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**AGENDA FOR THE EXECUTIVE**

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Members of the Executive are summoned to attend a meeting to be held in Committee Room 4, Town Hall, Upper Street, N1 2UD on **24 September 2015 at 8.00 pm.**

**John Lynch**  
**Head of Democratic Services**

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Despatched : 16 September 2015

**Membership**

Councillor Richard Watts  
Councillor Janet Burgess MBE  
Councillor Joe Caluori  
Councillor Paul Convery  
Councillor Andy Hull  
Councillor James Murray  
Councillor Claudia Webbe  
Councillor Asima Shaikh

**Portfolio**

Leader of the Council  
Executive Member Health and Wellbeing  
Executive Member Children and Families  
Executive Member Community Safety  
Executive Member Finance and Performance  
Executive Member Planning and Development  
Executive Member for Environment and Transport  
Executive Member for Economic and Community Development

**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. Those items are at Section H of the agenda - Paragraph 3, Schedule 12A of the Local Government Act 1972 applies.

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



## Declarations of interest:

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

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

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

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

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

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**F. Urgent non-exempt matters**

Any non-exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

**G. Exclusion of press and public**

To consider whether to exclude the press and public during discussion of the remaining items on the agenda, in view of their confidential nature, in accordance with Schedule 12A of the Local Government Act 1972.

**H. 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 22 October 2015

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# Agenda Item 3

London Borough of Islington

**Executive - 16 July 2015**

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 16 July 2015 at 7.30 pm.

**Present:**                      **Councillors:**      Watts, Burgess, Caluori, Convery, Hull, Murray, Webbe and Shaikh

**Also Present:**              **Councillors:**      O'Sullivan, Nick Ward and Court were present for items C6 to C9.

**Councillor Richard Watts in the Chair**

**158      APOLOGIES FOR ABSENCE**

None.

**159      DECLARATIONS OF INTEREST**

None.

**160      MINUTES OF PREVIOUS MEETING**

**RESOLVED:**

That the Minutes of the meeting on 18 June be confirmed as a correct record and the Chair be authorised to sign them.

**161      COMMUNAL HEATING CONSULTATION RESULTS - JUNE 2015**

**RESOLVED:**

2.1      That the responses received to the consultation be noted.

2.2      That continuation of the current policy to provide communal heating for 36 weeks per year (October to May) be agreed, subject to recommendation 2.3 below

2.3      That provision of heating to the Spa Green and Kings Square estates in June and September (when external temperatures drop below 16 degrees centigrade), at no additional charge, due the poor thermal performance of these blocks, which is significantly below that of other estates, be agreed.

2.4      That the additional charge for overnight heating to Spa Green residents will cease, be agreed and the current residents be refunded the amounts paid for overnight heating from 1 April 2011 (amended from 1 April 2012) be agreed.

Reason for decision – to improve fairness by helping to ensure all residents in communally-heated properties stay warm throughout the year and that all tenants pay the same for their heating service.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**162**      **YOUTH CRIME STRATEGY**

**RESOLVED:**

- 2.1 That the Youth Crime Strategy attached to the report, to deal with the minority of young people that are currently offending or at risk of offending in the future, be agreed.
- 2.2 That there are already significant activities (set out in Appendix A to the strategy) that result in positive outcomes for young people, be noted.
- 2.3 That immediate steps to progress the actions within the strategy be taken and the establishment of an implementation progress group to be chaired by the Leader of the Council, be agreed.

Reason for decision – to enable decisive action in key areas so we see immediate improvements in the short and medium term and, in the long term, make Islington one of the safest boroughs in London.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**163**      **PROPOSED NEW EQUALITY OBJECTIVES**

Councillor Watts noted a correction to the Housing Objective on page 6 of Appendix A to the report; the objective was reduce the number of vulnerable people living in fuel poverty.

**RESOLVED:**

- 2.1 That the progress against previous equality objectives (Appendix A to the report, amended as above) be noted, and that while work will still continue in these areas, they will cease as equality objectives be agreed.
- 2.2 That the focus of the proposed new equality objectives for the council and the associated targets, as set out in section 4 and Appendix B to the report, be agreed.

Reason for decision – to fulfil the statutory duty to regularly review equalities objectives and to enable the council to champion and tackle a new set of equalities challenges.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**164**      **ESTATE SERVICES MANAGEMENT - RECOMMENDATIONS FROM THE HOUSING SCRUTINY COMMITTEE REVIEW**

Councillor O’Sullivan, Chair of the Housing Scrutiny Committee, introduced the committee’s recommendations following the completion of the scrutiny into Estate Services Management. Councillor O’Sullivan advised that the committee considered the recommendations on the caretaking service to be crucial to providing a good service to residents and thanked staff for all their work on the scrutiny. Councillor Watts thanked Councillor O’Sullivan and the committee for their hard work and advised that the Executive will respond in due course.

**RESOLVED:**

2.1      That the report of the Housing Scrutiny Committee be received.

Reason for decision – to enable the Executive to consider and respond to the committees’ recommendations.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**165**      **SCAFFOLDING / WORK PLATFORM - RECOMMENDATIONS FROM THE HOUSING SCRUTINY COMMITTEE REVIEW**

Councillor O’Sullivan, Chair of the Housing Scrutiny Committee, introduced the committee’s recommendations following the completion of the scrutiny into Scaffolding. Councillor O’Sullivan advised that the committee considered the provision of an in-house service could deliver significant savings and thanked staff for their work on the review. Councillor Watts thanked Councillor O’Sullivan and the committee for their hard work and advised that the Executive will respond in due course.

**RESOLVED:**

2.1      That the report of the Housing Scrutiny Committee be received.

Reason for decision – to enable the Executive to consider and respond to the committees’ recommendations.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**166**      **FUEL POVERTY - RECOMMENDATIONS FROM THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE REVIEW**

Councillor Court, Chair of the Environment and Regeneration Scrutiny Committee, introduced the committee’s recommendations following the completion of the scrutiny into Fuel Poverty. Councillor Court advised that the huge pressures on resident’s fuel bills remained, but national funding to address fuel poverty was dwindling. Councillor Court thanked the staff and witnesses who participated in the scrutiny. Councillor Watts thanked Councillor Court and the committee for their hard work and advised that the Executive will respond in due course.

**RESOLVED:**

2.1 That the report of the Environment and Regeneration Scrutiny Committee be received.

Reason for decision – to enable the Executive to consider and respond to the committees' recommendations.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

167

**IMPACT OF EARLY INTERVENTIONS IN PREVENTING ESCALATION TO STATUTORY SERVICES - RECOMMENDATIONS OF THE CHILDREN'S SERVICES SCRUTINY REVIEW COMMITTEE**

Councillor Nick Ward, Vice Chair of the Children's Services Scrutiny Committee, introduced the committee's recommendations following the completion of the scrutiny into Early Intervention. Councillor Nick Ward advised that the scrutiny showed how much the service had improved and that early intervention was very effective. Councillor Watts thanked Councillor Nick Ward and the committee for their hard work and advised that the Executive will respond in due course.

Councillor Watts also noted that Eleanor Schooling, Corporate Director of Children's Services, was leaving to take up a secondment at Ofsted and thanked Eleanor for the enormous improvements to children's services and education delivered under her leadership.

**RESOLVED:**

2.1 That the report of the Children's Services Scrutiny Committee be received.

Reason for decision – to enable the Executive to consider and respond to the committees' recommendations.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

168

**REVIEW OF LOCAL DEVELOPMENT SCHEME**

**RESOLVED:**

2.1 That the Local Development Scheme 2015 as set out in Appendix 1 to the report be approved and brought into immediate effect.

2.2 That the cancellation of the out-of-date planning documents listed in Appendix 2 of this report be agreed.

Reason for decision – to set out a timescale for a limited review of Islington's Local Plan and for the preparation and review of Supplementary Planning Documents.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**169**      **MORELAND PRIMARY SCHOOL EXPANSION - PUBLIC CONSULTATION**

**RESOLVED:**

- 2.1 That the permanent expansion of Moreland Primary School to a two form entry school from September 2016 be agreed
- 2.2 That the responses to the public consultation in Appendix A to the report be noted.
- 2.3 That the construction of a new two form entry capacity school building is underway at Moreland Primary School and is scheduled for completion in September 2016 be noted.

Reason for decision – to ensure there are enough primary school places in the planning area to meet the increase in demand anticipated in 2017/18.  
Other options considered – none, other than as detailed in the report and related papers.  
Conflicts of interest / dispensations granted – none.

**170**      **ADOPTION OF SUPPLEMENTARY PLANNING DOCUMENT - PREVENTING WASTED HOUSING SUPPLY**

Councillor Murray advised this new ground-breaking Supplementary Planning Document creates a requirement that newly built residential property is regularly occupied and will penalise developers who leave new properties empty. It has taken a great deal of work to develop and is being keenly watched by other boroughs. Councillor Murray thanked all the officers involved.

**RESOLVED:**

- 2.1 That the results of the public consultations that took place on the draft Preventing Wasted Housing Supply SPD from 8 December 2014 to 30 January 2015 and from 15 May to 15 June 2015 (both of which are summarised in the Consultation Statement attached at Appendix 2 to the report) be noted
- 2.2 That the final Preventing Wasted Housing Supply Supplementary Planning Document, attached at Appendix 1 to the report be adopted.

Reason for decision – to provide greater certainty to both the local community and interested parties about the nature of housing development that is likely to be acceptable.  
Other options considered – none, other than as detailed in the report and related papers.  
Conflicts of interest / dispensations granted – none.

