Council's wider priorities around equalities, community cohesion and place-shaping.

2) Partnership Grants Programmes

We will offer financial support to a range of local voluntary and community organisations and consortia of organisations through four-year funding agreements. These will be run on a two plus two year basis in order to allow us to have greater flexibility, create new opportunities throughout the four year funding cycle where resources allow, and respond to changing needs of the community and the sector.

These grants will be available for organisations that are well run; provide effective services; have the potential to develop and where there is a strategic need for what they do and where they operate.

Our Partnership Grants Programme will be available for small organisations that deliver core services through to those that provide leadership and support to the sector as a whole. There will be three strands to our Partnership Grants Programme, including:

- A Delivery Partnership Programme: For organisations that work directly with residents to improve outcomes in line with the priorities identified above.
- A Strategic Partnership Programme: For organisations that provide leadership, establish networks and build the capacity of the VCS
- An Advice and Guidance Partnership Programme: For organisations that deliver high quality, specialist advice, guidance and legal support.

We want to ensure that the voluntary and community sector organisations are able to respond and adapt to challenging circumstances over the coming years. In addition to funding leadership organisations we will establish a small organisational development and training fund and work with a framework of providers to allow organisations to request or deliver specialist bespoke support according to need. For example specialist support with fundraising, management, preparation for commissioning, governance, or marketing and communications.

Discretionary Rate Relief

We will continue to provide discretionary rate relief to organisations with premises in the borough that provide local benefit. All registered charities will continue to receive mandatory rate relief from the Council which covers 80% of their rates. We will also give discretionary rate relief for locally focussed voluntary and community sector organisations to either cover the remaining 20% (or all of their rates if they don't qualify for mandatory rate relief).

Council and other Public Sector Commissioning and Procurement

We want more local organisations that deliver high quality services and social value, whether large or small, individual applicants or consortia, to attain greater financial resilience by securing contracts from the Council and other statutory organisations such as the Clinical Commissioning Group.

The financial context in which we will be operating is likely to result in reductions to the funding available through Council contracts; collectively we will need to bid for external opportunities and leverage resources into the borough. To do this we need to make sure that the sector is equipped to compete with professional external voluntary and private sector providers. We also want voluntary and community organisations to be able to participate in public sector commissioning processes, helping to shape the terms of procurement processes in order to ensure that our tenders reflect the social value contribution the sector can make.

To do this we will:

- Work in partnership across the Council and with other public bodies to establish joint commissioning and grant funding arrangements where appropriate.
- Review our existing commissioning arrangements, monitor the proportion of contracts we award to Islington-based voluntary and community sector organisations and identify opportunities where local VCS organisations could deliver in terms of quality and social value.

- Review current procurement and commissioning systems to make them simpler and easier to navigate and bid for
- To work with our larger VCS organisation and encourage them to support consortium bids which unlock opportunities for smaller VCS organisations.
- Produce a user guide for the local voluntary sector to explain the process and ways in which it can benefit.
- Strengthen the value of community benefit and social value in our assessment of tenders.
- Provide advance notice to the sector of upcoming opportunities to tender.
- Build the capacity of organisations and offer brokerage services to help them access these funds, including helping them to cost and demonstrate the impact of their work.

Premises

The high cost of premises makes Islington an expensive borough for the voluntary sector to operate in. Smaller organisations, particularly those in buildings owned by private landlords, are finding it increasingly difficult to meet costs and the sector needs help to find and access good quality accommodation at reasonable rents. Rising costs in Islington are placing many organisations in an uncertain position and fuelling the demand for affordable premises.

We want to help the sector to cut costs, share resources and access suitable accommodation. We will develop a Council premises strategy which will take account of the needs of the sector and will:

- Improve the consistency and transparency of Council leases of Council owned premises occupied by voluntary organisations and make clear what outcomes we would expect to see for in-kind support of this nature.
- Make sure that the Council's property portfolio is allocated efficiently and seek to accommodate more organisations – particularly in underused buildings.
- Explore ways in which non-residential premises on housing estates can be used to benefit local voluntary and community organisations.
- To explore, where appropriate, how planning gain can be used to enable the VCS to access affordable, quality premises.
- Identify and promote co-location opportunities for VCS organisations to further develop neighbourhood and thematic clusters of interest, and to help organisations to cut costs by sharing associated common services such as IT, resources, administration, or to support bulk purchasing.
- Broker voluntary sector access to public premises.

Working Strategically with Key Partners

Delivering Islington's VCS strategy will require a whole-Council approach, including commitment from a wide range of service directorates. Within the financial context in which we are operating, it is imperative that the decisions made by the Council in relation to funding, contracts, premises and capacity development are coherent and consistent. There are numerous opportunities such as the pooling of funding and cross-departmental partnerships. The Third Sector Strategic Forum will serve as the primary arena to raise changes that will impact on organisations in the voluntary and community sector.

The Council's complex relationship with the sector will primarily be managed by the new Voluntary and Community Sector Development Team. This team will be tasked with advancing the actions outlined in the VCS strategy.

In addition, this team will work with the key leadership and networking partnership organisations to ensure that our work, and the sector itself, creates an enabling environment for organisations working with local residents. This enabling environment will include opportunities for capacity building, volunteering, fundraising support, networking and neighbourhood working.

Capacity Building

Through our Partnerships Grant Programme, we will support local voluntary and community sector organisations to deliver high quality capacity building and training opportunities for organisations in the borough. We will work with our strategic partners including Cripplegate and local businesses, particularly through the Big Alliance to:

- Establish a borough-wide offer of relevant and responsive support in areas of need, such as fundraising, governance, organisational strategy and development, business planning, managing volunteers, quality standards, monitoring and evaluation.
- Assess the range of capacity building and training opportunities available to organisations in the borough and where there are gaps provide grants for organisations to develop bespoke opportunities.

Volunteering

Volunteers are the backbone for many organisations and some groups rely entirely on unpaid help. Although the sector leads by example, working with volunteers is resource intensive. This presents a challenge for small groups with limited capacity to take on the task of recruiting, inducting and preparing volunteers for placements. We will work with our partners to:

- Ensure that infrastructure is in place to recruit and prepare volunteers.
- Ensure access to support for small groups to deal with the necessary regulations and policies for volunteers.
- Support organisations to offer placements, identify suitable candidates and manage volunteers.
- Work with other funders to find ways to increase the capacity of core funded organisations to use volunteers, particularly through resources that they can share.
- Maximise the benefits of volunteering from local businesses to help organisations develop – particularly professional services such as finance, business planning, marketing and developing commercial services or trading arms.

Fundraising Support

We will work more strategically with other local, national and international funders such as Cripplegate Foundation, Islington Giving, London Councils, the Big Lottery, and others, in order to help local organisations bring additional resources into the borough. This will require us to actively pursue opportunities, broker relationships and support consortia of voluntary organisations to unlock funding.

Where we can, we will join bids for projects that meet our priorities. Where we can't, for example when programmes are primarily targeted at the voluntary sector, we may endorse the application and provide information and expertise to help organisations write successful applications.

We will work with our partners to:

- Establish one-to-one support and sharing of fundraising expertise across organisations.
- Identify trusts and external grant funding and help organisations to take advantage of these.
- Support fundraising and bid-writing – particularly joint voluntary sector/Council bids (e.g. the major ESF employment programmes).
- Develop and maintain stronger relationships with key funders to attract and direct investment into the borough.
- Identify private sector funding and maximise the benefit from corporate social responsibility programmes of leading firms located in the borough, linking in with the Big Alliance initiative.
- Promote and support the development of appropriate business models such as social enterprise models, community interest companies and trading subsidiaries for charities.

Networks

We see formal and informal networks of organisations, organised around thematic priorities (such as unemployment, health, volunteering, or cohesion agendas) or demographic interest groups as an effective way to advance common issues, gain efficiencies and promote partnerships for collaboration and joint-funding applications.

We will work with partnership grant funded organisations to ensure that they establish open, inclusive and effective networks that deliver value to their members

Neighbourhood-based approaches

Across Islington too many community spaces are not utilised to their full potential. There is an opportunity to join-up the resources that different Council departments invest in local neighbourhoods to ensure that they deliver a coherent and relevant neighbourhood offer.

Based on an analysis of indices of deprivation and the prevalence of long-term health conditions at Super Output Area level, six key geographical areas will be targeted in the first instance for Place Based

Community Development Plans: the Bemerton Estate, New River Green, the Andover and Six Acres, Crouch Hall Estate, Elthorne Estate and Mayville Estate. As part of this we will work with our partners to:

- Identify and evaluate the quality of the local community offer in relation to spend and need.
- Identify gaps and find innovative ways to work with local VCS organisations to address these.
- Develop a programme of action jointly with Housing and other Council departments to improve the coherence and quality of services and opportunities offered at neighbourhood community centres.

Appendix A: A picture of the VCS in Islington

Background

The size, diversity, emergent, and sometimes transient nature of civil society organisations operating within Islington, presents challenges to those interested in establishing an accurate and complete picture of the borough's voluntary and community sector.

The picture presented below brings together information from a number of sources including: Voluntary Action Islington, Octopus Network, London Voluntary Sector Council and London Borough Islington in order to provide a starting point for the Council's VCS strategy.

How many VCS organisations operate in the borough?

Islington's voluntary and community sector is very diverse and includes organisations of all types and sizes. The local scene is further complicated by the presence of charities with a national or international focus headquartered here but that don't deliver local services.

In 2014 more than 2,244 charitable organisations were operating in the borough. 1,169 were registered charities while other types of non-profit making organisations, including community interest companies, made up the rest. However, this data doesn't include information on the many small unregistered community groups in the borough. Neither does it accurately reflect the number of active registered voluntary organisations.

In the same year it was estimated that 400 to 450 locally focussed organisations were actively operating in the borough. If we also include small groups, such as tenants and residents associations and organisations

that have engaged with or received some type of support from the Council – including rate relief and small grants – approximately 700 is a reasonably accurate reflection of the number of local organisations that our strategy needs to address. However, it must also be recognised that up to 20 groups at any one time will be in the process of starting-up.

What types of organisation exist?

Table 2 shows a segmentation of the voluntary and community sector in Islington on the basis of size measured in terms of their income. The activities and needs of large voluntary organisations are very different from those of small community-based organisations. It is therefore important to gain an understanding of the sector in order to know how best to, not only provide support, but also to identify effective partnership opportunities.

The majority of VCS organisations in Islington are grass roots or small organisations. Approximately 40% of the VCS organisations operating in the borough are grass roots organisations with no paid staff and an income of less than £10,000. 30% are small organisations with at least one member of staff and registered charity status and an income of between £10,000 and £50,000. This situation demonstrates the importance of ensuring opportunities such as small grants programmes for local grass roots organisations that have extensive reach into local communities.

Approximately 9% of VCS organisations, many of whom have an Islington focus, have an income of between £250,000 and £1 million plus (Tiers 4 & 5). These organisations can be considered as strategic actors within the sector, both in terms of delivery and infrastructure.

Type of organisation	Income	Number (approx)	Examples
Tier 1: Grass roots run by volunteers. New and emerging groups. No paid staff, largely unregistered and unlikely to own premises.	Under £10,000	300	Scouts and Guides; friends of parks groups; community festivals; tenants and residents associations, estate based community groups.
Tier 2: Usually with at least one member of staff and registered charity status.	£10,000 to £50,000	250	Small BME organisations; community arts, networks and forums, older people's groups.
Tier 3: Small/medium Islington focussed with at least one co-ordinator plus other staff. Registered charity and/or company status.	£50,000 to £250,000	115	Community centres, mid-sized BME organisations.
Tier 4: Medium, mainly Islington focussed.	£250,000 to £1 million	40	Mental health, specialist advice groups, larger nurseries.
Tier 5: Large established local and regional charities.	£1 million and over	30	Large community hubs, social care and large children's services providers.
Tier 6: National and regional charities. Not Islington focussed. Largely located in south of the borough.	£10 million plus	Under 30	NSPCC, Shelter, Amnesty International.

Table 2: Islington VCS Organisations Categorisation by Size

What do these organisations do?

These 700 organisations are engaged in a range of activities and many organisations are involved in cross-cutting work that cover a range of areas, so it is difficult to classify them within distinct sectors of activity. The table below shows the primary focus for local organisations that we have been able to map.

Type/activity focus	Number
TRAs and TMOs	85
Arts and culture	79
BME/refugees	72
Children	66
Young people	53
Environmental	41
Faith	33
Health	32
Sport and leisure	25
Neighbourhood Regeneration	22
Community Centres (general)	21
Older people	17
Housing/homelessness	13
Disability	12
Women	11
Education/training	10
Employment	7
Networks	6
Adult social care	5
Business support	4
Volunteering	4
VCS Infrastructure	2
Other	61
TOTAL	676

Table 1: Voluntary and Community Organisations: Primary Thematic Focus – Source: National Council for Voluntary Organisations commissioned by London Voluntary Service Council (2013)

Where are Islington's VCS organisations located?

Islington is a small borough and the services and activities delivered by local voluntary organisations appear reasonably spread throughout, although we estimate that Finsbury Park ward has the highest number (15% of groups, but most are very small).

Small groups are often found in wards in the north of the borough, where a number of important community centres and voluntary sector hubs are located. These centres often host smaller organisations within their premises. The number of organisations found in the north of the borough may also be reflective of the nature of the communities in this part of the borough. For example, Finsbury Park ward is the most deprived ward in Islington and also has the largest black and minority ethnic population in Islington. The vast majority of organisations in this ward reflect the needs of these communities.

Islington has a long and proud history of hosting major national and international charities and voluntary organisations. Typically these organisations are located in the south of the borough.

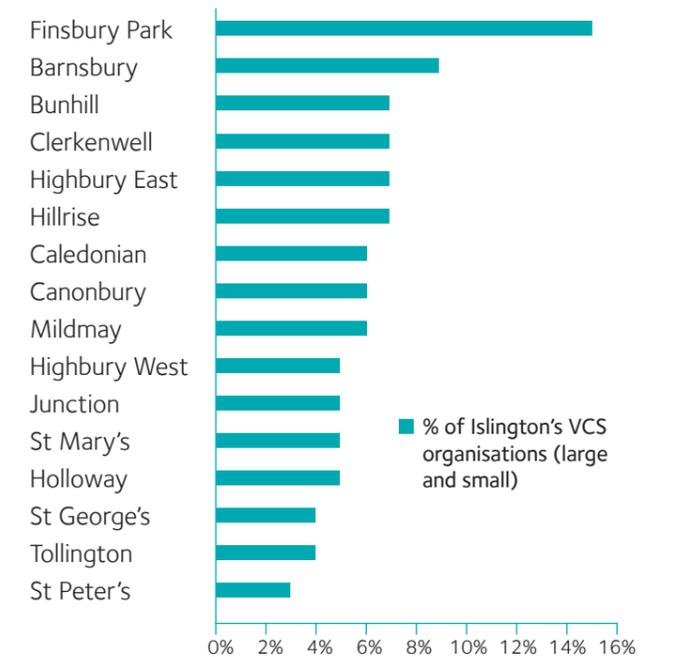


Figure 1: VCS Location by Ward (approximate)

What are Community Centres and Hubs?

There are a range of community centres in the borough – some that are Council funded, some that are located on housing estates, and some that are independently financed and run.

These community venues offer a range of services both directly and indirectly to communities at the neighbourhood level, for example, early years provision, after schools clubs, youth clubs, over 55s clubs that provide lunch and tackle older people’s social isolation. They bring together a wide cross section of Islington’s diverse local communities and play a key role in supporting the Council’s community cohesion agenda’s.

Much of the activity delivered in our community centres is developed and delivered in partnership with a range of voluntary and community sector organisations operating in Islington. The centres play a key role in supporting the work of the wider VCS and connecting local residents to the boroughs wider VCS offer. Community centres have a key role to play in supporting smaller grass roots organisations, providing not only accommodation for activities but providing informal advice and support.

Between 2011 and 2015, the Council provided funding for 12 Community Hubs supported by Octopus Community Network through its core grants programme.

In 2014/15 we spent £41 million with the voluntary sector. The largest commissioner is Adult Social Care, followed by Children’s Services. Voluntary and community sector organisations are also commissioned to deliver contracts in the areas of Community Safety and Environment and Regeneration.

Service Area	Total
Adult Social Services (Including public health)	£26.35 million
Children’s Services	£7.51 million
Chief Executive’s VCS Grants	£2.3 million
Public Health	£1.98 million
London Council’s Grants	£1.57 million
Community Safety	£548,400
Environment and Regeneration	£448,093
Discretionary Rate Relief	£450,000
Local Initiatives Fund*	£240,000
Rescue Fund	£250,000
Community Chest	£200,000
Finance and Housing	£189,196

Council Voluntary Sector Contracts and Grants

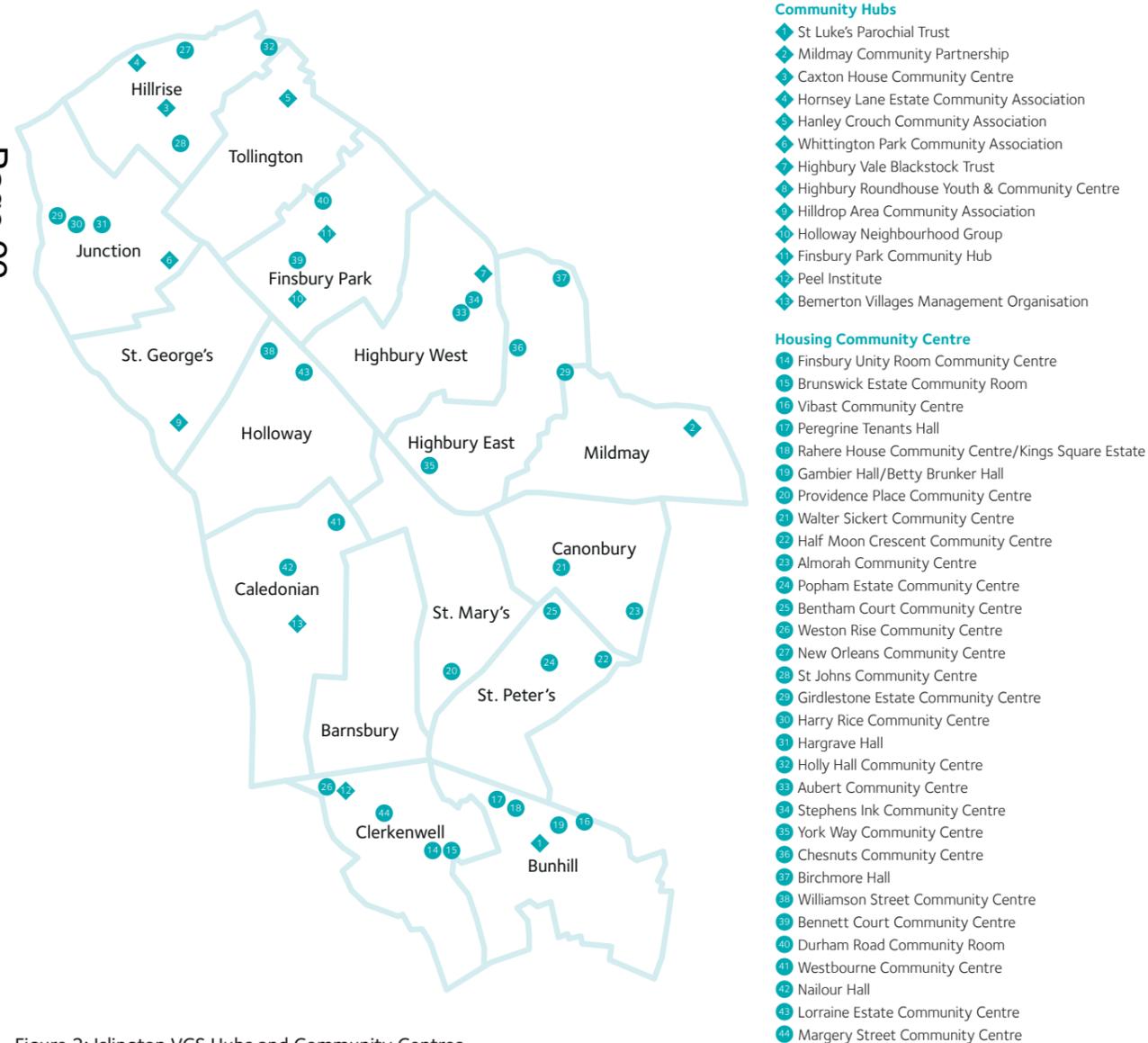


Figure 2: Islington VCS Hubs and Community Centres

Appendix C: Summary of VCS Consultation on the Council's Support to Local Voluntary Organisations

A consultation on the Council's support to local voluntary organisations was held from 19 June 2014 to 15 August 2014. This consultation focussed on the programmes in Islington Community Fund.

