



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 **28 September 2017 at 7.00 pm.**

Lesley Seary
Chief Executive

Enquiries to : Philippa Green
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Despatched : 20 September 2017

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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H. 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.

I. 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.

J. 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 19 October 2017

Agenda Item 3

London Borough of Islington

Executive - 13 July 2017

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 13 July 2017 at 7.00 pm.

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

Councillor Richard Watts in the Chair

410 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Caluori.

411 DECLARATIONS OF INTEREST

Councillors Hull and Ward both declared a Personal Interest in Item D11 'Procurement Strategy - Insurance renewal for leaseholder building insurance'. The Chief Executive had provided both councillors with a dispensation to speak and vote on the item.

412 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the Minutes of the meeting on 15 June 2017 be confirmed as a correct record and the Chair be authorised to sign them.

413 KNIFE CRIME AND MOBILE PHONE THEFT SCRUTINY REVIEW - EXECUTIVE MEMBERS RESPONSE

RESOLVED:

2.1 That the response to the Policy and Performance Scrutiny Committee's recommendations be agreed.

2.2 That progress to date and the future plans to implement the recommendations be noted.

Reason for decision – to implement the committee's recommendations and to support further work to reduce knife crime.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none.

414 **CONFIRMATION OF ARTICLE 4 DIRECTIONS TO WITHDRAW PERMITTED DEVELOPMENT RIGHT FOR CHANGE OF USE FROM LIGHT INDUSTRIAL TO DWELLING HOUSES**

RESOLVED:

That confirmation of three Article 4 Directions, which will withdraw the permitted development right that allows B1(c) light industrial units to change to C3 residential use without planning permission, be agreed. The three Directions cover the following areas (see also Maps at Appendix 1 to the report):

- (i) the Vale Royal / Brewery Road Locally Significant Industrial Site (LSIS);
- (ii) the Central Activities Zone (CAZ) within Islington; and
- (iii) other B1(c) locations across the borough.

Reason for decision – to protect light industrial land use, which is an important part of the borough's diverse economy and which provides employment opportunities for local residents.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

415 **HOLLOWAY PRISON SITE SUPPLEMENTARY PLANNING DOCUMENT - DRAFT FOR CONSULTATION**

RESOLVED:

- 2.1 That the results of the public consultation on the discussion paper for the Holloway Prison Site (attached at Appendix 2 to the report) be noted.
- 2.2 That it be agreed that the draft SPD for the Holloway Prison site (attached at appendix 1 to the report) be approved for public consultation.
- 2.3 That authority be delegated to the Corporate Director of Environment and Regeneration, in consultation with the Executive Member for Housing and Development, to make any further changes to the SPD and supporting documents that are considered necessary prior to public consultation be agreed.
- 2.4 That the consultation timetable will also be jointly agreed between the Corporate Director of Environment and Regeneration and the Executive Member for Housing and Development be agreed.

Reason for decision – to set out the council's objectives for the site as early as possible to ensure that any potential purchaser of the site is aware of them.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

416 **PROCUREMENT STRATEGY FOR EARLY EDUCATION AND CHILD-CARE PROVISION IN FOUR CHILDREN'S CENTRES.**

RESOLVED:

- 2.1 That the procurement strategy for the delivery of early education and childcare provision in the Hornsey Road, Conewood, Paradise Park and The Factory Children's Centres, as outlined in this report, be agreed.
- 2.2 That authority be delegated to the Corporate Director of Children's Services, in consultation with the Executive Member for Children, Young People and Families, to award the contracts for the delivery of early education and childcare provision in the Hornsey Road, Conewood, Paradise Park and The Factory Children's Centres be agreed.

Reason for decision – to ensure service continuity and deliver improvements in child and family outcomes.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

417 **PROCUREMENT STRATEGY REPORT FOR APPRENTICESHIP LEVY**

RESOLVED:

- 2.1 That the strategy for the procurement of Apprenticeship Training Provision as outlined in this report be agreed
- 2.2 That authority to award the contracts be delegated to the Corporate Director of Resources, in consultation with the Executive Member for Finance, Performance & Community Safety, be agreed.

Reason for decision – to maximise use of the apprenticeship levy and to ensure the best quality training for council employees.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

418 **PROCUREMENT STRATEGY FOR VEHICLES**

RESOLVED:

- 2.1 That the procurement strategy for the continuation of the fleet replacement programme, as outlined in this report, be agreed.
- 2.2 That the authority to award fleet replacement contracts up to April 2019 be delegated to the Corporate Director of Environment and Regeneration in consultation with the Executive Member for Environment and Transport be agreed.

Reason for decision – to ensure the council can meet its statutory obligations, be compliant with forthcoming ULEZ legislation and reduce dependency on hired vehicles and costs for fuel, maintenance and repairs.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

419 **PROCUREMENT STRATEGY FOR VEHICLE FLEET FUEL**

RESOLVED

- 2.1 That the procurement strategy for the Supply of Automotive Fuels for the Council's fleet vehicles, as outlined in this report, be agreed.
- 2.2 That authority be delegated to the Corporate Director of Environment and Regeneration in consultation with the Executive Member for Environment and Transport to award fuel contracts, after call-offs and further competitions, over the period 1.10.2017 to 30.9.2021, be agreed.

Reason for decision – to ensure service continuity and maximise opportunities to reduce costs.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

420 **PROCUREMENT STRATEGY - INSURANCE RENEWAL LEASEHOLDER BUILDING INSURANCE**

Councillors Hull and Ward declared Personal Interests in this item. Chief Executive had granted a dispensation to allow the councillors to speak on the item and to vote.

RESOLVED:

- 2.1 That the procurement strategy for ILC leaseholder buildings insurance policy, as outlined in this report, be agreed.
- 2.2 That authority to award the contract be delegated to the Corporate Director Resources, in consultation with the Executive Member for Finance, Performance and Community Safety, be agreed.

Reason for decision – to ensure that there is no break in insurance provision. Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

421 **PROCUREMENT STRATEGY - INSURANCE RENEWAL MISCELLANEOUS INSURANCE POLICIES**

RESOLVED:

- 2.1 That the procurement strategy for ILC insurance policies as outlined in this report be agreed.
- 2.2 That authority be delegated to the Corporate Director Resources, in consultation with the Executive Member for Finance, Performance and Community Safety, to award the contract, be agreed.

Reason for decision – to ensure that there is no break in the provision of these insurances.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

422 **CONTRACT AWARD FOR BLOCK CONTRACTS FOR DOMICILIARY CARE SERVICES**

RESOLVED:

- 2.1 That the award of five (5) block contracts to Allied Healthcare Group Ltd, Castlerock Recruitment Group Ltd, London Care PLC, Mayfair Home Care and Mihomecare for the provision of Domiciliary Care Services commencing 01 April 2018 for a period of four (4) years with a possible extension or a further (4) years (24 months + 24 months) subject to a performance review of each provider, be agreed.

- 2.2 That the award a contract to the value of £78m over a maximum 8 year term based on an annual value of £9.6m be agreed

Reason for decision – To meet statutory requirements and facilitate the Council's commitment to personal social care.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

423 **CONTRACT AWARD FOR BLOCK CONTRACTS FOR DOMICILIARY CARE SERVICES - EXEMPT APPENDIX**

That the information in the exempt appendix to Agenda item D13 be noted (see Minute 422 for decision).

MEETING CLOSED AT 7.27 pm

CHAIR

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Report of: **Leader of the Council**

Executive	Date: 28 September 2017	Ward(s): All
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Delete as appropriate	Exempt	Non-exempt
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SUBJECT: Independent investigation into non-recent abuse in Islington Care Homes

1. Synopsis

- 1.1 Islington Council publicly acknowledged in the early 1990s that some children in Islington care homes had been subject to abuse in the 1980s and early 1990s. The Council was understandably horrified and has apologised for its failings both during the 1990s and again, most recently in May 2017. In the early 1990s, the Council commissioned a report that was delivered in 1995 (the “White Report”), and followed all its recommendations.
- 1.2 In May 2017 new allegations came to light about Sandy Marks, who was a member of Social Services Committee between 1983 and 1991, and Chair of the Committee from 1991 to 1995. Sandy Marks denies these allegations.
- 1.3 Following these allegations, the Council commissioned a QC, supported by a barrister, to advise on whether these new allegations compromised the validity of the White Report. Their advice is that an independent investigation is required to examine specific questions in relation to Sandy Marks.
- 1.4 This report recommends that the Executive agrees to follow the advice from the QC and barrister, formally endorses the statement given by the Leader in May this year, and approves an apology on behalf of the Council.

2. Recommendations

- 2.1 To endorse the statement by the Leader from May 2017, and an apology to victims of child abuse in Islington care homes for the council’s past failings (see paragraphs 3.12 and 3.13).
- 2.2 To agree to an independent investigation of the new evidence relating to Sandy Marks, adhering to the terms of reference set out in paragraph 3.24.

2.3 To delegate the selection of the lead investigator to the Director of Law and Governance, in consultation with the Leader of the Council.

3. Background

3.1 The White Report

3.2 Serious allegations about child care practices in children's homes in Islington were made, principally by the Evening Standard, in 1992 and 1993. At the Council's request, the allegations were investigated by Ian A White CBE MSc (then Director of Social Services for Oxfordshire County Council) and Kate Hart MSc CQSW (Principal Officer of Oxfordshire County Council). They completed their *Report of the Inquiry into the management of child care in the London Borough of Islington* (the "White Report") in May 1995. A redacted summary of the White Report is attached as Appendix One.

3.3 The Evening Standard articles asserted that *"children in care were working as prostitutes and using Children's Homes to entertain customers, that children were seduced into drugs, homosexuality and prostitution, that some children were sexually abused, gang raped, knifed and that fears of an organised child sex ring were dismissed by management and not properly investigated ... that Children's Homes had been out of control at times with lapses in security and discipline as a result of low staff levels and poor management"*.

3.4 The comprehensive terms of reference for the White Report were, in summary, that the inquiry team should:

- identify and list all allegations of misconduct by staff and of inappropriate treatment, including neglect and abuse, of children accommodated by the Council, including specific allegations by the London Evening Standard Newspaper in November 1992 and December 1993
- check this list against reports on similar issues previously provided to the Council and identify which allegations have yet to be fully and independently reviewed
- collate information in respect of each allegation and advise as to what should happen, for example whether it should be referred to the police, or investigated internally
- review an earlier investigation concerning missing files
- advise generally on the state of practice in the Council's Social Services child care provision.

3.5 The inquiry team interviewed over 30 people, including Islington Council officers and ex-officers, the press, authors of previous investigations, police officers, Department of Health / Social Services Inspectorate officials and three Islington Councillors, including Sandy Marks, who was then Chair of Social Services.

3.6 The report made a number of recommendations. Its comprehensive and often critical conclusions covered fundamental strategic decisions, management arrangements, the range and extent of abuse, personnel issues, administration and the Council's previously slow response to reports. It is hard-hitting, comprehensive and impartial.

3.7 The Council today is a very different organisation. Following an inspection in April 2017 Ofsted concluded that Islington Council's Children's Services are Good with Outstanding Leadership, Management and Governance. This reflects the Council's commitment to ensuring that protecting children from harm is our top priority.

3.8 New Evidence

3.9 In May and June 2017 a series of articles appeared in the Islington Gazette concerning historic allegations of the sort investigated in the White Report, and stories of survivors of non-recent abuse in Islington children's homes. Included within these articles were a number of allegations about Sandy Marks. These are referred to in detail in Appendix Two. Sandy Marks denies the allegations, and specifically denies that she had any involvement with Fallen Angels, the International Gay Association or any similar group.

3.10 Sandy Marks was elected to the Council in 1982, joined the Social Services Committee in 1983,

became Chair of Social Services Committee in 1991, ceased to be Chair of the Social Services Committee in 1995 and became Mayor of Islington in 1996. She was therefore on the Social Services Committee during the period that the allegations of abuse that ultimately formed the subject of the White Report were made. The first of the earlier reports considered in the White Report was made in 1989, and she was still Chair of the Social Services Committee when the White Report itself was commissioned. Her period as a Councillor ended in 1998.

3.11 **Apology to survivors and response to the allegations**

- 3.12 As soon as the Islington Gazette contacted the Council with the information regarding Sandy Marks, the current Leader of the Council Richard Watts issued a clear statement:

I'm shocked and concerned at the information as presented by the Islington Gazette. Support for paedophilia is abhorrent.

This information raises new questions about the council's response to the allegations in the 1990s. I have instructed that we will appoint an independent QC to examine the issues, and provide advice on the best action to take. They will be free to pursue any line of inquiry, and we will be bound by their recommendations. We will also present their report to the Independent Inquiry into Child Sexual Abuse. On behalf of Islington Council, I'm extremely sorry for the council's past failure to protect vulnerable children. I know that those who were abused continue to suffer today.

The council today is a very different organisation, and protecting children from harm is our top priority. We will always take new information, allegations or evidence extremely seriously and we encourage survivors to take evidence of abuse to the police so that those responsible can be brought to justice.

- 3.13 Building on this, it is recommended that the Executive formally endorses the statement made by the Leader for the Council's past failure, and agrees to issue the following apology on behalf of the Council:

Islington Council is extremely sorry for its failure to protect vulnerable children in its care in the past. This is the biggest failing in the Council's history.

The Council today is a very different organisation, and protecting children from harm is our top priority.

However, we recognise that those who were abused continue to suffer today. This is a heartfelt apology in recognition of the scale of the hurt that was caused and continues to be felt.

We will work with survivors to improve support to people affected, and with the Police to encourage them to pursue any new evidence of abuse.

- 3.14 The Council quickly appointed James Goudie QC, assisted by Holly Stout, Barrister (Goudie and Stout), to review whether, in essence, there was evidence that the Islington Gazette's information could reasonably be said to call in question the White Report. They were free to pursue any line of inquiry, and the Council agreed to be bound by their recommendations. Their advice to the Council is attached as Appendix Two.

3.15 **Outcome of the QC review**

- 3.16 The conclusion of the QC review was that the new information about Sandy Marks can reasonably be said to call in question the integrity of the White Report in certain limited respects. They concluded that while there is clearly dispute about the precise nature and scope of her involvement in and organisation called Fallen Angels Collective and other pro-paedophile groups, the evidence of her name as a contact for the group in the 1980 International Gay Association conference papers **indicates that she had some (not insignificant) involvement with the Fallen Angels.**

- 3.17 Secondly, Sandy Marks was one of three Councillors interviewed by the White Inquiry team. On the basis of those interviews, the White Report recorded, apparently as a finding of fact, that "*When the Evening Standard articles were first published, Members told us that they had no prior knowledge of the state of management in Islington Social Service Department ...*". Goudie and Stout concluded that, had

the Inquiry team been in possession of the new information about Sandy Marks set out in the Islington Gazette, it is unlikely that they would have accepted this assertion at face value, and may have wished to question her more carefully on:

- her own involvement in Fallen Angels, and possibly other pro-paedophile groups
- what, if any, impact that involvement had on the way she carried out her duties on the Social Services Committee, whether as Committee member as Chair
- what she knew about the “*state of management*” of Islington Social Services Department (as it is referred to in the White Report), including in particular whether she had been aware of any abuse allegations prior to the Evening Standard’s story in 1992
- whether in her dealings with Fallen Angels, and possibly other paedophile groups, Ms Marks had become aware of anything relevant to the allegations of “*organised abuse*” that that were the subject of the White Report.

3.18 The new allegations are described by Goudie and Stout as having a “*limited*” impact on the integrity of the White Report because they are unlikely to be issues that open up significant further lines of inquiry. As a ‘mere’ member of the Social Services Committee between 1983 and 1991, Sandy Marks is unlikely to have been in a position to have a significant impact on the Council’s handling of abuse allegations, or on any of the management issues that form the core of the White Report. As Chair, it is apparent that there was more scope for her to influence these matters, but there is nothing in the White Report that indicates that the reason why allegations were not investigated as they should have been was because of any action or inaction by Sandy Marks. Rather, the problems appear from the White Report to have been at other levels in the organisational structure.

3.19 **A New Independent Investigation**

3.20 Goudie and Stout recommend that a new independent investigation should look into the questions the White Report would have covered if the inquiry team had known about the recent allegations concerning Sandy Marks. Following their advice, the terms of reference should be:

- 1) Investigate the evidence as to:
 - a) The nature, extent and duration of Sandy Marks’s alleged involvement in Fallen Angels, and any other pro-paedophile groups;
 - b) What, if any, impact that alleged involvement had on the way she carried out her duties on the Social Services Committee, whether as Committee member between 1983 and 1991, or as Chair between 1991 and 1995;
 - c) What Ms Marks knew about the “*state of management*” of Islington Social Services Department (as it is referred to in the White Report), including in particular whether she had been aware of any abuse allegations prior to the Evening Standard’s story in 1992;
 - d) Whether in her alleged dealings with Fallen Angels, and possibly other paedophile groups, Ms Marks had become aware of anything relevant to the allegations of “*organised abuse*” that were the subject of the White Report.

And:-

- 2) Consider what difference, if any, the evidence in 1. above may have made to the White Report.

3.21 They also gave advice on which witnesses should be interviewed, although they state that it would be for the investigator to determine which documents or witnesses need to be considered.

3.22 Goudie and Stout have separately advised the Council that an individual, preferably a QC or retired judge, should be responsible for this investigation, provided she or he is properly supported with independent legal advice and administrative help.

3.23 The Executive is asked to agree to the proposed independent investigation, following the terms of reference advised by Goudie and Stout. The investigation should be carried out by a QC or retired judge, to be selected by the Director of Law and Governance in consultation with the Leader of the Council.

4. Implications

Financial implications:

- 4.1 It is estimated at this stage that the investigation will take approximately 6 weeks costing circa £30k per week, totalling £180k for the six week period. This figure includes approximate costs for the following:
- A QC or a retired judge
 - Legal support including an external barrister and solicitors
 - Administrative support
- 4.2 There may be further costs relating to council staff that may work on the investigation as well as costs for staff working on improving services for the survivors.
- 4.3 If the process takes longer than 6 weeks this cost would increase proportionately to the time spent on the investigation and could easily increase up to and in excess of £1m if the experience of other reviews is repeated. Such a level of spend would put a significant further strain on the Council's finances.
- 4.4 The spend to the end of July 2017 on this investigation is £8k relating to legal costs and document review. Further costs are likely be incurred for this work and are taken into account in the estimates above.

Legal Implications:

- 4.5 The legal implications are set out in the Joint Opinion of Counsel at Appendix 2.

Environmental Implications

- 4.6 None.

5. Reasons for the recommendations

- 5.1 The original *Report of the Inquiry into the management of child care in the London Borough of Islington* by Ian A White CBE MSc and Kate Hart MSc CQSW, 1995 (the "White Report") was comprehensive and impartial. However, if the report authors had known of recent allegations against a former Chair of Social Services Committee the inquiry team would have wanted, in all likelihood, to question her on issues raised by those allegations.
- 5.2 It is therefore necessary to commission a further independent investigation into certain limited respects.
- 5.3 It is important to reassure people that the Council today is very different. Our social care services are viewed positively by Ofsted, and the safety of children is our top priority.
- 5.4 It is also important to acknowledge the fact that people are still suffering from the Council's past failings, and to apologise for them.

Signed by:

Date: 13 September 2017



Leader of the Council

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Financial Implications Author: Ivana Green
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Legal Implications Author: Legal opinion provided by James Goudie QC and Holly Stout of 11 Kings
Bench Walk

Appendices

Appendix one – redacted summary of *Report of the Inquiry into the management of child care in the London Borough of Islington* Ian A White CBE MSc and Kate Hart MSc CQSW, 1995

Appendix two - In the matter of the White Report and the Islington Gazette and Sandy Marks, Joint Opinion, James Goudie QC and Holly Stout

Background papers: None.

**REPORT OF THE
INQUIRY INTO THE MANAGEMENT
OF CHILD CARE
IN THE
LONDON BOROUGH OF ISLINGTON**

IAN A WHITE CBE MSc

AND

KATE HART MSc CQSW

***A REPORT COMMISSIONED BY ISLINGTON COUNCIL FOLLOWING SERIOUS
ALLEGATIONS ABOUT CHILD CARE PRACTICES IN THE BOROUGH***

MAY 1995

The Reference in this Report to any other documents does not imply any waiver of privilege or waiver of public interest immunity.

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THE AUTHORS

IAN WHITE

Ian White is Director of Social Services for Oxfordshire County Council, was previously Director of Social Services for the London Borough of Hillingdon and also worked for many years in senior positions in East Sussex County Council.

He was awarded a CBE in the 1995 New Year's Honours List, was President of the Association of Directors of Social Services during 1991/92, chairs one of the Association's main policy committees and has been a member of the Executive Council for 8 years.

He has been a member of the Lord Chancellor's Children Act Advisory Committee since its inception, has carried out consultancy and advisory work for a number of Government and non-Governmental agencies, has contributed to many conferences and working groups on child care policy, including the Utting Review of Residential Child Care, and the Howe Inquiry into Residential Child Care Policy.

His qualifications include a Masters Degree in Public Policy, he is a Fellow of the Chartered Institute of Secretaries and a Fellow of the Royal Society of Arts.

KATE HART

Kate Hart works for Oxfordshire County Council as Principal Officer, Service Development and Practice Standards, previously managed children's child protection inspections and has been a member of the Area Child Protection Committee system.

Kate Hart has worked in Social Services for over twenty years, and prior to joining Oxfordshire in 1988, was a manager of children's services in Hampshire. She gained her CQSW in 1975 and Masters degree in 1994.

ACKNOWLEDGEMENTS

We wish to thank all the Councillors and staff of Islington Council for their open and wholehearted approach to our work. In particular we would wish to acknowledge the amount of work that the Personnel team assisted us in during their busy day.

We also wish to thank the Metropolitan Police (Islington) for their help, New Scotland Yard and the Department of Health for their advice and background briefings which help set the work into context.

We would wish to thank staff in East Sussex Social Services Department and East Sussex Police, and the many individuals who saw us privately and wrote to us.

Our thanks also go to Messrs Cassam and McAndrew with whom we were able to cross-check information.

We would also like to give special thanks to [REDACTED] our administration support assistant, who worked tirelessly on the organisation, administration and report production.

Finally, our thanks go to Oxfordshire County Council for their preparedness to release the time for this work to be carried out.

TERMS OF REFERENCE FOR THE CONDUCT OF THE ENQUIRY INTO THE MANAGEMENT OF CHILD CARE IN ISLINGTON

1. ***Allegations of Staff Misconduct and Inappropriate Treatment of Children and Young People***
 - 1.1 The Inquiry team should initially identify and list all allegations of misconduct by staff employed (currently or formerly) by the London Borough of Islington and of inappropriate treatment, including neglect and abuse, of children accommodated by the Borough, including specific allegations by the London Evening Standard Newspaper in November 1992 and December 1993.
 - 1.2 The Inquiry team should check this list against the Reports to the Council provided by Mr McAndrew and Ms Tunnard dated February 1993, by Mr Cassam and Mr McAndrew dated July 1993, by Mr McAndrew dated February 1994 and finally by Mr Cassam and Mr McAndrew dated March 1994 and identify those allegations, the handling of which has yet to be fully and independently reviewed.
 - 1.3 Where it is considered that allegations have been fully and independently reviewed, a synopsis of action taken as a result should be prepared.
2. ***Review of Allegations***
 - 2.1 The Inquiry team should collate information in respect of each allegation and prepare a clear chronology of events.
 - 2.2 In respect of each allegation the Inquiry team should comment and advise on each of the following aspects:-
 - i. Whether information indicates the possibility of criminal activity - if it does, the Inquiry must convey the information to the Police without delay.
 - ii. Whether the information indicates the need for any staff disciplinary measures.
 - iii. Whether the information indicates that measures are needed to protect children, or whether there should be specific reviews by the Area Child Protection Committee (under the guidance published by the Department of Health in "Working Together" under the Children Act 1989).
 - iv. Whether there are legitimate complaints by, or on behalf of, children's services users that remain to be resolved under the Council's complaints procedure (established under Section 26(3) of the Children Act 1989).
 - v. Whether the information indicates that staff grievance procedures should be invoked.

(iii)

3. *Missing Files*

The Inquiry team should review the investigation undertaken for the Borough by Mr McAndrew (and completed in February 1994). To the extent that it has not been done by Mr McAndrew or to the extent they consider it appropriate to do this, the Inquiry team should:-

Enquire into the disappearance of relevant files in the period being enquired into, including to seek and interview persons who might be able to shed light on their disappearance. To comment and advise on the explanations, if any, for their disappearance and the possible culpability of any staff members concerned and to advise on appropriate management and/or disciplinary action.

4. *General*

- 4.1 The Inquiry Team should make general comments on the implications of the Inquiry for the state of practice in the Council's Social Services child care provision, cross-referencing to anything recommended in Mr Cassam's and Mr McAndrew's July 1993 report, as necessary.
- 4.2 The Inquiry should report to the Council by end December 1994.
- 4.3 The Council should provide the Department of Health with a copy of the report.
- 4.4 The report should be made public without undue delay.

The allegations made by the Evening Standard and referred to in paragraph 1.1 above have also been delivered to Scotland Yard.

October 1994

EXECUTIVE SUMMARY AND RECOMMENDATIONS

Background

In October 1992, the Evening Standard published articles in which serious allegations were made about the care of children who were the responsibility of the London Borough of Islington. The Evening Standard reports asserted that children in care were working as prostitutes and using Children's Homes to entertain customers, that children were seduced into drugs, homosexuality and prostitution, that some children were sexually abused, gang raped, knifed and that fears of an organised child sex ring were dismissed by management and not properly investigated. The Evening Standard alleged that Children's Homes had been out of control at times with lapses in security and discipline as a result of low staff levels and poor management.

As a reaction to these allegations and other serious issues during the period, London Borough of Islington commissioned or received no less than 13 different Inquiry reports and inspections before this final review. Such an incremental response to allegations as serious as this were not considered to be sufficient by Islington and as a consequence, this report was commissioned with the aim to pull all this work together, to explore previously unpublished dossier information provided by the Evening Standard, and to produce a final overview picture to these various and serious allegations.

This Inquiry has therefore analysed all these previous pieces of work, used the Evening Standard data, interviewed considerable numbers of staff and Councillors and has come to the conclusions contained in the report.

In carrying out this review, it became very apparent that to understand the issues presented, it was necessary to understand the history, context and culture of Islington at the time. From 1982 Islington had a series of Labour Councils with a clear political objective of establishing a decentralisation policy based on Neighbourhood offices. The implementation of that policy which in effect broke up the traditional functional organisation of the Borough, combined with much changed personnel and equal opportunities policies, began to create an environment where the morale, management competencies and professional standards of the department declined. These problems were exacerbated by financial considerations, the way the departmental organisation changes were imposed, the appointment of middle managers who were not qualified to manage social services practices, the poor quality of residential care management, the aftermath of industrial action and working relationships with other agencies which were not as good as they should have been. In our view, this created the conditions where poor practice and negligent management action could flourish. We are not therefore surprised that issues such as those raised by the Evening Standard and the subsequent Inquiries should have been found in a Borough like Islington.

The responsibility for ensuring the provision of a properly accountable and robust department lies with the Council of the time and its Senior Officers. It is our view that the weaknesses in the organisation indicated an amazing breakdown in communications and credibility which undoubtedly created the conditions in which the bad practice and other matters contained in this report were allowed to flourish.

There is no doubt in our mind that a "pure" Neighbourhood structure is fundamentally unable to provide the expertise, consistency, checks and balances and professional standards required of a competent Social Services function.

Allegations of Staff Misconduct and Inappropriate Treatment of Children and Young People

Personnel

The full terms of reference are set out at the beginning of this report. Our response has been to analyse all the dossiers and other information presented to us and to check lists of names of staff against Islington's personnel records. Details of the names of these staff are contained in confidential annexes to this report. This comprehensive review listed allegations against 32 named staff involving sexual assaults on other staff, encouraging boys to be rent boys, sexual misconduct with residents, sale of drugs, poor child care, staff involvement in paedophile rings and child pornography and many other serious allegations. Of the total of 32 staff:-

- * 4 were subject to disciplinary action, following which 2 were dismissed
- * 5 were subject to disciplinary process but left on ill health grounds before disciplinary action was concluded.
- * 1 faced charges of child abuse
- * 13 were not subject to any investigation
- * 10 resigned
- * 1 was dismissed
- * 2 are still in post (only 1 in child care)
- * 3 were from agencies

Many of these allegations involved criminal behaviour as well as staff misconduct and the standard response of any Social Services Department then and now should have been as follows:-

- * Suspension of staff implicated and a full disciplinary investigation with a concluding investigative disciplinary hearing.
- * A review of the particular child's case on a multi-disciplinary basis supervised by ACPC.
- * A joint Police and Social Services investigation in those circumstances where it appears there might be criminal behaviour.

The responsibility for ensuring that such an investigative system was in place rested with the Council and Senior Officers of Islington during the period in question. It is clear that Islington did not initiate the type of investigation they should have and as a consequence the possibility remains that staff engaged in abusive behaviour are now working elsewhere in the field with potentially serious consequences. Islington should have known and acted; they clearly did not.

(iv)

Equal Opportunities

We have been told that the equal opportunities policy in action at that time created a "back door" where staff could very well have been allowed to act unprofessionally and to exit Islington as questions began to be asked. We were told that at the time, there was "an equal opportunities environment driven by a personnel perspective which became a positive disincentive to challenge bad practice. We were told it was a weak ineffective organisation which was set up for individuals to feed off for their own advantage; it was paralysed by equal opportunity and race issues."

It is clearly crucial that all the policies and practices of a Local Authority in relation to children are primarily child centred, rather than personnel centred only, and whilst equal opportunities policies are very important, they cannot be allowed to be implemented in such a way as to have positive disadvantages of the kind outlined.

Organisational Competence

We were told of a demoralised management system, unsupported and with fragmented leadership which in parts were staffed by people not from a Social Services background and therefore who would not know what to look for and how to respond to the management of child care issues. Clearly, such an organisation becomes a recipe for disaster.

Agency Staff

Some of the information presented to us reflected the use of agency staff which all Authorities use. It is alleged that at least one staffing agency in Islington was run by paedophiles and heavily used by Children's Homes and therefore a natural conduit for paedophiles to infiltrate the system. The Warner Report and subsequent guidance issued by the Government in 1992/93 clearly states how Local Authorities should be working with agency staff and clearly the Warner Report post-dated these allegations. The Islington Inquiry, however, does raise questions of general importance about the extent of action on this and we will write to the Department of Health raising these so that they can take them up nationally.

Islington Staff

Islington notified the consultancy register at the Department of Health on very few occasions and it is arguable that most, if not all of the names in the confidential annexes, should have been notified to Department of Health. Only one member of staff identified is currently working in child care services:

Recommendation

We recommend the Authority should review their employment of this remaining member of staff in the light of not only his recent employment record, but in the light of the contents of this report, matters contained in the dossiers and summarised in the confidential annexes in relation to this member of staff should be thoroughly reviewed with line managers where they can still be found to ascertain whether it is safe for him to continue working in child care

(iv)

Recommendation

We recommend that Islington write to all Social Services Departments suggesting they review current employees who may have come via the Islington route are to be checked with Islington Council and the Department of Health Consultancy Register.

Information about Potential Paedophiles

It is clear that only a very small number of paedophiles ever get convicted and that therefore Local Authorities will not pick up their names from either the consultancy register or from police checks. Whilst we recognise that this is a difficult legal area, and one which involves policy being made by the Home Office, Department of Health and others, we do feel that it is important that a review of how information can be exchanged is carried out if all Local Authorities are not to find staff having left one Authority now working in their own and we will write to the Department of Health accordingly.

We were asked in the Terms of Reference to ensure that information collated in this Inquiry is passed to the Police. All the confidential information contained in the annex has not only been passed to the Police and checked with them, but with the Department of Health consultancy register too. We believe that the information presented in the annexes, together with our general commentary fulfils the Terms of Reference in relation to all matters concerning staff.

The personnel implications of this report are profound and may have far reaching consequences. Islington's response at the time was far from satisfactory and this report feels like "closing the door when the horse has long bolted".

Issues Concerning Children

The Terms of Reference 2.2 (iii/iv) draw attention to information about children. As with the personnel, we have analysed all the allegations about named children and have passed them onto Islington Social Services. A detailed analysis, which is based on cross-checking all the names presented with all the other Inquiry report, is contained in the confidential annexes setting out the allegations made against individual children and cross-referred to staff records.

The allegations about children range from allegations about disturbingly low standards of care in Children's Homes, to incompetent line management of Children's Homes and to the investigation of organised sex rings and network abuse. Twenty-five children were identified specifically. The conclusions that we and others have drawn are that:-

- * The state of some Children's Homes at the time was very poor indeed.**
- * There had been lack of investment in those Children's Homes.**
- * That line management standards throughout the complete period were very poor, often with middle managers with responsibility for children's centres not carrying out those responsibilities professionally or knowledgeably.**

Some of the allegations involved the response Islington made to allegations of organised abuse. These were checked out and investigated fully with the Metropolitan Police, Social Services Inspectorate and others and we found that with the exception of one conviction in relation to a staff member at a residential school, Islington did investigate these allegations and we found no evidence to support assertions of organised abuse.

Individual Children

All the individual children's cases have been brought to the attention of Islington and have been checked up to the current position. With the exception of children where there have been independent reviews, all the other children's names have been reviewed by Islington who have reported on their current whereabouts, needs for support and help. The Authority has provided comprehensive information about its involvement with these young people. Ten children, now young adults, have all very different histories, but from the enquiries we have made it is appropriate to conclude that Islington were aware of all of them, have maintained contact where possible and where wanted and have provided or offered ongoing support and help appropriate to their individual needs and circumstances.

Voluntary Child Care Organisations

The Evening Standard dossier reflects concern that one particular voluntary child care organisation who provided volunteer advocates to visit Children's Homes had been infiltrated by paedophiles. If this was true, it is extremely important and illustrates the ease by which people wishing to prey on young people can get access to them. We have discussed this problem with Department of Health who have drawn our attention to the relevant circulars defining how voluntary child care organisations should embark on police and consultancy checks but we are still concerned that there might not be a consistent approach nationally to this.

We therefore recommend:-

That all Social Services Departments review their use of such voluntary organisations and agencies and discuss with those organisations how they recruit, supervise and monitor the quality of work of their staff. We urge all Local Authorities to establish a simple "contracting system" which would include a specification of requirements, and a process of organisational audit. This might involve, for example, one Authority in the country in whose area the headquarters of such organisation exist, agreeing with that organisation to be lead in checking the organisations' professional practices. We are sure that all such organisations will see this as valuable confirmation of their organisational strength and not as something onerous and to be rejected.

We do not believe that there is anything further constructive that Islington could now do to rectify any of the inadequacies of services during the period in question.

Missing Files

We were asked to review the previous investigations undertaken on this subject and where possible to enquire into the disappearance of relevant files. The allegations specifically refer to files in relation to 3 children and a number of other general issues. We have cross-checked all the Evening Standard dossiers with Mr McAndrew's work and with work carried out by Peter Smith in a report of March 1992 and present the details of this.

In respect of Child A, we found no evidence of collusion or deliberate attempts to withhold information. We do, however, conclude that there is much evidence of confusion and poor management of written records at the time.

In relation to Child B, there were allegations that East Sussex Police and East Sussex Social Services had been deliberately prevented from accessing file material in relation to very serious allegations involving a suspected paedophile. Our view is that Islington did not deliberately withhold such key information although we believe that the way communications were carried out between the various agencies concerned was very poor, strung out over a long period of time and handled badly at the Islington end.

In relation to Child C, it is alleged that key materials went missing. We know that the Social Worker concerned went missing at the same time and we can find no evidence that the disappearance of this worker and his file were in any sense part of a wider conspiracy. In such a situation we would expect that Islington would have undertaken a proactive series of enquiries as soon as possible and that whilst they did advise the New Zealand Social Work Department of their concerns, we believe that they should have involved the Police of both countries from the outset.

A number of other allegations are detailed in the main body of the report which we have cross-checked and investigated as much as we can. There is no evidence to support the allegations of collusion but there is sufficient evidence to support the assertion that missing files were a feature of poor administrative systems.

Administrative systems have been a recurrent theme in relation to all of these concerns throughout the many previous Inquiries.

Recommendation

We recommend that London Borough of Islington, as part of their new administrative arrangements, urgently review the arrangements for client files to make sure that a consistent approach is adopted and introduced across the Council as soon as possible.

General Implications of the Inquiries for the State of Child Care Practice

The Inquiry team were asked to make general comments on the implications of the Inquiry for the state of practice in child care provision. We have presented in this report a full chapter summarising previous Inquiries and independent reports over a long period of time. It is clear from reading this chapter that as they unfold there are a series of issues which consistently run as a thread through them and indicate bad and deficient practice at the time. In summary, the key themes emerged were:-

(iv)

- * Issues about delay.
- * Practice where there was an absence of thorough consideration of facts, information, history and planning.
- * An inadequate level of administrative support.
- * Poor supervision of staff.
- * Unavailability of expertise for complex cases.
- * A lack of up-to-date training in child protection.
- * Poor standards of case records.
- * An absence of management monitoring and reviewing in critical case decision making.
- * The confusion of roles between staff between the department and a consequential confusion of accountability.
- * A lack of systems for monitoring the department's work, quality standards and implementation.

Islington did not respond as quickly and as comprehensively as it should to these various reports and there are still a number of areas not completely and satisfactorily covered which we believe should be addressed quickly.

Recommendation

We recommend that Islington undertake an audit of its supervision policy and practice to review the extent to which supervision systems are working effectively.

Recommendation

We recommend that Islington undertakes a training needs analysis and a review of training priorities against the department's training plan for 1995/96.

Recommendation

We understand that a new recording system has recently been introduced and that new file structures have been implemented. We recommend that Islington undertake an audit of the implementation of these new policies in the Autumn of 1995.

We know that progress has been made and our report sets out the position today. We know that changes have been made to address to the different issues raised in this report. We argue that as the new management system settles down, it needs to be supported by a programme of organisation and management development and we hope that Islington will support this. We are unsure that all the lessons of the previous reviews and Inquiries have been incorporated into professional practice in Islington, although we know that Islington has made considerable strides in this respect.

(iv)

Recommendation

We therefore recommend Islington urgently review whether the arrangements now put in place for professional audit and other matters will be sufficient to see the Department over the next two years and if not to make further time available through this crucial phase.

We know that further personnel management changes have been made in Islington and that some of the problems of personnel management set out earlier in this report could still happen if personnel arrangements are not consistent and efficient.

Recommendation

We recommend Islington to review and strengthen the management of the personnel system to ensure overall control and quality checks are robust enough to meet child centred management requirements.

We have drawn attention in the report to the need for all personnel policies, including equal opportunities to be child focused and we know that there are still questions in the minds of some senior staff about whether or not the equal opportunities policy has been synchronised enough with child care needs.

Recommendation

We recommend that Islington Council formally review the equal opportunities policy in relation to its application to child care in order to remove, once and for all, any possible problems that this policy could create in addressing competency and management issues in Islington.

Conclusion

This Inquiry has sought to bring together all the previous work, and has charted an organisation in the late 1980's and early 1990's that was for many different reasons chaotic. Such a chaotic organisation breeds the conditions for dangerous and negligent professional practices in relation to child care and the possibility that many of the allegations made were true remains. What is sad is that Islington did not systematically investigate them as they should have and as a result, the possibility remains that children have been abused and that abusers are still working in the field elsewhere.

We nevertheless now know that many changes have been made within Islington to bring the child care function back to "centre stage" with a new Chief Social Services Officer and Head of Neighbourhood Services with newly established child care management arrangements and new managers too. We very much hope that this report ends what must be a disastrous chapter in Islington's history.

In the matter of
THE WHITE REPORT
-and-
THE ISLINGTON GAZETTE
-and-
SANDY MARKS

JOINT OPINION

Introduction

1. We are instructed by the London Borough of Islington (“the Council”) to advise in relation to new information that has been brought to light by the Islington Gazette. The information concerns a former Islington Councillor and some-time Chair of Islington’s Social Services Committee and Mayor of Islington, Sandy Marks. We are instructed to advise as to whether or not this new information could reasonably be said to call in question the integrity of a report known as “the White Report”.

The White Report

2. The White Report was a report commissioned by the Council in 1995 following serious allegations about child care practices in the borough. The allegations had been made principally by the Evening Standard. The allegations were investigated by Ian A White CBE MSc (then Director of Social Services for Oxfordshire County Council) and Kate Hart MSc CQSW (Principal Officer of

Oxfordshire County Council) who completed their *Report of the Inquiry into the management of child care in the London Borough of Islington* (“the White Report”) in May 1995.

3. As summarised in the White Report itself, the Evening Standard articles *“asserted that children in care were working as prostitutes and using Children’s Homes to entertain customers, that children were seduced into drugs, homosexuality and prostitution, that some children were sexually abused, gang raped, knifed and that fears of an organised child sex ring were dismissed by management and not properly investigated ... that Children’s Homes had been out of control at times with lapses in security and discipline as a result of low staff levels and poor management”*.
4. The terms of reference for the White Report were, in summary, that:
 - a. The Inquiry team should initially identify and list all allegations of misconduct by staff employed (currently or formerly) by the Council and of inappropriate treatment, including neglect and abuse, of children accommodated by the Council, including specific allegations by the London Evening Standard Newspaper in November 1992 and December 1993;
 - b. The Inquiry team should check this list against Reports on similar issues previously provided to the Council and identify which allegations have yet to be fully and independently reviewed;
 - c. The Inquiry team should collate information in respect of each allegation and prepare a clear chronology of events and advise as to what should happen in relation to each allegation, e.g. whether it should be referred to the police, or investigated internally, whether staff disciplinary or grievance procedures should be invoked;

- d. The Inquiry team should review an earlier investigation undertaken by Mr McAndrew (completed February 1994) concerning missing files and, to the extent that they consider appropriate, should enquire into the disappearance of relevant files in the period being enquired into, advise on the explanations, if any, for their disappearance and whether any management or disciplinary action should be taken;
 - e. The Inquiry team should also advise generally on the state of practice in the Council's Social Services child care provision, cross-referencing to anything recommended in an earlier report by Mr Cassam and Mr McAndrew (July 1993).
5. The Inquiry Team interviewed over 30 people, including Islington Council officers and ex-officers, the press, Mr Cassam and Mr McAndrew, police officers, Department of Health / Social Services Inspectorate officials and three Islington Councillors, including Sandy Marks who was then Chair of Social Services Sub-Committee.
6. In summary, and with particular reference to the matters that may be pertinent to the issue on which we are instructed to advise, the White Report concluded that:
- a. The policy of decentralisation based on Neighbourhood offices from 1982 onwards, combined with much changed personnel and equal opportunities policies, began to create an environment where the morale, management competencies and professional standards of the department declined. These problems were exacerbated by financial considerations, the way the departmental organisation changes were imposed, the appointment of middle managers who were not qualified to manage social services practices, the poor quality of residential care management,

the aftermath of lengthy industrial action and working relationships with other agencies which were not as good as they should have been.

- b. They identified 32 allegations against named staff including sexual assaults on other staff, encouraging boys to be rent boys, sexual misconduct with residents, sale of drugs, poor child care, staff involvement in paedophile rings and child pornography. Of those, four were subject to disciplinary action, following which two were dismissed, one faced charges of child abuse, 13 were not subject to any investigation and in others investigations or disciplinary action were not completed. The Inquiry team concluded that it was clear that Islington did not initiate the type of investigation they should have and as a consequence the possibility remains that staff engaged in abusive behaviour are now working elsewhere in the field with potentially serious consequences.
- c. The management system was demoralised, unsupported and with fragmented leadership and in parts staffed by people not from a Social Services background and therefore who would not know what to look for and how to respond to the management of child care issues.
- d. Use of agency staff presented a risk. However, the Inquiry had not been able to substantiate (one way or another) an allegation that at least one staffing agency in Islington was run by paedophiles and heavily used by Children's Homes and therefore a natural conduit for paedophiles to infiltrate the system.
- e. The state of some Children's Homes at the time was very poor indeed. There had been a lack of investment in Children's Homes. Line management standards were poor.

- f. Allegations of organised abuse were checked out and investigated fully with the Metropolitan Police, Social Services Inspectorate and others and (with the exception of one conviction in relation to a staff member at a residential school), Islington did investigate these allegations and the team found no evidence to support assertions of organised abuse.
- g. All individual children's cases were checked by the team and the team concluded that the Council had maintained contact with them where possible and provided or offered ongoing support appropriate to their individual needs and circumstances.
- h. There is much evidence of confusion and poor management of written records at the time. Islington did not deliberately withhold key information, nor is there evidence to support the allegations of collusion, but there is sufficient evidence to support the assertion that missing files were a feature of poor administrative systems.
- i. Generally, the key themes from earlier reports included that there was a lack of up-to-date training in child protection, poor supervision of staff, absence of management monitoring and reviewing in critical case decision-making and a lack of systems for monitoring the department's work, quality standards and implementation.
- j. Islington did not respond as quickly and comprehensively as it should to these earlier reports and, although considerable strides have been made, there are still a number of areas that need to be addressed. (The Report made a number of recommendations as to what needed to be addressed.)

7. The record of the Inquiry team's interviews with Councillors, such as it is, is to be found in Chapter Seven of the Report, which is headed "*The Position Today*". The Report records (p 60):

The Political Situation

When the Evening Standard articles were first published, Members told us that they had no prior knowledge of the state of management in Islington Social Services Department and that indeed in some respects, Member/Officer relationships were very poor, if not at breaking point. Comments such as "*The department had drifted a long way from the corporate centre*" and "*the department had developed a reputation for poor management and negative attitudes*" were made.

Today there is a new Chief Social Services Officer and senior team responsible for child care services and there is a new head of Neighbourhood Services. From the work we have carried out it is clear that there is a heavy commitment by the Members of Islington Council to put things right and to put Islington's sad history behind them. We know of the investment in residential child care services and the way they have adapted the neighbourhood structure to reflect the professional needs of a modern child care service. We know from the Chief Social Services Officer of open access to the Leader and Committee chairs and much improved trust and credibility existing between senior Members and Senior Officers in the department. We know that there are for example regular meetings, that there is a 'need to know system' in place and that the Council has spent a considerable amount of time thinking through the criticisms that have been made of it. It is our view that the department is now very much more to the centre of the corporate and political management arrangements in Islington and that this position creates the basis for future strengthening and development of the service.

Organisational Arrangements

Many of the previous reports outlined in section 2 drew attention to the inadequacies of the management structure ... The position today seems to be very different. In the last six months the Council has responded to these criticisms by making significant changes to the child care management structure of the department.

Sandy Marks

8. Sandy Marks was elected to the Council in 1982, joined the Social Services Committee in 1983, became Chair of Social Services Committee in 1991, ceased to be Chair of the Social Services Committee in 1995 and became Mayor of Islington in 1996.
9. She was therefore on the Social Services Committee during the period that the allegations of abuse that ultimately formed the subject of the White Report were made, with the first of the earlier reports considered in the White Report being

made in 1989, and she was still Chair of the Social Services Committee when the White Report was commissioned. Although we have seen no documentary evidence confirming this, it seems likely that she stepped down around the time that the White Report was completed in May 1995, with a view to becoming Mayor the following year.

Islington Gazette: most recent allegations

10. In May/June 2017 a series of articles appeared in the Islington Gazette concerning historic allegations of the sort investigated in the White Report, and stories of survivors of historic abuse in Islington children's homes. Included within these articles were a number of revelations about Sandy Marks. The Islington Gazette has provided to the Council some of the background evidence for those articles, and we have reviewed this. We understand that Sandy Marks disputes the content of the Islington Gazette articles. The material concerning Sandy Marks in the articles is as follows:

- a. In the article "Secret papers show how Archway was nerve centre for child sex apologists in early 1980s" (11 May 2017) there is a photograph of an extract from conference papers from 1980. It is headed "*List of _____ organizations and contact – women*". Under "*England – Fallen Angels*" it says "*(do not write the name of the organization, and put private on the envelope) CP: Sandy Marks, _____ Hornsey Rise, London N19*".
- b. The article describes Fallen Angels as "*a particularly confrontational community of N19 paedophile rights activists*" who were campaigning for a trial against five members of the Paedophile Information Exchange ("PIE") to be dropped (the trial was for "*conspiracy to corrupt public morals*" by way of adverts encouraging paedophiles to contact each other). The Gazette states that documents found in the LSE library show that in April 1980 the

Fallen Angels travelled to a village on the outskirts of Barcelona to attend the annual conference of the International Gay Association (“IGA”). The Gazette states that *“Over that weekend workshops on paedophilia were held and the conference newsletter reports Fallen Angels came away having won a remarkable degree of support for the trial against PIE to be dropped”*.

- c. The same Gazette article states that *“Sandy Marks is also pictured in the newsletter, which lists her as a delegate”*. The photograph in question is included in the article. It does not appear that the newsletter identifies Ms Marks as the individual in the picture, but the Gazette reports *“after being confronted with the picture of herself in the newsletter she said she was vulnerable and had been manipulated and brainwashed by those around her”*. However, the Gazette says that as the article went to press *“Ms Marks denied being at the conference, saying the photograph ‘could not have been taken at the event’”*.
- d. The same Gazette article states that at the conference, the Fallen Angels circulated a 10,000-word paper called *Corrupting Children: Children, Paedophilia and the Struggle* that *“decried child protected as ‘a racket’ and gave a summary submission on paedophilia, which Ms Marks’ initials on it”*. The Council has been provided with a copy of that paper, which does indeed contain three sets of initials including “SM” at the end. It is, of course, possible that the initials “SM” refer to someone else.
- e. The same article alleges that another document found, typed minutes of a meeting of a group calling itself Conspiracy Against Public Morals (“CAPM”), appears to show Ms Marks attending along with PIE chairman Tom O’Carroll (who was subsequently jailed for possessing child pornography). The Gazette reports Ms Marks as saying that *“she did not know Tom O’Carroll and strongly denied being at the meeting or a member of the*

organisation". We have seen these minutes. A "Sandy" is listed as being present at the meeting and the minutes record "Sandy is to work on designs for lettering and a logo". Of course, this may be a different "Sandy".

- f. The Gazette also reports that a set of handwritten minutes for the Gay Rights Committee of the National Council for Civil Liberties records a discussion about Sandy Marks and Tim Brown allegedly producing a book on paedophilia. Ms Marks is reported as describing this as "the most ridiculous suggestion ever", that she has dyslexia, struggles to write even a few hundred words, and has never met Tim Brown. She is reported as saying the minutes were a "complete fabrication". We have seen some handwritten notes which state: "Suggested AF write a book(let) on the age of consent. An attempt to find alt. to Tim Brown/Sandy Marks' book on paedophilia?..."
- g. In the article *Islington kids' homes scandal: shame of ex-mayor Sandy Marks' pro-paedophile past* (11 May 2017), the Gazette reports that when first approached Ms Marks had said that she had "no memory of the period" and she has "huge gaps" in her memory for health reasons caused by the illness ME, but that she "later came clean about her pro-paedophile past after being shown evidence – saying she was 'a complete bloody idiot' who had been manipulated by those around her". The Gazette states that the evidence she was shown was "a key piece of photo evidence". This is presumably a reference to the photograph of the IGA conference, but it is not clear.
- h. In the same article, Ms Marks is reported to have said "I'm not a paedophile" and "I don't really understand how I could have been so stupid. I don't understand how I could have got myself into it. Maybe I didn't read the stuff – I don't know. I can't see me having stood up and said: 'These are my views'." She added:

“There’s no defence for thinking that it’s OK, but there were reasons why at the time. And I guess with growing up – becoming more my own person – I was able to say: ‘This is what I think, not what somebody else tells me is what I think.’” The report says she also said: *“If children were being abused while I was chair of social services and I didn’t stop it, that’s shameful. But I didn’t know. It’s my fault that I didn’t know.”* And *“If the investigation had been done properly then people should have been charged. If I was in their shoes, I would want something done, even this long after.”*

- i. However, the article also says that *“just before the Gazette went to press, she changed her story again to say the allegations were ‘untrue and unfounded’”*.
- j. In the same article, the Gazette refers to an interview with Dr Liz Davies, *“the original whistleblower on the scandal”* and reports that Dr Davies *“tried to alert senior Islington officers and councillors – including then leader Mrs Hodge – to fears a paedophile sex ring was operating in the borough”* and that Dr Davies said *“Sandy Marks was at the centre of the council through this time”*.
- k. In the same article, the Gazette claims that *“Labour stalwart Ms Marks ... was in a key position to advise former council leader Margaret Hodge after the abuse scandal was exposed”* and reports Margaret Hodge as saying *“If Sandy Marks did hold those views, I was not aware of them. Furthermore, I signed a petition calling for the banning of the PIE in 1983”*. (Although it is not mentioned in the Gazette article, by way of context, we note that Margaret Hodge was Leader of Islington Council from 1982 to 1992. It has been reported that when the Evening Standard allegations that became the subject of the White Report were first published in 1992, Margaret Hodge described the newspaper report as a *“sensationalist piece of gutter journalism”*. A Telegraph article by Eileen Fairweather, *Jimmy Savile sex abuse: ‘Islington is still covering*

up' (6 April 2014), states with regard to this remark that *"Mrs Hodge has since apologised and explained that her officials lied to her."*)

- l. The same Gazette article contains details of an interview with the Evening Standard journalists who exposed the abuse scandal in October 1992 (Eileen Fairweather and Stewart Payne). The Gazette reports that Ms Fairweather and Mr Payne *"met Sandy Marks a month before the story was published [in 1992] and say they were 'shocked' by her response. Eileen Fairweather and Stewart Payne ... wanted to inform the then chair of the social services committee of the horrors they were uncovering. In the meeting, they laid out damning evidence of abuse gathered from whistleblowers. 'We spoke to Sandy Marks to ask for her to help protect the whistleblowers, and to tell her that their claims were true', said Ms Fairweather. 'But she didn't seem to want to engage at all with notions of abuse. I can't now remember her exact wording, but she indicated that she was indifferent to what the kids got up to sexually – she had a very libertarian view, and spoke as if they were free agents. She said she saw the role of the councillors when they inspected the homes as being to check things like: were the washing machines working? I have never forgotten it. It was very shocking."* The Gazette continues: *"Ms Marks asked to see the evidence but would not agree to protect sources' confidentiality"* and that Ms Marks, for her part, said *"she was presented with no evidence of current abuse and only fully understood the seriousness when she saw the articles"*. The Gazette reports Ms Marks saying: *"The first evidence, if it was evidence, I read in the Evening Standard. So that was the first time I'd seen anything in writing"*.
- m. Sandy Marks remains active in the Islington area in the field of disability rights. The Gazette reports that she is a director of Islington Personal Budgets Network Community Interest Company, which has received a grant from the Council to establish a *"centre for inclusive living"* including a

£27,457 salary for Ms Marks. The Gazette understood that this grant was to be “reviewed” by the Council. However, we understand that Ms Marks resigned as a director in July 2017.

Advice

11. We are instructed to advise as to whether or not this new information about Sandy Marks could reasonably be said to call in question the integrity of the White Report.
12. In our view, this new information can reasonably be said to call in question the integrity of the White Report in certain limited respects as follows.
13. First, while there is clearly dispute about Sandy Marks’ involvement in Fallen Angels collective and other pro-paedophile groups, the evidence of her name as a contact for the group in the 1980 IGA conference papers suggests that she had some (not insignificant) involvement with the Fallen Angels.
14. Secondly, as set out above, Sandy Marks was one of three Councillors interviewed by the White Inquiry team. On the basis of those interviews, the White Report recorded apparently as a finding of fact that *“When the Evening Standard articles were first published, Members told us that they had no prior knowledge of the state of management in Islington Social Service Department ...”*. In our view, had the Inquiry team been in possession of the new information about Sandy Marks set out above, it is unlikely that they would have accepted this assertion at face value. They would in our view have been likely to have wished to question Ms Marks more carefully on the following issues:
 - a. Her own involvement in Fallen Angels, and possibly other pro-paedophile groups (as set out above), its nature, extent and duration;

- b. What, if any, impact that involvement had on the way she carried out her duties on the Social Services Committee, whether as Committee member between 1983 and 1991, or as Chair between 1991 and 1995;
 - c. What Ms Marks knew about the “*state of management*” of Islington Social Services Department (as it is referred to in the White Report), including in particular whether she had been aware of any abuse allegations prior to the Evening Standard’s story in 1992;
 - d. Whether in her dealings with Fallen Angels, and possibly other paedophile groups, Ms Marks had become aware of anything relevant to the allegations of “*organised abuse*” that that were the subject of the White Report.
15. Although these issues may appear on their face to be serious substantive issues that are potentially relevant to some of the Report’s main conclusions, we have described them above as having a “*limited*” impact on the integrity of the White Report because they are unlikely to be issues that open up significant further lines of inquiry. This is because as a ‘mere’ member of the Social Services Committee between 1983 and 1991, Ms Marks is unlikely to have been in a position to have had any significant impact on the Council’s handling of the abuse allegations that were made during this period, or on any of the management issues that form the core of the White Report. As Chair, it is apparent from the documents we have seen that there was more scope for her to influence these matters, but there is nothing in the White Report that indicates that the reason why allegations were not investigated as they should have been was because of any action or inaction by Ms Marks. Rather, the problems appear from the White Report to have been lower down the organisational structure.

16. Nonetheless, the matters we have identified are matters that should be investigated.

Next steps

17. In our view, it would be appropriate for the Council to commission an independent investigation to consider the new evidence that has emerged in relation to Ms Marks. The investigation should focus on the four matters we have identified above. We have set out suggested terms of reference in Annex A. It should be up to the appointed investigator to decide which witnesses to interview and which documents to review, but based on the information we have seen relevant witnesses are likely to include: Ms Marks and ... (names of suggested witnesses have been redacted).

JAMES GOUDIE QC

HOLLY STOUT

11 September 2017

Proposed Terms of Reference for Independent Investigation

The Independent Investigation should:-

1. Investigate the evidence as to:
 - a. The nature, extent and duration of Sandy Marks' involvement in Fallen Angels, and any other pro-paedophile groups;
 - b. What, if any, impact that involvement had on the way she carried out her duties on the Social Services Committee, whether as Committee member between 1983 and 1991, or as Chair between 1991 and 1995;
 - c. What Ms Marks knew about the "*state of management*" of Islington Social Services Department (as it is referred to in the White Report), including in particular whether she had been aware of any abuse allegations prior to the Evening Standard's story in 1992;
 - d. Whether in her dealings with Fallen Angels, and possibly other paedophile groups, Ms Marks had become aware of anything relevant to the allegations of "*organised abuse*" that were the subject of the White Report.

And:-

2. Consider what difference, if any, the evidence in 1. above may have made to the White Report.

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Report of: Executive Member for Economic Development

Meeting of:	Date	Ward(s)
Executive	28 th September 2017	All

Delete as appropriate		Non-exempt
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Subject: Business Rates Relief: Mitigating the impact on businesses in Islington.

1. Synopsis

- 1.1 The significant increases in business rates in 2017 due to the Government's national revaluation risks leaving some of Islington's businesses struggling to pay their bills. The Council, in conjunction with neighbouring local authorities and local trader's groups has voiced strong concerns over the impact of the 2017 Revaluation.
- 1.2 The DCLG allocated additional funding to local authorities to provide discretionary relief to those businesses facing increases in their business rate bills following the 2017 revaluation. £8.59M has been allocated to Islington, to be spent over the next 4 years.
- 1.3 Although the additional funding is unlikely to be enough to ease the increased financial burden for the majority of local businesses, we are determined that Islington's allocation of funding for Revaluation Relief is targeted in a way that is fair and proportionate across our business base and are therefore seeking approval for three new reliefs: a) pub relief; b) Supporting Small Business (SSB) Relief; and c) Discretionary Revaluation Relief.

2. Recommendations

- 2.1 To approve the award of Pub Relief of up to £1,000 to qualifying public houses in occupation of premises which have a Rateable Value of less than £100,000 for the financial year 1 April 2017 to 31 March 2018 only;
- 2.2 To approve the award of Supporting Small Business (SSB) Relief to cap any increase in rates payable to £50.00 per month for those companies who have lost small business rate relief as a result of the 2017 Revaluation. SSB will be awarded for 5 successive financial years starting from 1 April 2017 and ending in March 2022.

- 2.3 To note that the Pub Relief and SSB Relief will both be applied in accordance with the guidance provided by the Department of Communities and Local Government (DCLG) in their “Business Rates Information Letter (4/2017): Spring Budget Update” which is contained in Appendix A of this report and that the awards will be made to the affected businesses automatically and as soon as is practicably possible following approval by the Executive.
- 2.4 To approve the creation of a local discretionary relief scheme, known as Revaluation Relief, as detailed in Section 5 of the report.
- 2.5 To note that the Council’s Revaluation Relief scheme does more than the government’s national transitional relief scheme to further reduce business rates bill rises, with tiered amounts based on the size of the business.
- 2.6 To authorise the Corporate Director of Resources, in consultation with the Executive Member for Economic Development, to vary the discounts and/or make individual awards of relief, if it appears that there will be unspent funds at the end of the financial year, which would otherwise have to be returned to central government.
- 2.7 To authorise the Corporate Director of Resources, in consultation with the Executive Member for Economic Development, to adjust scheme awards proportionately or stop applications so as not to exceed the funding provided by government and to assess further awards of relief by reference to the sum that remains available.

3 Background

- 3.1 The significant increases in business rates in 2017 due to the Government’s national revaluation risks leaving some of Islington’s businesses struggling to pay their bills. The worst hit local firms will be facing an average 42% rise in their business rates by 2020/21. Shops, pubs, industrial units, schools and our own council buildings are amongst the many that will be impacted.
- 3.2 The Council in conjunction with neighbouring local authorities and local trader’s groups has voiced strong concerns over the impact of the 2017 Revaluation and have joined forces in calling for the Government for additional tax relief for local businesses struggling with the increased bills and a fairer business rates system for all.
- 3.3 In the “Business Rates Information Letter (2/2017): Spring Budget” which is contained in Appendix B of this report, the DCLG describe £300m of extra funding for local authorities. This funding is to be used to provide discretionary relief to those businesses facing increases in their business rate bills following the 2017 revaluation. The Government have described this initiative as “revaluation support”. Islington’s allocation of the Government’s funding for discretionary relief is £8.590,000, to be spent over the next 4 years with 2020/21 being the last financial year awards are made. This relief must be awarded by the Council in accordance with the Discretionary Rate Relief powers as contained within the Local Government Finance Act 1988 (as amended).
- 3.4 Although more welcome than having no additional funds, Islington’s allocation of £8.590,000 is only the equivalent of 2.73% of the additional £315,000,000 our businesses will pay in increased business rates and is unlikely to be enough to ease the increased financial burden for the majority of our local businesses. Nevertheless, we are

determined that Islington's allocation of funding for Revaluation Relief is targeted in a way that is fair and proportionate across our business base.

- 3.5 For the first few years the actual rates bill increases will be mitigated by the national transitional relief scheme (Appendix E) however thousands of businesses will have to cope with substantial increases in their bills from 2019/20 and beyond as this transitional relief is phased out.
- 3.6 As a result, the majority of Islington's businesses will experience a financial 'cliff edge' once they lose their transitional relief. With the Revaluation Relief scheme we have recommended we intend to further cushion the financial impact on businesses for the years when their rates bills are at their highest.
- 3.7 There is no statutory obligation to consult and consultation is not required as a matter of public law as a relief is being provided rather than a burden being imposed. However, we did engage with various stakeholders and representatives from the business community during and throughout the development of our Revaluation Relief scheme as outlined in Appendix C. A number of alternative approaches were debated including using criteria related to turnover, profitability, number of employees and by geographical location. The scheme we've proposed was accepted as the most appropriate by the majority of the stakeholders including the Federation of Small Business who also set out their suggestions in writing (Appendix D).