**171**      **APPROVAL OF DRAFT NORTH LONDON WASTE PLAN FOR CONSULTATION AND REVISED MEMORANDUM OF UNDERSTANDING**

Councillor Watts noted the Executive's sorrow at the recent passing of Councillor George Meehan of the London Borough of Haringey, who served on the North London Waste Authority.

**RESOLVED:**

- 2.1 That the draft North London Waste Plan (NLWP) be approved for public consultation, subject to the Corporate Director of Environment and Regeneration making further minor changes in conjunction with the partner boroughs.
- 2.2 That authority be delegated to the Corporate Director of Environment and Regeneration to enter into the updated MoU with the North London partner boroughs involved in the preparation of the NLWP (Barnet, Camden, Enfield, Hackney, Haringey and Waltham Forest) be agreed; and that authority be delegated to the Corporate Director of Environment and Regeneration to agree to any subsequent changes to the MoU be agreed.
- 2.3 That authority be delegated to the Corporate Director of Environment and Regeneration to enter into the LLDC MoU with the London Legacy Development Corporation be agreed; and that authority be delegated to the Corporate Director of Environment and Regeneration to agree to any subsequent changes to the MoU be agreed.
- 2.4 That authority be delegated to the Corporate Director of Environment and Regeneration to approve and enter into MoU's with other planning authorities as they are drawn up as part of discharging the duty to cooperate throughout the remainder of plan preparation be agreed.

Reason for decision – to ensure that the council meets its duties and agree a draft North London Waste Plan for public consultation.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**172 CARE ACT ELIGIBILITY POLICY**

**RESOLVED:**

- 2.1 That the National Minimum Eligibility Criteria will be London Borough of Islington Eligibility Policy (appendix 1 to the report) for adults with care and support needs be agreed and that the national minimum eligibility criteria for carers be adopted from April 2015 be agreed.

Reason for decision – to ensure compliance with the Care Act 2014 and to direct resources to those most in need.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**173 HEALTH VISITING AND FAMILY NURSE PARTNERSHIP SERVICE**

**RESOLVED:**

- 2.1 That a waiver of procurement rules in order to award a 12 month contract extension for Health Visiting and Family Nurse Partnership Services, to Whittington Health NHS Trust, to the value of £4,184,000 be agreed.

- 2.2 That the reasons for the waiver, namely to allow the service to settle post transition, allow time to review the service delivery model in order to support the delivery of key local priorities and align procurement timescales with the School Nursing Service as part of our Procurement Strategy for Universal Child Health Services 0-19, be noted.

Reason for decision – to allow time to review current performance and the service delivery model required to support key local priorities.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**174 PROCUREMENT STRATEGY - SUBSTANCE MISUSE RESIDENTIAL DETOX AND REHABILITATION SERVICES**

**RESOLVED:**

- 2.1 That the procurement strategy for a Residential Detox and Rehabilitation framework as outlined in the report be agreed.
- 2.2 That authority to award the contracts to the successful tenderers be delegated to the Corporate Director of Public Health, in consultation with the Executive Member Health and Wellbeing, be agreed.

Reason for decision – to ensure continuity of service as the existing residential detox and rehabilitation contracts ends on 31 March 2016.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**175 PROCUREMENT STRATEGY - SINGLE ADVOCACY SERVICE (ADULTS)**  
**RESOLVED:**

- 2.1 That the procurement strategy for the Single Advocacy Service as outlined in the amended report be agreed.
- 2.2 That the Executive will be asked to approve the award of the contract at the conclusion of the procurement process be noted.
- 2.3 That the uncertainty around the levels of demand for elements of this service as outlined in section 3 of the amended report be noted.

Reason for decision – to ensure the Council can meet the statutory duties around the provision of independent advocacy services.

Other options considered – none, other than as detailed in the reports and related papers.

Conflicts of interest / dispensations granted – none.

**176**      **CONTRACT AWARD - CONSTRUCTION OF 70 NEW HOMES AND ASSOCIATED IMPROVEMENTS FOR THE DOVER COURT ESTATE N1 3HN**

**RESOLVED:**

- 2.1      That the award of a contract to Lovell Partnerships for the construction of 70 new homes, a community centre and associated improvements for the Dover Court Estate be approved.

Reason for decision – awarding the contract to Lovell Partnership was the recommended course of action after following the procurement process outlined in the report.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**177**      **CONTRACT AWARD - CONSTRUCTION OF 20 NEW HOMES ON CAMDEN ESTATE LAND AND 1-8 ROWSTOCK GARDENS & GARAGES OPPOSITE 77-84 ROWSTOCK GARDENS, LONDON N7 0BG**

**RESOLVED:**

- 2.1      That the award of a contract to Osborne for the construction of 20 new homes, and associated environmental improvements at Camden Estate be agreed.

Reason for decision – awarding the contract to Osborne was the recommended course of action after following the procurement process outlined in the report.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**178**      **CONTRACT AWARD APPROVAL FOR 'CCTV SUPPLY, INSTALLATION AND MAINTENANCE' CONTRACT**

**RESOLVED:**

- 2.1      That the endorsement of the decision by the Cabinet of Ealing Council on 13.7.15 to approve the award of the collaborative framework 'CCTV Supply, Maintenance and Installation contract' to Tyco Integrated Systems (TYCO) as primary contractor and Quadrant Security Group (QSG) as secondary contractor, be agreed.

- 2.2      That the Council will use this new framework contract with effect from 1.9.15 be agreed.

Reason for decision – to ensure continuity of service provision, that the current infrastructure is adequately maintained and future requirement can be sourced effectively.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**179**      **CONTRACT AWARD - ORAL HEALTH**

**RESOLVED:**

2.1 That the award of the contract for oral health promotion service to the Whittington Health Trust commencing on 2<sup>nd</sup> November 2015 for a period of up to five years be agreed.

2.2 That the contents of Exempt Appendix A to this report be noted.

Reason for decision – to improve oral health and address health inequalities.

Other options considered – none, other than as detailed in the report and related papers.

Conflicts of interest / dispensations granted – none.

**180**      **CONTRACT AWARD - CONSTRUCTION OF 70 NEW HOMES AND ASSOCIATED IMPROVEMENTS FOR THE DOVER COURT ESTATE N1 3HN - EXEMPT APPENDIX**

**RESOLVED:**

That the information in the exempt appendix to agenda item E19 be noted (see Minute 176 for decision).

**181**      **CONTRACT AWARD - CONSTRUCTION OF 20 NEW HOMES ON CAMDEN ESTATE LAND AND 1-8 ROWSTOCK GARDENS & GARAGES OPPOSITE 77-84 ROWSTOCK GARDENS, LONDON N7 0BG EXEMPT APPENDIX**

**RESOLVED:**

That the information in the exempt appendix to agenda item E20 be noted (see Minute 177 for decision).

**182**      **CONTRACT AWARD - ORAL HEALTH EXEMPT APPENDIX**

**RESOLVED:**

That the information in the exempt appendix to agenda item E22 be noted (see Minute 179 for decision).

MEETING CLOSED AT 8.22 pm

CHAIR

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### Report of: Executive Member for Finance and Performance

Meeting of:	Date	Ward(s)
Executive	24 <sup>th</sup> September 2015	

## FINANCIAL POSITION AT 31<sup>st</sup> JULY 2015

### 1. SYNOPSIS

- 1.1 This report presents the forecast outturn position for 2015-16 as at 31<sup>st</sup> July 2015. Overall, the forecast is a £3.3m General Fund overspend including corporate items. The Housing Revenue Account (HRA) is forecast to break-even over the year. It is forecast that £114.6m of capital expenditure will be delivered in 2015-16.

### 2. RECOMMENDATIONS

- 2.1. To note the overall forecast revenue outturn for the General Fund of a £3.3m overspend, and that in the event of an overall overspend at the end of the financial year this would be funded from the one-off corporate contingency reserve in the first instance. **(Paragraphs 3.1 and 4.12, Table 1 and Appendix 1)**
- 2.2. To agree that £0.45m of in-year corporate funding is applied to the Environment and Regeneration structural overspend arising due to the Government shelving plans to introduce locally set licensing fees. This is a net nil impact overall as the corporate underspend is reduced, in respect of this applied funding, by the same amount. **(Paragraph 4.5)**
- 2.3. To agree the increase in development management pre-application fees required to cover the additional costs associated with providing this most valued planning service within the agreed timescales. **(Paragraph 4.6 and Appendix 3)**
- 2.4. To note that the HRA is forecast to break-even over the financial year. **(Paragraph 3.1, Table 1 and Appendix 1)**
- 2.5. To note the latest capital position with forecast capital expenditure of £114.6m in 2015-16, to agree the drawdown to the Finance and Resources capital budget from the Invest to Save reserve and to agree capital slippage into future years. **(Paragraphs 6.1 to 6.3, Table 2 and Appendix 2)**

### **3. CURRENT REVENUE POSITION: SUMMARY**

- 3.1. A summary position of the General Fund and Housing Revenue Account is shown in **Table 1** with further detail contained in **Appendix 1**.