During this eight week period we received 41 responses including notes from a workshop facilitated by Voluntary Action Islington which was attended by 30 representatives of local organisations.

Around 70% of responses were from organisations currently receiving financial support from the VCS Grants Fund or the Advice Fund programmes.

A full version analysis of the VCS consultation is available on the Council Webpages. Below is a summary of the key issues raised by respondents.

Supporting the Local Voluntary and Community Sector

Partnership Working

A strong partnership between the Council and the voluntary sector was seen as key to meeting the needs of local residents in the difficult times that lie ahead. There should be regular dialogue with key representative bodies and greater VCS involvement in setting priorities, designing procurements and agreeing outcomes.

Some respondents felt that, over time, the VCS should aim for increased independence with a less dependent relationship and more of a partnership of equals with the Council.

Others suggested that there should be more emphasis on collaboration, for example in sharing information and attracting additional resources to the borough and argued that the Council has a leadership role in coordinating funding opportunities and bringing organisations together, a 'catalyst for creativity'.

Funding

Funding Landscape

Respondents understood the financial uncertainty facing the Council beyond 2015/16 and felt that introducing 2 + 2 agreements is a fair approach in the circumstances. There should be a clear and transparent process, compliant with the Compact, for the current review of funding and any subsequent reviews from 2017.

Several people highlighted the value in continuing to support organisations that have built up relationships and trust with residents, arguing that this can't just be transferred from one agency to another. However this shouldn't mean sticking with historical patterns that no longer meet the needs of our communities.

Mixed views were expressed about social enterprises and trading models. Some felt these had a lot of potential to support innovation and generate new income streams. Others were more cautious, perceiving the opportunities for income generation as modest, and in most cases not as a viable replacement for grants and contracts.

Core Grants Funding

There was a strong feeling that the Council should continue to give grants and a view that commissioning often focuses on the wrong areas. There was unanimous support for retaining an Islington Community Fund. It is seen as a successful approach which provides longer term funding for organisations delivering strategic priorities as well as smaller grants for groups responding to very local or specific community needs.

Users should be the most important consideration and the Council should support effective local grass roots organisations with a good track record in serving residents. Many felt that larger organisations tended to get Council funding at the expense of smaller groups. The Council should consider top-slicing its large contracts to allow small groups to benefit.

The Council should have fair and open funding programmes and should check what organisations actually do when awarding grants.

Small Grant Programmes

There was overwhelming agreement that current small grant programmes should continue. Islington Community Chest generated more comment and support than Local Initiatives Fund (LIF). Some respondents argued that LIF should be more transparent, with one suggesting a Dragons Den type approach involving ward partnerships. Opportunities for Islington Giving fundraising to complement small grants programmes should be explored. The two programmes could be better aligned to avoid the risk of duplicating funding awards when resources are scarce.

Fund Priorities

The Council's commitment to addressing the key areas

of concern to local residents – jobs, housing and rising cost of living – is strongly endorsed by the voluntary sector. Many other priorities were mentioned including health and wellbeing, community safety and cohesion, and provision for children and young people and for older people.

Feedback indicated very high levels of support for continuing with current grant programmes: core funding to strategically important local organisations (VCS Grants Fund); independent advice provision (Advice Fund); discretionary rate relief; and small grants (Community Chest and Local Initiatives Fund).

Joint Working and Funding

The Council should hold the ring and play a bigger role in bringing organisations together and creating partnerships. Brokering relationships and putting organisations in touch with each other for mutual benefit is also important.

Forcing groups to collaborate is not possible (the VCS is independent), but they could strongly be encouraged. Similarly, good organisations could widen their remit (if in line with their mission) to work with others.

The Council needs to involve the VCS at a strategic level, rather than simply inviting it to apply for funding. This would encourage organisations to develop consortia and partnership bids. Joint funding of organisation from larger pots would also help smaller groups to work together (or with larger organisations).

The Council should also organise events, seminars and provide information to promote understanding and help groups to focus on the most pressing equalities issues.

Monitoring of Performance

Various comments were made about how the Council monitors performance. Outcomes were preferred to rigid targets – using a key performance framework and allowing flexibility for changing priorities. Monitoring should be proportionate and should celebrate strong performance as well as pointing out weaknesses. Some organisations would like more dialogue about priorities and more face-to-face-meetings with grants officers. Council systems and monitoring were viewed as unnecessarily bureaucratic involving too much paperwork and onerous reporting requirements, particularly for small grants where administration cost exceed the value of the grant. Monitoring should be proportionate and the Council should have clearer, simpler systems – and use plain English.

Premises

Affordability and Availability

Islington is a very expensive borough for the voluntary sector to operate in and the most popular answer by far was support from the Council to provide affordable premises and discounted or peppercorn rents. Smaller organisations, particularly those in buildings owned by private landlords, are finding it increasingly difficult to meet their premises costs.

There was strong support for making better use of premises, both the Council's own space and that owned by the voluntary sector. Schools and faith properties were cited as examples of buildings with spare capacity outside their normal hours of operation. Many agencies are looking for more flexible space and new community locations to deliver their outreach services.

Community Cohesion, Engagement and Advocacy

Communities must have opportunities to feedback their views and the Council has a role in creating and supporting this – but it should remain flexible on what it funds. What is important is that activities increase inclusion and reduce marginalisation, including for a wider community beyond the protected characteristics such as Irish, white working class residents and people living within the same neighbourhood.

Forums and Organisations

The importance of forums and networks (and that the Council should core fund them) was stressed, although this shouldn't necessarily extend to funding a separate forum for each of the nine protected characteristics. They should all be community led however. There were also calls for forums to have stronger links with local policy makers.

Support Needs of the Sector

All responses highlighted the importance of continuing to fund support for the sector. The most requested services were fundraising, training, information, premises, marketing and communications, networking, and HR. Many people commented on the difficulties their organisations are facing and the challenges of becoming more resilient. They would like more help with managing finance, 'business' planning, building partnerships and consortia, and developing new income streams. Training in social enterprise, trading and mutual support were also mentioned. The support needs of organisations are directly related to their size and scale.

Type	Support Required
Tier 1 Under £10,000	<ul style="list-style-type: none"> ■ Setting up – charity registration, organisational etc. ■ Using volunteers – eg DBS checks. ■ Practical development – finance management, trustees, developing policies etc. ■ Fundraising inc. small grants applications. ■ Finding premises. ■ Information and intelligence, ■ Developing links. ■ Accessing capacity building sources.
Tier 2 £10k – £50k	<ul style="list-style-type: none"> ■ Fundraising to diversify income. ■ Communications and marketing. ■ Finance and administration. ■ Staff development. ■ Governance and trustee training. ■ Volunteer support and supervision. ■ Business planning. ■ Developing new activities. ■ Links with similar organisations. ■ Suitable and affordable premises.
Tier 3 £50k – £250k	<ul style="list-style-type: none"> ■ Business planning – inc. measuring impact and cost of services. ■ Management and staff s development. ■ Developing better links with statutory sector as well as VCS. ■ Information and intelligence. ■ Securing flexible funding. ■ Developing new services. ■ Improved access to ■ Income generation/trading (inc. private sector links). ■ Fit for purpose premises. ■ Consortia/joint working/mergers. ■ Service specific support eg. adult/children’s social care and accessing public sector procurement opportunities. ■ Volunteer training, support and supervision. ■ IT development.
Tier 4 £250k – £1m.	<ul style="list-style-type: none"> ■ Links to contracts and commissioning opportunities. ■ Developing income generation inc. trading. ■ Increasing use of volunteers. ■ Professional trustees. ■ Innovation. ■ IT development.
Tier 5 £1m +	<ul style="list-style-type: none"> ■ Ability to compete against external VCS organisations and private sector for LBI contracts. ■ Professional trustees. ■ Innovation.
Tier 6 Over £10m	<ul style="list-style-type: none"> ■ Links with Islington’s VCS and Council – eg expertise and employment opportunities for residents.

Support Needs by Organisational Size

A common theme was that organisations find it difficult to know what support is available and to access it at the right time. Smaller groups in particular are looking for more 1:1 advice and help with filling in fundraising applications, and more opportunities to network and share information with each other. They would like affordable space to be available for groups to share – desk space with meeting space and event space attached – close to where their communities are based

Neighbourhood Services

The concept of community based provision was widely supported and preferred to services centralised in Council buildings. Residents with the greatest needs are considered more likely to access support close to where they live. Voluntary sector providers rooted in neighbourhoods have an important role to play in putting people in touch with a broad range of services as well as enabling them to be engaged in what is going on in their local community.

A wide range of services were suggested for neighbourhood delivery. Those thought to be most valued by residents are:

- Advice and information, especially around the impacts of welfare reform, including family support. Effective signposting and referral to other sources of help.
- Youth and play activities – before and after school, at weekends and in school holidays
- Activities for older people to prevent isolation and tackle health problems
- Employment support services
- Support for vulnerable adults including mental health
- Volunteering opportunities

Volunteering

All respondents stressed the importance of volunteers to their organisations and that the Council should support volunteering in the borough. Some argued that volunteering is the core ethos of the local voluntary sector and that the Council should only support groups with a good track record of using volunteers.

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Resident Impact Assessment

Title of policy, procedure, function, service activity or financial decision: VCS Partnership Grants Programme.

Service Area: PPC: VCS Development Team.

1. What are the intended outcomes of this policy, function etc?

Introduction

In November 2015 the VCS Committee ratified the Council's VCS Strategy, "***Towards a Fairer Islington: Voluntary & Sector Strategy 2016 – 2020***". The VCS Strategy recognises the considerable contribution that the voluntary and community sector makes to supporting local residents and articulates a new approach to the Council's work with the sector, one based on much closer collaboration and partnership working with organisations, whether they receive grant funding or not. Towards a Fairer Islington re-emphasised the Council's ongoing commitment to providing core grant funding to VCS organisations to deliver a range of activities and services that improve outcomes for local residents; and that can help build resilience and capacity across the sector.

The VCS Strategy identifies four ways in which the Council will continue to support the sector and its work in meeting the needs of residents:

- **Funding:** including partnership grants and small grants programmes, a bespoke training and capacity building fund, and discretionary rate relief.
- **Commissioning and procurement:** Commissioning organisations to deliver services, and ensuring social value is included in our approach to commissioning.
- **Premises:** developing a borough-wide premises strategy that maximises the use of our buildings, and enables organisations to share premises, reduce costs and maximise income generation.
- **Working strategically with key partners:** to build the capacity of the sector, promote volunteering, support fundraising, establish networks, maximise our collective impact in neighbourhoods, and ensure a coordinated whole-Council approach to the VCS

The VCS Partnership Grants Programme 2016-2020

At its meeting in January 2016, Islington's VCS Committee agreed recommendations to provide funding for VCS organisations through the VCS Partnership Grants Programme 2016-2020. The programme was a key commitment within the Council's VCS Strategy.

The grants programme aims to support organisations that can deliver the strategic priorities set out in the VCS Strategy over the next four years by:

- **Addressing and preventing deeper complex social issues and long-term challenges that affect our residents**

- **Supporting residents to be independent and resilient**
- **Promoting community cohesion and championing equality**
- **Supporting neighbourhoods and communities to grow**
- **Providing or sign-posting residents to appropriate, high quality advice and guidance**

The VCS Partnership Grants Programme fundamentally aims to address the challenges faced by residents disadvantaged by structural inequalities. The grants programme aims to support organisations that can deliver the strategic priorities set out in the VCS Strategy. Funding will be provided to successful organisations on a two plus two year basis, across the following strands:

- 1) Strategic Partners – Borough-wide Infrastructure
- 2) Strategic Partners – Neighbourhood
- 3) Delivery Partners
- 4) Strategic Partner – Volunteering; and
- 5) Strategic Partners – Advice

On January 15th 2016, the Council's VCS Development Team published the five corresponding VCS Partnership Grant Strand Prospectus which outlined in more detail the key outcomes that the funding programme seeks to achieve for residents. The deadline for applications was 4th March 2016. 97 applications were received from 81 individual organisations and one consortium, requesting a total of £4,506,774.99 (see Table 1).

Table 1: Number of Applications Received and Total Requested by Grants Strand

Strand	No. of Applications	Total Requested	Available
Borough-wide	11	£438,725.38	£170,000 - £210,000
Delivery	53	£959,318.63	£320,000 - £400,000
Neighbourhood	14	£814,000	£475,000 - £525,000
Volunteering	2	£80,000	£30,000 - £40,000
Advice	17 (8 orgs & 1 consortium)	£2,248,730.98	£1,406,000
Strand 1 - Access & Outreach)	2	£250,000	£200,000
Strand 2 - Primary Access Channel)	4	£132,812	£50,000
Strand 3 - Triage)	4	£185,000	£100,000
Strand 4 - Generalist)	3	£742,134	£350,000
Strand 5 - Targeted Specialist)	3	£388,784.98	£250,000
Strand 6 - Specialist)	1	£550,000	£550,000
Total Applications	97	£4,560,774.99	

Assessment Process

The assessment process for the VCS Partnership Grants Programme was run in two stages. At each stage in the process, officers assessed recommendations in line with the Council's equalities objectives and the need to establish a balanced and diverse portfolio working with different sections of the community and across the borough's wards.

Stage One Assessment

In the first stage, applicants were invited to submit a written application in response to the published prospectuses and application forms. All applications were independently assessed by a minimum of three Council officers. Assessments were made against the minimum criteria outlined in the prospectuses and in line with six scoring matrices established for each grant strand (under the headings 'Finance', 'Proposal', 'Beneficiaries and Equalities', 'Our Priorities', 'Risks, Monitoring and Evaluation', and 'Past Performance and Operations'). Applicants' responses to each of the criteria within the scoring matrix were rated on a scale of 1 to 5.

Across all of the grants strands, answers to each section of the application form were weighted as follows:

- **Finance:** Up to 10% of overall score (including the organisation's ability to attract resources, levels of reserves held, plans to diversify income)
- **Proposal:** Up to 25% of overall score (the outcomes, activities, vision and rationale outlined by the applicant)
- **Beneficiaries and Equalities:** Up to 25% of overall score (the target group identified by the organisation and responsiveness of the organisation's services to the needs of the community served)
- **Our Priorities:** Up to 25% of overall score (the way in which the organisation responded to the priorities identified in the prospectuses and Council's VCS Strategy – as outlined above)
- **Risks, Monitoring and Evaluation:** Up to 5% (the organisations proposals to manage and mitigate risks, and its proposals for monitoring and evaluation)
- **Past Performance and Operations:** Up to 10% of overall score

Moderation meetings were held with assessors for each strand. All of the scores of individual officers were aggregated to identify an overall average score for each application. The applications under each strand were then ranked in order to establish a shortlist of organisations to progress to the second stage of assessment. All organisations were contacted on 9th May to notify them of the outcome of the first stage of assessment. All organisations that were not shortlisted, and that requested feedback on their application, were offered a face-to-face or telephone meeting.

Stage Two Assessment

In the second stage of the assessment, officers met with shortlisted applicants between 12th May and 31st May. These meetings, in the majority held at the organisations offices, provided the assessment officers with the opportunity to discuss applications in more detail and highlight any areas that need further development or clarification before funding recommendations were established.

Organisations were encouraged to provide any additional information or points of clarification within one working week in order to support their application for funding and enable officers to make final recommendations for funding.

Prior to final recommendations being proposed, a full Resident Impact Assessment was undertaken by officers.

2. Resident Profile

Who is going to be impacted by this change i.e. residents/service users/tenants? Please complete data for your service users. If your data does not fit into the categories in this table, please copy and paste your own table in the space below. Please refer to section 3.3 of the guidance for more information.

The VCS Partnership Grants Programme 2016-2020 will provide grant funding for a minimum of 44 organisations in the borough. These organisations deliver an extensive range of services and activities for Islington residents at key geographical locations - with a focus on those areas of the borough that have high levels of multiple deprivation; that have reach across the whole borough, and that are primarily focussed on supporting residents facing structural and socio-economic disadvantage.

Due to the way in which organisations currently collect and analyse data it is not possible to aggregate their individual equalities monitoring data in a way that would be statistically valid. The VCS team will establish a consistent approach to recording and analysing equalities monitoring data across the proposed portfolio as part of new grant monitoring arrangements.

However, examination of the profile of beneficiaries that applicants have identified in their

respective submissions, the services funded, disproportionately represent those communities in Islington that are disadvantaged as a result of their gender, age, disabilities, sexual orientation, race and religion/belief.

The VCS Grants Programme 2016-2020 will impact on all organisations that submit applications, i.e. 81 VCS organisations in the borough. Of these, 40 organisations currently receive funding.

3. Equality impacts

With reference to the [guidance](#), please describe what are the equality and socio-economic impacts for residents and what are the opportunities to challenge prejudice or promote understanding?

A key aim of the VCS Partnership Grants Programme 2016-2020 is to provide core funding to voluntary and community sector organisations working across Islington's diverse communities. The fund seeks, not only to pay due regard to the aims of the equality duty, but to actively support a portfolio of organisations that can pro-actively address structural inequalities within the borough.

As a competitive process, the grants programme has resulted in some organisations that currently receive funding, no longer being recommended for funding. The proposed portfolio however sees new organisations funded through the programme that will address some gaps in current provision and strengthen other areas of work.