4 Implications

- 4.1 **Financial Implications:** The purpose of the report is to formally adopt changes in the criteria for the award of NNDR relief described by the DCLG. In recent years, when Government has made similar changes such as Retail Relief in 2014-2016, there was no new legislation laid in order to grant the discounts. Instead, Government advised that any awards made under discretionary relief powers would be fully funded and local authorities compensated for awards made.
- 4.2 In awarding the Pub Relief, SSB and Revaluation Relief in accordance with the guidance (Appendix A & Appendix B) the Council and major preceptors will be able to be fully reimbursed through the NNDR claim process.
- 4.3 The value of either Pub Relief or SSB awarded is variable but will be fully funded by government. However, the total value of Revaluation Relief awarded by the Council cannot be greater than the £8.59M allocation available over the course of the four financial years, 2017/18 through to 2020/21. If it appears that this allocation will be exceeded, the scheme will either be closed for new applicants or the amount awarded per application will be reduced. The variance will be agreed with the Executive Member for Economic Development.
- 4.4 **Legal Implications:** The Guidance advises that the Council should award any Relief in accordance with powers for granting Discretionary Rate Relief under Section 47 of the Local Government Finance Act 1988 (as amended). Granting the relief as recommended here would be reasonable and lawful.
- 4.5 The De Minimis Regulations (1407/2013) on the provision of State Aid apply.
- 4.6 **Environmental Implications:** None

- 4.7 **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
- 4.8 The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services.
- 4.9 There is no cost to the local taxpayer, so no burden is created elsewhere in the borough. The reliefs proposed are designed to phase the level of support with the level of the new burden created by the external revaluation process.
- 4.10 A Resident Impact Assessment has not been completed because an initial assessment suggests that no resident impact assessment is anticipated as a result of these proposals. The policy supports all businesses in Islington such as companies, partnerships and sole traders and therefore is unlikely to directly impact on the protected characteristics.

5 Islington Revaluation Relief Scheme Detail

Table showing the value of the funding made available

2017/18	2018/19	2019/20	2020/21
£5,011,000	£2,434,000	£1,002,000	£143,000

Note: Central government is not allowing councils to use this funding flexibly across these years and we cannot carry across unspent funding from one year to the next

- 5.1 The maximum annual Revaluation Relief expenditure will be determined by the maximum amounts funded each year by government (Islington's annual allocation is shown in section 5) and will be focused on micro and small businesses first, particularly those hardest hit by the revaluation.
- 5.2 The sterling (£) value of the initial support we provide will be based on the expected bill rises the business will face over the two years 2017/18 and 2018/19 but awarded wholly in advance in the first year, 2017/18. The advance payment of two years' worth of relief allows us to distribute all of the funding we've been allocated by government for year 1 to the businesses we've identified (Islington's annual allocation is shown in section 5).
- 5.3 Before the end of each financial year the Executive will re-evaluate the relief arrangements to distribute the relief allocation available in respect of the following financial year, until the relief available in respect of 2020/21, the last year for which government funding is available, has been allocated.
- 5.4 The initial award of Revaluation Relief will cushion the impact on businesses for the first two years by applying a discount that is broadly equivalent to capping the increases in rates bills (after transitional relief) to no more than

- 5% each year for micro businesses
- 6% each year for small businesses
- 10% each year medium sized businesses

5.5 We recognise that to focus the limited amount of funding available on smaller businesses and those with the largest rate rises, that there have to be some businesses or ratepayers which/who are excluded from obtaining Revaluation Relief. Otherwise the finite funding would be diluted to such an extent that no individual award could have a meaningful impact. These exclusions are listed in 5.8

Principles

We will:

- a. do more than the government's national transitional relief scheme and mitigate bill rises with tiered amounts based on the size of the business.

Size will be decided by reference to a business's rateable value (RV)

Three size ranges:

RV of	£12k to £28k (micro);
	£28k to £60k (small) and
	£60k-£100k (medium)

- b. Calculate the value of the support by reference to the years when bills are higher.
- c. Focus support on smaller businesses first.
- d. Target support for those smaller businesses that face the steepest increases in their business rates bills.
- e. Council tax bills have risen by 5% and as with residents, we expect businesses to fund at least the first 5% of their annual bill increases.
- f. Encourage businesses to 'check, challenge and appeal' the 2017 revaluation. otherwise any relief will mask a future problem with a potential significant cliff edge effect.
- g. Only those businesses who qualified for national Transitional Relief as at April 1st 2017 and are still trading and liable for rates on the date the award is made can be in scope to qualify.
- h. Minimise bureaucracy by awarding Revaluation Relief automatically to qualifying businesses where possible.
- i. Use a transparent and fair formula which has the effect of further capping the percentage increase a business faces that does not favour one business over another.
- j. The business must have had an increase in Business Rates payable as a result of the 2017 Revaluation.
- k. We will spend all of the funding allocated by central government. The maximum annual Revaluation Relief expenditure will be determined by the maximum amounts funded each year by government.

Scheme detail

5.6 Even with national transitional relief the annual increases are still very high. Our proposal is to award Revaluation Relief in advance for 2 years calculated in such a way that for companies with an RV less than:

- 28K, the effective increase in the bill (after TR only) is not more than 5% each year
- 60K, the effective increase in the bill (after TR only) is not more than 6% each year
- 100K, the effective increase in the bill (after TR only) is not more than 10% each year

Revaluation Relief: Advance payments applicable in Year One calculated by reference to two years of business rates bill increases with estimated¹ costs and numbers of firms supported, attributed by year

Size	Year One (2017/18)			Year Two (2018/19)		
	Effective Cap	Estimated Cost	No. Firms helped	Effective Cap	Estimated Cost	No. Firms helped
Micro (£28k)	5%,	*£0	*0	5%,	£300k	1,750
Small (£60k)	6%,	£1,050k	1,150	6%,	£2,350k	1,050
Medium (£100k)	10%	£300k	450	10%	£1,000k	400

¹*all values based on computer modelling and will be subject to recalculation and review when we receive the software to more accurately interrogate the current caseload*

5.7 In accordance with our principle of allocating all of the funding identified by central government but not exceed this amount, once we have projected the final expenditure figures we will re-evaluate the effect of our capping arrangements and adjust this accordingly to distribute all of the relief Islington has been allocated.

**as with council tax payers, we think it is reasonable for firms to fund the first 5% themselves and as no micro business is paying more than 5% in 2017/18 then no Revaluation Relief is needed for this size of business in the first year*

5.8 Exclusions

1. Businesses or Ratepayers whose properties combined have a rateable value (RV) in excess of £100,000
2. Any bill amounts due to Business Improvement District and Crossrail supplements
3. Properties with an RV of less than £12,000 (as these are either already exempt or they are the satellite sites of larger business)
4. Charities and other bodies already entitled to 80% mandatory relief
5. Any property subject to another national relief (except small business rates relief and/or transitional relief)
6. Unoccupied premises
7. A new business moving in or else becoming liable for the first time after 31st March 2017
8. If after April 1st 2017 an existing property that was entitled to Revaluation Relief changes in its composition (e.g. it has been merged, split or consolidated) then no Revaluation Relief will be applied to the resulting changed property
9. Cash points, Bureau de change, payday lenders, betting shops, pawn brokers, periodic payment retailers [similar to hire purchase], amusement arcades, advertising rights, car

parking space(s), radio/communications masts, garages used for storage, land or premises used for storage

10. High street chains or business with a nationwide presence

- 5.9 The Council can determine whether particular properties not listed in the exclusions in 5.8 are broadly similar in nature to those and, if so, to consider them ineligible for Revaluation Relief. Conversely, it can determine that properties that are not broadly similar in nature to those listed above will be eligible for Revaluation Relief.
- 5.10 Revaluation Relief will normally be awarded automatically using data and information the Council already holds in respect of a business. However, an application form will be made available to rate payers so individual claims can be made where the Council had insufficient or incorrect information about a property so that Revaluation Relief can be awarded as intended. In any event, the Council can pro-actively award without an application if it considers it to be appropriate. The decision on any award will be delegated to the Director of Financial Operations and Customer Services who in turn can delegate this to any officer in this service directorate.
- 5.11 An appeal against refusal to award on the grounds of whether a property or ratepayer meets the definition of an exclusion in 5.8 can be made to the Council within one month of the Council's notification to the rate payer of this refusal. Any appeal will be considered by the Executive Member for Economic Development within a reasonable time period of its submission. The Executive Member for Economic Development has the scope to adjust the exclusions above at any stage if, in their opinion, it would be in the public interest for them to do so and/or it is in line with the Council's previously stated objective(s) on strategic issues of importance.
- 5.12 An application for Revaluation Relief may be awarded as long as the funding is still available from the Government. For the avoidance of doubt, if a prospective award will not be funded by the Government, that award will not be made by the Council.
- 5.13 Revaluation relief will be calculated after the award of any other reliefs that apply and in the same format as other Business Rate charges and apportioned accordingly where the occupation, other reliefs or rateable value of a premises changes. Any award will be credited to the business rates account that is maintained by the Council.
- 5.14 State Aid (De Minimis Regulations) will apply when granting Revaluation Relief and ratepayers may be required to complete a declaration to establish their entitlement to this relief either at the application stage or after the award is made if it is made proactively.
- 5.15 Any award made in error, or applied for by the ratepayer or his representative fraudulently, may be recovered by the Council.
- 5.16 Awards of Revaluation Relief will be made as soon as is practicably possible following approval of the scheme by the Executive.

6. Reason for recommendations

- 6.1 By creating the Revaluation Relief scheme and applying Pub Relief and Supporting Small Business Relief the Council is reducing the financial burden for a significant number of local businesses, particularly smaller businesses and public houses. This support can be provided at no additional cost to Islington's council tax charge payers.

Appendices:

- Appendix A: Business Rates Information Letter (4/2017): Spring Budget Update
- Appendix B: Business Rates Information Letter (2/2017): Spring Budget
- Appendix C: Schedule of stakeholder engagement events
- Appendix D: Federation of Small Business letter dated 20th April
- Appendix E: A description of national Transitional Relief as it applies from April 2017

Background papers:

None

Final Report Clearance

Signed by



15 September 2017

Executive Member for Economic Development

Date

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20 June 2017

Email: ndr@communities.gov.uk

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (4/2017): Spring Budget Update

This is the fourth business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

<https://www.gov.uk/government/collections/business-rates-information-letters>

or for archived letters:

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/>.

- **Supporting Small Businesses**
- **New Discretionary Relief Scheme**
- **New Business Rate Relief Scheme for Pubs**

Supporting Small Businesses

At the Spring Budget, the Chancellor announced that a scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief. Initial terms for this scheme were published with the BRIL (2/2017) on 9 March 2017.

The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing very large percentage increases in bills from 1 April 2017.

On the 16 May a letter was sent to Chief Finance Officers, it included as an annex final guidance on the scheme to authorities about the operation and delivery of this policy for more complex cases. It includes full technical guidance to identify all eligible ratepayers for the duration of the scheme. For completeness, this guidance is attached at **Annex A**.

Local authorities are expected to have begun implementing this scheme for simple cases with the initial terms published on 9 March 2017, with a full rollout to all cases with the attached final terms.

Discretionary Relief Scheme

At the Spring Budget, the Government announced the establishment of a £300m discretionary fund over four years from 2017/18 to support businesses in their area. The £300m will cover the four years from 2017/18:

- £175m in 2017/18
- £85m in 2018/19
- £35m in 2019/20
- £5m in 2020/21

DCLG published a consultation of the design of the scheme and draft allocations to billing authorities on 9 March. Allocations were confirmed on 21 April in accordance with those draft allocations published as part of the consultation. On the 28 April the accompanying Grant Determination was also circulated to Chief Finance Officers. The allocations can be found at:

<https://www.gov.uk/government/consultations/discretionary-business-rates-relief-scheme>

The Government is grateful for all responses to the consultation, which ran until 7 April. Billing authorities have already begun developing their own discretionary schemes to deliver targeted support to the most hard-pressed ratepayers. For avoidance of doubt, the design and administration of schemes is for authorities to decide and does not necessarily need to follow the distribution methodology used in the consultation to determine allocations.

Support for Pubs

At the Spring Budget, the Government also announced a new relief scheme for pubs that have a rateable value of below £100,000. Under the scheme, eligible pubs will receive a £1000 discount on their bill. The relief will have effect for 2017/18.

DCLG has worked with key industry stakeholders to determine the operation of the relief scheme for pubs. Many authorities have already begun the work to identify eligible pubs in their area and final guidance on the design and delivery of the scheme is attached at **Annex B**.

Administration of New Reliefs

Billing authorities are expected to deliver the scheme through the use of their discretionary relief powers under section 47 of the Local Government Finance Act 1988, as amended. Billing authorities will be compensated through a Section 31 grant for the cost to the authority of granting the relief – up to a maximum amount based on the authority's allocation of the £300m fund. The grants will be made quarterly in arrears for the duration of the scheme.

We expect billing authorities to have communicated with ratepayers on the confirmed terms of the new schemes for relief covered by the BRIL (2/2017) and this BRIL (4/2017), including anticipated timescale for rebilling where necessary.

New Burdens

DCLG recognises that implementing these schemes places additional burdens on billing authorities. In accordance with the New Burdens doctrine, the Department has conducted an assessment of the expected reasonable additional costs of new software and staffing/administration around rebilling affected ratepayers.

Full details of this funding will be published shortly so we encourage local authorities to continue to progress with this in mind.

Progress Review

We are conducting a short, progress update survey for local authorities to update us on their work to date. We would be grateful for responses from local authorities by Friday 30 June 2017. The survey can be found at: www.surveymonkey.co.uk/r/DCLG_Budget_2017

In addition to this, the Department will undertake a wider data collection exercise to review the implementation of the schemes once underway. The Department will continue to liaise with local government stakeholders as to the form this will take and will confirm with local authorities in due course.

Supporting Small Businesses: Annex A

About this Guidance

1. This guidance is intended to support local authorities in administering the scheme of relief for properties losing some or all of their Small Businesses Rate Relief or Rural Rate Relief as a result of the 2017 Revaluation – known as “Supporting Small Business” relief. This Guidance applies to England only.
2. This guidance sets out the criteria which central government will use to determine funding relief for properties eligible for Supporting Small Businesses relief. The Guidance does not replace existing legislation on any other relief.
3. Enquiries on this measure should be addressed to:
ndr@communities.gsi.gov.uk

Introduction

4. For 2016/17, eligible ratepayers¹ with a rateable value less than or equal to £6,000 are entitled to 100% small business rate relief. Those with a rateable value of between £6,000 and £12,000 enjoy tapered relief from 100% to 0%. Following the measures in the 2016 Budget, we are increasing these thresholds from 1 April 2017 to £12,000 for the 100% relief and £15,000 for the tapered relief. This ensures that most ratepayers currently entitled to small business rate relief will pay less or nothing following the revaluation. However, some ratepayers that are facing large increases in their rateable value will lose some or all of their small business rate relief.
5. For 2016/17 the sole post office, general store, pub or petrol station in rural settlements are (subject to rateable value thresholds) entitled to 50% rate relief. This is increasing to 100% relief from 1 April 2017. However, some ratepayers currently eligible for rural rate relief may lose that entitlement if their rateable value increases above the threshold due to the revaluation.
6. The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing large percentage increases in bills from 1 April 2017.
7. In the Spring Budget the Chancellor announced that a new scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief due to the revaluation. This document provides guidance to authorities about the operation and delivery of this policy.

¹ Businesses with more than one property are only eligible for small business rate relief if their additional property or properties all have rateable values of under £2,600, and the total rateable value of all their properties are below £18,000 (£25,500 in London).

How will the relief be provided?

8. The government is not changing the legislation around transitional relief². Instead the government will, in line with the eligibility criteria for the Supporting Small Businesses scheme, reimburse billing authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended³, to grant relief. Central government will fully reimburse local authorities for the local share of the Supporting Small Businesses relief (using a grant under section 31 of the Local Government Act 2003). In view of the fact that such expenditure will be reimbursed, the government expects billing authorities to grant Supporting Small Businesses relief to all qualifying ratepayers.
9. Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance. DCLG will also undertake a New Burdens assessment of the IT and administrative costs in local government associated with the Supporting Small Businesses scheme.

² The Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265

³ Section 47 was amended by the Localism Act 2011

Who is eligible for the relief and how much relief will be available?

10. This section describes in principle the Supporting Small Business Scheme. Local authorities should use the detailed guidance at section 2 to determine eligibility and calculate bills. The Supporting Small Businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.
11. To support these ratepayers, the Supporting Small Businesses relief will ensure that the increase per year in the bills⁴ of these ratepayers is limited to the greater of:
 - a. a percentage increase p.a. of 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 all plus inflation. Unlike the transitional relief scheme, for the first year of the scheme the percentage increase is taken against the bill for 31 March 2017 after small business rate relief or rural rate relief , or
 - b. a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after small business rate relief are brought into paying something.
12. In the first year of the scheme, this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter. This means that ratepayers who are currently paying nothing under small business rate relief and are losing all of their entitlement to relief (i.e. moving from £6,000 rateable value or less to more than £15,000) would under this scheme be paying £3,000 in year 5.
13. Those on the Supporting Small Businesses relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for the Supporting Small Businesses relief scheme.
14. Ratepayers remain in the Supporting Small Businesses relief scheme for either 5 years or until they reach the bill they would have paid without the scheme⁵. A change of ratepayers will not affect eligibility for the Supporting Small Businesses relief scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

⁴ Prior to the Business Rates Supplement (2p for properties in London with a rateable value of more than £70,000) and City of London multiplier (which is 0.5p higher for all properties in London). The level of these supplements are unchanged at the revaluation but changes in the amounts paid through the supplements are outside the transitional relief scheme and the Supporting Small Businesses scheme.

⁵ This will be the bill in the main transitional relief scheme.

15. There is no 2nd property test for eligibility for the Supporting Small Businesses relief scheme. However, those ratepayers who during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended can continue on the scheme for the remainder of their 12 month period of grace.
16. Guidance on eligibility and the value of the Supporting Small Businesses relief is at Section 2.

Recalculations of relief

17. As with all reliefs, the amount of relief awarded under the Supporting Small Businesses relief scheme should be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.
18. The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059)⁶ require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.
19. Therefore, when making an award for Supporting Small Businesses relief, local authorities should ensure in the conditions of the award that the relief can be recalculated in the event of a change to the rating list for the property concerned (retrospective or otherwise). This is so that the relief can be recalculated if the rateable value changes.

⁶ The Non-Domestic Rating (Discretionary Relief) Regulations 1989 No. 1059.

State Aid

20. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the Supporting Small Businesses relief scheme will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)⁷.
21. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a rolling three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2)⁸) and the requirement to convert the aid into Euros⁹. They should ensure each business has not exceeded its threshold through all sources of state funding¹⁰.
22. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance¹¹.

⁷ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

⁸ The 'New SME Definition user guide and model declaration' provides further guidance:

http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf

⁹ http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm

¹⁰ Article 3(2) of the De Minimis Regulation

¹¹ Detailed State Aid guidance can also be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

Other Reliefs

23. Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for Supporting Small Businesses Relief. And, for the avoidance of doubt, small business rate relief or rural rate relief should not be applied to further reduce the bill found under Supporting Small Business relief (to avoid the double counting of relief – see the detailed rules in section 2). For example,
- a ratepayer eligible for Small Business Rate Relief whose rateable value has increased from £3,000 (paying £0 in 2016/17) to £14,000 would be paying the following in 2017/18 before Supporting Small Businesses relief:
 - Bill before reliefs: £6,524,
 - Bill after transitional relief: £1,555
 - Bill after Small Business Rate Relief (@1/3) £1.037.
 - After Supporting Small Business Relief the bill for 2017/18 would be reduced to £600. No further Small Business Rate Relief should be applied to the £600 bill.
24. The same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties). The presence of a section 44A certificate should not further reduce the bill found under the Supporting Small Business scheme.
25. All other discretionary reliefs, including those funded by section 31 grants, should be considered after the application of Supporting Small Businesses relief. Following discussions with local government stakeholders and their software providers, the expectation is that Supporting Small Businesses relief will be shown on the bill as an adjustment to the chargeable amount after any transitional relief – i.e. it will appear as a deduction.

Compensation Arrangements

26. Central government will reimburse billing authorities and those major precepting authorities for the actual cost to them under the rates retention scheme of the Supporting Small Businesses relief. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in a one off estimate for 2017/18. Central government will then provide payments to local authorities for their share of the cost of the estimated relief for 2017/18. The final cost to local authorities will be calculated and reconciled following the NNDR3 for 2017/18.
27. Guidance for local authorities on how to calculate the value of the section 31 grant will be included in the guidance notes for completing the National Non-Domestic Returns (NNDRs). However, in line with the New Burden's principle, section 31 compensation will be calculated having regard to the additional costs on local government of awarding the relief (before any other section 47 reliefs). Therefore, the section 31 grant for Supporting Small Businesses should be calculated by:
 - a. taking the chargeable amount which would have applied for the hereditament after the transitional arrangements and other mandatory reliefs but before discretionary reliefs,

and deducting
 - b. the chargeable amount found under the Supporting Small Business scheme before other discretionary reliefs.
28. The same principle will apply for calculation Transitional Protection Payments (TPPs) for the purposes of non-domestic rating income in the rates retention scheme. TPPs on NNDR1s and NNDR3s will be calculating ignoring the Supporting Small Businesses scheme.

Section 2: Detailed guidance for operation of the Supporting Small Businesses (SSB) scheme

Day 1 Eligibility for the Scheme

29. For 1 April 2017, the supporting small businesses (SSB) relief scheme applies to hereditaments for which¹²:
- a. the chargeable amount for 31 March 2017 is calculated in accordance with section 43(4B) or (6B),
 - b. in relation to 43(4B) the value of E for 31 March 2017 is greater than 1,
 - c. the chargeable amount for 1 April 2017 is found in accordance with section 43(4), 43(4B), 43(6A) or where regulations 12(3), 12(7) or 12(9) of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 applies, and
 - d. the chargeable amount for 1 April 2017 is more than (£600/365) higher than the chargeable amount for 31 March 2017.
30. Where for 31 March 2017 the chargeable amount has been found under section 47, then eligibility for SSB should be determined as if section 47 did not apply.
31. Where the hereditament is shown in a local list for the area of a special authority (i.e. the City of London), then eligibility for SSB should be determined as if the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17 and 46.6p for 2017/18.

Continued eligibility for the scheme after 1 April 2017

32. After 1 April 2017, the Supporting Small Businesses (SSB) scheme will cease to apply where:
- a. the chargeable amount for a day found under the SSB scheme is the same as or more than the chargeable amount found in the absence of the SSB scheme. This ensures that where, for example, the minimum increase in the chargeable amount in the SSB scheme would take the bill above the level it would otherwise have been then the hereditament will drop out of the SSB scheme. It also ensures that where, for example, with effect from after 1/4/17, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of the SSB scheme,
 - b. the chargeable amount for a day would otherwise fall to be found by section 43(5) or where paragraph 12(5) or sub-paragraphs 2(4), 3(4), 4(4), 5(4) of Schedule 2 of the Non-Domestic Rating (Chargeable

¹² unless otherwise stated, references are to the Local Government Finance Act 1988

Amounts) (England) Regulations 2016 No. 1265 applies (charities or registered community amateur sports clubs), or

c. the hereditament for a day is unoccupied.

33. Furthermore, where the ratepayer during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended (and therefore was still entitled to small business rate relief on 31 March 2017), then eligibility for the SSB scheme will cease at the end of that 12 months period of grace.

34. Hereditaments which cease to be entitled to Supporting Small Businesses for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for Supporting Small Businesses relief if it subsequently becomes occupied again.

Chargeable Amount under the Supporting Small Businesses Scheme

35. Where the Supporting Small Businesses scheme applies then DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act for the period 1 April 2017 to 31 March 2022 found in accordance with the rules in [Part 1 to Part 3 of] the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 subject to the following changes:

a. BL for 2017/18 is the chargeable amount for 31 March 2017 x 365 (on the assumption that section 47 did not apply for 31 March 2017 and on the assumption in the City of London that the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17). This ensures the starting base liability for hereditaments eligible for SSB include the SBRR or rural rate relief for 31 March,

b. Where a certificate has been issued under regulations 17 or 18 then BL for 2017/18 should be found in line with a) above but on the assumption that the rateable value in the rating list was the rateable values as certified,

c. References to "(BL x AF)" are to "(BL x AF) or (BL + 600) whichever is the greater". This ensures the bill increase is the greater or £600 or the increase under the caps in the transitional relief scheme,

d. AF is found in accordance with regulation 10(6) irrespective of the rateable value of the hereditament for 1 April 2017. This ensures only the cap on increases for small properties is applied in the SSB scheme irrespective of the actual rateable value of the hereditament,

- e. regulation 12(6)(b) is omitted. This ensures SBRR is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief as illustrated at paragraph 23 above,
 - f. the reference to “2” in regulation 12(8) is “1”. This ensures rural rate relief is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief,
 - g. “U” is taken to have a value of 0 throughout. This ensures that any hereditament whose rateable value is £51,000 or more does not have to pay the 1.3p supplement whilst eligible for SSB relief,
 - h. for a year (the year concerned) other than 2017/18, BL is $(BL \times AF)$ or $(BL + 600)$ from the year immediately the year concerned whichever is the greater.
36. No change is made to the meaning of NCA. However, as discussed above, eligibility for Supporting Small Businesses relief ceases when the chargeable amount for a day found under the Supporting Small Businesses scheme is the same as or more than the chargeable amount found outside the scheme.
37. Regulation 6 (special authorities) will apply as normal under the Supporting Small Businesses scheme. This ensures ratepayers in the City of London continue to pay any additional amount attributable to the City multiplier.
38. For the avoidance of doubt, the rules for changes in rateable value with effect from after 1 April 2017 (regulation 13) will continue to apply as normal subject to the amendments in paragraph 35 above. This ensures that, for example, later increases in rateable value are paid in full in the normal way¹³.

Splits and mergers

39. The SSB scheme will apply to hereditaments:

- a. coming into existence because of the circumstances described in paragraph 1 of Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265,
- b. where one of the hereditaments from which the new hereditament was formed in whole or in part was for the day immediately before the creation day eligible for the SSB scheme, and
- c. the circumstances described at paragraph 32 above do not apply for the creation day in respect of the hereditament.

40. After the creation day, the SSB scheme will cease to apply in the circumstances described in paragraph 32 above.

41. The number of hereditaments eligible for SSB which then split or merge is likely to be very small and devising rules in particular for mergers with

¹³ based on the small business non-domestic multiplier. This is because U is taken to have a value of 0 throughout.

properties outside of the SSB scheme would be complex. Therefore, in discussions with local authority stakeholders, DCLG has concluded it would be disproportionate to devise detailed rules to prescribe the chargeable amounts in the various circumstances which could arise from a split or a merger.

42. Instead, for hereditaments meeting the criteria in paragraph 39 and 40 above, DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act found in accordance with the following principle:
 - a. that the protection offered by the SSB scheme (that the bill will not rise by the greater of £600 p.a. or the transitional relief caps) will continue to apply in principle to that part of the newly created hereditament which was immediately before the creation day in the SSB scheme, and
 - b. that increases (or reductions) in overall rateable value arising from the split or merger are not subject to the protection of the SSB scheme.
43. For simple splits of hereditaments previously eligible for SSB, authorities may wish to simply apportion the chargeable amount in the SSB scheme for the hereditament before the split in line with the change in rateable value from the split (i.e. in line with the principle in Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265).
44. For mergers and reorganisations, authorities will have to estimate the degree to which, in line with the principle of the SSB scheme, that part of the hereditament which was formerly eligible for SSB should continue to receive support under the SSB scheme. DCLG does not expect authorities to seek any formal apportionments of the rateable value for this purpose.

Support for Pubs Guidance: Annex B

1. About this guidance

- 1.1 This guidance is intended to support local authorities in administering the “Pubs Relief Scheme” announced in the Budget on 8 March 2017. This guidance applies to England only.
- 1.2 This guidance sets out the detailed criteria, which local Government will use to provide funding relief for pubs. This guidance does not replace existing legislation or any other relief.
- 1.3 Enquiries on this measure should be addressed to:
ndr@communities.gsi.gov.uk

2. Introduction

- 2.1 The Government recognises the important role that pubs play in urban and rural communities across the country. At Spring Budget 2017, the Chancellor announced a £1,000 business rate discount for public houses with a rateable value of up to £100,000 for one year from 1 April 2017. This was part of a wider £435m package to support businesses – including pubs - facing significant increases in rate bills following the business rates revaluation. This included £110m of support for small businesses losing small business rates relief (SBRR) or rural rate relief (RRR) and providing local authorities with funding to support £300 million of discretionary relief.
- 2.2 This document provides guidance on the pubs relief scheme. It sets out how the scheme should operate and the eligibility criteria that should apply.
- 2.3 The Government expects local billing authorities to use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to grant relief to all qualifying ratepayers. We will reimburse local authorities using grants under section 31 of the Local Government Act 2003, provided they have acted in accordance with guidance. No new legislation will be required to deliver the scheme. Sections below explain how the scheme will operate, the level of funding available, and the means of compensation.
- 2.4 The guidance will be of interest to local authorities, operators of pubs and similar businesses, and their representative bodies.

3. Eligibility criteria - which properties should benefit

- 3.1 This section describes in principle the Pubs Relief Scheme. Local authorities should use this section to determine eligibility for the relief. The scheme will be available to eligible occupied properties with a rateable value of less than £100,000. The majority of pubs are independently owned or managed and will not be part of chains. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements (see section 5 of this guidance).
- 3.2 There is no definitive description of a traditional pub or public house in law which could be readily used by local authorities to determine eligibility. The objective has been to adopt an approach that makes the design and eligibility of the scheme easy to implement by local authorities in a clear and consistent way, is widely accepted by the industry and which is consistent with the Government's policy intention as set out in this section.
- 3.3 The Government's policy intention is that eligible pubs should:
- be open to the general public
 - allow free entry other than when occasional entertainment is provided
 - allow drinking without requiring food to be consumed
 - permit drinks to be purchased at a bar.

For these purposes, it should exclude:

- restaurants
- cafes
- nightclubs
- hotels
- snack bars
- guesthouses
- boarding houses
- sporting venues
- music venues
- festival sites
- theatres
- museums
- exhibition halls
- cinemas

- concert halls
- casinos

- 3.4 The proposed exclusions in the list at para 3.3 is not intended to be exhaustive and it will be for the local authority to determine those cases where eligibility is unclear. We believe that billing authorities will already have a good understanding of the licensed premises in their areas and will be able to readily form a view on eligibility in the majority of cases. We expect local authorities to design the implementation of the scheme with regard to their business rates base and existing collection practices.
- 3.5 Where eligibility is unclear authorities should also consider broader factors in their considerations – i.e., in meeting the stated intent of policy that it demonstrates the characteristics that would lead it to be classified as a pub, for example being owned and operated by a brewery. Additionally, local authorities may also wish to consider other methods of classification, such as the planning system and the use classes order to help them decide whether a property is a pub or not. However, permission for a particular use class will not necessarily mean that the property meets the definition of a pub.

4. How much relief will be available?

- 4.1 The total amount of Government-funded relief available for 2017/18 under this scheme is up to £1,000 for each eligible property. There is no relief available under this scheme for properties with a rateable value of £100,000 or more. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.
- 4.2 In addition to the pub scheme set out in this guidance, the Chancellor announced in the Spring Budget that £110 million will be available to assist ratepayers losing small business rates relief or rural rate relief as a result of revaluation. On top of this, the Government is also making available a separate £300 million discretionary relief fund over the next four years to enable local authorities to help individual businesses that are facing increased rates bills. Both of these schemes may also be available to pubs.

5. Compensation arrangements

- 5.1 Government will reimburse billing authorities and those major precepting authorities for the actual cost to them under the rates retention scheme of the relief that falls within the adopted criteria for pubs relief. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in a one off estimate for 2017/18. The Government will then provide payments to local authorities for their share (under the rates retention scheme) of the cost of the estimated relief for 2017/18. The final cost to local authorities will be calculated and reconciled following the NNDR3 for 2017/18.

State Aid

- 5.2 State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the support for ratepayers will be State Aid compliant where it is provided in accordance with the *de minimis* regulations (EC 1407/2013)¹⁴.
- 5.3 The *de minimis* regulations allow an undertaking to receive up to €200,000 of 'de minimis' aid over a rolling three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving *de minimis* aid (Article 1), the relevant definition of undertaking (Article 2(2)¹⁵) and the requirement to convert the aid into Euros¹⁶.
- 5.4 It is necessary for the local authority to establish that the awarding of aid will not result in the undertaking having received more than €200,000 of *de minimis* aid. Note that the threshold only relates to aid provided under the *de minimis* regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the *de minimis* calculation). Where local authorities have further questions about the *de minimis* regulations or other aspects of State Aid law, they should seek advice from their legal department in the first instance¹⁷.

¹⁴ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

¹⁵ The 'New SME Definition user guide and model declaration' provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf

¹⁶ http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm

¹⁷ Detailed State Aid guidance can also be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

- 5.5 Pubs are within the scope of State Aid law as companies within the hospitality sector can and do set up business in other Member States as they trade on a market. Linked enterprises are considered as one single undertaking for the application of the *de minimis* rule, therefore can receive €200,000 *de minimis* aid (including that outside of business rates relief) over three years.

Discretionary Relief in Enterprise Zones?

- 5.6 Where an eligible property is also eligible for Enterprise Zone relief, then Enterprise Zone relief should be granted and this will be funded under the rates retention scheme by a deduction from the central share. Local authorities should not provide pub relief to properties which would otherwise qualify for Enterprise Zone Government funded relief.

Other Discretionary Reliefs reimbursed by s.31 grants

- 5.7 Similarly, if a property is eligible for relief under other schemes for which s.31 grant is payable – for example, “new empty property” relief, or the Supporting Small Business Scheme– authorities should first award relief under those schemes and claim s.31 grant funding in the normal way. Only having awarded relief under those schemes, should they then award additional relief in accordance with the Pubs Relief Scheme.
- 5.8 DCLG does not prescribe whether Scheme 2 (Discretionary Relief) is calculated before or after Scheme 3 (Support for Pubs). However, DCLG understands that authorities and software companies will follow the practice of taking the Discretionary Relief before the Pubs Relief.

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9 March 2017

Email: ndr@communities.gov.uk

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (2/2017): Spring Budget

This is the second business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

<https://www.gov.uk/government/collections/business-rates-information-letters>

or for archived letters:

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/>.

- **Supporting Small Businesses**
- **New Discretionary Relief Scheme**
- **New Business Rate Relief Scheme for Pubs**

Supporting Small Businesses

In the Spring Budget the Chancellor announced that a scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief.

The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing very large percentage increases in bills from 1 April 2017.

The supporting small businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills. To support these ratepayers, the supporting small businesses relief will ensure that the increase per year in the bills¹ of these ratepayers is limited to the greater of:

- a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers currently paying nothing or very small amounts are brought into paying something, or
- the matching cap on increases for small properties in the transitional relief scheme².

The note at **Annex A** provides initial guidance to authorities about the operation and delivery of this policy. It is concerned with simple cases in 2017/18 only, allowing local authorities to quickly start the process of identifying those who stand to benefit. The number of ratepayers affected in each local authority is likely to be small and authorities are encouraged to inform the ratepayers affected that relief will be forthcoming.

Formal guidance on the operation of the scheme including more complex cases and future years will follow.

Discretionary Relief Scheme

At the Spring Budget the Government announced the establishment of a £300m discretionary fund over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the 2017 revaluation.

The intention is that every billing authority in England will be provided with a share of the £300m to support their local businesses. Billing authorities will be expected to use their share of the funding to develop their own discretionary relief schemes to deliver targeted support to the most hard-pressed ratepayers. The £300m will cover the four years from 2017/18:

- £175m in 2017/18
- £85m in 2018/19
- £35m in 2019/20
- £5m in 2020/21

¹ Prior to the Business Rates Supplement (2p for properties in London with a rateable value of more than £70,000) and City of London multiplier (which is 0.5p higher for all properties in London). The level of these supplements are unchanged at the revaluation but changes in the amounts paid through the supplements are outside the transitional relief scheme.

² 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 all plus inflation.

The Government expects that billing authorities will deliver the scheme through the use of their discretionary relief powers under section 47 of the Local Government Finance Act 1988, as amended. Billing authorities will be compensated through a Section 31 grant for the cost to the authority of granting the relief – up to a maximum amount based on the authority's allocation of the £300m fund. No new legislation will be required to deliver the scheme.

DCLG published a consultation on the design of the discretionary relief on 9 March, seeking views on the allocation of the fund, arrangements for compensation for local authorities, and the operation of local schemes:

<https://www.gov.uk/government/consultations/discretionary-business-rates-relief-scheme>

Support for Pubs

The Government has also announced a new relief scheme for pubs that have a rateable value of below £100,000. Under the scheme, eligible pubs will receive a £1000 discount on their bill. DCLG plans to publish a consultation on the operation of the relief scheme for pubs shortly. The relief will have effect for 2017/18.

Local authorities will be expected to use their discretionary relief powers (under section 47 of the Local Government Finance Act 1988, as amended) to grant this new relief for pubs in line with the relevant eligibility criteria. They will be compensated for the cost of granting the relief through a Section 31 grant from Government. No new legislation will be required to deliver the scheme.

Administration and Communication of New Reliefs

We expect billing authorities to have in place clear and swift arrangements for communicating with ratepayers both on the confirmed and likely terms of the new schemes for relief covered by this BRIL, as well as on the anticipated timescale for billing or re-billing, where applicable. This should include but not be limited to having sufficient capacity in place to deal with enquiries from ratepayers in a timely fashion, and well as directing ratepayers to appropriate online resources in any communications.

DCLG will work with local government to implement the new reliefs as quickly as possible. ***As part of this, we would be grateful if billing authorities could provide the following key information on local arrangements to implement the schemes:***

1. What initial estimates you have made of the number of ratepayers that will be eligible for the small business scheme and pubs scheme in your area

2. Whether your authority has already issued 2017/18 bills (and will therefore be re-issuing bills as necessary)
3. When you intend to issue amended bills, if applicable

Please send responses to NDR@communities.gsi.gov.uk by 20 March 2017.

Government Response on Check, Challenge, Appeal

The government has now published the summary of responses and government response to the consultation on the statutory implementation of the reforms to business rate appeals. The response confirms the government's plan to introduce the new 'check, challenge, appeal' framework from April 2017:

<https://www.gov.uk/government/consultations/reforming-business-rates-appeals-draft-regulations>

Annex A

Initial Guidance on Supporting Small Businesses Relief

Introduction

1. For 2016/17, eligible ratepayers³ with a rateable value less than or equal to £6,000 are entitled to 100% small business rate relief. Those with a rateable value of between £6,000 and £12,000 enjoy tapered relief from 100% to 0%. Following the measures in the 2016 Budget, we are increasing these thresholds from 1 April 2017 to £12,000 for the 100% relief and £15,000 for the tapered relief. This ensures that most ratepayers currently entitled to small business rate relief will pay less or nothing following the revaluation. However, some ratepayers that are facing large increases in their rateable value will lose some or all of their small business rate relief.
2. For 2016/17 the sole post office, general store, pub or petrol station in rural settlements are (subject to rateable value thresholds) entitled to 50% rate relief. This is increasing to 100% relief from 1 April 2017. However, some ratepayers currently eligible for rural rate relief may lose that entitlement if their rateable value increases above the threshold due to the revaluation.
3. The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing very large percentage increases in bills from 1 April 2017.
4. In the Spring Budget the Chancellor announced that a new scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief.
5. This note provides initial guidance to authorities about the operation and delivery of this policy. It is concerned with simple cases in 2017/18 only allowing local authorities to quickly start the process of identifying those who stand to benefit. The number of ratepayers affected in each local authority is likely to be small and authorities are encouraged to inform the ratepayers affected that relief will be forthcoming.
6. Formal guidance on the operation of the scheme including more complex cases and future years will follow. The government recognises it will take time to implement this measure and will require software changes. The government will work with local government to implement this measure and undertake a new burdens' assessment of the associated additional costs.

³ Businesses with more than one property are only eligible for small business rate relief if their additional property or properties all have rateable values of under £2,600, and the total rateable value of all their properties are below £18,000 (£25,500 in London).

How the relief will be provided?

7. The government is not changing the legislation around transitional relief⁴. Instead the government will, in line with the eligibility criteria for the scheme, reimburse billing authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended⁵, to grant relief. Central government will fully reimburse local authorities for the local share of the additional transitional relief (using a grant under section 31 of the Local Government Act 2003). In view of the fact that such expenditure can be reimbursed, the government expects billing authorities to grant supporting small businesses relief to qualifying ratepayers.
8. Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance.

Who is eligible for the relief and how much relief will be available?

9. The supporting small businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.
10. To support these ratepayers, the supporting small businesses relief will ensure that the increase per year in the bills⁶ of these ratepayers is limited to the greater of:
 - a. a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers currently paying nothing or very small amounts are brought into paying something, or
 - b. the matching cap on increases for small properties in the transitional relief scheme⁷.
11. In the first 2 years of the scheme, this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase will continue to stay flat in each year. This means that ratepayers who are currently paying nothing under small business rate relief and are losing all of their entitlement to relief (i.e. moving from £6,000 rateable value or less to more than £15,000) would under this scheme be paying £3,000 by year 5.

⁴ The Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265

⁵ Section 47 was amended by the Localism Act 2011

⁶ Prior to the Business Rates Supplement (2p for properties in London with a rateable value of more than £70,000) and City of London multiplier (which is 0.5p higher for all properties in London). The level of these supplements are unchanged at the revaluation but changes in the amounts paid through the supplements are outside the transitional relief scheme.

⁷ 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 all plus inflation.

12. Those on the supporting small businesses relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for the supporting small businesses relief scheme.
13. Ratepayers remain in the supporting small businesses relief scheme for either 5 years or until they reach the bill they would have paid without the scheme⁸. A change of ratepayers will not affect eligibility for the supporting small businesses relief but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.
14. There will be no 2nd property test for eligibility for the supporting small businesses relief scheme. However, those ratepayers who during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended can continue on the scheme for the remainder of their 12 month period of grace.
15. More detail on eligibility and the value of the supporting small businesses relief is below.

Eligibility for additional transitional relief

16. The supporting small businesses relief scheme applies to hereditaments for which:
 - a. the chargeable amount for 31 March 2017 is calculated in accordance with section 43(4B) or (6B),
 - b. in relation to 43(4B) the value of E is greater than 1,
 - c. the chargeable amount for 1 April 2017 is found in accordance with section 43(4), 43(4B), 43(6A) of the Local Government Finance Act 1988 or where regulations 12(3), 12(7) or 12(9) of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 applies, and
 - d. the chargeable amount for 1 April 2017 is more than (£600/365) higher than the chargeable amount for 31 March 2017.
17. Where for 31 March 2017 the chargeable amount has been found under section 47, then eligibility should be determined as if section 47 did not apply.
18. Where the hereditament is shown in a local list for the area of a special authority (i.e. the City of London), then eligibility should be determined

⁸ This will be the bill in the main transitional relief scheme.

as if the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17 and 46.6p for 2017/18.

Value of the relief

19. Where the supporting small businesses relief scheme applies then DCLG will fund local authorities to award discretionary relief under section 47 of the 1988 Act in order to ensure the chargeable amount for 1 April 2017 and each day thereafter in 2017/18 (subject to any changes to the hereditament in the year) is:

a. chargeable amount for 31 March 2017

plus

b. (£600/365)

20. Where hereditament is shown in a local list for the area of a special authority (i.e. the City of London) then the chargeable amount for 1 April 2017 and each day thereafter in 2017/18 (subject to any changes to the hereditament in the year) is:

a. chargeable amount for 31 March 2017 (on the assumption that the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17)

plus

b. (£600/365)

plus

c. $((D_{sa} - D) \times N)/C$

where:

D_{sa} is the small business non-domestic rating multiplier of the special authority for 2017/18;

D is 0.466;

N is the rateable value shown for the hereditament in a local list for the relevant day; and

C is 365.

21. Further guidance will follow for circumstances where the rateable value or the hereditament changes with effect from after 1 April 2017 and for later years.

Appendix C: Schedule of stakeholder engagement events

Islington has hosted various Revaluation Relief scheme workshops and events during the development of the scheme's objectives, principles and qualifying criteria.

Engagement was sought and involved representatives of the business community, such as the Islington Chamber of Commerce, the Federation of Small Businesses, the Angel Business Improvement District as well as individual local business owners.

Date	Forum	Representatives	Objective
28 April 2017	Business Rates Discretionary Relief Scheme – open invitation	<p>Cllr Shaikh, Executive Member for Economic Development</p> <p>Ian Adams, Service Director</p> <p>Christine Lovett, Angel Business Improvement District;</p> <p>Nicholas Sharpe, Business Owner;</p> <p>Matthew, AfterNoah, Business Owner</p> <p>Andrew Spigarolo, Head of Revenues</p> <p>Conor Cusack, Team Leader, Economic Development</p>	To share, discuss and obtain views concerning the proposed Revaluation Relief
9 May 2017	Islington Business Board	<p>Cllr Watts (Leader)</p> <p>Cllr Shaikh, Executive Member for Economic Development</p> <p>Various business leaders in Islington</p> <p>Various senior council officers</p>	To share, discuss and obtain views concerning the proposed Revaluation Relief
4 July 2017	Business Rates Revaluation Relief consultation with the Federation of Small Businesses (FSB)	<p>Cllr Shaikh, Executive Member for Economic Development</p> <p>David Johnson, (FSB Central London Branch Chair</p> <p>Matthew Jaffa, FSB Senior Development Manager, Greater London</p> <p>Andrew Spigarolo, Head of Revenues</p> <p>Conor Cusack, Team Leader, Economic Development</p>	To share, discuss and obtain views concerning the proposed Revaluation Relief and in particular the principles the FSB wanted to include

20 July 2017	Business Rates Revaluation Relief consultation - general	<p>Cllr Shaikh, Executive Member for Economic Development</p> <p>Ian Adams, Service Director</p> <p>Matthew Jaffa, FSB Senior Development Manager, Greater London</p> <p>Mark, Angel Business Improvement District</p> <p>John Patrick, Finsbury Park Traders</p> <p>Peter Moonihey, Business Owner</p> <p>Andrew Spigarolo, Head of Revenues</p> <p>Conor Cusack, Team Leader, Economic Development</p>	To share, discuss and obtain views concerning the proposed Revaluation Relief having developed more detail.
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Appendix D: Federation of Small Business letter dated 20th April

Sent to:

Cllr Richard Watts
London Borough of Islington
Town Hall
Upper Street
N1 2UD

Replies to:

FSB Greater London
2 Catherine Place
Westminster
London
SW1E 6HF

20 April 2017

Dear Cllr Watts

Re: Business rates discretionary fund, please help small businesses

As you know, there are a number of small businesses in our area who have seen large rises in their business rates bill. We are acutely aware that it is not local authorities which normally decide the level of business rates, and we always strive to make that clear to our members.

However, following significant FSB campaigning, central Government has decided to make a discretionary fund available to you to help small businesses hardest hit by the rates revaluation. Accordingly, we are writing to ask that you agree to FSB's 'Small Business Principles'. These are designed to ensure this money is used effectively in helping the small businesses in our area who do so much for local jobs and our local community live.

In the coming weeks, councils in every area will be tasked with designing their own schemes to distribute the new discretionary funds. It is imperative that business groups and businesses are consulted during this process. The five Small Business Principles are:

1. Commit to focusing this money on micro and small businesses, particularly those hardest hit by the revaluation
2. Commit to ensuring that funds are distributed as soon as possible and automatically refund any firm that overpays their business rates
3. Commit to a communications campaign to make sure that all affected firms know how they can benefit from the discretionary funds you provide, and proactively approach businesses most in need
4. Commit to making any application process for funds as simple and straightforward as possible, so it is inclusive for the smallest firms in our area, and attaches no conditions aside from the size of a firm and how that firm is disadvantaged by the revaluation
5. Commit to passing a motion of the council, making clear it is the council's view that business rates present significant hardship to small and micro businesses in particular, and that the council is acting to alleviate that hardship

If you would like to meet to discuss this, please contact me via Denise Beedell on denise.beedell@fsb.org.uk. I hope you will agree that this is a fantastic opportunity for us to work together to secure the best possible environment for small businesses in our area, and the jobs and growth they provide.

Yours sincerely

David Johnson, *FSB Central London Branch Chair*

CC:

Rt Hon Jeremy Corbyn, MP for Islington North

Rt Hon Emily Thornberry, MP for Islington South & Finsbury

Appendix E:

A description of national Transitional Relief as it applies from April 2017

National Transitional Relief:

Transitional relief caps the yearly increase in the bill depending on the RV as shown in the table below.

Property Size	2017/18	2018/19	2019/20	2020/21	2021/22
<£28K RV	5%	7.5%	10%	15%	15%
<£100K RV	12.5%	17.5%	20%	25%	25%
>£100K RV	42%	32%	49%	16%	6%

Example of how Transitional relief (TR) works:

16/17 bill was £15,000 and after revaluation 17/18 bill would be £28,000.

TR is applied to reduce the yearly increase of the bill until it reaches £28,000

- 17/18 bill is £15,000 x 12.5% TR = £16,875
- 18/19 bill is £16,875 x 17.5% TR = £19,828
- 19/20 bill is £19,828 x 20% TR = £23,794
- 20/21 bill is £23,794 x 25% TR = £29,743

In 20/21 the bill has now reached its revaluation level of £28,000 so this would be the sum charged.

Even with transitional relief the yearly increases are still very high. Our proposal is to award Revaluation Relief for 2 years so that for companies with an RV less than:

- 28K the increase in the bill (after TR only) is not more than 5% each year
- 60K the increase in the bill (after TR only) is not more than 6% each year
- 100K the increase in the bill (after TR only) is not more than 10% each year

So in the example given above the bills for the next 2 years would be:

- 17/18 bill is £15,000 x 6% = £16,125 (revaluation relief would be £750)
- 18/19 bill is £16,125 x 6% = £17,092 (revaluation relief would be £2,736)

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ISLINGTON

Resources Department
Newington Barrow Way, N7

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

Meeting of:	Date	Ward(s)
Executive	28 September 2017	All

FINANCIAL MONITORING 2017-18 MONTH 4

1. SYNOPSIS

- 1.1 This report presents the forecast outturn position for 2017-18 as at 31st July 2017. Overall, there is a forecast gross General Fund overspend of £9.4m. This is a significantly worse position than previous years and reflects the difficulty the council's budget faces coping with service pressures and ever dwindling government funding. Whilst there are no easy budget choices remaining, action is required to bring this overspend down, otherwise the Council's reserves will be dangerously low going into 2018-19.
- 1.2 The Housing Revenue Account (HRA) is forecast to break-even over the year.
- 1.3 It is forecast that £132.5m of capital expenditure will be delivered in 2017-18.

2. RECOMMENDATIONS

- 2.1. To note the forecast revenue outturn for the General Fund (**Table 1**) of a gross overspend of £9.4m, including corporate items. (**Paragraph 3.1**)
- 2.2. To note the actions to reduce the forecast gross General Fund overspend, and that any remaining overspend at year-end will be covered by drawing down from the corporate contingency budget in the first instance. (**Section 4, Paragraph 3.2 and Table 2**)
- 2.3. To note the breakdown of the forecast General Fund outturn by key variance at **Appendix 1** and by directorate at **Appendix 2**.
- 2.4. To note that the HRA forecast is a break-even position. (**Section 5, Table 1**)

- 2.5. To note the latest capital position with forecast capital expenditure of £132.5m in 2017-18. (**Section 6, Table 3 and Appendix 3**)

3. REVENUE POSITION: SUMMARY

- 3.1. A summary position of the General Fund and HRA is shown in **Table 1**, a breakdown by key variance at **Appendix 1** and a breakdown by directorate at **Appendix 2**.

Table 1: 2017-18 General Fund and HRA Month 4 Forecast

	Forecast Over/(Under) Spend (£000)
<u>GENERAL FUND</u>	
Resources	47
Chief Executive's Department	0
Core Children's Services (Excluding Schools)	5,470
Environment and Regeneration	1,555
Housing and Adult Social Services	934
Public Health	0
DEPARTMENTAL TOTAL	8,006
Corporate Items	1,377
GROSS OVER/(UNDER) SPEND	9,383
<u>HOUSING REVENUE ACCOUNT</u>	
NET (SURPLUS)/DEFICIT	0

- 3.2. Any overspend at year-end will be covered by drawing down from corporate contingency budgets in the first instance. Prior year and current year contingency budgets total £6.7m. If the forecast gross overspend remained at £9.4m, this would leave £2.7m to fund from other sources, including general balances. Departments are implementing management actions to dampen the level of the General Fund overspend in 2017-18 but further management actions are required to start to bring the level of the overspend down. After seven years of Government cuts there are no easy management actions to take.
- 3.3. The Council, in comparison to others in London, has limited available reserves to cope with this financial pressure. It is important that all steps possible are taken during the financial year to bring spending back at least to the level of the corporate contingency budgets and ideally below. The estimated unallocated reserves that will be available to use at year end, not including the corporate contingency budgets, are shown in **Table 2** below:

Table 2: Unallocated Reserves 2017-18

	2017-18 £m
Housing Benefit Reserve	6.2
General Fund Balances (excluding schools)	8.6
Redundancy Reserve (residual balance from 2016-17)	0.3
Total	15.1

4. GENERAL FUND

Resources Department (+£47k)

- 4.1. The Finance and Resources Department is forecasting a gross overspend of £1.2m which after management actions set out below is a forecast net overspend of (+£47k), with the key variances behind this set out in **Appendix 1**.
- 4.2. The most significant pressure on the department is on the commercial property income budget (+£1.3m). Commercial property income is expected to reach the target for it set in the Medium Term Financial Strategy by 2019, however this income given the time needed to execute commercial projects is heavily weighted to 2019 giving a cashflow pressure in 2017/18.
- 4.3. The management actions being taken to contain the overspend are:
 - 4.3.1. Eliminating the administrative buildings maintenance contingency for the year and limiting the planned programme of repairs to only urgent items (-£0.8m)
 - 4.3.2. Holding posts vacant across the department (-£0.25m)
 - 4.3.3. Audit of contractor payments (-£0.1m)
 - 4.3.4. Increasing the income forecast from the Assembly Hall for the rest of year (-£0.06m)

Chief Executive's Department (Break-Even)

- 4.4. The Chief Executive's Department is forecasting a break-even position over the financial year.

Children's Services - General Fund (+£5.47m), Schools (Break-Even)

- 4.5. The Children's Services Department is forecasting a (+£5.47m) General Fund overspend, the largest of any council service but not inconsistent with other similar councils. The key variances behind the General Fund net overspend are set out in **Appendix 1**.
- 4.6. Management actions being undertaken are as follows:
 - 4.6.1. Vacancy management across services;
 - 4.6.2. Review high cost packages and personal budgets;
 - 4.6.3. Wider review of Children Look After placements, cost drivers and commissioning arrangements;

- 4.6.4. Review housing benefit collection arrangements;
- 4.6.5. Review dispersal arrangements for Unavoidable Asylum Seeking Children – placing young people in other authorities where dispersal scheme is in operation;
- 4.6.6. Loss of £3m Dedicated Schools Grant funding mitigated by recycling early childhood transformation and childcare subsidy savings, disapplication from DSG funding regulations and funding identified through line by line DSG review; and
- 4.6.7. Reviewing contract arrangements and viability between the Council, Greenwich Leisure and relevant school bodies for Holloway Pool.

4.7. The schools' dedicated schools grant position is forecast at break-even.

Environment and Regeneration (+£1.555m)

- 4.8. The Environment and Regeneration Department is forecasting a (+£1.555m) overspend. The key variances behind this net overspend are set out in **Appendix 1**.
- 4.9. The management actions being taken to control these pressures are:
 - 4.9.1. Regular monitoring of spend and income trends across the department to enable effective decisions to be taken;
 - 4.9.2. Extensive work being undertaken within Street Environmental Services to control and monitor staff related spend, in particular overtime levels, agency staff and sickness absence;
 - 4.9.3. Vacancy and recruitment management across the department and control over non-essential expenditure; and
 - 4.9.4. On-going work to drive through service changes to deliver the delayed savings.

Housing and Adult Social Services (+£0.934m)

Adult Social Services (+£0.934m)

- 4.10. Adult Social Services is forecasting a (+£0.9m) overspend. The key variances behind this net overspend are set out in **Appendix 1**.
- 4.11. The management actions being taken to control the net overspend are:
 - 4.11.1. Review of savings plans;
 - 4.11.2. Finance training for all budget holders;
 - 4.11.3. Review of all agency staff and establishments in order to reduce staffing pressure; and
 - 4.11.4. Review of all current care packages to ensure projections have been made accurately.

Housing General Fund (Break-Even)

- 4.12. The Housing General Fund is forecasting a break-even position for the financial year.

Public Health (Break-Even)

- 4.13. Public Health is funded via a ring-fenced grant of £26.6m for 2017-18. There is a forecast net break-even position for the financial year.

Corporate Items (+£1.4m)

- 4.14. There is a (+£0.8m) uncontrollable cost 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).
- 4.15. (+£0.7m) of planned cross-cutting savings, relating to further channel shift and income generating activities across the Council, are now considered unachievable in 2017-18.
- 4.16. There is a (+£0.6m) unbudgeted cost relating to the estimated General Fund cost of the new apprenticeship levy.
- 4.17. These overspends are partially offset by:
- 4.17.1. Net unbudgeted grant income totalling (-£0.3m), for example to compensate for the impact of Government policy on our retained business rates income in 2017-18 and to reimburse previously top-sliced New Homes Bonus funding.
- 4.17.2. A forecast underspend of (-£0.4m) on the corporate levies budget compared to the estimate before the start of the financial year.

5. HOUSING REVENUE ACCOUNT

- 5.1. The HRA is forecast to break-even over the financial year.

6. CAPITAL PROGRAMME

- 6.1. It is forecast that £132.5m of capital investment will be delivered in 2017-18. This is set out by directorate in **Table 3** below and detailed at **Appendix 3**.

Table 3: 2017-18 Capital Programme Month 4 Forecast

Directorate	2017-18 Revised Budget (£m)	2017-18 Capital Forecast (£m)	Forecast Re-profiling (to)/from Future Years (£m)
Children's Services	16.8	16.8	0.0
Environment and Regeneration	27.6	25.7	(1.9)
Housing and Adult Social Services	90.6	89.9	(0.7)
Resources	0.1	0.1	0.0
Total	135.1	132.5	(2.6)

7. IMPLICATIONS

Financial Implications

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

Legal Implications

- 7.2. The Council is required by law to balance its budget. This means that the Council must plan to balance its spending plans against resources available to it in any given financial year to prevent a deficit occurring. Members need to be reasonably satisfied that the Council's expenditure is being contained within its budget and that the agreed savings for the financial year will be achieved to ensure that the Council maintains a balanced budget.

The Council has designated the Corporate Director for Resources as the officer with the statutory responsibility for administering the Council's finances set out in section 151 of the Local Government Act 1972.

Environmental Implications

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

Resident Impact Assessment

- 7.4. 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.
- 7.5. A resident impact assessment (RIA) was carried out for the 2017-18 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.