**Table 1: General Fund and HRA Forecast Outturn**

	<b>VARIANCE Month 4 (£000)</b>
<b><u>GENERAL FUND</u></b>	
Finance and Resources	0
Chief Executive's	0
Core Children's Services (Excluding Schools)	0
Environment and Regeneration	1,576
Housing and Adult Social Services	1,378
Public Health	0
Net Departments	<b>2,954</b>
Corporate Items	356
<b>TOTAL PROJECTED (UNDER)/OVERSPEND</b>	<b>3,310</b>
<b><u>HOUSING REVENUE ACCOUNT</u></b>	
<b>NET (SURPLUS) / DEFICIT</b>	<b>0</b>

### **4. GENERAL FUND**

#### **Finance and Resources Department (zero variance)**

- 4.1. The Finance and Resources Department is currently forecasting a break-even position.

#### **Chief Executive's Department (zero variance)**

- 4.2. The Chief Executive's Department is currently forecasting a break-even position.

#### **Children's Services (General Fund: zero variance, Schools: -£2.0m)**

- 4.3. A break-even position is forecast for the General Fund (non-schools) Children's Services budget. However, within this position a number of pressures against demand led specialist services that materialised in 2014-15 are continuing into 2015-16, especially in relation to unaccompanied asylum seeking children (£0.35m) and special guardianship orders (+£0.2m). Further overspends are materialising against the new remand framework (+£0.35m), leaving care costs (+£0.2m) and secure accommodation costs (+£0.2m). These overspends, totalling (+£1.3m), have been offset fully by forecast underspends across the Learning and Schools and Partnerships and Support Services divisions.

#### **Schools (-£2.0m)**

- 4.4. A Dedicated Schools Grant (DSG) underspend of (-£2.0m, 1.2% of DSG) is forecast. This is in the main due to the carry forward of Early Years DSG funding from 2014-15 that will be used to smooth in expected Department for Education (DfE) funding reductions for the statutory entitlement for free childcare for deprived 2-year olds from 2015, now that funding is allocated to local authorities based on take-up.

### **Environment and Regeneration (+£1.6m)**

- 4.5. The Environment and Regeneration Department is currently forecasting a (+£1.6m) overspend. This is after corporate savings of (+£0.5m) being applied to the structural overspend arising due to the Government shelving plans to introduce locally set licensing fees. This is a net-nil impact overall as the Environment and Regeneration Department overspend is reduced, in respect of this applied funding by the same amount. The main variances are as follows:
- 4.5.1. (+£0.3m) due to not implementing in full the withdrawal of the door to door recycling in estates in previous years.
  - 4.5.2. (+£0.35m) delays in re-providing the new refuse fleet pending various pilots and the introduction of a new operating model.
  - 4.5.3. (+£0.25m) loss of grant income from North London Waste Authority (NLWA) following price reductions for recyclable materials.
  - 4.5.4. (+£0.1m) required to keep public conveniences open following a decision to keep facilities open – future funding to be met from advertising concession contract income.
  - 4.5.5. (+£0.6m) structural budget issues within the Public Protection division: (+£0.2m) relating to staff budgets and non-staffing budgets around IT / licensing costs; (+£0.1m) unachievable Houses in Multiple Occupation (HMO) licensing income; (+£0.1m) staff costs that were part funded by 'Smoke-free' grant that is no longer received; (+£0.1m) relating to deteriorating income streams on DVD / music rentals and hall lettings; and (+£0.1m) across various other income streams.

### ***Development Management Pre-Application Fees***

- 4.6. Following increased competition from local planning authorities and planning consultants, it has become necessary to increase the hourly rate of temporary officers working in Development Management (Major Applications) Team. Pre-application fees must increase by 15% to cover the additional costs associated with providing this most valued planning service within the agreed timescales.

### **Housing and Adult Social Services (+£1.4m)**

- **Adult Social Care (zero variance)**

- 4.7. Adult Social Care is currently forecasting a break-even position. Within this position, there is a (+£0.6m) pressure relating to a delay in the achievement of the saving to reduce grants to voluntary and non-statutory services, offset by a (-£0.6m) non-recurring underspend due to delay in implementation of Care Act projects.

- **Housing General Fund (+£1.4m)**

- 4.8. The Housing General Fund continues to be impacted by increased demand for temporary accommodation (TA) and the increased cost of supplying it, exacerbated by ongoing changes to the housing benefit regulations and the changes to the welfare support system. This has resulted in a net financial pressure of (+£1.5m) in 2015-16 of which the majority is due to not being able to secure nightly booked accommodation at rates that are below or equal to the Local Housing Allowance. This is offset partly by staffing underspends across the department (-£0.1m).

### **Public Health (zero variance)**

- 4.9. Public Health is funded via a ring-fenced grant of £25.4m for 2015-16. The grant is currently forecast to be spent in line with the overall allocation, with any underspend at

year-end ring-fenced and carried forward to the following year earmarked for Public Health. However, there is a risk that this position will change upon confirmation of the in-year Government cuts to the public health grant currently being consulted upon.

### **Corporate Items (+£0.35m)**

- 4.10. The Council continues to follow a successful Treasury Management Strategy of shorter-term borrowing at low interest rates. The current forecast is that this will save the General Fund (-£1.8m) in interest charges over the financial year. The Treasury Management Strategy is kept under constant review to ensure that available resources are optimised and the longer-term interest rate position reviewed.
- 4.11. These savings are offset by:
- 4.11.1. Pump-priming one-off investment to accommodate the move of the Area Housing Office at Old Street to Finsbury Library (+£0.5m) and to identify new opportunities for maximising the Council's income (+£0.2m), including the collection of business rates.
- 4.11.2. Corporate savings of (+£0.45m) being applied to the structural overspend in Environment and Regeneration arising due to the Government shelving plans to introduce locally set licensing fees. This is a net-nil impact overall as the Environment and Regeneration Department overspend is reduced, in respect of this applied funding, by the same amount.
- 4.11.3. (+£0.2m) relating to a settled claim against 3 privately owned mature London Plane trees that had been proven to cause subsidence. Due to strong public support, the Council argued for retaining the trees and won the appeal for the trees to be retained. The claimants then proceeded with repairs of £350k. The Council have fought this and negotiated down from an initial claim of £350k to a settled claim of £190k.
- 4.11.4. (+£0.8m) uncontrollable pressure due to the Council's statutory duty to provide assistance to all destitute clients who are Non-European Union nationals and can demonstrate need under Section 21 of the National Assistance Act, 1948. This is commonly referred to as No Recourse to Public Funds (NRPF).

### **Contingency Reserve**

- 4.12. There is a one-off corporate contingency reserve of £3.5m to provide some resilience against any short-term budget pressures arising from savings risks or changes in Government policy. In the event of an overall General Fund overspend at the end of the financial year this would be funded from the corporate contingency reserve in the first instance.

## **5. HOUSING REVENUE ACCOUNT**

- 5.1. The HRA is forecast to be balanced in 2015-16. The variances are as follows:
- 5.1.1. Non-recurring impact of repairs re-integration (+£1.4m), partially offset by lower than anticipated expenditure on In-House Repairs Team sub-contractors (-£0.5m) and lower expenditure relating to voids (-£0.5m).
- 5.1.2. Other HRA non-recurring pressures including improvements to open spaces and CCTV and heating refunds in respect of 2014-15 (+£0.9m).
- 5.1.3. Other HRA recurring pressures including lower than budgeted rent, service charges and other income (+£0.6m) and the impact of welfare reforms (+£0.7m).

- 5.1.4. *The above pressures of (+£2.6m) are offset by:*
- 5.1.5. Additional commercial property income and reduced management costs (-£1.0m).
- 5.1.6. Lower than budgeted PFI contractual inflation (-£0.7m).
- 5.1.7. Higher than budgeted Right to Buy administration grant income due to higher than anticipated Right to Buy sales (-£0.3m).
- 5.1.8. Increase parking income arising from the increase in charges for non-residents and the diesel levy (-£0.3m).
- 5.1.9. Higher than budgeted commission from Thames Water (-£0.2m).
- 5.1.10. Reduced energy costs (-£0.1m).

## **6. CAPITAL PROGRAMME**

- 6.1. It is forecast that £114.6m of capital expenditure will be delivered by the end of the year. This is set out by department in **Table 2** below and detailed at **Appendix 2**.

**Table 2: 2015-16 Capital Programme by Department at Month 4**

<b>Department</b>	<b>2015-16 Capital Budget</b>	<b>2015-16 Forecast Expenditure</b>	<b>Forecast Slippage (to)/from Future Years</b>
	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>
Housing and Adult Social Services	83.9	68.7	(15.2)
Children's Services	24.3	18.1	(6.2)
Environment and Regeneration	32.1	23.3	(8.8)
Finance and Resources	4.5	4.5	-
<b>Total</b>	<b>144.8</b>	<b>114.6</b>	<b>(30.2)</b>

- 6.2. The Finance and Resources capital budget includes a recommended drawdown of £3.0m from the funding previously set aside in the Invest to Save reserve towards the Digital Transformation projects taking place to transform the way Islington works with and for local residents.

### **Forecast Slippage**

- 6.3. Under the Council's financial regulations, approval of slippage over £1m on an individual capital scheme is a function of the Executive.

#### ***Housing and Adult Social Services (£15.2m)***

- 6.3.1. New Homes Programme (£12.4m) – The first quarterly review in 2015-16 indicates deliverable new homes capital expenditure of £28.7m in 2015-16, resulting in forecast slippage of £12.4m into future years. The Council remains on target to deliver 500 social rented new builds by 2019.
- 6.3.2. Major Works and Improvements Programme (£2.8m) – This relates to a number of committed schemes that it is now considered will not progress on site as quickly as originally anticipated.

