



ISLINGTON

Town Hall, Upper Street, London, N1 2UD

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 - Islington Town Hall on **25 April 2019 at 7.00 pm.**

Yinka Owa
Director of Law and Governance

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Despatched : 16 April 2019

Membership

Councillor Richard Watts
Councillor Janet Burgess MBE
Councillor Kaya Comer-Schwartz

Councillor Andy Hull

Councillor Una O'Halloran
Councillor Asima Shaikh
Councillor Diarmaid Ward
Councillor Claudia Webbe

Portfolio

Leader of the Council
Executive Member Health and Social Care
Executive Member for Children, Young People and Families
Executive Member Finance, Performance and Community Safety
Executive Member for Community Development
Executive Member for Inclusive Economy and Jobs
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.

A.	Formal Matters	Page
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2.	Declarations of Interest	
3.	Minutes of Previous Meeting	1 - 4
B.	Budget, Performance and Monitoring matters	
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5.	Procurement strategy for affordable workspaces and grant of under-lease agreements 2019-2023	19 - 48
D.	Ensuring our residents can lead healthy and independent lives	
6.	Contract Variation for the provision of care home services at St Annes care home, 60 Durham Road with Blackberry Hill Limited	49 - 52
7.	Procurement Strategy for Taxi and Passenger Attendant Service	53 - 62
E.	Other Matters	
F.	Urgent non-exempt matters	
	Any non-exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.	
G.	Exclusion of the press and public	
	To consider whether to exclude the press and public during discussion of the remaining items on the agenda, in view of their confidential nature, in accordance with Schedule 12A of the Local Government Act 1972.	
H.	Confidential / exempt items for information	
8.	Procurement strategy for affordable workspaces and grant of under-lease agreements 2019-2023 - exempt appendix	63 - 64
I.	Urgent exempt Matters	
	Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.	

The next meeting of the Executive will be on 23 May 2019

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London Borough of Islington

Executive - 21 March 2019

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD - Islington Town Hall on 21 March 2019 at 7.00 pm.

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

Councillor Richard Watts in the Chair

596 APOLOGIES FOR ABSENCE

No apologies were received.

597 DECLARATIONS OF INTEREST

None.

598 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the Minutes of the meeting on 7 February 2019 be confirmed as a correct record and the Chair be authorised to sign them.

599 APPOINTMENTS TO BE MADE BY THE EXECUTIVE

RESOLVED:

2 (a) That Councillor Kaya Comer-Schwartz be appointed to the VCS Committee, as the Executive Member with responsibility for Arts and Culture, for the remainder of the municipal year 2018/2019, or until a successor is appointed.

2 (b) That Councillor Una O'Halloran be appointed to the VCS Committee, as the Executive Member for Community Development, for the remainder of the municipal year 2018/2019, or until a successor is appointed.

Reason for decision – To appoint the appropriate members to the Voluntary and Community Sector Committee.

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

Conflicts of interest/dispensations granted – none.

600 FINANCIAL POSITION AS AT 31 JANUARY 2019

RESOLVED:

- 2.1** That the forecast revenue outturn for the General Fund (Table 1 of the report) of a gross underspend of £0.8m (Paragraph 3.1 of the report) be noted.
- 2.2** That the breakdown of the forecast General Fund outturn by individual variance at Appendix 1 of the report and by service area at Appendix 2 of the report be noted.
- 2.3** That the HRA forecast is a net break-even position (Section 5, Table 1 of the report) be noted.
- 2.4** That the latest capital position with forecast capital expenditure of £107.0m in 2018-19 (Section 6, Table 2, and Appendix 3 of the report) be noted.

Reason for decision – to allow members to monitor the budget.

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

Conflicts of interest/dispensations granted – none.

601 HOMELESSNESS PREVENTION STRATEGY

RESOLVED:

- 2.1 That the aim, priorities and objectives as detailed in the report be agreed.
- 2.2 That the approach to consultation as set out at Section 4 of the report be noted.
- 2.3 That the proposed duration of the strategy as set out at paragraph 5.1 of the report be agreed.
- 2.4 That the mechanism for reviewing the objectives and actions on an annual basis as set out at paragraph 5.3 of the report be agreed.
- 2.5 That the provisional timeframes set out at paragraph 6.1 of the report be noted.

Reason for decision – To further the aim of preventing homelessness.

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

Conflicts of interest/dispensations granted – none.

602 APPROPRIATION OF LAND FOR PLANNING PURPOSES - HANLEY CROUCH COMMUNITY CENTRE

RESOLVED:

- 2.1 That authority be delegated to the Corporate Director of Resources to complete the purchase of land for planning purposes under section 122 Local Government Act 1972 the Council's property known as Hanley Crouch Community Centre 'The Laundry', Sparsholt Road, London N19 for the purpose of securing the construction of the Hanley Crouch Scheme, in accordance with the planning consent that has been granted by the local planning authority and which is required for the proper planning of the area be agreed.
- 2.2 That authority be delegated to the Corporate Director of Resources, in consultation with the Corporate Director of Law and Corporate Director of Housing, to agree the settlement of rights of light claims with owners and occupiers of 2 affected properties and any ancillary affected leases, together with any associated fees and thereafter be agreed.
- 2.3 That the cost of the proposed settlement of rights of light compensation payments and associated fees for leaseholders affected by this scheme will be from the capital budget for the Hanley Crouch Scheme be noted.

Reason for decision – to enable the development of new homes.

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

Conflicts of interest/dispensations granted – none.

603 CONTRACT AWARD FOR MENTAL HEALTH RECOVERY PATHWAY

Councillor Burgess introduced the item and thanked the service users who worked with us to co-design the new services.

RESOLVED:

- 2.1 That the award of a contract to Islington Mind to deliver the Mental Health Recovery Pathway be agreed.
22. That it is anticipated the new service will commence 1 June 2019, for a period of three years with the option of two 12-month extensions. The annual value is £1,080,514. The total contract value including all extension periods is £5,402,570 be noted.

Reason for decision – to adopt a more strength based approach to mental health community recovery services.

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

Conflicts of interest/dispensations granted – none.

604 APPROPRIATION OF LAND FOR PLANNING PURPOSES - HANLEY CROUCH COMMUNITY CENTRE - EXEMPT APPENDICES

That the information in the exempt appendix to agenda item C7 be noted (see Minute 602 for details).

605 CONTRACT AWARD FOR MENTAL HEALTH RECOVERY PATHWAY - EXEMPT APPENDIX

That the information in the exempt appendix to agenda item D8 be noted (see Minute 603 for details).

MEETING CLOSED AT 7.11 pm

CHAIR



ISLINGTON

**Resources Directorate
Newington Barrow Way**

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

Meeting of	Date	Ward(s)
Executive	25 April 2019	All

Delete as appropriate	Exempt	Non-exempt
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FINANCIAL MONITORING 2018-19 MONTH 11

1. SYNOPSIS

- 1.1 This report presents the forecast outturn position for 2018-19 as at 28 February 2019. Overall, there is a forecast gross General Fund underspend of £0.8m.
- 1.2 The Housing Revenue Account (HRA) is forecast to break-even over the year.
- 1.3 It is forecast that £122.8m of capital expenditure will be delivered in 2018-19.

2. RECOMMENDATIONS

- 2.1. To note the forecast revenue outturn for the General Fund (**Table 1**) of a gross underspend of £0.8m. (**Paragraph 3.1**)
- 2.2. To note the breakdown of the forecast General Fund outturn by individual variance at **Appendix 1** and by service area at **Appendix 2**.
- 2.3. To note that the HRA forecast is a net break-even position. (**Section 5, Table 1**)
- 2.4. To note the latest capital position with forecast capital expenditure of £122.8m in 2018-19. (**Section 6, Table 2, and Appendix 3**).
- 2.5. To delegate authority to the Section 151 Officer/Deputy Section 151 Officer for approving budget virements, movements to/from reserves and the financing of the capital programme at the financial year end. (**Section 7**)

3. **REVENUE POSITION: SUMMARY**

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

Table 1: 2018-19 General Fund and HRA Month 11 Forecast

	Forecast Over/(Under) Spend £000
<u>GENERAL FUND</u>	
Resources	(148)
Chief Executive's Department	(328)
Children's, Employment and Skills (excluding DSG)	(719)
Environment and Regeneration	500
Housing and Adult Social Services	38
Public Health	0
DIRECTORATE TOTAL	(657)
Corporate Items	(187)
GROSS OVER/(UNDER) SPEND	(844)
<u>HOUSING REVENUE ACCOUNT</u>	
NET (SURPLUS)/DEFICIT	0

4. **GENERAL FUND**

Resources Department (-£0.1m)

- 4.1. The Resources Department is forecasting an underspend of (-£0.1m) over the financial year with the key variances detailed in **Appendix 1**.

Chief Executive's Department (-£0.3m)

- 4.2. The Chief Executive's Department is forecasting an underspend of (-£0.3m) with key variances set out in **Appendix 1**.

Children's, Employment and Skills - General Fund (-£0.7m), Schools (-£1.5m)

- 4.3. The Children's, Employment and Skills directorate is forecasting an underspend of (-£0.7m) with key variances set out in **Appendix 1**.
- 4.4. The Dedicated Schools Grant (DSG) is forecasting an underspend of (-£1.5m or -1.0%), mainly in relation to prior-year balances being managed on behalf of the Schools Forum.

Environment and Regeneration (+£0.5m)

- 4.5. The Environment and Regeneration Department is forecasting a (+£0.5m) overspend. The key variances behind this net overspend are set out in **Appendix 1**.
- 4.6. The management actions being taken to control these pressures are:
 - 4.6.1. Regular monitoring of spend and income trends across the department to enable effective decisions to be taken;
 - 4.6.2. Extensive work being undertaken within Street Environmental Services to control and monitor staff related spend and HR data;
 - 4.6.3. Vacancy and recruitment management to control and reduce costs; and
 - 4.6.4. Ongoing work to drive through service changes to deliver delayed savings.

Housing and Adult Social Services (Break-Even)

- 4.7. Housing and Adult Social Services is forecasting a break-even position with key variances set out in **Appendix 1**.

Public Health (Break-Even)

- 4.8. Public Health is funded via a ring-fenced grant and forecast to break-even after ring-fenced budget carry forwards to future years.

Corporate Items (-£0.2m)

- 4.9. The forecast for corporate items, before any call on corporate contingency budgets, is a (-£0.2m) underspend with key variances set out in **Appendix 1**.

5. HOUSING REVENUE ACCOUNT

- 5.1. The forecast net variance for the Housing Revenue Account is a break-even position, summarised at **Appendix 2**.

6. CAPITAL PROGRAMME

- 6.1. It is forecast that £122.8m of capital investment will be delivered in 2018-19. This is set out by directorate in **Table 2** below and detailed in **Appendix 3**.

Table 2: 2018-19 Capital Programme Month 11 Forecast

Directorate	2018-19 Revised Capital Budget	2018-19 Capital Forecast	Forecast Re-profiling (to)/from Future Years
	£000	£000	£000
Children's, Employment and Skills	18,665	15,021	(3,644)
Environment and Regeneration	19,146	17,109	(2,037)
Housing and Adult Social Services	94,752	90,627	(4,125)
Total	132,563	122,757	(9,806)

- 6.2. The 2018-19 revised capital budget now incorporates the forecast re-profiling between financial years agreed previously.

Children's, Employment and Skills

- 6.3. The Children's, Employment and Skills capital programme remains on time and on budget and the forecast reflects latest project milestones and cash flows.

Environment and Regeneration

- 6.4. The Environment and Regeneration forecast includes forecast slippage of £2.6m on the vehicles programme due to delays in the delivery lead times on ordered vehicles.