Appendices:

Appendix 1 – General Fund Revenue Monitoring by variance
Appendix 2 – Revenue Provisional Outturn by Service Area
Appendix 3 - Capital Monitoring

Background papers: None

Signed by



Executive Member for Finance,
Performance and Community Safety

13 September 2017

Date

Responsible Officer:

Mike Curtis
Corporate Director Resources

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Appendix 1: General Fund Revenue Monitoring 2017-18 Month 4 by Individual Over/(Under)Spend

Division	Description of Over/(Under) Spend	Category	Over-spend £000	Under-spend £000	Net Over/(Under) Spend £000
RESOURCES					
Corporate Real Estate	Commercial Property - Shortfall against the commercial property income target due to savings materialising over a longer time frame (including refurbishment work in commercial let).	Savings Unachievable in 2017-18	1,353		1,353
Corporate Real Estate	Vacancy savings and admin budget savings.	Underspend		(145)	(145)
Financial Management	Vacancy savings plus cash recovery project successfully generating additional income	Underspend		(160)	(160)
Financial Operations	Underspend in staffing budgets.	Underspend		(150)	(150)
Facilities Management	Spend on buildings being held to a minimum with no contingency for urgent repair requirements.	Underspend		(791)	(791)
Assembly Hall	Additional Assembly Hall income above the budgeted target.	Unbudgeted Income		(60)	(60)
Total Resources			1,353	(1,306)	47
CHIEF EXECUTIVE'S DEPARTMENT					
<i>No estimated overspends/underspends greater than £100k</i>					
Total Chief Executive's Department			0	0	0
CHILDREN'S SERVICES					
Youth and Community	Youth Offending Service - Potential increase in remand costs.	Prior Year Ongoing Pressure	0		0
Safeguarding and Family Support	Re-phasing of savings from Business Support Unit service review.	Savings Unachievable in 2017-18	40		40
Safeguarding and Family Support	Children in Need (Disabled Children's Services) - Increased demand for high level personal budgets to deliver community based packages.	Prior Year Ongoing Pressure	241		241
Safeguarding and Family Support	Children in Need - Increase in court fees due to demands in the service.	Current Year New Pressure	102		102
Safeguarding and Family Support	Children in Need - Agency cover to support significant levels of staff turnover.	Prior Year Ongoing Pressure	100		100
Safeguarding and Family Support	Children Looked After - Significant increase in the number of care leavers to whom the Council is required to offer a service. Includes rising 18s (Southwark judgement).	Prior Year Ongoing Pressure	500		500
Safeguarding and Family Support	Unaccompanied Asylum Seeker Children (Post 18) - Recent legislation allows young people to 'stay put' in their Children Looked After placements. Grants given towards asylum young people are significantly lower than 'staying put' costs.	Prior Year Ongoing Pressure	224		224
Safeguarding and Family Support	Fostering placements - due to savings being applied to an already overspending area	Prior Year Ongoing Pressure / Savings Unachievable in 2017-18	158		158
Safeguarding and Family Support	Increase in the number and complexity of cases for under 18 cohort of Children Looked After (mainly regulated residential placements).	Prior Year Ongoing Pressure	2,250		2,250
Safeguarding and Family Support	Increase in support for 16/17 year olds living in supported accommodation.	Prior Year Ongoing Pressure	787		787
Learning and Schools	Early Years Family Support - Loss of DSG funding (£511k), mitigated by staffing restructure.	Current Year New Pressure	324		324
Learning and Schools	Early Years Priority Referral Under 3s - Changes in the use of DSG funding (£210k), mitigated by reallocations.	Current Year New Pressure	135		135
Learning and Schools	Under 3s Childcare Subsidy in Nursery Schools - Changes in the use of DSG funding (£510k), mitigated by reallocations.	Current Year New Pressure	312		312
Learning and Schools	Special Educational Needs Travel - significantly more children with higher needs being transported in taxis.	Prior Year Ongoing Pressure	328		328
Learning and Schools	Loss of de-delegated funding from in-year academisations.	Current Year New Pressure	40		40
Learning and Schools	Holloway School pool cleaning costs.	Prior Year Ongoing Pressure	59		59
Learning and Schools	Universal Free School Meals - expected growth in pupil numbers.	Prior Year Ongoing Pressure	100		100
Learning and Schools	Unbudgeted income from previously agreed schools contribution to Local Government Pension Scheme lump sum.	Unbudgeted Income		(400)	(400)
Learning and Schools	Core budget pressures in the Special Educational Needs (SEN) service.	Prior Year Ongoing Pressure	134		134
Partnership and Support Services	Currently unfunded Director's post, but other sources of funding being discussed.	Current Year New Pressure	134		134
Youth and Community	Youth Commissioning underspend.	Underspend		(250)	(250)
Employment Skills and Culture	Re-phasing of income target in libraries.	Savings Unachievable in 2017-18	152		152
Total Children's Services			6,120	(650)	5,470
ENVIRONMENT AND REGENERATION					
Directorate	The move from the Box cloud based storage to Office 365 has been delayed, thus incurring a further annual subscription charge. This pressure has been reduced from £100k to £67k by reducing the number of licences held.	Unbudgeted Cost	67		67
Public Realm	Delayed delivery of prior year savings in Street Environmental Services.	Savings Unachievable in 2017-18	631		631
Public Realm	Delayed delivery of new savings in Street Environmental Services.	Savings Unachievable in 2017-18	939		939
Public Realm	Additional operating costs in Street Environmental Services.	Prior Year Ongoing Pressure	1,436		1,436
Public Realm	Additional agency costs.	Current Year New Pressure	400		400
Public Realm	Unrealisable income target from Arqiva Street Lighting WIFI concession.	Prior Year Ongoing Pressure	170		170
Public Realm	Unachievable income target in Energy Services.	Prior Year Ongoing Pressure	100		100
Public Realm	Trampoline Park delays as a result of the General Election in June 2017.	Current Year New Pressure	200		200

Appendix 1: General Fund Revenue Monitoring 2017-18 Month 4 by Individual Over/(Under)Spend

Division	Description of Over/(Under) Spend	Category	Over-	Under-	Net
			spend	spend	Over/(Under)
			£000	£000	£000
Public Realm	Decisions around parks seasonal events delayed.	Savings Unachievable in 2017-18	200		200
Public Realm	Additional income in parking.	Underspend		(1,015)	(1,015)
Public Realm	Contract saving in parking.	Underspend		(250)	(250)
Public Realm	One-off payment from advertising contract.	Underspend		(350)	(350)
Public Realm	Underspend on depots budgets.	Underspend		(307)	(307)
Public Realm	Additional sports income.	Underspend		(213)	(213)
Public Protection	Holding vacancies across the division.	Underspend		(453)	(453)
Total Environment and Regeneration			4,143	(2,588)	1,555
HOUSING AND ADULT SOCIAL SERVICES					
Temporary Accommodation and Housing Needs	Temporary Accommodation overspend owing to the change in legislation where the £40 management fee per case was replaced by a fixed DCLG grant.	Current Year New Pressure	229		229
Housing Administration and Strategy and Development	Underspend owing to vacancies being held to manage the temporary accommodation overspend.	Underspend		(229)	(229)
Total Housing General Fund			229	(229)	0
Integrated Community Services	Non-delivery of savings.	Savings Unachievable in 2017-18	1,251		1,251
Integrated Community Services	Staffing overspend.	Current Year New Pressure	301		301
Integrated Community Services	Placement Pressure - Across Community and Residential based placements in the department.	Current Year New Pressure	1,243		1,243
Integrated Community Services	Underspend across non-pay budgets.	Underspend		(110)	(110)
Strategy and Commissioning	Non-delivery of savings.	Savings Unachievable in 2017-18	925		925
Strategy and Commissioning	Integrated Community Services.	Prior Year ongoing pressure	60		60
Learning Disability Services	Non-delivery of savings.	Savings Unachievable in 2017-18	1,296		1,296
Learning Disability Services	London Living Wage, Sleep-in judgement and additional capacity in Shared Lives and Community Access.	Current Year New Pressure	440		440
Learning Disability Services	Placement Pressure - Across Community and Residential based placements in the department.	Current Year New Pressure	728		728
Adult Social Care	Additional social care funding announced in Budget 2017 (One-off).	Unbudgeted Income		(3,000)	(3,000)
Adult Social Care	Release of S117, bad debt provision and direct payments surpluses (One-off).	Underspend		(1,800)	(1,800)
Adult Social Care	Management actions.	Management Action		(400)	(400)
Total Adult Social Services			6,244	(5,310)	934
Total Housing and Adult Social Services			6,473	(5,539)	934
PUBLIC HEALTH					
<i>No estimated overspends/underspends greater than £100k</i>					
Total Public Health			0	0	0
DEPARTMENTAL TOTAL			18,089	(10,083)	8,006
CORPORATE ITEMS					
No Recourse to Public Funds	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).	Prior Year Ongoing Pressure	800		800
Cross-cutting Savings	Unachievable planned cross-cutting savings in 2017-18: - Further channel shift across both Contact Islington and other council services (£435k) - Income generating activities across the council, including increasing income from existing services, maximising income from assets and developing new services (£220k)	Savings Unachievable in 2017-18	655		655
Apprenticeship Levy	Estimated General Fund impact of Apprenticeship Levy.	Current Year New Pressure	600		600
Levies	Underspend on the corporate levies budget compared to the estimate before the start of the financial year.	Underspend		(370)	(370)
Grant Income	Net unbudgeted grant income (net of other corporate pressures), for example to compensate for the impact of Government policy on our retained business rates income in 2017-18 and to reimburse previously top-sliced New Homes Bonus funding.	Unbudgeted Income		(308)	(308)
Total Corporate Items			2,055	(678)	1,377
GROSS TOTAL			20,144	(10,761)	9,383

Appendix 2 - Revenue Monitoring 2017-18 Provisional Outturn by Service Area
Month 4

Department / Service Area	Current	Forecast	Forecast
	Budget	Outturn	Over/(Under) Spend Month 4
	£'000	£'000	£'000
GENERAL FUND			
RESOURCES			
Corporate Director of Resources	2,790	2,790	0
Digital Services and Transformation	13,199	13,199	0
Financial Management	11,603	12,651	1,048
Financial Operations	20,218	19,217	(1,001)
Internal Audit	506	506	0
Legal and Governance	2,173	2,173	0
Human Resources	1,789	1,789	0
Total Finance and Resources	52,278	52,325	47
CHIEF EXECUTIVE'S DEPARTMENT			
Chief Executive	245	245	0
Communications and Change	898	898	0
Strategy and Change	1,005	1,005	0
Total Chief Executive's Department	2,148	2,148	0
CHILDREN'S SERVICES			
Learning and Schools	11,543	12,575	1,032
Partnerships and Support Services	16,170	16,304	134
Targeted and Specialist Children and Families	42,750	47,152	4,402
Employment, Adult Learning and Culture	6,161	6,313	152
Youth and Communities	6,003	5,753	(250)
Less Projected Ring-Fenced Schools Related Underspend	0	0	0
Total Children's Services	82,627	88,097	5,470
ENVIRONMENT AND REGENERATION			
Directorate	(82)	(15)	67
Planning and Development	1,512	1,512	0
Public Protection	4,391	3,938	(453)
Public Realm	11,899	13,840	1,941
Total Environment and Regeneration	17,720	19,275	1,555
HOUSING AND ADULT SOCIAL SERVICES (HASS)			
Temporary Accommodation (Homelessness Direct)	2,106	2,303	197
Housing Needs (Homelessness Indirect)	1,506	1,539	33
Housing Benefit	880	880	0
Housing Strategy and Development	177	142	(35)
Housing Administration	1,202	1,007	(195)
Voluntary and Community Services (VCS)	3,402	3,402	0
Total Housing General Fund	9,273	9,273	0
Adult Social Care	227	(4,973)	(5,200)
Integrated Community Services	19,966	22,651	2,685
Learning Disabilities	21,722	24,186	2,464
Strategy and Commissioning	29,021	30,006	985
Total Adult Social Services	70,936	71,870	934
Total Housing and Adult Social Services	80,209	81,143	934
PUBLIC HEALTH			
Children 0-5 Public Health	3,952	3,933	(19)
Children and Young People	1,434	1,434	0
NHS Health Checks	394	387	(7)
Obesity and Physical Activity	700	700	0
Other Public Health	(20,863)	(20,834)	29
Sexual Health	6,104	6,103	(1)
Smoking and Tobacco	413	396	(17)
Substance Misuse	8,456	8,471	15
Less Projected Ring-Fenced Public Health Grant Underspend	0	0	0
Total Public Health	590	590	0
DIRECTORATE TOTAL	235,572	243,578	8,006

Appendix 2 - Revenue Monitoring 2017-18 Provisional Outturn by Service Area
Month 4

Department / Service Area	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 4
	£'000	£'000	£'000
CORPORATE ITEMS			
Corporate and Democratic Core / Non Distributed Costs	0	0	0
Other Corporate Items	(2,756)	(1,809)	947
Corporate Financing Account	(24,725)	(24,725)	0
Levies	21,926	21,556	(370)
Transfer to/(from) Reserves	(10,766)	(10,766)	0
Specific Grants	(13,178)	(13,178)	0
Core Government Funding / Council Tax	(208,481)	(208,481)	0
No Recourse to Public Funds	408	1,208	800
Contingency	2,000	2,000	0
Total Corporate Items	(235,572)	(234,195)	1,377
GROSS TOTAL	0	9,383	9,383

Appendix 2 - Revenue Monitoring 2017-18 Month 4 by Service Area

HOUSING REVENUE ACCOUNT(HRA)			
Department / Service Area	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 4
	£'000	£'000	£'000
Dwelling Rents	(163,715)	(164,015)	(300)
Non Dwelling Rents	(1,335)	(1,335)	0
Heating Charges	(2,150)	(2,150)	0
Leaseholders Charges	(11,400)	(11,400)	0
Other Charges for Services and Facilities	(4,603)	(4,853)	(250)
PFI Credits	(22,854)	(22,854)	0
Interest Receivable	(500)	(500)	0
Contribution from General Fund	(816)	(816)	0
Gross Income	(207,373)	(207,923)	(550)
Repairs and Maintenance	32,044	32,044	0
General Management	49,460	50,160	700
PFI Payments	40,404	40,504	100
Special Services	18,268	17,818	(450)
Rents, Rates, Taxes and Other Charges	589	589	0
Capital Financing Costs	16,749	16,749	0
Depreciation	30,847	32,847	2,000
Bad Debt Provisions	750	750	0
Contingency	2,000	2,000	0
Transfer to HRA Reserves	16,262	14,462	(1,800)
Gross Expenditure	207,373	207,923	550
Net (Surplus)/Deficit	0	0	0

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Appendix 2: Capital Monitoring 2016-17 Month 4

	2017-18 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	0.5	(0.0)	0.4	0.4	0.0	0.2	47%
Dowery Street/Primary PRU	2.0	(0.6)	1.4	1.4	0.0	0.9	67%
School Condition Works	1.0	0.0	1.0	1.0	0.0	0.0	0%
Tufnell Park	4.4	0.0	4.4	4.4	0.0	0.2	3%
Highbury Grove School Expansion	1.7	0.0	1.7	1.7	0.0	0.1	6%
Central Foundation School Expansion	2.7	0.0	2.7	2.7	0.0	0.0	0%
Arts and Media School	0.1	0.0	0.1	0.1	0.0	0.0	0%
Childrens Centre Remodelling	0.5	0.0	0.5	0.5	0.0	0.0	0%
City Of London Academy	2.0	0.0	2.0	2.0	0.0	0.0	0%
New River College	0.5	0.0	0.5	0.5	0.0	0.0	0%
Primary Capital Scheme	0.2	0.0	0.2	0.2	0.0	0.0	0%
Electrical & Mechanical	0.0	0.2	0.2	0.2	0.0	0.1	40%
Early Years Capital	0.8	0.1	0.9	0.9	0.0	0.1	5%
Other	0.0	0.7	0.7	0.7	0.0	(0.0)	-1%
Total Children's Services	16.4	0.5	16.8	16.8	0.0	1.5	9%
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	0.0	2.0	2.0	0.0	0.2	12%
Cemetaries	1.0	0.0	1.0	1.0	0.0	0.3	30%
Disabled Facilities	0.6	0.1	0.7	0.7	(0.0)	0.2	23%
Private Sector Housing	1.0	0.1	1.1	0.7	(0.4)	0.0	1%
Combined Heat and Power	2.1	1.0	3.1	3.1	0.0	0.6	18%
Energy Saving Council Buildings	0.3	0.7	1.0	0.9	(0.1)	0.1	7%
Vehicles	4.0	0.3	4.3	4.3	0.0	0.2	4%
Greenspace	1.2	0.5	1.7	0.9	(0.8)	0.4	24%
Highways	3.4	0.3	3.7	3.5	(0.3)	0.1	2%
Leisure	2.3	(0.0)	2.3	2.3	0.0	0.0	2%
Other Energy Efficiency	2.2	0.1	2.3	2.3	0.0	0.0	0%
Recycling Improvements	0.8	0.1	0.8	0.8	(0.0)	0.1	14%
Special Projects	0.2	(0.0)	0.1	0.0	(0.1)	0.0	14%
Traffic and Engineering	3.2	0.0	3.3	3.0	(0.3)	0.2	7%
Total Environment and Regeneration	24.3	3.2	27.6	25.6	(1.9)	2.4	9%
HOUSING AND ADULT SOCIAL SERVICES							
HOUSING							
Major Works and Improvements	33.5	0.0	33.5	33.5	0.0	5.0	15%
New Build	56.4	0.0	56.4	55.7	(0.7)	10.7	19%
Total Housing	89.9	0.0	89.9	89.2	(0.7)	15.7	17%
ADULT SOCIAL SERVICES							
Care Services	0.0	0.7	0.7	0.7	0.0	0.0	0%
Total Adult Social Services	0.0	0.7	0.7	0.7	0.0	0.0	0%
Total Housing and Adult Social Services	89.9	0.7	90.6	89.9	(0.7)	15.7	17%
RESOURCES							
Resources	0.0	0.1	0.1	0.1	0.0	0.0	0%
Total Finance and Resources	0.0	0.0	0.0	0.0	0.0	0.0	0%
TOTAL CAPITAL PROGRAMME	130.6	4.5	135.1	132.5	(2.6)	19.6	15%

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Report of: **Chair of Policy and Performance Scrutiny Committee**

Meeting of	Date	Ward(s)
Executive	28 September 2017	
Delete as appropriate		Non-exempt

Subject: Scrutiny into Thames Water's response to water mains bursts – Scrutiny Review

1. Synopsis

- 1.1 This report requests that the Executive receive the recommendations of the Policy and Performance Scrutiny Committee, following completion of the Flooding Scrutiny review. 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 Policy and Performance 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 Policy and Performance Scrutiny Committee's recommendations.

3. Background

- 3.1 In December 2016 the Committee commenced a review of Flooding and the response by public services in the Angel Islington and other major bursts throughout London and their underlying causes, in order to reduce the risk of future floods, to better protect homes and businesses from flooding risk and to improve responses to future flooding situations.

4. Implications

4.1 Financial Implications

The proposals in the review 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 have made a number of recommendations that will assist in reducing the risk of major flooding in the Borough

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Policy and Performance Scrutiny Review Committee

REPORT OF THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE

SCRUTINY INTO THAMES WATER'S RESPONSE TO BURST WATER MAINS



London Borough of Islington
July 2017

CHAIR'S FOREWORD

There are three main lessons from the serious flooding caused by the water main burst at the Angel on 5th December 2016 and the subsequent burst of the water main in St John's Street. First of all, the response to the emergency. Secondly, the support offered to victims of the flooding and thirdly the underlying causes, in particular the state of the Victorian water mains underneath our streets.

The Angel Tsunami

At 4.02am on Monday 5 December 2016 the Metropolitan Police reported a serious water leak near the junction of vicinity of Upper street and Islington High Street. The Police asked Islington Council to train CCTV cameras on it. The resulting film shows a leak significant enough to cover the southbound carriageway of Upper Street shortly after 4am. At 4:57am the images show a major eruption of water as the 36 inch main underneath burst beneath the Upper St and Islington High Street junction. At 4:58am Thames Water's control room registered an increase in water flow of over 200 litres per second.

At 5:01am the first of a series of 999 calls about flooding was received. A fire engine arrived on site at 5:06am (despatched from the Upper Street fire station Incident Commander called for Thames Water to attend urgently at 5:07am as it was apparent that this was a very large leak.

From 5am onwards water flowed downhill from Upper St towards Devonian Road where it built up at the rear of the garages. Around 6am, the water broke through into the gardens and around 6:30am it burst through into the basements of Nos 1-11 Devonian Road, which filled in a matter of seconds. It is extremely fortunate that no-one was killed by the sudden inrush of water to these basements. Fortunately the LFB had foreseen this risk, had called for boats and were evacuating residents immediately before the basements were flooded.

Residents were initially evacuated to the Steam Passage public house and then later to the Business Design Centre in care of Islington's Local Authority Liaison Officers (LALO). Approximately 88 properties were evacuated from the local area and two people were rescued from basement flats in Devonian Road. Flooding was at various depths up to a maximum height of 3 metres The main thoroughfare of Upper Street was closed Southbound for 12 days, though the Northbound side re-opened at approximately 2pm.

The LFB pumped out approximately 20 properties and diverted water away from the local substation to preserve power and carried out salvage operations to save property. The water gushing from the burst main was isolated around 9:30am. This was over 5 hours after it was first reported by the Metropolitan Police Service.

The Emergency Response

Was there an opportunity to avoid the risk to life caused by this burst water main? It is notable from the records kept of the 2005 burst of the same water main by Islington's Emergency Planning Officer that on that occasion the water supply to the burst main was isolated in little more than an hour. That burst took place in the middle of the day when Thames Water staff were able to get to the Angel quickly.

Opportunities to act more quickly were missed on 5th December. Better availability of information about trunk main locations could have been used to prioritise the leak when it was first seen around 4am. Thames Water's records show a large pressure spike at 5am which provided further evidence

of a trunk main burst if this wasn't already apparent from the incident commander's phone call. However, that call wasn't allocated the priority it should have received and the resources were not available close enough to the incident to respond quickly. For example, the LFB's request for sand bags resulted in them being despatched from Slough.

There did not seem to be a properly organised emergency response from Thames and we welcome Paul Cuttill's recommendations that Thames Water should have staff available throughout the capital will enable this to happen in future.

It is fortunate that after the Angel flood, Islington Council acquired some sandbags which were used during the 24th May water main burst at St John's Street.

Following the Cuttill report, we recommend that Thames Water establishes proper emergency response teams which are able to respond to an emergency within an hour and are available to respond 24 hours a day and 7 days a week. There should also be a dedicated emergency number which connects to staff in Thames Water's Control Room. Improving the integration between Thames Water and the statutory emergency services is a potential advantage of the government taking the water utilities back into public ownership.

The national review of the 2007 Floods (the Pitt Review) said that 'We are concerned that the systems, structures and protocols developed to support national coordination of multi-agency flood rescue assets remain ad-hoc. We believe that the Fire and Rescue Service should take on a leading role in this area, based on a fully funded capability. This will be most effective if supported by a statutory duty.'

Unfortunately, this was not done by the New Labour government and ministers have continued to resist calls since then. We support the FBU's campaign for the statutory duty to be agreed and funded appropriately.

Although floods caused by trunk main bursts are a different issue, we still see exactly the same ad hoc approach being applied nearly 10 years later by Thames Water. Although Thames Water is now privately owned, it still has a key role in emergency response to floods caused by trunk main bursts. The Fire Brigade puts fires out and rescues people who are unable to escape. For floods, they rescue flood victims, but are dependent on water companies to isolate the supply of mains water. Given the increasing frequency of floods and water main bursts, we recommend that Central Government finally supports the Fire Brigade, through a statutory duty, to be the primary responder to floods and with the funds to carry out this role. In London, this should include detailed maps of trunk mains being shared with the fire service and the Police so that action can be taken immediately once a significant leak occurs above a trunk main.

Infrastructure Investment

Thames Water carried out their Victorian Mains Replacement (VMR) programme from 2002 to 2013, with the aim of reducing leakage. By the end of the programme in 2013, Thames Water said that they had reduced leakage by 36%. The renewed mains were said to be fit for purpose, for at least 50 years, and were described as an efficient, cost effective and more reliable Twenty First Century network.

However, it is estimated that after 10 years the VMR programme had only replaced about one third of the Victorian water mains. Questions were asked about the replacement of 19th century water mains that still appeared to be in good condition and the programme ceased. In Autumn, when a series of eight serious water main bursts occurred in London, every single water main which burst was laid down in the 19th century. It is still said that the age of the water mains is not a cause of the

incidents, but the number of multiple incidents is striking. In Islington the same water main burst in 2005, though this flood was not assigned to the correct main in Thames Water records, resulting in it not being prioritised for monitoring equipment. It burst again in May 2017 causing major disruption and loss of water supply to many residents in Finsbury. At Leigham Vale in Lambeth, promises by Thames Water staff to prioritise repairs were made, following an earlier serious burst, but the repairs were not made.

These recent incidents indicate that the Victorian Main replacement programme made sense and should be completed, though this may take another 20 years. We should not continue to take risks in relying in Victorian engineering in the way that we have done. The achievement of the Victorians in creating our water mains was immense. They probably hoped that the mains they were laying would last into the 20th century, but they cannot have imagined that we would still be debating whether to replace their mains in the 21st century.

Thames Water will point to the complexity of having to obtain permits to carry out main replacement work and the risk that the public will not tolerate the consequent levels of disruption that are all too apparent today to bus passengers on Upper Street and Essex Road. However, Thames Water are not the only source of disruption as is evident to anyone travelling along Holloway Road in 2017 during Transport for London (TfL)'s works to bridges and gyratory systems. Better integration is needed between TfL and Thames Water and other utilities, so that the planning of these works is done jointly, and all the works needed beneath all TfL roads are carried out jointly. It would have made sense to renew the water mains below Holloway Road during the bridge works. As it is, an opportunity has been missed.

Looking After Victims

The Angel Tsunami seems a long time ago from the viewpoint of non victims, but some residents were only able to move back into their homes nearly 9 months after the 5th December flood. Thames Water deployed staff from insurance companies contracted to them, but as is always the case with insurance claims it has been difficult and stressful for victims to claim for loss of goods, some of which, such as antiques destroyed in shop basements are difficult and complex to value.

Senior Thames Water managers made commitments to ensure that no individual or business was worse off as a result of the water main burst, but victims found it very difficult to obtain compensation for the stress they experienced, the amount of time they had to spend dealing with the aftermath of the claim process and other issues, such as obtaining compensation for loss of business, which affects businesses in areas experiencing flooding, even if they were not flooded themselves.

A particular issue has been the difficulty that victims have experienced in communicating with each other. Thames Water obtained important information about the individuals affected, but it has been impossible for victims to have access to the contact details or for the council to obtain it on their behalf. Data protection rules have got in the way of helping victims. The council has better information about the 2005 flood caused by another leak from this water main simply because a council officer ran the respite centre for victims as Thames were unable to do this. There is a strong case for a neutral third party like the council to collect victim data, to enable victims to communicate with each other.

Thames Water managers have shown empathy with victims, but this has not always extended to the insurance staff and loss adjusters who work for Thames contractors. Anyone who handles insurance claims has to take a tough and sceptical view on those claims and this has shown through in the way that victims were treated. There is a case for third party support for victims.

Thames Water procedures need to be improved and made more transparent. Thames Water made goodwill payments to victims after 5th December, but the policy for this has not been published, despite victims asking for it. Thames Water committed not to charge water bills to victims, but organising this has been slow and complex. Compensation for stress, time spent on dealing with the insurance process and for loss of amenity also require clearer standards and a procedure that victims can follow. We look forward to Thames Water having better developed procedures in the future as floods are bound to occur.

COUNCILLOR RICHARD GREENING
CHAIR POLICY AND PERFORMANCE SCRUTINY COMMITTEE

Thames Water's Response to Water Mains Bursts - Scrutiny Review

Aim

To investigate the response by public services to the floods in the Angel Islington and Stoke Newington and other London Boroughs, in 2016 and early 2017 and their underlying causes, in order to reduce the risk of future floods, to better protect homes and businesses from flooding risk and to improve responses to future flooding incidents

Evidence

The review ran from December 2016 until April 2017 and evidence was received from a variety of sources

1. Presentations from Council officers – Jan Hart, Kevin O’Leary, Martin Holland, Dan Lawson – Environment and Regeneration
2. Presentation from TWA – Chris Davies, Rob Hales, Simon Hughes, Bob Collington, Nigel Dyer, James Kingston, Matthew Hackshaw, Alex Nickson
3. Residents/businesses affected by the flooding
4. Other London Boroughs – L.B.Hackney, L.B.Lewisham, L.B.Lambeth
5. Fire Brigade – Patrick Goulbourne
6. Police – Debbie Pierson, Walt Mutch
7. Presentation – TfL – Andrew Sherry, Mufu Durowuju
8. Visit to Blackheath site of flooding
9. Documentary evidence from Thames Water - Incident report, CC Water
10. Academic City University – Roger Crouch
11. OFWAT – Mark Anderson, Keith Mason, Aileen Armstrong
12. Evidence from TWA insurers Cunningham Lindsey – Jeff Hoskin, Andrew Mishen., Joseph Noel
13. Evidence from Paul Cuttill OBE

The scrutiny initiation document (SID) is attached - **Appendix A**

A letter from residents of Devonia Road to Thames Water regarding the flood - **Appendix B**

Notes of the evidence of the witness sessions - **Appendix C**

Timeline of Events of Upper Street Flooding Incident – **Appendix D**

History of Major Bursts in last 12 months – **Appendix E**

Objectives/Scope of the Review

The objectives of the review were as follows –

1. To understand the risks we face in Islington and Hackney, as a result of our aging water supply, including but not limited to those caused by climate change
2. To review Thames Water response to reducing those risks and their progress on investment in new infrastructure
3. To understand the impact of flooding on individual residents and businesses in the Angel and identify measures which could be taken to reduce the damage and disruption caused in the future and to liaise with other London Boroughs suffering similar incidents
4. To review the responses to flooding caused by water mains bursts by public bodies, by Thames Water and by private sector bodies, such as insurance companies, covering both the immediate emergency and longer term support

5. To recommend improvements to the long term prevention and short term response to flooding in Islington and Hackney in liaison with other London Boroughs suffering recent flooding incidents
6. To identify any similarities between the recent flood incidents across London Boroughs and to recommend improvements that can be made by Thames Water in order to minimise the threat of flooding in the future
7. To investigate the position of residents/businesses in respect of claims made to Thames Water for uninsured loss and compensation that have suffered as a result of the recent flooding

RECOMMENDATIONS

That the Executive be recommended to approve the following recommendations to be forwarded to the appropriate agencies –

Thames Water

(a) That improved emergency response arrangements be instituted, these should include the following -

- Procedures for identifying major leaks in the Thames Water control room and directing emergency response teams on site need to be more effective to ensure major trunk main bursts are dealt with more speedily**
- Identifying information received more effectively, in order to assess whether the leak is a major trunk mains leak, and if this is the case, effective communication channels be put in place with the Fire Brigade and other appropriate partners for them to attend on site as quickly as possible**
- Improving the provision and location of emergency response team arrangements, so that they are more accessible in the event of major trunk main bursts – this could necessitate a team located in a control centre in inner London – and that the possibility of a ‘blue light’ service from the Police be investigated where a major incident is declared – see recommendation (w) below**
- A dedicated emergency response line be instituted, in order that the Public can report leaks directly to Thames Water, if they wish to do so. There should also be a dedicated ‘emergency hotline’ introduced for the Fire Brigade to call in the event of major burst mains**
- Developing with the Police, TfL, Fire Brigade and Local Authorities an effective communications strategy for informing the Public where leaks can be reported, and that such leaks should be reported as soon as possible, in order that appropriate action can be taken**
- Develop and publish performance and attendance standards, both in relation to major and minor pipe bursts**
- Develop with the Fire Brigade, Police, TfL and Local Authorities an effective early warning system for residents at risk of flooding, so that when an incident occurs, the danger to residents can be reduced**

(b) That improved technologies be investigated and be put in place to detect the likelihood of bursts on the major trunk mains in Islington, and in addition sensors be installed on the pipes in the major trunk mains in Islington, particularly Upper Street and Essex Road, with immediate effect

(c) That Thames Water, when submitting their case to OFWAT for their future 5 year investment plans, should prioritise the phased improvement of ageing Victorian pipe replacement on major trunk mains in Islington, this to be completed within a specified period to be determined and published by Thames Water, but we propose 15 years, given the problems that major bursts on these roads cause to businesses and residents. Any replacement programme should take account of any increase that may

result in increased costs for customers. In the interim Thames Water should ensure that monitoring takes place to minimise the risk of future flooding.

- (d) That relevant policies regarding clean up/insurance/compensation and goodwill payments should be properly communicated and most importantly be available on the company website. Policies should set out clearly what businesses and residents affected by flooding due to burst mains can expect. Compensation for inconvenience should be formally recognised and a corporate policy be established to ensure that this is fairly and consistently applied. This should cover goodwill payments, expenses and indirect business losses (e.g. from reduced footfall in a flooded area)**
- (e) That, given residents and businesses concern at the insensitive handling of some insurance claims, there should be improved communication with residents and businesses in dealing with insurers and the handling of claims (possibly by the provision of a laminated information sheet) following flooding incidents**
- (f) That Thames Water should also issue guidance to businesses and properties on the remedial measures necessary, following flooding incidents, in order to ensure properties are properly dried out and residents and businesses can move back in to their premises as soon as possible**
- (g) That Thames Water adopt a suitable communications policy, including the use of social media, in order to inform residents and businesses and other interested parties, of developments when leaks occur, and to give any appropriate information needed**
- (h) That the Committee welcome Thames Water commitment to share with the Fire Brigade and the appropriate Local Authority, information on the location of the major trunk mains in the borough. This will assist, not only in major flooding situations, but in mapping GIS information on the Local Flood Risk Management strategy and afford the Council a better overview of the risks of flooding in the borough and to take any appropriate measures. Thames Water should also develop a GIS application that will enable staff and other partners to identify the level of risk that a major burst mains will cause in order to inform staff responsible for handling and assessing incidents of flooding**
- (i) That the Committee welcome Thames Water commitment to ensure businesses and residents are materially not worse off, as a result of the Upper Street flood. The Committee hope that relevant payments of compensation and other appropriate losses take place as soon as possible**
- (j) That Thames Water work with the Angel BID and local businesses to organise a suitable programme of reopening events, including the provision of capital and revenue investment in the Camden Passage area, together with appropriate publicity, to ensure residents and visitors are aware that businesses are open for trading**
- (k) That Thames Water take account of resident's concerns, surrounding the security of premises in the aftermath of major flooding, and that such security measures should be improved in future – this should form part of a major incident protocol or standard operating procedure**

- (l) That the Committee welcome the findings of the Cuttill Review and be kept informed of progress of implementation of the recommendations and the Strategic Review that they are undertaking**
- (m) That Thames Water should reduce the number of customers affected by water mains bursts and publish the numbers of bursts that have occurred and a performance target for such bursts**
- (n) That Thames Water, in conjunction with TfL, (and other public utilities), review the current arrangements for co-ordination of works, with a view to establishing a more effective means of collaboration across London. This should include sub-regional and borough by borough working, as appropriate**

GLA/TfL/Fire Brigade

- (o) That TfL ensure, when future flooding incidents occur, that there is a better communication process in place to make the Public and businesses aware of diversions in place following such incident**
- (p) That TfL, when planning major construction schemes, such as the Bridge works at Holloway Road and the gyratory scheme at Highbury Corner, should consult with other Public utilities and the Council to co-ordinate any works that are necessary, such as major trunks mains replacement, to minimise any future disruption to residents and road users – see also recommendation (n) above**
- (q) That, in view of the fact that a bus driver first reported a minor leak at the site of the Upper Street burst at 3.57a.m. and that Thames Water had not been alerted to this leak until notified by the Fire Brigade at 5.07a.m., there should be an improved method of communication established between TfL, Police, Fire Brigade and the Council. (See recommendation (a) above).The delays in Thames Water responding to this situation led to Thames Water not being on site for some hours and this had exacerbated the devastation caused by the major trunk mains burst**
- (r) That support be given to the case for the major investment in replacing ageing Victorian pipework in London on major trunk mains, and work with Thames Water and other public utilities take place, to ensure this is managed in a way that causes least disruption, for as short a time as possible, to residents, businesses and commuters**
- (s) That a Pan London investigation be carried out on the frequency of leaks in London Boroughs, in order to establish the extent of the leaks, particularly major bursts, to strengthen the case for increased investment in the replacement of ageing pipes to OFWAT. Any recommendation should take account of the independent review undertaken on behalf of Thames Water into major bursts in London**
- (t) That the Mayor, GLA and London Boroughs support the campaign for the Fire Brigade to become the statutory Emergency Response Service for flooding, as recommended in the Pitt review in 2008. This is in view of the recent major bursts resulting in severe flooding and given the fact that such occurrences are more likely in the future due to the ageing Victorian trunk mains network across London**

- (u) That the London Plan should include provision, when planning permission for basements is being requested, to ensure that a risk assessment is carried out prior to approval to ensure the risk to life of flooding is minimised**

Islington Council

- (v) That the Council hold a stock of 350 sandbags, on an individual borough basis, and also investigate the provision of sandbags with neighbouring boroughs**
- (w) That the Council involve public utilities with other partners in emergency planning sessions, including Thames Water, and that any non-attendance is recorded and reported to senior management within their respective organisations. This would result in increased liaison and information could be better co-ordinated and disseminated**
- (x) That the Council compile a list of high rise blocks (over 6 metres) that will be vulnerable to loss of water in the event of a flooding situation. In addition, liaison should take place with Thames Water as to whether any situation of a reduction in water pressure is likely to impact on properties so that the Council can put in place contingency measures to supply water to residents**

OFWAT

- (y) That OFWAT ensure that in any future strategy that is agreed for the Thames Water 5 year investment plan, they prioritise ageing pipe replacement on major trunk mains in Islington to be completed within 15 years, and installation of new technologies to ensure that the risk of major flooding from major trunk mains is reduced**
- (z) That OFWAT ensure that Thames Water has adequate policies in place, in order that they can respond effectively in emergency situations and that their compensation policies, as a result of flooding, are clearly set out and easily accessible and that Thames Water deal with claims for compensation speedily and sympathetically**
- (aa) That OFWAT should be given power to set targets for the number of people inconvenienced by water mains bursts per year/and or five year period, (corresponding to the funding cycle) and a statutory compensation scheme covering inconvenience to customers be introduced**

Police

- (bb) That the Police, where there are major incidents of flooding, provide a 'blue light' service to Thames Water emergency teams to enable them to reach the scene, as quickly as possible. Thames Water should ensure that emergency response teams are located in appropriate locations to enable this to be possible (see recommendation (a) above**

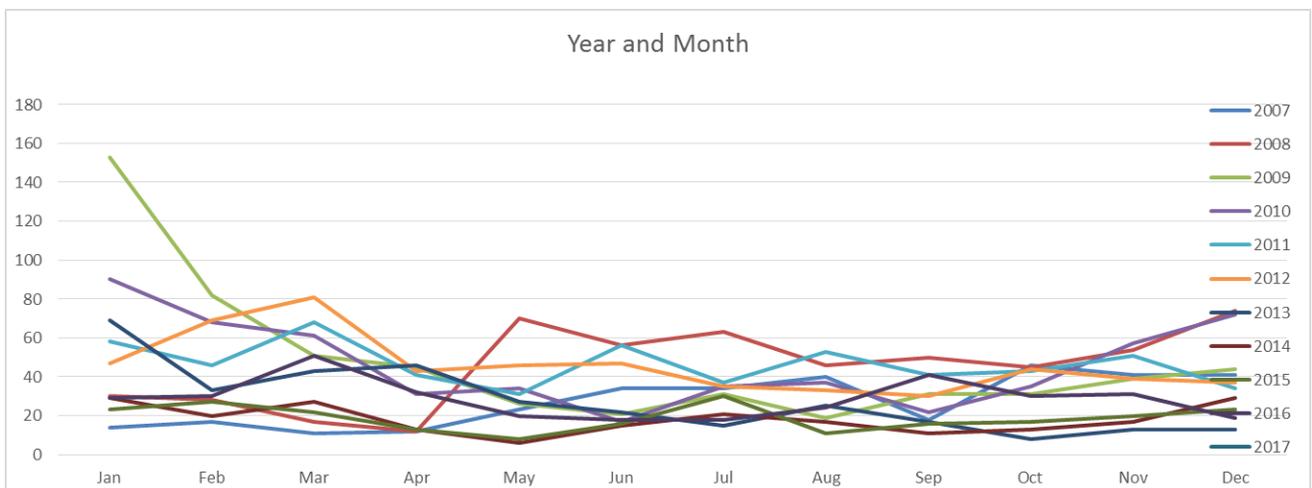
MAIN FINDINGS

(a) Incidents of Upper Street and Stoke Newington major bursts

- 1.1 The Committee commenced its scrutiny, in order to investigate the response by public utilities/services to the floods in Angel Islington and Stoke Newington in early December 2016, and their underlying causes. The aim was to reduce the risk of flooding in the future, and to improve the protection of homes and businesses from risk, and to improve responses to future flooding incidents. The scrutiny also took evidence from other London Boroughs, and the Chair attended the GLA Environment Committee concerning recent major flooding incidents that had taken place in the London area, with a view to forming joint recommendations that could go forward to Thames Water. This is in addition to the local recommendations that the Committee make, as a result of the specific major floods in Islington that had taken place.
- 1.2 The Committee initially received a presentation from Council officers on the incident in Upper Street flood, at its meeting on 20 December 2016, and it was decided that the Committee would, with L.B.Hackney, hold a joint borough session with Thames Water and TfL, (who are responsible for roads in both of Islington and Hackney, where the burst pipes occurred) to investigate the reasons for and the response to the flooding that occurred in Upper Street and Stoke Newington. Following this each borough then would follow up individually, with their own separate review into these events.
- 1.3 The Committee were informed that there had been a number of recent incidents of flooding across London between October to December 2016, These incidents included major bursts in Islington, Hackney, Lambeth, Bexley and Lewisham.
- 1.4 In relation to the incident in Upper Street, the Committee were informed that the Council's Emergency Planning team had responded quickly to the incident in Upper Street, and that following the incident being originally reported by a bus driver and the Police around 4.00a.m., the leak was then detected by CCTV and by 5.45a.m., an emergency action plan had been put in place, and an incident room had been set up.
- 1.5 The Committee were informed that two Local Authority Liaison Officers (LALO'S) were on call and attended the site. LALO's have to live within an hour of Islington and those on call were alerted to attend and were on site within 40 minutes of being alerted. The Council also has 30/40 volunteers who are able to assist, if needed, and there were other LALO' s made available, who assisted on site.
- 1.6 Initial help was provided by the Steam Passage public house, which was able to provide refuge for flooded residents and business owners. In addition, a rest centre had then been opened for businesses and residents at the Business Design Centre. Thames Water had taken responsibility from 8.30a.m. on the day of the incident. There had been 88 properties affected in total and 8 residents had to be moved into temporary accommodation. The Fire Brigade and Police had also attended at the scene of the incident.
- 1.7 In the aftermath of the incident the Council had initially cleared the road debris etc. from the scene, and the costs had been reimbursed by Thames Water. Upper Street was reopened northbound in the afternoon following the incident, after checks had been made that the carriageway had not been undermined by floodwater. The southbound carriageway of Upper Street remained closed until 16 December, with southbound buses subjected to major diversions throughout the period.

- 1.8 Thames Water had subsequently had a number of contractors on site, and extra resources had been put in place until properties had been secured. Thames Water had been available at the Business Design Centre until 19 December, and they had then moved to 222 Upper Street in order to assist residents and businesses with their concerns/enquiries, and had organised weekly sessions.
- 1.9 Some residents raised issues in relation to the security measures put in place by Thames Water following the flood, where businesses had not been secured effectively, and this was another area of investigation that the Committee felt needed to be raised with Thames Water. Residents and businesses, together with other emergency response authorities involved, were extremely complimentary of the actions of the Emergency Planning team of the Council that attended the incident and the Committee welcomed this.
- 1.10 The Committee were concerned that the recent burst pipe in Upper Street was in close proximity to other burst pipes in Upper Street over recent years. The Committee noted that Council officers did meet with Thames Water on a regular basis, and that the recent Thames Water strategy has been to reduce water pressure to one bar to attempt to minimise leakage and bursts. The Committee also noted that the incident in Stoke Newington had been in an area where there had also been bursts in recent years.
- 1.11 The Committee were also informed that there had also been another burst pipe in Upper Street over the Xmas period, although this had been of a smaller nature, and also a burst pipe in Tufnell Park Road on 4 January 2017 together with a number of other more minor bursts in the Islington area in January 2017.
- 1.12 The Committee received information on the leaks experienced in Islington as detailed below -

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2007	14	17	11	12	23	34	34	40	18	46	41	41	331
2008	30	28	17	12	70	56	63	46	50	45	54	74	545
2009	153	82	51	45	26	21	31	19	31	31	39	44	573
2010	90	68	61	31	34	17	35	37	22	35	57	72	559
2011	58	46	68	41	31	56	37	53	41	43	51	34	559
2012	47	69	81	43	46	47	35	33	30	44	39	37	551
2013	69	33	43	46	27	22	15	25	17	8	13	13	331
2014	29	20	27	13	6	15	21	17	11	13	17	29	218
2015	23	27	22	13	8	16	30	11	16	17	20	23	226
2016	29	30	51	32	20	18	18	24	41	30	31	19	343
2017	28												28
Average	52	42	43	29	29	30	32	31	28	31	36	39	





1.13 The Committee were also aware of other major burst mains that had occurred across London over the past 12 months, and as stated earlier, felt that it would be useful to liaise with other London Boroughs, that had also suffered as a result of major bursts, to learn any common lessons, and look to make recommendations that could improve Thames Water and other services responses to flooding situations in the future.

1.14 The Committee therefore also held meetings with L.B.Lambeth and L.B. Lewisham, in addition To L.B.Hackney, to discuss the recent bursts in major trunk mains in their respective boroughs and whether common factors had been present in these incidents that would have accounted for these bursts. This is dealt with in more detail in the recommendations to the report, and form part of a Pan London approach, in presenting certain recommendations for improvement to Thames Water.

(b) Evidence from Thames Water in relation to major bursts in Upper Street and Hackney, TfL, Fire Brigade, Police and Council officers Thames Water Asset Management strategy etc.

2.1. The Committee received evidence from Thames Water and TfL at a joint meeting with L.B.Hackney on 18 January 2017, and considered reports on the flooding incidents in Upper Street and Stoke Newington and the approach that Thames Water had taken to deal with

these emergencies and its strategic approach to dealing with major burst pipes.

- 2.2. Members were informed that the incident on Upper Street had taken place on 5 December 2016 and had resulted in a 36" trunk road main burst pipe, leading to the full closure of Upper Street and numerous businesses and residents had been flooded.
- 2.3. It was noted that TfL had asked Thames Water to work 'round the clock' to complete the repair works, and the northbound carriageway remained closed until 16 December. This closure resulted in serious disruption, on the first morning in particular, with southbound traffic moving beyond Highbury Corner, which caused considerable inconvenience to bus users. One lane southbound reopened on 16 December, and the site was completely cleared and reopened on 17 December.
- 2.4. During the course of the works TfL acted to prevent other works taking place on TfL roads that would have conflicted with the closure and kept the Council's street works team informed of the works, and used Variable message signs (VMS), to inform road users about the closure.
- 2.5. TfL informed the Committee that in the event of an emergency, the normal permitting permissions to carry out works were not needed by Thames Water.
- 2.6. Thames Water stated that they had had loss adjustors on site quickly, and had provided for evacuation and provision of temporary accommodation, where necessary, with the assistance of the Local Authority. There had been a facility provided at the Business Design Centre, where Thames Water staff had been based. to assist residents and businesses and this had been relocated to 222 Upper Street to deal with ongoing issues. It was noted that in Stoke Newington 20/22 businesses had been affected and in the Upper Street burst 18 residents had had to be moved into temporary accommodation and there had been 104 insurance claims by residents. A considerable number of businesses had also been affected
- 2.7. In relation to ongoing problems of dampness in flooded properties, Thames Water stated that they had provided advice, dehumidifiers and other necessary equipment, in order to assist the drying out of properties.
- 2.8. In the Stoke Newington flood, Thames Water had attended a leak on 6 December and was unsuccessful in identifying the source of the leak. On 9 December Thames Water had communicated that the leak may be on the main trunk main. The main burst had occurred on 11 December and had resulted in the full closure of the A10 Stoke Newington High Street, at the junction with Northwood Road. Numerous businesses and residents were flooded.
- 2.9. TfL had requested Thames Water to complete the works as quickly as possible, and although the northbound carriageway was reopened within a short space of time, the southbound carriageway remained closed until 23 December. This resulted in serious disruption and inconvenience to bus passengers. The road was reopened on 23 December and TfL had kept the street works section at L.B.Hackney informed of the works, and once again had used VMS at strategic locations to inform road users about the closure. However, in both these cases TfL had to make emergency/urgent traffic regulations orders, following discussions with the boroughs involved.
- 2.10. Reference was made to the Stoke Newington flood and that this in fact that the leak had initially been reported some days earlier, and despite Thames Water being on site they had not identified that this leak was likely to develop into a major burst.
- 2.11. Members expressed concern that when leaks were reported there appeared to be little feedback or communication from Thames Water about what action was being taken. There

needed both to be an improvement in this, and the speed in which response teams arrived at the site in question.

- 2.12. The Committee noted the statement of Thames Water that they were looking to make more use of social media, in order to keep the public and customers informed, in order to improve the situation. The Committee welcomed this and hoped that this should assist in improving the situation and discussion should take place with TfL, the Police and Local Authorities and effective communications strategy as to where leaks should be reported and for these organisations to be able to co-ordinate an effective response.
- 2.13. The Committee were also concerned that a number of bus users had been confused about the revised diversion arrangements, caused by the flooding, and TfL stated that they would look at their website to see if the information available could be improved, and other appropriate measures put in place.
- 2.14. The Committee were informed that Thames Water and TfL did engage on a regular basis at senior management level, with respect to their performance, response to incidents and future maintenance of assets, however due to the recent spate of major bursts the Chief Executives of TfL and Thames Water had now agreed to conduct more high level negotiations in this regard. It was added that there is currently an investigation being conducted into the maintenance and replacement of Thames assets, and the Committee await a report on this at some future date. This is referred to in more detail below.
- 2.15. Thames Water confirmed that they did have discussions, on a regular basis, with TfL and Local Authorities to look at the best way to manage road closures and pipe works, however they had investigated the recent major bursts and there appeared to be no common factor involved in the last 8 major bursts. The Committee considered that a pan London investigation should be taken to ascertain whether there has been an increase in burst pipes in recent years, and once again this is referred to in more detail, later in the report.
- 2.16. The Committee questioned Thames Water as to whether it was felt that heavy, constant traffic loads had an effect on ageing Victorian pipes, and whether they felt that the excessive vibration was causing bursts. Thames Water responded that they did not feel that this was the case.
- 2.17. Thames Water informed the Committee that many of these Victorian pipes were over 150 years old and could have been subjected to contamination and, in addition, the standard of quality control of pipes laid this length of time ago may be variable.
- 2.18. Thames Water informed the Committee that they did have a modelling strategy, in order to predict the likely degradation of the network, and to allocate pipe replacement pipe work prioritisation. Thames operated on a 5 year plan for investment, and they referred to the fact that the Strategic review, which is currently being commissioned on this, will inform this plan.
- 2.19. Thames Water added that they had commissioned an independent review into the recent leaks, headed by an industry expert, Paul Cuttill O.B.E. and that this investigated the reasons for the major leaks in the past 12 months, and to ascertain if there were any patterns to the bursts, and lessons that can be learnt. This would assist in building a case with the economic regulator to look at investing in assets in the future. Thames stated that the economic regulator set the amount of money that Thames Water could invest in assets in the future. This is based on guidance from the Department of Environment, and is closely controlled. There needed to be a prioritisation of investment plans, which included water quality, availability of water supply etc. and there were a number of different competing priorities that

had to be assessed. The findings of the Cuttill review are outlined later in the report.

- 2.20. In addition, the Committee noted Thames Water statement that, whilst one small section of a pipe may be leaking, the surrounding pipe may be in excellent condition, and wholesale replacement of piping had to be considered carefully, as this may prove to be an inefficient use of resources and a costly way of remedying leaks.
- 2.21. Thames Water stated that the mains replacement strategy had been changed in recent years, and the process of wholesale replacement of pipes had been discontinued, as this was felt to be an inefficient use of resources. This was as a result of Thames Water finding that they were replacing pipes that were still in excellent condition, and they needed to justify their 5 year plan to the economic regulator. Thames Water informed the Committee that just to replace the Upper Street and Stoke Newington piping alone would cost in excess of £10m, and wholesale pipe replacement would have massive implications on traffic flow and disruption to London, leading to possible 'gridlock'.
- 2.22. Thames Water added that the target is to replace 700km of pipe within the next 3/4 years of the current 5 year plan. Members expressed concern at this level of progress, and that on this basis it would take Thames over 100 years to replace all the Victorian piping in London. It was noted that some of these pipes were already presently over 150 years old, and that this rate of progress is clearly unacceptable.
- 2.23. The Committee were informed that to date, approximately one third of the Victorian pipework in Islington on major trunk mains has been replaced. Whilst noting this statement, the Committee felt that due to the age of the pipes involved, the Committee should recommend that all major trunk mains pipework in Islington are replaced within a specified period, we suggest the next 15 years, in order to minimise the risk of future major flooding in the borough.
- 2.24. The Committee were of the view that there needed to be improved co-ordination between the public utilities, Local Authorities and TfL in order that where major construction projects, such as the works to the Bridge in Holloway Road and to the Highbury Corner gyratory system are taking place, pipe replacement and other works can also take place at the same time, minimising disruption to both residents and commuters.
- 2.25. The Committee also questioned Thames Water, concerning their emergency response to the Upper Street burst, as it had transpired that their emergency teams had taken nearly 2 hours to reach the scene, and then some hours to actually stop the leak, and that if they had responded more speedily the damage to property and businesses could have been reduced.
- 2.26. Thames Water stated that they did have 24/7 Emergency Response teams to deal with emergency situations, and the length of time to reach the Upper Street flood had been due to crews having to get across London to the Upper Street site. In addition, there is also the need for Thames Water to carry out safety inspections in respect of voids, and to identify any possible water contamination before the leaking pipe can be turned off. The Committee noted that these Victorian pipes had a system of valves, which needed to be turned off slowly and carefully, and this involved a lengthy process and considerable skill from the Thames response teams involved. This process alone could take between 2-4 hours.
- 2.27. The Committee expressed concern that the valves had taken so long to turn off and that this operation required more than one person to physically turn the valves off. Thames Water responded that they were exploring new technology solutions to assist in improving this situation, and that a new system called SYNIRIX was being utilised, in order to detect pressure changes in the pipe and to monitor and identify leaks at an earlier stage. It was noted that Thames Water did have a Research and Development team looking into

development of new technologies to assist in detecting and remedying leaks.

- 2.28. In addition, Thames Water were now embarking on a strategy that would be informed by a Strategic Review report that would be produced in Summer 2017, to improve performance, which included the independent review, referred to earlier, to look at recent bursts and patterns of such bursts, what could be done better to respond to these, and to look at new technology, such as the insertion of plastic piping within the old Victorian piping and ways new technology can be made available to monitor and identify such risks at an earlier stage. Thames Water informed the Committee that the piping installed, following the Upper Street burst, involved the insertion of a high quality plastic pipe into the existing Victorian piping, and that this plastic piping is extremely strong and met stringent quality standards.
- 2.29. The Committee were of the view that Thames Water should look to improve its emergency response, so that major bursts can be responded to as quickly as possible. In addition, where a major incident is declared, discussions should take place to ascertain whether the Police could offer a 'blue light' service to Thames Water staff, in order to get them to the scene of a major flooding incident as quickly as possible.
- 2.30. The Committee also noted the evidence given by Thames Water that their control centre in Reading had established that there had been a 'surge' in the system at an early stage, indicating that a major flood was occurring, before they had been notified by the Fire Brigade. However, they had not linked this to the report of the flood in Upper Street initially. Therefore, it had taken some time to despatch the emergency response team. The Committee are of the view that there should be improved procedures in place in future, for circumstances such as this.
- 2.31. The Committee were also of the view that Thames Water should also establish attendance and performance standards, in relation to both major and minor bursts, and develop an early warning system, in liaison with the Police, Fire Brigade and TfL, to inform residents of potential danger in the result of a major flooding incident.
- 2.32. The Committee also recommend that Thames Water share information on the location of the major trunk mains in the borough, which will assist not only in flooding situations, but in mapping GIS information on the Local Flood Risk Management strategy and afford the Council and Thames Water a better overview of the risks of flooding in the borough, and to take appropriate measures.
- 2.33. The Committee noted Thames Water statement that they had not paid a dividend to their shareholders in the last 18 months, and a large amount of its profits were reinvested. Thames Water stated that it reinvested 80% of its profits. However, the Committee expressed concern that Thames Water, in view of the fact that they increased profits by 29% in the previous year, should invest more in their asset management, and had a duty to residents and businesses to do this.
- 2.34. The Committee reiterated that Thames Water should be doing more to reinvest their profits into asset management, and in the past 5 years alone, it is estimated that Islington residents had paid over £180m in water bills, and that this is without the contribution from businesses and the Committee were of the view that this lack of investment was not acceptable.
- 2.35. The Chair also gave evidence to the GLA in relation to the recent flooding incident in Upper Street, as part of the GLA's investigation in relation to the problems of major bursts across London in recent months. In addition, co-ordinated work between London Boroughs and the GLA took place and a series of joint recommendations have been made to Thames Water, separately from the Committee's recommendations, although these to a large extent reflected

in our and other individual Borough's recommendations. This is dealt with later in the report.

- 2.36. The Committee also received evidence from the Fire Brigade and Police in relation to the emergency response to the Upper Street flood.
- 2.37. The Committee noted that the first call had been made to the Fire Brigade control room at 5.01a.m., to the Fire Brigade Control room and a crew was despatched at 5.03a.m. However, it was noted that a bus driver had reported a small leak to TfL at 3.57a.m., but that this information did not appear to have been passed on to Thames Water or to the Fire Brigade. At 6.48a.m. the Fire Brigade stated that they had requested the attendance of the electrical authority, in view of the fact that there was a substation near the scene that was at risk of flooding.
- 2.38. At 8.26a.m. it was then reported that multiple properties had flooded, and a multi-agency tactical meeting had taken place and no casualties had been identified. A Thames Water operative arrived on site to establish the location of the valves and shortly after the Police declared a major incident.
- 2.39. The Fire Brigade and Police outlined their response to the flooding incident, and the evacuation process. The Committee noted that pumping equipment and boats had been despatched to the incident, however flooding had increased, and by 9.54 a.m. the flooding covered an area 600 metres by 300 metres, and had resulted in the flooding of residential and commercial areas, up to a depth of 3 metres. These included properties in Devonian Road, Colebrooke Row and Charlton Place. A systematic search of properties had taken place, and approximately 50 residents were evacuated to the rescue centre at the Steam Passage.
- 2.40. Sandbags had been requested around 5.20/5.30a.m. from the Council, and Thames Water and TfL and the Police were contacted about road closures. Members expressed concern that the Council did not hold sufficient stocks of sandbags, and that Thames Water had their depot at Slough, and it had taken a number of hours for these to be available on site. Members felt that this is clearly unacceptable, and that it may have been possible to divert water away from the basements in Devonian Road, if these sandbags had arrived at a much earlier stage.
- 2.41. It was noted that the Council were now looking to hold stocks of sandbags in the future, and that the Director of Environment and Regeneration would be discussing a Pan London approach to sharing provision of sandbags, or whether new technology systems could be made available. The Panel were pleased to note that the Council has now managed to secure a site at Vale Royal to hold a stock of sandbags.
- 2.42. It was noted that by 11.23 a.m. a systematic search of the premises had then taken place and pumping operations were still continuing in Devonian Road and Colebrooke Row. Reference was made to the local knowledge of the fire crews, and that this had contributed to dealing more effectively with the situation. It was noted that if Thames Water provided details of major trunk mains in the borough, this would be useful information for the Fire Brigade and the Local Authority in dealing with any future flooding situations, and also in compiling a flood risk strategy.
- 2.43. The Fire Brigade then informed the Committee that at 16.37p.m. it was then decided in respect of the flood that no further Fire Brigade presence was required and the duty of care had been passed over to Thames Water.
- 2.44. Members were informed that the Fire Brigade currently did not have statutory responsibility for flooding and that the Fire Brigade were currently lobbying the Government to have statutory responsibility for flooding. Members were of the view that this should be supported by the

Mayor, the GLA and London Boroughs. In addition it is felt that a Pan London investigation should take place to look at the frequency of leaks across London, and this could inform the case for improved investment in replacing the Victorian pipework to OFWAT and support any recommendations from the independent review initiated by Thames Water.

- 2.45. It was also felt that it would be useful if the public utility companies were able to be involved in Emergency Planning meetings that currently took place between the Council, Fire Brigade and the Police and TfL should also be encouraged to attend these.
- 2.46. The Committee noted that there had only been 17 calls received from the Public to the Fire Brigade, in relation to the Upper Street flood, and that this is low given the magnitude of the flooding that had occurred. The Committee heard that CCTV had picked up the flooding increasing and that there could have possibly been a speedier response if the situation had been reported earlier. It was felt that there needed to be a communications strategy put in place that informed the Public that if they see any leaks these should be reported immediately and where these could be reported.
- 2.47. The Committee were concerned however, to be informed that Thames Water did not have an emergency response number, and were of the view that this should be instituted in future, if this has already not taken place.
- 2.48. The Committee also considered the issue of smart metering that is being introduced by Thames Water and, it was noted that, whilst this would identify leakage from an individual customer's premises, it would not identify the issue of leakage in trunk mains, and in any case, would take a number of years to implement.
- 2.49. A precise timeline of events relating to the Upper Street flood is attached at Appendix D to the report.
- 2.50. During the course of the scrutiny review the Committee received evidence on other bursts that had taken place in the borough in St. John's Street where our Emergency Plan officers were informed that another 36" main ruptured on St. John's Street, between Rosebery Avenue and Spencer Street, which flooded to Skinner Street. One business was affected with a flooded basement, however no residential properties were affected by any flooding. The burst caused significant disruption with water supply issues to many residents in the local area. Bottled water was supplied to blocks and properties and water was restored to all blocks on 25 May. However, issues of concern were that Thames Water did not provide sandbags and had informed the Fire Brigade that they did not provide them, therefore the Council had stepped in and provided these.
- 2.51. A further area of concern is that the Thames Water 'clean up' team who had been requested to attend had not done so, even after a few hours, and the Council had to organise LBI Environmental Services staff to attend and carry out the works.
- 2.52. There were also further minor bursts in Copenhagen Street, one opposite Haverstock Street. Thames Water attended the site and water was turned off for the whole of Tiber Gardens/Treaty Street Estate. LBI Highways deployed sandbags in order to prevent water getting into any households. Housing operations and Housing direct attended and assisted in providing bottled water to residents and letters of information regarding the burst. Water was restored to the estate between 15:00 -16:00. Emergency Planning and LALO officers attended. Once again Thames Water did not provide sandbags to the site and the Council had to activate its on call process and LBI Highways distributed the Council's emergency stock. Sandbags did arrive from Thames Water 6 hours later. There was also a burst at Copenhagen Street, at the junction with Bemerton Street. Thames Water did attend the site and water was

turned off. Thames Water also confirmed that no properties had been impacted with loss of water and sandbags were not required.

- 2.53. The Committee expressed concern that Thames Water, despite all the concerns expressed in relation to the flood at Upper Street, had still not provided sandbags in sufficient time, nor had their clean up team arrived promptly at the St. John's Street burst, leaving Council staff to clean up the mess.

(c) Compensation Issues – Residents and Businesses Upper Street

- 3.1. The Committee heard concerns from residents and businesses concerning the lack of progress and problems in dealing with Thames Water's insurers in relation to compensation claims, in order that businesses could be 'up and running' and residents back into their homes, as soon as possible, as a result of the damage caused by the flood.
- 3.2. Thames Water organised a meeting on 1 February 2017 for residents to consider these issues and other related concerns and the Chair of Policy and Performance, Councillor Greening, (who Chaired the meeting), attended this meeting, together with other Members of the Committee.
- 3.3. Thames Water also organised a second separate meeting with businesses on 13 February 2017.
- 3.4. Thames Water made a presentation to both meetings on details of the flooding in Upper Street.
- 3.5. The Committee were concerned at issues raised by residents and businesses relating to the problems that they were experiencing in processing insurance claims. Whilst the Committee were not able to investigate details of individual insurance claims, they did feel it is essential that compensation claims were dealt with speedily and fairly, in order that businesses could be operating again as soon as possible. The Committee did however feel that as Thames Water were responsible for any uninsured losses, Thames Water's insurers should progress these claims as quickly as possible.
- 3.6. Thames Water informed the meeting that they had already made a goodwill gesture of £1000 to residents and that a meeting would shortly be taking place with the Thames Chief Executive, in order to discuss any further possible payments. In addition, payment of water bills for residents and businesses had been suspended and Thames were investigating provision of counselling services for residents and businesses, who had suffered emotionally and mentally, from the flooding.
- 3.7. Thames Water indicated that they did have a number of policies relating to compensation that covered flood situations, however these did not always provide sufficient recompense, and that was the reason why discussions were taking place with the Thames Water Chief Executive in relation to the Upper Street flood, in view of the major impact that the flooding had caused.
- 3.8. Thames Water stated that their loss adjusters were available to deal with claims or problems, however residents expressed concern at the potential for higher premiums, given that there had been 3 bursts in the Upper Street area in recent years. Cunningham Lindsey, Thames Water's loss adjusters, stated that they did not feel this would be the case, given the nature of the flooding, and the fact that these had occurred over a number of year. In addition, residents expressed concern at the loss of items that were of considerable

personal value, which they could not be recompensed adequately for.

- 3.9. Residents noted that the Upper Street pipe is still not in operation, until relining takes place, and that the water is being re-routed through the Essex Road mains. Residents expressed concern that the Essex Road mains had a history of previous leaks, which would put residents in Devonia Road at risk again of flooding. Thames Water undertook to survey the Upper Street and Essex Road pipes, within 2 weeks, and inform residents of the outcome.
- 3.10. Residents expressed concern that it was only good fortune that no residents had been killed in the flood, given that the level of water in some cases rose to 3 metres and that Thames Water should have an emergency plan in place to deal with areas at risk of flooding, where it is known that there are properties with basements. Thames Water responded that they were looking into this, however local knowledge of properties was needed in order to do this. The view was expressed that this information could be found on flood maps and also that Thames Water knew where the major trunk mains were in the borough, so that it should be possible to provide this information. The Committee were of the view that therefore the sharing of information with the Council and the Fire Brigade, and vice versa, was vital.
- 3.11. Concern was also expressed that sandbags, which could have been used to divert the water had not arrived in time to be of use, as Thames Water had these stored in their depot in Slough, and it had taken some considerable time for them to arrive at the flood scene. Our recommendations on this are dealt with separately in the report.
- 3.12. In response to a question, Thames Water stated that to replace the piping concerned, as a result of the last major 8 bursts, would cost in the region of £55m.
- 3.13. Thames Water informed residents that pipe replacement is based on risk, and whilst leak detection methods are employed, this would still not have detected the fault that had occurred in the Upper Street pipe, where one wall of the pipe had thinned from the outside, which had led to the eventual burst.
- 3.14. Thames Water reported that extensive damage had been caused by the Upper Street flooding to seven neighbouring streets, and that eighteen residents had had to be accommodated on the first night of the flood and 10 residents were still in temporary accommodation.
- 3.15. Concern was expressed at the length of time it had taken to turn the valves to the pipe off, and Thames Water reiterated that each valve had taken approximately an hour to turn off. Thames Water added that there is no 'magic wand' to resolve this situation, and although they are looking at alternatives, installing an automatic solution to turning off the valves would involve severe disruption when installation took place, and would need approval from the economic regulator.
- 3.16. At the meeting on 13 February, businesses were informed that Thames Water were extremely apologetic to those affected by the flood, and that Thames Water stated that were doing everything that they possibly could to prevent a similar situation happening again.
- 3.17. Thames Water explained that the section of pipe that had burst, had originally been installed in 1854. It is currently out of use, whilst this section of the pipe is being relined, and sensors had already been installed.
- 3.18. It was noted that survey work would be started on 15 February to sections of the pipe in Upper Street, between the Pentonville Road and Islington Green junctions, Islington Green between Upper Street and St.Peter's Street junctions and St.John's Street, between the

junctions of Owen Street and Pentonville Road. This work will take place between the hours of 10p.m and 6.00a.m. to minimise disruption.

- 3.19. Thames Water made a commitment to businesses that it was their intention that no business would be materially worse off as a result of the flood, and nor did Thames Water wish to see anyone suffer materially, financially or otherwise.
- 3.20. It was stated that any losses to businesses that are not fully met by the loss adjustors will be supplemented, met by a payment from Thames Water.
- 3.21. Businesses expressed concern about attitude of the company, Willis Towers Watson, who were acting on behalf of Thames Water loss adjustors, Cunningham Lindsey, towards businesses who were making claims or requesting information. It was noted that whilst Cunningham Lindsey had not experienced problems in the past in using this company, the level of the flooding claims in this instance was of far greater magnitude than any other major burst that had been experienced. However, the Committee were pleased to note that Cunningham Lindsey had undertaken to feedback these concerns to Willis Towers Watson and, in future, to deal with individual business claims personally, in order to resolve these.
- 3.22. Concern was also expressed by businesses at the rude and dismissive attitude shown to them by Willis Towers Watson and their lack of sympathy in dealing with claims. This had not helped the process and Cunningham Lindsey reiterated their commitment to deal with individual claims from then on. Cunningham Lindsey also stated that they would ensure that responses were made to businesses within a satisfactory timescale and also, where payments are agreed, that these are made within 7 working days.
- 3.23. Businesses also expressed concern that they had been given conflicting advice on the day of the flood, concerning how to deal with their claims, and concerning the disposal of items damaged in the flood. In addition, some businesses had been told to contact their own insurer and some had been advised to contact Thames Water insurers. Cunningham Lindsey stated that the advice on who businesses should contact would depend on businesses individual insurance policies, however, Thames Water and Cunningham Lindsey were committed to learning from mistakes in this incident, and that in future, they would make necessary improvements. The Committee propose that in any future similar incidents that Thames Water should provide written advice and information, for example on a laminated sheet, for businesses and residents, on how to deal with claims following floods and the appropriate people to contact.
- 3.24. Discussion took place as to the level of compensation businesses would receive for loss of trading over the busy Christmas period, and how the loss adjustors/Thames Water would decide on an appropriate sum to be paid, taking into account that many businesses were still not open for trading.
- 3.25. Businesses enquired as to how the loss adjustors would calculate the appropriate hourly rate payable to businesses, in order to compensate them for the many hours that they had had to spend dealing with insurance issues, organising building work to their premises, and other issues relating to the flood. Cunningham Lindsey stated that they would hold discussions with businesses in this regard, and appropriate payments would be made, based on their individual circumstances, and it was noted that traders tended to operate on a 33% profit margin.
- 3.26. At a further meeting with residents and businesses on 22 March, the Committee were extremely concerned that the promises made at the previous meetings with businesses and residents were not being abided by and many had still not received any payments or interim

payments and also had difficulty in dealing with the loss adjustors and getting a contact name in Thames Water who they could discuss claims with effectively.