### **Children's Services (£6.2m)**

- 6.3.3. Dowry Street scheme (3.0m) – Re-profiling of scheme across 2016-17 and 2017-18 due to a delay in the Education Funding Agency (EFA) signing the funding agreement.
- 6.3.4. Other Schools (£3.2m) – This relates to external funding that is in the process of being allocated to school capital schemes.

### **Environment and Regeneration (£8.8m)**

- 6.3.5. Fleet Replacement (£3m) – Due to extended lead times on all vehicle purchases some orders will not be completed until 2015-16.
- 6.3.6. External Wall Insulation (£2.1m) – Due to aborted schemes and funds to be re-allocated to new schemes.
- 6.3.7. Combined Heat and Power Phase 2 (£2.0m) – Due to delays in the planning process.
- 6.3.8. Leisure (£0.9m) – Due to changes in the forecast cash flow of leisure schemes.
- 6.3.9. Greenspace (£0.8m) – Due to delays in the expected commencement of greenspace schemes.

## **7. IMPLICATIONS**

### **Financial Implications**

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

### **Legal Implications**

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

### **Environmental Implications**

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

### **Resident Impact Assessment**

- 7.4. A resident impact assessment (RIA) was carried out for the 2015-16 Budget Report approved by Full Council. This report notes the financial performance to date but does not have direct policy implications, so a separate RIA is not required for this report.

**Background papers:** None

### **Responsible Officer:**

Mike Curtis  
Corporate Director of Finance and Resources

### **Report Author:**

Martin Houston  
Strategic Financial Advisor

**Signed by**



Executive Member for Finance and  
Performance

11 September 2015

Date

## Appendix 1 - Revenue Budget Monitoring Month 4 2015-16

<b>GENERAL FUND</b>				
Department / Service Area	Original Budget	Current Budget	Forecast Outturn	Variance Month 4
	£'000	£'000	£'000	£'000
<b>FINANCE AND RESOURCES</b>				
Corporate Director of Finance and Resources	(62)	1,103	1,103	0
Property Services	(1,800)	(373)	(373)	0
Digital Services and Transformation	562	(1,500)	(1,500)	0
Financial Management	(5,732)	(1,623)	(1,623)	0
Financial Operations	6,911	6,569	6,569	0
Internal Audit	588	596	596	0
<b>Total</b>	<b>467</b>	<b>4,772</b>	<b>4,772</b>	<b>0</b>
<b>CHIEF EXECUTIVE'S DEPARTMENT</b>				
Chief Executive	(16)	0	0	0
Governance and Human Resources	1,140	330	330	0
Strategy and Community Partnerships	5,478	6,279	6,279	0
<b>Total</b>	<b>6,602</b>	<b>6,609</b>	<b>6,609</b>	<b>0</b>
<b>CHILDREN'S SERVICES</b>				
Learning and Schools	27,763	25,891	23,256	(2,635)
Partnerships and Support Services	9,292	11,648	10,928	(720)
Targeted and Specialist Children and Families	36,889	38,697	39,997	1,300
<b>Total</b>	<b>73,944</b>	<b>76,236</b>	<b>74,181</b>	<b>(2,055)</b>
<b>ENVIRONMENT AND REGENERATION</b>				
Directorate	(1,387)	(1,384)	(1,384)	0
Planning and Development	2,484	2,642	2,642	0
Public Protection	9,685	10,390	10,941	551
Public Realm	19,782	21,262	22,287	1,025
<b>Total</b>	<b>30,564</b>	<b>32,910</b>	<b>34,486</b>	<b>1,576</b>
<b>HOUSING &amp; ADULT SOCIAL SERVICES</b>				
Temporary Accommodation (Homelessness Direct)	1,391	1,391	2,918	1,527
Housing Needs (Homelessness In-Direct)	2,000	2,000	1,948	(52)
Housing Benefit	880	880	880	0
Housing Strategy & Development	231	231	175	(56)
Housing Administration	2,291	1,944	1,944	0
<b>Housing General Fund Total</b>	<b>6,793</b>	<b>6,446</b>	<b>7,865</b>	<b>1,419</b>
Adult Social Care	30,917	30,133	30,115	(18)
Integrated Community Services	13,554	13,537	12,914	(623)
Strategy & Commissioning	30,355	30,393	30,993	600
<b>Adult Social Services Total</b>	<b>74,826</b>	<b>74,063</b>	<b>74,022</b>	<b>(41)</b>
<b>HASS Total</b>	<b>81,619</b>	<b>80,509</b>	<b>81,887</b>	<b>1,378</b>

## Appendix 1 - Revenue Budget Monitoring Month 4 2015-16

Department / Service Area	Original Budget £'000	Current Budget £'000	Forecast Outturn £'000	Variance Month 4 £'000
<b>PUBLIC HEALTH</b>				
NHS Health Checks	371	371	371	0
Obesity and Physical Activity	1,009	1,009	1,009	0
Other Public Health	(20,739)	(20,557)	(20,557)	0
Sexual Health	8,273	8,392	8,392	0
Smoking and Tobacco	786	786	786	0
Substance Misuse	8,466	8,347	8,347	0
Children and Young People	1,834	1,834	1,834	0
	<b>0</b>	<b>182</b>	<b>182</b>	<b>0</b>
Less Projected Ring-Fenced Schools Related Underspend	0	0	2,055	2,055
Less Projected Ring-Fenced Public Health Underspend	0	0	0	0
<b>GROSS DEPARTMENT TOTAL</b>	<b>193,196</b>	<b>201,218</b>	<b>204,172</b>	<b>2,954</b>
<b>CORPORATE ITEMS</b>				
Corporate and Democratic Core / Non Distributed Costs	16,675	15,130	15,130	0
Other Corporate Items	4,204	4,130	5,486	1,356
Corporate Financing Account	(16,129)	(16,129)	(17,929)	(1,800)
Levies	22,247	22,247	22,247	0
Transfer to/(from) Reserves	14,293	7,890	7,890	0
Specific Grants	(16,103)	(16,103)	(16,103)	0
Core Government Funding / Council Tax	(218,651)	(218,651)	(218,651)	0
No Recourse to Public Funds	268	268	1,068	800
<b>Corporate Items Total</b>	<b>(193,196)</b>	<b>(201,218)</b>	<b>(200,862)</b>	<b>356</b>
<b>TOTAL NET OF CORPORATE ITEMS</b>	<b>0</b>	<b>0</b>	<b>3,310</b>	<b>3,310</b>

## Appendix 1 - Revenue Budget Monitoring Month 4 2015-16

<b>HOUSING REVENUE ACCOUNT(HRA)</b>					
<b>Department / Service Area</b>	<b>Original Budget</b>	<b>Current Budget</b>	<b>Latest Actual</b>	<b>Forecast Outturn</b>	<b>Variance Month 4</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Dwelling Rents	(162,778)	(162,778)	(40,549)	(162,500)	278
Non Dwelling Rents	(1,708)	(1,708)	(1,313)	(2,508)	(800)
Heating Charges	(2,357)	(2,357)	(589)	(2,017)	340
Leaseholders Charges	(9,348)	(9,348)	(2,337)	(9,348)	0
Other Charges for Services and Facilities	(3,870)	(3,870)	(636)	(4,642)	(772)
PFI Credits	(22,855)	(22,855)	0	(22,855)	0
Interest Receivable	(2,044)	(1,544)	0	(1,544)	0
Contribution from General Fund	(852)	(852)	0	(852)	0
<b>Gross Income</b>	<b>(205,812)</b>	<b>(205,312)</b>	<b>(45,424)</b>	<b>(206,266)</b>	<b>(954)</b>
Repairs and Maintenance	29,748	29,748	9,213	30,248	500
Revenue Contribution to Capital	10,359	10,359	0	10,159	(200)
General Management	48,803	47,547	7,337	49,001	1,454
PFI Payments	40,114	40,114	13,767	39,414	(700)
Special Services	15,530	16,786	3,198	16,686	(100)
Rents, Rates, Taxes and Other Charges	739	739	319	739	0
Capital Financing Costs	56,769	56,269	0	56,269	0
Bad Debt Provisions	750	750	0	750	0
HRA Contingency	3,000	3,000	0	3,000	0
<b>Gross Expenditure</b>	<b>205,812</b>	<b>205,312</b>	<b>33,834</b>	<b>206,266</b>	<b>954</b>
<b>Drawdown from HRA Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>(11,590)</b>	<b>0</b>	<b>0</b>

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**Appendix 2: Capital Monitoring Month 4 2015-16**