Positive Impacts

An equalities assessment that involved an analysis of the equalities information provided by applicants and a mapping of organisations recommended to funding across equalities strands, has highlighted the following positive impacts of the proposed portfolio:

- The proposed funding arrangements will see an increase in the total funding being provided to organisations working directly with some of Islington's most vulnerable residents (Strands 2-5) from 88% to 93%. Alongside this a 10% increase in funding (£91,800) will be provided to organisations working directly with residents in local community settings through the Delivery Partner's and Neighbourhood Partner's strands. This is anticipated to increase the direct impact that the portfolio of VCS funded organisations has on some of Islington's most marginalised residents.
- **Gender:** 29% (6 organisations) recommended for funding in the Delivery Partner's strand work primarily to improve outcomes for women, including those affected by domestic violence. This is twice as many organisations that were funded for this work under the previous VCS Grants Fund. All of the proposed funded organisations demonstrate high levels of beneficiaries are women.
- **Age:** Services for younger and older residents are commissioned in the main through Children's Services and Housing & Adult Social Services. However, in line with the borough's demographics, 33% of the organisations (7 organisations) recommended for funding in the Delivery Partner's strand describe work with children and young people as a part of their core purpose; four of these organisations have not previously received grant funding. Similarly, 20% of the organisations funded in the Delivery Partner's strand describe work with elders as a core purpose of the organisation. As a result, the portfolio of organisations is assessed as being better placed to support residents that may experience exclusion as a result of their age.
- **Disabilities:** 24% of the organisations (5 organisations) recommended for funding within the Delivery Partner's Strand of the programme work specifically with residents with disabilities, compared to one organisation in the current VCS Grants Fund. None of these organisations were previously funded and as a result the portfolio of Delivery Partners will better respond to the needs of Islington residents with disabilities.
- **Sexual Orientation:** One organisation funded within the Delivery Partner's Strand and one organisation funded through the Borough-wide strand will work specifically to improve

outcomes for LGBT residents. In the past no funding was provided for organisations working with this section of the community.

- **Ethnicity:** Within the delivery strand 62% of the organisations recommended for funding have a core purpose associated with improving outcomes for BAMER residents. In the Borough-wide Partner's strand two of the six organisations recommended for funding, work with the specific aim of improving outcomes for BAMER communities. Within the Advice Partner's strand one consortium of BAMER organisation is recommended for funding, this is the first time that these organisations will have formally received funding specifically for their advice work and funding through this strand will provide an opportunity for community based BAMER organisations to better influence the overall development of Islington's advice offer. Across the entire portfolio, 89% of all organisations recommended for funding state that their work is targeted towards resident from BAMER backgrounds.
- **Faith:** One organisation working with Muslim residents is recommended for funding under the Neighbourhood Partner strand. This organisation was previously funded under the cohesion strand of the VCS Grants Fund.

In addition, the Advice funding strand (which will deliver the advice model developed in partnership with a range of VCS organisations) sees 49% of funding allocated to specialist legal advice targeting residents who are structurally disadvantaged e.g. residents who are disabled, are experiencing mental health etc. The re-profiling of the advice service funding which sees a greater percentage of funding allocated to generalist support will enable more residents to be responded to more efficiently and speedily. The Advice strand also provides funding for BAMER organisations to ensure that the needs of BAMER residents are addressed in strategic planning, development and delivery of advice services funded by the council.

Areas to Address

In addition to these positive developments, the same equalities impact assessments have identified a number of gaps in provision in geographical and thematic areas. This is in part because applications were either not received that responded to key areas, or those that were received, did not meet the minimum shortlisting criteria. The VCS Development Team will work in partnership with other corporate departments, key partners and the wider VCS to address the following areas for further development:

- **Disabilities:** Although the proposed grant allocations to organisations across the delivery, neighbourhood and advice strands provides funding for organisations that directly deliver services and activities for people with disabilities (as highlighted above), there remains a gap in the portfolio for organisations that provide strategic borough-wide leadership and voice for residents with disabilities.
- **Elders:** Although the proposed grant allocations to organisations across the delivery, neighbourhood and advice strands provides funding for organisations that directly deliver services and activities for elders (as highlighted above), there is a risk that the proposed portfolio would result in a gap for an organisation that provides strategic borough-wide leadership and voice for elders.
- **Interfaith work and Tackling Hate Crime:** An analysis of the proposed portfolio indicates that there is a significant gap at a strategic borough wide level in terms of leadership of inter-faith work. Given the rising levels of faith based hate crimes in the borough there is a clear need to support a leadership function which can facilitate and support work at a local level to promote community cohesion and develop collective responses to tackle rising levels of faith based hate crime.
- **Caledonian Ward:** Given the high levels of deprivation in the Caledonian ward, the VCS strategy identifies the area as a focus for support. However the area does not currently have the same levels of VCS infrastructure at both a strategic neighbourhood or delivery partner level as other parts of the borough. As a result a bespoke intervention, co-produced with corporate and community partners is recommended in Caledonian Ward.

4. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

Please describe any safeguarding risks for children or vulnerable adults AND any potential human rights breaches that may occur as a result of the proposal? Please refer to **section 4.8** of the [guidance](#) for more information.

If potential safeguarding and human rights risks are identified then please contact equalities@islington.gov.uk to discuss further:

No safeguarding risks for children or vulnerable adults and any potential human rights breaches have been identified that may occur as a result of the proposal. All funded organisations were required to have safeguarding policies in place as a minimum standard and formed part of the assessment process. This requirement will also be a part of all future grant agreements and will be monitored on a regular basis.

Funding for advice agencies ensures that individual residents can receive advice on human rights issues and have their cases taken up through the legal system if necessary.

5. Action

How will you respond to the impacts that you have identified in sections 3 and 4, or address any gaps in data or information? For more information on identifying actions that will limit the negative impact of the policy for protected groups see the [guidance](#).

In order to mitigate the risks identified in section 3 of this RIA, the following actions are recommended:

- £140,000 of funding should be retained in order to support and facilitate work in the areas identified in section 3.
- Officers within the VCS Team will work with colleagues in Housing, Adult Social Services, and Community Safety in order to develop specifications, and to explore co-financing arrangements for grant funding in the four areas identified above.
- Islington’s VCS Development Team will continue the commitment to work with VCS organisations that do not receive grant funding in order to provide technical support and to identify and support applications to alternative sources of grant funding.
- Islington’s VCS Development Team will work with grant funded organisations to establish a consistent and coherent approach to gathering, monitoring and analysing equalities monitoring data as part of the new grants agreement protocols

Please send the completed RIA to equalities@islington.gov.uk and also make it publicly available online along with the relevant policy or service change.

This Resident Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Staff member completing this form:

Head of Service or higher:

Signed: _____

Signed: _____

Date: [Click here to enter a date.](#)

Date: [Click here to enter a date.](#)



Report of: Executive Member for Housing and Development

Executive	Date: 29 September 2016	Ward(s): All
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SUBJECT: Prioritising and Allocating Community Infrastructure Levy (CIL) Income

1. Synopsis

- 1.1 Islington adopted its Community Infrastructure Levy (CIL) in September 2014 and has now begun receiving substantial CIL income as liable developments begin to be built. The purpose of this report is to formally establish a process for prioritising and allocating CIL income. The adoption of CIL provides the Council with an opportunity to take a more strategic approach to funding strategic infrastructure projects (particularly those that support development and address the impact of growth).
- 1.2 The Council requires significant capital investment over and above the existing approved 2016/17 to 2018/19 capital programme, particularly in relation to our statutory responsibilities around the provision of education facilities. There is unlikely to be new capital funding available to the Council over the medium term other than developer contributions, and CIL funding is a more flexible funding source for this purpose than Section 106 funding.
- 1.3 The total amount of CIL funding available for allocation in the period up to March 2019 is estimated to be between £14 and £20 million depending upon the level of development that takes place. Details of the proposed CIL allocation process are set out in Appendix One. It has been proposed that 50% of CIL would be available for investment in strategic CIL infrastructure priorities, with the remainder being allocated based on the recommendations of Ward Councillors. This would mean that about £7 to £10 million of CIL income would be available for allocation to strategic investment priorities in the period up to March 2019.
- 1.4 Because developer contributions are one of the only available sources of funding for infrastructure improvements and not all parts of the borough benefit from these funds, mechanisms have been considered whereby all wards are guaranteed a minimum amount of CIL. Proposals for this mechanism are set out in Appendix Two, with a minimum of £30,000 being recommended. However, for 2016/17 each ward currently holds more than £30,000 of unallocated CIL or Section 106 funds for allocation to their highest local priorities, so there is no need to invoke any re-distribution mechanism this year.

- 1.5 The Executive is also asked to approve the revised CIL Regulation 123 Infrastructure List (Appendix Three of this report) following recent public consultation on that list. Projects should ideally be included within the CIL Regulation 123 Infrastructure List if they are to be allocated strategic CIL funding, though not all projects within the list will necessarily receive CIL funding. Conversely though, being included on this list makes a project ineligible for future Section 106 funding. This list has been revised to optimise future securing and spending of CIL and Section 106 funds, and specifically to allow the proposed Section 106 carbon offsetting allocations set out in Appendix Four to be formally agreed by Executive.
- 1.6 Where developers fail to meet the Council's robust planning policies on reducing carbon emissions resulting from a new development, the Council collects carbon offsetting payments. At this point in time the Council is holding carbon offsetting payments totalling £2.7 million. This money can be spent anywhere in the borough as long as it is used to reduce carbon emissions. To ensure that the most effective use of this money is made, it is recommended that the Affordable Energy Board makes initial recommendations regarding the allocation of this money to specific projects, with the final allocations being made by the Executive or Director of Environment and Regeneration in accordance with the Constitution. Allocations totalling just over £2 million of the available carbon offsetting contributions towards three projects are set out in Appendix Four of this report.

2. Recommendations

- 2.1 To approve the proposed CIL allocation process as outlined in Appendix One of this report.
- 2.2 To approve the proposed re-distribution mechanism for ensuring that each ward has a minimum level of CIL funds to allocate each year, as illustrated in Appendix Two of this report.
- 2.3 To approve that strategic CIL funding will be integrated with the capital medium term financial strategy and budget setting process and formally allocated by Executive at the end of each financial year (as part of the Financial Outturn report) to projects on the CIL Regulation 123 Infrastructure List (Appendix Three).
- 2.4 To adopt the revised CIL Regulation 123 Infrastructure List following the public consultation that was carried out between 26 May and 23 June 2016. The final revised List is set out in Appendix Three of this report.
- 2.5 To approve the proposed method for the allocation of carbon offsetting contributions set out in Sections 3.26 to 3.29, and the proposed allocations set out in Appendix Four of this report.

3. Background

Prioritising strategic CIL investment

- 3.1 The adoption of CIL provides the Council with an opportunity to take a more strategic approach to funding strategic infrastructure projects (particularly those that support development and address the impact of growth).
- 3.2 In the period since CIL was adopted, the Council has issued Islington CIL demand notices totalling over £6.7 million. Outstanding charges must be paid within sixty days of the notice being issued, and to date just over £5.5 million has been received.
- 3.3 Annual CIL income will depend on the level of 'CIL chargeable floorspace' implemented each year. Table One below shows the *actual* CIL funds received in 2015/16, and also indicates the range of developer funding levels that *may* be achieved in 2017/18 and 2018/19, although these figures should be treated with extreme caution. It should be noted that a further £1.2 million is due to be paid within the next 60 days, and based on the current value of CIL Liability Notices issued, we estimate a total of £20 million of CIL funds by the end of 2017/18.

Table One: Total potential income from CIL up to March 2018 (all CIL)

Received for allocation and expenditure in the following financial year	2015/16 £m (Actual funds received)	2016/17 £m	2017/18 £m	Totals £m
CIL income	3.2	4 to 7 (2.3 received so far)	7 to 10	14 to 20

3.4 Any consideration of developer contributions like CIL and Section 106 funds must be heavily caveated with a warning that the level of funding that may be secured is entirely dependent upon whether or not planned and consented development takes place. In addition, Government planning reform is likely to make it increasingly difficult for local planning authorities to secure developer contributions over the next five years. Following a CIL Review set up by the Government in November 2016, it is possible that the CIL regime may be altered to involve a national CIL rate and increased levels of negotiation. This would have a major impact on the funds received by the Council through CIL. Any projections of CIL and Section 106 income set out in this report should therefore be treated with extreme caution.

CIL Allocation Process

3.5 Appendix One sets out proposals for the CIL allocation process. The Council's Constitution specifies that allocations of Section 106 and CIL funds must be formally agreed by Executive, or under delegation by the Corporate Director of Environment and Regeneration (in consultation with the Corporate Director of Finance and Resources). However, the finer detail of how Section and CIL allocation decisions are reached is not prescribed by the Constitution.

3.6 Following discussion with Members, it has been proposed that 50% of CIL income will be allocated by Ward Councillors with the remainder being treated as strategic CIL. The level of CIL to be allocated at a local level is very high in comparison with other boroughs. Most boroughs are applying the 15% requirement set out in statutory guidance, although Camden is applying 25% so that Ward Councillors are on a par with Neighbourhood Forums. In brief, it is proposed that:

- 15% of CIL will be allocated by Ward Councillors to 'the provision, improvement, replacement, operation or maintenance of infrastructure' and/or 'anything else that is concerned with addressing the demands that development places on an area'. Provision is made for this broader use of 15% of CIL in the CIL Regulation 2010 (as amended).
- 35% of CIL will be allocated by Ward Councillors to 'the provision, improvement, replacement, operation or maintenance of infrastructure'. It can therefore be spent on anything that is included on the strategic infrastructure list within that ward, or within a neighbouring ward if appropriate.
- 50% of CIL will be allocated by the Council to strategic priorities as part of the annual budget setting process.

3.7 Based on this allocation process and the total potential CIL income estimated above, Table Two below sets out the *actual* strategic CIL funds received in 2015/16, and also indicates the range of strategic CIL funds that may be available for allocation in 2016/17 and 2017/18. It should be noted that a further £634k of strategic CIL is due to be received in the next 60 days, and based on the current value of CIL Liability Notices issued, we estimate a total of £10 million of strategic CIL funds by the end of 2017/18.

Table Two: Potential income from CIL up to March 2018 (*strategic CIL only*)

Received for allocation and expenditure in the following financial year	2015/16 £m (Actual funds received)	2016/17 £m	2017/18 £m	Totals £m
CIL income	1.6	2 - 3.5 (1.3 received so far)	3.5 to 5	7 to 10

3.8 Executive is asked to approve the proposed CIL allocation process summarised above and discussed in more detail in Appendix One.

Strategic vs Local Developer Funding

3.9 For the next few years at least, the Council will continue to collect substantial Section 106 monies. The Council is currently holding £39 million in Section 106 contributions, £29 million of which has been allocated to projects. The Council is also holding a further £10 million that is yet to be allocated, most of which has been received recently. It is anticipated that up to a further £3 to 5 million of Section 106 monies could be paid to the Council up to March 2019, subject to the relevant developments commencing construction.

3.10 By the end of 2018/19, it is estimated that there will be new allocations of developer contributions as follows:

- ‘Strategic’ developer contributions – **£7 to 10 million** (strategic CIL income)
- ‘Local’ developer contributions – **£17 to 25 million** (£7 to 10 million CIL plus £10 to 15 million Section 106 income)

3.11 The breakdown above shows the importance of allocating Section 106 income to strategically important infrastructure projects in the local area.

The Council requires significant capital investment over and above the existing approved 2016/17 to 2018/19 capital programme, particularly in relation to our statutory responsibilities around the provision of education facilities. It is proposed that strategic CIL funding will be integrated with the capital medium term financial strategy and budget setting process and formally allocated by Executive at the end of each financial year (as part of the Financial Outturn report) to projects on the CIL Regulation 123 Infrastructure List (Appendix Three).

3.12 CIL funding is unlikely to be available to support the delivery of infrastructure investment in Council house building schemes and (following recent changes in Government policy) this funding is very unlikely to be available through the Housing Revenue Account in future. CIL funds cannot be used to directly fund the provision of affordable housing, but investment in community infrastructure as part of larger schemes reduces the need for capital receipts from the commercial housing component of these schemes. Increased income will therefore need to be secured through the construction of private or shared ownership homes, thus suppressing the level of social housing that can be delivered.

3.13 Whilst innovative funding models are being explored, a lack of infrastructure funding is particularly likely to affect the delivery of affordable housing in the Finsbury Leisure Centre and Cally Pool schemes. There is therefore an opportunity for Section 106 funds to be used to support these projects, with the wards in question (Bunhill and Caledonian) directly benefiting from this investment in terms of not only the community infrastructure improvements but also the increased number of affordable housing units being provided locally.

- 3.14 It must also be acknowledged that for the foreseeable future, under the proposed arrangements, CIL funding will not be available for investment in services such as parks, adventure playgrounds, community and youth facilities, open spaces on Council estates, public sports facilities or health facilities. If these types of improvements are going to be delivered, they will have to rely on Section 106 funds where available, or other sources of funding.

Re-distribution Mechanism

- 3.15 Appendix Two shows the amount of unallocated Section 106 money that was available as of December 2015 by ward. It also shows the amount of CIL that each ward had received in 2015/16 under the formula proposed in Appendix One. Based on the funding situation as at December 2015, Appendix Two illustrates how local CIL funds could be re-distributed from wards with larger sums of CIL income to wards without a minimum amount of developer contributions to spend during a particular financial year.
- 3.16 Wards that have received significant sums of developer contributions that can be allocated and spent during 2016/17 and onwards include: Bunhill (£1.64 million); Caledonian (£1.5 million); Clerkenwell (£1.3 million); Holloway (£2.1 million); and St Mary's (£1.5 million). As of December 2015, Canonbury and Mildmay on the other hand did not have any developer contributions to spend on local improvements, though both wards have since received some form of developer contribution. Appendix Two sets out three different potential mechanisms for re-distribution of small sums of 'local strategic' CIL (i.e. the 35% that wards will receive above the statutory 15% local CIL) to ensure that all wards receive a guaranteed minimum amount of CIL each year. The three scenarios consider minimum sums of £100,000, £50,000 and £30,000.
- 3.17 A number of issues were considered in reaching the recommendation put forward in this report. First, Section 106 funding is a relatively inflexible source of funding and in most circumstances must be spent in close proximity to the development from which it was secured. This means that although some wards are relatively 'well-off', they are generally unable to contribute funding to other wards as they only have access to very small amounts of CIL (e.g. Clerkenwell, Holloway and St Mary's Wards). Conversely, St Peter's Ward may suffer under a re-distribution formula because it has no Section 106 funding but has a relatively large amount of CIL (£700,000). Secondly, the 'local strategic' CIL that is potentially eligible for re-distribution must be spent on projects listed on the strategic infrastructure list (see below), although this still gives the recipient wards a great deal of flexibility in terms of how this money can be spent.
- 3.18 In Scenario One, all wards would be guaranteed a minimum of £100,000 per year. Mildmay and Canonbury Wards would have gained £100,000 each at a 'cost' to: (1) Bunhill (£61,000); (2) Caledonian (£99,000); and (3) St Peter's (£40,000). It is acknowledged that this degree of re-distribution is probably a step too far, but it would at least give the recipient wards a meaningful amount of money with which they would be likely to make a noticeable impact in the local area, particularly if banked over two or more years. The equalities implications of moving money from relatively poor to relatively affluent wards should also be considered and should guide how any re-distributed money is spent in the relatively affluent wards.
- 3.19 In Scenario Two, all wards would be guaranteed a minimum of £50,000 per year. Both Mildmay and Canonbury would have gained £50,000 each at a 'cost' to: (1) Bunhill (£30,000); (2) Caledonian (£50,000); and (3) St Peter's (£20,000).
- 3.20 In Scenario Three, all wards would be guaranteed a minimum of £30,000 per year. Both Mildmay and Canonbury would have gained £30,000 each at a 'cost' to: (1) Bunhill (£18,000); (2) Caledonian (£30,000); and (3) St Peter's (£12,000).
- 3.21 The recommendation of this report is that Executive approve the re-distribution mechanism set out in Scenario Three, providing each ward with a minimum of £30,000 per year of 'local strategic' CIL from other wards that have received more than £30,000 of CIL to be prioritised locally. It is further recommended that the re-distribution be re-calculated annually in November (based on levels of

unallocated Section 106 or CIL funds held in each ward) so that any re-distribution of funding is as fair as possible taking into account levels of developer contributions recently received in each ward.