- 3.27. The Committee were of the view that Thames Water should provide a timescale for payment of claims and a contact person in Thames Water who they could discuss claims with in the event of difficulties. It was also felt that details of properties affected by flooding should be provided by Thames Water, in order that the payment of claims and compensation could be monitored.
- 3.28. Businesses also expressed concern at the length of time that it had taken for Thames Water to arrive at the scene of the flood at Upper Street, and in addition, when they were initially on site, they were not then really in control of the situation and that their response had been reactive, rather than proactive. Thames Water stated that they appreciated that they needed to learn lessons for the future from the Upper Street flood, and how to respond more appropriately in such circumstances.
- 3.29. In addition, the security of premises, particularly business premises, was raised as an area of concern and the Committee felt that Thames Water needed to ensure procedures around this, in the aftermath of a major flood, are improved.
- 3.30. In addition, businesses were concerned as to where the emergency operatives, who had attended the site, on the day of the incident had come from, when they had first been notified to attend the site, and why they had taken so long to arrive on site and when they had first been contacted.
- 3.31. Thames Water stated that whilst they did not have this information available, it needed to be recognised that when the operatives had arrived on site a number of checks had had to be made, and whilst Thames Water had known where the valves that needed to be turned off were located, the actual process of turning them off was a lengthy one. Thames Water did state that they had been informed at 5.10a.m. on 5 December that there was a flood in Upper Street, and that the first Thames Water operative had been on site at 6.15a.m., however they were not able to state where they had come from. (This issue is further referred to later in the report). Businesses were concerned that at this time (which was over 2 months since the incident occurred, and given that similar questions had been asked at the meeting of Policy and Performance Scrutiny Committee on 18 January, Thames Water still did not have some of the information available that had been requested. Thames Water responded that at that point that they still did not could not clarify why it had taken Thames operatives so long to get to the scene of the flood.
- 3.32. Discussion took place as to the reopening event that Thames Water were sponsoring for businesses in the Angel area, and that it was hoped that additional measures could be put in place to encourage trade back into the area, following the loss of trade due to the flooding. This was especially important given the extent of the trade lost over the busy Christmas period and the reputational damage to businesses. It was stated that discussions would take place between Thames Water, the London Angel Business Improvement District and businesses as to the format that this should take.
- 3.33. The Committee welcomed Thames Water commitment to sponsoring the reopening and hoped that this would result in improving trade and in improving the area for business opportunities.
- 3.34. A further meeting was arranged by Thames Water for residents and businesses on 29 March.

- 3.35. The Committee noted that Thames Water had undertaken to reimburse any rise in premiums that had arisen as a result of the flood for residents, in respect of the Upper Street mains burst, and that discussions were taking place with the Council and TfL concerning road closures. It was stated that any road closures should take account of businesses footfall and commuters needing access to Upper Street.
- 3.36. The Committee also welcomed the commitment of Thames Water that no resident would pay water bills for one year, and that any payments already made would be reimbursed and that they would hold regular meetings with business and residents representatives to discuss issues of concern.

(d) Evidence of OFWAT

- 4.1. The Committee received evidence from OFWAT on 20 April 2017.
- 4.2. The Committee questioned OFWAT in relation to the regulator's views in relation to the incidents of major bursts in recent months and the performance of Thames Water and the investment strategy that Thames Water were pursuing, in order to replace the ageing Victorian water mains, particularly in London.
- 4.3. OFWAT informed the Committee of their role as the independent regulator and that Thames Water had to be accountable and take responsibility for delivering a good service to its customers. A pricing review took place every 5 years and Thames Water had to submit a Business Plan, which is scrutinised by OFWAT to ensure that there is an efficient service being provided and that effective standards were in place. In addition, Thames Water had to demonstrate that accurate information is being provided, and how the service is being delivered. Penalties could be imposed if Thames did not deliver services to a satisfactory standard.
- 4.4. OFWAT stated that they wished to state that funding had been made available to Thames Water, in their 2014 business plan, and all Thames funding proposals had been approved, and therefore lack of funding had not contributed to the major burst incidents that had occurred in London during recent months.
- 4.5. OFWAT referred to the fact that high level discussions were now taking place between Thames Water and themselves, given that the handling of communications had been a problem during the Upper Street flood, in particular, and that this needed to be improved, especially making more use of social media.
- 4.6. Thames Water were required to meet Key Performance Indicators by OFWAT and one of these related to water supply. However, it was noted that whilst Thames Water had met this specific KPI in 2015, this may not be the case in 2016, due to the major bursts that had occurred although this data is still to be assessed. However, it was noted that there is no specific KPI that measured the number of burst pipes that occurred. OFWAT did have the power to fine a company up to 10% of annual turnover, if they did not meet their statutory obligations.
- 4.7. The Committee raised the issue of the slow process of Thames Water dealing with insurance claims, and it was noted that whilst OFWAT did not have involvement with issues such as this, they would discuss the matter with Thames Water to endeavour to get them to deal with the claims as speedily and sympathetically as possible. It was noted that due to the Upper Street flood 2 businesses had had to close, and Thames Water had not undertaken, as yet, to pay any compensation for the stress that had been caused to residents and

businesses, as a result of the flood, OFWAT stated that if there were disputes with Thames Water on compensation/claims these could only be resolved as a result of Court action.

- 4.8. The Committee were informed that following the flood in Herne Hill in L.B.Lambeth and that similarly traders had had to close, because of the slow insurance processes of Thames Water.
- 4.9. The Committee informed OFWAT of the considerable length of time that Thames Water emergency response team had taken to respond to the Upper Street flooding, which had exacerbated the flooding situation and potentially could have led to a loss of life. OFWAT undertook to look into emergency response provision with Thames Water.

(e) Consideration of Independent Report into the Thames Water Trunk Mains Forensic Review (The Cuttill report)

- 5.1. The Committee, during the duration of the scrutiny process, received the independent review, referred to earlier, conducted by Paul Cuttill OBE an industry expert, on behalf of Thames Water, in respect of the recent 8 major trunk mains bursts in London.
- 5.2. The report looked at the causes of each burst, asset condition, location and environment, and whether any patterns of failure could be identified, the impact on customers, the wider community and the cost, the immediate response from Thames Water and whether improvements were needed. In addition, the review looked at whether changes were needed to the network configuration, pumping and control regimes.
- 5.3. The key findings of the report included, the need to improve the understanding of the network and the need for improvements in managing existing data and knowledge, focusing on improving the management of planned works, and better use of local knowledge. In addition the report identified the need to accelerate the roll out of monitoring units, where bursts occur, or are likely to happen and to refresh how alarms are prioritised. There is also a need to increase the capacity to analyse data, and to work with partners to develop new, innovative ways of assessing the condition of pipes, improve communication with both customers and within the company, after bursts have happened, and improve the capacity to deal with multiple incidents and how Thames Water needed to learn from incidents after they have taken place to inform future incidents.
- 5.4. The Committee were informed that Thames Water had welcomed the findings of the review, and that will focus on implementing the recommendations and seek to identify and repair the mains at the highest risk. In addition, Thames Water had already begun implementing the recommendations and are finalising an implementation plan to ensure that the recommendations are delivered.
- 5.5. In terms of investment, Thames Water are committing an additional £97m into the trunk main network, over and above what was included in the 2015/19 Business Plan, and this included the investment in Upper Street to reline the trunk main, and to deploy surveying and monitoring equipment at additional locations.
- 5.6. The Committee noted that in terms of customer care, Thames Water were implementing the changes needed to ensure there is a world class recovery service for customers, and this will focus on customer communication channels, on site presence, after care and is aimed to

complete this project by the end of 2018/19.

- 5.7. The next steps include the recommendations of the Forensic Review being fed into the Thames Water Trunk Mains Strategic Review, and this is composed of 5 sub work streams which will design the changes needed to address the Forensic Review recommendations and this when completed will be shared with stakeholders. At present only 18% of the network is monitored and this needs to be improved and this is one of the recommendations of the review. The Committee will consider this Strategic Review at a future meeting.
- 5.8. The Committee noted that the review had highlighted that there is a large amount of knowledge in relation to the network, retained by a relatively small number of staff at Thames Water, and training is required to spread this knowledge to a wider group of staff, however this is likely to take 2/3 years to complete. In addition, it was noted that the Strategic Review will look in more detail at the appropriate level of investment required in relation to replacing the ageing Victorian pipework, but it is recognised that the current rate of replacement needed to be improved. There is also a need to ensure that in the interim Thames Water responded effectively to emergency situations, when they occurred.
- 5.9. The Committee were also informed that there is also a need to improve the communications flow to the Control Room at Thames Water headquarters at Reading, and there need to be an improvement in call handling from the call agents who took emergency and no supply calls, which included more training and the possible separation of retail and no supply/emergency calls and it was noted that Thames Water were looking at this.
- 5.10. The Committee were of the view that Thames Water should investigate the introduction of a GIS application on phones that could inform Thames operatives and the Control Room of potential risks in areas where a major flood will cause a potential loss of life. Thames Water stated that they were refining their modelling techniques, looking at consequence models and developing a social media plan, however the introduction of a GIS application is something that could be looked at in the future.
- 5.11. The Committee also questioned why the issue of customer compensation/insurance claims issues had not been included in the terms of reference of the review, and it was stated that the review had been time limited and the scope of the review had not provided for this.

(f) Joint Recommendations of London Boroughs/GLA

- 6.1. As stated earlier in the report the Committee also held meetings with other London Boroughs and the GLA, in relation to the recent major bursts on trunk mains in London in order to formulate some joint recommendations that could be made to Thames Water to reduce the number of major bursts and improve performance in responding to them.
- 6.2. This has resulted in a number of joint recommendations, independent of each borough's individual scrutiny process, that will be put forward. Inter alia, by the GLA to Thames Water and these are included in our recommendations.

CONCLUSION

- 7.1. The Committee received a wide range of evidence in relation, not only to the incident in Upper Street, but in respect of other major burst water mains across London.
- 7.2. Our wide ranging recommendations are designed to put in place systems, that if adopted, should minimise the risk of major flooding in the future, and especially to the many residents and businesses in Upper Street and the surrounding area, who have suffered three major bursts in recent years. Other issues are also dealt with, such as improved co-operation and procedures. Many of our recommendations tie in with the findings of Paul Cuttill O.B.E. in his Forensic Review into the 8 recent major bursts in London, and we are confident that our findings address similar issues to that which he found in conducting his review.
- 7.3. Compensation, insurance problems and replacement of the ageing Victorian pipework were also issues that we addressed and we hope that measures can be put in place to ensure that these are resolved as soon as possible.
- 7.4. The Committee would like to thank all the witnesses that gave evidence and especially to praise the fortitude of residents and businesses and Council Emergency Planning staff for the work that they have had to do as a result of the flood and in its aftermath. In addition the Committee would wish to thank L.B.'s Lambeth, Lewisham, Hackney and the GLA for their co-operation into the scrutiny and the formulation of joint recommendations to Thames Water.
- 7.5. The Committee would also like to place on record their thanks for the prompt action of the Police and the Fire Brigade on the day of the flood and without their and the Council's Emergency Services team response the situation could well been far worse.

MEMBERSHIP OF THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE – 2016/17/18

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Councillor Clare Jeapes – Vice Chair
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Councillor Rowena Champion
Councillor Martin Klute
Councillor Troy Gallagher –from Feb17
Councillor Theresa Debono**

Substitutes

**Councillors:
Satnam Gill
Mouna Hamitouche
Dave Poyser
Marian Spall
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Councillor Alice Perry
Councillor Gary Heather
Councillor Flora Williamson
Councillor Paul Smith
Councillor Rowena Champion**

Substitutes:

**Councillors;
Mouna Hamitouche
Marian Spall
Angela Picknell
Nick Wayne
James Court
Olly Parker
Satnam Gill OBE
Nurullah Turan**

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

Officer Support:

Peter Moore – Democratic Services

Lead Officers: Kevin O’Leary and Martin Holland– Environment and Regeneration

APPENDIX A

TERMS OF REFERENCE (SCRUTINY REVIEW INITIATION DOCUMENT)	
Review: Thames Water's Response to Water Mains Bursts	
Scrutiny Review Committee: Subcommittee / Task & Finish Group(s) reporting to Islington Policy & Performance Committee Living in Hackney Commission	
Lead Officers:	L.B.Islington - Kevin O'Leary, Martin Holland – Environment and Regeneration – Thomas Thorn – L.B.Hackney
Overall aim	
To investigate the response by public services to the floods in Angel Islington and Stoke Newington in early December 2016 and their underlying causes in order to reduce the risk of flooding, to better protect homes and businesses from flooding risk and to improve responses to future flooding incidents.	
Objectives of the review:	
<ol style="list-style-type: none"> 1. To understand the risks we face in Islington and Hackney as a result of our aging water supply, including but not limited to those caused by climate change 2. To review Thames Water's response to reducing those risks and their progress on investment in new infrastructure. 3. To understand the impact of flooding on individual residents and businesses in Angel and identify measures which could be taken to reduce the damage and disruption caused by floods in the future and to liaise with other London Boroughs suffering similar incidents 4. To review the responses to flooding caused by water main bursts by public bodies, by Thames Water and by private sector bodies such as insurance companies, covering both the immediate emergency and longer term support 5. To recommend improvements to the long term prevention and short term response to flooding in Islington in liaison with other London Boroughs suffering recent similar incidents 6. To identify any similarities between the recent flood incidents across London Boroughs and to recommend improvements that can be made by Thames Water in order to minimise the threat of flooding in the future 7. To investigate the position of residents/businesses in respect of claims made to Thames Water for uninsured loss and compensation that have suffered as a result of the recent flooding 	
Scope of the Review	
To review the current situation within Islington and Hackney and examine how others deal with flood risk within London	
Types of evidence will be assessed by the review: (add additional categories as needed)	
1. Documentary submissions:	

- a. Thames Water strategic and emergency plans
- b. Thames Water Corporate Plan/Pressure Management Strategy
- c. Thames Water internal review reports on recent flooding incidents at Angel and Stoke Newington

2. It is proposed that witness evidence be taken from:

- a. Affected residents in the Angel
- b. Affected businesses in the Angel, including Angel Business Improvement District
- c. Emergency services including Fire Brigade, Police and local authority Emergency Response teams
- d. Thames Water
- e. Local Authority Streetworks
- f. Transport for London
- g. Insurance companies (tbc)

3. Visits

- a. Flooded areas in Angel and Stoke Newington

Additional Information:

18th January Thames Water evidence focusing on strategic issues

Dates tbc Thames Water meeting local communities / flood victims in Angel and in Stoke Newington
 – other evidence sessions to be arranged

Programme

Key output:	To be submitted to Committee on:
1. Terms of Reference (Scrutiny Initiation Document)	20th December 2016
2. Timetable	December 2016- May 2017
3. Interim Report	June 2017
4. Final Report	July 2017

LETTER TO THAMES WATER FROM RESIDENTS OF DEVONIA ROAD

- APPENDIX B

On behalf the residents of
1- 11 Devonia Road
London N1

[REDACTED]
CEO
Thames Water plc
Clearwater Court
Vastern Road
Reading RG1 8DB

13 February 2017

Dear [REDACTED]

Re: Thames Water trunk mains burst at Upper Street, Islington, 5th December 2016

We are writing in our capacity as residents of the six houses in Devonia Road that were flooded by the water main which burst on Upper Street in Islington the early morning on Monday 5th December 2016.

We wish to place with on record with you a summary of events as we experienced them in order to document the real, not notional, risks to resident safety arising from the fragility of Islington's trunk water mains. We also want to put forward some general observations on the systemic risk they pose.

A catastrophic event and dangerous occurrence

It is worth summarising the events of Monday 5th December, from the perspective of the residents of Devonia Road.

At some time between 4am-5am, an arterial trunk pipe burst in Upper Street, Islington. The topography and road layout in the area of the burst water main caused the escaping water to flow downhill, channelled down Charlton Place and across Colebrooke Row and then down a private road, where it built up very rapidly in an area confined by closed garages and garden walls.

By 6am a huge pool of water, estimated at between 7-8 feet in height, burst through the garages and garden wall at the rear of No 1 Devonia Road. Like a tsunami, it poured into the garden of No 1 and rapidly built up against the rear of the house. At approximately 6.30am the water had sufficient force to cause its conservatory (whose windows are strengthened by reinforced security glass) to explode. The power with which the water entered the house ripped the radiators of the wall and flung them to the far end of the room. The water level rose from about one inch to over seven feet high; within seconds it had almost reached the ceiling.

At about the same time the force of water knocked down the lateral garden wall between No 1 and its immediate neighbour (No 3). In turn it then knocked down - like a set of dominoes - the lateral walls between Numbers 3, 5, 7, 9 and 11.

In every one of these houses, the water first flowed into the gardens and then wreaked catastrophic destruction, entering the basements of each house with enormous force and rapidity.

At about 6.30am, the police and fire services warned residents to evacuate with immediate effect. This was just minutes before the conservatory at No 1 exploded. The residents of No 1 narrowly escaped serious injury or death; they had just been down to the lower ground floor to rescue their dog when the conservatory exploded.

At No. 5, similarly protected by having large double-glazed security windows, the water built up and then smashed through the interior with sufficient force to drive a washing machine and its adjacent dryer through a solid concrete-block wall and then across the basement area in the front of the house.

In No 7, the occupant's bedroom is in the basement; it was sheer chance that when the water flooded in, she had gone upstairs to make tea. Suffering at the time from a hip problem, she would have been unable to escape in time.

In No 9, the residents were attempting to rescue items from their basement when the water broke through. The force and power of the water entering No 9 was captured in a number of striking and horrifying photographs as they escaped.

In No. 11a the residents lived entirely in the basement flat. It is very fortunate that they were away on holiday at the time. The high water line left by the flood - at seven feet - has been recorded: had they been asleep there at the time they would have been at risk.

In all these houses, it was only luck that prevented serious injury and perhaps death by drowning or blunt force trauma.

Thames Waters legal position in case of future bursts

As affected residents, we were given a frank and sympathetic presentation by your colleague [REDACTED] at the Business Design Centre, Islington, on 1st February 2017. His presentation showed considerable understanding of the sequence of events and an explanation of the works proposed to reduce any risk of any repetition. He stated that the proposed relining of the water main meant that the chance of reoccurrence was "very, very slim."

It was accepted that the burst on 5th December 2016 was not an isolated incident. Bursts from nearby points in the trunk main occurred in 1999 and again in 2005 so Thames Water had been on notice that there were weaknesses in this specific area. We trust the Board of Thames Water is mindful of this situation.

Had there been fatalities on 5th December the legal position of Thames Water could have been very precarious in terms of legal responsibility for those deaths. However, our purpose in writing is not to debate Thames Water's legal responsibility for hypothetical fatalities. It is to ensure that we place with you a formal record of our profound concerns.

There is no question that if any occupier of any of the affected houses had been in their basement level at this time, there would have been injuries and, indeed, fatalities. This was not just a burst water main; it ought to be recorded as a notifiable dangerous occurrence.

And given the topography and road configuration on Upper Street and the surrounding roads, we remain concerned that any future water main burst in the locality could result in a repetition of this catastrophe.

A systemic issue

Our larger concern extends to the systemic issue which was outlined in [REDACTED] presentation: parts of the trunk main network are now between 100 and 150 years old, made of cast iron, subject to corrosion, and to stresses that were not anticipated at the time the mains were laid.

It was indicated that the financial and logistical difficulties of replacement mean that it will take decades of consistent work for the trunk main to be replaced or relined, and therefore decades of disruption to London's transport system. Whilst we understand the nature of the difficulties, we are concerned at the limited extent of the work currently envisaged as a response to this recent burst.

Thames Water intends to reline the main for a length of 800 metres along Upper Street between the Angel junction and Islington Green. This leaves untouched the trunk main that runs further north - - - under Upper Street, and the other trunk main that runs under Essex Road; while surveys of these stretches are said to be planned, there has been no commitment to replace or reline these pipes.

So it is entirely reasonable to view it as a serious risk that a burst in either of these mains is likely to result in a similarly catastrophic flood in this or neighbouring areas. We hope you and the Board will give serious attention to this risk.

We know that the network is extremely old and increasingly fragile. This state of fragility can only exacerbate. The risk of major bursts will increase as the age of the network increases and becomes increasingly weak. Currently, there are no tools available to inspect the state of the trunk main pipes efficiently and thoroughly. There is no present plan to address and remove this inherent risk. It is real, not notional. But, from the explanations given to us, it appears as though the risk is in fact incapable of being mitigated due to the size, scale and complexity of the replacement task.

We would like to express our personal appreciation of [REDACTED] honest discussion of the issues with us. We would urge the Board of Thames Water to address them. We trust you will engage with other bodies - such as Parliament, the Mayor of London's Office, the Health & Safety Executive, OFWAT and others (copied here) - to raise awareness of the dangers posed by the antique condition of London's trunk main infrastructure.

We would welcome your considered response.

Yours sincerely

[REDACTED]

[REDACTED] Joanna Willett
9 Devonian Road
London N1 8JQ

On behalf of [REDACTED]

EVIDENCE SESSIONS OF THE COMMITTEE – APPENDIX C

NOTE OF A MEETING WITH THAMES WATER AND RESIDENTS – UPPER STREET FLOOD – MONDAY 13 FEBRUARY 2017 – 6.30P.M. – BUSINESS DESIGN CENTRE

PRESENT: Thames Water – Nigel Dyer- Chief Executive Thames Infrastructure, Matthew Hackshaw, Chris Davis, James Kingston, Cecilia Larkin, Cunningham Lindsey Andrew Mishen, Joseph Noel, Jeff Hoskin.

Councillors – Richard Greening, Rowena Champion, Clare Jeapes and Caroline Russell
London Angel Business Improvement District – Jackie Ambrosini
Businesses affected by the Upper Street flood

Councillor Richard Greening in the Chair

Matthew Hackshaw opened the meeting describing the structure of the event. Nigel Dyer then made a presentation to the meeting concerning the circumstances around the flooding incident.

Nigel Dyer made a sincere apology on behalf of Thames Water to those affected by the flood. He said that ‘Thames Water were doing everything they possibly can to prevent this situation happening again.’

Nigel Dyer explained that the main which burst had originally been installed in 1854. It was currently out of use while this 800 metre section of pipe is being relined by Thames Water. Sensors had already been put on it.

The following main points were then made -

1.Nigel Dyer stated that survey work would be started on 15 February in Upper Street, between the Pentonville Road and Islington Green junctions, Islington Green between the Upper Street and St.Peter’s Street junctions, and St.John’s Street between the junctions of Owen Street and Pentonville Road. This work will take place between the hours of 10pm. and 6.00a.m.

2.Nigel Dyer made a commitment to businesses that it was their intention that no business will be worse off as a result of the flood or to see anyone suffer materially or otherwise and that any losses to businesses that are not met by the loss adjustors would be supplemented met by a payment from Thames Water

3.Concern was expressed that businesses had lost trade over the busy Xmas period and that some of their stock was difficult to value as they were the experts in that field. Cunningham Lindsey, the loss adjustors, stated that they would consult on valuations and make an offer. Nigel Dyer stated that Thames would make up the balance with one cheque being payable to businesses and he committed to ensuring that no business would be worse off as a result of the flood. In response to a question it was stated that the traders in Camden Passage worked to a profit margin of around 33% and it was reiterated that traders would be recompensed and not worse off as a result of the flood.

4.Concern was expressed at the attitude shown by some staff at Willis Towers Watson, (WTW) (who were acting for Cunningham Lindsey), to businesses that had contacted them on some of the claims and that this was not acceptable. Businesses expressed the view that WTW should have had a representative present that evening to respond to the criticisms made. Cunningham Lindsey responded that WTW had been invited to attend,

but they had stated that they were not able to do so. Cunningham Lindsey stated that they would raise these concerns with WTW, and that whilst this problem has not arisen in the past, if businesses wished to raise these issues with Cunningham Lindsey after the meeting they would take these up and deal with them

5. Concern was also expressed that on the day of the flood conflicting information had been given to businesses about removing items from their premises, which had led to disputes about the cost of items and disposal of items. It was stated that Thames should provide written advice or information, (for example on a laminated sheet) for businesses and residents for any future incidents on how to deal with claims following floods and who to contact in this regard and Thames and Cunningham Lindsey undertook to do this. It was noted that Thames admitted that this was the biggest incident that they had dealt with. They committed to learning from their mistakes to better handle future incidents

6. Reference was made to the fact that some businesses had been informed that they should go through their own insurers, whilst others had been told to contact Thames insurers. Cunningham Lindsey stated that the advice that would have been given to businesses was dependent on the type of policy that they had, and individual questions on any claims and building costs for works could be raised individually following the meeting with them

7. Discussion took place as to the level of compensation businesses would get for loss of trading over the busy Xmas period, how the loss adjustors/Thames would decide on an appropriate sum to be paid, taking into account the fact that many businesses were still not open for trading and the many hours that businesses had to put in completing forms and arranging work for their premises etc., Businesses enquired how the loss adjustors would calculate the appropriate hourly rate payable that businesses should be entitled to in relation to dealing with such issues regarding the flood. Cunningham Lindsey stated that these discussions would be held with individual businesses and appropriate payments made dependent on circumstances

8. Reference was made to differing levels of compensation paid to businesses and the fact that when this was queried with WTW they had been rude and dismissive. Cunningham Lindsey stated that they would raise this with WTW, however in view of the concerns raised, businesses would now be able to deal with Cunningham Lindsey directly

9. Businesses expressed concern that despite completing information on the day of the flood, detailing contact details etc. for the insurers and Thames, no direct contact had been made by Thames with businesses since the incident. It was added that businesses had been left to deal with WTW, who had been unhelpful in many instances, and often failed to respond in a satisfactory timescale. Cunningham Lindsey reiterated that they would now deal with businesses in the future to resolve individual claims, however this was the first time that problems had arisen with their use of WTW, when they had acted on behalf of Cunningham Lindsey. Cunningham Lindsey stated that they would inform WTW that they needed to respond in a satisfactory timescale to businesses and also make payments, where agreed, within 7 working days

10. Concern was expressed that on the morning of the flood that Thames, when arriving on scene, were not really in control of the situation and that their response had been reactive, rather than proactive, and Thames needed to learn lessons from this for future flooding situations

11.Reference was made to the meeting of the Policy and Performance Scrutiny Committee taking place at the Town Hall at 6.00p.m. on 8 March and that Thames would be reporting back in relation to the circumstances around the flood and an update on the independent review of major bursts that is taking place

12.A business representative queried where the emergency operatives who attended the site had come from and why they had taken so long to arrive on site. In addition, she enquired when they had first been first contacted about the flood, the area that they had had to come from, given the delays in getting to the flood, and whether Thames had known where the valves were located that needed to be turned off. Thames responded that they did know the location of the valves, however it was a lengthy manual operation involving 4 people to turn off each valve. Thames stated that they did not have available the information as to where the emergency operatives had attended from and residents expressed concern that this information was still not available some weeks after the incident

13.Thames stated that they had been informed at 5.10 a.m. on 5 December that there was a flood in Upper Street and the first Thames operative had been on site at 6.15a.m. However a number of checks had to take place before the valves could be turned off. This had taken some hours as it took 4 men to turn off each valve and each valve had to be turned manually 73 times

14.Discussion took place in relation to the reopening event for businesses in the Angel area that was to be funded by Thames Water and the additional measures that Thames could put in place to encourage trade back into the area following the loss of trade, (especially the loss of trade over the crucial Xmas period) and the damage to reputation, due to the flood. Suggestions included – Festive lights, Entrance lights to Camden Passage, Press releases in local press, Evening Standard and the Metro, contributions towards London in Bloom exhibit, advertising on websites/flyers, information in hotels in the area on Camden Passage traders, and also advertising in the Antiques Trade Gazetteer. It was agreed that the final list of additional measures should be the subject of discussion between Jackie Ambrosini of the Angel London BID, Pauline Coakley Webb of Pierrepont Passage and Matthew Hackshaw of Thames and a consensus view agreed

15.Businesses also expressed the view that the meeting that had been held that evening should have been held earlier and that this may have helped businesses to raise issues of concern previously

16.The Chair stated that a meeting between businesses and the Policy and Performance Scrutiny Committee (PPS) would be held later in March and that details would be notified through Jackie Ambrosini at the Angel BID. A meeting would be held with the PPS Committee and Thames on March 8 at 6p.m.

NOTES OF MEETING ON FLOODING SCRUTINY WITH L.B.LEWISHAM AND L.B.LAMBETH – FRIDAY 03 FEBRUARY 2017

Present: Councillors: Richard Greening, Una O'Halloran – L.B.Islington

Alan Hall, Alan Smith, Kevin Bonnavia, Amanda De Ryk - LB.Lewisham
Andy Wilson- L.B. Lambeth

Officers from all the boroughs were present.

During discussion Members from the respective boroughs outlined details of the recent floods in their respective boroughs

The following main points were made –

- Thames took some time in all boroughs in turning the valves off to stop the trunk mains leak – consequently the emergency response being completed took longer than it should
- There appeared to have been previous leaks in many of the areas that had been subject to recent major bursts
- There appeared to be insufficient funding to provide the necessary improvements to infrastructure
- Concern was expressed that Thames often used the excuse of requiring permitting permission from Local Authorities to carry out works, however this is not necessary in an emergency situation
- In terms of getting to an emergency it was felt that Thames should have a 'blue light' system in the same way as the emergency services as a major burst could constitute a threat to life
- Thames were reluctant to share information in relation to their piping network and this needed to be addressed
- There needed to be improved communication channels by both Thames and Local Authorities when bursts took place
- Information on the recent 8 major bursts that Thames have referred to needs to be collected so that a Pan London approach can be taken
- Members felt that there the Council and Fire Brigade should be made aware by Thames of where the turn off valves were located

Members agreed the following –

- That whilst individual Councils would progress their own separate scrutiny investigations there should be a Pan London report produced through London Councils to highlight the common factors experienced by all Councils affected by major bursts and this be taken up through the LSN. Case studies could be used to support the report
- Details of the 8 recent major bursts should be requested from Thames in order to identify which boroughs should liaise on this report
- OFWAT should give evidence
- Evidence should be taken from other public utilities about flooding on their services
- Information on siting of valves on major trunk roads should be made available to Councils and the Fire Brigade
- Thames idea of smart metering to reduce leakage would take a number of years to implement and would not deal with the issue of leakage on trunks roads, only with customer leakages

- It was noted that in Lewisham Thames applied for over 1900 permits in the last year but ended up cancelling over 1000 of them which caused a lot of unnecessary work for the authority

NOTE OF A MEETING WITH FIRE BRIGADE/POLICE – FRIDAY 3 FEBRUARY 2017 -3.00P.M.

Present: Patrick Golbourne – Fire Brigade Commander Islington
Debbie Pierson, Walt Mutch – Islington Police

Councillors – Richard Greening, Clare Jeapes, Rowena Champion, Una O'Halloran

Kevin O'Leary and Dan Lawson – L.B.Islington Environment and Regeneration

During discussion the following main points were made –

- The first call to LFB had been made at 05:01:29 to the LFB control room and at 05:03:05 a crew was despatched to the verified address
- The first crew arrived on scene at 05:06:54 and Thames Water were contacted at 05:07:49 with an estimated time of arrival within 2 hours, which is their standard response time. At 05:20:23 a request was made to the Police and TfL for road closures and at 05:34:33 a request was made to the Council for 120 sandbags
- At 05:40:04 the Watch Manager reported that a burst water main of unknown size had burst and there was flooding to a depth of 0.5 metres affecting an area of 100 metres and operational support unit was requested to control the flow of water
- Information was received that the pipe is a 36" mains pipe and LFB provides pumps and a Fire Rescue unit with one boat. Properties in Charlton Terrace flooded to depth of 8 feet
- 05:51:53 message received from Thames Water to say technician on way and sending 150 sandbags and LALO requested for rehousing of tenants
- At 06:03:20 an offensive tactical mode has been adopted and all FRU's must carry boats due to flooding and LUL informed of close proximity to tunnels
- At 06:30:35 flooding has spread to an area of 460 metres by 150 metres flooding multiple residential and commercial properties and basements in Charlton Terrace flooded to a depth of 2 metres People evacuated to Steam Passage Public House
- At 06:48:17 LFB request attendance of electrical authority as substation at Shalford Court is flooded to depth of 300 ml. Thames and Local Authority to increase supply of sandbags from 150 to 500. At 07:21:05 received notification that first sandbags en route from Slough with an eta of 1hr 30 mins and second lorry being loaded and departing 40 mins with total delivery of 700 sandbags
- At 08:26:28 reported that multiple properties now flooded. A multi- agency tactical meeting had been held at 07:45 and no casualties had been identified, evacuation to Steam Passage and that Thames operative be on site to establish water valve location at 08:45 and next tactical co-ordination group meeting scheduled for 09:00. Now been declared a major incident
- At 09:45:44 attendance of structural engineer requested
- At 09:54:48 flooding now approximately 600 metres by 300 metres in Devonia Road, Duncan Terrace, Colebrooke Row and Charlton Place, affecting 80 residential and commercial properties flooded to various depths up to a maximum of 3 metres. Pumping operations and systematic search of premises in progress. Approximately 50 residents evacuated to rest centre
- At 11:23:47 systematic search of all premises completed and pumping operations continuing in Devonia Road and Colebrooke Row and lightweight pumps, submersible pumps, dry suits and PFD's in used

- At 12:32:51 progress made in pumping out properties and water levels subsiding and next tactical co-ordination group meeting scheduled for 1:30 and phase moved into tactical mode
- At 12:13:13 LFB Commander report that 36" water main had burst and outlined situation that had occurred. Water supply now isolated and electricity supply isolated to approximately 601 properties by UK power networks and 20 properties pumped out by Fire Brigade. One elderly female resident rescued and carried to safety. Approx 100 residents evacuate under care of Local Authority. Major incident had been declared by Police
- At 16:37:35 co- ordination group meeting concluded and no further Fire Brigade presence required. Duty of care left with Thames Water
- It was noted that at present LFB did not have responsibility for the statutory Flood response and that they were lobbying the Government on this matter
- In response to a question it was stated that there is a need for sandbags to be more readily available and that the Local Authority were making arrangements in this regard
- Discussion took place as to the first report of the leak, which was at 03:57 by a bus driver and at this stage it was a very small leak. Just after 04:00 a.m. this was reported to TfL to contact Thames Water but it is unclear if this happened. It was noted that it was felt that TfL could have acted more speedily in the situation and
- Reference was made to the local knowledge of Fire Brigade crews and that this is valuable when dealing with a situation like the flood at Upper Street as they were aware where the fire hydrants were
- Discussion took place as to whether Thames were able to share their plans of the locations with LFB and the Local Authority and it was stated that there were security implications with this but this is being looked at
- The view was expressed that whilst 17 calls had been received from the Fire Brigade in respect of the flood given the magnitude of the flooding there needs to be a communications message to the Public that they should report any leak immediately
- Members were informed that it would be useful if the public utility companies were involved in the tactical emergency planning meetings that took place with the Local Authority, Fire Brigade and the Police
- It was noted that the Fire Brigade had an excellent relationship with the Emergency Planning team at the Local Authority
- It was noted that discussion of provision of sandbags could be discussed at the London wide Directors of Environment meeting to see if a system of sandbag distribution on a shared basis is possible or whether other new technology systems are available

NOTES OF A MEETING TO DISCUSS UPPER STREET FLOOD WITH EMERGENCY PLANNING TEAM – 07 FEBRUARY 2017 – 3.00P.M.

Present : Councillor Richard Greening

Daniel Lawson – Emergency Planning – Environment and Regeneration Department

Councillor Richard Greening in the Chair

During discussion the following main points were made –

- It was noted that the Police first reported the leak as a result of checking the CCTV. TfL had initially reported the leak to the Police and at around 4.58a.m. the Fire Brigade were contacted. It was not known whether TfL had contacted Thames at this stage or if they had contacted them
- It was stated that 2 Local Authority Liaison Officers (LALO's) were on call and were alerted to attend on site and additional staff were on standby and there are also 30/40 volunteers who are available to assist if needed
- LALO's have to live within an hour of Islington and it took them 40 minutes to get on site. The Borough Emergency Control centre (BEC) opened at 7.00a.m. at 222 Upper Street
- There was initially a rest centre for residents set up at the Steam Passage and this was moved to the Business Design Centre later in the morning at 8.30a.m.
- LALO's were able to obtain medication for residents who needed this and could not get back to their properties because of flooding
- There had been problems with some media representatives who were present pretending to be residents and this is an area that would be looked at in future to ensure measures were in place to deal with such situations
- The BEC received regular updates on what was happening on site and sent pumps to the site and staff to assist the Police with traffic management
- Once the situation was in actual recovery stage the BEC organised street environmental services to go on site and clean and make safe footpaths and roads and these were safe to open within 36 hours of the flooding. A member of staff from Building Control was also sent down in order to check that buildings were structurally sound
- In terms of going forward and lessons learnt it was felt that the Council were looking into the stocking of sandbags, and that a request would be made for Thames to provide information on where main trunk mains were situated

It was stated that once the internal incident report had been completed by the Emergency Planning it would be circulated to Members

**NOTE OF PUBLIC MEETING WITH THAMES WATER AND RESIDENTS – FLOODING
SCRUTINY REVIEW- BUSINESS DESIGN CENTRE – MONDAY 1 FEBRUARY 2017 – 6.30P.M.**

PRESENT: Councillors Richard Greening, Una O’Halloran, Alice Perry and Caroline Russell

Thames Water : Bob Collingham, Chris Davis, Matthew Hackshaw, Cecilia Larkin, Simon Hughes, James Kingston

Residents of flooded area and Christine Lovett and Jackie Ambrosini – Business Improvement District

Councillor Richard Greening in the Chair

The Chair outlined the proposed format of the meeting and it was noted that Thames Water loss adjusters and insurers were available following the meeting if residents wished to raise individual concerns with them.

It was noted that a separate meeting with businesses had been arranged for 13 February at the Business Design Centre.

Thames Water made a presentation to the Committee details of the flooding incident and Thames response It was noted that Thames had arrived on site at 7.45a.m. and that the valves that needed to be shut off had finally been shut off at 9.15a.m. 4 men were needed to shut off each of the 4 valves as these were complex to shut down. It was noted that Thames took 4 hours 20 mins from when the leak was first reported to closing down the mains.

It was noted that the burst pipe was laid in approximately 1850-1875 and that an 800 metre section of the pipe that had burst is being relined. However pipe replacement did come with the implications of disruption for residents and businesses and road closures and planning will need to take place with TfL, the Council and residents and businesses.

An independent review into all the recent major bursts is taking place led by Paul Cutill OBE who is an industry expert.

Thames apologised to residents and businesses for the flood and that they would need to submit a case to OFWAT for increased funding for pipe replacement and it was hoped that the independent review would support this.

It was noted that the burst pipe in Upper Street is currently not back in operation until pipe relining is completed. Thames reported that to reline $\frac{3}{4}$ km of piping will take 4 months at an estimated cost of £5m, High tech sensors had been installed.

Thames stated that they did not want to see residents or businesses to be massively out of pocket due to the flooding and already had made a goodwill payment of £1000 and a meeting was taking place with the Chief Executive to look at other measures and he would report back on the outcome. In addition residents and businesses will not have to pay water bills until the situation is resolved.

In response to a question it was stated that to replace the piping concerned in the last 8 major bursts would cost in the region of £55m and this was far in excess of any compensation/insurance

payments made as a result and a case has to be made to the economic regulator to increase investment in the 5 year plan for pipe replacement.

It was stated that Thames had made a £300m profit in the last financial year and had reinvested 80% of its profits and had not paid a dividend to shareholders. Pipe replacement was based on risk and whilst leak detections measures are deployed these do not detect all risks, such as in Upper Street, where one wall of the pipe had got thinner and had led to the eventual burst. In some locations the detection method used is difficult to use and can take time. Other new technology techniques were being looked at.

In response to a question it was stated that the water had been re-routed to the Essex Road mains, however residents expressed concern that this section of pipe had had a history of previous bursts. Thames undertook to survey both the Essex Road and Upper Street main pipes to assess risks of bursts within the next 2 weeks and residents would be updated with the results.

Thames stated that extensive damage has been caused to seven neighbouring streets as a result of the flood. Around 54 residential and 44 commercial properties had been affected. Eighteen residents had been accommodated on the first night and 10 tenants are still in temporary accommodation. Staff on site had included technicians and out of hours co-ordinator, senior local management team, loss adjusters, customer liaison, a clean up team and repair team on 24/7 rota.

A resident stated that it had taken a long time to turn the valves off to stop the leak and enquired whether this timescale could be improved. Thames stated that operatives had to turn the valves off manually and that if they were not turned off properly this could cause a hydraulic shock wave and cause further bursts along the pipe and each valve closing took approximately an hour. The system would be looked at but there is no 'magic wand' to reduce the time taken. Any automatic solution would be a long process and would need approval from the economic regulator and involve severe disruption to install.

Discussion took place as to the emotional stress that has been caused to residents and businesses and that discussions had taken place at Thames with a view to providing such services if future events occurred.

It was stated that the leak had first been reported to Thames at 5.07a.m. although CCTV had picked up the first leak at 4.00a.m. Thames stated that as part of the review of the incident they would be looking at how co-operation with other agencies could be improved.

Residents expressed the view that it was good fortune that no residents were killed in the flood and that where there are basement properties there should be a special response in place to deal with these situations. Thames responded that they were looking at this however local knowledge of properties would be needed for this. The view was expressed that the information could be found on flood maps and Thames stated that they would be doing this as part of their modelling process. In addition residents were informed that the Council's consultation on the flood plan was taking place and residents were welcome to contribute to this.

Reference was made to the fact that there had been 3 previous floods in the Upper Street area in recent years and the future risks needed to be assessed.

In response to a question it was stated that the Emergency Services would always respond faster to events like this than Thames and they liaised with them to get appropriate information to enable them to respond. Thames do have sandbags stocks, however they arrived too late to be effective in this instance.

Thames stated that they had visited properties in Devonia Road on the day of the flood.

Thames stated that in regard to whether they had a compensation policy that Thames had a range of policies and one that covered flooding situations, however this did not always provided sufficient recompense and he would be discussing the flood in Upper Street with Thames Chief Executive given the individual circumstances.

The Chair thanked everyone for attending.

NOTES OF A MEETING WITH RESIDENTS AND BUSINESSES – WEDNESDAY 29 MARCH 2017 – 7.30 P.M. – BUSINESS DESIGN CENTRE

Present: Councillors: Richard Greening and Una O'Halloran
Thames Water – Simon Hughes, Nigel Dyer, James Kingston, Mark Matthews, Neil Hancock, Matthew Hackshaw, Tina Enright, Andrew Missen, Mark French'
Cecilia Larkin
Christine Lovett – Angel BID
Residents and Businesses affected by the flood

During discussion the following main points were made –

- Discussion took place as to insurers raising premiums for residents because of outstanding claims, as a result of the flood. Thames Water undertook to ensure they would repay any rise in premiums arising as a result of the Upper Street flood to residents
- Favourable consideration to be given by Thames Water to payment of £1k compensation to the resident of 7b Devonian Road who had only been offered £30 to date
- Noted that work to reline Essex Road/Upper Street main trunk mains to start in April. The initial work from St.Peters Street to the war memorial will take about 6 weeks and works will take 18 weeks in 3 separate 6 week sections. Discussion took place as to the road closures proposed and diversions of buses and that this is currently under consideration with TfL and the Council. It was stated that TfL were pressing for a 24 hour closure, but concern was expressed that any agreed scheme should take account of businesses footfall and commuters needing access to Upper Street and not involve full closure of Upper Street unless absolutely necessary
- Welcomed the commitment from Thames Water senior managers to meet with representatives and businesses on a regular basis – possibly fortnightly – to ensure any outstanding problems can be raised and progressed, given the difficulties experienced with Willis Towers Watson – residents and businesses to nominate representatives to attend such meetings. Thames Water stated that they wished to process claims as quickly as possible and that they appreciated residents and businesses concern at the apparent lack of progress with their insurers
- Noted that work to the gardens will take place in Devonian Road very shortly and permissions had now been given in relation to the garage access
- Thames Water to provide a redacted list of claims settled and those that are still outstanding and any interim payments made, plus information that the insurers still need in order to settle claims, in order that they can be progressed and completed within the specified period
- Welcomed Thames Water commitment that no resident will pay water bills for one year and that any payments already made will be reimbursed
- Bob Collington to be requested to attend next meeting arranged by Thames Water for residents and businesses

Flood Timeline – Appendix D

Source	Time	Exact	Event	Comment
LBI Emergency	04:02	Exact	Islington Council CCTV receive report of leak in Upper Street from Metropolitan Police Service (MPS)	
LBI Emergency	04:04	Exact	CCTV commence search for the leak via Upper Street cameras	
LBI Emergency	04:06	Exact	CCTV finds the leak and transfer live images to MPS control (Bow and Islington).	At this stage the leak appears significant and it creates a puddle several inches deep on the southbound carriageway of Upper St. Vehicles continue driving through the water leak and splash water onto the northbound carriageway. The water level appears stable until 4:57am when a much larger burst in the trunk main occurs.
LBI Emergency	04:57	Exact	CCTV images show the significant leak suddenly become a bad burst with water gushing upwards from the ground at 4:57am as the 36inch main burst.	Water can be seen erupting from below the pavement at the entrance to Camden Passage between 352 Upper St (John Laurie Antiques) and 353 Upper St (Knight Frank Estate Agents).
Devonia Rd residents	04:57	Exact	The topography and road layout in the area of the burst water main caused the escaping water to flow downhill, channelled down Charlton Place and across Colebrooke Row and then down a private road, where it built up very rapidly in an area confined by closed garages and garden walls.	Residents give an approximate time for this, which CCTV confirms to be 4:57am when the leak volume increases dramatically and for the first time water reaches the junction between Charlton Place and Upper St
TW Bob C	04:58	Exact	TW Water Control report flow increased by 20% from normal approx. 100 million litres per day (MLD) up to peak flow of 122.58 MLD	Implied that leak was 22.5m litres per day or 260 litres per second
LFB Incident Summary	05:01	Exact	London Fire Brigade (LFB) via its London Operations Centre (LOC) at Merton received the first 999 call to a burst water main outside 42-44 Upper street.	42-44 Upper Street is on the other side of Upper St, directly opposite the entrance to Camden Passage where the burst occurs.
LFB Incident Log	05:03	Exact	LFB dispatched the nearest appliance which was A301 from Islington Fire Station	
LFB Incident Log	05:06	Exact	LFB at the scene with appliance A301	
LBI Emergency	05:07	Exact	LFB requested the urgent attendance of Thames Water. Thames confirmed attendance would be within 2 hours.	
TW Bob C	05:07	Exact	Fire brigade reported a bad burst outside 44 Upper Street - 30822133 raised.	
LBI Emergency	05:20	Exact	LFB requested Police attendance for traffic and road closures (CAD 897).	
TW Bob C	05:30	Exact	TW Dispatch starts calling available Network Service Technicians (NSTs) on Standby jobs were allocated once contact was made.	
TW Bob C	05:30	Exact	Water Operations Control Duty Manager (OCDM) aware	
LFB Incident Summary	05:30	Approx	Around this time the LOC began to receive multiple/ additional calls to flooding in the area. Thirteen other calls were received and the LOC mobilised F241 Shoreditch fire station to a flooding at 37 Colebrook Row, Islington N1 8AF	
LBI Emergency	05:30	Exact	Transport for London informed by LFB. (Ref 98)	
LBI Emergency	05:34	Exact	LFB request Islington Council to provide 120 bags of sand. Request passed to Highways who can provide a small amount as LBI do not hold sand bags. LFB request Thames Water to provide sandbags.	

LFB Incident Log	05:40	Exact	From Watch Manager Thorpe o/s 356 Upper street Islington. One burst water main of unknown size flooding to a depth of 0.5 meters effecting an area of 100 metres of upper street, flooding approximately 15 commercial, 10 residential properties. Request urgent attendance of water authority to isolate supply. Request operational support unit to control flow of water. Upper street closed from Camden passage to Essex road Tactical mode is Oscar (Offensive)	
LFB Incident Log	05:41	Exact	Islington council will call back with eta if and when for sand	
LBI Emergency	05:45	Exact	LBI Emergency Planning informed of burst water main. LBI Crisis Response Plan activated.	
LBI Emergency	05:48	Exact	4 fire appliances, 3 Fire Rescue Units (1 with Boat).	
LBI Emergency	05:49	Exact	Thames water confirms this is a 36 inch pipe which has failed.	
LBI Emergency	05:50	Exact	LFB confirm properties in Charlton place now flooded to a depth of 8 feet.	
LBI Emergency	05:51	Exact	Thames water confirms to LFB they are sending a technician ASAP and a truck with 150 bags of sand.	
LBI Emergency	05:54	Exact	LFB request LALO for rehousing of residents.	
Devonia Rd residents	06:00	Approx	By 6am a huge pool of water, estimated at between 7-8 feet in height, burst through the garages and garden wall at the rear of No 1 Devonia Road. Like a tsunami, it poured into the garden of No 1 and rapidly built up against the rear of the house.	
LFB Incident Log	06:00	Exact	Local authority calling back for ETA for Louise Brown LALO	
LFB Incident Log	06:03	Exact	Watch manager Coltress is now Incident Commander tactical mode Oscar, (offensive)	
LFB Incident Log	06:03	Exact	Make FRUs 3 all must carry boats tactical mode Oscar, (offensive)	
TW Bob C	06:09	Exact	Between 06:09 & 06:12 Jobs raised for 4 x NSTs by TW Scheduling	
Twitter	06:10	Exact	First tweet sent by @thameswater: #N1 We are aware of a burst water main on Upper Street our team are on their way	
TW Bob C	06:15	Exact	1st TW NST on route	where did the NSTs travel from?
LBI Emergency	06:16	Exact	London Underground informed by LFB due to proximity of tunnels. (ref 11)	
TW Bob C	06:19	Exact	2nd TW NST on route	where did the NSTs travel from?
Devonia Rd residents	06:30	Approx	At about 6.30am, the police and fire services warned residents to evacuate with immediate effect. This was just minutes before the conservatory at No 1 exploded.	
LBI Emergency	06:30	Exact	LFB confirm an area of 460 meters by 150 meters affected with multiple residential and commercial properties involved. Basements in Charlton place flooded to a depth of over 2 meters. 50 People evacuated by Brigade and Police to the Steam Passage tavern as a refuge.	
LFB Incident Log	06:30	Exact	From Watch manager Coltress at 341 Upper street Islington. An area of 460 meters by 150 meters from City road to Islington green affected. Multiple residential and commercial properties involved. Basements in Charlton place flooded to a depth of 2 meters. 50 People evacuated by Brigade and Police to the Steam Passage tavern as a refuge. This will be a protracted incident. Water rescue level 2 implemented. Tactical mode is Oscar (Offensive)	
Devonia Rd residents	06:33	Exact	At approximately 6.30am the water had sufficient force to cause the conservatory at 1 Devonia Road (whose windows are strengthened by reinforced security glass) to explode. The power with which the water entered the house ripped the radiators off the wall and flung them to the far end of the room. The water level rose from about one inch to over seven feet high; within seconds it had almost reached the ceiling. At about the same time the force of water knocked down the lateral garden wall between No 1 and its immediate neighbour (No 3). In turn it then knocked down - like a set of dominoes - the lateral	Time assumed to be 06:33 in light of above comment timed at 6:30 just "minutes before conservatory exploded"

			walls between Numbers 3, 5, 7, 9 and 11.	
LFB Incident Log	06:34	Exact	Station Manager Eager is now incident commander	
LFB Incident Log	06:35	Exact	From Station Manager Eager make pumps 6	
TW Bob C	06:43	Exact	Felipe Estacio Network Optimisation Manager onsite	
LBI Emergency	06:48	Exact	LFB request attendance of electrical authority as substation 44736 at Shalford Court is flooded to a depth of 300ml.	
TW Bob C	06:49	Exact	TW Scheduling report 3rd NST on route	where did the NSTs travel from?
TW Bob C	06:50	Exact	Loss adjusters called by TW Scheduling	
LBI Emergency	07:00	Exact	Islington Council Borough Emergency Control Centre (BECC) opened.	
LBI Emergency	07:05	Exact	LFB request Thames Water increase sand bags from 150 to 500, request eta.	
LFB Incident Log	07:16	Exact	Group Manager Sutcliffe is now Incident Commander	
LFB Incident Log	07:17	Exact	From Group Manager Sutcliffe Make operational support units one	
LBI Emergency	07:21	Exact	First Thames Water lorry with sandbags en-route from slough (eta 1 hour 30 minutes). Second lorry is being loaded will depart in 40 minutes. Delivery will be 700 sand bags in total.	
TW Bob C	07:23	Exact	Felipe Estacio attended Gold Command	
LBI Emergency	07:23	Exact	LFB request attendance of hazardous materials and environmental protection officer.	
TW Bob C	07:27	Exact	First no water call reported from a customer at 49 Gerrard Road, Update raised.	
TW Bob C	07:29	Exact	TW Scheduling report 4th NST on route	where did the NSTs travel from?
LBI Emergency	07:30	Exact	Emergency Planning inform on-call LBI Media officer.	
LBI Emergency	07:40	Exact	Emergency Planning inform on-call director and public protection director.	
LFB Incident Log	07:45	Exact	Multi Agency Tactical coordination group meeting in progress.	
TW Bob C	08:02	Exact	First NST on site	
TW Bob C	08:04	Exact	First tweet from a customer: You were told about the mains burst in N1 4 hours ago and still the water is flooding out. ETA for water turn off?	
TW Bob C	08:11	Exact	Field Operations Specialist on site (James St Jean)	
LBI Emergency	08:11	Exact	Major Incident declared by Met Police	
LBI Emergency	08:15	Exact	Emergency Planning activate British Red Cross for rest centre.	
LFB Incident Log	08:26	Exact	From Group Manager Sutcliffe 36 inch main burst in roadway at 352 Upper Street. Multiple properties flooded in surrounding area. No casualties identified. Steam Passage tavern remains in use as reception centre. Water Authority representative to establish water valve isolation at 08:45hrs. Next tactical coordination group meeting scheduled for 09:00hrs.	
TW Bob C	08:30	Exact	1st Valve Shut	
Twitter	08:37	Exact	#N1 Teams are onsite and working to stop flooding to properties	
TW Bob C	08:45	Exact	St Johns Road Valve Shut	
LBI Emergency	08:45	Exact	Thames Water isolates the water supply to failed pipe.	
TW Bob C	08:46	Exact	Pump was shut down What does this mean as final valve not shut until 09:15?	
LBI Emergency	08:49	Exact	LFB request the attendance of TFL and British Transport Police. (ref 97)	
LFB Incident Log	09:00	Exact	Borough Commander Goulbome is now Incident Commander	
TW Bob C	09:15	Exact	Main shut. Final valve (Claremont valve) shut at 09:15	
LFB Incident Summary	09:30	Approx	The water was isolated to the burst main at approximately 09:30hrs.	
LFB Incident Log	09:45	Exact	From Group Manager Goulbome request attendance of dangerous structure engineer	
LFB	09:50	Exact	From Group Manager Goulbome request attendance of	

Incident Log			Press officer	
LBI Emergency	09:54	Exact	LFB update that 36 inch burst water main now affecting an area of approximately 600 meters by 300 meters in Devonia road, Duncan Terrace, Colebrook row and Charlton Place. Affecting approximately 80 residential and commercial properties, flooded to various depths up to a maximum of 3 meters. Pumping operations and systematic search of all premises in progress. Approximately 50 residents evacuated to rest centre in care of local authority.	
Twitter	10:06	Exact	#N1 Burst main has been stopped, repair teams and loss adjustors in the area to provide support to those affected by flooding	
LBI Emergency	10:30	Exact	Rest Centre opened at Business Design Centre.	
LFB Incident Log	10:52	Exact	From Group Manager Goulbome Tactical coordination group meeting concluded, next meeting scheduled for 11:30	
LBI Emergency	11:10	Exact	Emergency Planning request building control to attend site to assess wall damage.	
LBI Emergency	11:15	Exact	Emergency Planning place street cleaning crews on standby to begin cleaning once water subside.	
LBI Emergency	11:23	Exact	LFB confirm the systematic search of premises in Devonia road, Charlton place, Colebrooke road and Duncan Terrace is now complete. Pumping operations continue in Devonia road and Colebrooke road using Lightweight Pumps, Submersible pumps.	
LBI Emergency	12:32	Exact	LFB confirms steady progress being made pumping out properties in Devonia road and Duncan terrace. Water levels are beginning to subside.	
LBI Emergency	12:45	Exact	Full survey will be carried out to assess northbound carriageway integrity.	
LFB Incident Log	13:57	Exact	From Group Manager Goulbome Tactical coordination group meeting concluded, next meeting scheduled for 16:00	
LFB Incident Log	14:13	Exact	From Group Manager Goulbome outside 352 Upper street. One 36 inch water burst on roadway flooding an area of 600 metres by 300 metres. Approximately 80 Domestic and commercial properties and one electrical substation flooded up to a maximum depth of 3 metres. Water supply to burst main isolated by Thames water. Electricity supply isolated to approximately 601 properties by UK Power networks, Light Weight Portable pumps, Submersible pumps, Large spill kit, dry suits, PFDs, Approximately 20 properties pumped out by Brigade, One elderly female rescued and carried to safety by Brigade from number 16 Colebrook road, One elderly female rescued and carried to safety by Brigade from number 7 Devonia road, Approximately 100 residents evacuated to business design centre under care of Islington local authority, level 2 water rescue, salvage operations, Major incident declared by Metropolitan Police service, Same as all calls, Tactical mode Oscar (Offensive)	
Twitter	14:23	Exact	#N1 Update: Our team have started work to repair the 36" pipe on Upper St. One side is now open to traffic.	
Twitter	14:31	Exact	Here's what Upper St and the surrounding areas looked like earlier today https://twitter.com/thameswater/status/805781630321356800/video/1	
LFB Incident Log	15:37	Exact	Station Manager Impey is now Incident Commander Tactical mode Oscar (Offensive)	
LBI Emergency	16:37	Exact	LFB handover incident site to Thames Water.	
LFB Incident Log	16:37	Exact	From Station Manager Impey Tactical coordination group meeting concluded. No further Brigade attendance required. Duty of care left with Thames Water.	
LBI Emergency	18:20	Exact	Islington Council handover management of Rest Centre to Thames Water.	
LBI Emergency	19:00	Exact	Islington Council Borough Emergency Control Centre (BECC) closed.	
LFB	20:50	Exact	Incident closed	

Copy of Thames Water Bursts 2016 – Appendix E

No	TW src	Date	Location	Event	Impact	Borough
1	both	10-Oct-16	Crayford Road, Dartford	Burst was from 12" and 18" diameter pipes laid in the 1880s	Substantial flooding to homes and businesses in Crayford, and water supplies to some customers were interrupted	Bexley
2	both	15-Oct-16	Leigham Vale, SW2	Burst was from a 21" diameter pipe laid in the 1890s	1st of two floods in 2 months	Lambeth
	Mark Mathews	25-Oct-16	Camberwell New Road	Burst on 30" main Laid in the 1870s	Caused significant local flooding but flooding was almost entirely external (foyer of one property was flooded but not significantly).	Southwark
3	both	26-Nov-16	Lee High Road, Lewisham	Burst was from a 24" diameter pipe laid in the 1860s	52 properties were flooded and customers in the surrounding area were without water or experienced low pressure for a short period – the full number affected is still be verified. A coach became stuck in a sinkhole – all passengers were evacuated safely	Lewisham
4	both	05-Dec-16	Upper Street, Angel, Islington	Burst was from a 36" diameter pipe laid in 1850s	Significant flooding in the area, Around 54 residential and 44 commercial properties affected.	Islington
5	both	10-Dec-16	Lee Road, Blackheath	This was caused by a trunk main laid in the 1860s.	Burst main flooded 10 businesses and 8 homes in Meadowcourt Road.	Lewisham

6	both	11-Dec-16	Northwold Road, Stoke Newington	Burst was from a 30" diameter pipe laid in the 1860s	Estimated 150 properties had to be evacuated, 20 homes and businesses were flooded	Hackney
7	both	16-Dec-16	Leigham Vale, SW2	Burst was from a 21" diameter pipe laid in the 1890s	Around 25 properties affected by flooding – these were affected twice in two months	Lambeth

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Report of: Chair of Health and Care Scrutiny Review Committee

Meeting of	Date	Ward(s)
Executive	28 September 2017	
Delete as appropriate		Non-exempt

Subject: Effectiveness of Improving Access to Psychological Therapies (IAPT) Scrutiny Review

1. Synopsis

- 1.1 This report requests that the Executive receive the recommendations of the Health and Care Scrutiny Review Committee, following completion of the IAPT Scrutiny review. 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 Health and Care Scrutiny Review 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 Health and Care Scrutiny Review Committee's recommendations.

3. Background

- 3.1 In September 2016 the Committee commenced a review of IAPT to understand local arrangements for accessing IAPT services and similar services, and the effectiveness of these services in helping people recover from mental health conditions

4. Implications

4.1 Financial Implications

The proposals in the review 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 have made a number of recommendations that will assist in improving the effectiveness of IAPT and other similar services in Islington

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REPORT OF THE HEALTH AND CARE SCRUTINY COMMITTEE

EFFECTIVENESS OF IMPROVING ACCESS TO PSYCHOLOGICAL THERAPIES (IAPT) AND SIMILAR SERVICES

London Borough of Islington
July 2017

CHAIR'S FOREWORD

Islington suffers some of the highest rates of mental health issues and also suicide in the country. The reasons for this would be a subject for a separate discussion, but these statistics in themselves make an overwhelming case for improving access to psychological therapies. We also know that historically, and also in the present, Mental Health issues tend to be the poor cousin of physical health in terms of both treatment and funding. The purpose of this review is to try and establish whether the Improved Access to Psychological Therapies (IAPT) is in fact effective, and whether it is actually succeeding in doing what the name of the service suggests: ie is the service actually improving access, and if so, is it doing it in an equitable way across differing social classes and ethnicities.

The primary issue is, unsurprisingly, funding. Government targets have been to treat the top 15% of people in need of the service, which is in itself a worryingly low figure. Recently however, the government has decided to increase the target to 20% of the relevant population, but without any increase in funding. This obviously threatens to put the service under unreasonable strain, and also makes light of the work currently being undertaken by the service. We are recommending in the strongest terms that the Council lobbies the government to match the increased targets with pro-rata increased funding.

We also heard that successful access to the service varies according to ethnicity. An example is the increasing number of Turkish men needing help. This is hampered partly by the lack of Turkish-speaking therapists, and partly by cultural attitudes to therapy in the Turkish community: For example, we heard that in Turkish language, there is no word for 'mental health', and that the nearest equivalent word is 'madness'. Obviously this makes it culturally more difficult for Turks to feel comfortable accessing the service.

Waiting lists are also worrying long, with 95% of patients having to wait 18 weeks to access the service. This also suggests that existing funding is not matching the existing demand.

The committee heard that there is a lack of evening and out-of hours appointments, which obviously makes it harder for people in employment to access the service – given that a course of therapy will involve weekly sessions for a period of 12-20 weeks, it may well be problematic for working people to be taking leave on a regular basis in order to access treatment.

We also heard that, for example, bereavement services are staffed entirely with volunteers, and that there is heavy dependence on the voluntary sector for some areas of the service.

Overall, whilst the committee got the impression that staff are working hard to deliver the service, and to meet government targets, the reality would appear to be that the service is more severely under-funded than the statistics suggest, due to long waiting lists and dependence on voluntary help disguising the real impact of current low funding levels.