	2015-16 Budget Monitoring						
	Original Budget	Budget Changes During the Year	Revised Budget	Forecast Outturn	Forecast Re-profiling (to)/from 2015-16	Expenditure to Date	% Budget Spent to Date
	£m	£m	£m	£m	£m	£m	£m
<b>CHILDREN'S SERVICES</b>							
Dowery Street Pupil Referral Unit	3.3	(0.3)	3.0	3.0	0.0	0.1	5%
Early Years Two Year Old Places	1.0	0.0	1.0	1.0	0.0	0.2	22%
Mechanical Schemes	0.0	0.1	0.1	0.1	0.0	0.0	10%
Moreland Primary School	6.1	2.1	8.3	8.3	0.0	0.4	5%
Newington Green Primary School Refurbishment	0.3	0.7	0.9	0.9	0.0	0.3	38%
Other Schools	0.0	4.9	4.9	1.9	(3.0)	0.0	0%
Primary Bulge Classes	0.2	0.3	0.5	0.2	(0.2)	0.2	33%
Primary Capital Scheme	0.0	0.2	0.2	0.2	0.0	0.1	30%
Sacred Heart Primary School Extension Grant	1.3	0.0	1.3	1.3	0.0	1.3	100%
The Bridge Free School	3.7	0.0	3.7	0.7	(3.0)	0.0	0%
Windows Scheme	0.3	0.2	0.5	0.5	0.0	0.1	13%
<b>Total Children's Services</b>	<b>16.1</b>	<b>8.2</b>	<b>24.4</b>	<b>18.1</b>	<b>(6.2)</b>	<b>2.7</b>	<b>11%</b>
<b>ENVIRONMENT AND REGENERATION</b>							
Boiler Replacement Programme	0.0	0.1	0.1	0.1	(0.0)	0.0	57%
Combined Heat and Power	3.4	0.2	3.6	1.6	(2.0)	0.2	4%
Disabled Facilities	0.6	0.4	1.0	1.0	0.0	0.2	20%
Energy Saving Council Buildings	1.9	0.0	1.9	1.9	0.0	0.0	0%
Greenspace	0.8	1.6	2.4	1.6	(0.8)	0.2	8%
Highways	1.4	0.2	1.6	1.6	(0.0)	0.3	18%
Ironmonger Row Baths	0.0	(0.1)	(0.1)	0.0	0.1	0.0	-11%
Leisure	3.4	0.9	4.3	3.4	(0.9)	0.8	19%
Other Energy Efficiency	2.2	0.1	2.3	0.1	(2.2)	0.0	0%
Planning and Development	2.1	(1.9)	0.3	0.3	0.0	0.1	20%
Private Sector Housing	1.5	(0.2)	1.4	1.4	0.0	(0.0)	-2%
Traffic and Engineering	3.6	0.7	4.3	4.3	(0.0)	0.2	4%
Vehicles	8.5	0.6	9.1	6.1	(3.0)	0.5	6%
<b>Total Environment and Regeneration</b>	<b>29.4</b>	<b>2.7</b>	<b>32.1</b>	<b>23.3</b>	<b>(8.8)</b>	<b>2.4</b>	<b>8%</b>
<b>HOUSING AND ADULT SOCIAL SERVICES</b>							
<b>HOUSING</b>							
Housing Improvements	40.3	1.7	42.0	39.2	(2.8)	5.1	12%
New Build	40.8	0.3	41.1	28.7	(12.4)	5.5	13%
<b>Total Housing</b>	<b>81.1</b>	<b>2.0</b>	<b>83.2</b>	<b>67.9</b>	<b>(15.3)</b>	<b>10.6</b>	<b>13%</b>
<b>ADULT SOCIAL SERVICES</b>							
Adaptations	2.6	(2.6)	0.0	0.0	0.0	0.3	0%
Care Services	1.0	(0.3)	0.7	0.7	(0.0)	0.0	5%
<b>Total Adult Social Services</b>	<b>3.6</b>	<b>(2.9)</b>	<b>0.7</b>	<b>0.7</b>	<b>(0.0)</b>	<b>0.3</b>	<b>44%</b>
<b>Total Housing and Adult Social Services</b>	<b>84.8</b>	<b>(0.9)</b>	<b>83.9</b>	<b>68.6</b>	<b>(15.3)</b>	<b>10.9</b>	<b>13%</b>
<b>FINANCE AND RESOURCES</b>							
Digital Transformation	1.5	3.0	4.5	4.5	0.0	2.7	59%
<b>Total Finance and Resources</b>	<b>1.5</b>	<b>3.0</b>	<b>4.5</b>	<b>4.5</b>	<b>0.0</b>	<b>2.7</b>	<b>59%</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>131.8</b>	<b>13.0</b>	<b>144.9</b>	<b>114.6</b>	<b>(30.3)</b>	<b>18.7</b>	<b>13%</b>

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### Appendix 3 - Development Management Pre-Application Fees

<b>Fee / Charge</b>	<b>Existing (£)</b>	<b>New (£)</b>	<b>Increase (%)</b>
Householder application	220.00	255.00	15.9%
Householder application with site visit	360.00	415.00	15.3%
Householder follow up meeting /site visit	140.00	165.00	17.9%
Listed building consent	330.00	380.00	15.2%
Listed building consent with site visit	470.00	545.00	16.0%
Listed Building consent follow up meeting	140.00	165.00	17.9%
Small scale minor application (up to 3 residential units, or 499 sq.m commercial)	500.00	575.00	15.0%
Small scale minor application with site visit	730.00	840.00	15.1%
Small scale minor follow up meeting	360.00	415.00	15.3%
Larger scale minor development (4-9 residential units, or 500-999 sq.m commercial)	1,400.00	1,610.00	15.0%
Large scale minor follow up meeting	750.00	865.00	15.3%
Major application up to 20 units	3,200.00	3,680.00	15.0%
Major application >20 units	4,200.00	4,830.00	15.0%
Major application per extra meeting	1,500.00	1,725.00	15.0%

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Governance and  
Human Resources  
Town Hall, Upper Street  
London N1 2UD

Report of: **Chair of Health and Care Scrutiny Committee**

Meeting of	Date	Ward(s)
Executive	24 September 2015	All

Delete as appropriate	Non-exempt	
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## **Subject: Patient Feedback – Report of the Health and Care Scrutiny Committee**

### **1. Synopsis**

- 1.1 This report requests that the Executive receive the recommendations in relation to the scrutiny review on Patient Feedback.

### **2. Recommendation**

- 2.1 To receive the report of the Health and Care Scrutiny Committee.

### **3. Background**

- 3.1 In January 2015 the Health and Care Scrutiny Committee commenced a scrutiny into Patient Feedback.

The aim of the review was to understand the range and effectiveness of local arrangements for obtaining and acting on patient feedback to improve primary, community, acute and mental health services.

The detailed objectives of the review are included in the attached report.

#### **4. Implications**

##### **4.1 Financial Implications**

The proposals in the review would need to be costed by the Executive.

##### **4.2 Legal Implications**

There are no legal implications at this stage.

##### **4.3 Equalities Impact Assessment**

An Equalities Impact Assessment has not yet been completed because the decision being sought is only to consider the recommendations.

#### **5. Conclusion and reasons for recommendations**

The Committee have made a number of recommendations that it is hoped will improve Patient Feedback arrangements and it is hoped that these will be adopted by the Executive.

Final Report Clearance

**Signed by**

Councillor Martin Klute

Date

Report author: Peter Moore

Tel: 020 7527 3252

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



**ISLINGTON**

# **PATIENT FEEDBACK SCRUTINY REVIEW**

## **REPORT OF THE HEALTH AND CARE SCRUTINY COMMITTEE**

**London Borough of Islington  
June 2015**

## Contents

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## **Chair's Foreword**

One of the recommendations from the Committee's scrutiny into GP appointments was for GPs to establish more robust arrangements for patient feedback. This recommendation arose partly out of the findings of the committee, that different practices varied widely in their efficiency and capability of providing appointments in a timely manner, and to those who most need them. The committee felt that better feedback systems would help reflect these varying standards back to GPs, and we hope that this will lead to service improvements.

Following on from this it seemed to the committee that there was a lack of adequate feedback processes, or at least a lack of clarity about how patients give feedback, and that it would be worth scrutinising this issue separately.

By coincidence, the commencement of the scrutiny coincided with the introduction by the Government of the 'Family and Friends' Test (FFT). This was being rolled out not just to primary care, but all areas of the Health Service. The 'test' is a simple, semi-standardised test which asks "would you recommend the facility you have just been treated at to your family and friends", and also gives the opportunity to ask other questions. The committee felt that if there was to be only one other question, this should be as open-ended as possible to encourage patients to say as much as possible about the experience they had just had. The final element of the test however, is for the service in question to display the results of the test on a monthly basis, and also to display information on the type of feedback received and areas where the service had adapted and made changes as a result of feedback. This final stage is vital in order to give meaning to those patients that complete the feedback.

During the course of the scrutiny we learned that there have been multiple different structures for providing feedback to different parts of the health service, creating confusion, and in some instances, for example, patient user groups that meet during working hours during the week, there were major issues of accessibility for large cohorts of patients.

Having heard about these various different structures, and then contemplated the universality of the FFT, the committee felt that its main recommendation is for all areas of the health service to adopt the FFT in order for there to be a standardised and easily accessible means for patients to provide feedback. This, combined with the use of electronic devices (such as iPads, in the case of the Whittington) make it quick and easy for patients to give feedback, and also to capture the feedback whilst the patient is still on site and the experience fresh in their minds.

Whilst the implementation of the FFT is still ongoing, the committee is confident that as long as individual providers take the lead on implementation, the longer-term outcomes will be much improved. As a result of these findings, the committee's recommendations focus entirely on finessing the parameters of the FFT to ensure maximum benefit is gained from this universal, simple and immediate approach to feedback.

**Councillor Martin Klute – Chair, Health and Care Scrutiny Committee**

16/09/15

## Executive Summary

### Patient Feedback Scrutiny Review

#### Aim

To understand the range and effectiveness of local arrangements for obtaining and acting on patient feedback to improve primary, community, acute and mental health services

#### Objectives of the Review

- To understand current arrangements and mechanisms for obtaining patient feedback in relation to local health services, including both nationally mandated and locally developed arrangements
- To review how providers and commissioners are acting on patient feedback to improve the quality and outcomes of local health services and provide feedback on our recommendations to local providers to improve feedback from patients
- To assess the effectiveness of different approaches to gathering and using patient feedback, with a particular focus on how feedback is secured from a wide range of patients representative of the Islington population, including harder to reach or more vulnerable groups

#### Evidence

The review ran from January 2015 until May 2015 and evidence was received from a variety of sources including Islington Clinical Commissioning Group, Islington Health Watch, Patients and NHS England.

