



ISLINGTON

Annual Report of the Executive Member for Finance, Performance and Community Safety

CLlr Andy Hull

Policy and Performance Scrutiny Committee
30 November 2017

Responsibilities



- Finance - including budget setting and management
- Revenues & Benefits
- Resources: Property, ICT, Human Resources, Legal Services
- Procurement, Contract Management
- Democratic Services, Registrars and Electoral Registration
- Customer Services: Contact Islington and Complaints
- Performance management
- Risk management: Information Governance, Internal Audit & Risk
- Council transformation
- Community safety and policing (including hate crime)
- Public Protection



Finance

- Council and Pension Fund accounts for 2016/17 signed off with no issues
- Prepared and passed the Council's 2017/18 Budget, delivering a further £21 million of savings as a result of government cuts, meaning that the council has had to reduce spending by a total of £170 million since 2010
- Robust financial monitoring resulted in the early identification of budget pressures for this year and next:
 - Departments responded swiftly to the pressure and there is evidence of the overspend being pared back – although demand pressures on Children's and Adult's services are not going away
 - For 2018/19 the increased budget pressure has led to a new package of savings options being prepared to address the shortfall
- The Pension Fund has seen its investments assets grow significantly over the past year closing the gap between its assets and liabilities
- The Pension Fund is also taking a lead by actually reducing its carbon footprint – all of its equity investment is now in low carbon vehicles

Finance

- Going forward, the Council will need to find a further £40m savings in the three year period 2019-22 through a new Outcome Based Budgeting approach
- An exercise has been undertaken to review council expenditure in line with seven agreed outcomes:
 - Residents in work and financially independent
 - Decent, secure and affordable homes
 - Children and families able to thrive, reaching their potential
 - A safe and cohesive borough
 - Residents living healthy, independent lives
 - A welcoming and attractive place to live, work and do business
 - A well run council
- Over the next year we will review expenditure / services within each outcome to explore savings options whilst ensuring that we achieve good outcomes for residents



Revenues and benefits



- Maintained high collection rates for Council Tax and Business Rates, generating £130m of revenue for the council. In 2016-17, we collected 96.7% of council tax, our highest ever
- Increased the proportion of CT payers who pay by direct debit – over 62,000 out of approximately 89,000 accounts
- Continued efforts to collect old Council Tax arrears and expanded this to include Business Rates. Total arrears recovered to date: £2.5m Council Tax and £1.6m Business Rates
- Developed proposal to exempt Foster Carers from Council Tax – will be included in budget recommendations in February 2018 and, if agreed, would start from April 2018
- Changed Council Tax billing arrangements (from August 2017) for student blocks to ensure landlords do not avoid paying Council Tax if a room is not occupied by the student
- Reviewed Council Tax properties that have been empty for more than 2 years and levied 50% premium on these

Revenues and benefits



- Hosted Welfare Reform Conference (with Advice Partners) in March 2017 for voluntary and community sector organisations: discussed impacts to date and support for residents going forward
- Relunched Resident Support Scheme (RSS) at Welfare Reform Conference to encourage VCS partners to refer residents in need
- Continued to use Discretionary Housing Payment (part of RSS) to support those affected by welfare reform:
 - Low income working families who have lost income as a result of the removal of family premium
 - Vulnerable groups adversely affected by the most recent reforms: single people under 25, lone parents not receiving additional element of Child Tax credits and Housing Benefit, single people claiming Local Housing Allowance
 - Those facing a shortfall in rent as a result of the Bedroom Tax and Benefit Cap
- Urgent payments made to support the victims of the Finsbury Park terrorist attack

Property

- Property Strategy sets out policies to make best use of the Council's property portfolio – around 270 properties, including operational buildings, libraries, children's centres, community centres, investment properties
- Progress this year includes:
 - Accommodation Review key phases now complete – brought together council services with similar remits into the same buildings to make it easier to work together.
 - Key income and savings opportunities being realised this year:
 - £200k from letting second floor of Laycock Street PDC to Clinical Commissioning Group;
 - £250k from moving staff out of Northway House, Upper Street and exiting the lease (Pret a Manger taking over the lease, subject to planning consent)
 - On track to realise £3m of extra income / rent savings by 2019/20
 - Work progressing on optimising use of community centres, and space in libraries, and further operational accommodation efficiencies