The committee also gained the impression that the service is currently most easily accessed by more articulate middle-class residents, and that this group of service users are most likely to

respond to it best. The committee feels that the approach and advertising of the service needs to be further developed to accommodate differing cultures and ethnicities more equitably.

COUNCILLOR MARTIN KLUTE
CHAIR HEALTH AND CARE SCRUTINY COMMITTEE

Effectiveness of IAPT Scrutiny Review

Evidence

The review ran from September 2016 until July 2017 and evidence was received from a variety of sources:

- 1 Presentations from witnesses – Dr. Judy Leibowitz and James Gray – Camden and Islington Foundation Trust, Maya Centre – Tahera Aanchawan (Accept Consortium) Nafsyiat – Farideh Dizadi (Accept Consortium)
2. Presentations from council officers – Jill Britten, Islington CCG, Natalie Arthur, Islington CCG

Aim of the Review

To understand local arrangements in accessing IAPT and similar services, and the effectiveness of these services in helping people recover from mental health conditions

Objectives of the Review

- To understand current arrangements and mechanisms for accessing IAPT services
- To review waiting times for IAPT services
- To assess the effectiveness of IAPT services
- To feedback the findings of the scrutiny to providers
- Publicity and awareness of the service

The detailed Scrutiny Initiation Document (SID) is set out at Appendix A to the report

RECOMMENDATIONS:

That the Executive be recommended –

1. **Funding** Given the target for access to treatment is set to increase to 25% from the current target of 15%, as part of the 5 year plan for Mental Health, commissioners, the Council and the CCG should look to build on any opportunities to access additional funding from National Health Service England, as it becomes available, and to press for funding to be increased pro-rata across the service to support future delivery of the service in line with the Five Year Forward View
2. **Long Term Conditions:** Work should continue to increase the focus on supporting people with long term conditions or medically unexplained systems, as well as supporting people into employment
3. **Waiting Times:** Whilst the performance of Improving Access to Psychological Therapy services in Islington has met its targets for 2015/16 in relation to access and 18 week waiting times, the performance of other Clinical Commissioning Groups in the North Central London area, particularly in Haringey, exceed that of Islington in a number of areas. The Committee suggests Haringey's performance be used as a driver for improvement with sharing of best practice pursued to achieve this target
4. **Recovery rates:** The recovery rate for ICOPE has risen each year, but is still below the target of 50%. Whilst an action plan is in place to address the poor performance against recovery levels, this is an area that needs improvement. The Committee recommends that the action plan is reviewed, and that best practice be shared with other boroughs to try to improve recovery rates
5. **Feedback:** All service users using the ICOPE service be encouraged and supported to complete Family and Friends patient experience questionnaires, and provide comments in relation to their experience of the service
6. **Hard to Reach Groups:** Given the under representation of Hard to Reach and Black, Minority, Ethnic Refugee groups in accessing mental health services, alternative methods of advertising and accessing the service be pursued
7. **Interim Support:** Given that many service users experience long waiting times, the service needs to develop some form of interim support for those on waiting lists
8. **Turkish Speaking Therapists:** It has been suggested that there is a particular shortage of Turkish speaking therapists. The service provider should attempt to improve recruitment for this community group
9. **More after-work sessions:** In order to enable equality of access to the services more after-work appointments should be made available, and that efforts should be made to locate these appointments in non-National Health Service (i.e. community) premises, as there is an element of stigma attaching to attending an National Health Service building for mental health treatment
10. **Reporting:** Action to be taken to identify and address the reporting inaccuracies identified in the locally and nationally published data for 2015/16 and ensure that this is more accurate in future. Efforts should be made to address the need for more comprehensive information in relation to ethnicity data when accessing the service

MAIN FINDINGS

- 1.1 Improving Access to Psychological Therapies (IAPT) is a national programme, which aims to deliver NICE compliant treatments for adults, suffering from depression and anxiety disorders, which are also described as 'common mental health problems.'
- 1.2 The initial programme was developed in 2006, with pilot sites in Newham and Doncaster, focussing on adults of working age. In 2007 there were further 'Pathfinder' sites developed with outcome measures, in order to explore how vulnerable groups within the local population might benefit from this service, and identify barriers to access.
- 1.3 In 2010 the programme was rolled out nationally to adults of all ages. Services are commissioned by local Clinical Commissioning Groups (CCG's).
- 1.4 IAPT services are characterised by three things: evidence based psychological therapies delivered by fully trained and accredited practitioners, with type and level of treatment matched appropriately to the mental health problem. There is routine outcome monitoring, to enable both patients and clinicians to have up to date information on progress made. Data is anonymised and published by NHS England, in order to promote transparency and to support service improvement.
- 1.5 Regular, outcome focussed supervision also supports clinicians to continuously improve and deliver high quality care.
- 1.6 Locally, IAPT services are commissioned by Islington CCG and delivered by Camden and Islington Foundation Trust and the service locally is called i COPE. This service is delivered from a range of locations to support ease of access, e.g.GP surgeries and community sites, such as Manor Gardens.
- 1.7 Performance is monitored quarterly by Islington CCG, as part of the larger contract monitoring framework for NHS community mental health services.
- 1.8 The IAPT model is a 'stepped care' model, which seeks to deliver the minimum amount of treatment required, in order to deliver a positive outcome, whilst ensuring that the intensity of treatment can be increased or decreased, in line with the people's needs and progress – i.e. 'stepped up' or 'stepped down'.
- 1.9 Examples of treatment available include –
 - Cognitive Behavioural Therapy (CBT)
 - Interpersonal Psychotherapy (IPT)
 - Brief Dynamic Interpersonal Therapy (DIT)
 - Couple therapy for Depression
 - Counselling for Depression
- 1.10 IAPT services sit within primary care, and can be accessed through referral by a professional, or by self- referral, including online and Islington aims to support the majority of people suffering from step 2 or step 3.
- 1.11 Online self-referral consists of a simple form and requires minimal information, i.e. name of GP surgery, if registered with a GP, name, a date of birth, address and information on the type of support required. Individuals can also self-refer by telephone if they prefer.
- 1.12 Following referral to the service, initial assessment is carried out by a Psychological well-being practitioner, in order to determine whether the service is suitable for the individual. Where

possible, assessments will take place on the telephone, however face-to-face assessments are also possible.

- 1.13 Step 2 includes low intensity interventions, which include self -help, computerised cognitive behaviour therapy, advice and support in taking anti -depressants, or other psychotropic medication prescribed by General Practitioners (GP's,, psycho-educational groups, support with accessing local community resources, including employment support, and exercise on prescription and pure self-help (Books on Prescription).
- 1.14 Step 3 high level interventions can include, cognitive behaviour therapy, individual and group therapy, interpersonal psychotherapy, behaviour couple therapy, and for Post Traumatic Stress Disorder eye movement desensitisation and reprocessing therapy.
- 1.15 In addition, Islington Clinical Commissioning Group (CCG) commissions Camden and Islington Foundation Trust to deliver a step 4a service, known locally as IAPT plus. This service supports patients who present with longstanding complex problems of depression or anxiety, often associated with major adverse historical and/or current life difficulties, and co-morbidities, such as personality or relationship difficulties, or long tem physical health conditions and medically unexplained conditions
- 1.16 The aim of the intervention is to support the management of individuals within primary care and help people manage their conditions better, and achieve personally defined goals, rather than anticipating significant clinical improvement on existing IAPT measures i.e. many will not be expected to report that they have recovered as part of the clinical definition. Patients in these groups are offered a range of interventions appropriate for Step 4a clients, to help support their management within primary care, with additional psychological support. Interventions are offered in a variety of settings, including in a patient's home.
- 1.17 In respect of the national picture there are national targets in place – 15% of adults with relevant disorders should have timely access to IAPT services, and in Islington this equates to 31,031 people.
- 1.18 50% of people accessing IAPT services will recover and 75% of people referred to the IAPT programme begin treatment within 6 weeks of referral, and 95% begin treatment within 18 weeks of referral.
- 1.19 The rate of referral to the service increased by 13%, year-on-year, between 2013/14 and 2014/15. The service employed a number of methods to promote the service, amongst both professionals and the general public, and the increase in referrals is likely to be as a result of this work. Similarly, projected figures for 2016/17 suggest referrals are expected to reach approximately 9,202 people.
- 1.20 Access to treatment is measured nationally, with a target of 15% of the prevalent population to access treatment each year. The access rate in Islington has gradually increased year-on-year, exceeding the target from 2014/15 onwards.
- 1.21 Performance shows that the waiting times, against the 18 week target period, were exceeded in 2015/16, and have continued this trend into 2016/17. However, the proportion of people accessing treatment within 6 weeks of referral has fallen short of the target in 2015/16, with results for Quarter 1 showing similar results.

- 1.22 Recovery rate targets are set nationally, with the expectation that 50% of people entering treatment will report to be 'in recovery' at the end of the treatment period. Recovery rates are defined by the number of service users moving to below case level on clinical outcome scores, as a proportion of the number of people ending contact with services, and receiving at least two sessions of treatment. On average the number of sessions of treatment required is 6/9 sessions
- 1.23 The recovery rate for the service continues to be below target. Although local data for 2015/16 showed a recovery rate of 48%, once ratified at national level this fell to 43%. The service provider has in place an action plan, which seeks to address this challenge, and continues to work to identify areas, which may affect final performance in this area.
- 1.24 IAPT services use a number of well validated patient completed questionnaires to measure change in a person's condition. Most of the questionnaires are administered at each appointment, making it possible to track improvement comparing scores over time.
- 1.25 A number of factors can affect whether an individual meets the criteria of having recovered including -
- Severity of need at the start of treatment
 - Delayed discharge from treatment
 - Clinical decisions
 - Whether an individual has met the 'threshold' for recovery, prior to being discharged
- 1.26 The widening of the acceptance criteria for the iCOPE service, (referred to in more detail below) to include patients whose needs fall within Step 4a, means that the service is more inclusive, and supports a much broader range of patients within primary care. However, due to the way in which recovery is measured nationally, it is acknowledged by commissioners that the issue has an impact on recovery rate.
- 1.27 There are local reporting challenges and the IAPT service is subject to quarterly monitoring by Islington CCG, as part of the wider NHS contract for mental health services in Islington.
- 1.28 As mentioned earlier, in 2016/17 it was identified that there were significant discrepancies between the locally reported data and the nationally published data for 2015/16. Following investigation, it has been identified that errors within the performance monitoring programme, used by IAPT service, had led to these discrepancies. It should be recognised therefore that the published performance data for 2015/16 does not reflect the work that was delivered. The service has taken action to address the errors identified in the 2015/16 reporting process, and it is expected that the reporting for 2016/17 will be much more accurate.
- 1.29 The majority of the adults accessing the service are between the ages of 18 and 64 years of age. Adults over 64 are currently under-represented, and the service is working to identify ways to increase levels of engagement from this group.
- 1.30 Ethnicity data shows that 30% of all referrals were from adults who identified as White British, whilst 19% identified as being from non-white backgrounds. Both figures are below the Islington population, as determined by the 2011 census, which recorded 48% of the population as White British and 32% from non-white backgrounds. However, the ethnicity data must be treated with caution, due to a number of reasons, including the census population data relating to all ages not just adults and the younger population in Islington being more ethnically diverse than the older population. In addition, almost 40% of all adults referred to the service either chose not to state their ethnicity or their ethnicity was not recorded, and therefore it is possible that the ethnicity breakdown would look very different if the ethnicity of all referees was reported. Ethnicity reporting has improved in 2016/17, with 95% of ethnicity information recorded

- 1.31 There are additional I outcome measures and the IAPT employs a variety of methods to measure outcomes and progress of individuals accessing the service. These include work and social adjustment measures, and an enablement instrument to suit the client group involved
- 1.32 These measurement tools allow the service to capture outcomes relating to a number of aspects of an individual's life, and progress made in these areas before, during and at the end of treatment. Examples of this measurement include the ability to understand and cope with problems, work, social activities, and family and relationships.
- 1.33 In terms of long-term physical health conditions, it is widely accepted that physical and mental health are closely linked with having a long term condition, which can increase the likelihood of developing a physical health need, whilst people with long term physical health conditions can develop mental health problems. IAPT services will be expected to increase their focus on supporting people with long term physical health conditions.

The 5 year forward plan for mental health sets out the following priorities for service development by 2021-

- To expand IAPT services, with access to increase to 25%
 - Focus on people with long term conditions
 - Supporting people to find or remain in work
 - Improving the quality and people's experience of the service
- 1.34 With regard to local performance in 2014/15, the access rate exceeded 15%, however recovery rates fell well short of 50%. Waiting times were also below target and identified as an area for improvement in 2015/16. In 2015/16 the 15% target for access was exceeded. The recovery rate is 48%, waiting times improved and the 18 week target was met. In 2014/15 an action plan was put in place to address the poor performance against recovery levels, which delivered a small increase by the end of the year. However, it is recognised that this needs to be a key area for improvement.
- 1.35 In 2016/17 access is expected to again exceed the target of 15%, possibly to 17%. This is likely to have an impact on waiting times, due to finite resources. Islington IAPT service takes referrals with higher levels of depression and anxiety, which is positive, but is likely to affect the recovery rate.
- 1.36 There are challenges facing the service and also in terms of delivering the 5 year forward view for mental health, however it is the intention to increase access to 25% by 2021/22. There has been to date, no further detail from NHS England as to how this will be supported and the Committee feel that this is an area that needs to be addressed.
- 1.37 As highlighted by the performance data, the current target for access to treatment is 15% of the prevalent population, and the service is on course to achieve 16/17% access. This was also achieved in 2015/16. As stated above, as part of the 5 year plan, this is set to increase by 25% by 2020. This will pose a significant challenge within current resources, and commissioners will be working with service providers in order to identify how to address this.
- 1.38 In addition to increased access rates, as part of the 5 year forward plan for Mental Health, there will be an expectation that IAPT services will increase the focus on supporting people with long term conditions, or medically unexplained symptoms, as well as supporting more people into employment. This Islington service already works well with the local Mental Health Working (Employment Support) programme, and local reporting of long-term conditions is already underway.

- 1.39 The performance of IAPT service in 2015/16 shows that, whilst Islington has met the targets for access and 18 week waiting times, the performance of other CCG's in the North Central London region, particularly Haringey, exceed that of Islington in a number of areas. The recovery rate for iCOPE has risen each year, but this is still below the target of 50%. In 2014/15 an action plan was put in place to address the poor performance against recovery levels, which delivered a small increase by the end of the year. However, it is recognised that this needs to be a key area for improvement in 2016/17.
- 1.40 The Committee received evidence from Camden and Islington NHS Foundation Trust, who delivered services on behalf of the Council, through the iCOPE service, which is referred to earlier in the report.
- 1.41 The iCOPE service has an established service user advisory group, which includes both current and former service users. The service consults the user group and seeks feedback, in order to identify areas of the service that can be improved, and to support developing new ideas to promote and deliver the service. In addition to the group, all service users are encouraged to complete patient experience questionnaires, friends and family feedback and there are suggestion boxes for anonymous feedback at team bases.

The service is in the process of recruiting to 'peer mental' health worker posts, to facilitate treatment workshops, and for other opportunities of supporting delivery.

The Islington iCOPE service promotes the service in a number of ways -

- Leaflets
 - Posters
 - Co-location in GP surgeries and other community settings to encourage ease of access
 - Partnership working with local organisations and giving talks to members of those organisations
- 1.42 The level of mental health need in Islington is high, both in comparison with other London Boroughs, and nationally. The recent 'Healthy Lives, Healthy Minds' report by Camden and Islington Public Health team identified that local data shows that approximately 29,900 adults in Islington have diagnosed unresolved depression or anxiety (16% of residents aged 18 or over), whilst an additional 15,897 adults are estimated to have a common mental health disorder, which has not been diagnosed.
- 1.43 The high level of need, and the severity of those needs, presents a challenge for the IAPT service, not just in terms of capacity, but also with regards to being able to provide interventions that support people to move into a state of sustainable recovery. Where an individual's needs require more intensive support, the IAPT plus service is available to provide a variety of interventions, however, it is recognised that many people accessing the IAPT plus service will not meet the criteria for recovery.
- 1.44 There are a number of examples of local innovation and good practice. Examples of these include 'iCOPE talks', which in 2014/15 was delivered to parents (working in partnership with schools). This promoted the service and raised awareness of good mental health and well-being. Partnership work is also taking place with other local community organisations, in order to promote good mental health wellbeing.
- 1.45 The 'Leaps Project', in conjunction with Training Job Centre Plus, also enables staff to identify and refer individuals to 'iCOPE'. There is also 'Mental Health Working', which regularly submit the highest number of referrals to the commissioned mental health working (employment

- 1.46 The Committee also received evidence from Dr. Lucy Williams-Shaw, the user involvement lead and service users of the iCOPE service.
- 1.47 Members were informed that there is good user satisfaction with the service and a variety of methods are used to ask users about their experience of the service with therapists asking for feedback, feedback user forms being made available in waiting areas and the ability to provide e mail feedback. This feedback is reviewed and discussed and any necessary changes made.
- 1.48 It was noted that 98.1% of users would recommend I COPE to family and friends as indicated by the Family and Friends test. 48% of discharged patients completed the Patient Experience Questionnaire however there are a number of reasons preventing this from being a greater return at present, although work is taking place on this.
- 1.49 The Committee noted that the service users who gave evidence had stated that it had been easy for them to access the service and their experiences had been positive. One of the residents had attended the group session and the other one an individual session and that they had both benefitted from these.
- 1.50 The Committee noted that the maximum number of sessions permitted is 20 sessions and usually ranged from 6 to 20 sessions. It was added that some evening sessions are provided, however this is constrained by availability of premises. The Committee were of the view that this is an area that should be looked at to provide more evening sessions.
- 1.51 A monthly poster is displayed in waiting areas regarding the feedback that has been received and how it is being acted upon.
- 1.52 Service users contribute by attending the iCOPE advisory group where service developments are discussed and they can join the list of advisers and contribute to focus groups, answer surveys and get involved with specific projects. In addition, they can apply to work in a paid capacity as a peer-well- being worker. Service users can also provide feedback and help recruit new staff by training to be interview Panel members.
- 1.53 The Committee were also informed that 'Silvercloud' is a 2016/17 pilot of online Cognitive Behavioural Therapy, for those people with a low level of need. This may also help to attract those people currently under-represented in IAPT services e.g. men.
- 1.54 In addition to the statutory IAPT service, Islington also commissions third sector organisations, to provide 'Talking Therapies' to meet specific needs, and the new contract commenced in September 2016.
- 1.55 These services are – Talking Therapies for people with Black, Minority Ethnic and Refugee (BMER) communities – Talking Therapy for people who have suffered child sexual abuse and/or domestic violence and Talking Therapy for people who have suffered bereavement. This service is commissioned through a lead provider model and includes the following organisations –
- Nafsiyat Intercultural Therapy Centre – Lead Provider
 - Women's Therapy Centre – sub contractor
 - The Maya Centre – sub contractor
 - Camden, City and Islington Bereavement Service – sub contractor

- 1.56 The support needs of those who may need longer treatment or have more complex needs, will need to be addressed e.g. refugees. Currently, additional talking therapies from the third sector support this need, however demand is high
- 1.57 There are also a number of challenges facing the Islington IAPT service, alongside areas where commissioners expect performance to improve.
- 1.58 National campaigns to remove the stigma of mental health were continuing to take place, and the IAPT service worked closely with Job Centre Plus and employment services to support people suffering from mental health problems. The benefit cap has had an effect on the mental wellbeing of some of the people who have been affected by this, and this is creating additional problems.
- 1.59 As stated earlier, elderly people are underrepresented in accessing mental health services, but when they did, the recovery rate is good.
- 1.60 Alternative ways of enabling people to access the service more conveniently and to increase access are being implemented including the use of skype or by e mail, however where people needed face to face contact, the Committee noted that this would continue to be provided.
- 1.61 There are a number of people with complex needs, and the IAPT plus service can assist in this. The IAPT service is well integrated with primary care and this helps increase access to the service.
- 1.62 The Committee noted that some BME communities had difficulty in filling in forms, and that there is a continuing need to investigate alternative methods of advertising and accessing the service. However, the most under represented group accessing services at present were in fact the white/other group. It is recognised that there are gaps in the service and the Committee noted that the Manor Gardens centre is employed to try to reach those communities currently not accessing the service.
- 1.63 The Committee also received evidence from service providers delivering non IAPT therapies – the Mayat and Nasfiyat centres. These organisations provide a targeted response in response to local demand and had 3 elements, BMER communities, Child Sexual Abuse and Domestic violence and Bereavement service. The Mayat Centre is a women’s only project and therapists were community based and looked at the client in the whole and both the Mayat and Nasfiyat Centres aimed to maximise their resources.
- 1.64 This is jointly funded by the Council and CCG through third sector providers, such as the Mayat and Nasfiyat centres and is a time limited service of between 12 and 20 sessions. This complements existing IAPT provision to support an increase in access to psychological therapies for identified under represented communities, and to provide counselling for those users would not normally access services.
- 1.65 The service differs from IAPT, in that it has a higher threshold, equivalent to stage 3 on the IAPT stepped care model, has a women only element, access to therapists with a range of language skills and overcomes barriers by matching therapists with the same background. As it is non NHS and helps overcome barriers associated with the fear of Mental Health services.
- 1.66 50% of those who complete treatment move to recovery, this is aligned with the IAPT target and 60% of those who completed treatment maintain a clinically significant improvement at 3 months post therapy. 40% of those who complete treatment maintain a clinically significant

improvement at 6 months post therapy, and 50% of those who complete treatment access ongoing support within the community, including peer support. 50% of those who complete treatment self-report an improved level of confidence in maintaining their own mental well-being.

- 1.67 A high number of referrals are received and the majority are accepted. The numbers on the waiting list and referrals for BMER and Bereavement services indicate that the target for accessing treatment will be met. However, there are concerns about the recovery rates for Child Sexual Abuse, Domestic Violence and Bereavement services, however it is felt that the measurement is partly affected by the data reporting tools used.
- 1.68 Performance against key areas of focus are - to increase people from BMER communities accessing talking therapies, and an increase in men and older people accessing talking therapies. LGTB representation is difficult to measure due to lack of self-reporting.
- 1.69 The challenges include demand for services compared to service capacity, there are over 100 on the waiting list, interim support for those on the waiting list, availability of Turkish speaking therapists, encouraging access from other BMER groups, encouraging access from older people and men, and performance monitoring and measuring outcomes.
- 1.70 It was noted that it was encouraging to see new communities accessing services.
- 1.71 It was also noted that future developments included investment in reporting systems, in line with the IATP service, improved performance reporting to support better understanding of gaps in provision and the low recovery rate, and to collect performance figures to contribute to local IATP data from 2018/19. In addition, to support the local Syrian refugee resettlement programme, there will be linking in with the Camden and Islington Foundation Trust's complex depression and trauma service.
- 1.72 The Committee considered the over representation of the Turkish community in non IATP services and whilst this is of concern, it is an indication of the success of the scheme given that the Turkish community had previously not accessed the service. It was noted that it is hoped to increase the number of Turkish therapists in the future.
- 1.73 The Committee were informed that in terms of BMER there was a 4/5 month waiting list but bereavement waiting lists were shorter, however work did take place with those people waiting for treatment.
- 1.74 The Committee were also informed that it was proving difficult getting patients to provide feedback and this is currently being looked at to introduce measures that will increase response rate

CONCLUSION

The Committee have made a number of recommendations that it is hoped will improve access to IAPT and similar services in the future. However, the Committee are of the view that the underfunding of mental health services by the Government in recent years has made it more difficult to provide adequate service provision and that, in view of the proposals in the Government's 5 year plan for mental health there needed to be much more clarity around funding for mental health provision in order to meet the targets set.

The Committee would finally like to thank all the witnesses who gave evidence to the Committee and to the service providers for the excellent work that they undertake.

MEMBERSHIP OF THE HEALTH AND CARE SCRUTINY COMMITTEE – 2016/17

MEMBERSHIP 2016/17

MEMBERSHIP 2017/18

**Martin Klute – Chair
Rakhia Ismail – Vice Chair
Nurullah Turan
Michelline Safi-Ngogo
Una O’Halloran
Jilani Chowdhury
Gary Heather
Tim Nicholls**

**Martin Klute - Chair
Nurullah Turan – Vice Chair
Michelline Safi-Ngogo
Jilani Chowdhury
Gary Heather
Troy Gallagher
James Court
1 Vacancy**

**Co-opted Member:
Bob Dowd – Islington Healthwatch**

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**Substitutes:
Alice Perry
Dave Poyser
Clare Jeapes
Satnam Gill
Angela Picknell
Marian Spall**

**Substitutes:
Alice Perry
Satnam Gill OBE
Angela Picknell
Clare Jeapes**

Olav Ernsten/Philip Watson – Islington Healthwatch

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

Officer Support:

Peter Moore – Democratic Services

Lead officer/s- Simon Galzynski, - Director Adult Social Care Jill Britten – Islington CCG

APPENDIX A

SCRUTINY REVIEW INTITATION DOCUMENT
Review: Improved Access to Psychological Therapies (IAPT)
Scrutiny Committee: Health Scrutiny Committee
Lead Officer: Simon Galczynski, Service Director Adult Social Care
Overall aim: To understand local arrangements for accessing IAPT services and similar services, and the effectiveness of these services in helping people recover from mental health conditions.
<p>Objectives of the review:-</p> <ul style="list-style-type: none"> • To understand current arrangements and mechanisms for accessing IAPT service. • To review waiting times for IAPT services. • To assess the effectiveness of IAPT services • To feedback the findings of the scrutiny to providers • Publicity and awareness of the service
Duration: Approx. 6 months
<p>How the review will be conducted</p> <p>Scope: The services in scope of this time limited scrutiny review are NHS IAPT services commissioned from Camden and Islington Mental Health Trust (iCOPE).</p> <p>Types of evidence to be assessed:</p> <ul style="list-style-type: none"> • Documentary evidence on demographics of those using the service and accessibility or reason adjustments made to ensure accessibility to the service • Documentary evidence on national standards for access, waiting times and recovery rates; including any additional outcome measures collected. • Witness evidence from a range of relevant individuals and organisations <ul style="list-style-type: none"> a. Patients and their representatives and consumer organisations <ul style="list-style-type: none"> i. Patients by experience ii. Patient representatives and groups e.g. Islington Borough User Group (IBUG) b. Commissioners <ul style="list-style-type: none"> i. Islington Joint Commissioning Team c. Providers <ul style="list-style-type: none"> i. Camden and Islington Foundation Trust
<p>Additional information:</p> <p>In addition to the statutory IAPT service Islington has recently commissioned 3rd sector organisations to provide Talking Therapies to meet specific needs as below (contract commences September 2016).</p>

- Talking Therapy for people within Black, Minority Ethnic and Refugee (BMER) communities
- Talking Therapy for people who have suffered child sexual abuse and/or domestic violence
- Talking Therapy for people who have suffered bereavement

This is commissioned under a lead provider model, the following organisations are involved.

- Nafsiyat Intercultural Therapy Centre
- Women's Therapy Centre
- The Maya Centre
- Camden, City and Islington and Westminster Bereavement Service

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Report of: Chair of Housing Scrutiny Committee

Meeting of	Date	Ward(s)
Executive	28 September 2017	All

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Subject: Housing Services for Vulnerable People Scrutiny Review – Recommendations 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 Housing Services for Vulnerable People. 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 July 2016 the Housing Scrutiny Committee commenced a review of housing services for vulnerable people. The overall aim of the review was to review the effectiveness of the housing services the council provides to vulnerable people. The objectives of the review included to confirm that the council's housing services are accessible to vulnerable people; to assess how vulnerable people and their particular needs are identified by housing services; and to evaluate how the council's housing services communicate and engage with vulnerable people. The final report of the Committee was agreed in June 2017 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 welcomes the council provides a wide range of specialist housing options and additional housing services to disabled and vulnerable people. However, it is considered that these services could be made more effective. One particular area for improvement is communication and engagement, which appears to be at the heart of many of the issues raised by both residents and officers. The Committee has made 14 recommendations in response to the evidence received. It is hoped that the Committee's recommendations will assist the council in providing more effective and more personalised housing services, which will support the overall wellbeing of vulnerable people and help to maintain or develop their independence and resilience.
- 5.2 In carrying out the review, the Committee met with officers, service users, and other housing providers to gain a balanced view. The Executive is asked to endorse the Committee's recommendations

Appendices:

- Housing Services for Vulnerable People – Report of the Housing Scrutiny Committee

Background papers:

- None.

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Housing Services for Vulnerable People

REPORT OF THE HOUSING SCRUTINY COMMITTEE



**London Borough of Islington
June 2017**

EXECUTIVE SUMMARY

Housing Services for Vulnerable People

Aim: To review the effectiveness of the housing services the council provides to vulnerable people

Evidence

The review ran from July 2016 until March 2017 and evidence was received from a variety of sources:

1. Presentations from council officers
 - Maxine Holdsworth, Service Director for Housing Needs and Strategy
 - Paul Byer, Service Development Manager
 - Claudia Thompson, Assistant Director for Adults Integrated Community Services
 - Cora Nicholls, Housing Options Manager, and Vicky Manser, Principal Re-Housing Manager
 - Jon Farrant, Head of Tenancy and Estate Services
 - Glenn McCorkindale, Property Services Programme Manager
2. Documentary evidence
 - Summary of the specialist housing services provided to vulnerable people
 - Summary of the housing services provided to vulnerable people by LB Haringey
3. Information from witnesses
 - Members of the Housing Disability Panel
 - Clare Norton, Chief Executive Officer, and Pet Yesufu, Supported Housing Manager, Peter Bedford Housing Association
 - Ismail Bahriyeli, Carers Services Manager, and Andy Murphy, Chief Executive, Age UK Islington
 - Tom Irvine, Service Improvement and Engagement Manager, Partners for Improvement in Islington
4. Scrutiny visit
 - Visit to Hornsey Road Reception Centre
 - Visit to Disability Action in Islington to discuss the draft recommendations with representatives of the Housing Disability Panel

Main Findings

The Committee considered how housing services define vulnerability. The Housing Service's IT systems recognise eight categories of vulnerability; blindness, learning disability, mental health, physical impairment, deafness, mobility issues, wheelchair user, and 'other'. The 'other' category may be used to flag that the household includes young children or frail elderly people.

Residents may be vulnerable for a number of reasons. Their vulnerability may be linked to a single issue or impairment, or they may have multiple vulnerabilities. Vulnerable people generally have additional needs which necessitate either additional or tailored housing services; however the services they require depend on the effect and extent of their vulnerability. Vulnerable people may be disabled, however not all disabled people are vulnerable. The impact of someone's vulnerability may depend on circumstances, such as the condition of their home and living arrangements.

The Committee thought that the current definitions of vulnerability used by the council's housing services were not particularly helpful to officers or residents. The categorisations of vulnerability are broad and do not make reference to the individual needs of residents and how their interactions with the housing service may be affected. It is suggested that adopting more refined definitions would help to ensure that services are focused appropriately on meeting the additional needs of those who would be at risk or would suffer a loss of wellbeing if their needs were not met. Adopting definitions based on recognising additional needs, rather than vulnerabilities, may be an appropriate way of ensuring that housing services are able to offer a more personalised service to those who need it most.

It is recommended that Housing Services should clarify their definitions of vulnerability and disability, and how these relate to each other.

The Committee received evidence on the range of housing options available to vulnerable and disabled people. Vulnerable elderly residents may be eligible for sheltered housing schemes, extra care sheltered housing, or care homes, depending on their level of need. Those with mental health issues may be eligible for supported accommodation or residential care; different options are available for those with different needs. Homeless residents may be accommodated in reception centres while their homelessness application is processed. Disabled residents may be eligible for supported accommodation. There are specialist housing pathways for those with substance misuse issues. Residents who are terminally ill may be eligible for hospice accommodation.

The Committee concluded that there is a comprehensive range of specialist housing options available for those with significant needs. However, specialist housing is not appropriate or necessary for all vulnerable people, and the council faces a severe shortage of general needs housing for vulnerable and disabled people who are able to live independently. There are over 20,000 households on the council's housing register, with 9,000 households in housing need, yet only around 1,000 properties available to be let a year. Although the council is developing new housing, the new requirement to sell housing to fund Right to Buy discounts may result in an overall decrease to the council's housing supply, reducing the council's ability to rehouse vulnerable people and contributing further to the significant 'points inflation' experienced in recent years. The Committee is particularly concerned about this.

Whilst the council does publicise the shortage of available housing, the Committee heard that some residents do not have realistic expectations of the council's housing supply and what they may be able to successfully bid for. It is suggested that communications around the council's housing supply are strengthened to help vulnerable people make more informed decisions about their housing options. Although the council's website does detail the average number of points needed to successfully bid for a property, providing more tangible examples may help to demonstrate the shortage of housing.

It is therefore recommended that Housing Services further publicise the shortage of council housing in order to set realistic expectations of what residents may be able to successfully bid for. It is recommended that anonymised case studies are used where appropriate to illustrate the shortage of housing and to help disabled and vulnerable people choose the 'best available option'.

The Committee received evidence on the range of additional housing services offered to vulnerable and disabled people. This includes an annual programme of visits to tenants aged 75 and over, referrals to services that help vulnerable people manage their tenancies, and visits to vulnerable and disabled people prior to capital works commencing. The Responsive Repairs service assigns additional priority to vulnerable people if their repair is considered detrimental to their needs. Assisted decoration and discretionary repairs schemes are available to tenants aged over 70 and those in receipt of certain disability benefits. Discretionary repairs may also be available to those with mental health issues. An adaptations service is available to assist disabled and vulnerable

tenants, and work is underway to make this service more efficient by training housing officers to be Trusted Assessors; this will allow housing officers to make assessments and install minor adaptations without further referral to Occupational Health. A handyman scheme for small DIY jobs is available for older, disabled and vulnerable people; this is available to all residents, including those in private or housing association properties. Some services may be chargeable and different eligibility criteria apply.

The Committee welcomes that there is a wide range of additional services available, however notes that these seem to be planned on a service-level basis. Officers do not have a comprehensive understanding of all of the additional housing services which vulnerable and disabled tenants may be entitled to. The Committee heard that the preference of the Housing Disability Panel would be for one officer to be responsible for coordinating the housing offer for disabled and vulnerable people as this would ensure that clear information was available through a single point of contact. The Committee recognises that it may not be possible to establish a single contact point within existing resources; however considers that having a comprehensive and accessible resource detailing the services available would benefit both residents and officers. A guide to the additional services offered would help to direct enquiries to the most appropriate section and assist with establishing resident expectations. It would be particularly useful for this to detail the limits of support offered and to provide advice on how best to access services not offered by the council.

It is therefore recommended that the information on housing services for vulnerable people be reviewed to provide a comprehensive resource, setting out the services provided by the council, eligibility criteria, any limits to that support, and advice on how to access services that the council does not provide. This should be provided in a range of accessible formats, as required by legislation.

The Committee heard varied evidence on the accessibility of housing services. Whilst officers provided examples of how the accessibility of services has increased significantly in recent years, the evidence received from service users from the Housing Disability Panel indicated that further work is required to improve accessibility and communication and engagement with service users.

The Committee welcomed that housing services have become more accessible in recent years through innovations such as telephone-based interpreting services, web-based sign-language interpreters, and accessible online services. However, it was reported that the accessibility of services could be improved further. For example, more complex repairs are not able to be reported through the council's website and have to be reported by telephone, which is not an accessible communication method for all people. The Committee considered that all transactional processes should be able to be carried out entirely online; however it is also important to maintain alternative ways of accessing housing services for those not able to access the internet.

It is recommended that key online customer processes be reviewed to identify and close gaps in accessibility. All housing transactions should be able to be carried out without use of a telephone or having to visit council offices; the introduction of a webchat function would be welcomed. However, it should also be recognised that exclusively online services are not accessible to all.

The Committee gave particular consideration to the accessibility of the Housing Options service. Whilst it was found that the bidding system was accessible to those with disabilities, it was considered that improvements could be made to the moving process. The Committee heard instances of when vulnerable tenants had successfully bid for properties and thought that adaptations and other works would be completed before they moved in, only to find that these had not been carried out. It was thought that such issues were unnecessary and could be resolved through better communication around the moving process.

The Committee recommends that, when moving into a council property, disabled and vulnerable tenants should be consulted on the repairs and adaptations that are required to the property. The works to be carried out should be confirmed in writing with indicative timescales to ensure that both the council and the tenant have mutually agreed expectations.

Overall the evidence received suggested that although the council has developed the accessibility of housing services, disabled and vulnerable peoples' experiences of those services can vary considerably. The Committee noted examples of unacceptable experiences, including a wheelchair being removed from a resident's home by a contractor, strained relationships with housing officers, and difficulties in accessing information about services.

Whilst the council's housing services generally have good levels of customer satisfaction, the Committee appreciates that sometimes things go wrong and is concerned that poor customer service can have a significant detrimental effect on vulnerable and disabled people, more so than other residents. Service users reported feeling frustrated, and commented that poor experiences could discourage vulnerable and disabled people from accessing services which they need and are entitled to. The Committee thought that sharing and reviewing service standards with disabled and vulnerable people would help to ensure that officers and service users have shared expectations of how the council should work with vulnerable and disabled people.

It is recommended that housing services publish the standards which they seek to meet when communicating and engaging with disabled and vulnerable people, and should consider reviewing service standards and feedback mechanisms with service users.

Evidence received from the Housing Disability Panel indicated that housing services' engagement with vulnerable and disabled people is variable. The council's Corporate Plan commits the council to co-production and person-centred services; however the Housing Disability Panel thought that these principles were not applied consistently, commenting that consultation with service users sometimes appeared to be an afterthought, rather than a key stage in the decision-making process. The Committee agrees that involving vulnerable and disabled people in how services are planned, delivered and monitored is the best way in ensuring that services work for vulnerable people.

The Committee recommends that consideration be given to how the voices of vulnerable people can be heard earlier in decision-making processes on procurement, commissioning and designing services; and how vulnerable people can be further involved in service monitoring and evaluation.

The Committee was concerned that some vulnerable people could be unknown to housing services, however agreed that there are many opportunities for staff to identify disabled and vulnerable people. The Committee welcomed that staff receive training on identification and referral mechanisms, however, concerns were raised that some officers did not have a detailed understanding of the specific needs of vulnerable and disabled people and how these could have practical implications on how they deliver their service. It is thought that a better service could be provided to residents if staff received further information on how to support residents with additional needs. Reviewing the way in which staff are trained alongside service users such as the Housing Disability Panel would be an effective method of ensuring that staff have access to the information they need.

It is therefore recommended that Housing Services should review how staff are trained, kept up to date, and access information on how to best support residents with additional needs. This review should be in conjunction with service users, to identify knowledge and skills gaps and agree how these should be resolved. Staff need to understand how additional needs will have a practical impact on their work and their interactions with residents.

In addition to reviewing staff training, it is thought that developing the data held by housing services would assist staff when delivering services to vulnerable and disabled people. Holding detailed data based on resident needs, rather than vulnerabilities, would support officers in providing more customer-focused services. Officers advised that such information would also generate efficiencies by helping to clarify resource requirements in advance of services being delivered. Such a system would be most effective if multiple services were able to access and contribute to the data, as this would support integrated working between services in more complex scenarios.

A comprehensive needs matrix should be developed to enable housing services to record the needs of vulnerable and disabled people in greater detail. This will help to ensure that staff have the right resources and are aware of how they need to adapt their services for those with additional needs.

The Committee considered how more detailed information on the needs of vulnerable and disabled people could be generated. It was thought that relying on self-referral mechanisms would not be sufficient to capture information on the complex and unique needs of residents. Staff on estates such as caretakers provide a vital link between residents and the council, and the Committee suggests that developing this relationship further will greatly assist capturing detailed information on resident needs.

In order to develop the relationship between the council and local communities, consideration should be given to making the Housing Operations service more 'holistic', whereby a greater range of services are provided to residents on a more local basis.

The data on resident needs could also be informed by existing data held by other services. Although it was highlighted that services may not always be able to share sensitive data with other departments, the Committee considered that barriers to accessing data should be minimised as far as possible to enable the council and its contractors to provide good quality services.

The council should review its information governance responsibilities and data sharing agreements to ensure that the support needs of residents are known to the services that need this information. It is important that housing services and contractors can access residents' data securely to enable them to provide high quality services to vulnerable people.

The Committee was keen to ensure that the council's housing services for vulnerable people were in line with those of other housing providers and incorporated best practice approaches. Overall the Committee considered that the council's housing services for vulnerable people were largely in line with those of other housing providers. However, the Committee was particularly impressed with the ethos of Peter Bedford Housing Association, a specialist housing provider for vulnerable people, which focused all of its services around providing holistic support to residents.

The Committee found that there is a great deal of joint working between the council's housing services and other services, however thought that some relationships could be made more effective. Staff at the Hornsey Road Reception Centre commented that communication between services could be improved, and highlighted that one particular issue was hospitals directly discharging patients to reception centres, noting that this sometimes resulted in residents not receiving the support they required.

It is recommended that liaison between housing, social services and NHS services be reviewed in regards to hospital discharge arrangements; to ensure that reception centres and other relevant housing services are aware of care needs and that disabled and vulnerable people are fully supported.

It was also considered that further joint working was needed with the council's housing contractors to ensure that they adequately meet the needs of vulnerable people. The Housing Disability Panel

commented that the service received from contractors was inconsistent, that they seemingly were not aware of their duty to make reasonable adjustments under the Equality Act 2010, and that they were often not aware of disabled and vulnerable people's needs.

It is recommended that housing services should set clear expectations for contractors about working with disabled and vulnerable residents; this should include standards for staff training and accessibility. Compliance should be enforceable and regularly monitored to ensure that contractors are compliant with relevant disability legislation and that they are responsive to the needs of vulnerable and disabled people. Housing contractors should also be required to report any welfare concerns they have to the Housing service.

The Committee considered the views and experiences of carers, who have a unique insight into the housing issues affecting vulnerable people and could also be vulnerable themselves. Age UK Islington had carried out a survey of carers to gauge their opinions on housing services for vulnerable people. It was found that 13% of the organisation's casework was housing related. Age UK surveyed 36 carers and identified four main housing-related themes; rehousing, repairs, money (i.e. financial support with housing and utilities costs), and aids and adaptations. Feedback on the council's services was generally mixed.

The Housing Operations service is to carry out a fundamental review of the council's housing offer over the next year. This is intended to review how Housing works with other services and how the service could be more personalised and user-led, with a focus on the integration of services and early-intervention to support the independence and resilience of vulnerable people. The Committee consider that vulnerable and disabled people must be engaged in this review; both through representative organisations such as Disability Action in Islington and on an individual basis.

It is recommended that service user groups should be invited to participate in the forthcoming review of the Council's housing management services, and other service reviews as appropriate.

Conclusions

The Committee welcomes the council provides a wide range of specialist housing options and additional housing services to disabled and vulnerable people. However, it is considered that these services could be made more effective. One particular area for improvement is communication and engagement, which appears to be at the heart of many of the issues raised by both residents and officers.

Developing communication between housing, other services, and contractors will help to ensure that staff have access to comprehensive, accurate and practical information on resident needs, which will support them in delivering housing services more effectively. Further communication and engagement with disabled and vulnerable people will help to ensure that services are meeting their needs, that residents are aware of the services available and how to access them, and what can be expected from those services.

The Committee has made 14 recommendations in response to the evidence received. It is hoped that the Committee's recommendations will assist the council in providing more effective and more personalised housing services, which will support the overall wellbeing of vulnerable people and help to maintain or develop their independence and resilience.

In carrying out the review, the Committee met with officers, service users, and other housing providers 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

1. Housing Services should clarify their definitions of vulnerability and disability, and how these relate to each other.
2. Housing Services should further publicise the shortage of council housing in order to set realistic expectations of what residents may be able to successfully bid for. It is recommended that anonymised case studies are used where appropriate to illustrate the shortage of housing and to help disabled and vulnerable people choose the 'best available option'.
3. That the information on housing services for vulnerable people be reviewed to provide a comprehensive resource, setting out the services provided by the council, eligibility criteria, any limits to that support, and advice on how to access services that the council does not provide. This should be provided in a range of accessible formats, as required by legislation.
4. Key online customer processes be reviewed to identify and close gaps in accessibility. All housing transactions should be able to be carried out without use of a telephone or having to visit council offices; the introduction of a webchat function would be welcomed. However, it should also be recognised that exclusively online services are not accessible to all.
5. The council should review its information governance responsibilities and data sharing agreements to ensure that the support needs of residents are known to the services that need this information. It is important that housing services and contractors can access residents' data securely to enable them to provide high quality services to vulnerable people.
6. Consideration be given to how the voices of vulnerable people can be heard earlier in decision-making processes on procurement, commissioning and designing services; and how vulnerable people can be further involved in service monitoring and evaluation.
7. Housing Services should review how staff are trained, kept up to date, and access information on how to best support tenants with additional needs. This review should be in conjunction with service users, to identify knowledge and skills gaps and agree how these should be resolved. Staff need to understand how additional needs will have a practical impact on their work and their interactions with residents.
8. A comprehensive needs matrix should be developed to enable housing services to record the needs of vulnerable and disabled people in greater detail. This will help to ensure that staff have the right resources and are aware of how they need to adapt their services for those with additional needs.

9. When moving into a council property, disabled and vulnerable tenants should be consulted on the repairs and adaptations that are required to the property. The works to be carried out should be confirmed in writing with indicative timescales to ensure that both the council and the tenant have mutually agreed expectations.
10. Housing services should publish the standards which they seek to meet when communicating and engaging with disabled and vulnerable people, and should consider reviewing service standards and feedback mechanisms with service users.
11. In order to develop the relationship between the council and local communities, consideration should be given to making the Housing Operations service more 'holistic', whereby a greater range of services are provided to residents on a more local basis.
12. Housing Services should set clear expectations for contractors about working with disabled and vulnerable residents; this should include standards for staff training and accessibility. Compliance should be enforceable and regularly monitored to ensure that contractors are compliant with relevant disability legislation and that they are responsive to the needs of vulnerable and disabled people. Housing contractors should also be required to report any welfare concerns they have to the Housing service.
13. Liaison between housing, social services and NHS services be reviewed in regards to hospital discharge arrangements; to ensure that reception centres and other relevant housing services are aware of care needs and that disabled and vulnerable people are fully supported.
14. Service user groups should be invited to participate in the forthcoming review of the Council's housing management services, and other service reviews as appropriate.

MEMBERSHIP OF THE HOUSING SCRUTINY COMMITTEE – 2016/17

Councillors:

Councillor Michael O'Sullivan (Chair)
Councillor Marian Spall (Vice-Chair)
Councillor Gary Doolan
Councillor Aysegul Erdogan
Councillor Osh Gantly
Councillor Mouna Hamitouche MBE
Councillor Una O'Halloran
Councillor Angela Picknell

Observers:

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

Substitutes:

Councillor Raphael Andrews
Councillor Alex Diner
Councillor Satnam Gill
Councillor Gary Heather
Councillor Olly Parker
Councillor Alice Perry
Councillor Dave Poyser

Acknowledgements:

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

Officer Support:

*Paul Byer – Service Development Manager
Jonathan Moore – Senior Democratic Services Officer*

1. Introduction

- 1.1 The Committee commenced the review in July 2016 with the overall aim of reviewing the effectiveness of the housing services the council provides to vulnerable people.

The Committee also agreed to the following objectives:

- To identify and assess the housing options and additional housing services available to vulnerable people
 - To confirm that the council's housing services are accessible to vulnerable people
 - To assess how vulnerable people and their particular needs are identified by housing services
 - To evaluate how the council's housing services communicate and engage with vulnerable people
 - To benchmark the council's housing services for vulnerable people against those of other housing providers and to identify best practice
 - To review the extent of joint working with adult social care and others.
- 1.2 The Committee consulted the Housing Disability Panel on the scrutiny initiation document and amendments were made as a result.
- 1.3 In carrying out the review the Committee met with several officers from Housing and Adult Social Services, service users from the Housing Disability Panel, and representatives from Partners for Improvement in Islington, Age UK, and Peter Bedford Housing Association, a specialist housing provider for vulnerable and disabled people. The Committee also visited the reception centre at 305 Hornsey Road.

Local context

- 1.4 The council's Corporate Plan states 'We want to ensure that everyone in Islington has a place to live that is affordable, decent and secure'. It states that a priority of the council is 'making Islington a place where our residents have a good quality of life' and this will be achieved by supporting vulnerable residents and carers and helping residents to live healthy independent lives. The Corporate Plan is underpinned by the council's principles of early intervention and prevention, people-centred services, co-production, strong partnerships, making every contact count, and being employment focussed.
- 1.5 Specialist or additional housing services for vulnerable people are provided by several teams across the Housing and Adult Social Services directorate. Different services have different eligibility criteria, which may be based on age, vulnerability, or tenure. Some services are only available to council tenants, whereas others are available to all. In total there are around 4,000 residents flagged to the housing service as being vulnerable.
- 1.6 The Committee decided to undertake this review in the context of the significant financial challenges facing the council. By 2020 national government will have cut its funding to Islington Council by 70 per cent since 2010. The Welfare Reform and Work Act 2016 introduced a 1 per cent annual reduction in social rents over the next four years; resulting in a loss of £71 million income to the housing service, and a £1.7 billion loss if the 1 per cent reduction continues over the life of the business plan. The Committee was keen to ensure that the housing services provided to vulnerable people remain effective and accessible in the face of the severe budget reductions.

2. Findings

Who are 'Vulnerable People'?

- 2.1 The Committee considered how housing services define vulnerability. The Housing Service's IT systems recognise eight categories of vulnerability; blindness, learning disability, mental health, physical impairment, deafness, mobility issues, wheelchair user, and 'other'. The 'other' category may be used to flag that the household includes young children or frail elderly people. How these vulnerable people are identified is explored in detail elsewhere in this report.
- 2.2 Residents may be vulnerable for a number of reasons. Their vulnerability may be linked to a single issue or impairment, or they may have multiple vulnerabilities. Vulnerable people generally have additional needs which necessitate either additional or tailored housing services; however the services they require depend on the effect and extent of their vulnerability. Vulnerable people may be disabled, however not all disabled people are vulnerable. The impact of someone's vulnerability may depend on circumstances; someone with mobility issues may be very vulnerable if living in unsuitable housing, however may not be if living in an accessible and adapted home. A person may be very vulnerable if they live by themselves, however may not be if they live with a family member or carer. Some people may consider themselves to be vulnerable; whereas some people with additional needs have a high level of independence and would not consider themselves to be vulnerable.
- 2.3 The Committee thought that the current definition of vulnerability used by the council's housing services was not particularly helpful to officers or residents. Although it is useful for housing services to know if a resident has a mental health issue (for example), many residents will be captured by this categorisation, without any reference to their individual needs and how these will affect interactions with the housing service. Categories such as 'learning disability' and 'physical impairment' are also particularly broad, and people experiencing those issues will have very specific and different needs to one another.
- 2.4 It is suggested that adopting more refined definitions would help to ensure that services are focused appropriately on meeting the additional needs of those who would be at risk or would suffer a loss of wellbeing if their needs were not met. Adopting definitions based on recognising additional needs, rather than vulnerabilities, may be an appropriate way of ensuring that housing services are able to offer a more personalised service to those who need it most.
- 2.5 **It is recommended that Housing Services should clarify their definitions of vulnerability and disability, and how these relate to each other.**

The housing options available to vulnerable people

- 2.6 The Committee received evidence on the range of housing options available to vulnerable and disabled people. The housing services available to vulnerable and disabled people are informed by the Care Act 2014, which places a duty on local authorities to promote individual wellbeing. 'Wellbeing' is defined in the Act as having reference to personal dignity, physical and mental health, protection from abuse and neglect, suitable living accommodation, and other factors.
- 2.7 Vulnerable elderly residents may be eligible for specialist housing options to meet their needs. There are approximately 700 older Islington residents in sheltered housing schemes, which is permanent accommodation for those with relatively low level needs. Around 90 residents are in extra care sheltered housing, which is suitable for those with moderate needs. Such schemes are staffed on a 24 hour basis and are provided with additional GP cover due to the health needs of residents. Those with a high level of need may be eligible for care home accommodation; there are eight care homes in Islington which often providing nursing care alongside support to the residents' personal health and social wellbeing.

- 2.8 Residents with mental health issues may be eligible for supported accommodation. This provides tiered support to adults with various levels of need; different options are available for those with low, medium and high levels of need. Residents are supported by staff who provide one-to-one support and help residents to develop independent living skills, such as budget management, healthy eating, engagement in community activities, accessing employment or education, and assisting with physical health. Use of supported accommodation for those with mental health issues is usually time limited to two years; it is intended that the residents develop independent living skills before moving back into their own accommodation. There council has contracts to support 246 adults residing in such accommodation.
- 2.9 Residents with more significant mental health issues and a higher level of dependence may be eligible for residential care. This provides tailored support to those with very specific and high level needs; such as older homeless people with alcohol-related dementia, or elderly people with mental health needs. Residents tend to stay in residential care in the longer term, however if appropriate residents may be moved to supported accommodation or another setting which would provide them with a greater level of independence. The council has contracts to support 32 adults residing in such accommodation.
- 2.10 The council operates three reception centres which provide short-term emergency accommodation for vulnerable residents who have submitted a homelessness application. Members of the Committee visited the reception centre at 305 Hornsey Road, which provided basic accommodation to single adults and families. Once a homelessness application is granted the resident will generally move into temporary accommodation. The Committee was impressed with the standard of reception centre accommodation and commented that the visit was particularly useful to see first-hand how housing officers support residents with a range of vulnerabilities. Whilst reception centre accommodation is intended to be temporary, it was noted that some residents can stay in the reception centre for several months while their application is assessed.
- 2.11 Other specialist housing options include a specific housing pathway for those with substance misuse issues; with 12 services offering a total of 209 bed spaces. There are also a range of supported accommodation options for those with disabilities, including learning disabilities. Residents who are terminally ill may be eligible for hospice accommodation, which is located outside of Islington and funded by Islington CCG.
- 2.12 Although specialist housing options are required for those with the most significant needs, the majority of vulnerable and disabled people do not need specialist accommodation and live independently in general needs housing with varying levels of support. There are various support services available depending on need and eligibility, including services for those with specific conditions such as dementia, stroke, anxiety and depression; day services; reablement services; domiciliary care; drug and alcohol treatment services; and employment support services for those with specific needs.
- 2.13 The Committee concluded that there is a comprehensive range of specialist housing options available for those with significant needs. However, specialist housing is not appropriate or necessary for all vulnerable people, and the council faces a severe shortage of general needs housing for vulnerable and disabled people who are able to live independently. The Committee is acutely aware that many vulnerable residents also experience overcrowding, which is particularly detrimental to family wellbeing and may result in inappropriate bedroom shares. Other vulnerable and disabled residents may be living in properties which are unsuitable to their needs in other ways; they may be difficult for people with impairments to access, or may not be able to be adapted appropriately. In all instances the council faces an increasingly small supply of properties to alleviate housing need. There are over 20,000 households on the council's housing register, with 9,000 households in housing need, yet only around 1,000 properties available to be

let a year. Although the council is currently developing new social housing, the council may be forced to sell up to a third of its vacant properties each year to fund Right to Buy discounts. This will further reduce the council's ability to rehouse vulnerable people, exacerbating their housing needs and further increasing the 'points inflation' experienced in recent years. The Committee is concerned that the average number of points needed to successfully bid for a two bedroom property was over 280 in 2015/16; compared to around 220 in 2013/14.

- 2.14 Whilst the council does publicise the shortage of available housing, the Committee heard that some residents do not have realistic expectations of the council's housing supply and what they may be able to successfully bid for. Although some residents are vulnerable and in a high level of housing need, they may have their own criteria which are unlikely to be met by the council's available housing stock. The Committee heard instances where residents had declined properties which would be more suitable for their needs than their current property. Whilst the Committee supports the principles of the council's choice-based lettings scheme, it is felt that communications surrounding the council's housing supply could be strengthened to help vulnerable people to make more informed options about their housing situation. Although the council's website does detail the average number of points needed to successfully bid for a property, it is suggested that providing more tangible examples would help demonstrate the shortage of housing.
- 2.15 **It is therefore recommended that Housing Services further publicise the shortage of council housing in order to set realistic expectations of what residents may be able to successfully bid for. It is recommended that anonymised case studies are used where appropriate to illustrate the shortage of housing and to help disabled and vulnerable people choose the 'best available option'.**

The additional housing services available to vulnerable people

- 2.16 The Committee received evidence on the range of additional housing services offered to vulnerable and disabled people. The Committee initially received a list of the support services available, and then received detailed evidence from officers on the services offered.
- 2.17 An annual programme of visits to tenants aged 75 or over is carried out by the Tenancy Management team, with an annual target of visiting 400 tenants. These visits help to identify the needs of older people and referrals to social care or other support services are made as appropriate.
- 2.18 Area Housing Offices make referrals to help vulnerable people manage their tenancies, for example through the floating support service provided by the Single Homeless Project. A total of 340 referrals were made in 2015-16.
- 2.19 Housing Operations visit disabled and vulnerable people prior to capital works commencing to establish if the works would have an adverse impact on their wellbeing, and if this could be mitigated. This frequently raised access issues which were considered when planning improvement projects.
- 2.20 The Responsive Repairs service assigns additional priority to vulnerable people if their repair is considered detrimental to their needs. The repairs most likely to be escalated are electrical or plumbing faults; however the decision on whether to escalate the repair is made by a team leader on a case by case basis. Officers noted that there may be cost implications and implications on wider service delivery when the priority of jobs is increased.
- 2.21 Property Services offered an assisted decoration scheme to tenants aged over 70 and those in receipt of certain disability benefits. This provided tenants with an internal redecoration of their

property every seven years. 57 properties were decorated through the scheme in 2015/16.

- 2.22 Property services also offer a discretionary repairs scheme to tenants aged over 70 and those in receipt of certain disability benefits, through which 363 repairs were carried out in 2015/16. A further 15 repairs were carried out to support those with mental health problems; it was explained that this was because the condition of their property was either detrimental to their needs or was resulting in delayed discharge from specialist accommodation. The discretionary repairs service provides repairs which general needs tenants are not eligible for, however vulnerable and disabled people would have difficulty in carrying out themselves. Common discretionary repairs included fixing new toilet seats, repairs to kitchen units, and replacing lightbulbs.
- 2.23 An adaptations service is available to assist disabled and vulnerable tenants to live independently. Around 1,200 adaptations projects are carried out each year, with 17% of these considered to be complex projects. Adaptations are generally limited to the inside of a tenant's property however adaptations to communal areas will be considered and balanced against the needs of others. The team receives referrals directly from Occupational Therapy in Adult Social Services and employs specialist contractors to install, service and test equipment. Minor adaptations are installed within the repairs service's standard 20 day response period, with more complex installations such as level access showers installed within 40 days. Satisfaction with the service was 99.5% in 2015/16.
- 2.24 Property Services is working with Adult Social Services to trial a Trusted Assessor scheme. This enables housing officers to identify if a resident needs minor aids and adaptations to their property (i.e. grab rails) and then raise orders for these directly without further reference to Occupational Health. This is intended to improve efficiency, reduce the pressure on the Occupational Health team, and offer a faster and more streamlined service to residents.
- 2.25 The Islington Handyperson Scheme provides small repairs and DIY-type jobs to older, disabled and vulnerable people. Typical jobs include building flat-pack furniture, installing curtain rails, and minor electrical works. The service is available to all; regardless of if they are a tenant, leaseholder, housing association tenant, or private tenant. There is a £28/hour charge for the service; however those on means tested benefits received the service at a subsidised rate of £10/hour. 785 residents made use of the service in 2015/16; around half of which were council tenants.
- 2.26 Property services also make referrals to the Fire Brigade for a home visit where the residents have a higher than average risk from fire. This may include tenants with mobility impairments who would face difficulty in safely leaving their home in the event of a fire. 592 referrals were made in 2015/16.
- 2.27 The Housing Needs service offers extra assistance to vulnerable and disabled tenants when they view a new property. This could take the form of offering a longer viewing, offering multiple viewings, or being more flexible on timings.
- 2.28 The Customer Service Centre at 222 Upper Street provides 'floor walkers' to help vulnerable and disabled people who may need additional help accessing computer terminals.
- 2.29 Whilst not an 'additional' service, improvements to meet the needs of disabled and vulnerable people are made through the capital works programme. This includes braille on all new door entry systems and lift controls, power assisted doors, and flashing light systems instead of doorbells for deaf residents.
- 2.30 The Committee also noted that mainstream housing services can have an additional importance for disabled and vulnerable people. For example, the cleanliness and maintenance of estates

was essential for those with mobility issues. Problems such as dog fouling may be trivial for some people, but can be particularly problematic for wheelchair users and those with visual impairments.

2.31 Service users made a number of comments on the accessibility of the council's housing services and these are considered in detail elsewhere in this report. As a general point, the Committee welcomes that a wide range of additional services are available, however notes that these seem to be planned on a service-level basis. Officers do not have a comprehensive understanding of all of the additional housing services which vulnerable and disabled tenants may be entitled to. The Committee heard that the preference of the Housing Disability Panel would be for one officer to be responsible for coordinating the housing offer for disabled and vulnerable people as this would ensure that clear information was available through a single point of contact. The Committee recognises that it may not be possible to establish a single contact point within existing resources; however considers that having a comprehensive and accessible resource detailing the services available would assist both residents and officers. A guide to the additional services offered would help to direct enquiries to the most appropriate section and assist with establishing resident expectations. It would be particularly useful for this to detail the limits of support offered and to provide advice on how best to access services not offered by the council. For example, the Committee heard that some disabled and vulnerable tenants requested decorative and gardening works which were not offered through the repairs service or the handyman scheme. It would be helpful to advise how to access such services through the voluntary or community sector, or how to find reputable tradespeople in the private sector. Such a guide could be included in the new tenants pack.

2.32 **It is therefore recommended that the information on housing services for vulnerable people be reviewed to provide a comprehensive resource, setting out the services provided by the council, eligibility criteria, any limits to that support, and advice on how to access services that the council does not provide. This should be provided in a range of accessible formats, as required by legislation.**

Accessibility, Communication and Engagement

2.33 The Committee heard varied evidence on the accessibility of housing services. Whilst officers provided examples of how the accessibility of services has increased significantly in recent years, the evidence received from the Housing Disability Panel indicated that further work is required to improve accessibility and communication and engagement with service users.

2.34 Housing services have become more accessible in recent years. Officers have access to a telephone-based language interpretation service. Housing information, including tenancy agreements, can be provided in a range of formats, including an 'easy-to-read' format for those who have difficulties with written language. The Committee particularly welcomed innovations in the Repairs service, which now gives operatives access to sign-language interpreters through a tablet computer.

2.35 The further development of the council's online services has improved the accessibility of housing services to vulnerable and disabled people. Repairs are now able to be reported through the council's website. The Housing Options website which allows residents to register on the housing waiting list and bid for properties includes translation and text re-sizing options. Online services are generally more accessible and the development of these services was welcomed by members and service users; however the Housing Disability Panel highlighted that the accessibility of services could be improved further. More complex repairs are not able to be reported through the council's website and have to be reported by telephone, which is not an accessible communication method for all people. It was suggested that a webchat feature would be a more accessible alternative.