Housing and Adult Social Services

- 6.5. The Housing and Adult Social Services capital forecast reflects forecast slippage of £3.1m on the 2018-19 revised new homes programme budget of £45.0m.
- 6.6. It is challenging to accurately forecast the profile of expenditure on new build schemes at this point in the programme as many schemes are at the feasibility stage where we are still discovering issues.
- 6.7. Feasibility is the most difficult stage for forecasting because of potential unknowns. This includes additional consultation at the request of residents and councillors and scheme design changes, and recent schemes have uncovered anomalies such as plague pits, asbestos and other obstructions in the ground.
- 6.8. Planning remains the biggest dependency for the new build programme, and the new build and planning teams are working together proactively to reduce programme slippage.
- 6.9. The housing capital monitoring now includes approved capital expenditure in relation to the purchase of temporary accommodation properties. The 2018-19 forecast expenditure is £17.727m for up to 47 properties compared to the originally estimated £18.750m for 50 properties.

7. STATEMENT OF ACCOUNTS 2018-19

- 7.1. The Council has a comprehensive timetable for the preparation of its 2018-19 Statement of Accounts, which must be submitted to the external auditor by 31st May 2019. The Executive is asked to delegate authority to the Section 151 Officer/Deputy Section 151

Officer for approving budget virements, movements to/from reserves and the financing of the capital programme at the financial year end. This will be reported to the Executive retrospectively in May 2019.

8. IMPLICATIONS

Financial Implications

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

Legal Implications

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

Environmental Implications

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

Resident Impact Assessment

- 8.4. 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.
- 8.5. A resident impact assessment (RIA) was carried out for the 2018-19 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 Individual Variance

Appendix 2 – Revenue Monitoring by Service Area

Appendix 3 – Capital Monitoring

Background papers: None

Final report clearance:

Signed by:		9 April 2019
	Councillor Andy Hull Executive Member for Finance, Performance and Community Safety	Date

Responsible Officer:

Alan Layton

Service Director Financial and Asset Management

Report Authors:

Martin Houston, Strategic Financial Advisor

Tony Watts, Head of Financial Planning

Legal Implications Author:

Peter Fehler, Assistant Director – Corporate and Dispute Resolution

Appendix 1: 2018-19 General Fund Revenue Monitoring by Individual Variance - Month 11

Directorate / Service Area	Sub-Heading	Description of Over/(Under) Spend	Over-spend	Under-spend	Net Over/(Under) Spend	% of Directorate Net Budget that Over/(Under) Spent
			£000	£000	£000	%
RESOURCES						
Accommodation and Facilities	Business Rates	Reduction in business rates costs relating to a rationalisation of buildings.		(430)	(430)	-1.0%
Accommodation and Facilities	Commercial Property	Commercial Income has been budgeted to rise significantly. However, practical issues have meant that the development project at Old Street has taken longer than anticipated and has caused a delay in achieving this growth.	869		869	2.1%
Accommodation and Facilities	Assembly Hall/Other	The Assembly Hall is expected to overachieve its income target by £146k, and rationalisation of maintenance work within Accommodation and Facilities is likely to lead to a further underspend of £331k.		(477)	(477)	-1.2%
Digital Services and Transformation	Software Upgrade	Previously identified as a risk, the renewal of Microsoft Enterprise created significant additional costs.	600		600	1.5%
All	All	Vacancies management in a number of areas is expected to save £854k during the year and the combined effect of small general underspends across the department is forecast to save a further £221k. These savings will offset additional staffing costs elsewhere amounting to £365k.		(710)	(710)	-1.7%
Total Resources			1,469	(1,617)	(148)	-0.4%
CHIEF EXECUTIVE'S						
All	All	The Chief Executive's directorate is forecasting an underspend mainly due to holding vacant posts.		(328)	(328)	-17.0%
Total Chief Executive's Department			0	(328)	(328)	-17.0%
CHILDREN'S, EMPLOYMENT AND SKILLS						
Youth and Communities	Crime, Violence and Offending	Planned underspend due to original contracts for preventing youth violence starting mid-year. This underspend was being held back in the event that the bid to MHCLG for the Supporting Families Against Youth Crime was unsuccessful. Funding from MHCLG has now been confirmed and therefore this underspend can be declared.		(162)	(162)	-0.2%
Safeguarding and Family Support	Children looked After - Placements	A delay to the completion of the joint procurement exercise with HASS to purchase additional accommodation for looked after children. The procurement strategy has been amended to minimise the impact in-year.	150		150	0.2%
Safeguarding and Family Support	Children looked After - Placements	Reduction in number of children in semi-independent and residential provision.		(150)	(150)	-0.2%
Safeguarding and Family Support	Children looked After - Placements	Pressure against temporary accommodation costs, including Unaccompanied Asylum Seeking Children (UASC) with appeal rights exhausted. This is partially offset by budget provision for the gap between short-term temporary accommodation top-up for children in need and the housing benefit cap.	180		180	0.2%
Safeguarding and Family Support	Children looked After - Placements	Forecast balance on placements demographic contingency budget.		(500)	(500)	-0.6%
Safeguarding and Family Support	Safeguarding and Quality Assurance	Pressure against the workforce development budget offset by a staffing underspend due to a secondment to the Early Help for Families Service.		(26)	(26)	0.0%
Safeguarding and Family Support	Safeguarding and Family Support Management	Vacant head of service post.		(57)	(57)	-0.1%
Learning and Schools	Early Years	Inflation on childcare fees from September 2017 and September 2018.		(330)	(330)	-0.4%
Learning and Schools	Early Years	New holiday hunger scheme is currently being piloted meaning that the budget allocation is not being utilised in full in this financial year (£105k) and underspend against the over 5s childcare subsidy budget (£35k).		(140)	(140)	-0.2%
Learning and Schools	Building Schools for the Future	Structural overspend relating to unbudgeted costs of cleaning Holloway Pool.	60		60	0.1%
Learning and Schools	Special Educational Needs (SEN) T	Forecast £648k SEN transport overspend after allowing for estimated impact of management action to minimise cost pressures in year. Despite significant work across CES and E&R to manage these pressures, a significant overspend is still forecast. A £200k demographic growth contingency had been set aside for SEN transport, which reduces the bottom line forecast overspend to £448k. This is a high risk demand led budget.	448		448	0.5%
Learning and Schools	Universal Free School Meals	The numbers of children not eligible for statutory free school meals has stabilised and therefore the demographic contingency for universal free school meals is not expected to be used in 2018-19 (£200k). Numbers have reduced further based on meal claims processed to date (£50k).		(250)	(250)	-0.3%
Partnerships and Service Support	Directorate Management	Forecast staffing underspend against directorate management budget.		(20)	(20)	0.0%
Partnerships and Service Support	Cardfields	Reduction in school's funding, repayment of corporately funded capital works, forecast shortfall in income and urgent maintenance costs. This is partly mitigated through actively targeting weekend hire at identified groups, construction of a special offer for weeks that we can't sell and a review of costs.	78		78	0.1%
Total Children's, Employment and Skills			916	(1,635)	(719)	-0.8%
ENVIRONMENT AND REGENERATION						
Planning and Development	Development Control	Lower levels of income and agency cost pressure.	275		275	1.7%
Planning and Development	Building Control	Lower levels of building control income.	125		125	0.8%
Public Protection	Local Land Charges	Decline in local land charges income.	100		100	0.6%
Public Realm	Highways and Energy Services	Unachievable street lighting Wi-Fi concession income.	120		120	0.7%
Public Realm	Street Environmental Services	Sickness levels exceeding target operating model.	750		750	4.5%
Public Realm	Street Environmental Services	Additional staff cover due to operational, performance and disciplinary issues.	225		225	1.4%
Public Realm	Street Environmental Services	Driver grade uplift to reflect additional supervision duties.	120		120	0.7%
Public Realm	Street Environmental Services	Delays in fleet replacement due to ULEZ considerations.	400		400	2.4%
Public Realm	Street Environmental Services	Anticipated fuel savings offset by higher pump prices.	100		100	0.6%
Public Realm	Street Environmental Services	Additional staff costs due to changes in refuse collection service.	400		400	2.4%
Public Realm	Street Environmental Services	One-off costs relating to service modernisation and use of technology.	155		155	0.9%
Public Realm	Street Environmental Services	Shortfall in commercial waste income.	250		250	1.5%
Public Protection	Private Sector Housing	Underspend in private sector housing grants (one-off).		(430)	(430)	-2.6%
Public Protection	Various	Vacancies across the division.		(100)	(100)	-0.6%
Public Protection	Various	Additional HRA income due to new recharge calculation.		(170)	(170)	-1.0%
Public Realm	Greenspace & Leisure	Additional HRA income due to new recharge calculation.		(400)	(400)	-2.4%
Public Realm	Highways and Energy Services	Additional HRA income due to new recharge calculation.		(30)	(30)	-0.2%
Public Realm	Highways and Energy Services	Carbon offset income within Energy Services.		(120)	(120)	-0.7%
Public Realm	Highways and Energy Services	Additional income from Angelic Energy.		(20)	(20)	-0.1%
Public Realm	Highways and Energy Services	Spend previously allocated to revenue to be financed from capital resources.		(350)	(350)	-2.1%
Public Realm	Street Environmental Services	Additional HRA income due to new recharge calculation.		(900)	(900)	-5.4%
Total Environment and Regeneration			3,020	(2,520)	500	3.0%

Appendix 1: 2018-19 General Fund Revenue Monitoring by Individual Variance - Month 11

HOUSING AND ADULT SOCIAL SERVICES				
<i>The Housing General Fund forecast is break-even with no significant net variances at divisional level.</i>				
Total Housing General Fund				
Integrated Community Services	In-house Service - Day Offer Review	Non-delivery of savings.	843	843
Learning Disabilities	In-house Review	Non-delivery of savings.	399	399
AdSS	AdSS	Additional adult social care grant (one-off).	(804)	(804)
AdSS	AdSS	Improved Better Care Fund (Stabilising the Social Care System) one-off income.	(400)	(400)
Total Adult Social Services				
Total Housing and Adult Social Services				
PUBLIC HEALTH				
<i>The Public Health forecast is break-even as any underspends will be carried forward to future years as part of the ring-fenced public health account.</i>				
Total Public Health				
DIRECTORATE TOTAL				
CORPORATE ITEMS				
Housing Needs	NRPF	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).	650	650
Invest to Save	Bike Hangars	Invest to Save funding for bike hangars that will secure an ongoing income stream for the Council (one-off).	568	568
Homelessness	Homelessness	Unbudgeted corporate funding for Street Homelessness Coordinator and St Mungo's Outreach Officer.	95	95
Inflation	Pay	Estimated underspend against corporate budget for pay inflation (one-off).	(1,500)	(1,500)
Total Corporate Items				
GROSS TOTAL				