Revising the CIL Regulation 123 infrastructure list

- 3.22 The Council adopted its Community Infrastructure Levy (CIL) Charging Schedule on 1 September 2014, and has now begun receiving CIL funds to be invested in infrastructure improvements within the borough. The adopted CIL Charging Schedule is accompanied by a CIL Regulation 123 infrastructure list, which sets out the types of infrastructure CIL can be spent on and enables the Council to allocate CIL money to schemes that are strategically important to the local area. CIL can only be spent on the types of project contained on this List. The CIL Regulations also prevent the Council entering into new Section 106 obligations to secure additional funds for any infrastructure on the 123 list, so it is important to ensure that the list is precisely defined and up to date.
- 3.23 The infrastructure list has been updated to ensure the Council is able to continue to allocate CIL to the highest priority schemes, without compromising future Section 106 obligations. Islington's revised CIL Regulation 123 list is included in Appendix Three. Public consultation on the revised list was carried out from 26 May to 23 June 2016. Statutory consultees, local stakeholders and residents were invited to comment during this period.
- 3.24 Consultation responses were received from eight companies / organisations, four of which supported the changes and had no specific comments. The remaining four respondents have been contacted to respond to the comments made. Of these, only one response required an actual change to the infrastructure list, which was the explicit inclusion of libraries in the list. Libraries are now mentioned as distinct from community and youth centre improvements, so that there is no doubt that CIL funds can be used to invest in libraries.
- 3.25 Executive is asked to approve and adopt the revised Regulation 123 Infrastructure List attached as Appendix Three of this report.

Carbon Offsetting

- 3.26 Islington Council was one of the first local authorities to adopt a carbon offsetting policy. This policy requires developers to meet challenging carbon reduction targets on-site. Where they are not able to meet targets for on-site carbon reduction, they are required to make carbon offsetting payments. The Council is currently holding £2.7 million in carbon offsetting payments. This money can be spent anywhere in the borough, as long as it is used to reduce carbon emissions. This is because the impacts of the carbon emissions from development in Islington are global, so any spend throughout the borough would equally help to mitigate the emission impacts of development.
- 3.27 It is therefore recommended that the use of this money is considered at a strategic level by the Affordable Energy Board (although any final allocations will be made by Executive or the Corporate Director of Environment and Regeneration or as appropriate). The specific contributions received that are to be allocated to each of the projects recommended by AEB are set out in Appendix Four.
- 3.28 The Affordable Energy Board has determined that the highest-priority carbon offsetting project is a project to insulate four of the least efficient Council-owned high-rise housing blocks in the borough to reduce carbon emissions as well as reducing heating costs for residents of the blocks. The high-rise blocks included in the project include Arlington House (£41k), Gambier House (£635k), Haliday House (£390k), and Ilex House (£509k). A total of £1,590,072 has been proposed towards these projects, providing a small contingency sum.
- 3.29 In addition, £334,876 will be allocated to provide a 'Housing and Health' Fund for two years, to pay for energy efficiency improvements for households (in all tenures) at the greatest risk of health problems related to or exacerbated by cold and damp, particularly respiratory, cardiovascular and immunodeficiency-related illnesses. And finally, £101,073 will be allocated to provide an 'Energising Small Business' fund for two years, to support small businesses wishing to invest in energy-saving, carbon emission reducing measures.

4. Implications

Financial implications:

- 4.1 The Council requires significant capital investment over and above the existing approved 2016/17 to 2018/19 capital programme, particularly in relation to our statutory responsibilities around education provision. The total value of all Section 106 contributions currently held for infrastructure investment is about £20m, and another £3 to 5 million is likely to be received by 2018/19 from agreements that have been negotiated but are yet to be triggered for payment. Over the same period, the Council is projecting to secure circa £14 to 20 million in borough CIL funding. The level and timing of CIL funding is dependent upon both planned development together with potential reforms to planning policies on developer contributions.
- 4.2 It is proposed that 50% of CIL will be earmarked for strategic infrastructure investment priorities with the remainder being directed to projects within the local ward, including 35% to items included in the Council's CIL Regulation 123 infrastructure list and 15% to Ward Improvement Plan projects and other local priorities meeting the funding criteria. This proposed split will be incorporated in the Council's budget setting process.
- 4.3 It is proposed that strategic CIL funding will be integrated with the capital medium term financial strategy and budget setting process and formally allocated by Executive at the end of each financial year (as part of the Financial Outturn report) to projects on the CIL Regulation 123 Infrastructure.

Legal Implications:

- 4.4 The Planning Act 2008 and the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) require the authority that charges CIL to apply it to supporting development by funding the provision, improvement, replacement, operation or maintenance of infrastructure. Infrastructure includes:
- a) roads and other transport facilities
 - b) schools and other educational facilities
 - c) medical facilities
 - d) sporting and recreational facilities
 - e) open spaces
- 4.5 The National Planning Practice Guidance says that the levy can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities. This definition allows the levy to be used to fund a very broad range of facilities such as play areas, parks and green spaces, cultural and sports facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant Plan (the Local and the London Plan). Charging authorities may not use the levy to fund affordable housing.
- 4.6 Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed. The levy is intended to focus on the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision unless those deficiencies will be made more severe by new development.
- 4.7 The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development.
- 4.8 The CIL Regulations require that where the Council has published a Regulation 123 infrastructure list showing the infrastructure that may be funded by CIL (as Islington has), the authority may not fund that infrastructure from Section 106 contributions. Whilst CIL does not have to be spent on infrastructure referred to in the charge setting evidence, the links should be clear.
- 4.9 The purpose of Section 106 funding is to mitigate the impacts of development and to support sustainable development. A Section 106 agreement between the Council and a developer will specify the purpose of each financial contribution, each of which will help to mitigate the specific impacts of

the development in question. The Council is bound to spend these funds accordingly.

- 4.10 The CIL Regulations 2010 specify the legal test as to when a local planning authority may require a Section 106 contribution, and that is when the obligation is:
- a) necessary to make the development acceptable in planning terms;
 - b) directly related to the development; and
 - c) fairly and reasonably related in scale and kind to the development.
- 4.11 The Regulations also stipulate that as from April 2015, a Section 106 obligation cannot be required where five or more agreements that provide funding for that type of infrastructure have already been entered into since 6 April 2010.
- 4.12 The PPG provides that when charging authorities revise their Regulation 123 list, they should ensure that the changes are clearly explained and subject to appropriate local consultation. Charging authorities should not remove an item from the Regulation 123 list just so that they can fund this item through a new Section 106 agreement. Authorities may amend the Regulation 123 list without revising their charging schedule, subject to appropriate consultation. Where a change to the Regulation 123 list would have a very significant impact on the viability evidence that supported examination of the charging schedule, this should be made as part of a review of the charging schedule. However, the changes made to Islington's revised Regulation 123 list are not significant and will not affect viability of development in the borough. Officers considered that it was appropriate to consult statutory bodies, local stakeholders and residents for 4 weeks, following the same process used for the Preliminary Draft Charging Schedule consultation.

Environmental Implications:

- 4.13 Community Infrastructure Levy funds are secured in order to ensure that the necessary local infrastructure is in place to facilitate sustainable development, so CIL-funded projects will help to reduce the negative environmental impacts of development in the borough. The environmental impacts of individual projects will need to be considered by individual project managers at the point of implementation, with measures being taken to improve the environmental impacts of schemes wherever possible.

Resident Impact Assessment:

- 4.14 The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.
- 4.15 A Resident Impact Assessment (RIA) of the proposed CIL allocation process has not been completed yet because the details of this proposal have not been finalised. Equally, an RIA of the proposed allocations has not yet been carried out as there are no firm proposals for making these allocations. Once the methodology has been finalised and the list of proposed allocations has been drawn up, an RIA will be prepared. It is likely that an RIA will also be needed for individual projects.

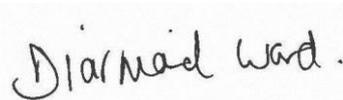
5. Reasons for the recommendations / decision:

- 5.1 At a time when the Council is facing greater than ever financial pressures it is more important than ever that the Council uses its resources in the most effective way possible. The level of CIL funding that is available is far below the levels that are required for capital investment to ensure that local infrastructure can cope with the levels of development and growth expected in Islington in the near future.

Executive is therefore asked to approve the proposed allocation methodology contained in Appendix One, and that strategic CIL funding will be integrated with the capital medium term financial strategy and budget setting process and formally allocated by Executive at the end of each financial year (as part of the Financial Outturn report) to projects on the CIL Regulation 123 Infrastructure List.

Executive is asked to consider the proposed re-distribution mechanism outlined in Appendix Two for future years, though no re-distribution is necessary for the 2016/17 financial year. Executive is also asked to adopt the revised Regulation 123 Infrastructure List following the recent public consultation. Finally, Executive is asked to consider a formal mechanism for the allocation of carbon offsetting contributions taking into account the recommendations of the Affordable Energy Board.

Signed by:



20 September 2016

Executive Member for Housing and Development

Date

Appendices

- Appendix One – Proposed CIL Allocation Process
- Appendix Two – Potential re-distribution scenarios to provide a minimum amount of CIL funds for every ward
- Appendix Three – Revised CIL Regulation 123 infrastructure list
- Appendix Four – Proposed Section 106 carbon offset allocations

Background papers:

- None

Report Author: Karen Sullivan, Service Director (Planning and Development) and Eric Manners, Team Leader (Planning Obligations)

Tel: 020 7527 2614; 020 7527 2771

Email: karen.sullivan@islington.gov.uk; eric.manners@islington.gov.uk

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APPENDIX ONE –COMMUNITY INFRASTRUCTURE LEVY

PROPOSED ALLOCATION PROCESS

Background and Summary

1. This Appendix sets out proposals for the allocation of CIL for consideration by Executive.
2. Development can bring many benefits to the borough in the form of new affordable homes, jobs and community facilities. It can also provide substantial levels of funding to mitigate the impact of development and support the delivery of new infrastructure. Historically this funding has been secured through Section 106 agreements. However, on 1 September 2014 the Council adopted its Community Infrastructure Levy (CIL) Charging Schedule. CIL will largely replace Section 106 funding, although Section 106 agreements will still be used to secure benefits such as affordable housing, affordable workspace, student bursaries, carbon-offsetting payments and training.
3. The transition from Section 106 to CIL provides an opportunity to reconsider how the council allocates developer contributions. At a time when the council is facing a further period of unprecedented financial pressures, it is clearly desirable that (wherever possible and lawful) this funding is used to deliver the council's corporate priorities and to protect poor and vulnerable residents from the impacts of Government cuts and continuing austerity.

Community Infrastructure Levy (CIL)

4. The purpose of CIL is to secure funding from new development to improve and increase the capacity of local infrastructure to support growth.
5. Following its adoption on 1 September 2014, CIL will in most cases replace the use of Section 106 contributions for securing developer funding for infrastructure investment. CIL will be a more effective source of infrastructure funding compared with contributions negotiated under Section 106 agreements as CIL rates are non-negotiable and apply to a greater number of developments. This provides greater certainty to both the developer and the council.
6. Whilst the development industry was originally in favour of CIL, some developers are now lobbying Government for its relaxation. The Government appears to be receptive towards many of the arguments being made by developers. It is therefore possible that the review of CIL currently being undertaken by Government could see changes to the rules around this source of funding, possibly suppressing the amounts that may be collected.
7. One change already announced by the Government that may impact on CIL income is the requirement in the Housing and Planning Bill for English planning authorities to promote the supply of 'starter homes'. Starter homes are new dwellings that should be made available to first time buyers under the age of 40 at a discount of at least 20% of the market value and up to £450,000 in London. As Government considers these homes to be a form of 'affordable housing' they would not be CIL liable.
8. Most developments comprising one or more new residential units or an additional 100 sqm or more of floorspace will be charged CIL. For most schemes, payment of CIL will be due on implementation of the development. Implementation may take place up to three years after planning permission is

granted. For large developments such as Mount Pleasant, partial payments will commence on implementation with further amounts paid in instalments as separate phases of the development are built out.

9. Due to the time lag in implementing consented development, CIL funds have been slow to arrive since the adoption of Islington's CIL in September 2014. It is expected that CIL income will reach its full potential from about 2017/18 onwards (or three years after the adoption of CIL – the point at which permissions granted after the adoption of the Charging Schedule expire).
10. As CIL income begins to reach its peak, Section 106 infrastructure contributions will gradually taper off, although Section 106 agreements will continue to be used where possible to secure affordable housing, site-specific infrastructure and other non-infrastructure requirements that cannot be addressed through CIL. This frequently includes contributions for local employment and training, Code of Construction Practice monitoring and carbon offsetting.
11. CIL funding must be used to pay for the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of an area. This means that **CIL income can normally only be used to fund the operation and maintenance of capital infrastructure, but not for other revenue funding purposes¹**.
12. CIL is a relatively flexible funding source because the projects that it funds do not need to be directly related to the specific development from which the money came (as is the case with Section 106 infrastructure contributions). However, under the CIL Regulations, a minimum of 15% of funding (and 25% where a Neighbourhood Plan is in place) must be spent in the same area as the development and must be subject to local consultation. The potential use of this 'local CIL funding' is also broader – as well as 'the provision, improvement, replacement, operation or maintenance of infrastructure', it can be spent on '*anything else that is concerned with addressing the demands that development places on an area*'. This element of CIL can therefore be used to meet additional costs associated with running a new or improved facility, or the provision of enhanced services **that directly address additional demand associated with new development.**

Developing a new allocation process for CIL

13. The adoption of CIL provides the council with an opportunity to take a more strategic approach to funding infrastructure projects particularly where this will reduce the need for cuts. The current Government 'rules' around the expenditure of this funding are briefly summarised below.

15% to be spent in the Local Area

14. As noted above, DCLG CIL Guidance (2014) states that charging authorities should use existing community consultation and engagement processes to ensure that the use of 'local CIL funds' (15% of receipts or 25% where a Neighbourhood Plan is in place) reflects priorities expressed by local communities. In Islington these allocations can therefore continue to be made based on projects that have been prioritised by Ward Councillors in their Ward Improvement Plans (as long as any allocations are in line with the relevant criteria set out above).
15. Where a Neighbourhood Forum with a Neighbourhood Plan is in place it would be beneficial for the council to work with the Forum to see whether there is potential to align their priorities with those strategic projects identified by the council and those identified in Ward Improvement Plans. To date only the Mount Pleasant Neighbourhood Forum has met the legal criteria for designation. The council has also received proposals for Neighbourhood Forums for Archway, Crouch Hill and Kings Cross. To be eligible for CIL a Neighbourhood Forum has to prepare a Neighbourhood Plan and take it through an Examination in Public by an independent Inspector. Following this the Plan is subject to a local referendum where it must be supported by a majority of the local residents who vote in the referendum.

¹ CIL Regulations 2010 (as amended) Regulation 59 and CIL Guidance 2014 p38.

85% Strategic CIL (or 75% if there is an adopted Neighbourhood Plan)

16. Whilst Section 106 funds are closely tied to the local area around the relevant development and are often directed towards specific types of infrastructure, there is the potential to direct a greater proportion of CIL funds towards more strategic infrastructure priorities. This is particularly important where increased demand arises from population growth and the council has not currently allocated capital funding to meet this demand.
17. Following the principles set out above, the proposed process for allocating CIL is outlined below. This process has been discussed with various Members during recent months through a number of different forums. It should be noted that the proposed level of 'local' CIL is high in Islington. It appears that neighbouring boroughs are proposing that only 15% of CIL is allocated at a local level (in line with the minimum levels set by the regulations). Only Camden has gone above this level by indicating that 25% of CIL will be allocated at a local level (putting ward councillors on a par with Neighbourhood Forums).

PROPOSED CIL ALLOCATION PROCESS

CIL Allocation Process

5% of CIL will be used for the introduction, collection and allocation of CIL.

18. The council is legally entitled to pay for the cost of adopting and administering CIL through CIL receipts. The work of the council in calculating, charging, collecting and allocating CIL is therefore funded entirely through CIL.
19. It has been proposed by Members that further allocations will be made as follows:
- 15% of local CIL (i.e. the 'reasonable proportion to be spent in the local area') – to continue to be allocated via Ward Improvement Plans and at the discretion of Ward Councillors subject to the relevant legal criteria set out in paragraph 12 above (unless there is a Neighbourhood Plan in place in which case 25% is allocated by the Neighbourhood Forum).
 - A further 35% of local CIL to continue to be allocated via Ward Improvement Plans and at the discretion of Ward Councillors subject to the legal criteria set out in paragraph 11 above (unless there is a Neighbourhood Plan in place in which case 25% will remain to be allocated by Ward Councillors). This can only be spent on projects included on the strategic infrastructure list. Some of this funding may be distributed to other wards to ensure that all wards are guaranteed a minimum level of funding. Where money is redistributed it can only be spent on projects contained in the strategic infrastructure list.
 - 50% of strategic CIL will be allocated by the Council to projects listed on the Strategic Infrastructure Priority List. Final formal allocations of the strategic 50% of CIL will be made as part of annual financial outturn reports presented to Executive each May.