- 2.36 The Committee considered that all transactional processes should be able to be carried out entirely online; however it is also important to maintain alternative ways of accessing housing services. Half of those unable to access the internet are disabled; so whilst online services may be more accessible to many people, the council must still make provision for residents who are not able to access the internet.
- 2.37 **It is recommended that key online customer processes be reviewed to identify and close gaps in accessibility. All housing transactions should be able to be carried out without use of a telephone or having to visit council offices; the introduction of a webchat function would be welcomed. However, it should also be recognised that exclusively online services are not accessible to all.**
- 2.38 The Committee gave particular consideration to the accessibility of the Housing Options service. It was welcomed that the Housing Options website has an automatic bid feature for those who are unable to routinely access the bidding system. The Committee noted the difficulties that vulnerable and disabled people face when bidding for a home and thought that more could be done to support them in this process. The Housing Options website details if a property has level access or if it has been adapted, however it was reported that this information is inconsistently provided by Area Housing Offices. The Committee thought that this was not acceptable and welcomed that work to increase the quality of this information received from Area Housing Offices was already underway.
- 2.39 The Committee also considered small changes which could make a difference to vulnerable and disabled tenants. The Committee heard instances of when tenants had successfully bid for properties and thought that repairs and adaptations would be made before they moved in, only to find that these had not been carried out. The Committee thought that this caused unnecessary anguish and could be mitigated by simply consulting and agreeing with the tenant the works to be carried out and confirming these in writing. Providing timescales of when works would be completed would also help to set the expectations of tenants in advance of their move.
- 2.40 **The Committee recommends that, when moving into a council property, disabled and vulnerable tenants should be consulted on the repairs and adaptations that are required to the property. The works to be carried out should be confirmed in writing with indicative timescales to ensure that both the council and the tenant have mutually agreed expectations.**
- 2.41 Overall the evidence received suggested that although the council has developed the accessibility of housing services, disabled and vulnerable peoples' experiences of those services can vary considerably. Some of the service users interviewed provided examples of particularly poor service from the council's housing services. One resident advised that a council contractor had removed her wheelchair without replacement, resulting in her being unable to leave her home for several days. Another resident advised of a poor experience she had with a housing officer, who had repeatedly arranged repairs at times when she had previously stated she was unavailable due to medical appointments. One resident required adaptations to her home however had not been offered adequate help in accessing these despite raising the issue with the council. Service users reported that they sometimes found housing services difficult to navigate and spoke of being passed between different teams. It was evident that although staff receive training on disability issues and additional services for vulnerable residents are in place, this does not always ensure a positive experience for service users.
- 2.42 The council's housing services generally have good levels of customer satisfaction; with repairs satisfaction currently at around 90% and the Resident Satisfaction Surveys conducted every two years consistently rating overall tenant satisfaction at over 70%. However, the Committee

appreciates that sometimes things will go wrong and is concerned that poor customer service can have a significant detrimental effect on vulnerable and disabled people, more so than other residents. Service users reported feeling frustrated, and commented that poor experiences could discourage vulnerable and disabled people from accessing services which they need and are entitled to. The Committee thought that sharing and reviewing service standards with disabled and vulnerable people would help to ensure that officers and service users have shared expectations of how the council should work with vulnerable and disabled people. The Committee did not consider service standards as part of the review, however it is suggested that these should align with the council's agreed principles of people-centred services and co-production, and officers should be aware of how these principles correspond to their own role.

- 2.43 It was also thought that resident feedback mechanisms could be explored with service user groups. Although the council has an established complaints procedure, the Housing Disability Panel commented that a method of providing more immediate feedback on interactions with the housing service would help to shape services in a more direct way, and would ensure that positive interactions are also recognised.
- 2.44 **It is recommended that housing services publish the standards which they seek to meet when communicating and engaging with disabled and vulnerable people, and should consider reviewing service standards and feedback mechanisms with service users.**
- 2.45 The Committee considered how housing services engage with vulnerable and disabled people. The council's housing services have established several resident groups, including the Housing Disability Panel, which is facilitated by Disability Action in Islington. This provides a forum for service users to review and feedback on housing services for disabled residents; however, evidence received from the Housing Disability Panel indicated that housing services' engagement with vulnerable and disabled people is variable. Although it was recognised that some teams champion the needs of service users, it was commented that other teams take a more bureaucratic view, particularly when dealing with more complex issues. The council's Corporate Plan commits the council to co-production and person-centred services; however the Housing Disability Panel thought that this was not applied consistently, commenting that consultation with service users sometimes appeared to be an afterthought, rather than a key stage in the decision-making process.
- 2.46 The Committee agrees that involving vulnerable and disabled people in how services are planned and delivered is the best way in ensuring that services work for vulnerable people. This is not only relevant to how new services are designed, but how existing services are monitored and evaluated. Given the financial challenges facing the council, it is recognised that services may undergo a period of transformation in the coming years. It is important that service users, particularly the most vulnerable, are asked about their priorities as part of this process.
- 2.47 Meaningful engagement with vulnerable people requires sustained effort and patience. The Housing Disability Panel commented on the need to empower disabled and vulnerable people; these people may not be confident in expressing their views, however engaging vulnerable people in consultations and service reviews not only ensures that housing services are designed to meet their needs, but provides added value by helping to build the skills and confidence of those taking part. The Housing Disability Panel is also keen for service users to be involved in the delivery of services; commenting that this would make services more empathetic to the needs of vulnerable people, and that disabled people would respond well to housing services being provided by other disabled people.

- 2.48 **The Committee recommends that consideration be given to how the voices of vulnerable people can be heard earlier in decision-making processes on procurement, commissioning and designing services; and how vulnerable people can be further involved in service monitoring and evaluation.**

Identifying the needs of vulnerable and disabled people

- 2.49 There are around 4,000 residents flagged by the housing service as being vulnerable. The Committee heard that the vast majority of these residents had been identified through self-referral, often during a transaction with the service. For example, residents are asked about their vulnerabilities when completing a change of circumstances form or moving property. The extent of their vulnerability is self-defined by the residents themselves. Although housing officers advised that staff do occasionally identify vulnerable residents who were previously unknown to the service, the Committee expressed concern that housing services are overly reliant on residents themselves identifying their vulnerabilities to the council. There was a worry that residents who do not access housing services frequently may have needs that are unknown to the council and are not being adequately met.
- 2.50 The Committee considered the significant opportunities the housing service has to engage with disabled and vulnerable people and identify their needs. The Housing Operations service carries out 14,000 home visits each year in relation to income and other tenancy matters. Officers meet with new tenants during the sign-up process and then carry out a home visit four weeks after their move. Caretakers interact with residents on a daily basis. The gas team should visit all properties with gas appliances annually to carry out a service, although it was highlighted that a number of tenants would not allow the council to access their property. Frontline staff receive training on identifying the needs of vulnerable and disabled tenants, as well as how to identify safeguarding issues and other risks, and referrals to support services are made as required.
- 2.51 Although the Committee noted their concerns that some vulnerable people could be unknown to housing services, it was agreed that there are many opportunities for staff to identify disabled and vulnerable people. The Committee welcomed that staff receive training on identification and referral mechanisms, however, concerns were raised that some officers did not have a detailed understanding of the specific needs of vulnerable and disabled people and how these could have practical implications on how they deliver their services. For example, evidence from the Repairs service highlighted that housing services hold data on vulnerabilities rather than resident needs. Officers commented that sometimes it was difficult for staff to know how to react to this information; for example although staff may know that a resident has mobility issues, they may not know if they require access to specialist equipment; staff may know that residents have communication difficulties, but may not know how best to communicate with them. In addition, members of the Housing Disability Panel reported inconsistencies in how the statutory requirement for services to make reasonable adjustments was applied.
- 2.52 It is thought that a more effective service could be provided to residents if staff received more relevant information on how to support residents with additional needs. Reviewing the way in which staff are trained alongside service users such as the Housing Disability Panel would be an effective method of ensuring that staff have access to the information they need.
- 2.53 **It is therefore recommended that Housing Services should review how staff are trained, kept up to date, and access information on how to best support residents with additional needs. This review should be in conjunction with service users, to identify knowledge and skills gaps and agree how these should be resolved. Staff need to understand how additional needs will have a practical impact on their work and their interactions with residents.**

- 2.54 In addition to reviewing staff training, it is thought that developing the data held by housing services would assist staff when delivering services to vulnerable and disabled people. It has already been highlighted that reviewing definitions of vulnerability may help to develop the council's housing services. Similarly, holding detailed data based on resident needs, rather than vulnerabilities, would support officers in providing more customer-focused services. Officers advised that such information would also generate efficiencies by helping to clarify resource requirements in advance of services being carried out. It is thought that such a system would be most effective if multiple services were able to access and contribute to the data, as this would support integrated working between services in more complex scenarios.
- 2.55 **A comprehensive needs matrix should be developed to enable housing services to record the needs of vulnerable and disabled people in greater detail. This will help to ensure that staff have the right resources and are aware of how they need to adapt their services for those with additional needs.**
- 2.56 The Committee also considered how housing services could develop more detailed information on the needs of vulnerable and disabled people. It was thought that relying on self-referral mechanisms would not be sufficient to capture the complex and unique needs of residents. Officers noted that staff on estates such as caretakers provide a vital link between residents and the council, and the Committee suggests that developing this relationship further will greatly assist capturing detailed information on resident needs. It was also commented that residents have a great deal of knowledge about their local area and community, particularly in relation to neighbours with additional needs and issues which may affect them more acutely than others, such as anti-social behaviour, dog fouling, trip hazards, and so on. Harnessing this information would be of significant benefit to the council's housing services. Age UK also commented on the potential of the community in supporting vulnerable people, and advised of their long-term ambition to develop local volunteering schemes which would allow care to be provided by others in the community.
- 2.57 It is essential for estates staff to have their own 'patch' to allow relationships with the community to develop. The Committee thought that a more 'holistic' housing operations service, delivered on a more local basis, would support the development of stronger relationships between officers and residents. A holistic service would deliver a greater range of support services alongside housing services, for example, it was suggested that Area Housing Offices could help residents with cognitive disabilities to complete forms, or help residents who are unable to access the internet to access online services. This would not only contribute to the wellbeing of tenants, but help them to manage their tenancy, finances, and to live independently.
- 2.58 **In order to develop the relationship between the council and local communities, consideration should be given to making the Housing Operations service more 'holistic', whereby a greater range of services are provided to residents on a more local basis.**
- 2.59 The data on resident needs could also be informed by existing data held by other departments. The Housing Disability Panel reported how frustrating it was for disabled people to have to repeat their needs to multiple officers, particularly when the council was already aware of these. Officers advised that these issues sometimes arose because social services may not be able to share sensitive information with housing, or housing may not be able to share sensitive information with contractors under the council's existing data sharing agreements. However, the Housing Disability Panel suggested that it may be possible to share information on resident needs without reference to more sensitive data on vulnerabilities and personal circumstances. Whilst the security of sensitive data is essential, the Committee considered that barriers to accessing data should be minimised as far as possible to enable the council and its contractors to provide good quality services. This may involve thinking innovatively about data sharing agreements and how information is held. Services will also need to consider issues related to the ownership of data, to ensure that residents remain in control of how their information is processed.

- 2.60 **The council should review its information governance responsibilities and data sharing agreements to ensure that the support needs of residents are known to the services that need this information. It is important that housing services and contractors can access residents' data securely to enable them to provide high quality services to vulnerable people.**

Benchmarking services and identifying best practice

- 2.61 The Committee was keen to ensure that the council's housing services for vulnerable people were in line with those of other housing providers and incorporated best practice approaches. Evidence was received from Partners for Improvement in Islington; Homes for Haringey; and Peter Bedford Housing Association, a specialist housing provider for vulnerable people. The Committee was particularly interested in the services provided by Partners, given that they manage 6,400 street properties owned by the council. The Committee thought that these residents should not receive a significantly different service to those in directly-managed properties.
- 2.62 All Partners properties were general needs properties and were not specifically designed for those with support or care needs. Partners was aware that 21% of its tenants had a disability or impairment, however thought the true number would be higher. As with the council, Partners was largely reliant on self-referral of vulnerabilities. Partners only held the specific details of one third of tenants with a disability or impairment, with many choosing not to disclose this information to Partners.
- 2.63 Partners acknowledged that it was not a specialist in providing support services to vulnerable people. As a result Partners was keen to work with Social Services to ensure that appropriate referrals were made when required. The importance of joint working with social care and other agencies was a key theme which emerged from all of the housing providers that gave evidence to the review. Islington Council's own housing service is very well positioned to work in partnership with adult social care given that they sit within the same directorate.
- 2.64 Partners provided enhanced services to vulnerable people which were similar to the council's own. Heating and hot water repairs were prioritised for vulnerable people, with a 24 hour response target. Partners had a budget for discretionary repairs and adaptations, and also had a rolling programme of visiting older and vulnerable tenants. The Committee noted that Homes for Haringey also offered many services similar to those offered by Islington Council, including an enhanced repairs service, a handyman scheme, and a programme of visiting elderly and vulnerable tenants.
- 2.65 The evidence received from all housing providers indicated that it was commonplace for frontline staff to attend training courses on identifying the needs of vulnerable people. The council's housing officers attended such courses, as well as courses on mental health first aid, safeguarding, disability awareness, deafness awareness, diversity, and managing conflict.
- 2.66 The Committee identified that Peter Bedford Housing Association demonstrated good practice in a number of areas. As the housing provider operated on a relatively small scale, it was able to interact with all of its 275 tenants on a semi-regular basis. Vulnerable residents were supported in participating in community activities, taking up volunteering opportunities and developing relationships with their neighbours. The Committee was particularly impressed with the ethos of the housing association, which was focused on providing integrated care, holistic support, mutual trust, empathy, and empowering vulnerable residents to live independently. Some of the services provided by Peter Bedford Housing Association were already provided by the council. Peter Bedford Housing Association commented on the importance of incorporating the needs of vulnerable people into major incident response plans; the Committee was reassured that this

work had already been carried out by the council. Peter Bedford also noted that documents for residents were produced in an easy to read format; Islington Council also did this for key documents.

- 2.67 Peter Bedford Housing Association highlighted that it was particularly difficult for vulnerable people to save for private sector deposits and suggested that Islington Council could support vulnerable people further in this area; it was commented that the London Borough of Hackney provided vulnerable people with loans and grants for this purpose.
- 2.68 Overall the Committee considered that the council's housing services for vulnerable people were largely in line with those of other housing providers. However, the Committee particularly welcomed the ethos of Peter Bedford Housing Association, which was focused on providing holistic support to vulnerable people. It is hoped that the recommendations in this report will contribute towards making the council's housing services more responsive to the needs of vulnerable people.

Joint working between Housing and other services

- 2.69 Joint working between Housing and other agencies is mandated by law; the Care Act introduced a statutory requirement for adult social services, children's services, the NHS, and housing services to collaborate and cooperate. Local authorities are also required to work together to assist transitions across borders and from children's to adult's services.
- 2.70 The relationships that Housing has with other services are formalised in a number of joint working protocols. These include protocols and guidance documents mutually agreed between Housing and Adult Social Services, Housing and Children's Services, and documents formalising how joint working should take place between various organisations around specific issues, such as Mental Health, Hoarding, Domestic Violence, and the Independent Futures services for care leavers. The Committee did not scrutinise the content of joint working protocols in detail, however these covered how services should work together in terms of communication, escalation processes, referrals, and information sharing; and how housing services should deal with issues such as access to properties, income recovery, eviction, and so on.
- 2.71 Joint working was not only limited to health and care services. The Committee welcomed partnership work with the Planning section to develop and implement housing standards which prioritise accessibility. Islington Council policy requires 10% of new homes to be wheelchair accessible, and all homes to be built to the National Housing Standard, which replaced the previous Lifetime Homes standard. This ensures that properties are able to be adapted as the needs of their residents change, as well as providing easy access and a WC at ground level. The Committee recognised that many older properties were difficult to adapt and could present a risk to their tenants who may understandably want to stay in their own home; and hoped that modern design standards would support residents to live in new properties independently.
- 2.72 The Committee heard practical examples of joint working in action. The Housing Options team reported that they had a good working relationship with social services, the Islington Learning Disabilities Partnership, Age UK and the Police; and high-risk cases were regularly discussed with these agencies. On the other hand, the Housing Disability Panel suggested that, from a service user perspective, joint working was not always effective. This was demonstrated by having to repeat information to different services.
- 2.73 The Committee found that there is a great deal of joint working between the council's Housing Services and other services, however thought that some relationships could be made more effective. Staff at the Hornsey Road Reception Centre commented that communication between services could be improved. An example was given of a homeless 18 year old in the centre who had not lived independently before; staff thought that this young person needed some additional

guidance and support but found it difficult to action change in other services. It also became apparent during the visit that staff were not aware that another resident's application for re-housing had been accepted by the council.

- 2.74 Lack of communication between services can be detrimental to vulnerable people's wellbeing. Reception centre staff highlighted that one particular issue was hospitals directly discharging patients to reception centres. This may happen if the patient is homeless, or is unable to return to their own property. There had been instances where reception centre staff were not advised of what support or care these vulnerable people needed; these people generally arrived at the Reception Centre by ambulance without clothing or food and sometimes were not able to go out and get the supplies they needed. The situation was exacerbated if these residents arrived on Friday afternoon, as it was difficult to liaise with the hospital or social services because staff had left for the weekend. As a result the Reception Centre had started demanding that a care plan was provided in advance of these residents being accepted; however the Committee thought that this area warranted a higher-level review of how housing, social services, and the NHS liaise in relation to hospital discharge arrangements.
- 2.75 **It is recommended that liaison between housing, social services and NHS services be reviewed in regards to hospital discharge arrangements; to ensure that reception centres and other relevant housing services are aware of care needs and that disabled and vulnerable people are fully supported.**
- 2.76 It was also considered that further joint working was needed with the council's housing contractors to ensure that they adequately meet the needs of vulnerable people. The Housing Disability Panel commented that the service received from contractors was inconsistent, that they seemingly were not aware of their duty to make reasonable adjustments under the Equality Act 2010, and that they were often not aware of disabled and vulnerable people's needs. The Committee suggests that these issues could be partially addressed through more comprehensive information sharing agreements, however acknowledges that there may also be performance issues which need addressing. Islington Council contractors should be held to the same standards as council staff, and their services to vulnerable people and compliance with disability legislation should be monitored through contract management processes, with enforcement action taken if necessary.
- 2.77 **It is recommended that housing services should set clear expectations for contractors about working with disabled and vulnerable residents; this should include standards for staff training and accessibility. Compliance should be enforceable and regularly monitored to ensure that contractors are compliant with relevant disability legislation and that they are responsive to the needs of vulnerable and disabled people. Housing contractors should also be required to report any welfare concerns they have to the Housing service.**

Other findings: the experiences of carers

- 2.78 The Committee considered the views and experiences of carers, who have a unique insight into the housing issues affecting vulnerable people and could also be vulnerable themselves. Evidence was received from Age UK Islington, which is commissioned by the council to manage the Islington Carers Hub, providing a one stop shop for advice and support, as well as workshops, training opportunities and facilitated support groups. Age UK was also able to provide carers assessments, help with completing forms, benefits advice, and a flexible breaks fund.
- 2.79 There are 16,311 carers in Islington which represents around 8% of the borough's population. However, only around 2,000 carers are registered with the Carers Hub; Age UK was concerned

that there was a number of carers, and by extension vulnerable people, who were not receiving support or advice on care issues. To increase their client base Age UK advertised the Carers Hub in GP surgeries, Job Centres, and other community buildings; as a result the organisation was registering 37 new carers a month. The organisation was also proactive in identifying vulnerable people's needs, and regularly made calls to vulnerable people and their carers to establish if they needed any additional support.

2.80 Age UK Islington had carried out a survey of carers to gauge their opinions on housing services for vulnerable people. It was found that 13% of the organisation's casework was housing related. This could relate to council housing, housing association properties, or private housing. Age UK surveyed 36 carers and identified four main housing-related themes; rehousing, repairs, money (i.e. financial support with housing and utilities costs), and aids and adaptations. Feedback on the council's services was generally mixed. It was reported that some carers were unaware of the services the council offered to vulnerable people. It was also highlighted that carers themselves faced specific housing issues, with Age UK regularly providing advice on succession rights, which could be problematic in the event of a vulnerable person's death. The Committee welcomed the work of Age UK Islington in supporting carers, noting that carers had a very important role in supporting the wellbeing of vulnerable people.

2.81 Other findings: service reviews

2.82 The Housing Operations service is to carry out a fundamental review of the council's housing offer over the next year. This is intended to review how Housing works with other services and how the service could be more personalised and user-led, with a focus on the integration of services and early-intervention, to support the independence and resilience of vulnerable people. The Committee consider that vulnerable and disabled people must be engaged in this review; both through representative organisations such as Disability Action in Islington and on an individual basis. It is important to ensure that people with a wide range of vulnerabilities are consulted.

2.83 **Service user groups should be invited to participate in the forthcoming review of the Council's housing management services, and other service reviews as appropriate.**

3. Conclusions

- 3.1 The Committee welcomes the council provides a wide range of specialist housing options and additional housing services to disabled and vulnerable people. However, it is considered that these services could be made more effective. One particular area for improvement is communication and engagement, which appears to be at the heart of many of the issues raised by both residents and officers.
- 3.2 Developing communication between housing, other services, and contractors will help to ensure that staff have access to comprehensive, accurate and practical information on resident needs, which will support them in delivering housing services more effectively. Further communication and engagement with disabled and vulnerable people will help to ensure that services are meeting their needs, that residents are aware of the services available and how to access them, and what can be expected from those services.
- 3.3 The Committee has made 14 recommendations in response to the evidence received. It is hoped that the Committee's recommendations will assist the council in providing more effective and more personalised housing services, which will support the overall wellbeing of vulnerable people and help to maintain or develop their independence and resilience.

- 3.4 In carrying out the review, the Committee met with officers, service users, and other housing providers 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: Housing Services for Vulnerable People
Scrutiny Review Committee: Housing Scrutiny Committee
Director leading the review: Maxine Holdsworth, Service Director, Housing Needs and Strategy
Lead officer: Paul Byer, Service Development Manager
Overall aim: To review the effectiveness of the housing services the council provides to vulnerable people
<p>Objectives of the review:</p> <ul style="list-style-type: none"> • To identify and assess the housing options and additional housing services available to vulnerable people • To confirm that the council's housing services are accessible to vulnerable people • To assess how vulnerable people and their particular needs are identified by housing services • To evaluate how the council's housing services communicate and engage with vulnerable people • To benchmark the council's housing services for vulnerable people against those of other housing providers and to identify best practice • To review the extent of joint working with adult social care and others.
<p>How is the review to be carried out:</p> <p><u>Scope of the review</u></p> <p>The review will focus on:</p> <ol style="list-style-type: none"> 1. Vulnerabilities <ul style="list-style-type: none"> • An overview of the social care offer to borough residents and how this relates to housing services • Definitions of vulnerability, identification mechanisms, the types of additional support required and how housing services can be best tailored towards vulnerable people • How the needs of vulnerable people can be prioritised within the housing service

2. Housing services

- The housing options for vulnerable people and how housing is allocated
- The additional services available to vulnerable council tenants, Partners tenants, leaseholders, and others, including those with mental health issues; including how services are developed
- The effectiveness and accessibility of additional services such as the assistive decorative scheme, discretionary repairs, the handyperson scheme, the adaptation service and floating support service
- How housing services communicate and engage with vulnerable people, including customer service and complaints procedures
- Advocacy services available for vulnerable people at risk of losing their home

3. Partnership work

- Cross-service work between Housing and Adult Social Services and others
- Partnership work with other housing providers: i.e. Circle Housing providing sheltered housing
- Partnership work with TMOs and the voluntary sector

4. The performance, sustainability and value for money of services

- Comparing and benchmarking our services to those of other boroughs and housing providers
- How the performance of services is monitored
- The views and experiences of service users
- The resources available for vulnerable housing and additional services
- Risks and opportunities, such as legislative change and new technologies
- Identifying possible service improvements

Types of evidence

1. Documentary evidence including:

- Contextual report/presentation
- Case studies
- Demographic information on the vulnerable people accessing the council's housing services
- Relevant service specifications, policies, performance indicators and other documentation

2. Witness evidence including:

- Officers from across the council's housing services
- Service providers
- Service users and representatives of vulnerable tenants, such as the Housing Disability Panel and the Older Person's Champion
- Islington Carer's Hub
- Relevant voluntary and community sector organisations
- Another local authority, either a neighbouring borough or a best practice authority
- A good practice housing association

3. Scrutiny visit as required

Additional information:

The Council's Corporate Plan states 'We want to ensure that everyone in Islington has a place to live that is affordable, decent and secure'. It states that a priority of the Council is 'making Islington a place where our residents have a good quality of life' and this will be achieved by supporting vulnerable residents and carers and helping residents to live healthy independent lives. The Corporate Plan is underpinned by the council's principles of early intervention and prevention, people-centred services, co-production, strong partnerships, making every contact count, and being employment focussed.

The Committee has decided to undertake this review in the context of the significant financial challenges facing the Council; to ensure that the housing services provided to vulnerable tenants are effective and accessible at a time when budgets are under increasing pressure.

In carrying out the review the committee will consider equalities implications and resident impacts identified by witnesses. The Executive is required to have due regard to these, and any other relevant implications, when responding to the review recommendations.

Programme

<u>Key output:</u>	<u>To be submitted to Committee on:</u>
1. Scrutiny Initiation Document	11 July 2016 & 6 September 2016
2. Draft Recommendations	28 March 2017
3. Final Report	20 June 2017

Housing Scrutiny Committee – Work Plan

11 July 2017		
Who / What	Organisation / Purpose	Other key information
Maxine Holdsworth, Service Director, Housing Needs and Strategy	To introduce the scrutiny initiation document and to advise on the context of the review.	The SID was referred to the Housing Disability Panel and subsequently agreed following amendment.

6 September 2016		
Who / What	Organisation / Purpose	Other key information
Paul Byer, Service Development Manager	To provide an introduction to the support services offered by the Housing service to vulnerable residents, and other contextual information.	To meet SID objectives: <ul style="list-style-type: none"> To identify and assess the housing options and additional housing services available to vulnerable people
Claudia Thompson, Assistant Director, Adults Integrated Community Services	Adult Social Services – To provide an overview of the social care context in Islington and to describe the additional needs and challenges faced by vulnerable residents.	To be supported by written information compiled by Tessa Cole, Improvement and Efficiency Programme Manager, and Michele Chew, Head of Quality and Performance. To meet SID objectives: <ul style="list-style-type: none"> To review the extent of joint working with adult social care and others.

17 October 2016

Who / What	Organisation / Purpose	Other key information
Cora Nicholls, Housing Options Manager, and Vicky Manser, Principal Re-Housing Manager	Housing Needs and Strategy – on the work undertaken by the service on supporting vulnerable people.	To meet SID objectives: <ul style="list-style-type: none"> • To identify and assess the housing options and additional housing services available to vulnerable people • To assess how vulnerable people and their particular needs are identified by housing services • To evaluate how the council's housing services communicate and engage with vulnerable people • To review the extent of joint working with adult social care and others

1 December 2016

Who / What	Organisation / Purpose	Other key information
Jon Farrant, Head of Tenancy and Estate Services	Housing Operations – on the work undertaken by the service on supporting vulnerable people, including referrals to advocacy organisations and Social Services.	To meet SID objectives: <ul style="list-style-type: none"> • To identify and assess the housing options and additional housing services available to vulnerable people • To assess how vulnerable people and their particular needs are identified by housing services • To evaluate how the council's housing services communicate and engage with vulnerable people • To review the extent of joint working with adult social care and others
Glenn McCorkindale, Property Services Programme Manager	Property Services – on the work undertaken by the service on supporting vulnerable people.	

Representative of Peter Bedford Housing Association	Peter Bedford Housing Association – to review the services for vulnerable people provided by a good practice Housing Association.	To meet SID objectives: <ul style="list-style-type: none"> To benchmark the council's housing services for vulnerable people against those of other housing providers and to identify best practice
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10 January 2017

Who / What	Organisation / Purpose	Other key information
Housing Disability Panel representatives	Housing Disability Panel – to provide information from a service user perspective.	To meet SID objectives: <ul style="list-style-type: none"> To confirm that the council's housing services are accessible to vulnerable people To evaluate how the council's housing services communicate and engage with vulnerable people
Age UK – Carer's Representatives	Age UK – To provide information from a carer's perspective.	
Service users	Open invitation for service users to attend and provide evidence.	

2 February 2017

Who / What	Organisation / Purpose	Other key information
Representative of another local authority	To benchmark the council's housing services for vulnerable people to that of another local authority.	To meet SID objectives: <ul style="list-style-type: none"> To benchmark the council's housing services for vulnerable people against those of other housing providers and to identify best practice
Partners representative	Partners for Improvement in Islington – on the additional services offered to vulnerable Partners tenants.	

Scrutiny visit:

Visit to Reception Centre accommodation at 305 Hornsey Road – 28 February 2017

Key dates:

28 March 2017: Draft Recommendations

20 June 2017: Final Report

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Report of: Chair of Children’s Services Scrutiny Committee

Meeting of	Date	Ward(s)
Executive	28 September 2017	All

Delete as appropriate		Non-exempt
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Subject: Post-16 Education, Employment and Training 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 Post-16 Education, Employment and Training. 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 July 2016 the Children’s Services Scrutiny Committee commenced a review post-16 education, employment and training. The overall aims of the review were to explore how to sustain improvements and continue to increase the number of young people progressing to, and in, post 16 education, employment and training; and to suggest ways to prevent young people becoming not in education, employment or training (NEET) in the first place.
- 3.2 The objectives of the review included assessing the strategic role of Islington Council in helping to increase the number of young people in education, employment and training; to identify and assess specific measures which will increase progression into education, employment and training; and to

assess the availability and effectiveness of information, advice, guidance, and employability skills support for young people.

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 welcomes the work of the council's employment and progression support services. Services have reduced the number of young people NEET and are well received by young people. A range of support is provided to schools, and it is hoped that innovative work to develop employer-led careers education will be effective. However, the Committee has identified areas for further development, and 16 recommendations have been made in response to the evidence received.

5.2 In carrying out the review, the Committee met with young people, officers, school leaders, officers of a neighbouring authority, representatives of local businesses and others 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.

Appendices:

- Post-16 Education, Employment and Training – Report of the Children's Services Scrutiny Committee

Background papers:

- None.

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Post-16 Education, Employment and Training

REPORT OF THE CHILDREN'S SERVICES SCRUTINY COMMITTEE



London Borough of Islington
June 2017

EXECUTIVE SUMMARY

Post-16 Education, Employment and Training

Aims:

- To explore how to sustain improvements and continue to increase the number of young people progressing to, and in, post 16 education, employment and training; and
- To suggest ways to prevent young people becoming not in education, employment or training (NEET) in the first place.

Evidence:

The review ran from July 2016 until March 2017. Evidence was received from a variety of sources:

1. Presentations from council officers

- Holly Toft, Head of Post-16
- Alison Bennett, Careers Education, Information, Advice and Guidance Specialist
- Cherrylynn Jaffier, Progress Advisor (Vocational Pathways)
- Lorraine Blyth, Post-16 Participation Manager
- Hamish Mackay, Young Employment and Apprenticeships Manager
- Jodi Pilling, Learning and Skills Manager

2. Documentary evidence

- Department for Education, 'Participation of young people in education, employment or training – Statutory guidance for local authorities', September 2014
- Department for Education, 'Careers guidance and inspiration in schools – Statutory guidance for governing bodies, school leaders and school staff', March 2015
- London Councils, 'London Ambitions: shaping a successful careers offer for all young Londoners', June 2015
- The Islington Employment Commission, 'Working Better, The final report of the Islington Employment Commission – Summary', November 2014
- Islington Employment Services Board, 'One Year On: Making it Work Better', November 2015
- Envoy Partnership, 'A Social Return on Investment, Evaluation of the ESF NEET Fast Forward Programme', February 2015
- Contextual report
- Briefing note: Careers Education, Information, Advice and Guidance in Islington's Secondary Schools – legal and policy context, brief history of responsibility for IAG, description of Careers Network, 'Gold Standard' for New River College and AP
- Briefing note: Employability skills support for young people
- Briefing note: The role of the Progress Advisor (Vocational Pathways)
- Briefing note: Islington Schools/College Careers Cluster

3. Information from witnesses

- Paul McIntyre, Assistant Head, Elizabeth Garrett Anderson School
- Lesley Thain, Head of Employer Engagement, Central Foundation Boys' School
- Mercedes and Alex, Mer-IT
- David Williams, NEET Achievement Coach Manager, Groundwork London
- Dorcas Morgan, Development Director, Park Theatre
- John Nugent, Chief Executive, Green and Fortune

4. Scrutiny visit

- Visit to Lift Youth Hub to meet young people who had recently been NEET and their Progress Advisors

Main Findings

- The Committee commended the Progress and iWork services for their work in reducing the number of young people NEET in Islington. However, the Committee considered that improvements could be made to these services. In particular, it was queried if the services could be strengthened by presenting themselves as a united service. It is considered that greater coordination and joint working between the teams would lead to a more coherent employability and progression support service.
- The Committee has made several recommendations to further increase progression into education, employment and training. These include: increasing the number of 'stepping stone' approaches; reviewing careers education in alternative provision with a view to incorporating employer-led learning; reviewing the quality, range and accessibility of vocational pathways; and raising awareness of the council's progression and employment services.
- To significantly increase the number of young people progressing into education, employment and training, work is needed to tackle the root causes of barriers to progression.
- The Committee was impressed with the evidence received from the London Borough of Hackney on their wrap-around support for young people. Although it was noted that Hackney organises their youth services differently, the Committee was impressed that employability support was integrated with the borough's early help service. This allowed employability and progression support to be provided alongside mental health and behavioural support in a comprehensive 'whole child' approach. Further to this, these comprehensive early help services were linked to all universal youth services in Hackney, which both normalised accessing support services and allowed young people to seek and receive progression support in a range of settings.
- The Committee was concerned that some young people were not aware of the vocational options available to them or how to access support. It was also worrying that some young people did not discuss 'back-up plans' with school staff or their peers. The Committee believes that a supportive climate should be nurtured in which it is normal to seek vocational options, access support services, and discuss 'back-up plans'.
- The council has supplemented the careers education of some schools by integrating a specialist vocational progression advisor in those schools to work directly with pupils; this followed feedback that some schools were not confident in providing advice on vocational pathways. It is suggested that an induction session and resources be provided to careers leads, teachers, and other adults working with young people to develop their understanding of vocational pathways.
- The Committee identified that a number of projects focused on supporting young people's employability skills were time limited. The Committee would support a more strategic approach to developing and funding progression support activity, with an emphasis on sustainability.
- The Committee considers it essential that any actions arising from this review are developed in partnership with young people. It is important that young people are able to help shape the services they access, as this will ensure that services remain relevant and meet their needs.

Conclusions

The Committee welcomes the work of the council's employment and progression support services. Services have reduced the number of young people NEET and are well received by young people. A range of support is provided to schools, and it is hoped that innovative work to develop employer-

led careers education will be effective. However, the Committee has identified areas for further development, and 16 recommendations have been made in response to the evidence received.

In carrying out the review, the Committee met with young people, officers, school leaders, officers of a neighbouring authority, representatives of local businesses and others 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

1. That the Progress and iWork teams be integrated further to develop a more coherent and efficient employment and progression support service.
2. That Children's Services review how the council's employment and progression support services could be further integrated with both targeted and universal youth services, to improve the accessibility of the Progress Team and to provide more holistic support to those in need. This review should be completed by July 2018 and the conclusions reported back to the Children's Services Scrutiny Committee.
3. That the council provide an induction session and supporting resources for teachers and others working with young people. This should be primarily targeted at those working with 14 – 18 year olds and professionals with careers/pastoral responsibilities. The induction and resources should focus on the specific issues faced by young people in Islington and seek to bridge knowledge gaps, such as the range of vocational opportunities available and how best to support young people into them.
4. That the council work to increase the sustainability of employability and progression support activities; for example by supporting schools in developing their own high-quality support to those seeking vocational pathways, and by reviewing how voluntary and community sector groups which contribute to young people's employability are supported.
5. That the council provide tailored advice and support to families whose benefits eligibility may be affected by their child's employment. This must be handled sensitively and should not discourage young people from seeking employment.
6. That the council explore how a greater number and range of traineeship opportunities can be provided and brokered to develop the skills of young people who are not yet ready to apply for an apprenticeship.
7. Secondary schools and colleges should make use of alumni groups to support their careers education offer. This should help young people to access professional networks and sector specific knowledge, and may identify role models for young people.
8. That the 'gold standard' for careers education in Alternative Provision and New River College be reviewed and developed further. This should include high-impact employer-led sessions focusing on ambitions and work readiness. It would be appropriate for these to be provided by local businesses which offer apprenticeships.
9. That Children's Services undertake a strategic review of the quality, range and accessibility of vocational pathways to determine if there are appropriate pathways available to young people. The findings of this review should be completed by July 2018 and the conclusions reported to the Children's Services Scrutiny Committee.

10. That the profile of the council's progression and employment services be raised with school leaders to ensure that the council has access to data on the pupils who may not attain the required grades, and those who have not attained their expected grades on results day. This should include the pupil's name, contact details, expected and actual grades, information on their ambitions, and any other relevant information. This will ensure that young people NEET receive appropriate support as soon as possible.
11. That further work be undertaken to raise awareness of the council's progression and employment services to young people and the wider public. This should include assemblies or workshops, as well as follow up advertising in public spaces, publications such as 'Islington Life', social media, and relevant publications produced by partner organisations.
12. That further work be carried out to publicise the successes of those who have completed apprenticeships. This should raise the profile of apprenticeships and provide role models to young people.
13. That a single access route to the employability support services offered by the council and its partner organisations be established and publicised.
14. That the council continue to develop cross-London working relationships to share best practice with other boroughs. This should support Islington pupils in accessing a wide range of opportunities and developing sector-specific knowledge of the opportunities available.
15. Each secondary school and college should nominate one of their governors to oversee their careers education offer. The council should engage with those governors to support them in this role. This could include providing them with information, such as destinations data for their former pupils, including those who were referred to alternative provision.
16. Actions arising as a result of this review should be developed in partnership with young people to ensure that the council's employment and progression support services meet their needs effectively.

MEMBERSHIP OF THE CHILDREN'S SERVICES SCRUTINY COMMITTEE – 2016/17

Councillors:

Councillor Theresa Debono (Chair)
Councillor Rakia Ismail (Vice-Chair)
Councillor Alex Diner
Councillor Satnam Gill OBE
Councillor Michelline Safi Ngongo
Councillor Nick Ward
Councillor Nick Wayne

Co-opted Members:

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

Substitutes:

Councillor Alice Donovan
Councillor Alice Perry
Councillor Angela Picknell
Councillor Dave Poyser

Acknowledgements:

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

Officer Support:

*Tania Townsend – Development and Strategy Manager
Holly Toft – Head of Play, Youth and Post-16
Jonathan Moore – Senior Democratic Services Officer*

1. Introduction

- 1.1 The Committee commenced the review in July 2016 with the overall aims of exploring how to sustain improvements and continue to increase the number of young people progressing to, and in, post 16 education, employment and training; and to suggest ways to prevent young people becoming not in education, employment or training (NEET) in the first place.

The Committee also agreed to the following objectives:

- To understand the profile of 16-18 and 18-24 year olds in Islington currently progressing to and in education, employment and training; and which groups of young people are most vulnerable to being NEET
 - To assess the strategic role of Islington Council in helping to increase the number of young people in EET
 - To understand the obstacles to progression into EET
 - To identify and assess specific measures which will increase the progression into EET for groups of young people with low levels of participation in EET and other young people vulnerable to becoming NEET
 - To assess the availability and effectiveness of information, advice, guidance and employability skills support for young people regarding post 16 education, employment and training
 - To examine 'promising practice' approaches at school and local authority level that indicate the best success in reducing the number of young people NEET and preventing young people becoming NEET, and how they might apply locally.
- 1.2 In carrying out the review the Committee met with several officers from Children's Services, including those who work directly with young people; young people who had accessed the council's Progress service; representatives of local schools and businesses; local charitable and voluntary organisations which support young people's employability; and officers from neighbouring boroughs. The Committee also visited the Lift Youth Hub.

Local context

- 1.3 Islington Council's Corporate Plan states that a priority of the council is to help people find the right job. The Corporate Plan explains that the council will create change for the next generation by:
- Providing one to one support to those not in education, employment or training (NEETs) or those at risk of becoming NEET;
 - Working with schools, employers and Further Education colleges to develop and promote take up of apprenticeships and vocational training – including 200 council apprenticeships over the next four years;
 - Supporting schools to deliver good quality careers advice and guidance and provide young people with the employability skills that employers require – and a new network for careers leads in schools.

1.4 The rate of young people who are NEET in Islington has greatly reduced in recent years. Islington's NEET population was 8.8% in 2012/13¹, higher than the London and England averages. However, significant improvements have been achieved since then, with the number of NEETS reducing to a low of 2.2% in 2015/16²; below the London and England averages. Whilst these improvements are welcomed, a small number of young people remain NEET. These young people are typically vulnerable and have a range of different needs, which act as barriers to accessing education, employment and training. They may have significant skills gaps, behavioural difficulties, or complicated home lives. They may have mental health problems, be known to the criminal justice system, or be from a workless household. It is essential that these young people are supported in progressing to education, employment and training; spending time NEET is detrimental to individual wellbeing and increases the demands on public services. The Committee wished to review post-16 education, employment and training to establish how this cohort of vulnerable young people could be best supported, and to review how careers education, information, advice and guidance could be developed further for all young people in the borough.

2. Findings

Who are young people NEET?

- 2.1 To review the how young people can be best supported it is important to understand young people NEET and the barriers they face. The Committee received a range of evidence on Islington's NEET cohort, including demographic information, information on their vulnerabilities, and case studies. It is important to consider that the NEET cohort is not static; demographic data and the particular issues faced by young people NEET constantly changes as they either progress into education, employment or training or become newly NEET. For this reason the Committee focused their evaluation around a representative snapshot of the 99 young people (aged 16-18) NEET in December 2015. This found that the NEET cohort was disproportionately male (64%), with the vast majority of those young people available to the labour market (72%). Young females were more typically not available to the labour market, with around 40% of the NEET females either a teenage parent with caring responsibilities or pregnant. Around 60% of the young people NEET were from White ethnic backgrounds. Only 6% had previously had a statement of special educational need, suggesting that this was not a significant barrier to progression in the majority of cases.
- 2.2 The fact that this NEET cohort was disproportionately comprised of White ethnic boys is worrying. White British pupils are most likely to be referred to Alternative Provision, and also experience a gap in attainment compared to other ethnic groups. This is reflected in the figures; 45% of young people NEET had previously attended either New River College or Alternative Provision.
- 2.3 Only around a quarter of the young people NEET had attended mainstream Islington schools. A similar proportion had attended schools outside of the borough. Although it is important to work with Islington schools to support young people's progression, this is not a catch-all solution. The Committee acknowledged that work to support young people's progression must take place across a range of settings.
- 2.4 The majority (59%) of the young people NEET had cycled in and out of education, employment and training. Although some young people may be NEET for extended periods of time, others may be NEET for only a matter of weeks before starting a new job or training course, however may become NEET again at a later date. This highlights that young people not only need support in accessing education, employment and training, but in remaining there.

¹ Average, November 2012 to January 2013

² Average, November 2015 to January 2016

- 2.5 It is important to remember that the vast majority of young people in Islington progress into further education, employment or training successfully. However, the small number of young people that do not progress successfully tend to face significant barriers to progression. The Committee heard a great deal of evidence on the support services and opportunities available to young people NEET. The council's work in providing and coordinating these is welcomed and recommendations on how these could be developed further are set out in this report. However, to significantly increase the number of young people progressing into education, employment and training, and to improve the outcomes for these young people, work is needed to tackle the root causes of these barriers to progression.
- 2.6 The Committee acknowledges that work is underway across the council to address the issues faced by the borough's most vulnerable young people. The Committee has previously considered and commended the council's early help services which provide support to families and seek to intervene before issues become entrenched. The Committee has also previously reviewed the use of Alternative Provision, and has made recommendations to both improve its quality and minimise its use. The Committee supports the council's early intervention approach; and hopes that the recently established Fair Futures Commission can highlight the inequalities faced by the most deprived young people in the borough and will lead to more positive outcomes for these young people.

The strategic role of Islington Council in providing support to young people

- 2.7 Islington Council has an essential role in supporting the progression of young people. There are several strands to the council's work in supporting progression, however this work can be grouped under three broad categories; work to directly support young people; work to support schools; and the council's role as a major employer in the local area.
- 2.8 Islington Council has various statutory responsibilities related to the progression of young people. The council must ensure that young people remain 'in learning' (i.e. in education, employment or training) up to the age of 18. This requirement is extended up to age 25 where young people have special educational needs or disabilities. The council must also ensure that there is suitable education and training provision in their local area, promote the participation in education or training of all 16 and 17 year olds, and collect and record information on young people's current activities to ensure that those aged 16 to 19 who are not participating are identified and offered support to re-engage. These statutory responsibilities are met through two teams in the Children's Services directorate; the Progress Team, which supports 16-19 year olds, and the iWork Team, which supports a number of employment initiatives for those aged up to 25.
- 2.9 The Progress Team employs qualified careers advisors who provide direct support to young people; this includes young people NEET, those at risk of becoming NEET, and those in employment, education or training who were recently NEET. Progress Advisors work with young people to implement the 'Progress Pledge', this includes intensive 1-to-1 support and group work focused on developing employability skills, awareness of the opportunities available to young people, CV and interview preparation, access to volunteering and work experience opportunities, and independent and impartial guidance; this may involve signposting to other support services. The service also incorporates elements of coaching and mentoring; advisors are solution-based and look positively at what young people could do, as opposed to focusing on barriers. Young people may develop strong working relationships with their advisors and can contact them by text, email or social media. Advisors may also visit their home if they are reluctant to engage. The evidence received from young people engaging with the Progress Team was very positive; young people commented on the determination of their advisors, with one suggesting that his advisor supported him like he would support his own child. They also noted that the advisors explained everything to the young people in a relatable way. At any one time the Progress Team is directly working with between 80 and 100 young people.

- 2.10 The Progress Team is managed by the Post-16 Participation Manager and the Head of Play, Youth and Post-16. These officers lead on providing the September Guarantee; which provides every Year 11 pupil at an Islington school and every Year 12 pupil resident in the borough with a named educational offer in September. Officers commented that this is a significant annual task which is essential in ensuring that young people progress successfully.
- 2.11 The iWork Youth Employment Team provides advice and support to people aged 18 to 25, including 1-to-1 support for young people aged 18 to 25 who wish to secure an apprenticeship. The team also works with local employers to broker apprenticeship and employment opportunities; this includes hosting networking events which introduce young jobseekers to local employers, and developing bespoke opportunities suitable to the specific needs of vulnerable young adults. The service works with local schools, colleges and alternative provision providers to develop careers education programmes, and provides events in schools such as assemblies, taster sessions and careers fairs. The iWork Team also delivers one-off projects to support the employability of young people; for example a Youth Engagement Pilot was trialled in 2016 which involved recruiting young people to engage with other young people NEET to advertise opportunities and encourage engagement; 48 young people engaged, with 10 moving into employment and 11 moving into education.
- 2.12 The Committee noted that the performance of the Progress and iWork services was meeting corporate targets. Data from September 2016 indicated that the council was on track to meet its target of supporting 300 18 to 25 year olds into paid employment in 2016/17. Data from November 2016 indicated that 66 16 to 25 year olds had been supported into an apprenticeship in 2016/17; making a significant contribution towards the target of supporting 100 people of all ages into apprenticeships each year.
- 2.13 The Committee did raise some concern that there was insufficient information on the reach and effectiveness of these services, however acknowledged the difficulties of collecting data on unemployment and the destinations of young people. A great deal of information is available on young people aged 16 to 18 as colleges are required to advise the council when young person drops out of their course. However, there is no mechanism for the council to monitor how many 18 to 25 year olds are NEET, and as a result officers do not know what proportion of unemployed 18 to 25 year olds are accessing the council's iWork service. Officers explained that data on the number of JSA claimants was available from JobCentrePlus, however this was not an accurate measure of unemployment as it was known that many unemployed people, particularly young people, did not claim out of work benefits. The council did regularly monitor the progress of young people it had supported and attempted to make contact with them after 13, 26 and 52 weeks, however as time went on this became increasingly difficult as they may move house, change phone number, or simply feel that they no longer need to engage with employment support services.
- 2.14 The Committee commended the Progress and iWork services for their work in reducing the number of young people NEET in Islington. However, the Committee considered that improvements could be made to these services. In particular, it was queried if the services could be strengthened by presenting themselves as a united service. Although the Committee recognises the different roles of the two teams, both Progress and iWork both sit within the Children's Services directorate and have similar goals. It is considered that greater coordination and joint working between the teams would lead to a more coherent employability and progression support service. Presenting as a single service would help in promoting clear messages around the council's employment and progression support offer. This would help to raise the profile of the services among young people, parents, schools and employers. Further joint working would also ease transitions between services, and may lead to a more efficient use of resources.

- 2.15 **It is recommended that the Progress and iWork teams be integrated further to develop a more coherent and efficient employment and progression support service.**
- 2.16 The Committee also considered how accessible the council's employment and progression support services are to young people. Although the feedback from young people on the Progress service was very positive, it was also commented that most young people did not know about the services available, and those that were accessing the service had wished they had known about it earlier. Suggestions for improving the promotion of the council's employability and progression support services are set out in detail elsewhere in this report; however the Committee also thought that the accessibility of employment support services could be improved by reviewing how they are aligned with other children's services.
- 2.17 The Committee agreed that supporting the progression and development of young people should be the responsibility of all agencies that come into contact with young people. Work to support post-16 progression should start from an early age and across a range of settings. The Committee was particularly impressed with the evidence received from the London Borough of Hackney on their wrap-around support for young people. Although it was noted that Hackney organises their youth services differently, the Committee was impressed that employability support was integrated with the borough's early help service. This allowed employability and progression support to be provided alongside mental health and behavioural support in a comprehensive 'whole child' approach. Further to this, these comprehensive early help services were linked to all universal youth services in Hackney, which both normalised accessing support services and allowed young people to seek and receive progression support in a range of settings. Reviewing how progression support services are aligned with other services accessed by young people would help to ensure that progression support is accessible and delivered alongside other interventions where appropriate.
- 2.18 **It is recommended that Children's Services review how the council's employment and progression support services could be further integrated with both targeted and universal youth services, to improve the accessibility of the Progress Team and to provide more holistic support to those in need. This review should be completed by July 2018 and the conclusions reported back to the Children's Services Scrutiny Committee.**

The strategic role of Islington Council in providing support to schools

- 2.19 The Committee considered how the council engages with schools and supports their role in providing careers education. Local authorities are required to work with schools to identify those who are in need of targeted support or who are at risk of not participating. The council also provides training sessions, networking sessions and resources such as an online portal for careers leads and tutors across the borough; this supports the professional development of staff and promotes the sharing of best practice.
- 2.20 The Committee welcomed that the council had been responsive to the needs of schools by providing expertise on careers matters. This included working with schools to develop the quality of their careers education, information, advice and guidance programmes; officers reported that some schools did not have a detailed understanding of statutory duties and guidance and were unaware of best practice and Ofsted expectations, in such instances the council worked with schools to make improvements in this area. The council had also supplemented the careers education of some schools by integrating a specialist vocational progression advisor in those schools to work directly with pupils. This followed feedback from schools that they were not as confident in providing advice on vocational pathways. The Committee noted that all such work between the council and schools was voluntary; schools are ultimately responsible for how their careers education is provided and may choose not to take advantage of the support offered by the council.

- 2.21 The Committee welcomes the work of the council's vocational progression advisor and considers that further work is need to raise awareness among young people, parents, schools, and others of how to access vocational opportunities and apprenticeships. If schools are not confident in providing support to pupils seeking vocational pathways, then the council should consider developing an induction session and resources to support careers leads, teachers, and other adults working with young people to develop their understanding and confidence. This would be a more sustainable way of providing support on vocational pathways in the longer term, and would also ensure that pupils receive consistent messages from the key adults they interact with. An induction session could not only focus on vocational pathways, but the key issues faced by young people in Islington, including trends in attainment and progression, the borough's early intervention approach, the services and opportunities available to young people, and any findings and relevant actions arising from the Fair Futures Commission.
- 2.22 **It is recommended that the council provide an induction session and supporting resources for teachers and others working with young people. This should be primarily targeted at those working with 14 – 18 year olds and professionals with careers/pastoral responsibilities. The induction and resources should focus on the specific issues faced by young people in Islington and seek to bridge knowledge gaps, such as the range of vocational opportunities available and how best to support young people into them.**
- 2.23 The Committee also noted that the council was providing support to schools through the Careers Clusters pilot. 'Careers Clusters' are intended to support schools in developing employer-led careers education. This work is funded by the European Social Investment Fund and the Skills Funding Agency and delivered in partnership with Westminster Kingsway City and Islington College. 700 pupils across nine schools and one college are benefitting from the programme, which supports 21 local employers in carrying out sustained engagement with schools. Employer activity must take place for at least 26 weeks and is focused on both directly supporting pupils and developing the knowledge of teachers. The council is working to facilitate the pilot by working with both schools and employers to develop relationships and integrate employer-led careers education into the curriculum successfully. The pilot will be evaluated through contractual performance measures, which include increases in the number of people entering college, university, or apprenticeships. The Committee welcomed this work, and recognised that it was an innovative way of providing careers education.
- 2.24 The Committee identified that a number of projects focused on supporting young people's employability skills were time limited; the 'Careers Cluster' is a short term pilot which is externally funded; the specialist vocational pathways advisor is employed on a fixed term contract. The evidence received from charitable and voluntary sector organisations highlighted that the sector does work to develop the skills and support the progression of young people, however some groups lacked funding and support which would enable them to fully develop the services they offer. The Committee considered that longer term and more sustainable solutions are required. The Committee would support a more strategic approach to developing and funding progression support activity, with an emphasis on sustainability. This could include promoting CPD for careers leads to enable schools to provide high-quality advice on vocational pathways, and reviewing how support is provided to voluntary and community sector groups which demonstrate that they contribute to the employability of young people.
- 2.25 **It is recommended that the council work to increase the sustainability of employability and progression support activities; for example by supporting schools in developing their own high-quality support to those seeking vocational pathways, and by reviewing how voluntary and community sector groups which contribute to young people's employability are supported.**

The strategic role of Islington Council as an employer

- 2.26 As a major employer in the local area, the council is also able to positively influence the local jobs market by creating high quality opportunities that provide training and progression opportunities. The council has committed to offering 200 apprenticeships between 2014-18, and whilst apprenticeships are open to all ages, recruitment is targeted at 16-24 year olds. This has had a positive impact on the employment of young people; 90% of the apprentices recruited by the council in 2015-16 were aged 16-24. Those on apprenticeships are supported in applying for full time positions in the council after their apprenticeship ends. Apprenticeships are available in a wide range of roles, including business administration, customer service, play work, facilities services, plumbing, electrical installations, painting and decorating, and ICT. The council is also able to influence the employment practices of its contractors, for example by contractually requiring them to recruit a set number of local apprentices.
- 2.27 The Committee considered the outcomes of the council's apprentices. Of the 79 apprentices recruited by the council between April 2014 and March 2016, 62 had left their roles. 30 of these had taken up permanent employment in the council. A further 9 were employed elsewhere and 2 were in education. The council was out of contact with around a quarter of those who had left, although work was underway to re-connect with these individuals and provide support if required.
- 2.28 Officers advised that the council's apprenticeship programme was in the process of being developed further and explained some of the challenges faced by officers. The programme is supported by one iWork officer with responsibility for brokering roles, managing recruitment processes and supporting apprentices. As a result there had not been the resources to undertake significant amount of pastoral care and follow up support, which officers acknowledged would help to improve the apprenticeship programme. However, it was noted that the council had recently appointed an Apprenticeship Manager in Human Resources who would take on responsibility for liaising with management and identifying roles for apprentices. This was expected to provide the iWork officer with more time to offer support to apprentices, which would increase the successful progression rate of apprentices.
- 2.29 The Committee commended the council's work in providing apprenticeship opportunities to young people and welcomed that further resources had been allocated to support the apprenticeship programme. It was considered that some improvements could be made to how opportunities are created and targeted, however this is considered elsewhere in this report.

Obstacles to progression into education, employment or training

- 2.30 The Committee received a great deal of evidence on the obstacles that young people face in progressing into education, employment and training. Evidence was received on this point from council officers, local schools, employers, and young people themselves. As previously highlighted, young people NEET tend to be vulnerable; they may be experiencing complex personal issues, have physical or mental health problems, behavioural difficulties, or significant skills gaps.
- 2.31 Several witnesses commented that some young people were simply not prepared for the transition from school to college or employment. Although schools provided careers education, this did not lead to positive outcomes for all young people; it was reported that some young people were not ready for a greater level of independence, struggled to commit to routines, did not have a strong work ethic, lacked interpersonal skills, or were difficult to work with.
- 2.32 Central Foundation School commented on the value of young people gaining experience of employment through part-time work alongside their studies at school or college. This prepared young people for entering work by developing their employability skills, building their CV, and gave experience of managing their time and finances. However, it was suggested that suitable

opportunities for young people were increasingly rare; there was a significant amount of competition for part-time jobs in the local area, particularly for those only seeking evening or weekend work.

- 2.33 Green and Fortune, a local employer in the hospitality sector, highlighted that they provided opportunities to young people across 20 different roles. However, it was acknowledged that not all businesses were as keen to recruit young people; some businesses preferred to use a very high number of agency staff, which Green and Fortune considered unnecessary when there are so many young people looking for work.
- 2.34 Although Islington Council had recently increased its focus on vocational pathways and apprenticeships, it was commented that some parents and young people were sceptical of non-academic pathways, and these attitudes could be a barrier to progression. This was potentially reinforced through teaching staff; the young people interviewed felt that schools had a narrow focus on GCSEs and academia, and reported that they were simply unaware of the range of opportunities available to them until they engaged with the Progress Team. The Committee was concerned that this focus on linear academic progression was encouraging some young people to pursue pathways which were unsuitable for them; it was reported that many young people NEET had previously been in college but had dropped out.
- 2.35 Some young people face financial barriers to participation at post-18; the Committee was concerned that young people progressing to university accrued huge amount of debt, even if they dropped out in their first year. Young people may also face financial barriers to re-engaging with education if they spend a significant amount of time NEET; young people are entitled to two-free years of post-16 education, however this entitlement generally ends on their 19th birthday unless they have a special educational need or disability. After this age young adults may have to make a financial contribution to their education, which can be prohibitive.
- 2.36 Other obstacles may be faced by particular groups of young people. Those who speak English as a second language may face additional difficulty in applying for work or college or accessing information about opportunities and support services. Evidence received from the Elizabeth Garrett Anderson School indicated that some of their BME pupils lacked confidence in the workplace; however work was underway to resolve this.
- 2.37 It was highlighted that young people who were vulnerable to gang activity may not travel outside of their immediate local area as they did not feel safe; this was not only detrimental to their employment and progression prospects, but their overall wellbeing.
- 2.38 It was suggested that some pupils and their families needed advice on how employment or an apprenticeship could affect their benefits eligibility; Central Foundation School advised of instances where families had unexpectedly lost benefits income as a result of their child's employment, and one family had subsequently become homeless. The Committee thought that this was unacceptable and a more coordinated approach to working with families in this situation was needed.
- 2.39 The Committee received several powerful statements from young people on their experiences of becoming NEET. One young person identified an issue in relation to young people needing academic references; she was denied a reference by her college after requesting to take up a different course at another institution. As a result her relationship with the college deteriorated and she became NEET. She commented that the college was aware she was becoming NEET and offered her no support or advice. Officers explained that all pupils were provided with an academic reference when they left school; however it was at the discretion of colleges if they chose not to provide a reference. It was rare for a pupil to be denied a reference.

- 2.40 Another young person advised of an issue related to moving schools. Although he was predicted good GCSE grades, he was registered to sit 13 GCSEs and struggled to cope with the workload, which he described as 'overwhelming'. His relationship with the school deteriorated and he applied to attend other schools; however the schools would not admit him as it was too late in the academic year and he had been studying different syllabuses. He became NEET as a result.
- 2.41 One young person advised that she could not cope at school and was eventually excluded, leaving school with no qualifications. The young person reported that the school did not offer her any advice when she was excluded and she did not know about her options or who to contact.
- 2.42 One young person reported that he did not achieve his expected GCSE grades and as a result was not accepted onto his preferred college course. He took up a Media course as an alternative, but the course was not appropriate for him and he disengaged from education. The young person spent some months NEET before being referred to the Progress Team by his mother, via the council's Housing Service. The young person reported that his confidence and self-esteem was very low after leaving education, he said that not achieving his expected GCSE results was 'crushing' and he felt that he had let his family down and that he had nothing to show for his time at school. The young person reported that his school did have a mentor system and careers advisors, however he acknowledged that he had a difficult home life and struggled when this type of support was not continued at college. Whilst at school, the young person suspected that he may not achieve the qualifications needed to get onto his preferred course. This was raised with his mentor at the time; however his mentor would not consider a back-up plan, instead encouraging him to 'get his head down' and focus on his studies.
- 2.43 The obstacles to progression set out above are concerning. The Committee is particularly troubled that some young people either do not have the skills to progress or are not aware of the opportunities available to them; however the Committee is clear that young people are not to blame for this. It is difficult for the Committee to draw conclusions or make recommendations based on the individual experiences of young people. However, in relation to one specific point raised above, the council should consider if young people and their families need additional advice in relation to how their employment could affect their benefits eligibility, and tailored guidance should be provided if required. This must not discourage young people from progressing into employment, but should help families understand and plan for the implications of their child's employment.
- 2.44 **It is recommended that the council provide tailored advice to families whose benefits eligibility may be affected by their child's employment.**

Measures which will increase the progression into EET

- 2.45 The evidence received included a number of proposals for how to further increase progression into education, employment and training. The Committee was supportive of several of these proposals and has made recommendations for these to be adopted and actioned by council services.

(a) stepping stone approaches

- 2.46 The Committee heard about the value of 'stepping stone approaches'; more informal education and employment opportunities for young people who are NEET and not yet ready to opt for full time employment or education. Opportunities such as traineeships offer fixed-term, part-time employment and education with a low level of time commitment, and are intended to act as a bridge to apprenticeships. They also provide young people with an opportunity to gain accreditation in work related skills such as communication, time keeping, team work, and completing tasks accurately. Traineeships are available in a range of vocational areas including construction, painting and decorating, business administration, customer service, digital

marketing and social media, jewellery manufacturing, design, hospitality and general retail. They may also offer Level 1 Functional Skills qualifications in English and Maths. These opportunities are delivered by a variety of providers and start from programmes that last for as little as one week. These 'bitesize' options are important as many young people NEET initially struggle to commit to the idea of longer programmes, however many, with appropriate support, are able to build on small successes and make progress over time.

2.47 The Committee recognised that traineeships provided opportunities for NEET young people who may not be ready for apprenticeships or other education or employment, and considered how the council could best support such programmes. It was noted that the council had provided a traineeship programme in the Repairs team between February and April 2016 for 11 unemployed 16-24 year olds; this had resulted in two young people progressing into apprenticeships. It was suggested that brokering and directly providing a greater number and range of traineeships could assist NEET young people, particularly the most vulnerable who faced difficulty in accessing other opportunities.

2.48 **It is recommended that the council explore how a greater number and range of traineeship opportunities can be provided and brokered to develop the skills of young people who are not yet ready to apply for an apprenticeship.**

(b) the work of schools

2.49 The Committee was impressed by the evidence received from the two schools which contributed to the scrutiny review, Elizabeth Garrett Anderson School and Central Foundation Boy's School. Both schools focused their careers education around making the most of the significant opportunities available to young people in London, and had developed successful long-term partnerships with local businesses to deliver high quality employer-led careers education. Elizabeth Garrett Anderson had a particularly successful partnership with the Hogan Lovells law firm which supported a mentoring programme, held school trips to their offices, provided structured opportunities for pupils to experience day-to-day work in their offices, and met with teaching staff to discuss their pupils aspirations. Central Foundation benefitted from a similar relationship with Slaughter and May.

2.50 Both schools had a range of business partners and commented on the importance of developing these relationships. The schools worked very closely with their business partners to carefully plan sessions for their pupils. It was commented that some organisations wanted to engage with schools but did not want to tailor their sessions to pupils' needs; however it was essential that schools seeking to develop high-quality employer-led careers education selected the right people to carry out the right sessions for their pupils. The Committee noted that the Careers Cluster pilot was seeking to develop similar relationships in a number of schools in the borough.

2.51 The schools recognised the importance of providing information advice and guidance to pupils from an early age. Central Foundation School provided a Year 6 summer school for future pupils, with both schools then starting careers education from Year 7. Work included focusing on aspirations and skills, awareness of different sectors, work on CVs, and mock applications processes and interviews.

2.52 The schools commented that the resources available for providing careers education were increasingly limited and explained low-cost approaches to supporting pupil progress. Careers education was often provided through assemblies, with former pupils sometimes addressing their pupils on different career paths. This helped to provide young people with realistic role models; Elizabeth Garrett Anderson reinforced this message by displaying the destinations of their alumni on a board in the school. Central Foundation School commented that a low-cost way to support

progression was to share data on pupil progress among all staff engaging with young people. This allowed support to be provided consistently.