Appendix 2: 2018-19 Revenue Monitoring by Service Area - Month 11

GENERAL FUND					
Directorate / Division	Original Budget	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 11	Forecast Over/(Under) Spend Month 10
	£'000	£000	£000	£000	£000
RESOURCES					
Directorate	1,149	2,509	2,874	365	483
Digital Services and Transformation	10,935	11,119	11,720	601	600
Financial Management	10,920	418	53	(365)	(44)
Financial Operations	21,029	21,744	21,107	(637)	(1,201)
Internal Audit	685	691	648	(43)	(32)
Law and Governance	2,110	2,915	2,878	(37)	(27)
Human Resources	1,767	1,917	1,885	(32)	(30)
Total Resources	48,595	41,313	41,165	(148)	(251)
CHIEF EXECUTIVE'S DEPARTMENT					
Chief Executive	41	45	29	(16)	(21)
Communications and Change	1,195	1,029	844	(185)	(178)
Strategy and Change	839	856	729	(127)	(129)
Total Chief Executive's Department	2,075	1,930	1,602	(328)	(328)
CHILDREN'S, EMPLOYMENT AND SKILLS					
Youth and Communities	6,201	6,406	6,244	(162)	0
Safeguarding and Family Support	40,667	43,978	43,575	(403)	(500)
Learning and Schools	11,808	25,900	24,157	(1,743)	(893)
Partnership and Service Support	16,701	4,787	4,845	58	58
Employment, Skills and Culture	5,419	6,038	6,038	0	0
Health Commissioning	924	927	927	0	0
Less Projected Ring-Fenced Schools Related Underspend	0	0	1,531	1,531	621
Total Children's, Employment and Skills	81,720	88,036	87,317	(719)	(714)
ENVIRONMENT AND REGENERATION					
Directorate	161	(353)	(353)	0	0
Planning and Development	975	1,424	1,824	400	400
Public Protection	4,653	5,031	4,431	(600)	(600)
Public Realm	8,170	10,417	11,117	700	700
Total Environment and Regeneration	13,959	16,519	17,019	500	500
HOUSING AND ADULT SOCIAL SERVICES (HASS)					
Temporary Accommodation (Homelessness Direct)	2,148	2,510	2,749	239	213
Housing Needs (Homelessness Indirect)	1,368	1,408	1,185	(223)	(195)
Housing Benefit	880	880	880	0	0
Housing Strategy and Development	127	130	123	(7)	(7)
Housing Administration	1,328	987	978	(9)	(11)
Voluntary and Community Services (VCS)	3,028	3,397	3,397	0	0
Total Housing General Fund	8,879	9,312	9,312	0	0
Adult Social Care	(2,503)	(3,238)	(4,442)	(1,204)	(1,204)
Integrated Community Services	19,503	19,951	20,794	843	843
Learning Disabilities	25,136	25,279	25,678	399	399
Strategy and Commissioning	26,951	27,297	27,297	0	0
Total Adult Social Services	69,087	69,289	69,327	38	38
Total Housing and Adult Social Services	77,966	78,601	78,639	38	38
PUBLIC HEALTH					
Children 0-5 Public Health	3,689	3,689	3,716	27	27
Children and Young People	1,434	1,594	1,588	(6)	(6)
NHS Health Checks	394	394	212	(182)	(182)
Obesity and Physical Activity	679	679	723	44	44
Other Public Health	(19,984)	(19,688)	(19,705)	(17)	(17)
Sexual Health	6,022	5,689	5,462	(227)	(147)
Smoking and Tobacco	488	488	425	(63)	(63)
Substance Misuse	7,278	7,155	7,121	(34)	(58)
Less Projected Ring-Fenced Public Health Grant Underspend	0	0	458	458	402
Total Public Health	0	0	0	0	0
DIRECTORATE TOTAL	224,315	226,399	225,742	(657)	(755)

Appendix 2: 2018-19 Revenue Monitoring by Service Area - Month 11

Directorate / Division	Original Budget	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 11	Forecast Over/(Under) Spend Month 10
	£'000	£000	£000	£000	£000
CORPORATE ITEMS					
Other Corporate Items	4,567	106	(731)	(837)	(837)
Corporate Financing Account	(26,579)	(26,579)	(26,579)	0	0
Pensions	0	10,869	10,869	0	0
Levies	22,277	22,277	22,277	0	0
Transfer to/(from) Reserves	(7,219)	(15,847)	(15,847)	0	0
Specific Grants	(6,776)	(6,776)	(6,776)	0	0
Core Government Funding / Council Tax	(212,994)	(212,994)	(212,994)	0	0
No Recourse to Public Funds	409	545	1,195	650	755
Appropriations and Technical Accounting Entries	0	0	0	0	0
Contingency	2,000	2,000	2,000	0	0
Total Corporate Items	(224,315)	(226,399)	(226,586)	(187)	(82)
GROSS TOTAL	0	0	(844)	(844)	(837)

Appendix 2: 2018-19 Revenue Monitoring by Service Area - Month 11

HOUSING REVENUE ACCOUNT(HRA)				
Service Area	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 11	Forecast Over/(Under) Spend Month 10
	£000	£000	£000	£000
Dwelling Rents	(163,790)	(165,740)	(1,950)	(1,670)
Non Dwelling Rents	(1,400)	(1,650)	(250)	(200)
Heating Charges	(2,050)	(2,050)	0	0
Leaseholders Charges	(11,850)	(11,925)	(75)	0
Other Charges for Services and Facilities	(4,840)	(5,110)	(270)	(250)
PFI Credits	(22,855)	(22,855)	0	0
Interest Receivable	(500)	(500)	0	0
Contribution from General Fund	(816)	(816)	0	0
Gross Income	(208,101)	(210,646)	(2,545)	(2,120)
Repairs and Maintenance	32,223	31,923	(300)	0
General Management	47,930	50,385	2,455	2,300
PFI Payments	42,263	42,703	440	440
Special Services	22,714	22,864	150	155
Rents, Rates, Taxes and Other Charges	590	890	300	300
Capital Financing Costs	16,269	16,269	0	0
Depreciation	34,006	34,006	0	0
Bad Debt Provisions	750	750	0	0
Contingency	2,000	1,500	(500)	(500)
Transfer to HRA Reserves	9,356	9,356	0	(575)
Gross Expenditure	208,101	210,646	2,545	2,120
Net (Surplus)/Deficit	0	0	0	0

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Appendix 3: Capital Monitoring 2018-19 - Month 11

	2018-19 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
	£000	£000	£000	£000	£000	£000	£000
CHILDREN'S, EMPLOYMENT AND SKILLS							
Moreland School and Children's Centre	0	268	268	210	(58)	208	77%
Pupil Referral Unit	0	273	273	273	0	(109)	(40%)
Tufnell Park School	13,895	(3,598)	10,297	10,297	0	7,423	72%
Highbury Grove School Expansion	3,000	(1,391)	1,609	1,609	0	654	41%
Central Foundation School Expansion	2,700	(1,720)	980	980	0	599	61%
School Condition Works	0	231	231	0	(231)	0	0%
Arts and Media School	90	10	100	0	(100)	0	0%
New River College	0	211	211	70	(141)	26	12%
Primary Schools Condition Schemes	75	1,135	1,210	931	(279)	703	58%
Primary Schools General and Emergency Works Schemes	0	200	200	200	0	109	54%
Schools Devolved Formula Capital	300	0	300	300	0	0	0%
Early Years Capital	500	408	908	101	(807)	33	4%
Libraries	0	48	48	30	(18)	20	41%
Youth Capital	0	18	18	18	0	15	80%
Schools Contingency	3,400	(1,390)	2,010	0	(2,010)	14	1%
Total Children's, Employment and Skills	23,960	(5,295)	18,665	15,021	(3,644)	9,694	52%
ENVIRONMENT AND REGENERATION							
Other Environment and Regeneration	0	50	50	50	(0)	0	0%
Planning and Development	0	842	842	841	(1)	605	72%
Cemetaries	0	238	238	238	0	200	84%
Combined Heat and Power	120	1,729	1,849	2,500	651	2,009	109%
Energy Saving Council Buildings	431	(190)	241	225	(15)	191	79%
Vehicles	2,000	1,189	3,189	588	(2,601)	411	13%
Greenspace	2,000	1,471	3,471	3,271	(199)	3,142	91%
Highways	1,650	1,113	2,763	3,008	245	1,805	65%
Leisure	972	(246)	726	736	11	448	62%
Recycling Improvements	1,043	(435)	608	607	(1)	257	42%
Special Projects	100	223	323	200	(123)	141	44%
Traffic and Engineering	3,210	1,638	4,848	4,844	(4)	2,789	58%
Total Environment and Regeneration	11,526	7,620	19,146	17,109	(2,037)	11,999	63%
HOUSING							
Major Works and Improvements	31,000	0	31,000	31,000	0	24,728	80%
New Build	85,702	(40,700)	45,002	41,900	(3,102)	29,143	65%
Temporary Accommodation	0	18,750	18,750	17,727	(1,023)	17,637	94%
Total Housing	116,702	(21,950)	94,752	90,627	(4,125)	71,508	75%
TOTAL CAPITAL PROGRAMME	152,188	(19,625)	132,563	122,757	(9,806)	93,201	70%

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**Environment and Regeneration
Town Hall, Upper Street, N1 2UD**

Executive Member for Inclusive Economy and Jobs

Meeting of:	Date:	Ward(s):
Executive	25 April 2019	All

Delete as appropriate:	Non-exempt
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Appendix 1 to this report is exempt and not for publication

SUBJECT: Procurement Strategy and Grant of Under-Lease Agreements for Affordable Workspace Operators 2019 - 2023

1. Synopsis

- 1.1 This report seeks pre-tender approval of a new procurement strategy for affordable workspace operators for the period from 1 April 2019 to 31 March 2023. This report has been prepared in accordance with rule 2.7 of the Council's Procurement Rules. The new procurement strategy will replace the existing Dynamic Purching System (DPS) framework for procuring affordable workspace operators, which expires on 31 March 2019. Approval of the procurement strategy will support the Council in delivering its Affordable Workspace Strategy as agreed by the Executive in September 2018.
- 1.2 This report also seeks agreement from the Executive to delegate authority to the Corporate Director of Resources to grant under-leases to affordable workspace operators.
- 1.3 Guided by the recommendations of the Fairness Commission, the Council has committed to build an inclusive economy in Islington - creating local wealth and tackling inequality by building on the strengths of the people, communities and assets that already exist in

the borough. The delivery of the affordable workspace programme is central to the Council's Corporate Plan objectives of delivering a Fairer Islington by 'securing new affordable workspaces for local people' and 'creating an inclusive economy and supporting local business'.

To date the Council has secured nine affordable workspaces from Section 106 Agreements, and it is currently considering a number of planning applications that may deliver additional affordable workspaces between 2019 and 2023. In addition, the Council plans to deliver affordable workspaces in its own buildings and through securing leases with private landlords.

1.4 The Council has developed a social value procurement framework to procure operators for its affordable workspaces. In exchange for the right to lease the affordable workspaces at a peppercorn rent, the operators will be required to provide a range of social value benefits. For example, they will be required to:

- Develop and deliver pathways into vocational training leading to accredited qualifications.
- Support local residents into work particularly by providing jobs and apprenticeships and opportunities for self - employment.
- Inspire the next generation of young people through support for Islington's 100 hours World of Work programme.
- Deliver high-quality business support to their tenants and businesses within the wider local area enabling micro and small businesses to start up and grow.
- To support and develop local supply chains.

2. Recommendations

2.1 To approve the procurement strategy for Affordable Workspace Providers 2019-2023 as outlined in this report, and which will be used to conduct individual procurements for each affordable workspace in line with the specific information set out in the table at paragraph 3.8.

2.2 To delegate authority to the Corporate Director of Resources in consultation with the Executive Member for Inclusive Economy and Jobs, to grant under-leases to the organisations (providers) that are awarded concession contracts for affordable workspaces.

3. Background

3.1.1 Through an ambitious and ground-breaking affordable workspace policy, the Council is ensuring that new workspaces are secured through planning obligations to support existing small and micro businesses, and to facilitate new business activity and employment opportunities for disadvantaged local people. In addition, the Council

successfully bid for match-funding from the Mayor of London to create at least four new affordable workspaces in Finsbury Park. This funding will enable the conversion of under-utilised Council assets on the Andover Estate, as well as the purchase of leases in a privately owned building.

3.1.2 When new affordable spaces are secured, the Council enters into a lease with the developer or landlord. The Council will then procure an organisation to operate the affordable workspaces and grant them an under-lease at a peppercorn rent. The selected organisations will be fully responsible for the management of the spaces and liable for any costs such as utilities charges and service charges during the lease term. These provider organisations will license desk or office space to individuals and businesses and charge a genuinely affordable rent to users. Under the terms of the s106 agreements, rent levels are capped at 80% of market rents.

3.1.3 Uniquely, the provider organisations will commit to deliver significant social value in return for the lease. This will include benefits for local people and businesses across a number of areas including (but not limited to):

- Development and delivery of pathways into vocational training leading to accredited qualifications.
- Supporting local residents into work particularly by providing jobs and apprenticeships and opportunities for self - employment.
- Inspiring the next generation of young people through support for Islington's 100 hours World of Work programme.
- Delivering high-quality business support to their tenants and businesses within the wider local area enabling micro and small businesses to start up and grow.
- Supporting and developing local supply chains.

The contract and coterminous lease agreement will secure the key performance indicators agreed on contract award, based on a combination of workspace management, affordable rental charges and importantly, the social value measures. Further details are set out in paragraph 3.6 below.