Property

- Undertaken urgent review of all owned council buildings / properties following Grenfell fire
- Identified one commercial property (council is freehold owner) - 251/253 Hungerford Road - that has ACM type 2 cladding
- Property is occupied by Guinness Trust Flats and the Bridge School
- Interim additional fire safety measures have been put in place
- Council is leading on investigating state of building and finding /installing suitable replacement cladding. Timeline 6-12 months
- NB: An inspection of all council housing properties has also been undertaken by Housing. One block – Braithwaite House – has been found to have Type 2 cladding. Work is underway to address this and will be reported to Housing Scrutiny Committee



ICT / Shared Digital

- The Shared Digital Service (with Camden and Haringey) has been running for its first 'kick-off' year. A budget of £43.7m has been created to operate the service
- A shared digital strategy is being drafted, showing a huge overlap in the priorities for Islington, Haringey and Camden
- Infrastructure projects are underway to contribute to the £6m saving target for the shared service. These include:
 - consolidating 9 data centres across the three councils to 2 co-hosted centres
 - moving to a single supplier for mobile phones, calls and data
 - moving to a single supplier for multi-function devices (printers, copiers, scanners)
 - upgrade to Office 2016 and move to Office 365 allowing more flexible working
- Business applications and their contracts are being reviewed, looking for opportunities to re-use or consolidate across the boroughs
- Islington's priority projects have been agreed allowing focused delivery
- Reviewing SD governance model, as planned after the first year

Human Resources



- Reviews of key areas of HR service delivery undertaken - appraisal system and recruitment process. Digital solutions, including 'People Dashboard' providing real-time information on recruitment, agency worker numbers, sickness absence and appraisal completion, fully developed and awaiting implementation when Digital Services capacity permits
- Procurement of agency workers contract completed to challenging deadlines. New provider selected – savings anticipated and exciting social value proposition included in service provision
- Increased support for managers to enable them to reduce use of agency workers, including increased provision of regular management information, adoption of principles governing the use of agency workers, and implementation of targeted resourcing strategies
- Scrutiny of delivery of occupational health contract to address issues, and proposals developed for sourcing a new provider to offer an improved service.
- Actions to comply with legislation relating to increased pensions auto-enrolment implemented by 1st October 2017 deadline, annual pensions statements issued
- Significant piece of work to ensure the Council implemented the government's changes to the 'IR35' legislation completed*

*IR35 tax legislation is designed to combat tax avoidance by workers supplying their services via an intermediary, but who would be an employee liable to pay Income Tax and National Insurance Contributions if the intermediary was not used. From April 2017, responsibility for ensuring IR35 is correctly implemented in the public sector shifted from the contractor to the public sector body

Human Resources



- Ongoing work to offer council apprenticeships to Islington residents, aligning opportunities with end of school year to provide viable post-16 option. Realistic prospect of meeting Manifesto target (200 council apprenticeships over 4 years) and Public Sector Apprenticeships Target (which most London boroughs do not anticipate achieving)
- 'Fuse' programme, launched in October, delivering apprenticeships to existing employees as part of deriving maximum benefit from the Apprenticeship Levy
- Policies - Dying To Work initiative adopted, reflected in Managing Attendance policy; new Collective Disputes Procedure drafted and consultation with Trades Unions underway
- Ongoing focus on supporting diversity and inclusion: Inspiring Leadership programme (supporting BAME/disabled colleagues to progress) redesigned with offer more tailored to individuals; new diversity training being developed for all employees; regular meetings of staff forums (BME, Disabled, LGBT, Women); support being provided for forums to assess equalities impact of key processes;
- Timewise accreditation renewed end September 2017
- Staff engagement survey delivered to all employees to increase employee voice, with over 2,000 responses. Departmental and corporate action plans currently being drafted. Analysis of equalities data undertaken





Procurement & contract management

- In 2016/17 the Council had 6,093 suppliers - total third party spend amounted to over £551m – around one third of these contracts were tendered in 2016-17
- Strategic Procurement oversees all procurement, contract management and in-sourcing matters for the Council, ensuring that we comply with legislation and ensuring the money is properly spent. Activity over the past year includes:
- Delivered training to local suppliers to help them win contracts, encouraging commissioning officers to hold ‘meet the buyer’ events for the voluntary and community sector
- Published lists of all contracts with aggregate annual value of £5,000 or more on Council website to ensure transparency, and to support VCS to build alliances with existing suppliers, to support delivery of services
- Advertising larger requirements transparently on the Council’s website, London Tenders Portal and Voluntary Action Islington
- Running of the Community Right to Challenge Process
- Ensuring London Living Wage is considered as part of the procurement process for contracts