- 2.53 The Committee considered that making use of alumni groups was a good method of providing young people with access to professional networks and sector specific knowledge at a relatively low-cost. It was recommended that all schools should make use of such networks to support their careers education offer. Schools should be encouraged to develop alumni networks if they do not already exist.
- 2.54 **It is recommended that secondary schools and colleges make use of alumni groups to support their careers education offer. This should help young people to access professional networks and sector specific knowledge, and may identify role models for young people.**
- 2.55 The Committee recognised that the careers education programmes of local schools varied; as a result different schools had different outcomes, however officers were confident that all schools were seeking to provide high quality careers education. Children's Services were supporting those schools which recognised that their careers education provision could be improved. Although this work is welcomed, it was highlighted that around a half of young people NEET had previously attended Alternative Provision, and as a result would not have had access to the full range of careers education provided by local schools. It was noted that the council has sought to develop a 'gold standard' of careers education for Alternative Provision and New River College pupils which provides resources to providers based around developing personal and employability skills and awareness of employers and employment practices. Whilst this work to improve the quality of careers education in Alternative Provision is commended, the Committee notes that this 'gold standard' lacks the high-impact employer led careers education which schools have access to either through their own established programmes or the Careers Cluster pilot. Evidence received from schools highlighted that this work is particularly valuable and the Committee considers that Alternative Provision and New River College pupils should also have access to high quality employer-led careers education.
- 2.56 **It is recommended that the 'gold standard' for careers education in Alternative Provision and New River College be reviewed and developed further. This should include high-impact employer-led sessions focusing on ambitions and work readiness. It would be appropriate for these to be provided by local businesses which offer apprenticeships.**

(c) cultural and creative activities

- 2.57 The Committee considered the value of cultural and creative activities and how these can contribute to young people's personal development. Evidence from schools highlighted that young people benefitted from being located in London as there were many high-quality extra-curricular activities available to them. The schools emphasised that it was very important for young people to make the most of these opportunities, which developed their skills, broadened their experiences, and helped to build their CV. The Elizabeth Garrett Anderson School suggested that participating in cultural and creative activities was as important as attaining high grades, however noted that not all parents valued these opportunities.
- 2.58 The Committee acknowledged the value of cultural and creative activities and thought that the take-up of such opportunities should be strongly encouraged. It was noted that a small number of apprenticeships were offered in creative industries, such as through Park Theatre, however interest in these opportunities was limited. Officers commented that whilst some schools were keen to identify pupils with a creative interest and promote such opportunities to them, others were not.

(d) developing the vocational offer

- 2.59 The Committee considered if the vocational pathways available in the local area were sufficient. Evidence from the Progress Advisor who specialises in vocational pathways identified that an increasing number of young people are interested in creative media, graphic design, web design and similar pathways; however relatively few opportunities were available in these fields.
- 2.60 The Committee's previous review of Alternative Provision found that some young people were being referred to Alternative Provision as a means of accessing vocational pathways. The Committee was particularly concerned by this, given that outcomes for young people in Alternative Provision were often not as good as those who remain in mainstream education.
- 2.61 The young people interviewed by committee members commented that schools put a disproportionate emphasis on GCSEs and indicated that they did not know the range of vocational pathways available or how to access them. The young people had previously thought that GCSEs were the only route to gaining employment or accessing further education. When young people became NEET, this lack of awareness of other pathways contributed to their anxieties.
- 2.62 The Committee expressed concern that there may be unmet demand for certain vocational pathways, which was resulting in young people either disengaging from education at school age, or taking up further education courses which were not suitable for them. The Committee considered that a strategic review of the quality, range and accessibility of vocational pathways would help to ascertain if there are adequate pathways available to young people and highlight any areas for further development. In particular, it was suggested that a more flexible arrangement which allowed pupils to access vocational qualifications alongside their GCSEs in school may be desirable, as this would set young people on vocational pathways earlier and help to keep young people engaged in education.
- 2.63 **It is recommended that Children's Services undertake a strategic review of the quality, range and accessibility of vocational pathways to determine if there are appropriate pathways available to young people. The findings of this review should be completed by July 2018 and the conclusions reported to the Children's Services Scrutiny Committee.**

(e) partnership work

- 2.64 The Committee considered that effective partnership working was essential to support young people. The Committee was encouraged by examples of young people who had been referred to the Progress Team by Social Services, Housing, their school, or others. However, it was suggested that working relationships with some schools could be developed further to ensure that young people receive the full range of support they are entitled to in the most effective way.
- 2.65 Progress Advisors and Children's Services officers were asked how support services for young people could be improved. One area highlighted was around schools engaging with the Progress Team. For example, it was commented that Progress Advisors attended some schools on results day and were able to discuss options with the pupils who did not attain their expected grades. This allowed referrals to support services to be made very quickly and pathways for pupils to be found as soon as possible. However, not all schools allowed the Progress Team to access the school and meet with their pupils on results day.
- 2.66 As an alternative, some schools provided the council with the details of pupils who did not achieve their expected grades so that a Progress Advisor could arrange a meeting or telephone call with them as soon as possible; however not all schools passed on this information. Officers

raised that this could have a significant impact on young people. Young people who did not attain their required grades were more likely to become NEET, and if schools did not pass on the details of these young people to the council, then the only way of identifying that these young people had become NEET was to cross-reference lists of pupils against college registers when they became available at the end of the Summer. The result of this was some young people could be NEET without any support for several weeks. One young person interviewed commented that, without appropriate guidance, young people NEET tended to either mope or turn to crime.

- 2.67 The Committee was concerned by the effect that being NEET for even a small amount of time could have on a young person's wellbeing. Members thought that young people should be made aware of support services at the earliest possible opportunity, and queried if referrals could be made to the Progress Team *before* young people left school, if it was thought that they may not attain their required grades. In response, officers commented that this would be very helpful, however for this to work effectively the profile of the council's progression and employment services needed to be raised at a strategic level within schools.
- 2.68 The Committee strongly supported raising the profile of these council services to school leaders to ensure that all young people NEET, or at risk of becoming NEET, are referred to support services as soon as possible.
- 2.69 **It is recommended that the profile of the council's progression and employment services be raised with school leaders to ensure that the council has access to data on the pupils who may not attain the required grades, and those who have not attained their expected grades on results day. This should include the pupil's name, contact details, expected and actual grades, information on their ambitions, and any other relevant information. This will ensure that young people NEET receive appropriate support as soon as possible.**

(f) raising awareness

- 2.70 The Committee thought that progression into education, employment or training could be supported by increasing awareness of alternative pathways and the support services available to both young people and adults. The young people interviewed commented that most of their peers had no idea that support services existed. One young person said that he spent a few months NEET as he did not know that there were any services available to support him. He commented that if he was aware of the services available he would have accessed them much earlier.
- 2.71 The young people interviewed suggested that advice should be delivered in schools and colleges on the various options if young people don't attain their expected grades. It was commented that this should be practical advice, delivered positively, and care should be taken to ensure that these young people are not branded as 'failures'. The young people identified that they and their peers did not talk about 'back-up plans' and this was never discussed in school or college. One young person reported that he was worried he would not achieve the required GCSE grades, but his school mentor refused to discuss a back-up plan with him, instead encouraging him to focus on his studies. When he did not attain the required grades, he didn't know what to do, what pathways were available to him, or how to access support.
- 2.72 The Committee considered how best to raise awareness of alternative pathways and the support services available to young people. It was thought that promotion both inside and outside of school from the start of the exams season until after results day would be most effective. This promotion should also be targeted at Alternative Provision providers and New River College. Publicity in public spaces around results day, such as estate notice boards, community buildings and bus shelters, may also generate additional referrals, as would promotion on social media, in

the local press, and in relevant publications.

- 2.73 The young people interviewed stressed the importance of stopping young people becoming NEET. They thought that their becoming NEET was entirely avoidable, and that they would have moved directly from school into another pathway had they known about the options and services available.
- 2.74 The Committee expressed concern that some young people were not aware of the vocational options available or how to access support. It was also worrying that some young people did not discuss 'back-up plans' with school staff or their peers. The Committee believes that a supportive climate should be nurtured in which it is normal to seek vocational options, access support services, and discuss 'back-up plans'. The recommendations set out in this report are intended to develop a more holistic approach to careers education in which accessing vocational pathways and support services is normalised; it is hoped that this will increase the take-up of services and improve outcomes for young people.
- 2.75 **It is recommended that further work be undertaken to raise awareness of the council's progression and employment services to young people and the wider public. This should include assemblies or workshops, as well as follow up advertising in public spaces, publications such as 'Islington Life', social media, and relevant publications produced by partner organisations.**

(g) identifying role models or 'champions'

- 2.76 The Committee also thought that identifying role models or 'champions' would help to raise awareness of vocational pathways. The Committee heard that some young people and their parents are very sceptical of apprenticeships, considering them to be inferior to traditional academic education. The Committee supports the council's work in recent years to promote apprenticeships, and thought that this could be enhanced by publicising the successes of young people who had completed apprenticeships. It is hoped that this will help to normalise vocational pathways and reassure young people and parents who may not otherwise consider an apprenticeship to be a valid option.
- 2.77 **It is recommended that further work be carried out to publicise the successes of those who have completed apprenticeships. This should raise the profile of apprenticeships and provide role models to young people.**

(h) developing a single access route to support services

- 2.78 In carrying out the review the Committee considered the range of employability support services provided by schools, the council, and the community and voluntary sector. It was noted that there are good quality services which are provided independent of the council, such as Groundwork London, which provides programmes to support young people NEET and those at risk of becoming NEET, and Young London Working, a job brokering service funded by the Mayor of London.
- 2.79 The Committee commented that it is important to view services from the perspective of young people, who may not appreciate that these services are provided by a range of different organisations. It was suggested that establishing a single access point to the employability support services offered by both the council and partner organisations would be helpful, as young people may benefit from being signposted to the services delivered by other organisations, depending on their particular needs.

2.80 **It is recommended that a single access route to the employability support services offered by the council and its partner organisations be established and publicised.**

'Promising practice' approaches at school and local authority level

2.81 This report has highlighted actions which may further increase the number of young people progressing into education, employment and training. In carrying out the review the Committee also acknowledged a range of 'promising practice' approaches which are already used at school and local authority level. These approaches are set out below; the Committee would support continued or further use of such approaches in Islington.

(a) The use of data

2.82 The Committee was particularly impressed by the significant reductions in the number young people NEET in recent years, and explored what factors had contributed to such an improvement. Although the level of employment was partially due to economic factors, officers suggested that service improvements had been secured by improving the accuracy of data, which allowed officers to provide a more effective and focused service. Through improved use of data officers were able to identify the young people most in need of support and provide them with targeted and relevant advice.

2.83 The Committee would like to see data-driven approaches used as far as possible. It was noted that the council stops routinely collecting destinations data when young people reach age 19. The Committee thought that it would be helpful if this data continued to be collected for longer, however appreciates that data collection becomes increasingly difficult after this age as young adults leave education, change their contact details, and may move out of the borough.

(b) Innovative methods

2.84 The Committee received evidence on a number of innovative methods which appeared to be effective in supporting young people's progression. A 'speed networking' session led by the Islington Youth Employment Network appeared to be particularly successful; one recent event was attended by 60 young people and 17 employers, and within a fortnight 14 of those young people were in employment.

2.85 The Committee was particularly impressed with the evidence received from Hackney Council. As set out elsewhere in this report, the organisation had re-designed their youth services, with employment support for young people integrated into their early help service, which was linked to all universal services. Hackney Council had also developed a system for identifying pupils at risk of becoming NEET, the 'Risk of NEET Index'. This evaluated various factors including attendance, KS2 performance and the number of times young people had transferred school. The system was being rolled out to all schools following a pilot, and was also being developed further to include other risk factors such as bereavement. This index helped to identify the pupils most in need of support and ensure that resources were targeted appropriately. The Committee welcomed this data-driven approach.

2.86 The Committee noted that the issues faced by young people in Islington were similar to those faced by young people across London, and thought that it was important to work with other boroughs to identify and implement best-practice approaches. The Committee also considered that Islington's success in reducing the number of young people NEET could contribute to learning across London. The council was already participating in cross-London work under the Greater London Authority's 'London Ambitions' programme, and would be supportive of further cross-London work and knowledge sharing to ensure that young people in Islington continue to receive the best possible services. In particular, it was suggested that other boroughs may have sector-specific knowledge and partnerships which could benefit young people in Islington.

- 2.87 **It is recommended that the council continue to develop cross-London working relationships to share best practice with other boroughs. This should support Islington pupils in accessing a wide range of opportunities and developing sector-specific knowledge of the opportunities available.**

(c) The work of schools

- 2.88 The Committee was impressed by the partnership arrangements that some schools had developed with businesses and universities. Some businesses supported mentoring programmes in schools, provided guest speakers at assemblies, hosted school-trips to their offices, or provided work experience activities. These activities are set out in detail elsewhere in this report.

(d) the employer's perspective

- 2.89 The employers which provided evidence to the review highlighted activities which they considered to be particularly worthwhile. Green and Fortune commented that council initiatives such as the Saturday Jobs Scheme had been a great success and thought that providing young people with five or six hours of employment a week was the best way to develop employability skills and experience. The company had employed two young people through the scheme, both of which had since been promoted, and as a result the company had recently employed two more young people.
- 2.90 Green and Fortune had developed employment programmes in partnership with the council, JobCentre Plus, and Global Generation, a local charity. Park Theatre also offered apprenticeships and had strong relationships with the council, JobCentre Plus, and local schools and colleges. The Committee was pleased that mutually beneficial working relationships had been developed with a range of local employers, and hoped that these relationships would develop further through activities such as the Careers Cluster pilot.

Other findings

(a) the voluntary sector

- 2.91 The Committee considered how smaller community organisations contribute to the development of young people. Evidence was received from Mer-IT, an organisation which provides free ICT training to young people and other computer-based opportunities. A number of organisations were passionate about working with young people, and it was suggested that coordination with the council's community and voluntary sector development officers could ensure that these organisations are supported and lead to a more joined-up approach in the voluntary sector.

(b) the role of school governors

- 2.92 The London Ambitions programme supported by London Councils, the London Enterprise Panel and the Mayor of London recommends that 'Every good institution will have a governor with oversight for ensuring the organisation supports all students to relate their learning to careers and the world of work from an early age.' However, not all governing bodies have appointed someone to this role. The Committee would support school and college governors having a greater role in the development of careers education in Islington, and suggests that each governing body should appoint a governor with sole responsibility for overseeing their school's careers offer. The council can support governors to excel in this role by providing access to destinations data and information on the opportunities, resources and services available to young people. It is suggested that having a named governor with this responsibility for each secondary

school and college would ensure that this important work receives appropriate focus at governor level.

- 2.93 **It is recommended that each secondary school and college should nominate one of their governors to oversee their careers education offer. The council should engage with those governors to support them in this role. This could include providing them with information, such as destinations data for their former pupils, including those who were referred to alternative provision.**

(c) engaging with young people

- 2.94 Some of the most useful evidence received as part of this review was from young people themselves, who clearly explained the barriers they face and what type of support they need. The Committee considers it essential that any actions arising from this review are developed in partnership with young people. It is important that young people are able to help shape the services they access, as this will ensure that services remain relevant and meet their needs.
- 2.95 **It is recommended that actions arising as a result of this review should be developed in partnership with young people to ensure that the council's employment and progression support services meet their needs effectively.**

3. Conclusions

- 3.1 The Committee welcomes the work of the council's employment and progression support services and commends their efforts to increase the number of young people progressing into education, employment and training. Services have reduced the number of young people NEET and are well received by young people. A range of support is provided to schools, and it is hoped that innovative work to develop employer-led careers education will be effective. However, the Committee has identified areas for further development, particularly in relation to making services more holistic and raising the awareness of local services and opportunities.
- 3.2 The Committee has made 16 recommendations in response to the evidence received. It is hoped that the Committee's recommendations will further improve outcomes for young people and contribute to a further reduction in the number of young people NEET.
- 3.3 In carrying out the review, the Committee met with young people, officers, school leaders, officers of a neighbouring authority, representatives of local businesses and others 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: Post-16 Education, Employment and Training
Scrutiny Review Committee: Children's Services Scrutiny Committee
Director leading the review: Alison Cramer, Head of Partnerships and Service Support
Lead Officers: Holly Toft, Head of Post-16, Play and Youth
<p>Overall aims of the review:</p> <ol style="list-style-type: none"> 1. To explore how to sustain improvements and continue to increase the number of young people progressing to, and in, post 16 education, employment and training; and 2. To suggest ways to prevent young people becoming not in education, employment or training (NEET) in the first place.
<p>Objectives of the review:</p> <ol style="list-style-type: none"> 1. To understand the profile of 16-18 and 18-24 year olds in Islington currently progressing to and in education, employment and training; and which groups of young people are most vulnerable to being NEET 2. To assess the strategic role of Islington Council in helping to increase the number of young people in EET 3. To understand the obstacles to progression into EET 4. To identify and assess specific measures which will increase the progression into EET for groups of young people with low levels of participation in EET and other young people vulnerable to becoming NEET 5. To assess the availability and effectiveness of information, advice, guidance and employability skills support for young people regarding post 16 education, employment and training 6. To examine 'promising practice' approaches at school and local authority level that indicate the best success in reducing the number of young people NEET and preventing young people becoming NEET, and how they might apply locally. <p>N.B. Objectives 2, 4 and 5 cover implementation of the Employment Commission recommendations, an area highlighted by the Committee for review.</p>

How is the review to be carried out:

Scope of the Review

The review will focus on:

The national context

- Legislative framework
- National policy

Supporting young people

- Profile of young people NEET
- The local offer to support young people including roles, responsibilities, opportunities and resources
- The support available to young people within schools
- Obstacles for young people to progress into EET

Opportunities to make local arrangements more effective

- Partnership working between schools, the council, post-16 providers, businesses, and the voluntary and community sector.
- Local and external projects, models and approaches to support young people and vulnerable groups – promising practices

Types of evidence:

- **Documentary evidence including**
 - Contextual report/presentation
 - 'Reading list' of key documents for Committee members
 - Outcomes data for young people in Islington
 - Case studies
 - Government guidance and officer briefing notes
 - Service plans, performance indicators and update on impact
- **Witness evidence including**
 - Officer presentations
 - A range of secondary schools
 - Other local authorities
 - The Progress Team, the Careers Network and the Youth Employment Team
 - The Business/Employment Board
 - Other organisations delivering projects to support EET
- **Visits**
 - Young people
 - Services delivering support to young people

Additional Information:

This topic addresses the following strategic corporate objectives from Islington's 2015/19 Corporate Plan:

- Helping people find the right job: Create change for the next generation
- Making Islington a place where our residents have a good quality of life: Help children to achieve their potential

The main issues are:

- The rate of young people who are NEET in Islington has previously been persistently above the central London average. This issue is complex and has been stubborn to shift. However, recent figures have seen a welcome reduction in the NEET population.
- This group is a broad and diverse group with differing needs. Being NEET, whether at 16, 17 or 18 either may be a consequence of, or compound the outcomes for young people in alternative provision, attending New River College, known to the Youth Offending service or be in some other way vulnerable such as a child who has been looked after by the Council. However, the problem does not stop there; the chance of being NEET increases with age because some young people continue not to have the skills or opportunities to move on.
- The 'NEET' status affects young people's life chances and has cost implications to the public sector. Spending time NEET at a young age has a detrimental effect on physical and mental health with unemployment linked to ill-health, poor mental health and an increased risk of suicide. There are various risk factors and pre-cursors aligned to young people who end up NEET which can then transform into later forms of disadvantage and poor welfare outcomes. This impacts not just on education but also health, employment, welfare and housing. The time spent NEET also affects public finances through increased welfare and healthcare spending and can contribute to late intervention spend. The average 16-18 year old NEET has an estimated cost of £56,000 before retirement age. This is based on the costs of welfare benefits payments, costs to health and criminal justice services, and loss of tax and national insurance revenue.

In carrying out the review the Committee will consider equalities implications and resident impacts identified by witnesses. The Executive is required to have due regard to these, and any other relevant implications, when responding to the review recommendations.

Programme	
Key output:	To be submitted to Committee on:
1. Scrutiny Initiation Document	28 June 2016
2. Concluding Discussion	20 March 2017
3. Final Report	10 July 2017

Children’s Services Scrutiny Committee – Work Plan

Our role and focus as a scrutiny committee:

1. To explore how to sustain improvements and continue to increase the number of young people progressing to, and in, post 16 education, employment and training; and
2. To suggest ways to prevent young people becoming not in education, employment or training (NEET) in the first place.

<p>Outcomes and progression</p>	<p>SID Objective 1: To understand the profile of 16-18 and 18-24 year olds in Islington currently progressing to and in education, employment and training; and which groups of young people are most vulnerable to being NEET</p> <p>SID Objective 3: To understand the obstacles to progression into EET</p>
<p>Support to young people and accountability</p>	<p>SID Objective 2: To assess the strategic role of Islington Council in helping to increase the number of young people in EET</p> <p>SID Objective 5: To assess the availability and effectiveness of information, advice, guidance and employability skills support for young people regarding post 16 education, employment and training</p>
<p>Prevention and early intervention</p>	<p>SID Objective 4: To identify and assess specific measures which will increase the progression into EET for groups of young people with low levels of participation in EET and other young people vulnerable to becoming NEET</p> <p>SID Objective 6: To examine ‘promising practice’ approaches at school and local authority level that indicate the best success in reducing the number of young people NEET and preventing young people becoming NEET, and how they might apply locally.</p>

Work programme for post-16 EET scrutiny

1. Background information and additional documentation (*circulated by email*)

- Department for Education, ‘Participation of young people in education, employment or training – Statutory guidance for local authorities’, September 2014
- Department for Education, ‘Careers guidance and inspiration in schools – Statutory guidance for governing bodies, school leaders and school staff’, March 2015
- London Councils, ‘London Ambitions: shaping a successful careers offer for all young Londoners’, June 2015
- The Islington Employment Commission, ‘Working Better, The final report of the Islington Employment Commission – Summary’, November 2014
- Islington Employment Services Board, ‘One Year On: Making it Work Better’, November 2015

- Envoy Partnership, 'A Social Return on Investment, Evaluation of the ESF NEET Fast Forward Programme', February 2015

2. Witness Evidence Plan

Date: Thursday 22 September 2016		
Evidence theme: Outcomes and progression		
Who	Organisation/remit	Area of focus
Holly Toft, Head of Post-16	Islington Council: Children's Services	The current picture of 16-18 in education employment and training and 18-24 year olds in employment/progressing to employment; the local offer to support young people including roles, responsibilities, opportunities and resources; key issues such as progression to university; distance to learning, engagement/re-engagement and cross borough issues.

Briefing notes prior to meeting:

- Contextual report

Date: Tuesday 18 October 2016		
Evidence theme: Support to young people and accountability – Information, Advice and Guidance		
Who	Organisation/remit	Area of focus
Paul McIntyre, Assistant Head	Elizabeth Garrett Anderson School	IAG: <ul style="list-style-type: none"> • Schools and careers network – how it works • Quality • Good practice
Lesley Thain, Head of Employer Engagement	Central Foundation Boys' School	
Alison Bennett, Careers Education, Information, Advice and Guidance (CEIAG) Specialist	Islington Council – Children's Services CEIAG specialist re quality of IAG and work of employment commission re: careers entitlement;	
Holly Toft, Head of Post-16	Islington Council: Children's Services	Responses to questions raised at the previous meeting

Briefing notes prior to meeting:

- Careers Education, Information, Advice and Guidance in Islington's Secondary Schools – legal and policy context, brief history of responsibility for IAG, description of Careers Network, 'Gold Standard' for New River College and AP

Date: Monday 21 November 2016		
Evidence theme: Support to young people and accountability – Employability skills		
Who	Organisation/remit	Area of focus
Cherrylynn Jaffier, Progress Advisor (Vocational Pathways)	Islington Council – Works with young people pre-16 who are interested in a vocational pathway	<ul style="list-style-type: none"> • Support to young people interested in a vocational pathway
Lorraine Blyth, Post-16 Participation Manager	Islington Council – Children’s Services	<ul style="list-style-type: none"> • Employability skills: 16 – 18 year olds • Employability skills: 18 – 24 year olds • Apprenticeships • Youth employment • Connecting with businesses
Hamish Mackay, Young Employment and Apprenticeships Manager	Islington Council – Children’s Services	

Briefing notes prior to meeting:

- Employability skills support for young people
- The role of the Progress Advisor (Vocational Pathways)

Date: Wednesday 11 January 2017 Evidence theme: The role of the charity / community sector		
Who	Organisation/remit	Area of focus
Mer-IT	Mer-IT – community organisation, providing young people with ICT skills	<ul style="list-style-type: none"> • Community groups working with young people
Groundwork London	Groundwork London – charity providing a targeted youth programme.	

Briefing notes prior to meeting:

- Responses to Questions Raised at November Meeting

Date: Tuesday 28 February 2017

**Evidence theme: Support to young people; Prevention and early intervention
+ Concluding discussion**

Who	Organisation/remit	Area of focus
Jo Margrie, 14-19 Programme Manager / Pauline Adams, Head of Service Young Hackney	LB Hackney Council – to provide a comparison to another local authority	The approach of a neighbouring local authority to reducing number of NEETs and preventing young people becoming NEET
Jodi Pilling, Learning and Skills Manager	Islington Council – Children’s Services	Careers Clusters
Dorcas Morgan, Development Director, Park Theatre	Local businesses working with young people	What local businesses are doing to progress this agenda
John Nugent, Chief Executive, Green and Fortune		

Briefing notes prior to meeting:

- Islington Schools/College Careers Cluster

3. Visits

Who	Organisation/remit	Area of focus	When
Young People and the Progress Team	Islington Council – Children’s Services	Support to vulnerable young people – visit to the Progress Team and meeting with some young people (possibly those who are supposed to be in Yr 11) – to occur in the evening – should cover the barriers and obstacles to EET	8 December 2016, 6pm – Lift Youth Hub

4. Report

20 March 2016: Concluding Discussion

10 July 2017: Final report

Report of: Chair of Environment & Regeneration Scrutiny Committee

Meeting of	Date	Ward(s)
Joint Board Executive	5 September 2017 28 September 2017	All
Delete as appropriate		Non-exempt

Subject: Regeneration of Retail Areas Scrutiny Review - Recommendations of the Environment & Regeneration Scrutiny Committee

1. Synopsis

- 1.1 This report requests that Executive receive the recommendations of the Environment & Regeneration Scrutiny Committee following the completion of its review of the Regeneration of Retail Areas. 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 Environment & Regeneration 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 Environment & Regeneration Scrutiny Committee's recommendations.

3. Background

- 3.1 In June 2016 the Environment & Regeneration Scrutiny Committee commenced a review of regeneration of retail areas. The overall aim of the review was to encourage the regeneration of retail areas by making Islington more attractive for customers and potential businesses and to maximise future income under the recent business rate changes. The objectives of the review included looking at the areas in need of regeneration and how the council decides where to allocate attention; considering upcoming opportunities for regeneration; looking at areas currently utilised and considering tools available to the council when regenerating an area and how these could be

used more effectively. The final report of the Committee was agreed in July 2017 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 recognises the importance of the Council in supporting local businesses as this would result in the vitality of the local economy, important not only to residents but visitors to Islington. The Committee agrees that residents especially young people share in the economic development and regeneration particularly through employment opportunities. It was recognised that all measures in revitalising and keeping the markets alive, providing local jobs for local people and meeting environmental sustainable objectives should be encouraged. One particular area for improvement is in relation to parking requirements in town centres to support day to day operation of local businesses. The Committee has made 15 recommendations in response to the evidence received. It is hoped that the Committee's recommendations will assist the council in providing a more attractive environment for customers and for potential businesses to maximise future income especially in light of the recent business rate changes.
- 5.2 In carrying out the review, the Committee met with officers, Service Trading Standards, the Archway Traders Association and Angel's Business Improvement Bid (BID) to gain a balanced view. The Executive is asked to endorse the Committee's recommendations

Appendices:

- Regeneration of Retail Areas – Report of the Environment & Regeneration Scrutiny Committee

Background papers:

- None.

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ISLINGTON

Regeneration of Retail Areas Scrutiny Review

REPORT OF THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE

**London Borough of Islington
July 2017**

CHAIR'S FOREWORD

The Committee conducted a scrutiny into the regeneration of retail areas. The Committee's aim in doing so was to recommend measures that will increase Islington's appeal to businesses and customers while, at the same time, ensuring that its residents share in the economic benefits and job opportunities that a vibrant retail sector creates.

The Committee recognises the many challenges that Islington faces in this respect. It acknowledges the importance of the Council's work in supporting local businesses, in protecting and improving retail areas, and in providing facilities, but the escalating cost of doing business in Islington is of real concern. The report highlights the need for a programme of activities to support local businesses in dealing with the impact of increased rates, as well as in continuing to help in the development of sustainable enterprises.

The Committee also appreciates that the businesses in the sector play a valuable role in providing jobs and training opportunities for local residents, including young people, and that the Council is able to influence this through its partnerships and procurement policies.

Finally, the Committee is concerned that the Council will continue to consider ways of reducing the environmental impact of these areas by working with businesses over waste collection and consolidation of deliveries, and by encouraging shoppers and workers to use sustainable transport.

The Committee asks the Executive to adopt its recommendations, which it anticipates will help to ensure that Islington continues to be an attractive borough for shoppers and businesses.

Regeneration of Retail Areas Scrutiny Review

Aim

Evidence

The review ran from September 2016 until May 2017 and evidence was received from a variety of sources:

1. Presentations from witnesses – Councillor Asima Shaikh – Executive Member for Economic Development
2. Presentations from council officers – Ben Johnson, Career Grade Planner, Martijn Cooijmans, Team Leader – Planning and Projects E/W), Gemma Aked, Town Centre Development Manager)
3. The Committee received evidence from David Fordham, Service Trading Standards, Jan Tucker, Chair of Archway Traders Association and Christine Lovett, CEO of Angel's Business Improvement Bid (BID) regarding challenges and future prospects within the retail areas in Islington.

Objectives of the Review

The objectives of the review were as follows -

To look at the areas in need of regeneration and how the council decides where to allocate attention.

To consider upcoming opportunities for regeneration e.g. Farringdon Crossrail.

To look at areas that are currently underutilised e.g. some areas around tube stations.

To look at the tools available to the council when regenerating an area e.g. spatial planning and how these can be used more effectively.

RECOMMENDATIONS

1. Build strong partnerships with local employers and business forums to meet the aims of the Employment Commission and move towards a fairer Islington, in particular by encouraging local employers to undertake corporate social responsibility by creating employment and training opportunities for young people in Islington.
2. Develop a programme of activities supporting local businesses be developed to deal with the local impact of increased business rates, including the fair allocation of funds as part of the discretionary relief scheme.
3. Review and amend its procurement policies to secure social value, including benefits for local businesses, in particular SMEs.
4. Undertake activities to promote street markets and increase public awareness.
5. Facilitate workshops and seminars for SMEs and aspiring business owners.
6. The Council's Street Market's Strategy be updated to ensure that it supports local businesses.
7. During the review of the Local Plan, consideration should be given to suggestions on supporting local shops, town centres and SMEs, and as part of the Local Plan review, if required, to amend the boundaries of Islington's town centres.
8. Consider designating at least one area of Islington as a 'Cultural Quarter' as part of the Local Plan review process ensuring that this designation supports the council's wider economic development priorities.
9. Continue working with the GLA and other Central London boroughs to introduce an Article 4 Direction to continue to protect office floor space in the Central Activity Zone (CAZ) from Permitted Development rights for change of use from office to residential.
10. Continue working with the GLA and other Central London boroughs to introduce an Article 4 Direction to continue to protect office floor space in the Central Activity Zone (CAZ) from Permitted Development rights for change of use from light industry to residential.
11. Contact broadband providers and OFCOM, lobby for more affordable and faster broadband connections for local business and street traders.
12. Review parking requirements in town centres to support the day-to-day operation of local business in terms of loading and servicing provision, providing the necessary parking for disabled people, pay and display bays with an emphasis on encouraging visitors, shoppers and workers to travel to the town centres using sustainable forms of transport; i.e. widely available public transport, cycling or walking.
13. Provide an update to the Committee on the Council's planned response to the devolution on business rates.
14. Work in partnership with local businesses to address the problem with the collection of waste.
15. Explore and pursue opportunities for consolidated business deliveries in retail areas undergoing considerable regeneration.

1. **Policy (presented by Ben Johnson, Career Grade Planner)**

- 1.1. In the current policy there were four town centres (TC) which were identified in the Mayor's London Plan and central activities zones (CAZ) (Angel, Archway, Nags Head and Finsbury Park). Existing retail was protected across the borough and new, small shops of 80sqm or less were supported. Retail uses were directed to town centres in the first instance. This reflected government policy.
- 1.2. Core retail areas were protected in relation to primary frontages (where the aim was to maintain 70% retail) and secondary frontages (where the aim was to maintain 50% retail). There was a strong protection and enhancement of cultural uses such as theatres, cinemas and arts venues in town centres and the CAZ. In Whitecross and Exmouth markets there was a 35% threshold for A1 use so the council would seek to resist planning applications for a change of use if the level went lower than the threshold.
- 1.3. There were 40 areas across the borough designated by the local authority as local shopping areas. These were of differing sizes between 4 units and 200 units. They generally met day-to-day needs and were essential shops or provided essential services although there was also a distinct leisure role. A1 units were protected but local shopping areas had more flexibility of uses than town centres. There was no threshold of A1 units to try and retain.
- 1.4. The Finsbury Local Plan covered the CAZ in the south of the borough. There was a broad mix of uses in this area but significant development pressure. There was a global employment function (e.g. office space) but a need to provide services for local residents also.
- 1.5. The local plan review updated the evidence base, continued the protection of core retail areas in some form but with recognition of the changing retail landscape. Development in town centres would be prioritised in the first instance and the specific role of each centre would be recognised. The Local Plan was currently out to consultation which had started on 25 November and would run for three months. 250 groups on the planning policy database had been asked to contribute as had other groups and in addition posters and leaflets were distributed. The consultation gave people the opportunity to make suggestions about Islington's future and how it should develop in the next 15 years.
- 1.6. There was a pub policy to help protect against their loss. Pubs had permitted development rights unless they were designated as a community asset. However, there were strict regulations and not every pub was suitable for this. Planning had asked for pubs being sold to be marketed as pubs but had lost appeals on this.

Place (presented by Martijn Cooijmans, Team Leader – Planning and Projects E/W)

- 1.7. Place making was about improving places for people to come together and to strengthen retail areas.
- 1.8. At the Archway the gyratory was being removed and a new public space was under construction. There would be a new heart for Archway town centre and the potential for a market and other street trading. In the new year a new square would be built and the shops that were on the island would be more easily accessible.
- 1.9. Concern was raised that the new bus stops at Archway could mean bus users were unsure which bus stop to wait at for the next bus to their destination. The officer advised that some bus routes that had previously stopped at the same stop would now stop at different stops but some buses that previously stopped at different stops would now stop at the same stop. TfL would be putting an electronic board in Archway station advising people which bus stop the next bus would arrive at. Due to the high frequency of buses, even if a bus user did not go to the bus stop where the next bus was due to stop, they would not have to wait very long for the next bus to arrive at their stop.

1.10. Work would take place with the Town Centre Management Team and the local community on the design of the public space at the Archway early in the new year. In response to a member asking if independent coffee shops could be prioritised over chain ones, an officer advised that it was not possible to differentiate in planning terms.

Other plans across the borough included: -

- a) Subject to the plans for Highbury Corner being taken forward, the roundabout would be removed and a new public space and park created. It would create a new gateway to Upper Street and Holloway Road and the potential for some street trading.
- b) Subject to the plans for Old Street being taken forward, the roundabout at Old Street would be removed and a new public space would be created which would provide a new gateway to Old Street, Whitecross Street market and Shoreditch. There would be the potential for some retail and street trading.
- c) In Farringdon, there would be a new Cross rail station and improved public space. There would be a new gateway to 'Mid-Town' and a potential for some street trading.
- d) There was a masterplan for Central Street which included public space improvements to the King's Square shopping area.
- e) Clerkenwell Green was being redesigned with the 'car park' being used to provide improved public space.
- f) Finsbury Park would have new public space as part of the City North development. There would be a new pedestrian street leading to a new station entrance and new retail provision.
- g) The council was working with TfL to look at the possibility of removing the gyratory at King's Cross and making improvements to the Caledonian Road high street.
- h) The council was working with TfL to look at the possibility of removing the gyratory at the Nag's Head and making improvements to the Seven Sisters Road high street. This scheme was unlikely to go ahead as the scheme was the most problematic.
- i) In the Spring there would be a full consultation of the town centre strategy for Angel.

Town Centre Management (presented by Gemma Aked, Town Centre Development Manager)

1.11. The Town Centre development function was established in 2015. It was restructured from the Chief Executive's Directorate to the Environment and Regeneration Directorate in October 2016. It was currently externally funded through the New Homes Bonus. There was a commitment to ongoing funding for staff.

1.12. Key functions were 1) the strategic overview of town centres, 2) to increase footfall in the town centres, 3) To manage the council's relationship with town centre businesses, 4) To provide a gateway to other council services for businesses, 5) To provide business support advice, guidance and training, 6) To provide brokerage and partnership development, 7) To undertake project management and delivery of strategic projects and programmes, 8)

To lever additional investment into town centres.

- 1.13. There was a direct town centre management function to Archway, Finsbury Park and Nag's Head and an indirect town centre management function to the Angel. Funding support was provided by the council to the Angel Business Improvement District (BID) covering two seconded staff posts.
- 1.14. Core priorities were drawn up following a survey of over 300 businesses. They were 1) Business Engagement and Support which included business support programmes, Town Centre Management Groups and Traders Associations, 2) Town Centre Environments including cleaner, greener and safer, improving public realm and transport infrastructure; 3) Thriving Town Centre Economies included developing the town centre offer, key development sites and engaging investment partners including the GLA and London Councils to ensure a link into funding schemes and into other projects, 4) Unlocking wider opportunities including employment and skills e.g. asking businesses to provide local employment and skills training, community cohesion and tourism and 5) Galvanising and promoting strong town centre offers and animating town centres. The core priorities had driven the projects that had been undertaken in the last 18 months.
- 1.15. The current programme included delivering the Town Centre Partnership's Business Plans 2016/17, supporting the development of the Economic Development Strategy and delivering core projects funded by NHB and GLA High Streets Programme.
- 1.16. Projects included maintaining (and establishing in Finsbury Park) Town Centre Management Groups, the Shop Front Improvement Programme in Finsbury Park (engaging with 35 businesses), Marketing and Promoting Town Centres, (Focussing on Finsbury Park to establish brand identity, website and promotional campaign), Developing Business Support Programme (Business rates/marketing/visual merchandising), Festive Lighting and Events programme, supporting the delivery of Archway Square.
- 1.17. Key challenges included a potential increase in business rates for small businesses in March 2017 (businesses would be offered workshops and one to one sessions, an increase in rents for small business and general land value increases, managing relationships with key landowners and developers, parking (identified by businesses as a problem, although evidence had shown 80% of their customers did not drive to visit them), retail and office space to residential, capacity and managing expectations, resources for strategic posts, programmes and ongoing commitments, promoting town centres and making the most of the wider offer.
- 1.18. 95% of the businesses who attended the town centre management groups were independent. Chains generally engaged through the Chamber of Commerce.

2. Findings

The Committee, at its meeting on 23 January 2017, considered evidence from Councillor Shaikh, Executive Member for Economic Development.

The Committee were informed that the Council approach to Economic Development and Growth built upon the work of the Fairness and Employment Commission's recommendations. It was noted that the Council has now assisted over 2700 residents back into work.

The aim is to tackle inequality and poverty and to develop an approach that is driven by inclusion, through a model of economic growth that benefits all sections of the community.

The draft economic development strategy vision is to make Islington a place for sustainable inclusive economic growth, where local people and communities share in this growth.

Islington seeks to be a diverse, resilient local economy for the most densely populated local authority in the country, where economic activity can successfully co-exist with residential and other land users and displacement of successful economic activities is limited, provided demand is existing. Economic growth should be a means of reducing inequality of opportunity within the local community.

The Council should take a proactive role in shaping the local economy and successfully engaging with and supporting key economic factors.

The Council's objectives are to ensure Islington residents share in economic growth, particularly through employment opportunities such as the I Work employment support, in order to improve the skills and learning of Islington residents to enable them to take full advantage of available employment opportunities, such as the Employment and Skills strategy, Adult Community Learning and skills devolution and to meet the challenges of BREXIT.

The Council also hopes to encourage business uses and other appropriate commercial development in the borough through the Local Plan and the opportunities of economic clusters.

In addition, the Council will seek to support Town Centres and encourage diversity as an enabler, through small business support and the night time economy, where it did not impact adversely on residents, and refreshing the markets strategy.

The Council will also seek to maximise opportunities for the growth of SME's and for local entrepreneurs, through planning policy, and S106 and affordable workspace, and making a difference through the Council acting as an economic agent. It was noted that a large amount of affordable workspace has been lost to residential use over a number of years.

The Committee were informed of the Business Rate re-evaluation that had been recently announced and that this will see a large increase in Islington of business rates of around 45%, and this will see business rates increasing between 35% and 45%. The Committee expressed concern that this level of increase could force businesses to close or leave the borough.

The Committee were also concerned that the Council would not see an increase in funding as a result of the re-evaluation, and were calling on the Government to delay the re-evaluation until after Britain leaves the EU and extend the transitional relief to small businesses and to also increase the threshold for small businesses relief in London to £20,000.

The Committee noted that the proposals around Business Rate retention were still unclear, as the Government had still given no clear indication as to how this will work in practice. It was noted that current understanding is that the Council will not retain 100% business rates and that it was unlikely to result in any additional funding to the Council. Further details would be notified to the Committee, once they were available.

The Committee also were of the view that employers who had corporate responsibility policies should be encouraged to take these more seriously to enable local residents to take advantage of work opportunities. In addition, the Committee felt that the lack of affordable housing impacted on the ability of some young people to learn in a suitable environment and impacted on their future employment opportunities.

In terms of one of the recommendations of the Employment Commission it was noted that in terms of career advice for young people, this is being addressed and direct work is taking place with schools to ensure that proper careers advice is being addressed at schools, and by employers and

at job fairs. The challenge is to make this sustainable in view of the severe reductions in Council funding by the Government.

The Committee also felt that broadband suppliers should be encouraged to increase their broadband speeds, as this would assist businesses.

The Committee at its meeting on 9 March 2017 considered evidence from David Fordham, Service Trading Standards, Jan Tucker, Chair of Archway Traders Association and Christine Lovett, CEO of Angel's Business Improvement Bid (BID).

The Committee expressed the view that Town Centres could be revitalised by encouraging pop up shops and by holding cultural events, in order to give new businesses an opportunity and that consideration should be given to this.

The Committee were advised that with regards to parking concerns, an update would be provided for Members after the completion of a project looking into the issue.

Members were informed about the draft street trading strategy which lists key things the Council aims to achieve in the next 5 years.

It was noted that revitalising and keeping the markets alive, providing local jobs for local people and meeting environmental sustainable objectives was the stimulus for action and that the strategy aims to create a dynamic street trading and market experience suitable for residents and businesses.

Members were informed that as shopping habits of members of the public had changed over the years, street markets would have to adapt to this new trend.

It was noted that a number of challenges facing Street Trading such as lack of infrastructure regarding the removal of waste, parking issues on market site attracting new traders and retaining the existing traders.

The Committee were informed that the Council aims to raise the profile of street markets and promote street markets in the Time Out Magazine in May 2017 called 'love your market' as Street markets still had a vital place within the community not only with residents but businesses in its vicinity so the regeneration of the market was essential to provide future opportunities.

Members were informed that street markets would be encouraged to introduce different themes on market days as it was noticeable that the existence of farmers markets had resulted in an increase in trading and footfall especially visitors

The Committee were advised that most authorities in the country were experiencing similar issues on managing street markets and that the decline of traditional street markets was due to a number of factors such as competition from other forms of retail, lack of investment or vision by the local authorities and changing demographics.

With regards to the cost of hiring stalls and pitches and the revenue derived by the Council, the Service Manager, Service Trading Standards advised that Council charges £60 per week, the lowest in comparison to other neighbouring authorities and cheaper than markets that are located on private land. On the issue of revenue, Members were advised that any revenues received would be 'ring fenced'.

A Member enquired whether the Council offered support such as mentoring/training for new stall holders with a view to helping the stall holders move into retail shops.

Members were informed that there is financial incentive offered to stall holders in Crystal Palace where they were being charged rent as a percentage of their daily takings and this could be looked into.

The CEO BID welcomed the Council's strategic approach to street trading, stating that the success of the farmer's market in Chapel Street was due to the difficult and bold decisions taken by the Council and such difficult decision should continue to be applied to parking concerns around the markets.

The Chair Archway Traders Association highlighted the parking issues around the Archway square especially with the relocation of Archway market. Jan Tucker indicated that business was picking up in the private market and it was noticeable that shops were flourishing. She also suggested that Markets should be encouraged to introduce theme days such as Antique and Craft activities within the markets, activities that have resulted in an increase of foot fall in the market.

It was suggested that the Council should continue taking difficult decisions on issues such as business rates, employment opportunities for Islington residents and parking challenges in and around the market without impacting the traditional nature of the street markets. The regeneration of retail areas was important and that well known markets such as Chapel Market should not lose its original identity. Reference was made to neighbouring markets such as in Camden Lock where most of the stalls are now privately owned and although regarded as successful, the view was expressed that it had lost its traditional nature.

A Member suggested that consideration should be given to businesses such as One pound shops and Charity shops taking up empty spaces as these businesses do attract people into the area.

The Executive Member for Economic Development noted that in defining the purpose of growth, it was important to ensure that whatever changes are introduced that it benefits everyone, resident and businesses in the neighbourhood. She also advised that private markets results in money out flow of the borough as most of the stall holders were not residents

The view was suggested that empty rooms spaces above shops should be utilised for culture or exhibition events and that Officers should look into tapping into some of the healthy scheme initiatives promoted by the Office of the Mayor of London on walking, cycling and supporting less traffic as ways of regenerating retail areas. In addition, Healthy Streets Scheme was mentioned with funds for provision of street benches.

The Committee acknowledged that markets were vital to the local community as it brought people into the area and that the relationship between shops and street market traders are symbiotic. He also noted that without parking spaces street markets would struggle.

It was acknowledged that parking was an issue around markets however the council was involved in a project looking at the issue and would provide an update to the Committee in the next month.

MEMBERSHIP OF THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE

COUNCILLORS – 2016/17

Councillors:

Councillor Court (Chair)
Councillor Poyser (Vice-Chair)
Councillor Andrews
Councillor Hamitouche
Councillor Heather
Councillor Jeapes
Councillor Rupert Perry
Councillor Russell

Substitutes:

Councillor Debono
Councillor Gill
Councillor Alice Perry
Councillor Picknell

COUNCILLORS – 2017/18

Councillors:

Councillor Champion (Chair)
Councillor Hamitouche
Councillor Doolan
Councillor Russell
Councillor Gallagher
Councillor Heather
Councillor Jeapes
Councillor Perry

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

Officer Support:

Zoe Lewis, Peter Moore & Ola Adeoye – Democratic Services
Lead Officers – Karen Sullivan, Martijn Cooijmans and Gemma Aked.

APPENDIX – SCRUTINY INITIATION DOCUMENT

SCRUTINY REVIEW INITIATION DOCUMENT (SID)
Review: Regeneration of Retail Areas
Scrutiny Review Committee: Environment and Regeneration Scrutiny Committee
Director leading the Review:
Lead Officer:
Overall aim: To encourage the regeneration of retail areas by making Islington more attractive for customers and potential business and to maximise future income under the recent business rate changes.
Objectives of the review: <ol style="list-style-type: none">1) To look at the areas in need of regeneration and how the council decides where to allocate attention.2) To consider upcoming opportunities for regeneration e.g. Farringdon Crossrail.3) To look at areas that are currently underutilised e.g. some areas around tube stations.4) To look at the tools available to the council when regenerating an area e.g. spatial planning and how these can be used more effectively.
How is the review to be carried out: <u>Scope of the Review</u> <u>Types of evidence will be assessed by the review:</u> <ol style="list-style-type: none">1. Documentary submissions:2. It is proposed that witness evidence be taken from:<ol style="list-style-type: none">i) The Chamber of Commerceii) The Spatial Planning teamiii) Market Stall Holdersiv) The Town Centre Management Teamv) Executive Member for Finance, Performance and Community Safety – to outline the property owned by the council.vi) Executive Member for Economic Development3. Visits Attendance at a Town Centre Management Forum meeting.



Report of: Executive Member of Environment and Transport

Meeting of:	Date	Ward(s)
Executive	28 September 2017	All

Delete as appropriate		Non-exempt
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SUBJECT: Dockless Cycle Sharing Policy

1. Synopsis

- 1.1 To introduce a Council policy for providing dockless cycle sharing in the Borough, subject to need and consultation requirements.
- 1.2 The Council have been approached by a number of external dockless cycle providers who wish to establish dockless cycle hire provision in the borough.

2. Recommendations

- 2.1 To approve the introduction of dockless cycle schemes in the borough, subject to the terms of the Memorandum of Understanding.
- 2.2 To delegate the agreement and terms of the Memorandum of Understanding (MoU) to the Corporate Director for Environment and Regeneration in consultation with the Executive Member for Environment & Transport.

3. Background

- 3.1 Dockless cycles contain a GPS tracker that enables them to be located and rented via a smartphone application, which provides customers with access to unlock the cycles. Once unlocked, customers use the bikes to travel to their destination, locking the bike and 'ending' the trip on the app that completes the journey and leaves the bike available for the next user.
- 3.2 Dockless cycle hire is already operating in a number of cities in the country, including Manchester, Bristol and Cambridge. A number of London Boroughs have been approached by dockless cycle hire companies with a view to them working with authorities to establish their businesses in boroughs, particularly inner London authorities.

- 3.3 It is proposed that the Council establishes a Memorandum of Understanding (MoU) to be signed by any dockless cycle operators who wish to operate in Islington. This is vital to ensure that we maintain a safe environment for all road users and especially for pedestrians and vulnerable road users, who need to have access to footway spaces not cluttered with hazards, such as bikes left in unsafe and obstructive locations. Under the Equality Act 2010 Local Authorities have an obligation to take into consideration issues that may impact on these user group. Ensuring an unobstructed footway is paramount to meeting this obligation.
- 3.4 Operators who work with the Council will be required to enter into a Memorandum of Understanding (MoU), which sets the contributions we would require from operators. It is proposed that we seek an annual payment, costs to cover any parking bay amendments, and a contribution to promote cycling and associated safety campaigns in the borough.
- 3.5 We will work closely with providers to ensure that costs to service users are kept affordable and will insist through the MoU that all deposits should be refundable if users wish to withdraw from the scheme.
- 3.6 Providers will be required to ensure that dockless cycles have GPS tracking and a Geo-fencing system to communicate to users where rentals can be ended in order to prevent a build-up of bikes in an untidy and unsafe manner in popular areas. The Council will require providers to remove cycles that have been identified as attracting anti-social behaviour at locations in the borough. The Council will have the right to make amendments to the MoU to reflect locations that are identified as unsuitable for dockless cycle hire due to associated anti-social behaviour issues, theft, or otherwise deemed as unsuitable for the location.
- 3.7 Council officers will work closely with dockless cycle operators to ensure that the MoU is adhered to. The terms below will form part of the terms and conditions that dockless cycle operators will be expected to sign and agree to;
- Operator is compliant with all applicable UK law.
 - Operator has formal constitution and/or is a limited/ company with public liability insurance.
 - Operator must submit regular operational reports to the Council.
 - Operators should be an accredited London Living Wage Employer.
 - Operators must be able to clearly demonstrate that they have a plan and the capability to manage rebalancing of bikes and are able to remove bikes in response to planned events
 - Operators must remove bikes at the request of the Council or private landowner within an agreed timeframe at their own expense.
 - Where bikes have been removed as an obstruction either by the Council or emergency services the operator will be liable to pay all such costs for recovery.
 - All operators must have a procedure for emergency planning that is agreed by the Council.
 - Bicycles shall have a unique identifying number clearly displayed on the cycle, as well as a telephone number that can be used to report any issues with the bikes.
 - Operators must ensure that as a minimum they have public liability insurance.
 - Cycles must meet BS EN ISO 4210:1-9 standards. Ensuring that adequate lighting is provided is part of the standard.
 - Operators must implement a servicing and maintenance regime to ensure the bikes meet the minimum standards under UK law.

- User info and T&Cs must be available and clearly communicated to the customer, including on the website and mobile application.
- Prices, deposits, fines and changes to pricing structure must be transparent and reasonable and clearly communicated to the customer.
- Operators must have the mechanisms in place to deal with financial transactions appropriately, including customer deposits being returned within a reasonable timeframe.
- Operators will need to minimise the risk of bike theft, and safeguard against the possibility of fraudulent use of credit cards (or other payment methods) to obtain bikes for criminal purposes, including phone snatch etc.
- There must be a clear complaints policy.
- Operators should make a communications channel available to customers for complaints/questions and to report unsafe or damaged cycles.

- 3.8 As part of the implementation of the scheme we will work with the dockless cycle operators to identify parking bays that can be converted into dockless cycle hubs at locations where there is heavy pedestrian footfall and existing high demand for cycle parking. Any associated costs will be met by the dockless cycle operators.
- 3.9 TfL and the Mayor welcome innovation and wish to encourage and facilitate new opportunities to help people move around London, especially where this can be done in ways that promote Transport for London's vision of healthy streets, encouraging cycling and walking, helping to address congestion and improving air quality. TfL will work with the Boroughs to establish a code of conduct for dockless cycle operators and will work closely with new entrants to the London cycle hire market to ensure they contribute to an enhanced experience for all, consistent with the goals set out in the Mayor's draft Transport Strategy.
- 3.10 The whole borough is an Air Quality Management Area but the GLA have defined some focus areas for where the air quality is particularly bad:
- A1 Holloway Road between Highbury and Archway
 - Angel Town Centre
 - Seven Sisters Road at Finsbury Park
 - Kings Cross /Caledonian Road
 - The whole area south of Pentonville Rd/ City Rd, which includes the Old Street roundabout.
- 3.11 We currently have two 'Zero Emissions Networks' in the borough, one covering Bunhill Ward (ZEN City Fringe) and the other at Archway. In these areas the Council is working intensively with businesses to reduce air pollution and promote active sustainable transport. The Council is providing two new electric vehicle charging points in Giesbach Road and St. Johns Grove, as well as a rapid charger in Pemberton Gardens. Dockless cycle hubs could contribute to the success of the ZEN areas, particularly at Archway where there is no existing cycle hire scheme.
- 3.12 To be able to manage our highway network and keep the street environment safe for all road users we are required to ensure we keep the highway clear of obstructions and it is the intention of the Council to seek to prosecute dockless cycle companies who do not sign up to or adhere to the Memorandum of Understanding (MoU) under section 137 of the Highways Act 1980. The Council also has powers to require obstructions to be removed by serving a notice, or, where the obstruction is a danger or nuisance, the Council can remove the obstruction without notice.

- 3.13 Either party can terminate the Memorandum of Understanding (MoU) by giving one month's notice in writing to the other party.

4. Implications

4.1 Financial implications:

The introduction of the dockless cycle hire policy does not commit any of the Council's financial resources. Operators who work with the Council will be required to enter into a Memorandum of Understanding (MoU), which sets the contributions we would seek from operators. This contribution would cover all operational costs and amendments to traffic orders.

4.2 Legal Implications:

Under section 137 of the Highways Act 1980 it is an offence to obstruct the free passage along a highway without lawful authority or excuse.

The Interpretation Act 1978 defines "person" as including "a body of persons corporate or unincorporate". Furthermore, we could prosecute individual directors or officers of the company (by virtue of section 314 of the Highways Act) where they have consented or allowed the highway to be willfully obstructed by the company. The Council also has powers to require obstructions to be removed by serving a notice, or, where the obstruction is a danger or nuisance, the Council can remove the obstruction without notice.

In order to provide cycle parking places on the highway the Council would seek to make a traffic order under the Road Traffic Act 1984, section 45.

4.3 Environmental Implications

No negative environmental impacts are expected. If more individuals participate in cycling as a mode of travel there is a potential for modal shift from vehicles, which will bring about associated environmental benefits, such as improved air quality. Operators will be managed to ensure that the highway network is kept clear from obstructions that may visually impact upon the environment.

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 has been completed for the purpose of the report but there will need to be site specific assessments carried out when locations and subsequent consultees have been identified.

5. Reasons for recommendations

- 5.1 The Council's Corporate Plan 2015-2019 sets out a clear vision "to make Islington fairer and create a place where everyone, whatever their background, has the same opportunity to reach their potential and enjoy a good quality of life".
- 5.2 One of the key priorities is focused on making Islington a place where our residents have a good quality of life, and the introduction of dockless cycle schemes contributes towards this priority by enabling access at multiple locations across the borough to dockless cycles, which will encourage more physical activity amongst residents and visitors and lead to healthier lifestyles.

- 5.3 Islington's strategic policies, including the Air Quality Strategy promote the uptake of more sustainable travel by residents and visitors in the borough to help improve local air quality, dockless cycle schemes will contribute to improved local air quality and may influence behaviour towards a more sustainable mode of transport.
- 5.4 By working together with dockless cycle operators, we will be encouraging active travel and reduce the need for car dependency.
- 5.5 By entering into a Memorandum of Understanding we will establish operating procedures and promote good practice for those operators who wish to establish their companies in the borough.
- 5.6 Failure to adhere to the Memorandum of Understanding may result in enforcement action being taken under the Highways Act 1980.
- 5.7 By encouraging and facilitating operators to establish dockless cycle facilities in the borough we are assisting in;
- Providing access to on demand bike hire within the London Borough of Islington
 - Increasing cycling
 - Reducing pollution
 - Improving knowledge of transport behaviours.

Appendices – none

Background papers - none

Final report clearance:

Signed by:



Executive Member for Environment & Transport

15 September 2017

Date

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

Meeting of	Date	Ward(s)
Executive	28 September 2017	N/A

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Subject: UPDATED TERMS OF REFERENCE FOR THE SHARED ICT AND DIGITAL SERVICE JOINT COMMITTEE

1. Synopsis

- 1.1 At its meeting on 10 March 2016 the Executive agreed to establish a shared digital service with Camden and Haringey Councils and established the Shared ICT and Digital Service Joint Committee. The Terms of Reference for the committee were subsequently agreed at a Leader's Decision meeting on 1 September 2016.
- 1.2 Following a year in operation, the Shared ICT and Digital Service Joint Committee reviewed its Terms of Reference at its meeting on 19 June 2017 agreed a number of changes. These changes are now proposed to the Executive for agreement.

2. Recommendation

- 2.1 To agree the revised Terms of Reference for the Shared ICT and Digital Service Joint Committee attached to this report as Appendix 1 to come into effect from 1 October 2017.

3. Background

- 3.1 The main changes to its Terms of Reference agreed by the Shared ICT and Digital Service Joint Committee meeting on 19 June 2017 are as follows:
 - To change the name of the joint committee from 'Shared ICT and Digital Service Joint Committee' to the 'Shared Digital Joint Committee' to reflect the name of the shared service.

- To state that each Council 'should' nominate a substitute Member rather than for this to be an option.
- To ensure the 'Joint Committee Model' is included in the Terms of Reference as a model to review along with other company models as part of the Shared Digital Governance Options review.
- To be explicit about the frequency of the meetings; the intention is that the Shared ICT and Digital Service Joint Committee will meet at least three times a year.
- To clarify when the Chair will be rotated and that this should be in alphabetical order.
- To clarify that all 'Executive' decisions of the Shared ICT and Digital Service Joint Committee will be deemed 'key decision'. This is to avoid administrative decisions being treated as key decisions and added to the councils' Forward Plans
- To change the way the councils are listed in the Terms of Reference so that they are always listed in alphabetical order
- To undertake a tidy up of the language in the Terms of Reference for example using 'Shared Digital' as the name of the joint service.

3.2 Four overarching principles have been agreed for the operation of the Shared Service, these are:

- Be as light touch as is consistent with good governance to ensure that decisions can be made in the most efficient and effective way possible
- Avoid any form of 'separate duplicated decision making within each of the councils that undermine the integrated nature and spirit of the undertaking
- Facilitate, and not undermine, a potential move towards a public services company model in the future and
- Ensure appropriate levels of input and scrutiny for each council

3.3 The councils have set out an ambition to develop a light touch, efficient and effective governance framework with appropriate levels of input and scrutiny for each council. The review of the Terms of Reference and legal agreement will consider how the governance framework is currently working and whether changes are required to ensure it aligns to the overarching principles. This may require changes to be made to the legal agreement, Terms of Reference and council constitutions.

3.4 There are no adverse impacts from implementing the recommended changes outlined in this report; they are intended to provide greater clarity regarding the number of meetings to be held per year, how the venue and Chair will be rotated and that that 'Joint Committee model' will be reviewed alongside other company models.

4. Implications

4.1 Financial Implications

There are no financial implications arising from this decision.

4.2 Legal Implications

The Local Authorities (Arrangement for the Discharge of Functions)(England) Regulations 2012/1019 empower the Leader and Executive to make arrangements to discharge their Executive functions jointly with another local authority through a Joint Committee created for that purpose. The Regulations confirm that when the arrangements are between three local

authorities and relate to Executive functions (which the IT function in a council is) then the arrangements are to be between the three Executives/Cabinets. Decisions of joint committees are binding on the participating councils. However, subject to the terms of the arrangement, the council retains the ability to discharge that function itself.

Accordingly, the Leader / Executive may agree the revisions to the Terms of Reference for the Shared ICT and Digital Service Joint Committee previously agreed at the Leader's Decision meeting on 1 September 2016.

4.3 **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.

Bringing the three ICT services together is expected to have positive outcomes for residents, as it will help to accelerate progress on resident-focussed ICT projects that will improve residents' interactions with the council. The proposed changes to the Terms of Reference do not have any additional equalities impacts.

4.4 **Environmental implications**

None.

5. **Conclusion and reason for recommendation**

Following a year in operation, the Shared ICT and Digital Service Joint Committee reviewed, its Terms of Reference at its meeting on 19 June 2017 and agreed to recommend a number of changes. These changes are now proposed to the Executive for agreement.

Appendices: Appendix 1 – revised Terms of Reference agreed at the Shared ICT and Digital Service Joint Committee meeting on 19 June 2017.

Background papers: None

Signed by:



14 September 2017

Date

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Shared ICT and Digital Service Joint Committee – Terms of Reference

The Joint Committee shall be known as the “Shared Digital Joint Committee”

The Joint Committee is established under section 101(5) of the Local Government Act 1972, as applied by section 9EB of the Local Government Act 2000 and Part 4 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 by the Executives of each of the Councils and the delegations to cabinet and cabinet members are subject to this delegation.

Membership:

- 1 The Joint Committee shall comprise of six members, two appointed by each of London Borough of Camden, London Borough of Haringey and London Borough of Islington (“the Councils”).
- 2 One member appointed by each council should be the Cabinet/Executive member responsible for information/digital technology
- 3 Every member appointed to the Joint Committee shall be a member of the Executive/Cabinet of their council. Should they cease to be a member of the Executive/Cabinet they will cease to be members of this Joint Committee. Political balance rules do not apply.
- 4 Each Council should nominate substitute Members who must be a member of the respective Executive/Cabinet to attend meetings of the Joint Committee, should an appointed member of the Joint Committee be unavailable or unable to attend a meeting of the Joint Committee. A substitute Member attending in the absence of an appointed member will have full voting rights.
- 5 Each Member of the Joint Committee shall be appointed annually but shall cease to be a member if s/he ceases to be a member of the Council appointing him/her or of its Cabinet/Executive or if removed by the relevant Leader.

Terms of Reference:

The Shared Digital Joint Committee will:

- 6 Provide democratic oversight over the strategic delivery of Shared Digital provided to the councils through powers delegated to them by their Executives/Cabinets.
- 7 Approve the strategic service and financial plan for Shared Digital and the performance measures to ensure services are delivered to the agreed standard and within the resources provided by the Councils.
- 8 Receive updates on the Business Plan and the performance of Shared Digital.
- 9 Agree the procurement strategy and award contracts related to digital and IT spend where the total estimated value exceeds £2m revenue and/or £5m capital. Below these financial thresholds, authority to agree procurement strategies and award contracts is delegated to the Chief Digital and Information Officer

- 10 Suggest revisions to the Terms of Reference of the Shared Digital Joint Committee to be referred back to the Leaders and/or Executive/Cabinet of each of the Council's for approval.
- 11 Receive and consider a detailed report, within twelve months of the creation of the Joint Committee [by October/November 2017] that considers the Governance Model Options for Shared Digital and to make recommendations to the Cabinet/Executive of each of the Councils in respect of the report. Options to be evaluated to include the Joint Committee model as well as company models.
- 12 Delegate all matters not specified at 6-11 to the Chief Digital and Information Officer; and may delegate any matters within its terms of reference to a named officer of any of the councils. The Joint Committee shall not delegate a function to or create any Sub-Committees.
- 13 Notwithstanding delegation of any matters to an officer the Joint Committee may itself make decision on any such matters.