Following agreement of the Scrutiny Initiative Document (**set out in APPENDIX A**); officers designed a work programme for the Committee meetings, visits and documentary evidence.

The submissions are detailed in the minutes of the meetings of the Health Scrutiny Committee on the Council Democracy website (<http://democracy.islington.gov.uk/>) or from Democratic Services at the Town Hall (Tel: 020 7527 3252).

## Membership of the Health and Care Scrutiny Committee – 2014/15

### **Councillors:**

Councillor Martin Klute (Chair)  
Councillor Raphael Andrews  
Councillor Jilani Chowdhury  
Councillor Osh Gantly  
Councillor Mouna Hamitouche MBE  
Councillor Gary Heather  
Councillor Jean Roger Kaseki (Vice-Chair)  
Councillor Kaya Makarau Schwartz until February 2015 and then replaced by  
Councillor Nurullah Turan

### **Substitutes:**

Councillor Alice Donovan

Councillor Tim Nicholls

### **Co-opted Member:**

Bob Dowd, Islington Healthwatch

### **Substitutes:**

Olav Ernstzen, Islington Healthwatch  
Phillip Watson, Islington Healthwatch

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

### *Officer Support:*

*Peter Moore, – Democratic Services*

*Lead officers – Julie Billet, Director of Public Health*

## Recommendations

### The Executive be recommended-

1. That all providers of medical services, including Mental Health Trusts, should implement the Family and Friends Test (FFT) as required by the Government
2. That all FFT tests should include an ' open' supplementary question which invites comment
3. That all providers should actively promote and encourage patients to complete the test, both with posters and face to face
4. That all providers should display monthly statistical results of the FFT and a brief description of how any other comments or suggestions have been addressed
5. That Islington CCG should actively encourage and support providers in promoting and publicising results, and also in monitoring results and reporting them back to the Health and Care Scrutiny Committee
6. That providers should offer a number of methods of collecting results of the test, including a verbal response, written forms, hand held devices and internet. Web sites should display a link to the feedback form prominently on the homepage and providers should ensure a fully inclusive response to the tests from all sectors of the community
7. That the CCG work with the Council to develop a similar feedback model for public health services

## **Scrutiny Initiation Document**

The Scrutiny Initiation Document (SID) for the review was first considered by the meeting of the Health Scrutiny Committee on 13 January 2015 and the SID is attached at Appendix A to the report

### **Introduction**

#### **Why collecting feedback is important in Healthcare**

NHS England has identified a set of key areas for action. These are actions which need to be taken forward in partnership between NHS England, CCG's across the whole commissioning system, and other partners such as local community and Healthwatch and the Voluntary sector. These are as follows –

- Improving the experience of the most vulnerable patients and reducing inequality
- Commissioning for good patient experience
- Measuring patient experience for improvement
- Systematic approaches to seeking out, listening to and acting on patient feedback

#### **Measuring patient experience for improvement**

There are a raft of national surveys, such as the Friends and Families Test, and local approaches to evaluating the patient experience and this information provides an in depth insight into some areas of patient experience. However, overall there is an incomplete picture of the patient experience across the range of services and breadth of patient groups

There is also a challenge in moving the measurement of patient experience from a policy recommendation to a driver for change, with accountability for improvement of patient experience. Failure to act on feedback will jeopardise the confidence of patients. To improve patient experience the NHS must build capacity and capability in both providers and commissioners to act on patient feedback. It must also build the skills and tools to enable local NHS organisations to analyse different sources of feedback, identify key issues that need to be addressed and then put in place improvement plans that deliver and improved experience.

#### **Systematic approaches to seeking out, listening to and acting on Patient Feedback**

Following the publication of the Francis report there is heightened awareness and concern about the patient experience. The opportunity must be maximised to embed accountability for the patient experience systematically throughout organisations' commissioning and provision of NHS services. Provider organisations Executive Boards should be held to account for the patient experience through existing Quality surveillance groups, Monitor and the CCG reporting processes, information about patient experience should also be made publically available.

## **Evidence from Islington Healthwatch/Patients**

As part of the scrutiny the Committee interviewed a patient who had experienced problems with dental work and had been unhappy with the treatment received and that the issues had only been resolved with the assistance of Healthwatch.

The Committee noted that in this case there had been a general lack of co-ordination within different aspects of the NHS, which had led to difficulties in getting appropriate treatment for the patient.

## **Evidence from Islington CCG**

There are a number of ways that Islington CCG gathers feedback.

Islington CCG approach has been to create multiple layers of engagement and a network by which people can feedback. An approach has been developed which does not only rely on those patients that have the time or inclination to participate and has adopted a more targeted approach developing links with the third sector and support local communities to identify their needs and skills to be able to self-manage. This work supports all the CCG's major strategies and work programmes.

Over the last year the CCG has spoken to over 1000 people. There is also a need to be aware of patient experience when using local health services. Positive patient experience is common in the NHS, however care can be inconsistent and the poorest care is often received by those least likely to make complaints, exercise choice or have family to speak up for them. There is also evidence of unequal access to care.

## **Patient and Public Feedback to the CCG in 2014**

Patient experience is everybody's business, yet evidence suggests the NHS does not consistently deliver patient centred care. There are particular challenges in co-ordinating services around the needs of the patient. Good patient experience is associated with improved clinical outcomes and contributes to patients having control over their own health. Good staff experience is also fundamental for ensuring good patient experience.

Islington CCG engage the local community in a number of ways and hope to strengthen this with more emphasis on partnership working, particularly with the Council, through Public Health and the Health and Wellbeing Board.

The CCG holds Locality and Islington wide Patient Participation Groups (PPG's). This is where patients from across either the South, Central or North of Islington meet with other patients in their immediate local area to discuss wider health issues important to Islington patients. The Locality PPG's then also meet together and Islington now has a strong PPG structure.

Voluntary Action in Islington has been commissioned to support the groups to promote independence and there are patient Chairs for each of the Locality who are being supported by a Voluntary Action in Islington officer.

There is a yearly review of the PPG's, with all attendees, to assist them to develop.

There are also Community Members on each of the CCG working groups, committees or Boards. There are regular networking meetings held to link members up and share learning. Some volunteers participate in the monthly contract review meetings with our major providers.

There are quarterly meetings with the third sector in Islington. The third sector open forum discussion helps to link up local third sector organisations and begin to map the ways they can support the local community as well as building relationships, which helps the CCG reach out to those who experience barriers in accessing services. Work is also being carried out with public health to help and identify the skills which are within the voluntary sector also providing opportunities for this group to work more effectively together, and bid for work and non-traditional services.

Through working with Islington's third sector a number of projects have been set up such as the offer of a yearly care planning consultation for long term condition patients, training for health professionals in effective patient consultation coaching techniques and a pilot scheme on personal health budgets. In addition Locality Health Navigators have been created to assist GP's and patients navigate wellbeing services in Islington and a community wellbeing project on the New River Green estate.

The CCG also carry out research and insight projects throughout the CCG's work to understand what patients' needs are, what their experiences of using the current system are and service and support needs. There have been numerous projects undertaken in the last year and these will continue. In addition, as part of developing the Integrated and Care Pioneer Programme approximately 240 people with long term conditions were spoken to about what they wanted from their services. These are vocalised through the creation of Islington i statements.

There are also groups such as Voice for Change and Last years of life group that discuss some of the challenges which are faced. In terms of urgent care, a review of urgent care services was carried out and this included a number of face to face interviews and this has directly influenced the recommendations and proposed model.

A Women's annual mental health event is held and through these events a strong relationship has been formed with the Camden and Islington Mental Health Trust women's strategy group.

A self-care patient review with Long Term conditions has been carried out with 30 patients and the feedback has helped shape commissioning plans for 2015/16.

In addition, as part of Valued Based Commissioning for diabetes, patients were engaged to find out what patient outcomes mattered to them when using services. These are now being used to design the new commissioning pathways.

There is also a mental health user group that challenge the clinical effectiveness and poor patient experience, successfully advocated for the development of a Recovery College and a peer to peer support model and there have also been a series of patient stories at Governing Body learning seminars.

Mental Health commissioners have procured a peer support model of 'Reablement.' This provides intensive short term support to service users, with the aim of increasing their independence and reducing the need for high level services. The Recovery College is working with the Camden and Islington Foundation Trust and the Centre for Mental Health to develop this transformational college. This will deliver comprehensive peer-led education and training services within Mental Health services, with strong links to psycho education for staff, patients and their carers.

Islington CCG also engages and listens to people within the community who are often those least likely to be heard and are often some of the most vulnerable in the community. The CCG has a special strand to its engagement that looks specifically at these groups who fall under the protected characteristics and these include an annual meeting which addresses equality issues, run in conjunction with Healthwatch, and equalities rolling programme and the CCG has attended the Refugee and Migrant Forum, and have made a commitment to continue attending as and when they desired. Through this work the CCG has developed customer care training for reception staff and administrative staff in GP practices and this is being evaluated and will be incorporated into the workforce development programme.

The CCG has also worked with Healthwatch to look at the quality of interpreting services within GP practices.

Children's Services have an engagement officer, who undertakes all engagement related to children and young people in health. In the last year they have undertaken involving young people in Healthwatch, and a variety of other things including young service users contributing to the development of the service specification for the Family and Drug Alcohol service.