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Appendix Two – Potential re-distribution scenarios to provide a minimum amount of CIL funds for every ward

Ward	Unallocated S106	CIL held	Local CIL	Total local funds	£100k minimum per ward				£50k minimum per ward				£30k minimum per ward			
					Amount short of £100k (Combined)	Loss or gain	Amount short of £100k (CIL only)	Loss or gain	Amount short of £50k (Combined)	Loss or gain	Amount short of £50k (CIL only)	Loss or gain	Amount short of £30k (Combined)	Loss or gain	Amount short of £30k (CIL only)	Loss or gain
Barnsbury	327,184	0	0	327,184	-	-	100,000	100,000	-	-	50,000	50,000	-	-	30,000	30,000
Bunhill	1,075,426	1,134,451	567,226	1,642,652	-	- 61,202	-	- 381,680	-	- 30,601	-	- 182,775	-	- 18,360	-	- 103,213
Caledonian	601,103	1,840,525	920,263	1,521,365	-	- 99,293	-	- 619,234	-	- 49,646	-	- 296,532	-	- 29,788	-	- 167,451
Canonbury	0	0	0	0	100,000	100,000	100,000	100,000	50,000	50,000	50,000	50,000	30,000	30,000	30,000	30,000
Clerkenwell	1,335,096	19,061	9,531	1,344,627	-	-	90,469	90,469	-	-	40,469	40,469	-	-	20,469	20,469
Finsbury Park	833,422	0	0	833,422	-	-	100,000	100,000	-	-	50,000	50,000	-	-	30,000	30,000
Highbury East	439,299	0	0	439,299	-	-	100,000	100,000	-	-	50,000	50,000	-	-	30,000	30,000
Highbury West	987,963	16,082	8,041	996,004	-	-	91,959	91,959	-	-	41,959	41,959	-	-	21,959	21,959
Hillrise	221,350	0	0	221,350	-	-	100,000	100,000	-	-	50,000	50,000	-	-	30,000	30,000
Holloway	2,125,715	0	0	2,125,715	-	-	100,000	100,000	-	-	50,000	50,000	-	-	30,000	30,000
Junction	95,936	45,101	22,550	118,487	-	-	77,450	77,450	-	-	27,450	27,450	-	-	7,450	7,450
Mildmay	0	0	0	0	100,000	100,000	100,000	100,000	50,000	50,000	50,000	50,000	30,000	30,000	30,000	30,000
St George's	256,157	11,249	5,624	261,782	-	-	94,376	94,376	-	-	44,376	44,376	-	-	24,376	24,376
St Mary's	1,514,754	13,932	6,966	1,521,720	-	-	93,034	93,034	-	-	43,034	43,034	-	-	23,034	23,034
St Peter's	0	732,290	366,145	366,145	-	- 39,506	-	- 246,375	-	- 19,753	-	- 117,981	-	- 11,852	-	- 66,624
Tollington	145,189	0	0	145,189	-	-	100,000	100,000	-	-	50,000	50,000	-	-	30,000	30,000
Totals:	9,958,594	3,812,691	1,906,346	11,864,941	200,000	0	1,247,288	0	100,000	0	597,288	0	60,000	0	337,288	0

Notes:

1. The three 'Combined' scenarios, which take into account unallocated S106 in addition to CIL, require less re-distribution in order to ensure that all wards have at least some funds to invest in infrastructure improvements for the year.
2. In the 'CIL only' scenarios, some wards with large amounts of unallocated S106 will also benefit from some re-distribution of CIL from other wards that have less money to spend overall.
3. Because planning regulations prevent S106 funds being re-distributed to other wards, only wards with large amounts of CIL will be able to re-distribute funds to other wards. This year, only three wards (Bunhill, Caledonian and St Peter's) will be able to re-distribute CIL (figures in red).
4. Like S106 funds, the 15% statutory local CIL cannot be re-distributed to other wards. The 15% is also the only CIL that can be spent more flexibly on a wider range of measures to address growth and support sustainable development.
5. All re-distributed CIL funds will therefore have to be spent on items on Islington's revised Regulation 123 infrastructure list (subject to consultation and adoption). But every ward's WIP contains numerous schemes that will be eligible for strategic CIL spend.

Reg 123

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Appendix Three – London Borough of Islington Community Infrastructure Levy ‘Regulation 123’ Infrastructure List

The following ‘Regulation 123’ infrastructure list sets out the items and types of infrastructure that may be fully or partially funded by Community Infrastructure Levy (CIL). The purpose of this list is to be clear about those items that may be funded through CIL and also those items that will not be funded through a Section 106 agreement.

The inclusion of either an item or type of infrastructure in this list does not signify a commitment from the council to fully or partially fund all the items or types of infrastructure listed through the Community Infrastructure Levy. The order of the table does not imply any order of preference.

The Islington CIL Charging Schedule came into effect on 1 September 2014, and has now begun receiving CIL funds to be invested in infrastructure improvements within the borough. The council will review and update the list to reflect infrastructure priorities in accordance with any relevant procedures set out in the CIL Regulations and CIL Statutory Guidance.

List of items and types of infrastructure to be funded in whole or part by CIL
<ul style="list-style-type: none"> • Improvements to existing council-owned public open space, amenity space and play space*
<ul style="list-style-type: none"> • Sobell Leisure Centre improvements • Finsbury Leisure Centre improvements • Archway Leisure Centre improvements/ re-provision • Caledonian Pool improvements • Market Road Leisure Facility improvements • Highbury Pool improvements • Ironmonger Row Baths improvements
<ul style="list-style-type: none"> • Transport and Public Realm improvements*
<ul style="list-style-type: none"> • Education facility improvements*
<ul style="list-style-type: none"> • Healthcare facility improvements*
<ul style="list-style-type: none"> • Improvements to libraries, community centres, and youth centres*
<ul style="list-style-type: none"> • Expansion of Bunhill Heat and Power Network* • Archway and Elthorne Estate Heat Network* • Caledonian Heat Network* • Highbury West Heat Network*
<p>* Excludes works that may be required within development sites and works required in order to make a specific development acceptable in planning terms. Further details are set out in the Islington Development Management Policies (2013), the Planning Obligations (Section 106) Supplementary Planning Document, and the ‘CIL Draft Charging Schedule & Supporting Information’ document (Section 8 and Appendix 1).</p>

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Appendix Four – Proposed Section 106 Allocations (July 2016)

Carbon Offset contributions	Planning reference	Ward	Amount to be allocated	S106 wording	Proposed projects / WIP priority (High/Medium/Low)
23 Elizabeth Ave, N1 3BT, 3 residential units	P2013/3982	St Peter's	£ 4,275.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
134A Seven Sisters Road, N7 7NS, change of use to flat	P2012/0210	Finsbury Park	£ 950.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
2A - 9 Moray Mews - redevelopment of the site to provide 8 residential dwellings	P2014/1522	Finsbury Park	£ 11,400.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
3-5 Omega Place, N1 9DR, three new flats	P2014/0149	Caledonian	£ 2,850.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Thorpedale Rd 116-124, two dwellings	P2014/3582	Tollington	£ 2,901.62	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
117-119 Fonthill St	P2014/0252	Finsbury Park	£ 2,850.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
97-103 Fonthill Rd	P2013/2849/FUL	Finsbury Park	£ 8,550.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
185-187 Isledon Rd	P2013/4582/FUL	Finsbury Park	£ 2,142.54	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
1 & 2 Tremlett Mews, Tremlett Grove London N19 5LA	P2014/1764/FUL	Junction	£ 1,425.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
21 Dingley Road, London EC1V 8BN	P2014/0353/FUL	Bunhill	£ 4,750.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Land adjacent to St George's and All Saints Church Hall, Crayford Road, London N7 0ND.	P2014/4555/FUL	St George's	£ 2,850.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
103 Copenhagen Street London N1 0JN	P2015/1082/FUL	Barnsbury	£ 950.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Units A, B, & C, 17 Garrett Street, London, EC1Y 0TY	P2015/2924/FUL	Bunhill	£ 1,900.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
522 Hornsey Road, London N19 3QN	P2014/3473/FUL	Tollington	£ 950.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Land rear of 46 Hungerford Road, London, N7 9LP	P2014/1502/FUL	Holloway	£ 1,425.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Cru House, 29-39 Mount Pleasant, and 5, Rosebery Avenue, Islington, London, EC1R 4SP	P121605	Clerkenwell	£ 996.58	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Hamlyn House 21 Highgate Hill	P2013/0399	Junction	£ 28,940.90	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
John Barnes Library and land to the rear of 275 Camden Road, N7 0JN	P2013/4758	St George's	£ 57,894.44	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
London Metropolitan University, 263-289 Holloway Road and 2-16 Eden Grove London, N7 6NE	P2013/2963	Holloway	£ 719,573.23	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Royal London House, 22-25 Finsbury Square, EC2A 1DX	P122324 / P2015/4722/FUL	Bunhill	£ 458,739.38	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
37-47 Wharf Rd, residential development	P2014/2131/FUL	St Peter's	£ 125,857.02	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
White Collar Factory (former Transworld), 210 - 218 Old Street, 70-100 City Road, EC1V 9UN	P101833	Bunhill	£ 89,884.47	Carbon offset contribution	To be re-allocated from expansion of Bunhill Heat & Power to carbon reduction through the estate high-rise insulation project
Maple House, 37-45 City Road, office and retail	P2013/4007/FUL	Bunhill	£ 42,658.27	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
24-26 King Henrys Walk, N1 4PB, two houses	P2013/0945	Mildmay	£ 2,850.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
25 Baron Street, N1 9ES, five residential units	P2014/0144	Barnsbury	£ 950.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
123 Offord Rd, N1 1PQ, conversion to flat	P2014/2491	Barnsbury	£ 950.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Axminster Rd 3, N7 6BL, two flats	P2014/2901	Finsbury Park	£ 1,925.65	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project

46-54 Rosebery Av, EC1, three flats	P2013/0605	Clerkenwell	£ 2,850.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
34 Sekforde St, EC1R 0HA, two flats	P2014/3339	Clerkenwell	£ 950.00	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
31-41 Pear Tree St	P2013/4475/FUL	Bunhill	£ 984.07	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
266-270 Pentonville Rd	P2014/4618/FUL	Caledonian	£ 2,904.92	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
86-87 Chapel Market	P2013/2763/FUL	Barnsbury	£ 993.92	Carbon offset contribution	Towards carbon reduction through the estate high-rise insulation project
Ivy Hall Community Centre, 300 Holly Park	P2013/4952	Tollington	£ 49,241.94	Carbon offset contribution	Towards carbon reduction through the 'Energising Small Business' fund
New River College, Key Stage 4, 1 Dowrey Street, London, N1 0HY	P2015/0081/FUL	Barnsbury	£ 41,193.90	Carbon offset contribution	Towards carbon reduction through the 'Energising Small Business' fund
26 Campdale Rd, seven residential units	P2012/0419	Junction	£ 9,688.04	Carbon offset contribution	Towards carbon reduction through the 'Energising Small Business' fund
4 Charterhouse, EC1M 7AN, flat	P2013/3216	Bunhill	£ 950.00	Carbon offset contribution	Towards carbon reduction through the 'Energising Small Business' fund
Moreland School, Moreland Street, EC1V 8BB, new primary school	P2014/5103	Bunhill	£ 56,415.38	Carbon offset contribution	Towards carbon reduction through the 'Housing and Health' fund
Estate Land and 1-8 Rowstock Gardens & Garages Opposite 77-84 Rowstock Gardens, London N7	P2015/0294/FUL	Holloway	£ 42,964.91	Carbon offset contribution	Towards carbon reduction through the 'Housing and Health' fund
1 & 2-5 Benjamin Street & 94-98 Turnmill Street, London EC1	P2014/2950/FUL	Clerkenwell	£ 96,947.20	Carbon offset contribution	Towards carbon reduction through the 'Housing and Health' fund
Dover Court Estate, including land to north of Queen Elizabeth Court and garages to west of and land to north and east of Threadgold House, Dove Road	P2014/3363/FUL	Canonbury	£ 138,549.05	Carbon offset contribution	Towards carbon reduction through the 'Housing and Health' fund
Carbon offset total to be allocated: £2,026,022.42					



Report of: Executive Member for Environment and Transport

Executive	Date: 29.9.16	Ward(s): All
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SUBJECT: Waste Minimisation and Recycling Action Plan 2016/17

1. Synopsis

- 1.1 Recycling is vitally important to Islington. It's better for the environment, and because it costs a lot less than throwing rubbish away, it saves money that can be spent on services for residents. The Council strongly supports recycling and we regularly review the ways we recycle.
- 1.2 This report provides an update on recycling progress over the last year and sets out priorities and service initiatives for 2016/17.
- 1.3 The report highlights the comprehensive range of recycling services available to residents in Islington and the work being undertaken to improve the quality of recyclables being collected and to make the service more efficient and better for residents.

2. Recommendations

- 2.1 To agree the Waste Minimisation and Recycling Service Aims and Objectives for 2016/17 as set out in paragraph 4 below.
- 2.2 To note the outcome of the recycling pilot carried out in Tollington (and neighbouring) Wards as set out in paragraph 5.1.
- 2.3 To note that the proposed changes to food and garden waste recycling collections would not deliver the level of savings originally anticipated.
- 2.4 To agree not to implement the proposed changes to food and garden waste recycling collections, as other ways of achieving the savings have been identified, including re-phasing the delivery of savings across the department and also from optimising refuse and recycling rounds.
- 2.5 To agree to implement optimised refuse and recycling collection rounds for properties with door to door collections based on a village principle (area based teams).

2.6 To note that changes to the estate door to door recycling service have been completed.

3. Background

3.1 Review of progress against agreed aims and objectives for 2015/16

3.2 Recycling Performance for 2015/16

Islington's recycling rate for 15/16 has just been confirmed as 29.4%, compared to the NLWA agreed target of 34.5%, and down on the 32.8% figure in 14/15. The recycling rates of all NLWA boroughs dropped in 15/16 (and by an average of 1.6% points) and this is mainly attributed to tighter industry-wide regulatory controls around contamination levels. Contaminated loads is mainly a problem for Islington in respect of communal bins, though why the overall impact on our local rate is somewhat higher than the average will need further investigation and it is likely that there are a number of factors at play.

The underlying dry recyclables rate (excluding compostable material, which varies widely across inner and outer London boroughs) stands at 22.1% and is above the average for both London (21.0%) and also the NLWA constituent Boroughs (21.6%).

Average residual (non-recycled) waste per household in 15/16 was 412kg, exceeding the target of 422 kg, though not as good as in 14/15. Residual household waste generated per household is the second lowest (best) in London and remains the lowest of the NLWA constituent Boroughs.

3.3 Improving the quality of recycling

As indicated above, the recycling rate has been adversely affected by tighter controls on the quality of recycling being collected following the introduction of new legislation around recycling facilities. Globally, recyclers are requiring higher qualities of materials for recycling, and the value of some materials has declined. Measures are being taken to reduce levels of contamination in public recycling bins.

While this is a challenge for Islington, the problem is a national one with Local Authorities across London and the country experiencing similar difficulties in maintaining the quality of collected recyclables. A range of actions to tackle the problem have been drawn up by officers working together across the Council.

Officers work closely with front line staff to identify the most problematic sites. This 'priority list' is being tackled with a comprehensive range of actions to deal with the specific problems at that site. Front-line staff are being consulted with on how best to resolve the issues and to confirm progress, and staff have reported significant improvements at a number of sites following these interventions. As a last resort, consideration may be given to relocating or removing the site, following an assessment of the impact on local residents.

3.4 Services for residents and businesses

A comprehensive range of recycling services continues to be provided to residents to enable them to conveniently recycle their waste. These include:

- Door to door weekly collections of mixed dry recycling, food and garden waste for 50,000 street properties
- Approximately 600 public and estate communal recycling points for residents on and off estates
- A nightly recycling collection service for residents in flats above shops
- Approximately 280 communal food waste collection points for residents on estates
- A household reuse and recycling centre with a recycling rate of over 70%, open 363 days per year
- Free clear recycling sacks and compostable food waste bags available for all residents from libraries and the Council's Municipal Offices in Upper Street

- A bulky reuse collection service providing quality items to Islington's reuse organisation, Bright Sparks
- Reduced price home composting bins and real nappy vouchers
- A range of communications activities at events, workshops for schools, give and take days, swishing (clothes swapping) events and real nappy workshops
- Low cost commercial waste recycling services to businesses

3.5 Improving efficiency

A range of work has been undertaken to improve the efficiency of the service, including:

- Changes to estate recycling services
- Door to door recycling pilot scheme
- Optimisation of door to door collection routes
- Trialling of bin sensors and 'smart bin'
- Trialling mobile technology for front line staff
- Waste minimisation activities and communication

3.6 Apprentices and communications

Ten apprentices were recruited in July and in September 2015, to work as 'Recycling Communications Apprentices'. Their main role was to speak to residents on estates to encourage them to recycle, to find out what barriers there were to recycling, to resolve these issues and then to let residents know of the improvements that had been carried out.

Nearly 5,000 households on estates in Islington have been visited.

Apprentices have also helped with other communications work, site visits and monitoring, and 'back office' work, as well as receiving valuable training, experience and qualifications. Their manager, Janice Grant, was shortlisted for 'Local Authority Champion of the Year' at the 'Awards for Excellence in Waste and Recycling' for her work in managing and mentoring this team of apprentices.

3.7 Working in partnership with North London Waste Authority

Officers continue to work closely with NLWA in implementing both its joint waste minimisation strategy and on joint communications work.

The Council has negotiated a new way of paying for what Islington disposes of. Through an inter-authority agreement with the North London Waste Authority and the six other constituent Boroughs, a system of 'menu pricing' has been introduced, meaning that the Council pays a price for each tonne of waste or recycling produced by Islington residents. The price paid for recycling is lower than the waste price paid for waste, which means that every tonne of waste recycled or avoided saves money.

This is an excellent new deal for the Council that will reduce its overall waste disposal fees and incentivise more recycling and waste minimisation.

4. Aims and Objectives for 2016/7

Proposed aims, objectives and service priorities for 2016/17 are set out below. They reflect previous aims and objectives with updated targets and actions.

Aim

- To provide quality recycling services that meet the needs of residents and to reduce the amounts of municipal waste sent for disposal via landfill or incineration.

Objectives

- To build awareness for the need to recycle/re-use through effective communication
- To identify opportunities to implement better quality and more cost effective methods of recycling
- To seek to achieve a 2016/17 recycling rate for waste from households of 35.2% and that supports the NLWA recycling target of 50% by 2020
- To achieve a household waste (not recycled) rate of no more than 413kg during 2016/17
- To support the NLWA partnership and the implementation of its waste strategy

To achieve these objectives, we will:

- Implement more efficient collection rounds based on a village principle for properties with door to door collections
- Introduce new, cleaner collection vehicles, fitted with bin-weighing technology
- Improve communal and estate recycling points
- Work with landlords to ensure all residents in the private and social rented sector have access to good recycling services
- Work with management companies of apartment blocks to ensure all these residents have access to good recycling services
- Encourage residents to reduce waste through direct engagement and through partnership working with the North London Waste Authority
- Provide all residents receiving a door to door collection with a free delivery of clear recycling sacks
- Trial smaller recycling sacks for estate residents
- Provide regular and effective communications to residents about recycling service and waste minimisation
- Continue to introduce smart technology, such as bin sensors, to improve service quality and efficiency

5. Service Updates and Changes

5.1 Recycling for properties with door to door collections

As part of the 2015/16 budget proposals , Members agreed to;

- Introduce the 'village principle' into Street Environment Services by creating area-based teams.
- Reduce the number of refuse collection vehicles by, following pilots, moving towards communal kitchen waste and green waste collection.