Legal Services



- Successfully advised on / defended a number of high profile employment tribunal claims and also special educational needs tribunal claims
- Advising on the winding up of the Bemerton Estate Tenant Management Organisation
- Advised on and executed contracts on high value new build housing projects including Redbrick Estate and Kings Square Phase 2, and imminent contract award on the Charles Simmons House new build housing project
- Successfully defended appeal against Council's decision to refuse planning permission for Parkhurst Road residential development. Developers will need to factor in planning policy requirements when bidding for development and affordable housing requirements will not be reduced as a result of the developer over paying
- The Council brought a successful appeal regarding the validity of notices served on introductory tenants (LBI v Dyer [2017] EWCA Civ 150)

Democratic Services

- In 2016-17, Committee Services published the papers for and clerked 179 council committee meetings and 125 school appeals
- Committees supported include Council, Executive, Audit, Standards and those related to Planning, Licensing and Scrutiny
- During the year the team also coordinated and published over 40 officer key decisions
- The Member Support and Committee Services teams were brought together in October 2016 as a result of the restructure of the Chief Executive's Department. Following the reorganisation the Member Support and Committee services teams have moved into one office, to facilitate team working and to create improved meeting space in the Town Hall
- New procedures and guidance documents to support the new working arrangements and to assist colleagues across the council and members with decision making procedures are being produced



Registrars



- Conducted over 2,000 ceremonies in the last 12 months - 2nd highest in London (after Westminster)
- Recent Annual Performance Review from the General Register Office gave praise to excellent performance. All appointment availability for birth, deaths and ceremonies exceed the national attainment levels
- Ongoing work to provide customers better digital access to the registration service with more services being available to book online
- Our bespoke ceremonies website 'Say I do Islington' has partnered with the Print team to offer residents the ability to order wedding stationery such as invites and order of the day. Local businesses can now also advertise on the ceremony website - already generated £5,000 income in a short period of time
- Public Protection and Counter fraud framework has been developed to give assurance to the General Register Office that security measures are in place within the Register Office
- Positive discussions underway to extend the City of London partnership agreement past November 2018 – looking for 5 or 10-year renewal of the contract



Electoral Services



- Successful delivery of UK Parliamentary General Election (snap election) in what was expected to be a fallow year with added pressures of having two high profile Members of Parliament
- Ongoing work on the annual voter registration canvass for publication of the revised Register of Electors on 1 December 2017
- Assisted Children's Services on organising the Youth Council elections 2017
- Plans for registration drive for students and halls of residence and door to door canvassing in spring focussing on the local elections in May 2018
- Polling District Review undertaken and changes presented to Audit Committee for agreement



Customer Services



- Continued reduction in calls to Contact Islington and visits to the Customer Centre
- Increase in transactions through online / digital channels
- Work underway to install new technology in Customer Centre to enable residents to scan documents and speed up self-service
- Continued use of random and “with cause” drugs tests across the whole council
- Increased revenue and user numbers for Assembly Halls in comparison to previous year
- Security / Facilities staff successfully responded to two increases in UK Threat Level from Severe to Critical



Performance

- Reviewed and refreshed the council's corporate performance indicators, setting new challenging targets for 2017/18
- Introduced additional equalities objectives / measures around increasing achievement in Early Years and educational attainment at Key Stage 2 and 4 for underperforming groups
- Implemented new arrangements for quarterly performance reporting to scrutiny – each committee now has responsibility for monitoring performance in its area, and receives quarterly performance reports presented by the relevant Executive Member
- Held Monthly Performance Panels (MPPs) focusing on key priorities with Corporate Directors and Executive Members
- Supported work around Outcome Based Budgeting – looking at measures to assess and benchmark the performance of services across the council in delivering outcomes



Information Governance



- Work underway to prepare for the new EU General Data Protection Regulation (GDPR)
- Will apply from 25 May 2018 and new UK Data Protection Act will come into force to enact GDPR's requirements
- GDPR is designed to ensure data subjects have control over their data and how it is used. It grants data subjects a number of new rights, including the right to erasure and the right to be informed, requires organisations to adopt “appropriate technical and organisational measures” to protect personal data. It also introduces mandatory data breach reporting to the ICO
- Council has agreed its GDPR approach and an action plan with 12 workstreams (in line with the Information Commissioner's 12 steps to compliance) is now in place
- GDPR working group have undertaken a baseline audit of contracts, privacy notices, consent arrangements and an information audit
- Training and awareness sessions have been delivered across all senior management teams and a communications campaign is underway for all staff