The Committee received evidence as to how GP practices in Islington have been introducing the Friends and Families Test (FFT) and the scores from the patient FFT for the main providers of secondary healthcare for Islington residents.

The main secondary healthcare providers for Islington residents have continued to improve their FFT scores and now have above London and average scores, which indicates improved patient satisfaction.

The Friends and Families Test is an important feedback tool that supports the fundamental principle that people who use NHS services should have the opportunity to provide feedback on their experience. When combined with supplementary follow up questions, the FFT provides a mechanism to highlight both good and poor patient experience.

FFT is a single question survey which asks patients whether they would recommend the NHS service they have received to friends and family who need similar treatment or care.

In 2013/14 FFT was introduced for providers of NHS funded acute services for inpatients and patients discharged from A&E via a national, Commissioning for Quality and Innovation (CQUIN), which is an additional payment made to NHS providers to enable commissioners to reward quality innovation. FFT has been extended to include all women who use NHS funded maternity services, and a staff FFT process to allow feedback on NHS services and GP services.

## **Healthcare Providers and the Feedback they receive**

As well as the work which Islington CCG undertakes every NHS organisation and those commissioned to deliver NHS services are expected to collect and publish patient feedback. Islington CCG monitors this data through its Quality and Performance Committee and this provides an early warning mechanism to organisations of problems, recognises good practice and gives potential patients insight that helps make choices of care.

All NHS organisations are expected to encourage feedback. These are through the PALS (Patient Advice and Liaison) and the Complaints service where patients can comment on the service they have received and raise any complaints or make comments.

Commissioners review the themes and trends that emerge from these through the contract review process. The CCG also reviews the responsiveness of the Trust in terms of speed of their response and whether complaints are upheld. The Trusts publish their performance on their websites.

Trusts are now encouraged to tell people about the key measures of quality by displaying performance figures in prominent places in the clinical area. This has proved successful in encouraging patients and visitors to raise issues that they might not previously. All inpatient areas are now encouraged to share information.

All NHS bodies should meet in Public and actively encourage participation and questions from the general public. Trusts have to appoint non- executive directors, primarily from their catchment area to take a majority position on their Boards. Many have an agenda item dedicated to hearing directly from patients. This is the case locally. Foundation Trusts are also expected to have governor and membership structures in place through which interested members of the public can 'join the trust' and give their feedback directly to the senior management of the organisation. Whilst Whittington Health is not a Foundation Trust it does not have an active membership.

As well as the Friends and Families Test, providers use surveys to gain information from their service users. Many of these are locally designed and may be specific to a service issue and there are also national surveys undertaken, the results of which are published and comparisons between providers can be drawn. The Care Quality Commission co-ordinate surveys to collect feedback on the experiences of people using a range of health care services provided by the NHS. The results are used in a range of ways, including the assessment of NHS performance as well as in regulatory activities such as registration, monitoring ongoing compliance and reviews. These include an accident and emergency survey, a community mental health survey, ambulance survey , and inpatient survey, a maternity services survey and an outpatient survey.

Other national patient feedback and experience collections include Patient Recorded Outcome Measures (PROM's), which measure the health gain in patients undergoing hip replacement, knee replacement, varicose veins etc.

There are also Patient led assessments of the care environment (PLACE) – this system assesses the quality of the hospital environment, and PLACE assessments apply to all hospitals delivering NHS funded care, including day treatment centres, and these put patient

views at the centre of the assessment process and use information gathered directly from patient assessors to report how well a hospital is performing in the areas assessed, privacy and dignity, cleanliness, food and general building maintenance. It focuses entirely on the care environment and does not cover clinical care provision or staff behaviour.

NHS Choices is an excellent resource for patients who want to compare local services or leave feedback for others to see. There is an opportunity for people to leave their reviews, giving comments and awarding up to five stars. This facility is also provided by NHS Choices, including GP and Dental practices.

Each Trust practice or other provider is expected to provide simple and understandable information about how to leave feedback on their websites.

## **General Practice**

### **Friends and Family Test**

FFT was introduced into GP practices on 1 December 2014. In order to assess how the implementation process is progressing Islington CCG contacted 8 GP practices across the different Islington CCG localities. All practices had a system in place and had received some FFT responses, with the highest number recorded as of beginning March 2015 being 95. Most practices plan to increase FFT uptake with more publicity and patient awareness.

The Committee were informed that of all practices contacted reported mainly positive results, the surgery which received 95 responses had a recommendation rate of 83% (patients extremely likely and likely to recommend the practice). No practice at the time of being contacted had displayed their results. However all practices had plans to display the results in the practice. Results from January and February 2015 will be available in late March and the data will be placed on the NHS England website and it is anticipated that the March data will be on the NHS Choices website in May 2015 and each month thereon.

### **GP National Survey**

The national GP survey is a questionnaire sent to households across England asking about resident's experience of GP services. The questions cover accessibility, waiting times, opening hours and overall patient experience.

In terms of response rates we noted that for the Islington CCG area, 15390 surveys were distributed. 26% of these were responded to, which is in line with the inner London average but below the England average response rate of 33%.

37% of Islington residents felt that their overall experience of GP practice was very good, This is in line with the London average (36%), but slightly less than the national average (43%). A slightly higher than London average proportion of Islington residents feel that their GP practice is fairly poor, (6%) when compared with the London and national average (5%).

Seven Islington GP practices had combined scores for very good and fairly good above or equal to 90%. Only four Islington practices had scores below 70% for the same indicators, the lowest Islington GP practice being 62%. 45% of residents in the Islington CCG area would

definitely recommend their GP practice to someone who has just moved into the area, this is slightly higher than the London average (43%), but below the national average (47%). Most other results are in line national figures. Two Islington GP's practices had recommendation levels (definitely and probably recommend) above or equal to 90% and only one Islington practice had recommendation levels below 50%, at 46%.

## **Secondary Healthcare Providers**

The initial requirement in 2013 was for the provider to achieve a combined response rate of 15% across A&E and in-patient care. The 2014/15 CQUIN requires Trusts to average a response rate for Quarter 4 2014/15 of 20% in A&E and 30% in in-patient services. There is no target with relation to the score, which may differ depending upon the type of services provided. The full results of the FFT for each provider is published on the NHS Choices website but a synopsis is set out below.

### **THE WHITTINGTON**

The proportion of people attending A&E completing the FFT survey has averaged around 16%, which equates to approximately 2,500 patients completing the survey each month. Since December 2013 the number recommending the Trust has been 82% to 91%, with the latest figure in January 2015 being 91% of people attending A&E recommending the Trust. When compared to other London Trusts the satisfaction levels are slightly higher than the London average.

The 2014 A&E survey was conducted across Quarter 4 2013/14. As with all participating hospitals, surveys were sent to 850 patients. 198 responses were received from Whittington patients (a response rate of 23%). The score the Whittington received for overall experience was 7.8/10 which was similar to other Trusts and in line with FFT scores.

The inpatient FFT response rate and scores since December 2013 and throughout 2014/15, 35%-45% of inpatients, which equates to around 350-450 patients per month, have completed the survey. Between April 2013 and January 2015, the proportion of inpatients recommending the Whittington (those who are likely and extremely likely to recommend the Trust as a place to be treated or cared for), has varied from 87% to 94%. The most recent results, January 2015, were 94% of patients recommending the Trust. When compared with other London hospitals in-patient satisfaction levels over the year have been slightly lower than the average London hospital.

The most recent inpatient national survey conducted showed 294 responses received (a response rate of 35%). The score the Whittington received for overall views and experience was 5.6/10, this was similar to other Trusts and in line with FFT scores received.

### **UCLH**

The Committee were informed that in relation to UCLH the response rates at UCLH A&E have varied significantly over the months since FFT was introduced from a 50% response rate in December 2013, surveying 2529 patients) to a 16% response rate in November 2014. The most recent rate has been 26% in January 2015. The A&E score has generally improved over recent months from 85% in December 2013 and June 2014) to 95% in January 2015. This is slightly higher than the London average.

In relation to the A&E national survey from the 2014 survey the UCLH score for overall experience at A&E was 8.4/10 which was similar to other Trusts in line with FFT scores.

The Committee were informed that with regard to inpatient FFT response rates and scores since May 2013 the FFT response rate has been between 25% and 35% of inpatients providing a completed FFT survey. The percentage of people recommending UCLH for inpatient care since April 2013 to January 2015 has been usually above 95%. This is above the London average.

UCLH had a response rate of 42% for the 2014 in patient survey. The score UCLH received for overall views and experience was 5.6%/10 and this was similar to other Trusts and the same as Whittington, in line with the FFT scores received.

### **MOORFIELDS FOUNDATION TRUST**

In relation to Moorfields Eye Hospital the A&E response rates and scores since November 2013 have been around 27% for each month, which is approximately 2,000 patients responding each month. The percentage of people recommending it since April 2013 and January 2015 has consistently been around or above 95% making Moorfields one of the most recommended Trusts in London.

With regard to the A&E national survey 312 responses were received for Moorfields Eye Hospital, a 32% response rate. The overall score for experience at Moorfields Eye Hospital A&E was an 8.7/10. The slightly higher score than the Whittington or UCLH is in line with the FFT score Moorfields Eye Hospital receives.

In terms of inpatient FFT response rates and scores Moorfields has a low volume on inpatient activity. The Trust regularly receive over a 70% return for inpatient services, which is approximately 60-70 patients per month. Moorfields has consistently achieved between 96% and 100% of patients recommending in patient care at Moorfields. The inpatient survey, due to the low level of activity, is not conducted for Moorfields.