Services are being planned around six 'villages', providing geographically based local services for local residents. This means dedicated resources will be deployed in localised areas, giving the collection staff and managers responsibility for refuse and recycling services in these localised areas. At present, each crew operates in different parts of the Borough throughout the week.

A detailed analysis of the current service and an assessment of the resources required to deliver a more efficient service has been carried out. The outcome of this work is a village principle proposal that delivers much of the required savings without changing the service-offer to residents. Though the day and time of collections may change, the proposal also provides front line staff with a fair day's pay for a fair day's work.

During 2015 in an area based around Tollington Ward, a pilot scheme was carried out to trial new collection arrangements for the communal collection of food and garden waste to see if there was potential to develop a more efficient way of recycling food and garden waste in Islington. The active participation of local residents meant that the amount of food and garden waste collected was comparable to recycling levels from door-to-door collections.

Following the pilot, a detailed analysis was carried out to see if communal food and garden recycling could be extended across Islington to reduce the cost of the service. This analysis concluded that the savings made by a change to communal food and garden waste collections would not be as substantial as first projected. In particular, a communal system would require more vehicles than originally

anticipated, significantly reducing savings.

Residents in the pilot area reverted back to door to door collections for food and garden waste from 5th September, with communal food and garden waste containers being removed.

New greener vehicles will be purchased to support the proposed collection arrangements, leading to a cleaner, more effective service.

A full **communications campaign** will support the service changes with residents being given clear guidance on any changes to collection days, as well as what can and cannot be recycled.

Clear recycling sacks for residents with door to door collections

To further encourage residents to recycle more following these changes, a **free pack of clear recycling sacks** will be delivered to households with a door to door collection. These have proved popular with residents in the past and provide residents with additional capacity for putting out extra recycling. These sacks are available to any resident free of charge from libraries, should they want to continue to use them.

5.2 Service changes on estates

As part of the budget proposals for 2015/16 and 2016/17, Members also agreed to

- Review recycling points on estates to make them more accessible and, following pilots, move to communal recycling on the estates where doorstep recycling is currently still offered.

Following a comprehensive consultation process with residents and stakeholders, including TRA meetings and other site visits, those residents previously receiving a door to door recycling services now receive either:

- A door to door recycling service where they have an equivalent door to door refuse collection service (mainly ground floor street-facing properties), or;
- A communal recycling site service located on their estate or at their block, or;
- In a few instances, the service remains, pending further localised consultation and site improvements.

5.3 Communal recycling service improvements

Recycling site improvements

To underpin the above changes to recycling services for estate flats, members agreed a capital budget for the 2016/17 to 2018/19 period to improve the appearance of all types of communal recycling sites and to reduce contamination and fly-tipping. These improvements will include:

- Bespoke enclosures or screens to improve the visual appearance of the site;
- Replaced or refurbishment of containers;
- New signs giving clearer information on what can and cannot be recycled and warning against dumping at recycling sites;
- New container and lid designs as a direct result of officers discussions with bin manufacturers;
- 'See through' recycling bins;
- Electronic information screens located at recycling site, some with inbuilt cameras;
- The use of the Council's CCTV network where necessary;
- All of this is in addition to our ongoing communications activities.

Clear recycling sacks for residents with communal recycling sites

Clear recycling sacks are a popular option for many residents but aren't suitable for putting into communal recycling bins due to their size. We will trial the delivery of smaller clear sacks specifically for use by residents at communal recycling sites, to see whether these are a cost effective way of making

recycling for residents in flats and apartments easier and encouraging them to recycle more.

Engaging with landlords

Estate landlords can play a key role in ensuring socially responsible behaviour of their tenants. We will continue to work with landlords, including Islington's own housing department, social landlords and private landlords to ensure that their tenants have access to good quality recycling services, and fully informed of how to recycle and understand that recycling remains compulsory in Islington.

Recycling services for apartment blocks

It is a priority for the Council that residents living in apartment blocks need to have access to recycling facilities that are as convenient as possible. The Council is committed to providing these facilities and helping residents in apartments to recycle as much of their waste as possible. To do this we will:

- Carry out an audit to ensure all residents in apartment blocks have access to a convenient recycling facility
- Ensure a fair share of the recycling site improvement programme is focussed on apartment blocks
- Ensure that private or socially managed apartment blocks are included in the small clear recycling sack pilot
- Engage with landlords and management companies to ensure appropriate facilities are provided

5.4 Smart recycling bins

Sensors have been fitted to some recycling containers that give fill level readings and provide alerts when the bins need emptying. The system also generates 'smart plans', dynamic collection rounds which take the collection crew to the full containers along an optimised collection round.

Sensors have also been fitted to some food bins and waste bins as part of the pilot.

The system is being evaluated to see if it can deliver efficiencies, as well as improved customer service.

The collection crew have had to adapt to a completely new way of working as part of this pilot and were shortlisted for 'Recycling Crew of the Year' at the prestigious 'Awards for Excellence in Waste and Recycling'. The driver was Jacinto Carvalho, and the two loaders were Ian Watson and Bob Jones.

The Medium Term Financial Strategy has a target of £100k of efficiency savings to be delivered in the 16/17 financial year with the potential of a further £100k delivered in 17/18.

5.5 Waste Minimisation

Officers work in close partnership with the North London Waste Authority to deliver a waste prevention plan.

The plan focusses on three priority waste streams: food waste, textiles and furniture reuse and is backed up with a full action plan, including:

- Food waste advice stalls at large festivals and fairs, supermarkets, farmers markets and shopping centres
- Community and schools engagement
- Cookery sessions with residents
- Library displays
- Work with 'ambassador families' to promote food waste reduction
- Give and take events
- Community repair workshops
- Clothing exchange days and 'swishing' events

- Waste education programme
- Promotion of reusable bags
- Action on unwanted marketing material ('junk mail')
- Real nappy support

The Waste Prevention Action Plan can be viewed at www.nlwa.gov.uk.

5.6 Recycling targets

The Council, along with the other six constituency Boroughs of the NLWA, have agreed an Inter Authority Agreement which commits us to supporting the NLWA's own recycling target of 50% by 2020. It is understood that among the seven constituency Boroughs, the opportunity for contributing to this recycling target varies with the quantity of and ease of collecting recyclable materials.

5.7 Communications

Regular communications are essential in encouraging residents to continue to recycle and to reduce their waste. Communications will be delivered in a number of ways during the coming year, including:

- To residents with door to door collections when optimised routes are implemented;
- To the same residents through the delivery of clear recycling sacks;
- Targeted communications to residents on estates based on their local recycling facility and, where data exists, based on performance at the site;
- Communications to residents in the private and social rented sector through engagement with landlords;
- Engagement with the community at events, including give and take days, 'jumble trails', and electrical repair workshops;
- Higher level, regional communications in partnership with NLWA;
- Improved content on the Council's new mobile friendly website and through the 'Wise up to waste' website.

6. Implications

Financial implications:

- 6.1 The service changes detailed in this report were planned to deliver £2 million of savings over the 2015-17 financial period. The revised proposals detailed in this report alter the timing and level of savings and these changes have been reflected in revised Medium Term Financial Strategy targets as part of the 2017-18 budget setting process. The new menu pricing arrangements with North London Waste Authority are expected to deliver savings in the corporate levy payment over the medium term, with the level of savings dependent upon the relative tonnages of the future waste streams.

Legal Implications:

- 6.2 The Council has a duty to collect household waste. No charge may be made for its collection except in prescribed cases (section 45 Environment Protection Act 1990). Those cases are currently prescribed by the Collection and Disposal of Waste Regulations 1988, regulation 5 and Schedule 2 and include the collection of garden waste. Accordingly the Council has discretion as to whether it charges for the home collection of garden waste or provides a free service.

In addition to the above duty, the Council is under a separate duty to collect at least two types of recyclable or compostable household waste either co-mingled or individually separated from the rest of the household waste. Government guidance states that the following materials count as a type of recyclable waste: batteries; garden waste; glass; hazardous waste liquids; catering waste; metals; paper products; plastics; textiles and shoes; waste electrical and electronic equipment; and, wood. The duty to collect recyclates applies unless the Council is satisfied that the cost of doing so would be unreasonably high (on an individual premises basis) or comparable alternative arrangements are available (section 45A of the 1990 Act).

The Council may by notice require household waste and recyclates to be placed for collection in receptacles of a kind and number specified. Such receptacles may be provided by the council free of charge or at a cost (if the occupier agrees) or by the occupier (section 46).

With effect from 15 June 2015 the Deregulation Act 2015 abolished the criminal offence in section 46 EPA and replaced it with a civil sanction. Local authorities will still be able to issue penalty notices but only in limited circumstances and if a 'detriment to the amenities of the locality' test is satisfied. The aim of the proposed test is to ensure that penalties are targeted at those whose behaviour reduces the quality of their neighbours' surroundings.

Environmental Implications

- 4.3 There are no significant environmental implications as the recommendations are to retain the existing services for street properties, though organising collections around a village principle may reduce unnecessary vehicle movements.

Resident Impact Assessment:

- 4.4 The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment is not required as the recommendations relate to keeping the current recycling service for street properties.

5. Reasons for the recommendations / decision:

- 5.1 The recommendations are needed to enable the service to become more efficient and to deliver the MTFs savings targets for the service.

Signed by:

Signed



19.9.16

Executive Member for Environment and Transport Date

Appendices

- None.

Background papers:

- None.

Report Author: Matthew Homer
Tel: 020 7527 5152
Email: matthew.homer@islington.gov.uk



Report of the Executive Member of Children, Young People and Families

Executive	Date: 29 th September	Ward(s): St Georges
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The appendix to this report is exempt and not for publication.

SUBJECT: Procurement Strategy – Tufnell Park Primary School Redevelopment

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of the redevelopment of Tufnell Park Primary School in accordance with Rule 2.5 of the Council's Procurement Rules.
- 1.2 The redevelopment of Tufnell Park Primary School is a capital investment priority for the council. The school will increase in size from a 1.5 Form Entry school and nursery to a 3 Form Entry and nursery with provision for two year olds. The whole school will be redeveloped providing substantially improved accommodation for its pupils. The scheme will include new landscaping of the whole area. The pupils will be housed in temporary accommodation whilst the new school is being built. The enlarged school will be occupied from September 2019. The current school has very limited space for both staff and pupils and the condition of the building would require significant investment.

The Council published its School Place Planning report in November 2015 and the Executive has received and approved:

- Provision of Sufficient School and Childcare Places, 16 June 2016

The Executive is asked to note that analysis of pupil place planning demonstrates there to be a shortfall of school places over the medium to long term. Any necessary statutory consultation will be undertaken in advance of any permanent increase in the school's Published Admission Number. It is intended that this is undertaken in the Autumn of 2016.

2. Recommendations

- 2.1 To approve the procurement strategy for redevelopment of Tufnell Park Primary School as outlined in this report.
- 2.2 To procure a design and build contractor to undertake pre-construction contract duties using the Southern Construction Framework (SCF), Lot 3 London Construction Projects £5m plus, and to undertake a mini competition pursuant to that framework.

To delegate authority to the Corporate Director of Children's Services in consultation with the Corporate Directors of Finance and Assistant Chief Executive (Governance and HR) to enter into a Pre-Construction Agreement with the selected design and build contractor.

To note that the contract award of the Design and Build Contract for the works will be subject to separate Executive approval.

- 2.3 To note that the proposed school development will provide capacity for three forms of entry and facilities for 2 year olds. Such a development would help to meet the projected need for places in the borough and help to satisfy the Authority's obligation to provide sufficient school places.

3. Background

3.1 Nature of Service

There will be a shortfall in primary school places in Islington from September 2019, particularly in Planning Area 1, with pressure on school places from September 2019 and into the longer term. There are few options to expand the number of school places available in the area and it is essential that every opportunity is considered to support the council's need for school places over the coming years. All schools were invited to express an interest in the potential expansion of their school. Tufnell Park School was chosen after a review of the quality of education and governors' willingness to expand. Discussions with the planning department also indicated that this was the preferred scheme. This project was the most cost effective of the options proposed as it provided the most places at the most reasonable cost. The procurement will cover the design team as well as all the construction costs. A feasibility study has been completed which has helped to confirm design and accommodation requirements for the new school prior to embarking on a full procurement process.

3.2 Estimated Value

Feasibility analysis has been undertaken to determine the options available to meet demand for school places. A report was considered by the Executive in June 2016 which demonstrated the need for additional primary school places and agreed a contribution from the Community Infrastructure Levy towards the redevelopment of Tufnell Park Primary School as a three form entry school. The remainder of the project budget is funded from the Children's Services Basic Needs allocation. Refer to Appendix 1 for more financial information.

The overall budget estimate is £14m, inclusive of all project related costs, surveys and professional fees. The project is expected to take approximately three years. The enlarged school is anticipated to be occupied from September 2019.

Through the development of design and construction proposals, consideration will be given to methods of value engineering the project to improve overall project costs and the duration of the works. Where possible, early involvement of the supply chain will provide more certainty on elemental costs and will assist in programming activities on site. Consideration will also be given to use of alternative materials or manufacturers as well as the extent to which system build (off site prefabrication) can be utilised. The budget is based on the current market rates for the works that are being completed at our other two major school capital builds. Fees have been estimated and benchmarked against similar and existing school build projects. The budget has been confirmed by the Executive in June 2016. The overall budget is in line with the DFE allocations for new places. In the event of the budget being cut an

exercise to value engineer the project will be made. If this results in the scheme not being able to deliver additional places the scheme may not go ahead. Savings will be dependent on planning requirements.

3.3 Timetable

The following provides an indication of timescales for the procurement, development of design and construction proposals, and for the construction works. The dates are subject to confirmation once the design and build contractor has been appointed. Consideration is to be given to progressing works in advance of the contract being signed in order to mitigate the impact of any delays on the school and to best enable on time completion. Such measures could include the manufacture and installation of temporary accommodation which could be managed through the pre-construction agreement, subject to planning requirements and confidence on overall project affordability.

- Appointment of advisors (Autumn-16)
- Surveys and title searches (ongoing)
- Market testing and Notification to SCF (Oct-16)
- Stage 1 Mini procurement competition through SCF (Oct to Nov-16)
- Stage 2 Mini procurement competition through SCF (Nov to Dec-16)
- Select Preferred Bidder for Pre Construction Agreement (Dec-16)
- Development of design and construction proposals (Jan to Jul-17)
- Review/clarification of proposals and affordability (Mar to Jul-17)
- Submission of detailed planning application (Apr-17)
- Executive approval, design and build contract award (Jul/Aug-17)
- Enabling works (TBC)
- Construction start (Sept-17)
- Construction end (Aug-19)
- Completion of demolition and landscaping (Dec-19)

3.4 Options Appraisal

The Council has undertaken a review of procurement options. These are set out below with a recommendation as to which option provides the most cost effective and efficient method of procurement. The options considered are:

- a) OJEU Restricted or Open Procedure run by the Council for the combined design and build elements. This could provide enhanced value for money, but would be a lengthy and complex process with potential significant impact on programme. Market intelligence and experience reported from many other London Boroughs suggests that construction companies are not bidding for such projects (at this value), given the time and resources required to tender when balanced with the chances of being successful and given the buoyancy of the market. In our experience this method of procurement is time consuming and costly.
- b) Use an existing OJEU compliant Design and Build Regional or National Framework. This would make the procurement process more efficient, removing the need to pre-qualify potential contractors, and starting from a short-list of competent contractors with experience of delivering similar sized projects in live school environments. The Council would utilise an existing legally compliant tender process and conduct a mini competition to appoint a contractor and design team. This is the most time efficient method and one which engages the contractor early to inform build-ability and construction costs. It is essential that the new places are available as failure to deliver sufficient school places could result in the opening of Free schools in the borough. There is open book market testing of building elements to assure value for money. We will appoint a quantity surveyor to ensure that value for money and costings are accurate and in line with current market prices. We regularly have to inform the Education Funding Agency on the use of our Basic Need funding which are then benchmarked nationally. This option is the one recommended.

- c) Separate design and build tenders. This would require multiple procurement exercises to take place to secure a design team and then a contractor. Whilst this might provide a solution which best meets school requirements there is a risk that the actual costs may be greater than forecast and that insufficient thought is given to build-ability and methods of mitigating disruption to school operations. There would be limited opportunity for the contractor to undertake site surveys and price risks or alter proposals and as such, there is often greater potential for claims and disputes during the works. This two-phase procurement would take more time than options a) and b) above.
- d) Use hybrid of b) and c) whereby a design team is appointed first to develop detailed design upon which the contractor is appointed through a framework. This is approximately 6 months slower than option b).
- e) Use of the Local Education Partnership (LEP). The LEP has been used to deliver similar value new build school re-developments in Islington, but since this time has reduced in capacity and now focuses its attention on managing operational facilities management contracts. The Strategic Partnering Agreement which governs the Council's relationship with the LEP expires during the development period. Similar programme to option b) above. Commercial agreements are already in place and would be subject to minor amendment only.

Following consultation with Legal Services and Strategic Procurement, it is recommended that option b) *Southern Construction Framework (SCF), Lot 3 London Construction Projects £5m plus* be approved as the most appropriate framework for this type of project. The following contractors are on this framework:

- BAM Construction Limited
- Bouygues
- Galliford Try Construction
- Kier Construction Ltd
- Mace Ltd
- Morgan Sindall Plc
- Wates Construction Ltd
- Willmott Dixon

There is no fee to be paid directly to the Southern Construction Framework, although a levy of 0.2% of contract value is paid through the appointed contractor. As part of the call-off procedure, contractors will be required to demonstrate that they have self- cleansed. This Framework was used to procure the Moreland and Dowrey Street projects.

3.5 Key Considerations –

- Additional school places will be available in an area where there is a projected shortfall in the future.
- The project will contribute to the regeneration of the area, creating local employment and training opportunities.
- Contractors will be asked to confirm that they will pay the London Living Wage during the mini competition, and this will be a condition of the Pre Construction Services Agreement and the Design and Build Contract.
- As this contract is not an existing service, it is not expected there will be any TUPE implications.

Refer to Section 4.6 for more detail on Social Value considerations.

3.6 Evaluation

It is intended that collaborative working takes place though the framework at all stages of the project. Part 1 of the mini-competition invites all framework contractors to respond. Once evaluated, typically

three contractors are then taken forward to submit more detailed Part 2 proposals which will enable the Council to select a successful contractor. At this point, a Pre-Construction Agreement, (PCSA), is entered into with the successful contractor. Following submission of a Detailed Planning Application, it is intended that contract documentation be developed and agreed between parties in order that works can start soon after the approval of the Planning Application.

The evaluation criteria used throughout the mini-competition will be based on the following:

Part 1

- Availability – Yes/No
- Resource and project understanding

Contractors will be asked to provide a proposed project team and demonstrate their experience relevant to the requirements of this project, and how their understanding of the overall project and how they intend to work with stakeholders to deliver the project’s requirements.

Part 2

- Social responsibility – Pass/Fail
- Technical criteria – 70%
- Financial criteria – 30%

As part of the Social responsibility criteria, contractors are obliged to complete an Employment and Skills Plan (ESP) for the project showing, for example, the number of work experience placements, number of skilled trade apprenticeships and NVQ starters and the use of the local labour and participation in school events across the borough. The provision will have to meet a minimum benchmark for projects of a similar type and size. Contractors will be asked to provide their approach to successful delivery of the ESP.