3.2 Estimated Aggregated Value of the Concession

3.2.1 The overall value of procurements between 2019 and 2023 is calculated on the aggregated concession value to the affordable workspace providers, currently estimated to be at least £20 million. This is equivalent to the capitalised value of 80% market rent of the spaces identified in Appendix One during their lifetime, which ranges from 10 to 20 years. In addition, the Council is negotiating with a number of developers to secure additional affordable workspaces. It is intended that should these spaces come on stream before 2023, the operators will be procured using this strategy and the total value of the concession contracts will increase accordingly. Finally, as a contingency, it is intended that the spaces at Finsbury Park are also included in these arrangements if

they are not procured under the existing Dynamic Purchasing System framework before its expiry on 31 March 2019.

3.2.2 Through this arrangement, it is anticipated that the Council will secure social value that is equivalent to an approximate minimum value of £30 million, corresponding to a minimum of 150% of the capitalised market value for the affordable workspaces considered in this report. This multiplier has been advised by a social value expert consultancy, based on their industry experience elsewhere. It will be continuously monitored and reviewed.

3.2.3 A bespoke financial proxy for the social value activities to be derived through the operation of the affordable workspaces has been developed. This 'monetises' the value of any benefit that is secured e.g. the delivery of one apprenticeship has a value of £168.04 per week and a resident moving from unemployed status into full time employment has a one off value of £36,302. These proxy values will enable the Council to measure and demonstrate the benefit of social value-driven contracts, and compare impacts across a number of workspaces. Again, the efficacy of the framework will be benchmarked and reviewed periodically.

3.3 Timetable

3.3.1 The current arrangements that the Council uses to procure affordable workspace providers expire on 31 March 2019. Five affordable workspaces are ready to transfer to the Council, with a further three in the immediate pipeline. When the existing Dynamic Purchasing System (DPS) framework expires, and without an operator in place, the Council may be liable for council tax and service charges (see below 3.7.1). Approval of this strategy will mean the Council can begin commissioning operators using the new process from 1 May 2019.

3.4 Options appraisal

3.4.1 Currently, affordable workspace providers are commissioned via a dynamic purchasing system (DPS) framework. This approach allows some prior vetting and pre-procurement engagement or 'market warming' for all providers who enter onto the framework. This framework is time limited and expires on 31 March 2019. Three separate options for replacing this system have been considered.

3.4.2 Option 1 would be to renew the DPS framework. The staff resource required to continue to operate a DPS framework under new regulations introduced for 2019 would be greater than it is at present due to the extra administration required. Under the new regulations, a DPS requires a value to be announced for the assets to be procured. However, the affordable workspaces are mainly secured via the planning process and it is difficult to calculate the exact number, size and value of affordable workspaces to be delivered within a four-year period. In addition, the DPS is limited to providers on the

approved framework and this limits the competition and potential social value innovation as a result. The provision of affordable workspaces is a rapidly changing sector and the Council needs a procurement approach that can respond quickly and effectively to find the right providers.

- 3.4.3 In Option 2, the Council could enter into partnership arrangement with neighbouring boroughs on a shared Affordable Workspace Providers List. This would enable the Council to have access to an approved list that we could use to procure operators. This approach would have the benefit of sharing resources across local authorities. However, other councils often let the developer choose the provider from the approved list whereas, the Council is seeking to have more control on the selection of the provider to ensure optimal social value benefits for residents.
- 3.4.4 Option 3 is to treat each individual affordable workspace as a stand-alone procurement process within an agreed framework. It also allows for affordable workspaces that are similar in nature to be procured at the same time to accelerate and optimise social outcomes.
- 3.4.5 Option 3 provides more flexibility for ensuring that the award criteria for each concession contract is tailored to each space and the needs of local people, and meets market-specific requirements at the time of delivery. It provides the opportunity to reach the widest diversity of operator organisations, thus increasing the Council's opportunity to access innovative practitioners across a range of sectors, and maximise the social value return.
- 3.4.6 Therefore, Option 3 is recommended as it will enable the Council to:
1. retain a greater degree of flexibility around the process of going out to the market;
 2. operate strategically to support clusters of activity and employment;
 3. attract the greatest diversity of operators to compete; and
 4. secure the significant social value outcomes and innovation that will determine the quality of the affordable workspaces.

3.5 Key Considerations

- 3.5.1 The Council has committed to derive a social value return, rather than a financial income from the affordable workspaces. This is reflected in the design of the award criteria, with a strongly weighted emphasis on the delivery of social value outcomes. This approach was approved by the Commissioning and Procurement Board at its meeting in January 2019.
- 3.5.2 This is an innovative commissioning arrangement by which social value return may be optimised. Uniquely, it will weight social value at 70-85% of the decision-making

process and criteria. A methodology has been designed to allow the monetisation of social value outcomes, and demonstrate best value. This provides a benchmark against which value can be measured and ensure the effective delivery of the aims and objectives of the Affordable Workspace Strategy (2018).

- 3.5.3 The Council is unable to rent out the s106 affordable workspaces at a commercial rate because that runs contrary to our current Development Management Policies (DM5.4)

"D. Where affordable workspace is to be provided, evidence should be submitted demonstrating agreement to lease the workspace at a peppercorn rate for at least 10 years to a council-approved Workspace Provider." (p. 90)

- 3.5.4 The contracts under this procurement strategy will be inclusive of the London Living Wage (LLW) where legally permissible.

- 3.5.5 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 complete an 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.

- 3.5.6 The Affordable Workspace Procurement Strategy proposes a new service that will be managed by externally contracted organisations almost in its entirety. Therefore, there are no current or anticipated TUPE implications that are applicable to this service. If in the future the Council decides to bring any of the affordable workspace operators in-house, there may be a TUPE implication for the Council but that would need to be assessed at that point in time.

3.6 Evaluation of Tenders

- 3.6.1 Individual tenders will be determined on the value of the concession arrangement for each affordable workspace, calculated on the length of lease and estimated market value. Those that are above the concessions value of £4,551,413 will be advertised on OJEU. All contracts will be advertised on the London Tenders Portal and Contracts Finder using either the open or restricted procedure, dependent on the threshold that is reached by the individual or grouped workspaces for any particular procurement.
- 3.6.2 The proposed procurement strategy is designed to generate competition and secure ambitious and innovative social value outcomes for each workspace. Individual procurement processes will also offer additional flexibility that will benefit the Council

when managing timing and location dependencies occurring as affordable workspaces in the pipeline of spaces become ready for occupation.

- 3.6.3 The organisations bidding for new affordable workspace premises will be required to demonstrate their planned rental charges, management plans and the social value outcomes that they will deliver, and will be assessed against each of the following criteria:
- **Social Value – 70%-85% range**, covering topics including but not limited to the:
 - a. Development of support programmes and other initiatives for micro and small businesses
 - b. Delivery of employment outcomes for local residents, particularly for those at disadvantage
 - c. Development of education and skills initiatives to engage local young residents.
 - d. Promoting the development of local business clusters
 - e. Community engagement, environmental measures and other social innovation initiatives that could be considered for the benefit of the local community
 - **Price – 10%-25% range:**
 - f. Rent affordability and affordable workspace management plans
 - **Quality – 5%**
 - g. Property management arrangements.
- 3.6.4 The above approach will be adapted within the lower/upper limits identified and sub-criteria specified, in consultation with the Executive Member for Inclusive Economy and Jobs, to reflect the specific needs of the locality/business cluster/local community in which the affordable space is located, encourage innovation and maximise social value.
- 3.6.5 The organisation which provides the most economically advantageous proposal against these criteria will be awarded a concession contract and a coterminous lease agreement.
- 3.6.6 This concession contract will set out the social outcomes that the affordable workspace provider has agreed to provide. The contract will be the basis for monitoring the affordable workspace provider at quarterly monitoring performance reviews, alongside an annual report. The concession contract established with each workspace provider will contain provisions enabling the Council to terminate the contract in the event of underperformance by the operator.

3.7 Risks

- 3.7.1 The current DPS framework is time-limited and will cease to function on 31 March 2019. Therefore, a risk to the Council is that it will have no means by which to commission operators at that point and a reputational risk for the Council with major developers in the borough, who will be expecting the workspaces to be operational as soon as possible after construction completes. This proposal is timed to ensure that there is as smooth a transition as possible from use of the DPS framework to an open procurement process.

There are financial liabilities that will arise if the occupation of the affordable workspace by a provider is delayed and the lease with the developer is completed before this. In these instances, the Council may be liable for both business rates and service charges. Currently, the Council is successfully mitigating liabilities on service charges by making legal arrangements with developers to delay service charges until organisations to manage the workspaces can be appointed. This is negotiated on a case-by-case basis. Officers are currently working on solutions for business rates liabilities associated with taking on leases from developers before commissioning processes for providers start.

- 3.7.2 The possibility of low levels of interest from providers is also a risk to the commissioning of affordable workspaces. To mitigate this, 'market warming' events and viewings will be organised in advance of advertising the new opportunities, to increase awareness and raise interest in the relevant sectors.
- 3.7.3 One of the key risks that the Council could face is not securing or sustaining enough social value outcomes through the affordable workspace. In response, the Council has drafted a contract with robust mechanisms to enable improvement actions where required, and manage any underperformance issues. Ultimately, this includes the option to terminate the contract for persistent under-performance.
- 3.7.4 There are contract management responsibilities that the Council will need to carry out in order to successfully monitor social value outcomes. Failure to fulfil these requirements would mean that the agreed social value outcomes may not be delivered. The Council is putting in place sufficient staff resource to ensure a minimum of quarterly monitoring meetings with appointed providers.
- 3.7.5 The Council also considers the length of the contract and the terms of the leases of the affordable workspaces to be a risk, as they are from 10 to 20 years' duration. To mitigate this risk, termination clauses have been included in the contract and lease, linked to the performance measures within the contract.

3.8 Information to be specifically approved by the Executive

The following information is required to be specifically approved by the Executive in accordance with rule 2.8 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	<p>The Council secures affordable workspaces and procures organisations to manage the spaces (offered at peppercorn rent) in return for social value benefits.</p> <p>See Sections 1 and 3.1</p>
2 Estimated value	<p>The estimated total value of all the contracts associated with affordable workspaces delivered in the next 4 years, is approximately £20 million.</p> <p>See Section 3.2</p>
3 Timetable	<p>The procurement strategy is proposed to run for a period of 1 May 2019 to 31 March 2023.</p> <p>See Section 3.3</p>
4 Options appraisal for tender procedure including consideration of collaboration opportunities	<p>The Council has considered three different options and ways to manage the commissioning process of organisations to manage affordable workspace. In consultation with Strategic Procurement, it is determined that Option 3 is the most suitable approach, that is, to treat each individual workspace as a stand-alone procurement process with considerations for commissioning multiple spaces together.</p> <p>See Section 3.4</p>
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	<p>The award criteria for these type of contracts is heavily weighted towards the social value outcomes that each organisation will deliver during the management of the space (relative to the capitalised value of the space).</p> <p>London Living Wage requirements have been embedded in the process. In addition, the procurement strategy proposed in this report proposes a new and externally contracted service, therefore there are no current TUPE, pensions or staffing implications for the Council.</p> <p>See Section 3.5</p>
6 Award criteria	Social Value: 70%-85% range

	<p>Price: 10%-25% range Quality: 5%</p> <p>See paragraph 3.6.3</p>
7 Any business risks associated with entering the contract	<p>The Inclusive Economy Team has proactively sought to control and mitigate potential risks associated with this procurement, by introducing:</p> <ul style="list-style-type: none"> • market warming exercises to increase interest and generate competition; • contract termination clauses linked to under performance; and, • the establishment of lease agreements with providers to transfer liabilities during the management of the affordable workspaces. <p>There are potential liabilities that could arise if the occupation of the affordable workspace by a provider is delayed and the lease agreement with the developer is signed off before this. In these instances, the Council is liable for both business rates and service charges.</p> <p>See Section 3.7</p>
8 Any other relevant financial, legal or other considerations.	<p>Legal implications See Section 4.2</p> <p>Financial implications See Section 4.1</p> <p>Environmental implications See Section 4.3</p>

3.10 Granting leases to organisations managing the affordable workspaces

The Council will be taking a head lease on each secured and completed affordable workspace from the developer for a term of 10 to 20 years at a peppercorn rent (depending on the provisions in the s106 legal agreement). This lease may make the Council liable to pay council tax and any service charges and other charges such as utility bills until it grants an under-lease to the provider organisations appointed to manage the affordable workspaces in tandem with a contract. The under-lease will enable the Council to pass on the service charges and other utility-related charges to the appointed organisations.