Meetings of the Committee:

- 14 The Shared Digital Joint Committee will meet at least three times a year. The venues of the meetings will be rotated in alphabetical order.
- 15 Further meetings may be called by the Head of Paid Service of any of the Councils as required.
- 16 Meetings of the Joint Committee shall be held at the venue or venues agreed by the Joint Committee or in respect of meetings called by a Head of Paid Service, at the venue determined by the person calling the meeting.
- 17 The Joint Committee shall appoint one of its members as Chair whose term of office shall run for one calendar year from appointment, unless that Member ceases to be a member to the Joint Committee. The Chair shall rotate between the boroughs alphabetically (i.e. Camden, Haringey, and Islington) unless otherwise agreed between the members of the Joint Committee. The new Chair shall be confirmed at the last scheduled meeting of the outgoing Chair's term.
- 18 A meeting of the Joint Committee shall require a quorum of one Member of each Council who are entitled to attend and vote.
- 19 Subject to the provisions of any enactment, all questions coming or arising before the Joint Committee shall be decided by a majority of the Members of the Joint Committee immediately present and voting thereon. Subject to the provisions of any enactment, in the case of an equality of votes the Chair shall have a second or casting vote but before exercising this, the Chair shall consider whether it is appropriate to defer the matter to the next meeting of the Joint Committee.

- 20 Any Member of the Joint Committee may request the Joint Committee to record the votes of individual Members of the Joint Committee on a matter for decision.
- 21 In its operation and functioning the Joint Committee shall, unless varied within these Terms of Reference, be governed and abide by the Camden Committee procedure rules and standing orders applying to Committees of the Council.
- 22 Any Member of the Councils who is not a Member of the Joint Committee is entitled to attend the Joint Committee but he/she shall not be entitled to vote. Any Member not a Member of the Joint Committee shall not take part in the consideration or discussion of any business, save by leave of the Chair.
- 23 Meetings of the Joint Committee will be open to the public except to the extent that they are excluded under paragraph 25.
- 24 All Executive decisions of the Joint Committee will be deemed Key Decisions.
- 25 The public may be excluded from a meeting of the Joint Committee during an item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that, if members of the public were present during that item, confidential information as defined in section 100A (3) of the Local Government Act 1972 or exempt information as defined in section 100I of the Local Government Act 1972 would be disclosed to them.
- 26 Each Council may call in any decision of the Joint Committee in accordance with the overview and scrutiny provisions of that Council's constitution. If any decision of the Joint Committee is subject to call in by a Council, the Joint Committee and officers shall take no irreversible action to implement that decision until after the call in process is completed.
- 27 All papers to be considered and/or decided on by the Joint Committee shall be provided to the Committee in electronic format. Members will receive the draft papers for comment 5 days prior to their publication.

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Report of: Executive Member for Housing and Development

Meeting of:	Date:	Ward(s)
Executive	28 September	All

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SUBJECT: Procurement Strategy for Door Entry and Access Control Systems Testing Servicing and Repairs contract

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of Door Entry and Access Control Systems Testing Servicing and Repairs Contract in accordance with Rule 2.5 of the Council's Procurement Rules.
- 1.2 This contract is for the delivery of door entry (intercom) repairs and servicing to Islington Council residential properties. It will include the communal door entry systems and internal door entry phones within individual properties. Electronic car park gate entry system on estates will also be repaired and serviced as part of this contract.

2. Recommendations

- 2.1 To approve the procurement strategy for Door Entry and Access Control Systems Testing Servicing and Repairs Contract as outlined in this report.
- 2.2 To delegate the award of the contract to the Corporate Director of Housing and Adult Social Services in consultation with the Executive Member for Housing and Development.

3. Background

- 3.1 Nature of the service
The council would like to procure one contractor to deliver borough-wide door entry repairs and servicing to residential properties, blocks and estate car parks.

The existing door entry contract was procured in 2010 by the Council's Arm's Length Management Organisation (ALMO), Homes for Islington (HFI). HFI was insourced to the Council in 2012 and this

contract was novated to the council.

The contract will have an operational team that oversees day to day repair works, including costing, quality of work, residential access etc. and this will include a monthly operational meeting. There will also be a contract officer that will oversee contractual matters, including performance and dealing with any escalated operational matters. This will include higher level meetings that occur quarterly, or at a frequency set as required.

The existing contract needs to be re-procured to achieve greater value for money to the council.

3.2 Estimated value

The estimated aggregate value of this contract is £2,700,000 (£540,000 per annum), based on a contract term of 60 months in total (24 + 24 + 12 months).

The contract will be funded from an existing allocated budget, set aside within the repairs and maintenance overall budget.

This budget is allocated from the Housing Revenue Account (HRA) and leaseholders will be recharged under Section 20 agreements.

The door entry contract expenditure has exceeded budget for the last two years: £556,556 was spent in year 2015/16 and £548,703 in year 2016/17 respectively. It is anticipated that spending will be contained within the £540,000 per annum budget in the new contract, through the provision of a new contract with a clear itemised and robust price framework. A new contract with a measurable price framework will allow budgets to be monitored and identify recurring repairs that may benefit from capital programme renewals.

3.3 Timetable

The council intends to advertise the first stage (Selection Questionnaire) of the Door Entry and Access Control Systems Testing Servicing and Repairs contract on 3 January 2018. The second stage (Invitation to Tender) will be advertised on 12 March 2018, with an estimated contract award in September 2018. The contract start will be 1 November 2018. The current contract will expire on 30 October 2018, following a twelve (12) month extension being awarded out of an optional thirty six (36) month extension available, to allow for this procurement to take place. A formal Procurement Project Plan will be created following this strategy approval.

A two stage section 20 consultation will take place with leaseholders as part of this procurement, due to leaseholders being charged for door entry repairs, including leaseholders' internal door entry handset repairs. The first consultation will take place upon approval of this procurement strategy and the second consultation will take place at the award stage of the procurement process.

3.4 Options appraisal

A competitive tender process, a framework agreement, and the option of insourcing have been considered.

The schedule of Rates (SOR) included within the available frameworks, are not fit for purpose, so this option did not meet Islington's requirements. Insourcing would not be cost effective at this time.

Collaboration with neighbouring authorities was also considered, particularly Camden. However, their service delivery model does not mirror Islington Council's and the door entry systems within Islington are not standardised systems.

It was decided to procure using a competitive tender process, as this can deliver the best value overall whilst meeting the service needs. One contractor will be procured for the whole contract, using the two stage restricted tender procedure. The evaluation process and award criteria are explained in greater detail in section 4.6.

3.5 Key Considerations

There will be key social benefit clauses within the contract terms including offering a minimum number

of apprenticeship opportunities, work experience placements, job shadowing and training opportunities.

London Living Wage will be a requirement of the contract terms. The current market pays above London Living Wage for Door Entry Engineers.

Best Value is considered within the terms and conditions for the Door Entry contract, especially with regards to community benefits such as apprenticeship schemes and training opportunities. Best Value forms part of the tender criteria as the contract will be awarded to the Most Economically Advantageous Tender and the award criteria will be set at 70%cost 30% quality; more detail is available in section 4.6 for the quality criteria.

Staff from the existing contractor may be subject to TUPE regulations as part of this procurement.

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 Selection Questionnaire (SQ) which establishes whether an organisation meets the financial requirements, is competent and capable and has the necessary resources to carry out the contract. The SQ 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 SQ requirements as specified in the advertisement are then invited to tender (ITT). The second stage is the ITT which is forwards-looking using the advertised Award Criteria. Tenders are evaluated on the basis of the tenderers' price and ability to deliver the contract works or services as set out in the evaluation criteria, in order to determine the most economically advantageous offer.

The cost criteria will consist of the National Housing Federation (NHF) Schedule of Rates (SORs) and Bespoke SORs, which the contractors will submit prices against individual items. The quality criteria will include ability to meet volumes and timescales, quality assurance, customer service, equality and mobilisation of the contract. This will enable Islington to acquire a contractor that delivers best value overall.

The contract will be awarded to the Most Economically Advantageous Tender (MEAT) and the award criteria will be set at 70%cost 30% quality.

3.7 Business Risks

Islington Council has a duty to provide door entry repairs and keep them in good working order as part of The Secure Tenant's of Local Housing Authorities (Right-to-Repair) Regulations 1994. Failure to do this, due to a break in delivering the service, would result in the council not complying with the regulations and potentially liable to pay compensation.

Residents' are reliant on door entry systems to enter their buildings and let visitors into the buildings. Vulnerable residents' may have care packages and home help services, which need to be let into the building to assist them. Failure to keep door entry systems in good working order would result in vulnerable residents' being unable to access essential services they require. Leaseholders pay service charges for door entry repairs and expect that they will be repaired when not working. These risks can be mitigated by ensuring a Door Entry Repairs contract is procured within the given timescales to deliver the necessary services.

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	Door entry system repairs and servicing to residential properties, blocks and estate car parks. See paragraph 4.1
2 Estimated value	The estimated value per year is £540,000. The agreement is proposed to run for a period of 24 months with an option to extend for two periods of 24 months and 12 months, up to a maximum of 36 months in total. See paragraph 4.2
3 Timetable	SQ Advert – 3 January 2018 ITT Advert – 12 March 2018 Contract Award – September 2018 Contract Start – 1 November 2018 See paragraph 4.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	A competitive tender process has been selected. See paragraph 4.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	London Living Wage and social benefit clauses will be included as part of the contract terms. Best value is considered as part of the specification, award criteria and delivery of the service. There may be TUPE implications. See paragraph 4.5
6 Evaluation criteria	The award criteria will be split at 70% price and 30% quality. The award criteria price/quality breakdown is more particularly described within the report. See paragraph 4.6
7 Any business risks associated with entering the contract	Failure to deliver door entry repairs as required in The Secure Tenant's of Local Housing Authorities (Right-to-Repair) Regulations 1994. Failure to provide services that leaseholders pay for and impact on vulnerable residents' being unable to allow care services entry to their properties. See paragraph 4.7

4. Implications

4.1 Financial implications:

The HRA repairs 2017-18 budget totalling £32m currently includes £518k provision in respect of door entry repairs and maintenance, which is slightly less (£22k) than the annual estimated value of the contract being £540k, however it is anticipated that this pressure can be contained within the overall repairs budget.

In addition, if as the report intimates at 4.2 a more robust pricing framework leads to an improved mechanism of identifying recurring repairs & as such facilitates a means of linking this into to defining capital programme requirements, as a consequence we should see less pressure placed on the day to day door entry repairs budget.

4.2 Legal Implications:

The council is responsible for undertaking the repair, maintenance and servicing of its housing properties and installations therein (Part 2 of the Housing Act 1985). The council also has duties under the Secure Tenants of Local Housing Authorities (Right-to-Repair) Regulations 1994 where the door entry phone system is not working. Accordingly, the Council has power to enter into the proposed contract in respect of door entry and access control systems under section 1 of the Local Government (Contracts) Act 1997 on the basis that such services are properly required for the discharge of the Council's functions.

Maintenance and servicing of the door entry and access control systems is a public services contract for purposes of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of the Regulations to works contracts is currently £164,176.00. The value of the proposed contract is above this threshold and therefore the provisions of the 2015 Regulations will apply including advertisement in OJEU. It is proposed to carry out a competitive tendering process using the restricted procedure in accordance with those regulations.

On completion of the procurement the contract may be awarded as required, to the highest scoring tenderer subject to the tender providing value for money for the council.

4.3 Environmental Implications

Environmental implications from this contract include CO2 emissions from vehicle use and the Contractor should optimise travel routes to minimise number of journeys taken. In addition, Contractors should be encouraged to use LPG and environmentally friendly fuel sources for vans.

The Contractor will be required to adhere to requirement of Councils Housing HSE Code of Conduct for Contractors and appropriate legislation. The contractor should ensure that waste materials are kept to a minimum and that waste leaving sites is reused or recycled where practicable. The Contractor will have a duty of care to ensure that any waste disposal is done legally and in alignment with the waste hierarchy.

Where possible, the Contractor should use recycled or sustainably produced materials. The contractor will install energy saving replacement parts where possible and if compatible. Where complete renewals are required, then energy saving replacements will be considered.

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 on 20 June 2017 and the summary is included below.

This procurement will not have any negative impact on any persons within the protected characteristics groups. This contract will have a positive impact on vulnerable groups as it allows care services and other home assistance services to access residents' properties. Diversity and equality are considered

during the procurement process. Potential service providers will be asked a scored question during the procurement process about how they assess and manage door entry repairs for customers with any of the equalities characteristics. It is a contractual requirement for service providers to work to Islington Council's policies and procedures, where equality, diversity and an accessible service for all is factored into service delivery procedures.

5. Reasons for the decision:

- 5.1 The council have a duty to provide repairs for door entry systems and keep them in working order. The current contract is not delivering value for money and does not enable accurate spend forecasting or measurement of door entry repair trends. The procurement of a new contract is required to deliver a more strategic door entry repairs service for the future, making better use of the funding available for this service.
- 5.2 It is recommended that the Corporate Director of Housing and Adult Social Services be authorised to award the key decision of the award for Door Entry and Access Control Systems Testing Servicing and Repairs Contract, to enable the procurement timetable to be met.

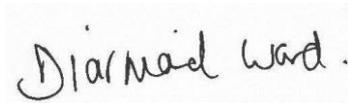
Appendices

- None

Background papers:

- None

Signed by:



Date: 8 September 2017

Executive Member for Housing and Development

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Report of: Executive Member for Housing and Development

Meeting of:	Date	Ward(s)
Executive	28 September 2017	All

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SUBJECT: Procurement Strategy – Housing Capital Programme Major Works

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of Housing Capital Programme Major Works Term Partnering Contract in accordance with Rule 2.5 of the Council's Procurement Rules.
- 1.2 This report seeks approval to procure contractors to carry out major works to the Council's housing stock such as window renewal schemes, roof renewals, external fabric repairs, external and internal decorations, water tank renewals, communal lighting, door entry phone systems etc.

2. Recommendations

- 2.1 To approve the procurement strategy for Housing Capital Programme Major Works as outlined in this report.
- 2.2 To delegate authority to award the contract to the Corporate Director of Housing and Adult Social Services, in consultation with the Executive Member for Housing and Development.

3. Background

- 3.1 Nature of the service
- 3.2 The Council's Housing service operates a 7 to 10 year rolling programme of planned maintenance for its directly managed housing stock. The work consists mainly of repair and replacement of worn out life expired building components. The current partnering constructors were procured in 2010, with contracts commencing in early 2011. These two contracts will expire on 31 March 2019. The aim of this procurement exercise is to generate competition and achieve value for money for the Council.

Representatives from approximately 50 construction companies attended a Meet the Buyer event hosted by the Housing Capital Programme Delivery team on 21st June 2017.

- 3.3 The format of the event was designed to achieve a two-way flow of information; constructors were encouraged to provide their views, advice ideas and experience on all aspects associated with the procurement and on-going partnering relationships. A great deal of valuable information has been gleaned from this event, and as a consequence, further preliminary market consultation will be undertaken.
- 3.4 Staff within the Capital Programme Delivery team are currently updating and amending the existing contract documentation. Consultation with colleagues in Housing Operations Division and Housing Needs are underway. Decisions concerning the number of contracts and the allocation of work are still to be taken.

4. Estimated Value

- 4.1 Capital/Cyclical Improvement and repair works to Islington's Housing stock are currently and will continue to be funded from the Housing Revenue Account. It is anticipated that the annual budget for this work will be circa £40 - £60million. This is based largely on recent spend (15/16 spend = £30m, 16/17 spend = £30m and anticipated 17/18 spend = £33m) but also anticipating increased spend on additional fire protection work.
- 4.2 Large procurement exercises are very labour intensive and costly for both client and constructors. In order to ensure resources are used efficiently it is intended that a ten-year contract containing two break clauses (4 years + 3 years + 3 years) will be the term of the agreement/s.
- 4.3 If the annual budget is reduced during the length of the contract, repair and maintenance work will need to be prioritised accordingly.
- 4.4 Our current schedule of rates has been benchmarked with a variety of different industry sources and appears to be under-priced, resulting in contractors struggling to resource projects adequately and much officer time being spent administering the contracts. The re-procurement exercise may result in higher prices but with this should come better supervised projects with less snagging and defects.
- 4.5 Fluctuating costs within the construction industry are well documented, it is however considered ill-advised to attempt to avoid this through fixed pricing. Use of an indexation model will, to a large extent, mirror the market and ensure current prices are paid.
- 4.6 Leaseholder recharges are an important consideration for this procurement: views of leaseholders will be sought and considered as part of the stakeholder consultation exercises.

5. Timetable

- 5.1 The current contracts will expire 31st March 2019, the current procurement programme predicts signing new contracts in January 2019, allowing a three-month mobilisation period.
- 5.2 Statutory deadlines for the procurement process and section 20 Leaseholder Consultation will need to be observed in accordance with the Public Contracts Regulations 2015 and the Service Charges (Consultation Requirements) Regulations 2003.
- 5.3 Consultation is currently taking place with colleagues in Housing Operations and Housing Needs divisions also with leaseholder and tenant forums.

6. Options appraisal

- 6.1 A two stage competitive tender is the preferred option.

6.2 Collaboration with other social landlords has been considered but from experience almost always requires quite a degree of compromise; the main advantage usually is a saving in time. On this occasion adequate time has been allowed for thorough and rigorous procurement to be conducted, there appears little tangible advantage to collaborative procurement.

7. Key Considerations – References to social value and impact on staff

7.1 It is intended that successful bidders will be required to undertake Corporate Social Responsibility work. 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.

7.2 A system of rigorous project reviews will be mandatory for continual learning, development and improvement.

7.3 Requirements for working in partnership with IC to reduce worklessness within the borough through various initiatives will be included in the contract documents.

7.4 TUPE may apply to this contract.

8. Evaluation

8.1 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 Selection Questionnaire (SQ) which establishes whether an organisation meets the financial requirements, is competent and capable and has the necessary resources to carry out the contract. The SQ is backwards looking and explores how the organisation has performed to date, its financial standing, information about their history and experience.

8.2 A limited or 'restricted' number of these organisations meeting the SQ requirements as specified in the advertisement are then invited to tender (ITT). The second stage is the ITT is now forwards-looking using Award Criteria. Tenders are evaluated on the basis of the tenderers' price and ability to deliver the contract works or services as set out in the evaluation criteria in order to determine the most economically advantageous offer.

- The cost/quality award criteria will be split 50%/50%.
- Sub Quality criteria amounting to 50% are yet to be finalised but areas likely to be used are: customer care, complaints handling, ability to deliver projects on time, demonstrable stable supply chains.

9. Business Risks

9.1 A lack of tenders or a lack of suitably priced tenders is the main business risk associated with this process. Although considered unlikely (especially from feedback from Meet the Buyer event), re-tendering would be the best course of action.

There are numerous business opportunities, such as the creation of collaborative partnering with contractors, developing robust processes and efficient working, no further tendering required for up to 10 years, saving time and money, encouraging social corporate responsible activities.

9.3 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. The adequacy of these measures will initially be assessed by officers and the outcome of that assessment will be reviewed by

- 9.4 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	Undertaking major works and cyclical improvements to Islington's housing stock See paragraph 3.1
2 Estimated value	The estimated value per year is £40 - 60million. The agreement is proposed to run for a period of 4 years with two optional extensions each of 3 years. See paragraph 3.2
3 Timetable	The current contracts will expire 31 st March 2019. The current procurement programme predicts signing contracts in January 2019, allowing a three-month mobilisation period. See paragraph 3.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	Preferred option Restricted OJEU Procedure See paragraph 3.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	Consideration of social value included. See paragraph 3.5
6 Evaluation criteria	Award criteria and price/quality 50%-50% split included within the report. See paragraph 3.6
7 Any business risks associated with entering the contract	Business risk included in report. See paragraph 3.7

10. Implications

10.1 Financial implications:

There are adequate resources to cover the cost of the contract cost within the HRA medium term financial plan. If there is a requirement to provide for additional costs as a result of health and safety works the Council will review the HRA medium term financial strategy and prioritise funding for these works.

10.2 Legal Implications:

The council is responsible for undertaking the repair of its housing estates, properties and installations pursuant to the Housing Act 1985. Accordingly, the council may procure a contract for the housing capital programme major works (section 1 Local Authorities Contracts Act 1997).

The contract is a public works contract for the purposes of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of the Regulations to works contracts is currently £4,104,394. The estimated value of the proposed contract is above this threshold and therefore the provisions of the Regulations will apply including advertisement in OJEU. It is proposed to carry out a competitive tendering process using the restricted procedure in accordance with the Regulations

An appropriate proportion of the costs of the contract will be recoverable from the leaseholders of the relevant properties pursuant to the service charges provision of their leases subject to the consultation requirements of section 20 of the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003 having been carried out.

10.3 Environmental Implications

The Environmental Implications of procuring new partnering contractors are predicted as neutral: the same requirements for recycling waste building materials that are required of our current contractors will continue to be a requirement in the new contracts, along with sourcing local labour and local suppliers.

10.4 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 (RIA) was completed on 16.8.17 and the summary is included below:

10.5 Equality Impacts:

No negative impacts predicted. Contract requires successful bidders to participate in corporate social responsibility activities and reducing worklessness both of which are likely to have a positive impact on local people. Undertaking maintenance of our housing stock provides a positive impact on our residents and all local people and businesses.

10.6 Safeguarding Risks that have been Identified:

Requirement for DBS checks to be included in contract.

10.7 Potential Human Rights Breaches:

None

11. Key Actions to be taken as a result of this RIA:

Action	Responsible person or team	Suggested date of Action
Requirement for contractor's staff to have current basic DBS checks to be written into contract documents	Christine Short	End of 2017

12. Reason for recommendations

12.1 The recommendation is to approve the procurement strategy. The reasons are contained within the body of the report, that is as the existing contracts expire on 31 .3.19, a vehicle for delivery of major works to the council's housing stock is needed from 1 April 2019.

Appendix: None

Background papers: None

Final report clearance:

Signed by:

A handwritten signature in black ink that reads "Diarmuid Ward." The signature is written in a cursive style and is centered within a light gray rectangular box.

Executive Member for Housing and Development Date: 8 September 2017

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Report of: Executive Member for Housing and Development

Meeting of:	Date	Ward(s)
Executive	28 September 2017	All

Delete as appropriate	Exempt	Non-exempt
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SUBJECT: Procurement Strategy – Building Materials, Equipment, Tool Hire and Plant Hire Supply Contract

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of Building materials, equipment, tool hire and plant hire supply contract in accordance with Rule 2.5 of the Council's Procurement Rules.
- 1.2 A procurement is underway to supply building materials, equipment, tool hire and plant hire primarily to the Housing Repairs Team within Housing Property Services.
- 1.3 The successful tenderer will be required to deliver this service directly from Islington's stores facility at Unit 10, Bush Industrial Estate, N19. The Council has a lease of Unit 10 and will under-let this unit to successful tenderer/s at the market rent.

2. Recommendations

- 2.1 To approve the procurement strategy for Building Materials, Equipment, Tool Hire and Plant Hire supply contract as outlined in this report.
- 2.2 To delegate authority to award the contract to the Corporate Director of Housing and Adult Social Services in consultation with the Executive Member for Housing and Development.

3. Background

- 3.1 Nature of the service
The Housing Repairs Service delivers responsive repairs and maintenance to all 23,000 directly managed council homes across Islington. The service employs 103 repairs operatives from various building trades who deliver in the region of 70,000 maintenance jobs per annum.

In order to deliver an efficient and productive responsive repairs service our operatives need to be able to access locally situated building materials, tool hire and plant hire. The council requires building materials, tool hire and plant hire to be supplied to Islington repairs service and to be delivered directly through an Islington store facility. Building supplies consists of, but are not limited to, the supply of tailored van stocks made up of the materials items most commonly used by individual repairs operatives which need to be replenished on a weekly basis. The service also requires provision of power tool hire and servicing and plant hire.

The housing repairs service has an existing contract with a supplier to deliver a building materials supply and tool and equipment hire service from Islington's dedicated store facility at Unit 10, Bush Industrial Estate. This contract ends 31 July 2018.

Discussions have taken place with other maintenance teams within the council which carry out repairs and building works to communal areas of Islington council housing estates, refurbishment of empty council homes and also maintenance works to other council buildings. The new contract will include provision of supply of building materials, equipment, tool hire and plant hire for works carried out by these teams.

Ordering, delivery, stock inventory and payments will need to interface between the supplier and the council's IT systems.

Due to the duration of the existing agreement a tendering exercise needs to be carried out during the autumn of 2017 to deliver this crucial support service to the repairs team.

The Housing Repairs Service has been run by the council since it was insourced in August 2014. The accuracy of the data it holds about its usage, breakdown and spend for building materials, equipment, tool hire and plant hire is now available. As a result the repairs service is in the process of making significant changes and improvements to the requirements in the specification for this procurement exercise.

The new contract will be procured in two Lots: Lot 1 the supply of building materials and equipment and Lot 2 the supply of tool hire and plant hire. The council's preference is regardless of who wins the Lots both elements of the service will be delivered through the dedicated store at Unit 10, alternatively Lot 2 must be delivered from an alternative site located in or conveniently to Islington.

3.2 Estimated Value

The actual spend on the existing contract over the last two years for the Housing Repairs Service was £3.634m which equates to roughly 15% of the total spend by the council on responsive repairs during this period. The estimated cost of the new contract based on the current spend plus anticipated additional spend through this new contract from the estate maintenance team within Housing and also the Non-housing Building Repairs Team (BRF) in Resources is £2.2m per annum.

Currently all works carried out within empty council homes awaiting reletting (voids) are contracted out and the contractors carrying out this work purchase their materials separately. It is anticipated that during the life of the new materials contract a proportion of the void works currently contracted out may be done in-house and as a result materials used in the delivery of this work would be purchased through this materials contract. It is estimated this could increase potential spend on materials by £160k per annum based on an assumption that 25% of total void refurbishment works start being done in-house in the future and the cost of materials for these works in proportionate to that of responsive repairs. Taking this additional spend into account will increase the estimated cost of this contract increasing to £2.36m per annum.

This amount is split between £1.86m per annum spend on materials and £500k per annum on tool and equipment hire. The new contract will be co-terminus with the existing lease agreement for the Islington store facility. This head lease which the council has with the freeholder for the Islington Store Facility is due to end 8 July 2024 with a review period scheduled for 8 July 2019. The existing sub-lease for the Islington Store Facility which the council has with the existing supplier is co-terminus with the current

building materials contract.

The majority of the anticipated spend of the contract will be funded through the HRA with an estimated £60k per annum being funded from the General Fund related to materials purchased by Non-housing Building Repairs Team.

The Corporate Real Estate team have checked the existing head lease for Unit 10 and have advised there is no ability for the freeholder to terminate the lease before the 2019 review period. However, it is likely the rent charged will be increased at this review. The current annual rental charge for Unit 10 is £96,500 plus service charges.

The length of the new contract will therefore be for just under 6 years starting 1 August 2018 and ending 8 July 2024. It is proposed the contract is offered on an initial period of 3 years with an option to extend for a further 35 months to tie it in with the end of the lease for Unit 10. The total value of the contract is therefore estimated to be £13.96m.

The Council has a legal duty under the Housing Act to maintain its properties. The current spend represents a market rate for this type of contract. Any reduction in spend achieved from the procurement exercise will be delivered as a saving to the HRA.

Over the past three years the service has been working with the existing supplier to explore new and alternative building material products with the aim of reducing costs where possible. This has included:

- exploring the benefits of cheaper alternative products on the market, ensuring their use does not adversely impact on the effective asset management of our housing stock
- the use of improved quality products with expected longer lifespans than other alternative products
- considering the supply of materials which are easier for our operatives to install and maintain in the future
- at all times in these considerations we have to ensure the use of any alternative materials is safe for both our operatives to use and install and for our residents to live with in their homes.

The changes resulting from these materials reviews to the products within the current materials catalogue will influence the requirements set out in our revised service specification.

The key cost drivers for the service will include the following:

- fluctuations in market prices for materials, in particular commodity items e.g. copper, wood, the costs of which are particularly volatile.
- the supplier will be expected to cover the cost of the lease and related building and other resourcing costs including staffing associated with the delivery of the service through the Islington store facility.
- in order for the service to operate effectively there needs to be significant integration between the successful suppliers IT systems and the repairs team and other council systems to enable prompt and efficient ordering and delivery of materials and automated reconciliation and payment of invoices.

3.3 Timetable

The new building materials, equipment, tool hire and plant hire contract needs to have been procured and fully mobilised, including the interfacing of IT systems, before 1 August 2018 to enable a seamless transition from the existing contract in order to support ongoing day to day repairs to council homes.

In order to meet this deadline the procurement strategy needs to be approved no later than September 2017 to enable the tendering process to take place in the Autumn in time for award of contract in March 2018.

The contract value exceeds the goods and supplies thresholds (£164,176.00) therefore the procurement requires an advertisement in the Official Journal of the European Union and the process will be governed in compliance with the Public Contracts Regulations 2015.

The following key service areas have been consulted with or put on notice with regard to the procurement of this contract:

- Strategic procurement team have drawn up a procurement project plan
- Legal have been advised of the need to develop terms and conditions for the new contract and to draft the new sub-lease for Unit 10, Bush Industrial Estate
- Finance has been informed and have provided advice on the costing of the current contract and proposals for the price framework for assessment of the new contract
- Corporate Real Estate has given advice on the arrangements relating to the lease by the council of Unit 10
- Other building maintenance teams have been consulted on whether they would wish to use the new supplier for the provision of materials or equipment by their service areas

3.4 Options appraisal

Use of an existing building supplies framework has been considered but:

- (1) There is no guarantee that the pricing offered within existing procurement frameworks will be economically advantageous due to the requirement of the service to detail particular products to be supplied as part of the new contract in order to maintain effective asset management of our housing stock; and
- (2) There is no mechanism to consider the costs associated with the lease of the directly managed store within the borough or the costs associated with the interfacing of our IT systems within existing frameworks.

Insourcing

Insourcing of the service has been considered and discounted due to the significant risks and costs associated with the following:

- The need to procure and manage secondary suppliers of materials to provide stock to the store.
- The costs associated with the lease and ongoing maintenance of the store at Unit 10 will also pass to the council on the provision of a directly managed store.
- The council also does not have the IT systems in place to cope with the ordering, purchasing and management of stock within the store.
- The council does not have the expertise or resources in place to manage the servicing and maintenance of power tools and associated construction equipment used by the service resulting in the need to procure this service separately or accept the significant costs and health and safety risks associated with developing a service which can manage this function in-house.

Competitive tendering

A competitive tender exercise is considered the most effective procurement route for this contract to attract interest from the market place. It is proposed that the contract is split into two Lots, Lot 1 building materials and equipment Lot 2 tool hire and plant hire equipment. This will provide flexibility should the service decide it wishes to deliver the provision of both lots in a different way.

This route will enable the service to clearly set out its specific requirements with regard to supply of acceptable quality of building materials, equipment, tool hire and plant hire equipment and the estimated quantity requirements specific to our service needs. Alongside this we can set out the requirements related to the lease of Unit 10 and the requirements of IT integration. We can then assess prices directly on this basis.

Joint contract with another authority

The primary benefit of collaboration with neighbouring borough to procure a joint materials contractor for our repairs services would be on the potential cost savings resulting from increased economies of scale. This benefit however is outweighed by drawbacks including:

- Each of the repairs services relies on their operatives being able to order and collect materials items

to deliver an efficient and highly productive responsive repairs service. Each of the repairs services would consider the additional travelling time for their operatives to stores located in other boroughs in order to collect materials as being detrimental to this key service objective.

- The catalogue of building materials required by the different repairs and maintenance services operated by the neighbouring boroughs are significantly different because of the physical differences in Islington housing stock compared to neighbouring boroughs housing stock. As a result the costs of stocking particular items used by only one borough's repairs team will not deliver the potential savings that could be realised.
- Variations in IT systems that are in place within each borough supporting the delivery of the repairs services in each area make the interfacing with a joint supplier more complex resulting in increased costs associated with the management of such systems.
- Preliminary market consultation has confirmed there is a finite limit on the level of discount suppliers are prepared to offer based on the scale of spend made through a contract i.e. there is a point where it gets no cheaper.

For the reasons listed above although opportunities to collaborate on building materials supply have been discussed with Camden both councils have reached the conclusion that joint procurement of a building materials, equipment, tools and plant supplier and use of one store to deliver the service are not practicable.

3.5 Social value and impact on staff

As part of the terms and conditions the supplier will be expected to make available to residents of Islington a minimum of one apprenticeship opportunity per £1m of contract spend (which will include all payments for services and supplies made by the council to the supplier through this contract and any other contracts the council has with the supplier). In addition to this requirement the provider will also provide one or more of the following for the benefit of Islington residents:

- Advertise employment opportunities through Islington Council's job brokerage service;
- Creating accessible work opportunities;
- Making work placements available.

The supplier will also be expected to contribute offers of social value to be used by the council to support local social value community engagement projects.

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.

The service will deliver best value through the contract by agreeing a set of KPIs to monitor the performance of the contract throughout the term, targets related to which will be reviewed on an annual basis to ensure continuous improvement throughout the life of the contract. Performance of the contract will be reviewed on a monthly basis through core group meetings and at six monthly pricing review meetings.

Impact assessments have been completed the resident and environmental impacts of the contract. Environmental considerations for this contract will include:

- Requirement to stock non-oil based products for health and safety reasons which will also have environmental benefits.
- Waste management policies and procedures. Ensuring the service meets Hazardous Waste, WEEE and Duty of Care Regulations especially in terms of WEEE disposal, asbestos and the environmental cleaning service.
- Chosen supplier to have robust waste management policy and practices in place.
- Encourage use vehicles which release fewer pollutants, where this is possible, and to minimise journeys through efficient stock management.
- Encourage supplier to use energy efficiency and water saving and recycling measures within the store.

- Pollution prevention - ensure the service minimises the number of pollution incidents to land, water and air through well managed procedures and operational controls. The service/contractor needs to implement a certified Environmental Management System certified to ISO14001.
- Whole life costing of products purchased; especially in term of products that require energy to function and also the cost of parts for repair.
- Encourage supply of environmentally friendly and sustainably sourced products from accredited suppliers, wherever possible and practicable.

TUPE may apply to this contract.

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 Selection Questionnaire (SQ) which establishes whether an organisation meets the financial requirements, is competent and capable and has the necessary resources to carry out the contract. The SQ 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 SQ requirements as specified in the advertisement are then invited to tender (ITT). The second stage is the ITT is now forwards-looking using Award Criteria. Tenders are evaluated on the basis of the tenderers' price and ability to deliver the contract works or services as set out in the evaluation criteria in order to determine the most economically advantageous offer.

The award criteria for both Lots in the procurement are a 70% price and 30% quality split. The reason for this decision is that the cost of the contract is significant and there is an expectation that the general quality of the materials, equipment, tool hire and plant hire equipment that can be supplied by building materials supply firms in the marketplace is similar.

Assessment of quality will be focussed on the flexibility and reliability of the provision of the service that the tenderers can offer: how they propose to work closely with a potential supplier of a separate Lot to provide a seamless service to the council; how the IT systems they have in place within their business and how these will interface with our systems; what service improvements and financial and efficiency savings these will bring the council; what level of social value the tenderers will deliver through this contract.

The assessment of cost will be considered in the following ways:

For Lot 1 (70%):

- Purchase prices will be sought for each item on the materials list currently used by the repairs service including any additional materials needed by the voids, estate maintenance and non-housing Building Repairs Teams. Indicative volumes of usage will be provided to tenderers to assist them with pricing. A weighting will be applied to building material items which are known to make up the highest proportion of spend on materials by the service. Where particular makes/models are required for service delivery reasons these will be specified. (60%)
- Percentage uplift to be applied by the tenderer to the cost of them delivering "specials" purchases. These are non-standard, off catalogue items that need to be purchased on an ad-hoc basis in order to complete an unusual repair job. (10%)

For Lot 2 (70%):

- Hire prices will also be sought for the cost of each type of power tool and other items of equipment that the repairs service currently uses. Indicative volumes of tools and plant hired will be provided to tenderers to assist them with pricing. Costs for management, servicing, insurance etc. related to hire of items will be inclusive of the prices quoted. (60%)
- Percentage uplift to be applied by the tenderer to the cost of them supplying "specials" hire. These are non-standard, off catalogue items that need to be hired on an ad-hoc basis in order to complete an unusual repair job. (10%)

The assessment of quality will be considered in the following ways:

For Lot 1 (30%):

- Assessment of how tenderers plan to manage the mobilisation period of the contract to ensure their service is fully operational, their IT systems are fully integrated with the council's and their service is ready for the start of the new contract on 1 August 2018. (10%)
 - What tenderers will do to contribute to the delivery of the repairs service objectives and continuous improvement of the service including: ensure the products supplied promote the health and safety needs of the service and its customers; maximising first time fix rates of repairs; minimising operative unproductive downtime associated with the materials ordering; collection and returns processes; ensuring effective management of performance information and efficient communication between the supplier, the supplier delivering the Lot 2 and the council. How tenderers will overcome difficulties arising these. (10%)
 - How will environmental impacts from the provision of the service be minimised and mitigated. (5%)
 - What social value the tenderers will bring to the contract to support the council's wider objectives. (5%)
- For Lot 2 (30%):
- Assessment of how tenderers plan to manage the mobilisation period of the contract to ensure their service is fully operational, their IT systems are fully integrated with the council's and their service is ready for the start of the new contract on 1 August 2018. (10%)
 - What tenderers will do to contribute to the delivery of the repairs service objectives and continuous improvement of the service including: compliance with health and safety requirements related to use of tools and plant supplied; maximising first time fix rates of repairs; minimising operative unproductive downtime associated with the tool and equipment ordering; collection and returns processes; ensuring effective management of performance information and efficient communication between the supplier, the supplier delivering the Lot 1 and the council. How tenderers will overcome difficulties arising from these. (15%)
 - What social value the tenderers will bring to the contract to support the council's wider objectives. (5%)

3.7 Business Risks

The key risks identified associated with this procurement are:

Risk	Likelihood	Impact	Priority	Mitigation
Procurement is unsuccessful with no suitable supplier(s) being identified	Low	Medium	Medium	Interim emergency measures will be sought and plans to re-procure put in place.
The prices submitted by tenderers are higher than those paid for the existing contract	Low	Medium	Medium	Additional funds to deliver the contract will have to be agreed or the procurement fails and a new tender process needs to commence.
The successful tenderer(s) pulls out of contract prior to start of the contract	Low	High	Medium	Interim emergency measures will be sought and plans to re-procure put in place.
Delays to procurement process result in limited mobilisation time for new supplier	Medium	High	High	Procurement project team need to ensure procurement keeps to agreed plan and meets key milestones. Queries received from tenderers to be turned around as quickly as possible to avoid delays.

This procurement provides an opportunity to collaborate with other building maintenance teams within the council to incorporate their building materials, equipment, tools and plant needs into the specification of the new contract

The service intends to specify minimum functionality requirements in the IT systems used by the supplier that will constitute an improvement to the service. These improvements will enable more visibility for repair operatives of available stock levels in the dedicated store which will result in more efficient ordering of materials and increased rates of first time fix repairs and customer satisfaction with

the repairs service.

We have confirmed with the Homeownership Team that leaseholder consultation will not be required for this procurement.

A resident impact assessment has been completed on this procurement. No other service user involvement is considered necessary as the impact of this contract on residents is low.

- 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. The adequacy of these measures will initially be assessed by officers and the outcome of that assessment will be reviewed by the Council's Procurement Board
- 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	The Housing Repairs Services uses the materials, equipment, tools and plant supplier to deliver repairs and maintenance works to all directly managed council homes across Islington. See paragraph 3.1
2 Estimated value	The estimated value per year is £2.36m. The agreement is proposed to run for a period of 3 years with an optional extension of 35 months to tie in with the end of the lease on the building. See paragraph 3.2
3 Timetable	Advert - October 2017 Shortlisting process for selection to tender and tender award – November 2017-February 2018 Award – April 2018 Mobilisation – April-July 2018 Contract start – August 2018 See paragraph 3.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	The outcome of the option appraisal is for the procurement of a building material and equipment supplier (Lot 1) and a tool hire and plant hire supplier (Lot 2) to deliver the service jointly from the council's dedicated store at Unit 10, Bush Industrial Estate, N19. See paragraph 3.4
5 Consideration of: Social benefit clauses;	Social Value: Apprenticeships expected per £1m of contract spend

London Living Wage; Best value; TUPE, pensions and other staffing implications	Provision of additional employment related support Contribution toward social value projects London Living Wage will apply (where legally permitted) Best value will be delivered through best practice in contract management TUPE to new supplier may apply to employees of existing supplier working in dedicated store. No other staffing implications. See paragraph 3.5
6 Evaluation criteria	The overall award criteria are 70% price and 30% quality. 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	Leaseholder consultation does not apply See paragraph 3.7

4. Implications

4.1 Financial implications:

The purchase of Materials and Equipment, Tool and Plant Hire for Housing Repairs are funded by the Council's HRA Housing Repairs Budget (£32.04m in 2017-18). The current budget allocated for the In-house Repairs teams for Materials is £1.51m and for Tool Hire is £500k. The Materials budget allocated for the Estate Maintenance Team is £326k.

Currently, there is no Materials budget allocated for the Voids Team as all the works are contracted out and the contract includes material usage. However, when a proportion of the void work is brought back in house, the estimated £160k spend on materials will be funded by the reduction in contractors' costs. The budget for Materials for Void work will therefore be contained within the overall Voids budget (£4.15m in 2017-18).

The purchase of Non-housing Repairs Materials is funded by the Council's GF BRF General budget (£296k in 2017-18)

It is anticipated that the current budget provision will continue to be available in the foreseeable future to support Materials Purchase and Tool Hire for the In-house Repairs Team, Estate Maintenance Team, Voids Team and Non-housing Repairs Team.

The cost of the contract (estimated at £2.36m pa of which HRA £2.30m and GF £60k) will therefore be contained within the existing HRA and General Fund resources without causing additional pressure to the Council.

4.2 Legal Implications:

The council has an obligation to keep its housing properties in good repair and the installations therein for the supply of water, gas and electricity and for sanitation in good working order (Part 2 of the Housing Act 1985; section 11 of the Landlord and Tenant Act 1985; tenancy conditions and rtb lease).

Accordingly, the council has the power to procure and enter into a contract for the supply of materials and the hire of equipment and plant to enable the in house repairs service to deliver the, repairs and maintenance service in respect of the council's housing stock and ensure that the council meets its contractual and statutory repair and maintenance obligations (section 1 of the Local Government (Contracts) Act 1997 and s111 of the Local Government Act 1972).

The proposed contract is a public supply contract. The financial threshold for application of the Public

Contracts Regulations 2015 (the Regulations) is currently £164,176 for public supply contracts. Contracts above this threshold must be procured with advertisement in the Official Journal of the European Union and with full compliance of the Public Contracts Regulations 2015. The council's Procurement Rules also require contracts over the value of £64,176 to be subject to competitive tender. The proposed procurement strategy, to advertise the contract in OJEU and use the restricted procedure, is in compliance with the 2015 Regulations and the council's Procurement Rules.

On completion of the procurement process the contract(s) may be awarded to the highest scoring tenderer(s) subject to the tender(s) providing value for money for the council.

The council has a 10 year lease of Unit 10, Bush Industrial Estate expiring on 8 July 2024. The council may underlet Unit 10 to the winning tenderer (s) but will require the prior written consent of the landlord to underlet and a licence to carry out any necessary alterations to divide the unit if the two lots are awarded to different tenderers.

4.3 Environmental Implications

Environmental considerations for this contract will include:

- Requirement to stock non-oil based products for health and safety reasons which will also have environmental benefits.
- Waste management policies and procedures. Ensuring the service meets Hazardous Waste, WEEE and Duty of Care Regulations especially in terms of WEEE disposal, asbestos and the environmental cleaning service.
- Chosen supplier to have robust waste management policy and practices in place.
- Encourage use vehicles which release fewer pollutants, where this is possible, and to minimise journeys through efficient stock management.
- Encourage supplier to use energy efficiency and water saving and recycling measures within the store.
- Pollution prevention - ensure the service minimises the number of pollution incidents to land, water and air through well managed procedures and operational controls. The service/contractor needs to implement a certified Environmental Management System certified to ISO14001.
- Whole life costing of products purchased; especially in term of products that require energy to function and also the cost of parts for repair.
- Encourage supply of environmentally friendly and sustainably sourced products from accredited suppliers, wherever possible and practicable.

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 on 8 August 2017 and the summary is included below. No negative impact on equality will result from the procurement of this contract. The council will explore opportunities with the supplier to promote opportunity for people with protected characteristics for example employment or training opportunities for local disabled people.

5. Reason for recommendations

- 5.1 It is recommended that a building materials, equipment, tool hire and plant hire contract is procured as two Lots through an OJEU restricted tender process to replace the existing contract.

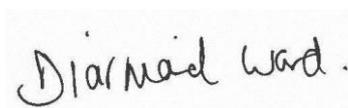
This is recommended because of the significant time, costs and risks associated with delivering such a service in-house due to the lack of suitable IT systems, need to procure separate materials supply contracts to stock the store, the risk that prices for materials, equipment, tools and plant will be higher due to the small scale of an in-house store and the need to cover the building and staffing costs to deliver such a service.

Appendices: None

Background papers: None

Final report clearance:

Signed by:

A handwritten signature in black ink that reads "Diarmuid Ward." The signature is written in a cursive style and is centered within a light gray rectangular box.

Executive Member for Housing and Development Date: 8 September 2017

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Report of: Executive Member, Health and Social Care

Meeting of:	Date	Ward(s)
Executive	28 September 2017	All

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SUBJECT: Procurement Strategy for Supported Accommodation for Young People

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy for Islington's Supported Accommodation for Young People in accordance with Rule 2.5 of the Council's Procurement Rules.

Supported Accommodation for Young People refers to accommodation and support for young homeless people who are aged 16-21 and assessed as vulnerable by the Children in Need service. This includes Children Looked After aged 16-17; Care Leavers aged 18-21; and homeless young people aged 16-21.

We seek to commission a range of accommodation that will create a structured Pathway, comprising of "Assessment" and "Progression" properties.

Assessment properties will provide intensive, 24-hour support and assess the needs and wants of young people accessing the pathway. Progression properties will comprise of a mixture of 24-hour and visiting support depending on needs and will aim to work with young people to prepare them for independent living, be this in the private rented sector or social housing. Both stages of the pathway will be resident-led and work to build on young people's strengths and goals.

The aim of the two-tiered Pathway will be to create a structured journey for young people accessing the service, whereby support tapers off as young people build their independent living skills.

2. Recommendations

- 2.1 To approve the procurement strategy for Supported Accommodation for Young People as outlined in this report.
- 2.2 To delegate authority to award the contract to the Corporate Director for Housing and Adult Social

Services, in consultation with the Corporate Director of Children's Services and the Executive Member for Health and Adult Social Care.

3. Background

3.1 The Housing Pathway will provide accommodation-based support to young people. The primary purpose of this provision will be to prepare young people for independent living by building up their skills and resilience in areas such as payment of bills; cooking; CV writing; education, employment or training; and attendance at appointments.

In addition we seek to commission providers who are able to provide a good service in a Psychologically Informed Environment (PIE) ¹ enabling young people to better understand the relationship between their emotions and behaviours in a nurturing rather than a transactional setting. Our indicative understanding of the expected practices and processes related to PIE includes but is not limited to reflective practice amongst staff; training for staff based around understanding psychological frameworks (e.g. social pedagogy), trauma and vicarious trauma; strengths-based assessments and communications; and considerations of the physical environment and its effect on aspects like engagement, wellbeing and behaviour.

Young people referred to this accommodation will have a range of support needs including but not limited to abuse and neglect; attachment disorder; education employment and training needs; family dysfunction; gang affiliation; a learning disability or difficulty; mental health needs; offending; substance misuse; and trauma.

A review of the Housing Pathway and wider system (e.g. relationships and processes between providers and the Council) took place between September 2016 and February 2017. The review has informed commissioning intentions.

- In particular, there is a need for accommodation to be more psychologically informed and for providers to begin to or continue to embed aspects of Psychologically Informed Environments (PIEs), an emerging mode of provision originating in homelessness services.
- In addition, the review recommended an increased budgetary contribution into the borough's Supported Accommodation for Young People. Children's Services have agreed to contribute £466,000 to the annual budget for this provision to increase the number of beds available on the guaranteed volume contract or Housing Pathway.

The above ideas – forming indicative commissioning intentions – have been relayed to and discussed with the market via a market engagement event held on 6 April 2017. This was attended by 30 providers.

The specification for the new service model will be co-produced with a wide range of stakeholders including Children's Services, the market providers, and current and former clients of the service.

We aim to procure our guaranteed volume Housing Pathway in 2 Lots. When tendering, these Lots will be broken down into sub-lots (e.g. Lot 1a, Lot 1b). Each sub-Lot will specify the indicative amount of beds required, other specifications for the property (e.g. office space, garden, self-contained flats / bedsits) and whether or not providers will need to source their own accommodation for the sub-lot.

Providers will be allowed to apply for numerous sub-lots and for multiple Lots. The aim of this approach is to encourage greater competition amongst providers, allowing smaller providers who may have less substantial property stock to apply as well as larger providers who will have a greater amount of property at their disposal.

¹ According to Robin Johnson in DCLG's Good Practice Guide (2012), a PIE is provision "that takes into account the psychological make-up – the thinking, emotions, personalities and past experience – of its participants in the way it operates".

In more detail these Lots will comprise of:

Lot 1: Assessment

- Estimated 44 beds.
- 24hr cover.
- High support

Lot 2: Progression

- Estimated 68 beds.
- Mixture of visiting and 24hr support / cover.
- Core-cluster² model.
- Multiple providers preferred.
- Will include in-borough and out-of-borough options if possible.

The total maximum value for both lots will be £1,497,031 per year. Over a maximum period of six years the maximum contract value is £8,982,186.

3.2 The estimated maximum value of the guaranteed volume commission (i.e. Lots 1 and 2) will be £8,982,186 over a maximum six-year period. This is based on a maximum cost of £1,497,031. The initial contract duration will be for a period of three years from 1 April 2018.

There will be an option to extend the contract for a further period of one year on three separate occasions. Total contract duration will be six years.

Funding will come primarily from the Prevention Commissioning budget with the aforementioned additional funds provided by Children's Services (annual amount £466,000).

The maximum annual value of the Housing Pathway will be over and above that of the current contract, reflecting recommendations from the review carried out by Prevention Commissioning, and of an options appraisal completed at Children's Services.

Potential impacts if a percentage reduction in budget is required during the life of the contract include staffing, bed-space and quality issues, and a subsequent weakening of the service offer available to vulnerable and needy young people in the borough, many of whom we have a statutory duty to accommodate.

Benchmarking has revealed that spend on the Housing Pathway and Assessment Centre is in line with other boroughs. That said, we spend significantly less than Camden (approx. £5.4m annual budget) and our demand is higher than most other London boroughs taking into account the higher proportion of Children Looked After, Care Leavers and young people going into care later in their adolescence (e.g. 'Southwark ruling'³ cases).

3.3 The date for the decision to approve the procurement strategy is included in the forward plan of key decisions. Subsequent internal governance takes the form of sign-off from the Executive in September 2017.

The contracts are due to be advertised on OJEU in October 2017, with approval to award the contract scheduled for December 2017.

² In a core-cluster model, a staffed accommodation unit with an office on-site provides support for a number of satellite properties for people of a similar client group needing less intensive support from the provider.

³ The Southwark ruling, made by the Law Lords in May 2009, is a piece of case law that obliges Children's Services to provide accommodation and support to homeless 16- and 17-year-olds. In an Islington context the result of this ruling has been a greater number of young people being put into Council-provided accommodation following s20 of the Children Act 1989.

The current guaranteed volume contracts expire on 31 March 2018, meaning that the new contract must be in place for a start date of 1 April 2018.

We have thus far consulted with commissioners in other teams at Strategy and Commissioning, several Children’s Services teams, young people and providers.

3.4 Options appraisal

Options	Benefits	Drawbacks
Reducing spend on our supported accommodation for young people in order to make savings	Savings generated for Housing and Adult Social Services.	Risk of reputational damage for the Council Higher risk of needs not being met Potential risk of not undertaking statutory duties
Re-procuring the service in its current form.	Consistency for service users Consistency for commissioners	A service model which is not fit for purpose Escalating need/lack of resources
Separately developing Framework Agreement with several providers offering more niche support packages to supplement and/or supplant more generalist semi-independent accommodation currently on offer.	Potential for a wide variety of providers to meet a variety of needs e.g. out of borough, mental health, young mothers, GLD, high functioning Autism Following direction of travel of other London boroughs’ recent procurements (i.e. commissioning a contractual framework for spot purchased providers). More control over spend, monitoring, minimum standards.	Lack of available funding to properly source this Does not completely remove costs spiralling as providers will not be tied down to blocks but will offer preferential rates Un-tested market (currently) as contract currently delivered in block (with lots) – though benchmarking has shown London boroughs are working with contractual frameworks.
Commissioning a new service with the express focus on working with providers willing to embed aspects of PIEs.	Bridging the expectation gaps – ensuring that supported accommodation for young people is nurturing and not transactional Organisational improvements (e.g. reduction in staff absence and burnout) Improved outcomes Reduction in incidents	Issues of training – e.g. who co-ordinates, where funding will come from Relatively un-tested model in this specific area (i.e. young people’s supported accommodation)
Increasing the budget for this provision to provide a greater number of beds and support staff.	‘Invest to save’ approach has potential to create savings at Children’s Services, owing to a reduction in spot purchased spend (as a greater number of beds will be available from the guaranteed volume provision). A greater number of Islington residents supported by provision that is formally and actively monitored by the Council’s commissioning and Children’s Services teams.	‘Invest to save’ model will not necessarily make savings. Market will require further testing and engagement to ensure that property is available for a greater number of beds to be commissioned.

After conducting the aforementioned analysis and engagement, we have come to the conclusion that the final three options are preferred.

3.5 Social value will be intrinsic in several quality-based questions within the tender. In order to derive the maximum social benefit from the contract, bidders will be asked to set out in response to each question what they can offer e.g. apprenticeships, links with other providers and provisions, opportunities for further EET opportunities.

There will be TUPE implications to this contract.

There is a risk of a failed procurement through both lack of market interest and more likely through a lack of properties available for providers to provide support from. Market Testing, Market Engagement and Meet the Buyers events have been held and/or planned in order to mitigate against both eventualities, and outside of these larger events the Prevention Commissioning team is systematically contacting the borough’s landlords to gauge properties available and willingness to provide spaces for young people’s supported accommodation.

3.6 The tender will be conducted in one stage, known as the Open Procedure as the tender is ‘open’ to all organisations who expression their interest in the tender. The Open Procedure includes minimum requirements which the organisation must achieve before their evaluation Award Criteria is considered.

Bids will be assessed on the basis of 60% quality and 40% cost. The breakdown of both quality and

price will differ from Lot to Lot – these differences are outlined below.

Providers will work with young people who are vulnerable, have multiple needs and have often experienced trauma in their lives. Therefore, safeguarding and the provision of a nurturing and psychologically informed environment will be key considerations.

We will seek to involve Children’s Services and young people in evaluation processes. The interview will consist of a set of questions intended to offer an opportunity for providers to elaborate on responses given in written submission. This will particularly focus on the implementation and mobilisation of the service, and a request for case studies to illuminate and add to evaluators’ understanding of providers’ organisational ethos and processes.

Cost 40%

Quality 60%

- Design and delivery of service to achieve desired outcomes, timescales, objectives for each of the client types accessing the service (15%)
- Safeguarding and minimising risk (15%)
- Implementation and mobilisation (10%)
- Working in partnership with local and national organisations (10%)
- Gathering of performance and outcomes data (5%)
- Engagement with service users (5%)

3.7 There are a number of risks attached to this commission. They include:

Risk	Mitigation
Providers will not find the service model organisationally and/or financially attractive	We have recently conducted a market engagement exercise that was well attended. We intend to carry out further exercises (e.g. focus groups, Meet the Buyer event) and to have open lines in communication with providers in the interim, ensuring that the spec is both co-produced and a viable, working and realistic document.
Providers being precluded from the opportunity to apply for the tender as they do not have access to properties in which they can run the service, either through ownership or management agreement with a landlord	We are working to ensure that Providers have the best opportunity possible to source landlords for this re-procurement. This includes a Market Test conducted in December 2016, and a Meet the Buyer event we plan to hold in September 2017. In addition, we will be systematically contacting relevant landlords in the borough to explore their capacity and willingness to work with providers and this specific cohort.
Providers’ unwillingness to embed practices and principles of PIE in their services	We are actively working with providers – both commissioned and prospective – to gain a shared understanding of what we mean by a PIE. This includes conducting a Market Engagement exercise, further focus groups, and exploring opportunities in which the Council could co-ordinate training in this area. Moreover, should the service be commissioned in this manner we aim to create PIE Practice Groups, giving an opportunity for our PIE services across the Council to reflect on their practices and discuss common issues and experiences
TUPE implications	TUPE is likely to apply as this is an existing service. Time should be factored into the mobilisation period as there are 3 current providers for this service

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. The adequacy of these measures will initially be assessed by officers and the outcome of that assessment will be reviewed by the Council's Procurement Board

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	Supported Accommodation for young people See paragraph 4.1
2 Estimated value	The estimated value per year of guaranteed volume contracts is £1,497,031. The agreement is proposed to run for a period of 3 years with an optional extension of 3 x 1 years. See paragraph 4.2
3 Timetable	Advert: October 2017 Shortlisting: November-December 2017 Award: December 2017 Implementation: January 2018 – March 2018 Mobilisation: April 2018 See paragraph 4.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	Work on this provision has recently included an audit of most providers, a review of the service and the wider system in which operates, and a Market Engagement event. These have thus far guided our options and choices, and we will continue to engage with relevant stakeholders during the writing of the specification. See paragraph 4.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	Social value will be intrinsic in all quality criteria, and LLW will be a condition of the contract. There are considerable TUPE implications to this contract See paragraph 4.5
6 Evaluation criteria	Bids will be assessed on the basis of 60% quality and 40% cost. For a breakdown, see 4.6
7 Any business risks associated with entering the contract	See paragraph 4.7

8 Any other relevant financial, legal or other considerations.	See paragraph 5
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4. Implications

4.1 Financial implications:

The existing HASS Supported Accommodation services for young people are funded from the Adult Social Services base budget and the current contract value is £1.031m.

The maximum annual contract value of the proposed procurement is £1.497m including £70k for developing psychologically informed environments and the maximum annual contribution from AdSS is £1.031m. Therefore, the proposed procurement strategy will not result in a budget pressure for Adults Social Services.

The contract is for an initial period of three years, with the option to extend for a further three years (of separate twelve month periods). The total value over the maximum six-year contract term is £8.982m and the total value of the AdSS contribution over the maximum six-year term is £6.186m.

Payment of the London Living Wage is a requirement of the contract and will not result in any additional costs. Any TUPE cost implications that may arise from this tender will have to be met by existing resources outlined above.

The £466k contribution from Children Services for 27 beds is approved based on the cost being significantly lower than the cost of external suppliers. However, the Commissioners must ensure we are not penalised by existing supplies when we transfer provisions from the 1st April 2018.

4.2 Legal Implications:

The Council has power to provide supported accommodation for vulnerable young people under the Housing Act 1996, Parts 6 and 7 and the Children Act 1989, sections 17 and 20. The council may enter into contracts with providers of such services under section 1 of the Local Government (Contracts) Act 1997.

The services being procured are subject to the light touch regime 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 £589,148.00. The value of the proposed contracts is above this threshold. It will therefore need to be advertised in the Official Journal of the European Union (OJEU). There are no prescribed procurement processes under the light touch regime. Therefore the council may use its discretion as to how it conducts the procurement process provided that it: discharges its duty to comply with the Treaty principles of equal treatment, non-discrimination and fair competition; conducts the procurement in conformance with the information that it provides in the OJEU advert; and ensures that the time limits that it imposes on suppliers, such as for responding to adverts is reasonable and proportionate. Following the procurement a contract award notice is required to be published in OJEU. The council's Procurement Rules require light touch contracts over the value of £500,00.00 to be subject to competitive tender.

In compliance with the requirements of the light touch regime in the Regulations and the council's Procurement Rules the proposal outlined in the report is to advertise a call for competition in OJEU and procure the service using a competitive tender process. On completion of the procurement the contract may be awarded as required to the highest scoring tenderer subject to the tender providing value for money for the council.

4.3 Environmental Implications

The provision of supported accommodation for young people has environmental implications in line with those of standard residential properties, namely energy and water use, waste generation, chemical use

for cleaning and some resource use in building maintenance. There may also be some transport-related implications from the accommodation staff. These can be mitigated by contractual requirements on aspects such as energy/water efficiency of the buildings used and waste segregation within them.

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 Analysis has been undertaken for this procurement. It found that certain cohorts of young people would not be able to access these services e.g. young mothers. This will be mitigated by a separate procurement of a framework agreement with providers whom the Council will spot purchase specialised services from in the event that needs cannot be met by the directly commissioned supported accommodation. Overall the proposed tender will have a positive impact on vulnerable young people in Islington.

5. Reason for recommendations

- 5.1 Service analysis and conversations with a range of stakeholders (outlined in 4.1) have substantiated a need to re-design our supported accommodation for young people. Through auditing and reviewing the service, conducting a needs analysis (cf. Sufficiency Statement), desktop research and engagement with the market we have found that provision requires more psychologically informed practice and less transactional, transient and institutionalised relationships between providers and young people.

We seek to re-configure our Housing Pathway, commissioning a greater number of Assessment beds with shorter timescales for interventions and placements. These interventions will seek to facilitate mediation work with the young person's family if applicable, led by Children's Services. More broadly, assessments allow for young people to be more substantially triaged, and placed in a setting and service that is most suitable to their needs – be this a step-up to the Housing Pathway, a spot purchased provider, independent living or elsewhere in other provisions.

Alongside this increase, we continue to seek to commission a range of visiting and 24hr support on the Progression phase.

Appendices: None

Background papers: None

Final report clearance:

Signed by:



Executive Member, Health and Social Care

Date 13 September 2017

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Report of: Director of Law and Governance

Meeting of	Date	Ward(s)
Executive	28 September 2017	N/A

Delete as appropriate		Non-exempt
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Subject: SUMMARY OF ACTION TAKEN BY OFFICERS

1. Synopsis

- 1.1 In accordance with the Constitution, officers, Corporate Directors and Assistant Chief Executives may take decisions on behalf of the Executive, subject to certain provisions. Paragraph 67.2 (f) of the Constitution requires that, where a matter has been determined as urgent and that call-in did not apply, this should be recorded in the minutes of the Executive meeting.
- 1.2 To comply with this requirement, the details of a decision made during July 2017 are detailed below.

2. Recommendation

- 2.1 To note the decision detailed in Point 3.2 of this report.

3. Background

- 3.1 In accordance with paragraph 8.9 of Part 3 of the Constitution, the Chief Executive, Corporate Directors and the Director of Public Health are authorised to take decisions where the matter is urgent. If the decision concerns an executive function, the exercise of authority under that provision must be reported to the next available meeting of the Executive.
- 3.2 The following decision is notified to the Executive for information:

Innovation Project Funding: The decision was made on 5 July 2017 by the Corporate Director of Children's Services, to obtain further funding from the Department of Education to continue the 'Doing What Works, Measuring What Matters' project.

- 3.3 The decision was taken under urgency procedures, including waiving call-in, because any delay in taking the decision increased the safeguarding risks for vulnerable children.
- 3.4 The Chair of the Policy and Performance Scrutiny Committee consented to the matter being treated as urgent and call-in being waived.
- 3.5 The relevant public notice, a record of the decision and the report have been published on the council's website.

4. Implications

4.1 Financial Implications

These are contained in the individual report.

4.2 Legal Implications

These are contained in the individual report.

4.3 Equalities Impact Assessment

These are contained in the individual report.

4.4 Environmental implications

These are contained in the individual report.

5. Conclusion and reason for recommendation

In accordance with the Constitution, urgent key decisions taken by a Corporate Director, on which call-in has been waived, must be reported to the Executive.

Background papers: None

Signed by:



Director of Law and Governance

3 August 2017

Date

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