Technical criteria include risk management procedures and registers, a complete project execution plan demonstrating overall programme including stakeholder consultation, design development, planning, cost planning, supply chain and market testing and the construction works. The criteria will also assess proposals to construct and phase works in an operational school.

The financial evaluation is made up of method statements demonstrating procedures to check and secure affordability and value for money during the PCSA and throughout development of design and construction proposals, approach to risk and value management, a build-up of project specific preliminary costs, management structure and fees for all stages of the project and confirmation of rates for overheads, profit and insurance.

3.7 Business Risks

Risk	Action
Availability of sufficient primary school places to meet the Council’s statutory requirements	<ul style="list-style-type: none"> • Review programme implications of procurement options. • Consider mitigation strategy early.
Delivery of the new school building on time	<ul style="list-style-type: none"> • Procurement and PCSA phase of project to be undertaken in accordance with programme, and to assure availability and competency of contractor. • Design to take account of phasing and construction methods • Consideration of pre-manufactured building system. • Robust contract management procedures.
Market conditions and impact on contractor/supply chain availability and prices	<ul style="list-style-type: none"> • Review procurement options and market interest. • QS involvement at earliest stages.

	<ul style="list-style-type: none"> • Supply chain involvement through design stages where practicable.
Affordability of project	<ul style="list-style-type: none"> • QS involvement at earliest stages. • Stakeholder management and procedure to control changes. • Ensure adequate surveys of site early. • Risk management strategy. • Regular cost checks and benchmarking of rates. • Market testing and interrogation of cost plans. • Value engineering.
Suitability of design to meet school requirements	<ul style="list-style-type: none"> • Clear design brief and specification. • Stakeholder engagement strategy. • Appointment of suitable design team through procurement exercise. • Consultation with pupils, staff and parents/governors • Compliance with design guidance
Impact on school during the works	<ul style="list-style-type: none"> • Consider throughout design. • Early involvement of contractor. • Robust specification of temporary buildings. • Consideration of timing of heavy works. • Noise, dust, vibration monitoring.
Planning and impact on local neighbours	<ul style="list-style-type: none"> • Involve planning officers early through pre planning agreement. • Considerate design and pre-planning neighbour consultation. • Members' review panel. • Design Review Panel.
Ground conditions and other site abnormals – including asbestos and sloping site and title information	<ul style="list-style-type: none"> • Survey and make allowances. • Design out impact where possible. • Undertake title searches.
Utilities – required disconnections, diversion and new supplies with potential impact on programme and costs	<ul style="list-style-type: none"> • Obtain information from stats and survey. • Place orders early and manage in accordance with the programme • Understand impact of demolition of half school and diversion of existing services to suit.

Opportunities	Action
Additional school places and staffing requirements	Procure, design and build a new school.
Sustainability enhancements	Design in accordance with planning policy requirements and see where enhancements can be provided.
Community use facilities	Consideration through design and planning process.
Local employment and training opportunities	Through Southern Construction Framework, working with Partnerships, Places and Culture team (S106).
Contribution to area wide regeneration	Deliver project.

3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to sign the Council's anti-blacklisting declaration. As part of Part 1 of the mini-competition, all tenderers will be required to sign the Council's anti-blacklisting declaration. Where an organisation is unable to declare that they have

never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences. The adequacy of these measures will initially be assessed by officers and the outcome of that assessment will be reviewed by the Council's Commissioning and Procurement Board

4. Implications

4.1 Financial implications:

The funding package for this scheme was agreed by the Executive on 16th June 2016.

4.2 Legal Implications:

The council has a duty to provide and maintain sufficient schools for the provision of primary education in its area (sections 14 and 16 of the Education Act 1996). As the proposed enlargement of Tufnell Park Primary School premises will increase the capacity of the school by more than 30 pupils and 25%, the statutory process for enlargement set out in the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 must be followed.

Accordingly the council has power to enter into a contract for the construction of new school buildings for Tufnell Park Primary School, (section 1 of the Local Government) Contracts Act 1997).

The threshold for works contracts for the application of the Public Contracts Regulations 2015 is currently £ 4,104,394. The value of the contract to be let is above this threshold. It is proposed to procure a design and build contractor from the Southern Construction framework. That framework was established following a competitive tendering exercise undertaken in accordance with the regulations.

The Council is able to utilise the Southern Construction Framework. It is intended that following appointment of a contractor through the Southern Construction Framework, a JCT form of Design and Build Contract is utilised for the development of Tufnell Park Primary School .

5.3 Environmental Implications

The energy efficiency of the existing 1960s building stock and mechanical systems is poor. Poor thermal insulation means that the building is difficult to heat during winter months and overheats during the summer. This is compounded by out-dated heating systems and controls.

In providing a new building for the School, it is intended that the thermal performance and energy efficiency of the school will be significantly improved. The new building will provide substantial environmental improvements and will provide educational spaces more suitable for the 21st century and more conducive to teaching and learning. It is intended that environmental improvements such as green roofs with rainwater attenuation will improve biodiversity and provide a more sustainable urban drainage. Landscaping proposals will re-provide or enhance any existing habitat spaces and consideration will be given to protection of trees and biodiversity through the design and throughout the works.

The design and construction proposals for the new school will be developed take account of environmental factors in materials selected and will consider construction methodology so that waste is minimised during construction. The contractor will be obliged to prepare a site waste management plan and a traffic management plan. The works will be registered with the Considerate Contractor Scheme and will comply with local policies to minimise impact on neighbours, especially with regards to noise, dust and vibration.

The new facilities are to achieve a BREEAM for Schools "excellent" rating.

Environmental and sustainability criteria formed part of the evaluation criteria used to select contractors onto the Southern Construction Framework.

Any future planning applications will be assessed against adopted policies within the Development Plan.

5.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 31 August 2016 and the summary is included below:

The works will improve the quality of educational provision for all children at the school, and will enable the school to better meet national guidelines for space standards and make significant improvements to the working environment for pupils and staff. It will also deliver environmental improvements to ensure suitability of accommodation. The project will enable young children from all backgrounds to learn in a suitable environment. The new facilities will provide disabled access in compliance with the Equality Act 2010 and will meet all statutory and planning policy requirements.

The proposed development will provide high quality facilities for all members of the community and allow the school to act as a social hub in the locality by improving community access and opportunities with dedicated spaces. It will also allow the school to extend and enhance its extended school agenda, benefitting those who live in the local community, subject to relevant consultation and any planning conditions.

All Islington schools currently operate with measures in place to safeguard children and vulnerable adults. Policies and procedures will be in place during the works and following completion of the new school building which will be designed to reduce risks relating to safeguarding. There will be no Human Rights Breaches.

5. Reasons for the decision: (summary)

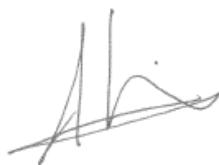
- 5.1 The proposed development will significantly enhance Tufnell Park Primary School and provide necessary school places in that part of Islington.

The Commissioning and Procurement Board is asked to agree the procurement strategy for Tufnell Park Primary School development, and that the Southern Construction Framework is used to appoint a design and build contractor to undertake Pre-Construction Services Contract duties.

To note that the contract award of the Design and Build Contract for the works will be subject to separate Executive approval.

This report also seeks approval for the redevelopment to provide capacity for three forms of entry at Tufnell Park Primary School, noting that any necessary statutory public consultation will be undertaken in advance of any permanent increase in the school's Published Admission Number, and will be subject to separate Executive approval.

Signed by:



20 September 2016

Executive Member for Children, Young People
and Families

Date

Appendices

- Exempt Appendix 1 Financial Information

Background papers: None

Report Author: Tom Louvre
Tel : 0207 527 5540
Email: tom.louvre@islington.gov.uk

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Report of: **Executive Member for Health and Social Care**

Meeting of:	Date	Ward(s)
Executive	29 September 2016	All

Delete as appropriate	Exempt	Non-exempt

SUBJECT: Procurement Strategy - Block Contracts for Domiciliary Care Services

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy for block contracts for domiciliary care services in accordance with Rule 2.5 of the Council's Procurement Rules.
- 1.2 Contracts will provide high quality home care services to residents in the borough who are assessed as having a statutory need for community based care. Services will include the provision of a range of care and support options for all aspects of daily living to enable residents living in the borough to maximise life opportunities and lead fulfilling lives in the community.

2. Recommendations

- 2.1 To approve the procurement strategy for a block contract for domiciliary care services as outlined in this report.

3. Background

3.1 Nature of the service

Islington Council currently commissions domiciliary care services through three cost and volume contracts with external providers. In 2015/16, services delivered 563,187 actual hours of care, averaging 10,800 actual hours of care per week to approximately 835 service users. Contracts deliver a broad range of care and support options that include personal and domestic care, respite care, day and night sitting services, waking night services, escorting services and support with accessing activities and

the wider community.

Providers are required to deliver appropriate and varying levels of support to meet the needs of all eligible client groups in the borough. These include individuals with physical, sensory and global learning disability, and mental health needs. Additionally, providers are required to demonstrate expertise, knowledge and sensitivity in their response to equality issues, impairment, disability, ethnic, religious, cultural and communication needs.

This procurement will provide opportunities to do the following:

1. Facilitate personalised adult social care and a working flexible delivery model in partnership with providers. The delivery model will extend opportunities for choice and control through self – directed support. It will empower service users to be directly involved in the care and support planning process with their care providers.
2. Maintain the safety, quality and continuous improvement of the Council's domiciliary care services by supporting local providers against a backdrop of growing instability in the wider market.
3. Contribute to a fairer Islington by helping people move into employment and earn a living wage. Contracts will stipulate the requirement to pay the London Living Wage (LLW) and travel time, and will offer guaranteed contracts of 16 hours and above. Contracts will also continue to work towards sourcing local recruitment and offering opportunities for care worker career progression.

We intend to award up to 6 contracts to successful providers for a maximum contract term of eight years (4+2+2 yrs). Contracts will be awarded to providers who are able to work across the borough. It is anticipated that three providers will work primarily in the north of the borough and three providers will primarily work in the south.

3.2 Estimated Value

The arrangement will be funded from existing Adult Social Services resources. The value of the procurement is estimated to be c. £78 million and the intended contract term is four (4) years with the option to extend for a further two years on two consecutive occasions.

This will be an activity based contract, procured on the basis of an hourly rate. The spend on this service for the last two years was £15 million, £7m in 2014/15 and £8m in 2015/16.

It is anticipated that expenditure will increase year on year. This is due to the predicted 9% increase of older people living in the borough by 2020 which suggests that demands on the service will increase.

Domiciliary care is a statutory service that helps to maintain residents in the community and reduce the number entering more expensive care settings. Any reduction in budget would need to consider the longer term impact on spend in those more expensive services.

Given the challenges in the domiciliary care market in London, considerable work has taken place since 2013 to develop domiciliary care cost modelling. We have worked with local service providers and have carried out targeted benchmarking work with neighbouring boroughs. We have compared cost and delivery models. This has shown that Islington currently secures value for money but questions the future financial sustainability of the current model for providers.

The proposed unit cost for the new service has been comprehensively modelled and has been assessed as value for money with respect to the pressures associated with specific requirements such as LLW and travel costs.

Reducing costs and spend have been considered in the following ways:

- Tenderers will be asked to bid below an agreed ceiling rate, a standard capped rate across all levels of need - low, medium and high thresholds. The rate is inclusive of provision at weekends, bank holidays and unsociable working hours

- The service is billed by the minute and spend is capped at the hours agreed in the individual service plan.
- Providers are required to make efficiencies through an electronic call monitoring system and efficient operational rostering in delivery
- Continued work within Adult Social Services regarding improved reablement and personalisation will enable a reduction in activity and therefore expenditure. However there continues to be a demographic pressure within Learning Disabilities and Older people services.

The key cost drivers for the service are:

- Ensuring quality
- Demographic pressure; this is a demand led budget
- Provider direct staff costs and application of the London Living Wage (LLW)
- Increased service user expectation
- Any further savings applied to funding from Central Government and the NHS
- Any statutory changes to the way client contributions for care are accessed and charged (including a decrease in service users who are assessable to contribute towards their care)
- Any unforeseen action as a result of CQC action

3.3 Timetable

The initial three year term for existing contracts is due to expire 31 May 2017, with an option to extend the arrangements for up to a further two year period until 31 May 2019. This procurement will deliver new contracts ahead of this timeline and with an intended commencement date of 1 April 2018. A lengthy lead in time has been factored into the procurement timetable to ensure providers have sufficient time to plan and implement the potential transfer up to 900 packages of care safely to any new provider of care.

To mitigate any economic instability as a result of this timescale, the cost modelling for the unit price is based on projected costs in 2018/19.

The procurement is being brought forward due to pressure on current delivery capacity. The procurement will secure more providers with a more sustainable financial model. This will enable us to meet current and future demand for Islington's vulnerable residents.

The procurement project will last for two years. This will include a mobilisation period following contract award. During this time we will oversee the transfer of service users and enable TUPE processes to occur. We will seek to extend current contracts for ten months only to April 2018 to facilitate the procurement process and secure additional supply as expediently as possible.

We will involve service users in the development of the new specification and in the procurement process.

The following key dates must be reached:

Procurement Board approval	July 2016
Executive approval to proceed	September 2016
Publish advert and upload documents	November 2016
PQQ return and evaluation/shortlisting	January 2017
Tender despatch	March 2017
Tender return	April 2017
Tender evaluation and decision	May 2017
Award report executive approval	June/July 2017
7 month transition	September 2017- March 2018
Contract Start:	1 April 2018

Service user views are comprehensively sought on an on-going basis through existing contract quality assurance. Existing users will be informally consulted for their views, preferences and advice regarding future home care services during the project. This will feed into the development of the specification, as will the views of local stakeholder groups. These stakeholder groups will also be involved in the tender process.

3.4 Options appraisal

No suitable existing framework has been identified that the Council could utilise for this contract. The available routes for consideration are therefore, the provision of the service in-house, or competitive tender through a restricted or open procedure procurement route.

The provision of the service in-house will not provide value for money in terms of the operational delivery needs of the service and the volume of service required. The preferred procurement route is via a competitive tender through a restricted procurement route in order to restrict the number invited to tender from the large available domiciliary care market.

The contract model will be a cost and volume contract. Providers will be offered a guaranteed volume of service of 600 hours per week. Providers will be required to have an office location either in borough or within one mile of the borough boundary. This reduces the extent of travel required by workers during working hours when they need access to support. This model will deliver benefits in terms of service user choice, value for money and continuous improvement in quality and sustainability.

Collaboration has been considered with neighbouring boroughs and will not be progressed for this procurement. This is because contracts are either not appropriately co-terminus or specific Islington commitments such as the Unison Ethical Care Charter are not shared among neighbouring boroughs. Collaboration has also been extensively considered with Islington Clinical Commissioning Group (ICCG) who commission domiciliary care services for Continuing Healthcare patients within the borough. However the needs of these two services are not aligned at this time.

3.5 Key Considerations

The main social benefits considered within this project are lower unemployment and provision of good quality jobs.

Good quality jobs are created through the application of the London Living Wage (LLW) in an industry that is historically low paid and undervalued. Providers are also required to pay both travel time and expenses for workers to ensure the benefit of the LLW is fully realised. The provision of good quality jobs is further strengthened by the Council having signed up to the Unison Ethical Charter.

Providers will be expected to strive to source their workforce locally. There are currently 637 contracted staff delivering domiciliary care services in the borough and 43% live locally. Providers attend local employment fairs, local universities and host local recruitment days. Providers are also supported by the Council's Community Partnership Employment Support Officers to source staff and reduce local unemployment. The contract requirements for investment in the workforce and for sourcing local employment will therefore contribute to local economic sustainability.

The expectation for local recruitment, including liaison with the Council's Employment Team, and the financial benefits for staff, will contribute to the economy of the borough and a fairer Islington.

A requirement for the payment of LLW should only be included as a condition of this contract if there is no cross border interest in the contract following OJEU notice or if cross border bidders do not expect to use employees for this contract who are established in another EU member state. However, cross border interest in this tender is not expected.

The tendering and scoring process will take into account quality of service provision and the cost of

providing the service. The price is capped at the assessed ceiling rates and this should remove providers who are too costly or are charging above market rates for their service.

Contracts will include specific clauses that stipulate value for money and continuous improvement. Once awarded, the contract will continue to be monitored by Commissioning, Social Care and Finance through exception reporting of high cost care packages and referral patterns. Year-on-year trends will be made available to service management and commissioning staff to inform remedial action and control levels of monthly domiciliary care spend.

Contracts will include a requirement for Electronic Call Monitoring (ECM) which will produce both monetary and quality efficiencies. The introduction of the Council's provider portal will improve the payment turnaround times by providing clearer timely activity data from providers. This should assist the service not only in terms of the accuracy of their live system data but also to reduce the risk of payment for services that were not delivered.

The portal data will also quickly identify payment and service teams if services are consistently being delivered above authorised domiciliary care package hours set by Social Care management. This is of importance to track any packages which may require a review and to safeguard service users if patterns of non-delivery or under delivery begin to occur. A specific post is in place to manage this work.

The Council's Resource Team will monitor and manage referrals to each provider and negotiate placements on a case by case rotational basis.

Contracts will continue to be robustly monitored. The contract model will facilitate this with a small number of providers in terms of robust management controls, strong partnership relationships which will negate the need for additional internal contract management resource.

Providers are required to locate an office either within borough or within one mile of the borough boundary. This reduces the extent of travel required by workers during working hours when they need access to support. Payment for travel time requires providers to timetable workers visits efficiently by reducing the amount of travel between visits. This means locating visits within walking distance and where this is not possible to between 5-7 minutes. This contributes to local environmental sustainability.

The service function in terms of preventative care and maintaining independence at home supports people to lead fulfilling lives and contributes to social sustainability in the local community. The continued development of a flexible delivery model that facilitates more choice in the way services are delivered strengthens and supports this further.

TUPE applies for existing contracts. Experience from previous procurements for this service evidence a high likelihood that this will form part of the mobilisation of contracts. The project plan includes sufficient time and resource to accommodate this.

3.6 Evaluation

This tender will be conducted in two stages, known as the Restricted Procedure as the tender is 'restricted' to a limited number of organisations. The first stage is Selection Criteria through a Pre-Qualification Questionnaire (PQQ) which establishes whether an organisation meets the financial requirements, is competent and capable and has the necessary resources to carry out the contract. The PQQ is backwards looking and explores how the organisation has performed to date, its financial standing, information about their history and experience.

A limited or 'restricted' number of these organisations meeting the PQQ requirements as specified in the advertisement are then invited to tender (ITT). The second stage ITT is now forwards-looking using Award Criteria. Tenders will be evaluated on the basis of the tenderers' price and ability to deliver the contract services as set out in the evaluation criteria in order to determine the most economically advantageous tender (MEAT).