The grant of leases for a period of more than six months at less than best consideration to affordable workspace providers is an Executive function reserved for the decision of

the Executive. In order that the concession contract and under-leases are coterminous, and to avoid paying service charges and other costs, the Council needs to grant the under-leases to the providers and enter into the concession contracts at the same time. For reasons of timeliness, it is therefore recommended that authority to grant the under-leases to providers is delegated to the Corporate Director of Resources in consultation with the Executive Member for Inclusive Economy and Jobs.

4. Implications

4.1 Financial implications:

There may be financial liabilities relating to business rates and service charges arising from delayed occupation by service providers. These are difficult to quantify and will need to be covered from the overall budget within the Economic Development team. If Council buildings are made available as sites for affordable workspaces there may be financial implications for the market rate rent foregone and this would need to be assessed on a case by case basis.

4.2 Legal Implications:

The Council has power to provide workspaces under section 1 of the Localism Act 2011 which provision confers a general power of competence on the Council to do anything for the benefit of its area or persons resident or present in its area. Accordingly, the Council may enter into a concession contract for providing and managing affordable workspaces for local people under section 1 of the Local Government (Contracts) Act 1997.

The affordable workspace services being procured are services concession contracts for the purposes of the Concession Contracts Regulations 2016. Where the value of the proposed services concession contract exceeds the financial threshold of £4,551,413 it must be advertised in the Official Journal of the European Union (OJEU) using the open or restricted procedure. Services concession contracts below this financial threshold must be subject to competitive tender under the Council's Procurement Rules.

The Council may grant under-leases of the affordable workspaces to the affordable workspace providers (section 123(1) of the Local Government Act 1972). However, as the leases are for more than 7 years at less than market rent, the consent of the Secretary of State's consent will be required. In 2003, the Secretary of State issued a general consent specifying the circumstances in which the Council may dispose of land at less than the best consideration that can reasonably be obtained.

The general consent permits a local authority to dispose of land freehold or by way of a lease exceeding 7 years at less than best consideration if the authority considers the disposal will help it secure the promotion or improvement of the economic, social or

environmental wellbeing of its area provided that any undervalue does not exceed £2,000,000.

Although the Council may have the necessary power (Section 123 or a general or specific ministerial consent) to lease the affordable workspaces at less than market rent consideration, any decision to do so must be taken:

- (1) reasonably
- (2) in the light of the market rent and the amount of the proposed undervalue
- (3) with due regard to the Council's fiduciary duty.

Under the Council's Constitution, the grant of a lease for more than 6 months at less than market rent, is a matter reserved for the decision of the Executive. However, the Executive may delegate authority to the Director of Corporate Resources to grant under-leases of affordable workspaces at less than market rent to affordable workspace providers.

4.3 Environmental Implications

The major environmental impact of granting leases for the affordable workspace will be the business activities that subsequently take place in the workspaces. This is likely to involve energy and water use, waste generation, and people travelling to and from the workspaces.

Operators will be required to provide environmental measures, such as the use of sustainable transportation methods and savings in CO2 emissions (not from transport). In addition, the focus on providing jobs for local people, may reduce commuting distances. The majority of the workspaces are in new-build developments, and are therefore expected to be relatively energy efficient compared to older commercial properties, in line with the energy and environmental standards set out in Development Management Policies.

4.4 Resident Impact Assessment (RIA):

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

- 4.4.2 The Council will ensure that the necessary legislative obligations in this regard are integrated into the contractual agreements with affordable workspace providers, and will be monitored as part of the contract management framework.
- 4.4.3 A Resident Impact Assessment was completed on 23 February 2018 and updated on 12 December 2018. A summary is given below with the full Resident Impact Assessment at Appendix 2.
- 4.4.4. **RIA summary**
- The procurement of affordable workspace providers through a concession process will enable the Council to secure, deliver and monitor significant social value outcomes from the long-term activity of the affordable workspaces. The alignment of this procurement strategy with the establishment of under-lease agreements will ensure that the organisations appointed deliver the concession service according to the Council's standards, avoiding further issues or liabilities derived from the delivery of this service.
- 4.4.5 The Council has based the awarding criteria for procuring affordable workspace providers on a number of strategic objectives related to the main themes included in the upcoming Inclusive Economy Strategy which are core Council aims. These are support for small business, employment, training and skills as well as the development of local clusters.
- 4.4.6 The impacts identified in section 3 of the RIA will have overall positive impacts on residents, and will play a key role in improving the socio-economic outcomes of small organisations managing the workspaces. It will bring further opportunities to entrepreneurs and micro businesses using the spaces; and will offer a broad range of training and employment-readiness opportunities for residents interested in entrepreneurship, and will seek to open up new career pathways for young people. At its core, the affordable workspace initiative seeks to implement inclusive growth and to unlock economic opportunities for residents within the borough.
- 4.4.7 The creation of Council-led affordable workspace is one of the Council's pioneering initiatives to help build an economy that is fair and inclusive of the local community. The Inclusive Economy team will proactively engage workspace management and business support experts through a range of market warming exercises and marketing promotion activities. These will help raising local awareness on upcoming opportunities and maximising interest from the market on upcoming opportunities to manage workspace. These measures will also mitigate potential competition issues with established local workspace providers and business support organisations.

5. Reason for recommendations

- 5.1 The delivery of the Council's affordable workspace strategy is integral to the achievement of the Council's vision of an inclusive economy, by protecting the ability of local micro and small businesses to locate and grow in the borough. At the same time, the innovative social value model will derive a series of inclusive economy outputs. The proposed procurement route optimises flexibility for the Council in achieving social value to deliver this vision, while at the same time, managing the identified risks.
- 5.2 The delegation of the decisions on the granting of leases for affordable workspaces to the Corporate Director of Resources will allow the Council to create new affordable workspace flexibly and quickly, thereby avoiding undue liability on the Council to pay service charges and other charges, and optimising the delivery of social value outcomes.

Appendices

- Appendix 1 (Exempt) – details of currently identified Affordable Workspaces
- Appendix 2 - RIA

Background papers: none

Final report clearance:



9 April 2019

Signed by: Councillor Asima Shaikh
Executive Member for Inclusive Economy and Jobs

Date

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Resident Impact Assessment

Procurement Strategy and Grant of Under-Lease Agreements for Affordable Workspace 2019 -2023

Service Area: Planning and Development

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

- 1.1 Islington has experienced significant economic growth in recent years. The number of jobs in the borough has increased substantially and the latest employment projections suggest that Islington's employment will continue to increase in numbers. Islington is also the top third London borough for new businesses, with over 3,700 new businesses registered during 2017¹. Whilst the economy is growing, unemployment amongst Islington residents remains above the London average and there is an inequality of opportunity for local residents and businesses, linked to the rise in living costs and land prices. Conditions for Small and Medium Sized Enterprises (SMEs) are challenging as Islington has the highest new business failure rates in London, with less than a third of new businesses surviving during 2017².
- 1.2 The Council wants to support economic expansion but in a way that is fair to residents and businesses in an environment that is economically inclusive. An inclusive economy uses economic growth as a means of reducing inequality of opportunity within the local community, and of sharing the benefits of that growth. The council has recently introduced an innovative approach to bring benefit to the local community from new developments, with the introduction of an Affordable Workspace Strategy.
- 1.3 The Affordable Workspace Strategy will be guided by the overarching Inclusive Economy Strategy principle of creating a fairer Islington and building a local economy that provides everyone with equal access to opportunity. The aim of the Procurement Strategy and Grant of Under-Leases for Affordable Workspace (PSGULAW) initiative is to play a significant part in bringing about an economy in Islington that works for everybody, where

¹ London Datastore, Enterprise births 2017. Data extracted from Business Demographics available at <https://data.london.gov.uk/dataset/business-demographics-and-survival-rates-borough>

² Based on comparison between Islington's business births and deaths during 2017. Data extracted from Business Demographics available at <https://data.london.gov.uk/dataset/business-demographics-and-survival-rates-borough>

sustainable, inclusive growth is harnessed to reduce unemployment, poverty and inequality of opportunity.

- 1.4 Affordable workspace refers to the creation of long-term, and low cost workspace in areas of the borough that might be otherwise unaffordable. This is primarily to help create sustained space for individuals who want to develop their own business and who may need specialist support. Through the implementation of the Affordable Workspace Strategy the Council will actively target residents and small businesses that are at disadvantage and are facing barriers to access local opportunities to progress on their professional careers and business plans.
- 1.5 The PSGULAW report seeks to complement the operation of the new affordable workspaces that are secured by the Council from the planning process, through the obligations secured in Section 106 Agreements. The procurement function in this programme is used to commission specialist organisations to manage the workspaces on behalf of the council and to deliver a wide range of initiatives for the benefit of the local community, as well as to offer specialist support to the users of the workspace.
- 1.6 The main aim of the activity that will take place at the workspaces is inclusivity through development and opportunity for local businesses and significant social value outcomes for the local community. This will be manifested in the form of jobs, training, entrepreneurial support, low cost workspace and wraparound incubator support as well as other social value. The social value outcomes will be extended to the residents and the wider business community through the delivery of business development advice, training in skills required by specific sectors, job readiness, job outputs (where possible), and career advice activities for pupils from local schools.
- 1.7 By creating a procurement strategy for affordable workspaces, the Council wants to ensure that there is a robust and fair process to select the organisations that will manage the workspaces. This will enable the appointed organisations to adhere to social value measures that bring real benefit to the local community, and that actively target community groups that are experiencing socio-economic disadvantage. In addition, the procurement process will allow the Council to monitor, measure and evaluate the significant benefits that this long-term activity will bring.
- 1.8 The procurement process consists of a qualitative Method Statement questionnaire supported by a set of quantitative social value measures that which will be completed by affordable workspace providers. It has been designed to secure and evidence outcomes for each of the following themes: rent affordability; development of support programmes for entrepreneurs and small businesses; delivery of training and employment outcomes for local residents; development of career initiatives on education and skills to engage local young residents; equality and diversity inclusion; supporting the development of local business clusters; and any other social innovation measures that can be considered

to be of benefit to the local community such as community and climate change mitigation initiatives.

- 1.9 The tender documents that form part of the procurement process are offered on different formats to ensure their accessibility (e.g. available in Braille).

2. Resident Profile

2.1 The PSGULAW initiative will cover the whole borough. The table below includes key demographic and socio-economic measures at London and borough levels based on the 2011 Census data³.

		London profile	Islington profile
		Total: 8,173,941	Total: 206,285
Gender	Female	51%	51%
	Male	49%	49%
Age	Under 16	20%	16%
	16-24	12%	14%
	25-44	36%	42%
	45-64	21%	19%
	65+	11%	9%
Disability	Disabled	14%	16%
	Non-disabled	86%	84%
Ethnic group	BME	40%	52%
	White	60%	48%
Religion or belief	Christian	48.5%	40%
	Muslim	12%	10%
	Other	10%	4.5%
	No religion	21%	30%
	Religion not stated	8.5%	17%
Socio-economic indicators	Unemployment rate	7%	7%
	Index of Multiple Deprivation score*	23.6%	32.5%

*Data from the Indices of Deprivation 2015 for London published by Department for Communities and Local Government. Averages for wards calculated based on values for lower super output areas.