Internal Audit / Risk management ISLINGTON

- 2016/17 Annual Report presented to Audit Committee September 2017. Overall moderate assurance opinion given (i.e. the council's systems for control, risk and governance are generally adequate with some improvement required)
 - 2017/18 Audit Plan on target to be delivered by the end of the financial year – Interim Annual Report will be prepared for Audit Committee in January 2018
 - Between 1 April and 15 September 2017, 24 cases were referred to Internal Audit Investigations and 4 whistleblowing referrals made
 - An interim whistleblowing report was presented to Audit Committee in September
 - We are currently working with the Fraud Forum to enhance overall governance arrangements surrounding anti-fraud initiatives
 - Corporate Risk Register now in place and each department now has a Risk Register, which will be reviewed in Quarter 4
 - Principal Risk Report presented to Corporate Management Board in July 2017. An update will be produced in December. Risk management workshops continue to be delivered across the Council
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Community Safety



- Safer Islington Partnership signed off four-year strategies for Youth Crime, Violence Against Women and Girls, Hate Crime, and Anti-Social Behaviour
- Preventing Youth Violence Contracts awarded for mentoring and key working services, and Schools Youth Violence Prevention Toolkit designed with schools
- Funding secured, through partnership working, for two new projects supporting women with complex needs suffering domestic violence, with both projects on track to start in the new year:
 - Flic* DVA Pilot: Islington selected as the location for the FLIC DVA pilot, working with around 5 women at a time who are homeless and experiencing multiple disadvantage.
 - DCLG Complex Needs Project: specialist service for women experiencing severe and multiple disadvantage across Camden, Enfield, Haringey and Islington. Contract awarded to Solace – will support at least 20 women at any one time across the four boroughs and, additionally, 150 women with complex needs across each of our refuge and floating support services

* Fulfilling Lives in Islington and Camden

Community Safety



- New Prevent Partnership Board set up under Safer Islington Partnership, Prevent Officers recruited, training delivered to schools / parents
- Multi-Agency Hate Crime Action Plan agreed, successful Hate Crime Awareness Week in October, including signing of Pledge
- Coordinated extensive support offer to victims and families of Finsbury Park terrorist attack
- Clinical psychologist working with ASB and Housing teams to identify and address mental health issues which may be driving behaviour
- St Mungo awarded three-year Street Population contract, with rapid response volunteers to improve case management. Two days of joint action held to tackle street population issues



Public Protection



- Steady increase in the number of food businesses compliant with safety requirements, and food premises awarded Healthy Catering commitment
- Commercial Environmental Health Team continued to drive improvements in food safety. Action taken includes:
 - Closed 4 food businesses and serviced notice on 7 others which posed significant risk to public safety. Prosecuted local restaurant for failing to control serious mouse infestation (£14,000 in fines / costs)
 - Investigated serious accident where member of the public fell down unguarded pub cellar hatch
 - Investigated food poisoning outbreak in local restaurant and cryptosporidium outbreak associated with a swimming pool
- Trading Standards team undertook first prosecution in England and Wales of a letting agency for the issuing of a sham licence (i.e. with no security of tenure, security of deposit, or access to redress)
- Since April 2017, team has also carried out four premises licence reviews (for illegal / underage alcohol sales), brought 21 premises with illegal labelling / composition of cosmetics into compliance, and issued a caution relating to the sale of a knife to a minor, and for false use of food hygiene rating

Fairness



- Islington Council received recognition during Living Wage Week as the leading London Living Wage (LLW) borough
- The Council continues to encourage other local businesses to adopt LLW. There are now 118 other accredited living wage employers in Islington, amongst the highest in the country
- In Living Wage Week (6-13 November 2017) Islington Council became the first UK landlord to require organisations leasing our commercial buildings to pay their employees living wage. The Council owns 60 commercial properties in the borough which are let to a variety of businesses (e.g. restaurants, architects and shops). Under the policy, new leases will include an agreement to pay at least the living wage, or they will not have their lease renewed.
- London Living Wage was increased in Living Wage Week – from £9.75 per hour to £10.20: LBI to implement this uplift early, on 1st Jan 2018.