The proposed evaluation award criteria is MEAT based on 90% quality and 10% cost. The advertised

tender pricing schedule will be capped to ceiling rates in order to allow a greater margin for quality evaluation. The ceiling rates have been comprehensively analysed and assessed as appropriate for this service. This service is a high profile and high risk statutory service that delivers to a dispersed and vulnerable service user group through a remote workforce. The quality element of the evaluation is therefore key to securing a high quality service for the residents of the borough.

The full breakdown of the cost/quality award criteria is:

Tender Award Criteria	Total
Cost	10 %
Quality – made up of	90%
Proposed approach to operational delivery (including workforce development)	20%
Proposed approach to safeguarding of vulnerable adults and risk management	20%
Proposed approach to customer care	25%
Proposed approach to quality assurance and continuous improvement	25%
Total	100%

3.7 Business Risks

The project includes the following **risks**:

The procurement is unable to attract a healthy market to secure sufficient high quality supply to meet demand for the service in the immediate and long term future. It may result in a failed procurement that will impact in terms of safeguarding and reputational risk. This is mitigated by comprehensive pre-tender planning that includes developing a robust cost model to secure a healthy market and future financial sustainability for the service. This is also mitigated in terms of time to develop alternative solutions as the timing of the project leaves an option to further extend current contracts for up to 15 months.

Current providers are unsuccessful in securing contract award resulting in the transition of business from one provider to another with potential impact to continuity of care for service users. The greater the volume of business that requires transfer, the greater the risk. Operational and TUPE issues may affect a smooth transition of services both during and after contract mobilisation in terms of quality of service, capacity, user safety and satisfaction. This will be mitigated through comprehensive transition management before, during and after transition and a clear communication strategy.

The timetable slips due to unforeseen circumstances delaying the award and commencement of new contracts. This is mitigated through sufficient room to accommodate slippage as the timing of the project leaves an option to further extend current contracts for up to 15 months.

Service user implications to be considered within the project are those associated with the potential transitional arrangements following contract award as contracts are mobilised. Service users may become unsettled and upset by these processes. However, this will be mitigated through robust project management, consultation and an effective communication strategy with service users before, during and after any transition period.

The project offers the following **opportunities**:

It is intended that the requirement to invest in staff will drive up the quality of services delivered to service users. It is intended that the application of LLW, paid travel time, guaranteed hour contracts and options for career progression will attract and retain high quality staff delivering in the borough.

It is intended that this investment in staff will increase the capacity of providers to comprehensively deliver to the needs of the service and strongly contribute to the Council's prevention strategy.

It is intended that the requirement to pay travel time and expenses, coupled with the geographical location of providers will drive operational efficiencies in terms of provider timetabling resulting in

increased continuity of care for service users.

- 3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to sign the Council's anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.
- 3.9 The following relevant information is required to be specifically approved by the Executive in accordance with rule 2.6 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	Contracts will provide high quality home care services to residents in the borough who are assessed as having a statutory need for community based care See paragraph 1.2
2 Estimated value	The estimated value per year is £8.9m The agreement is proposed to run for a period of 4 years with an optional extension of 2 plus 2 years. See paragraph 3.2
3 Timetable	Executive approval to proceed - 29/09/16 PPQ advert – November 2016 PPQ evaluation – January 2017 ITT advert – March 2017 Tender evaluation and decision – May 2017 Award report executive approval - June/July 2017 Transition Period - September 2017- March 2018 Contract Start – April 2018 See paragraph 3.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	The preferred route for procurement is a competitive tender through a restricted procurement. A cost and volume contract model has been selected as it will deliver benefits in terms of service user choice, value for money and continuous improvement in quality and sustainability. Collaboration has been considered with neighbouring boroughs and Islington Clinical Commissioning Group however neither were appropriate because contract were not co-terminus or due to specific LBI commitments. See paragraph 3.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	These have been considered in terms of good quality jobs and reducing unemployment realised through the requirements for investment in the workforce and local recruitment. TUPE will apply. See paragraph 3.5

6 Evaluation criteria	MEAT 90% Quality 10%Cost The award criteria price/quality breakdown is more particularly described within the report. See paragraph 3.6
7 Any business risks associated with entering the contract	High risk service. Risks of failing to attract a healthy market, putting the welfare of service users at risk and impact to reputation - mitigated through comprehensive project management and clear communication strategy See paragraph 3.7

4. Implications

4.1 Financial implications:

The report seeks pre-tender approval for the procurement strategy for the provision of domiciliary care services to residents in the borough who are assessed as having a statutory need for community based care. The intention is to award up to six contracts to successful providers for a maximum contract of eight years (four years with the option to extend for a further two years on two consecutive occasions).

These services are currently funded from Adult Social Services base budget, and the proposals outlined in this report will not result in a budget pressure for the department. It is anticipated that expenditure in the contracts will increase year on year to meet London Living Wage requirements, and additional funding will be sourced from Corporate Market Inflation bids to meet these requirements.

4.2 Legal Implications:

The Council has power to provide home care services for residents having a statutory need for community based care services under the National Assistance Act 1948, section 29. The council also has a general duty in exercising its functions under part 1 of the Care Act 2014 to promote the 'well-being' of individuals. Well-being includes (a) physical and mental health emotional well-being and personal dignity (b) control by the individual over day to day life (c) participation in work education, training or recreation (section 1). Section 45 of the Health Services and Public Health Act 1968 also places a duty on local authorities to promote the welfare of older people "in order to prevent or postpone personal or social deterioration or breakdown". Therefore the council may provide domiciliary care services for those who are assessed as having a statutory need for community based care. The council may enter into contracts with providers of such services under section 1 of the Local Government (Contracts) Act 1997.

The threshold for application of the Public Contracts Regulations 2015 is currently £589,148,000.00 (for light touch services). The value of the contract to be let is above this threshold and will therefore need to be advertised in the Official Journal of the European Journal (OJEU). The council's Procurement Rules require contracts over the value of £164,176.00 to be subject to competitive tender.

Further legal comments will be provided on conclusion of the procurement process.

4.3 Environmental Implications

No negative environmental impact is expected in the procurement of this service. The service involves delivery by a dispersed workforce to residents in their own homes within the community.

4.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed in July 2016. The service is expected to have a positive impact on older people and people with disabilities. It is also expected to positively impact on the economy of the borough as a whole and contribute towards a fairer Islington.

5. Reason for recommendations

- 5.1 This report recommends the approval of this procurement strategy to maintain safety, quality and continuous improvement in the provision of domiciliary care services for the borough. The strategy also aims to further the Council's strategic drivers to facilitate the personalised care services and contribute to a fairer Islington by improving job opportunities for residents and employment conditions by ensuring workers are paid London Living Wage, travel time and being offered contracts which guarantee a minimum of hours a week. The procurement will be delivered ahead of the expiry of current contracts because there is a need to increase the number of providers delivering in the borough. This will secure the supply of high quality services that will meet current and future demand.

Appendices: None

Background papers: None

Final report clearance:

Signed by:

Janet Burgess

Date: 30 August 2016

Report Authors: Grainne Doyle and Ruby Pearce
Tel: Contact: Ruby Pearce 020 7527 8483
Email: ruby.pearce@islington.gov.uk

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Report of: **Executive Member for Health and Social Care**

Meeting of:	Date	Ward(s)
Executive	29 th September 2016	All wards
Delete as appropriate	Exempt	Non-exempt

SUBJECT: Procurement Strategy – Learning Disabilities Supported Living Spot Purchase Framework Agreement

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of Islington Council utilising a Learning Disabilities Supported Living Spot Purchase Framework agreement in accordance with Rule 2.5 of the Council's Procurement Rules.
- 1.2 The London Boroughs of Waltham Forest, Enfield and Hackney have established a framework for learning disabilities supported living spot purchases. A compliant OJEU process was followed to establish the framework. The contract notice on OJEU included provision for other London Boroughs to join the framework during its lifetime.

2. Recommendations

- 2.1 To approve the procurement strategy for the Council to join the Learning Disabilities Supported Living Spot Purchase Framework.
- 2.2 To delegate any subsequent contract award for call-off from the framework to the Corporate Director for Housing and Adult Social Services.

3.1 Background

- 3.1.1 The Learning Disabilities Supported Living Spot Purchase Framework has been awarded for a term of four (4) years commencing on the 21 January 2016. The framework is divided into four lots: Lot 1 Low Support, Lot 2 Medium Support, Lot 3 High Support, and Lot 4 Complex Support and Care.
- 3.1.2 Accommodation and support services for people with learning disabilities have improved in the Borough through a programme of new developments that have increased the choice, quality and value for money of available local services. However, there is more that can be done to ensure that local services offer real choice and flexibility to people with learning disabilities and to tailor and develop services to meet

individual need.

- 3.1.3 Current services are procured with a reliance on large block contracts with a small group of local providers. The block contracts offer limited flexibility and commit the local authority (and service users) to long periods with incumbent providers, with service developments achieved through traditional contract monitoring.
- 3.1.4 Joining an existing framework of supported living providers across three neighbouring boroughs will provide the Council with the opportunity to further develop the local market for supported living services for people with learning disabilities. It will give access to a wide range of support providers with their housing partners who have a proven track record of providing quality services to other neighbouring London Authorities. There is no financial commitment for the Council to purchase any level of service.
- 3.1.4 The framework is based upon drawing down individual packages of care and support from 12 London based supported living providers on the framework. In addition to passing quality thresholds they have submitted set hourly rates within ceilings on all four (4) lots. The approach would be to work with people with learning disabilities, their families and existing and new local providers and landlords to enable support for using the framework as a future model of purchasing so that local services are not destabilised.
- 3.1.5. The framework is flexible and can be used to provide support services to people who are in –borough and also to identify accommodation and support out of the borough if this is determined to be in the person’s best interests in meeting their individual needs.
- 3.1.6. The following providers have been accepted onto the framework :
- East Living
 - Genesis
 - Centre 404
 - Yarrow
 - Outlook
 - Outward
 - St John of God
 - Dimensions
 - Royal Mencap
 - MCCH
 - Lifeways
 - Avenues

3.2 Estimated Value

- 3.2.1 Funding is provided by the existing budget for Learning Disabilities. The estimated value will depend on how many contracts are called-off through the framework and the volume of spot purchasing. The current contracts for supported living have a value of just over £5 million per annum. However, it should be noted that is one option set in the context of developing a wider commissioning strategy for learning disability services with different routes to meet the needs of this specific client group and evolving market.
- 3.2.2 The framework will provide the Council with the opportunity to realise savings through the comparative hourly rates currently paid by the Council within its contracts with the hourly rates on the framework in relation to the corresponding Lots. In addition further savings could be realised through the non-payment of voids which are currently being paid within the block contracts
- 3.2.3 Many service users in this client group have high, complex needs, therefore, it is anticipated that any call-off from the framework is likely to be a key decision.

3.3 Timetable

Sign off process	Date
Commissioning and Procurement Board	28-Jul-16
Joint Board	06-Sep-16
Executive	29-Sep-16

All existing provision is currently in contract. However, the commissioning intention is to pilot the framework on a suitable scheme to be agreed in consultation with services users and other stakeholders (e.g. carers, partners, etc.)

3.4 Options appraisal

- 3.4.1 This framework offers the Council the opportunity of joining in a collaborative procurement with at least three other London Boroughs. Benchmarking carried out by the commissioning team suggests that savings can be made against the hourly rates currently being paid. Working closely with the other boroughs will also facilitate the sharing of ideas which may help to shape future commissioning strategies.
- 3.4.2. A contract can be called off from the framework for an individual on a spot purchase basis and by further mini competition for a larger value service. As the hourly rates are set by the framework, the evaluation of submissions would be based on an assessment of the comparative quality and ability to meet the individual's needs and outcomes. For larger contracts to support a number of people within a scheme the Council can run a mini competition and set additional criteria that it would like providers to meet. This enables both the integrated learning disability partnership to purchase future individual placements from a wide range of accredited supported living providers and also provides the option for existing block contracts to be drawn off the framework.
- 3.4.3. In order to be appointed to the framework all the providers have been through a rigorous process of quality assurance and are offering very competitive hourly rates due to the potential volume of business that a collaborative framework can provide.
- 3.4.4 The framework has yet to be tested by the Council and we need to ensure that it can meet both the volume and range of diverse local needs of people with learning disabilities/autism and challenging needs. Therefore, this strategy is to give the commissioning team the opportunity to use this framework as part of a wider strategy for learning disability support services currently being reviewed.

Benefits

- Generate savings through providing existing and future supported living services through a framework agreement providing quality services at competitive hourly rates.
- Developing the local market by providing access to range of accredited providers, providing greater choice of both housing and support providers.
- Provide access to a wider pool of skilled, experienced supported living providers with a proven track record of providing services for people with complex, challenging needs which will enable people to both remain and move back to the borough from residential care and assessment and treatment provision.
- Increased choice, value for money and personalised services through the option of calling-off from the framework on a Direct Payments or Individual Service Funds basis.

Limitations

- While the strengths of the framework is in its competitive hourly rates and range of providers, it does not have the local fit of a Council lead framework agreement in terms of all of the providers being committed to paying the London Living Wage within the ceiling hourly rates.

- As this is a framework agreement it does not allow new providers to join during the 4 year period of the framework.

3.5. **Key Considerations**

- 3.5.1 The Care Act makes it explicit that local authorities must shape the local market to offer people with care and support needs a diverse and vibrant range of provision, and commissioning and purchasing practices should facilitate this, to ensure people have a real choice of services that can offer personalised solutions.
- 3.5.2 Currently the local service provision for this type of care and support is dominated by a limited number of service providers. This has its own associated risks if these providers go into administration, or if there are issues that affect both their reputation and safeguarding.
- 3.5.3 Seven of the twelve providers on the framework agreement have made a commitment to pay the London Living Wage (LLW) within the hourly rates submitted. The Council will work within the parameters of the framework to only call-off contracts with providers who have made a commitment to paying the LLW.
- 3.5.4 Supported living services help service users to retain their independence whilst encouraging links with the local community. Service users will have access to a range of care and support promoting community based activities and services which will be shaped by the individual's choice.

3.6 **Evaluation**

- 3.6.1 The framework evaluation was set at 70% quality and 30% cost. Ceiling hourly rates were set for each of the lots allowing quality to be a focus of the service. Having 30% based on cost still allowed for some price based competition on the hourly rates submitted.
- 3.6.2 In order to call-off a contract from the framework the Council will email the requirements for meeting the specific needs of the person(s) to be placed and the support package required to all the framework participants who are capable of providing the specialist services. The assessment of proposals will be made against pre-determined criteria on a case by case basis according to the individual needs. The overall criteria are as follows:
- Overall suitability of the Proposal for meeting the Service User's specific personal outcomes, requirements and needs; - 50%
 - Compatibility, skills, experience and knowledge of the Framework Participant's proposed worker(s) evaluated against the specific outcomes, requirements and needs of the Service User to be placed; - 25%
 - Weekly Price of carrying out the Proposal in line with the hourly rate submitted in the pricing schedule while tendering - 25%

3.7 **Business Risks**

- 3.7.1 Whilst the block contracting arrangements have historically given providers some comfort and financial stability in terms of business planning, the other potential consequence is that when the contracts are due for tender there are substantial risks for local providers where the majority of their business has been tied in with the Council.
- 3.7.2 The Council could potentially purchase packages of care from providers through the framework on a spot rather than block purchase basis. This offers providers the opportunity to diversify in terms of spreading risk and the potential for new business.

3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010

These explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to sign the Council's anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

3.8.1 The following relevant information is required to be specifically approved by the Executive in accordance with rule 2.6 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	Supported Living Framework Agreement See paragraph 3.1
2 Estimated value	The estimated value per year is up to 5 million See paragraph 3.2
3 Timetable	The timetable is outlined within this report. The estimated start date is the beginning of October 2016. See paragraph 3.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	Outcome of options appraisal are described within this report. See paragraph 3.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	A requirement for the payment of LLW will be included as a condition of this contract TUPE will apply. See paragraph 3.5
6 Evaluation criteria	The cost quality breakdown is: 70% quality 30% cost See paragraph 3.6
7 Any business risks associated with entering the contract	There are some business risks but these are low and manageable. See paragraph 3.7
8 Any other relevant financial, legal or other considerations.	See paragraph 4.

4. Implications

4.1 Financial Implications

4.1.1 This report seeks approval of the procurement strategy for the Learning Disabilities Supported Living Spot Purchase Framework. This has been awarded for a term of four years commencing from January 2016. The framework is divided into four lots: Lot 1 Low Support, Lot 2 Medium Support, Lot 3 High Support, and Lot 4 Complex Support and Care.

4.1.2 The funding for the framework will be from existing resources within the Islington Learning Disabilities Partnership (ILDPP) pooled budget, and will not result in a budget pressure for the department. There are no direct savings attributed to the implementation of the spot purchase framework, however it is anticipated that savings will be realised through reduced rates through each of the Lots. Further savings could be realised through the non-payment of voids which are currently being paid within the block contract arrangements.

4.1.3 Further work will need to be carried out in collaboration with Finance to quantify how much savings can be realised through the framework so that this can form part of the Medium Term Financial Strategy (MTFS).

4.2. **Legal Implications**

4.2.1 The Council has a duty to make arrangements for providing residential accommodation and care for persons who by reason of illness and disability are in need of care and attention which is not otherwise available to them (section 21 National Assistance Act 1948 (as amended)). The Care Act 2014 also provides the council with duties and powers to meet the needs for care and support of eligible adults (sections 18 and 19). The Council has power to enter into contracts with providers of such services under section 1 of the Local Government (Contracts) Act 1997. The Executive may provide Corporate Directors with responsibility to award contracts with a value over £2,000,000 (Procurement Rule 14.2).

4.2.2 The social care services being procured are subject to the light touch regime (Light Touch Services) set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £625,050.00. The value of the proposed contract is above this threshold. The council's Procurement Rules for Light Touch Services require competitive tendering for contracts over the value of £500,000. Using a framework that has been properly established by another local authority in accordance with the Regulations and with advertisement in the Official Journal of the European Union (OJEU) will satisfy the council's obligation to comply with the Regulations as well as the council's Procurement Rules.

Call off contracts may be awarded following a mini competition to the highest scoring tenderer as set out in the report, subject to the tender providing value for money for the council.

4.3 **Environmental Implications**

4.3.1 An environmental risk assessment has been undertaken and sent to the Energy Services team. Minimal environmental impact was noted around staff usage of transport. To mitigate this risk the provider(s) will be encouraged to promote the use of public transport or walking/cycling where possible.

4.4 **Resident Impact Assessment**

4.4.1 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

4.4.2 A resident impact assessment has been carried out with regards to the proposed purchasing of care and support through this framework agreement. The framework will develop local services to people with learning disabilities and will therefore have a positive impact on this vulnerable resident group.

5. **Reason for Recommendations**

5.1 There is an increasing need in the borough for supported living accommodation for people with a learning disability. The framework will offer access to a wider range of support providers with their housing partners.

Final report clearance:

Signed by:

Janet Burgess

Date: 16 August 2016

Report Author(s): Fran Pitcher
Tel: 0207 527 3783
Email: Fran.Pitcher@islington.gov.uk

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