3. Equality impacts

³ Data source available at <https://www.nomisweb.co.uk/census/2011>

- 3.1** The implementation of the PSGULAW initiative will deliver positive socio-economic impacts overall on residents and local businesses, and will contribute to outcomes such as:
- the development of the borough's business support offer for entrepreneurs and existing small businesses;
 - the upskilling of residents;
 - the enhancement of local economic cluster activities;
 - the creation of affordable hubs that residents can use as their workplace.
- 3.2** The main beneficiary groups of the PSGULAW initiative are the organisations appointed through a procurement process to manage the affordable workspaces, the workspace users, and other residents and local businesses outside the workspace. This section of the Resident's Impact Assessment summarises the PSGULAW initiative and considers the potential impacts that it may have in relation to the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 3.3** The council officers implementing the PSGULAW initiative are also considered as part of this RIA, however, there were no impacts found on the assessment of this group. There are therefore three distinct groups for the impact assessment:
- Operator organisations managing the affordable workspaces (Section 3.4)
 - Users of the affordable workspaces (Section 3.5)
 - Wider community – local residents (Section 3.6)

3.4 Operator organisations managing the affordable workspaces

3.4.1 Context

3.4.2 These are the organisations that are appointed through the procurement process described in the PSGULAW report. The council has engaged with 54 organisations, from which almost a half operate locally. A high number of these are not-for-profit who, apart from providing workspace, focus their efforts on delivering business support initiatives and on engaging with entrepreneurs and resident groups from the local area.

3.4.3 The new procurement strategy for affordable workspace will allow for the council to advertise forthcoming opportunities to manage workspace to the open market, from April 2019 onwards. However, the council will continue to have a mailing list with the current organisations so that any opportunities arising can be shared with them. During this year the Inclusive Economy (IE) team will carry out market warming exercises to continue to maximise interest from local organisations on the affordable workspace offer by using regional, sub-regional, and local business networks.

3.4.4 Any organisation that is procured to manage affordable workspace will be signing a contract agreement with the council. The terms of this contract contain clauses in reference to the Equality Act 2010 that ensures that the organisation managing the workspace shall not unlawfully discriminate within the meaning and scope of any law, enactment, order, or regulation relating to discrimination of the nine protected characteristics during the provision of the service.

3.4.5 Positive impacts

Protected Characteristic	Specific positive impacts
Age	<p>The procurement strategy will encourage bidders to propose to hire apprentices or have schemes that look to promote the equality of opportunity for those who may be discriminated against because of their age, as these will be scored higher in bid evaluations. This will have a positive impact on the workspace provider's employees, as well as providing an opportunity to advance the quality of opportunity for people who might face discrimination because to their age.</p> <p>The procurement strategy and legal documents that will bind the appointed workspace will also ensure this by having a social value plan drawn up as part of the contacting phase.</p>
Disability	<p>The proposed workspaces will all be accessible. Assistance will be offered in the tender pack to providers who require specialised documents or assistance with completing the tender process. This ensures that the process is accessible.</p>
Gender reassignment	<p>No specific impacts identified for this protected characteristic.</p>
Pregnancy and maternity	<p>As part of the PSGULAW requirements and list of measures, the Council includes requirements to encourage staff well-being and to have policies in place to ensure that this is implemented, complied with and monitored throughout the organisation/s appointed.</p>
Race	<p>The council expects that as a minimum, providers will be expected to match Islington's profile on racial diversity in its beneficiaries' profile.</p>
Religion or belief	<p>The council expects that as a minimum, providers will be expected to match Islington's profile on racial diversity in its beneficiaries' profile.</p>
Sex	<p>No specific impacts identified for this protected characteristic.</p>

Sexual orientation	No specific impacts identified for this protected characteristic.
Socio-economic status	<p>Islington's index of multiple deprivation score shows that local levels of deprivation are higher compared to the London average. Approximately a half of the 54 organisations that the IE team has engaged with through the existing procurement framework operate in the borough. Most of these organisations are often not-for-profit, small-sized and run support programmes for the benefit of the local business communities and residents. Giving the opportunity to these organisations to manage any of the council's affordable workspaces at no rental cost will help them to settle and expand their provision of services in the borough. This will not only be for the benefit of the organisations, as the appointed managers of the workspaces will be required to deliver a comprehensive programme of social value measures, reaching those parts of the local community that are at disadvantage and are underrepresented in the local economic activity.</p> <p>The Council will continue engaging and sharing opportunities with these organisations with the implementation of the new procurement strategy. Furthermore, the new way for procuring organisations to manage workspace will allow the council to reach new organisations beyond the existing list, and to target other organisations that operate locally through market warming exercises, collaboration with local business and community networks and other relevant service areas from the Council such as iWork and Voluntary and Community Sector.</p> <p>In addition, the organisations appointed through this procurement process to manage the workspaces are required to pay the London Living Wage to their staff, this requirement is built into the contract agreement.</p>

3.4.6 Potential negative impacts

Protected Characteristic	Specific negative impacts	Mitigating actions
Age	No specific impacts identified for this protected characteristic.	
Disability	No specific impacts identified for this protected characteristic.	

Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	No specific impacts identified for this protected characteristic.	
Race	No specific impacts identified for this protected characteristic.	
Religion or belief	No specific impacts identified for this protected characteristic.	
Sex	No specific impacts identified for this protected characteristic.	
Sexual orientation	No specific impacts identified for this protected characteristic.	
Socio-economic status	<p>Through the procurement strategy for affordable workspaces, the Council seeks to implement a competitive procurement process to ensure that only the most economically advantageous tender proposals are accepted. The tender proposals should demonstrate clear evidence of an ambitious but realistic social value offer for the local community that is followed consistently during the management of the workspace.</p> <p>The establishment of an open competitive process for organisations to manage new workspace might affect negatively some workspace management organisations that are already established locally and that don't wish to apply to the Council's scheme.</p>	<p>The Council will mitigate any potential negative impact on local organisations that are already running a workspace by organising a series of regular market warming events to share forthcoming opportunities to manage affordable workspace locally. This activity will not also inform them of new opportunities but will also help fostering new relationships with local businesses and will help for any potential alignment on shared objectives for the benefit of the community.</p>

3.5 Users of the affordable workspaces

3.5.1 Context

3.5.2 The users of the workspaces are the direct beneficiaries of the services provided at the workspace. These could range from individuals renting desk space to those receiving business support and participating in the courses offered within the workspace. This class overlaps with the residents with the wider community covered in point **3.6**, as there might be residents that are not necessarily using the workspace as a workplace but do receive training or employability support.

3.5.3 Positive impacts

Protected Characteristic	Specific positive impacts
Age	The procurement process has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of their age. Extra weighting has been given to proposals in the method statement to ensure that providers who will work with schools, create apprenticeships etc. are scored higher.
Disability	<p>The procurement process for affordable workspaces has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of a disability. Proposals that show schemes which may result in employment opportunities, or workspace user training or schemes for disabled people will be scored higher.</p> <p>The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisation/s.</p>
Gender reassignment	No specific impacts identified for this protected characteristic.
Pregnancy and maternity	No specific impacts identified for this protected characteristic.

Race	<p>Islington has a higher proportion of residents from Black, Asian and other minority backgrounds in comparison with the London average. The selection criteria that will be used to evaluate organisations through the procurement process actively targets and asks for evidence on the inclusion of residents and non-residents using the workspace that are from minority backgrounds.</p> <p>The Council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisation/s.</p>
Religion or belief	<p>The council expects that as a minimum, providers will be expected to match Islington's profile on religion or belief diversity in its beneficiaries profile.</p>
Sex	<p>Islington has a slightly higher proportion of women living in the borough than men. The selection criteria applied through the procurement process requires that the organisations managing the workspaces monitor the participation of women in the workspace. The measures will also favour organisations that actively target women's inclusion in employment sectors where there is significant underrepresentation such as Tech industries.</p>
Sexual orientation	<p>No specific impacts identified for this protected characteristic.</p>
Socio-economic status	<p>The provision of low-cost workspace that offers, training and career advancement could assist residents from disadvantaged economic backgrounds in accessing workspace and developing their business plans to continue growing.</p> <p>The business support offer that the organisation/s managing the workspaces will develop and deliver in partnership with the Council will help residents' entrepreneurs and local business owners to grow, as well on their inclusion in local supply chains created from new service provision. The potential impact of this is that residents looking to establish or grow their business in Islington could benefit from business support programmes and networking initiatives that are inclusive of the local economy and residents regardless of their economic background or protected characteristics.</p>

3.5.4 Negative impacts

Protected Characteristic	Specific negative impacts	Mitigating actions
Age	No specific impacts identified for this protected characteristic.	
Disability	No specific impacts identified for this protected characteristic.	
Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	No specific impacts identified for this protected characteristic.	
Race	No specific impacts identified for this protected characteristic.	
Religion or belief	No specific impacts identified for this protected characteristic.	
Sex	No specific impacts identified for this protected characteristic.	
Sexual orientation	No specific impacts identified for this protected characteristic.	
Socio-economic status	No specific impacts identified for this protected characteristic.	

3.6 Wider community – Residents

3.6.1 Context

3.6.2 The wider community includes all Islington residents that might be impacted in a more indirect way by the creation of new workspace in the borough. This will include those residents benefiting from outreach activities that the workspace organisations will deliver and any other beneficial outcomes that will be generated from the various initiatives offered (i.e. young people considering self-employment as a career route, job outcomes from any placement or training opportunity delivered)

3.6.3 Positive impacts

Protected Characteristic	Specific positive impacts
Age	<p>The procurement process has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of their age. Extra weighting has been given to proposals in the method statement that seek to work with schools, create apprenticeships etc.</p> <p>The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisations.</p>
Disability	<p>The procurement process for the affordable workspaces has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of a disability. Proposals that show schemes which may result in employment opportunities, or workspace user training or schemes for disabled people will be scored higher.</p> <p>The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisations.</p>
Gender reassignment	No specific impacts identified for this protected characteristic.
Pregnancy and maternity	No specific impacts identified for this protected characteristic.
Race	<p>Islington has a higher proportion of residents from Black, Asian and other minority backgrounds in comparison with the London average. The selection criteria that will be used to evaluate organisations through the procurement process actively targets and asks for evidence on the inclusion of residents and non-residents using the workspace that are from minority backgrounds.</p> <p>The Council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisation/s.</p>
Religion or belief	No specific impacts identified for this protected characteristic.

Sex	<p>Islington has a slightly higher proportion of women living in the borough than men. The selection criteria applied through the PSGULAW requires that the organisations managing the workspaces monitor the participation of women in the workspace. The measures will also favour organisations that actively target women's inclusion in employment sectors where there is significant underrepresentation such as Tech industries.</p> <p>The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisation/s.</p>
Sexual orientation	No specific impacts identified for this protected characteristic.

Socio-economic status	<p>The potential impacts of the provision of low-cost workspace that offers, training, career advancement and community initiatives for residents that fosters inclusion will bring benefits for residents wanting to get involved in professional areas that they may have otherwise not considered and that</p> <p>The business support offer that the organisation/s managing the workspaces will develop and deliver in partnership with the council will help residents' entrepreneurs and local business owners. Residents and local businesses will benefit from contracted in inclusion in local supply chains created from new service provision. The potential impact of this is that residents looking to establish or grow their business in Islington could benefit from business support programmes and networking initiatives that are inclusive of the local economy and residents regardless of their economic background or protected characteristics.</p> <p>The activity generated from the workspaces is also expected to create new opportunities for progression into employment and job placement outcomes where possible. The measure indicators embedded in the award criteria of the procurement process requires organisations to develop a comprehensive employment and skills offer and to work closely with the council's employment service iWork to ensure that any opportunities are shared with unemployed residents.</p> <p>The award criteria also include requirements on educational and skill measures to be delivered by the organisations managing the workspaces in existing sector clusters (i.e. tech sector or creative industries), that focus on the career development of young people, particularly those that may be more vulnerable to face barriers in accessing employment opportunities (i.e. young people not in education or employment or young offenders).</p> <p>In addition, there are further measures that organisations should consider during the procurement process and as part of their social value offer such as climate change mitigation initiatives and community engagement activities. It is anticipated that these will bring further benefit to the wellbeing of the wider local community.</p>
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3.6.4 Negative impacts

Protected Characteristic	Specific negative impacts	Mitigating actions
Age	No specific impacts identified for this protected characteristic.	
Disability	No specific impacts identified for this protected characteristic.	

Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	No specific impacts identified for this protected characteristic.	
Race	No specific impacts identified for this protected characteristic.	
Religion or belief	No specific impacts identified for this protected characteristic.	
Sex	No specific impacts identified for this protected characteristic.	
Sexual orientation	No specific impacts identified for this protected characteristic.	
Socio-economic status	No specific impacts identified for this protected characteristic.	

4. Safeguarding and Human Rights impacts

4.1 Safeguarding risks for children and vulnerable adults

- 4.1.1 The workspace activities delivered by the appointed organisations to manage the workspace might include participants that are children (i.e. only for school visits) and vulnerable adults. The contract (built into the procurement process) and lease agreement that the council will sign with the appointed organisation/s requires these to be compliant with the Council's Safeguarding children and vulnerable adults' policies. These policies will be shared with the appointed workspace providers.

4.2 Human Rights breaches

- 4.2.1 The delivery of the PSGULAW initiative will not pose any breaches of the Human Rights Act 1988. The contract agreement that will be signed with the appointed organisations requires these to comply with the act.

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

5. Action

5.1 The implementation of the PSGULAW initiative will be reviewed internally on a monthly basis and through the Affordable Workspace Strategy Board. To ensure that the delivery of the council's affordable workspace offer continues to result in no negative impacts for existing workspaces, local business owners and entrepreneurs and other residents.

5.2 The RIA will be updated as action plans evolve with in line with any changes in strategy through implementation of the new Local Plan policies in relation to affordable workspace, expected for 2020.

Action	Responsible person or team	Deadline
<p>The council will mitigate any potential negative impact on local organisations that are already running a workspace by organising a series of regular market warming events to share forthcoming opportunities to manage affordable workspace. This activity will not also inform them of new opportunities but will also help fostering new relationships with local businesses and will help for any potential alignment on shared objectives for the benefit of the community.</p> <p>There will also be various forms of publicity and marketing about the new affordable workspaces that will be shared across various regional, sub-regional and local channels (newspapers, websites, other local authorities and think-tank organisations and employment cluster groups).</p> <p>Existing workspace providers will be given the opportunity through this new procurement strategy to apply for any of the available opportunities.</p>	Inclusive Economy	December 2019
<p>The Council will also monitor closely the inclusion and positive impacts of residents with all of the nine protected characteristics in the activities and operation of the affordable workspaces. This will be part of the contract management mechanism that will be established with the organisations managing the workspaces.</p>	Inclusive Economy	Ongoing

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

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

Staff member completing this form:

Head of Service or higher:

Karen Sumivan

Signed: _____

Signed: _____

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

Date: 23/01/2019



Report of: Executive Member for Health and Social Care

Meeting of:	Date:	Ward(s):
Executive	25 April 2019	All

Delete as appropriate	Exempt	Non-exempt
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SUBJECT: Contract Variation for the provision of care home services at St Anne's care home, 60 Durham Road with Blackberry Hill Limited

1. Synopsis

- 1.1 This report seeks approval for a formal variation in respect of the contract for the provision of care home services at St Anne's care home.
- 1.2 This contract commenced on 30 November 2014 for an initial period of 5 years and with the ability to extend by up to two further periods of 5 years each. The contract is for the provision of care home accommodation and support for those requiring either Residential or Nursing care.

The originally procured contract allowed for a possible increase in the capacity of the site and an increase in the level of service provision arising as a result of that. Since 2017, the Council has been working in partnership with Islington CCG to plan for the refurbishment of the ground floor of St Anne's care home to increase the number of beds under the contract from 50 to 65. This development is to allow for 15 beds dedicated to meeting the needs of people with mental health (psychiatric) needs. Whilst there is scope for this variation within the contract under Clause 14, the original award report did not explicitly allow for an increase in contract value beyond the current £2.15 million per annum for the provision of the 50 beds.

2. Recommendations

- 2.1 To approve the contract variation to increase to the service provision from 50 to 65 beds and the resulting increase in annual contract value from £2.15 million to £3.12 million per annum as outlined in this report.

3. Background

3.1 Nature of the service

- The current service provides Residential /Nursing accommodation and care to elderly people through a block contract arrangement for up to 50 beds.
- From May 2019, the planned new service will offer up to 15 people with mental health (psychiatric) needs accommodation on the ground floor of St Anne's care home. This is following a statutory consultation and decision regarding the closure of accommodation for up to 19 people at Stacey Street. There are currently 12 people living at Stacey Street.
- Care and support services for those with psychiatric mental health needs are in short supply across London and this new service will meet local demand for this type of placement for both the Council and the NHS.

3.2 Estimated Value

- The current contract value for the 50 bed contract in 2018-19 is £2.15 million per annum
- The business case presented in May 2018 demonstrates that the contract variation will lead to significant financial savings to both Islington Council and Islington CCG. From 2019-20 onwards, the annualised saving from the addition of 15 beds will be £195,000 to the Council and £780,000 to the CCG.
- However, the addition of the 15 beds to the current block contract will increase the annual value from £2.15 million to £3.12 million.
- The cost for these additional beds will be met from the Mental Health Commissioning for Older People pooled budget.

3.3 Timetable

- The proposed contract variation needs to commence from 1 May 2019 to allow staff from Stacey Street currently employed by Camden and Islington Foundation Trust to transfer under TUPE regulations to Blackberry Hill Limited as the new provider.
- The current contract expires on 30 November 2019 but there is scope to extend this for two further periods of up to 5 years each.
- Staff and residents of Stacey Street have both engaged in formal consultation procedures and a formal consultation report was published in September 2018.

4. Implications

4.1 Financial implications:

The cost of the 50 bed care home service at St Anne's is £2.15m per annum. The addition of 15 beds at a cost of £1,250 per week will increase the cost by £978k per annum to a total of £3.12 million per annum from 1 May 2019 onwards.

This will be funded through existing available budget and should not create a budget pressure for the Council.

Cashable savings of £805k per annum are expected to be realised as a result of this contract variation (£195k to the Council and £780k to Islington CCG).

Securing care placements in the borough through a block contract is essential in order to manage the bed base available to Islington and therefore ensuring costs are controlled.

Payment of London Living Wage is a requirement of the contract and will not result in any additional costs.

Any TUPE cost implications that may arise will have to be met by existing resources.

4.2 Legal Implications:

The originally procured contract allowed for a possible increase in the capacity of the site and an increase in the level of service provision arising as a result of that. The refurbishment works have now been completed enabling a variation to be made to the level of service provision. There is little risk of procurement challenge in approving the variation as proposed.

4.3 Environmental Implications:

A 65-bed nursing home has a significant environmental impact, due to the heating requirements for elderly residents, the use of kitchen facilities, and the amount of general and pharmaceutical waste generated. The provider will be required to take steps to minimise the impact of the home as far as practically possible, as well as being reminded of the need for compliance with environmental legislation, particularly those concerning waste and biodiversity.

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.

An Equality Impact Assessment into the procurement of care home beds for older people was undertaken in June 2013 indicating that the tender did not need to take into account any specific equality issues.

The EIA identified that there would be no differential impacts. This decision was made because there will be no change to the way current services are provided to service users. The new service will have a continued requirement to demonstrate expertise, knowledge and sensitivity in its practical response to impairment, disability, ethnicity, religion, culture, equality issues, communication needs and other preferences. All providers are required to undertake appropriate equalities training. The procurement will deliver a new contract to the same contractual requirements.

5. Reason for recommendations

- 5.1 The addition of 15 beds to the existing contract for the provision of care home services at St Anne's care home from 1 May 2019 will allow for the smooth transfer of staff and residents from Stacey Street and for service continuity for vulnerable residents.

This variation to service provision will realise cashable savings to both the Council and Islington CCG who have been working in partnership to deliver these changes since October 2017.

Appendices

- Key Decision Report dated 05.11.14- St Anne's care home 60 Durham Road – contract award for the provision of care home services

Final report clearance:

Signed by:



27 March 2019

Councillor Janet Burgess
Executive Member for Health and Social Care

Date

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**Environment and Regeneration
Town Hall, Upper Street, N1 2UD**

Report of: Executive Member for Environment and Transport

Meeting of:	Date:	Ward(s):
Executive	25.4.19	All

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SUBJECT: Procurement Strategy for Taxi and Passenger Attendant Service

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of the Taxi and Passenger Attendant Service in accordance with Rule 2.7 of the Council's Procurement Rules.
- 1.2 The framework agreement will provide taxis, attendants and accessible vehicles for children requiring home to school taxi provision; and transport for vulnerable adult clients attending medical appointments, respite centres and day centres. It will also provide taxi services through the Council's on-line booking system for officer transport.

2. Recommendations

- 2.1 To approve the procurement strategy for the Council's Taxi and Passenger Attendant Service as outlined in this report.
- 2.2 To delegate authority to award the contract to the Corporate Director of Environment and Regeneration in consultation with the Executive Member for Environment and Regeneration.

3. Background.

3.1 Nature of the service

All local authorities have a statutory duty to enable children with special educational needs and disabilities (SEND), adults with learning disabilities and the elderly to travel to various locations

in and outside the borough to access learning and to deliver their support plans. In order to meet this duty, the Council employs direct transport provision using its in-house fleet of vehicles and staff, as well commissioning private hire vehicles and drivers to deliver the services required.

The current contracts for this provision expire on 31 August 2019. Discussions with Camden Council have taken place to look at options for a collaborative procurement and increased joint working, with shared taxi rounds for both in borough and out-of-borough journeys. Another borough is also interested in joining the framework which may lead to more shared rounds and reduced costs.

The outsourced provision relating to the framework agreement will mainly consist of home to school routes that cannot be provided on a cost effective basis by the Council's in-house Community Transport Service. These routes will need to be serviced by mini buses, accessible vehicles and saloon cars with drivers and passenger attendants. A small element of the framework will support adults requiring ambulances to respite homes.

3.2 Estimated Value

The expenditure on taxi and attendant services for SEND children and young people aged five to 25 has increased significantly from £912,000 in 2015/16, to an estimated spend of £1,600,000 in 2018/19. This has been due to more individual taxis to schools within Islington, and also more individual taxis being required for children and young people to travel to schools outside of the borough, including Southampton, Hertfordshire and Kent.

The spend for transporting adults to Day Centres and respite centres is approximately £100,000 per annum. Expenditure for ad hoc bookings through the online booking system is approximately £70,000 per annum.

It is anticipated that there will be an increase in the rates that contractors will charge due to inflation and the Ultra-Low Emission Zone (ULEZ) and the Low Emission Zone (LEZ). It is envisaged that any increase in charges from the successful contractors will be reduced through shared taxi rounds between Islington and Camden.

The total value of the contract to the Council is estimated to be £7.2 million over the four year duration of the contract.

The largest element of the current expenditure is for home to school transport. As well as the proposed shared taxi rounds with Camden aimed at reducing expenditure, officers within the People Directorate are also reviewing transport eligibility for all students.

Parents are also able to request personal travel budgets, thus reducing the use of the Community Transport Service and the taxi framework. It is also proposed to increase independent travel training for those students able to learn to travel on their own to secondary schools and colleges, supported by Islington employed Passenger Assistants.

3.3 Timetable

It is anticipated that the new framework agreement will be advertised by Camden Council in April 2019, with new contract arrangements commencing on 1 September 2019. The current contract arrangements have operated since 2015 and will expire on 31 August 2019.

Consultation with parents and service users on the new framework will commence after Easter for all current users of the taxi framework. A meeting has also been arranged with the Centre 404 Parents Forum. Parents will be kept fully informed and written to before any potential changes as a result of the new framework are implemented.

Once new taxi rounds are allocated, introductory meetings with parents will also be offered with any new drivers and/or attendants before the commencement of a regular journey. This approach will provide reassurance and facilitate a smooth transition for service users. Any issues or complaints will be dealt with sensitively and professionally by the Community Transport Service.

Consultation meetings will also be arranged with organisations supporting adult users. The Council will involve these organisations in the procurement process, including ensuring that service-users' needs are fully considered in the final specifications.

3.4 Options appraisal

The option of setting up a dynamic purchasing system (DPS) has been considered. However, further evaluation of the validity of this option needs to be undertaken. During the lifetime of the framework agreement, Camden Council and Islington Council will continue to work together to ensure the framework is delivering value for money whilst also looking at future options for longer-term, or more innovative options that meet the evolving requirements for both Councils.

Increasing in-house provision is also being considered and the Council already provides part of the service in-house. However, meeting the compliance requirements, purchasing vehicles and employing suitable staff to deliver the service wholesale is not a viable option within the current contract end timescale.

The recommended option is to carry out a collaborative procurement with Camden Council (who will be leading on the procurement) to establish a framework agreement for a total period of up to four years commencing in September 2019. A six-month termination clause will be included in all contracts awarded using the framework agreement.

A framework agreement will be set up with a number of different lots to cover the requirements of this service. The proposed lots are:

- Lot 1 – Taxi and Attendant Services (including Saloon and Multi-purpose Vehicle (MPV))
- Lot 2 – Taxi and Attendant Services (including Saloon and MPV Wheelchair accessible)
- Lot 3 - Minibuses
- Lot 4 - Minibuses with attendant (Wheelchair accessible)

- Lot 5 - Ambulance Transportation
- Lot 6 - Saloon Car

Providers will be able to apply to be considered for one or more of the lots. It is anticipated that all organisations that meet the minimum requirements for a lot will be party to the framework agreement, and eligible to participate in any further competition relating to a call-off contract.

It is envisaged that by collaborating with other boroughs for fixed routes over an agreed period of time, the most competitive prices can be achieved from the largest number of contractors that are able to meet the requirements of the specification. On the present home to school transport, one round is already shared with Hackney and one taxi round commenced in January 2019 which is shared with Camden.

3.5 Key Considerations

The contractors currently being used are London based companies that employ local staff. Where legally permitted, provision will be included in the final contracts to ensure contractors will be pay the London Living Wage to their directly employed staff.

There are ongoing discussions to ensure that best value can be achieved through a framework agreement with minimum risk to the Council. Although there are higher numbers of children in single taxis at present, the increase in joint working and the other actions being taken should prevent a further escalation of costs.

In considering social value, environmental impacts will be addressed in the award criteria for environmental management. Contractors will need to procure newer, cleaner vehicles due to the introduction of the ULEZ in April 2019, the LEZ in 2020, and the extension of the ULEZ to the North and South Circular in 2021.

The re-tendering of this service will also give the opportunity to improve social value from an economic perspective. The nature of the service (local routes), and division into specific lots means that it is suitable for smaller, local organisations to apply. We will also set up an apprenticeship scheme for local young people to become passenger assistants.

TUPE will need to be considered as part of this procurement, and all current providers have been asked to provide relevant information.

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). This second stage ITT is forwards-looking and uses set 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 award criteria in order to determine the most economically advantageous offer.

The proposed award criteria are 60% price and 40% quality.

The quality criteria will be made up of:

Work force management 10%

Health and Safety 10%

Customer Service 10%

Environmental Management 10%

Individual contractor's safeguarding procedures and systems will be fully reviewed at the ITT stage. To ensure the safety of all service users, it is proposed that bespoke safeguarding training will be offered to all Council staff administering the contract, as well as the successful contractors and their staff.

Full checks will be made for drivers directly employed by the contractor to ensure they have Disclosure and Barring Service (DBS) clearance and that all self-employed drivers have a Public Carriage Office license (that includes DBS clearance). Additionally, all passenger attendants will be required to have enhanced DBS clearance. This will be monitored further with the introduction of a management information system for Accessible Community Transport which will hold DBS expiry dates for Islington staff and contractors. Regular audits of taxi rounds and contractors, including staff, vehicles and other records, will also be conducted at schools, other centres, and the contractor's offices.

3.7 Business Risks

The following risks have been identified:

- The tendered rates being significantly higher than those currently being paid.
- Bidders bid too low (to win the contract) and then fail to operate viably.
- Contractors withdrawing from the process after tendering.
- Tenderers not selected for award challenging the process and causing delays to contract start.
- Post award implementation actions fail to achieve a 1 September 2019 contract start.

These risks will be mitigated through the content of the specification, legal requirements and the implementation of quality assurance and auditing processes.

Business opportunities associated with this contract will be achieved through a larger number of contractors tendering for this work ensuring stronger competition and better value. Collaborative working with neighbouring boroughs will allow for shared routes and lower overall costs.

3.8 Employee Relations Act.

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 complete an 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 2.8 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	Provision of taxi and attendant services for statemented children and adults requiring transport to respite centres, and health appointments See paragraph 1.2
2 Estimated value	The estimated annual value will be in the region of £1.8 million. The agreement is proposed to run for a period of four years with a six month notice period available to all parties.
3 Timetable	Advert - spring 2019 Award - summer 2019 Commencement of new arrangements 1 September 2019.
4 Options appraisal for tender procedure including consideration of collaboration opportunities	Framework agreement in collaboration with the London Borough of Camden and potentially other neighbouring authorities.
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	Where legally permitted, the specification will stipulate payment of the London Living Wage to employed staff.
6 Award criteria	60% Price and 40% Quality (Workforce Management 10%, Health and Safety 10%, Customer Service 10%, Environmental Management 10%)

7 Any business risks associated with entering the contract	See paragraph 3.7
8 Any other relevant financial, legal or other considerations.	See paragraph 4.1, 4.2 and 4.3

4. Implications

4.1 Financial implications:

The provision of accessible transport for children is currently over budget, of which the provision of taxis is part. It is therefore essential that the procurement achieves best value for money. A joint project is underway between E&R and CES to reduce costs through more effective monitoring and control of cost including more rigorous assessment of need, more effective engagement of schools to manage demand and independent travel. In addition, work is being undertaken to redesign the service, including bringing Adult and SEN Transport together, reviewing staff terms and conditions, exploring options for the taxi service, and procuring new IT systems that would improve efficiency and access to management information.

4.2 Legal Implications:

The Council has a statutory duty under the Education Act 1996 to provide home to school transport service for pupils who cannot reasonably be expected to walk to school because of their mobility problems or because of associated health and safety issues related to their special educational needs or disability. The Council has powers to provide transport services for vulnerable adults attending medical appointments, respite centres and day centres under the National Assistance Act 1948, section 29 (as amended), the Care Act 2014, sections 18 and 19 and the Health Services and Public Health Act 1968, section 45 which places a duty on local authorities to promote the welfare of older people "in order to prevent or postpone personal or social deterioration or breakdown". The Council may provide officer transport services under section 111 of the Local Government Act 1972 which enables the council to carry out any activity that is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The section 111 power also enables the Council to undertake a joint procurement exercise with another local authority. The council may enter into contracts for such services under section 1 of the Local Government (Contracts) Act 1997.

The Executive may provide Corporate Directors with responsibility to award contracts with a value over £2 million using revenue money and over £5 million using capital money (Council's Procurement Rule 16.2).

The proposed procurement relates to services with an estimated value of £7.2 over the four-year duration of the contract. The threshold for application of the Public Contracts Regulations 2015 (the Regulations) is currently £181,302.00 for service contracts. The council's

Procurement Rules also require contracts over the value of £181,302.00 to be subject to competitive tender.

The proposed procurement strategy is to have access to a framework agreement that is procured by Camden Council with a call for competition and the use of a competitive tender process. This is in compliance with the principles underpinning the Regulations and the Council's Procurement Rules.

On completion of the procurement process the contract may be awarded to the highest scoring tenderer subject to the tender providing value for money for the Council.

4.3 Environmental Implications:

The main environmental impact of the Taxi and Passenger Attendant Service is the use of vehicles providing the service, which emit CO₂ and NO_x, adding to global warming and local air pollution. The vehicles also contribute to local congestion. As this is not a new service, these impacts have been in existence for some time.

Environmental Management is considered in the tender process and worth 10% of the score available. Under the new contract, the impacts will be mitigated by some of the existing contractors investing in new, cleaner vehicles to meet the ULEZ requirements, reducing their NO_x emissions. The increase in shared rounds will also lead to a decrease in the overall number of vehicles on the road and help reduce congestion.

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 full RIA has been completed and is attached at Appendix 1. In providing the taxi and attendant contract for children with Special Educational Needs statements and with physical and learning difficulties, and providing this service for elderly and vulnerable adults, it is crucial that the Council fulfils its statutory and safeguarding responsibilities properly. In line with the Equality Act 2010, this contract will ensure that residents with disabilities are able to participate in education that they have a statutory right to receive in accordance with the 1996 Education Act. On a daily basis, the present contract serves approximately one-hundred children with some of the highest physical needs and severe learning difficulties. Elderly adults are also transported to respite centres.

5. Reason for recommendations

- 5.1 This procurement is essential to continue to provide continuous and high quality taxi and attendant services for children with special educational needs and disabilities, and adults requiring transport to respite centres and for health appointments.

Appendices

Appendix 1 Resident Impact Assessment (RIA)

Signed by:



17 April 2019

Councillor Claudia Webbe
Executive Member for Environment and
Transport

Date

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Resident Impact Assessment

Taxi and Attendant Contract.

Service Area: Environment and Regeneration, Accessible Community Transport

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

The taxi and attendant framework contract will provide home to school transport in accordance with statutory requirements for children attending special school and college provision and adults in training centres.

The taxi and attendant contract is also utilised to support adults going to respite centres arranged by Social Services officer including specialist ambulances for adults with severely restricted mobility.

The third element of the contract is for officer travel

2. Resident Profile

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

		Borough profile	Service User profile
		Total: 206,285	Total:
Gender	Female	51%	60%
	Male	49%	40%
Age	Under 16	32,825	70
	16-24	29,418	30
	25-44	87,177	
	45-64	38,669	

	65+	18,036	40
Disability	Disabled	16%	95%
	Non-disabled	84%	5%
Sexual orientation	LGBT	No data	No data
	Heterosexual/straight	No data	No data
Race	BME	52%	60%
	White	48%	40%
Religion or belief	Christian	40%	
	Muslim	10%	
	Other	4.5%	
	No religion	30%	
	Religion not stated	17%	Data not collected

3. Equality impacts

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

The use of this taxi contract will provide support to families in the borough with children and adults with learning difficulties and Special Educational Needs and Disabilities. The transport of adults to respite centres will help support many families and will not be discriminatory to any resident.

The Council will not necessarily be able to guarantee the same contractor or crews to parents with the advent of this new contract. Consultation meetings will, however, be arranged with parents and carers throughout the duration of the tendering process, including meetings with parent forums. Consideration will be given to all issues raised at these meetings.

Home to school transport allows parents the opportunity to work therefore reducing economic disadvantage.

In providing the taxi and attendant contract for children with Special Educational Needs statements and with physical and learning difficulties, and providing this service for elderly and vulnerable adults, it is crucial that the Council fulfils its statutory and safeguarding responsibilities properly. In line with the Equality Act 2010, this contract will ensure that residents with disabilities are able to participate in education they have a statutory right to receive in accordance with the 1996 Education Act. On a daily basis the present contract serves approximately one-hundred children with some of the highest physical needs and severe learning difficulties. Elderly adults are also transported to respite centres

4. Safeguarding and Human Rights impacts

Safeguarding risks and Human Rights breaches

Safeguarding requirements are included in the specification and the evaluation criteria for the contract.

The safeguarding requirements will also be monitored throughout the length of the contract through auditing of the contractors workforce in their registered offices and spot checks of individual vehicles and crews at schools.

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

5. Action

How will you respond to the impacts that you have identified in sections 3 and 4, or address any gaps in data or information?

For more information on identifying actions that will limit the negative impact of the policy for protected groups see the [guidance](#).

Action	Responsible person or team	Deadline
There will be no negative equalities impact as a Result of the taxi and attendant contract	Ian Spencer Accessible Community Transport Manager	September 2019
Safeguarding requirements are built into the specification for the taxi and attendant contract and will also be addressed in audits of the successful contractors	Ian Spencer Accessible Community Transport Manager	Ongoing for the duration of the contract

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

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

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Staff member completing this form:

Head of Service or higher:



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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