### **CAMDEN AND ISLINGTON FOUNDATION TRUST**

The implementation of FFT is part of the CQUIN for Mental Health Trusts this year (2014/15). The Trust have highlighted that the FFT questions that have been incorporated into the current inpatient and community patient experience survey. There are no results to date.

The Community Mental Health survey was conducted at the start of 2014, and Camden and Islington Foundation Trust had 200 responses and the score was 7.5/10, which is line with other providers.

The FFT scores and national survey scores for Islington providers are in line with the national and London scores. Islington CCG will continue to monitor and engage with healthcare providers for Islington residents to ensure that they continue to improve patient satisfaction.

The CCG will regularly review FFT and national survey findings in relation to Islington GP practices. When required the CCG will liaise with NHS England and Islington GP practices to

ensure practices are supported both in the implementation of FFT and to identify improvements which can be made in service delivery.

## **Conclusion**

The Committee examined the patient feedback systems currently in operation and how these were working in practice, together with the information on current performance of GP practices and Trusts.

The Committee whilst noting that there were a number of mechanisms in place for patient feedback were of the view that consideration should be given to ensuring that patients were fully aware of these and that results are displayed both on websites and in GP surgeries and Acute Trusts.

Our recommendations contain a number of measures that we consider will enable patients to have more opportunity and confidence to submit feedback, which will ultimately lead to improvements in service for patients.

## APPENDIX A

### SCRUTINY REVIEW INTITATION DOCUMENT

Review: Patient Feedback

Scrutiny Committee: Health Scrutiny Committee

Overall aim: To understand the range and effectiveness of local arrangements for obtaining and acting on patient feedback to improve primary, community, acute and mental health services.

Objectives of the review:-

- To understand current arrangements and mechanisms for obtaining patient feedback in relation to local health services, including both nationally mandated and locally developed arrangements.
- To review how providers and commissioners are acting on patient feedback to improve the quality and outcomes of local health services and provide feedback on the Committee's findings to local providers
- To assess the effectiveness of different approaches to gathering and using patient feedback, with a particular focus on how feedback is secured from a wide range of patients representative of the Islington population including harder to reach or more vulnerable groups.

Duration: Approx. 3 months

How the review will be conducted

Scope: The services in scope of this time limited scrutiny review are NHS primary care, community services, mental health services and acute services. Independent sector health providers or adult social care providers are not in scope. Patient complaints procedures and arrangements are also out of scope.

Types of evidence to be assessed:

- Documentary evidence
- Witness evidence from a range of relevant individuals and organisations
  - a. Patient representatives and consumer organisations
    - i. Islington HealthWatch
    - ii. Patient representatives and groups eg Islington Patient Participation Group and practice- or service-specific groups
  - b. Commissioners
    - i. Islington CCG
    - ii. NHS England
  - c. Providers
    - i. Whittington Health
    - ii. Camden and Islington Foundation Trust
    - iii. University College London Hospitals NHS Trust
    - iv. Primary care – practice managers, GPs, LMC
- Visits?

Additional information:

May want to also consider hearing from national organisations regarding innovative practice in relation to gathering and acting on patient feedback eg NHS Institute for Innovation and



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Finance and Resources Department  
7 Newington Barrow Way  
London N7 7EP

Report of: Executive Member for Finance and Performance

Executive	Date: 24 September 2015	Ward(s): ALL
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**SUBJECT: Camden and Islington ICT Shared Service Programme**

## 1. Synopsis

- 1.1 In March 2015, Camden and Islington councils commissioned SOCITM (the Society of Information Technology Management) to carry out a high-level assessment of the Information and Communications Technology (ICT) services in both organisations and to consider the possibility of establishing a shared service.

Following this review, SOCITM found clear alignment both in the strategic direction of both councils and in the outcomes required from their respective ICT functions to deliver change and support future savings plans within their organisations.

This report therefore sets out the business case and seeks approval for the creation of a shared ICT and Digital service in Camden and Islington to commence formally in April 2016.

## 2. Recommendations

- 2.1
- a) To agree to establish a shared ICT and Digital service between Camden and Islington Councils;
  - b) To agree that a formal Joint Committee be established with the London Borough of Camden to oversee the shared service, with a longer-term option to move towards a more commercial governance arrangement and operating model;
  - c) To note that the Leader, subject to the Executive agreeing the above, will in consultation with the Executive Member for Finance and Performance make any further decisions required (and makes any appropriate delegations to officers) as to the terms of reference and operation of the Joint Committee and agreements

- between the Councils required to underpin these arrangements;
- d) To authorise the Assistant Director (Governance and HR) to enter into the Joint Committee agreement (as approved by the Leader) and any additional legal documentation necessary for the establishment of the shared ICT and Digital Service;
  - e) To agree a total cost-of-change budget of a maximum of £5m to support the transition, of which Islington's maximum contribution will be £2.5m; and
  - f) To note that the current thinking is that costs and savings for the core service offering will be shared on an equal basis between the two boroughs subject to due diligence and a further assessment of each borough's level of contribution and anticipated financial benefit.

### **3. Background**

3.1 In March 2015, Camden and Islington councils commissioned SOCITM (the Society of Information Technology Management) to carry out a high-level review of the ICT services in both organisations and to consider the possibility of establishing a shared service.

3.2 The SOCITM review found clear alignment in the strategic direction of both councils regarding the outcomes required from their respective ICT functions to deliver change and support future savings plans within their organisations.

3.3 SOCITM made three principal recommendations, namely:

- The creation of a shared digital service across both Councils to deliver shared priorities, save money and enable transformation;
- The shared service be governed by a Joint Committee or a Wholly-Owned Legal entity (e.g. Company Limited by Guarantee); and
- The change must be underpinned by structural changes in IT and by cultural change.

3.4 This report includes a range of proposals to create an integrated ICT service with an initial budget of £25m to provide an ICT and digital service to both organisations. These proposals are designed to deliver a savings target of £4m per annum phased over two years, with one-off project investment costs of up to £5m.

3.5 This report seeks approval for officers of both Camden and Islington councils to establish a shared ICT and Digital service from 1 April 2016. It also outlines the steps that must be taken in the meantime to prepare for the service to go live on that date.

3.6 Officers in both Camden and Islington councils have been considering the future of their respective ICT and digital services and, in particular, the potential to share arrangements. In shaping this work, SOCITM and officers from both Camden and Islington agreed three overarching objectives:

1. Delivering value for money and cashable financial savings;
2. Consolidating the expertise and best practice from both ICT services into one integrated and high-performing service; and
3. Creating a public service structure that is resilient and is able better to withstand market conditions from both local government and beyond.

3.7 This review included a wide-ranging engagement and data collection exercise by SOCITM, including:

- Engagement with senior stakeholders in both Councils;
- Engagement with the IT / Digital Leadership Teams in both Councils;
- A review of the relevant revenue and capital spend in both Councils;
- A review of the technology and information architecture of both Councils; and
- A review of key documents (such as the Digital Strategies) of both Councils.

3.8 Officers from both Camden and Islington have carefully considered the underlying business case. It is felt that there is a sufficient level of benefit – both financial and otherwise – to recommend the creation of a shared service. The paper explains that whilst one form of shared service is being proposed, other options are available. If the Executive decide not to proceed with a shared ICT and Digital service with Camden, either in the form recommended or at all, both councils will need to continue to deliver such services separately.

#### 4 **Review Findings: Shared risks and challenges**

4.1 In thinking about the future of ICT and digital services in Camden and Islington, the Review found a number of common risks and challenges to both Councils. These included:

- **Government cuts:** The funding outlook for local authorities following the General Election in May remains very challenging. Although a detailed understanding of the medium-term financial implications will not emerge until the Comprehensive Spending Review (November 2015), it is highly likely that Central Government funding for local government will continue to fall significantly and that both Councils will remain under intense pressure to reduce their expenditure over the medium term. Both Councils have estimated that they will need to deliver a combined savings total of £185 million by 2018/19.
- **The role of Digital in the Transformation Agenda:** In response to the challenging financial environment, the financial strategies of both organisations have been to prioritise a more transformative approach, avoiding short-term ‘salami-slicing’. The use of ICT and further digital innovation is seen as a critical enabler for transformational change throughout both organisations. It is therefore critical that both organisations have a high-quality, responsive and resilient ICT service.
- **Employment Market:** Both ICT Services are operating in a highly competitive market with a shortage of high-quality ICT staff. Given the skill-set required, both Councils are competing with employers from the public and private sector and have ongoing difficulties in recruitment and retention. Looking ahead, this represents a significant risk to future service delivery.

#### 4.2 **Review Findings: Opportunities**

At the same time, the Review undertook to identify where there may be opportunities that align with the three high-level objectives cited above. Some of the opportunities and benefits from a shared arrangement include:

- **Financial Savings:** Any arrangement would be expected to deliver cashable savings of £4m per annum. Further detail is provided in paragraph 6.4 below.
- **Enriched Serviced Delivery:** There is significant commonality in the priorities and objectives of each Council that are critical to delivering synergies. These opportunities include improving customer access (e.g. mobile-first website), enabling staff on a mobile basis (e.g. through digitisation of paperwork), joining up

services (e.g. a single view of the customer) to deliver multi-disciplinary teams as well as freeing up resources and targeting them effectively (e.g. through use of analytics and business intelligence).

- **Sharing Best Practice and Learning:** Both Councils have complementary best practices that, when consolidated, could create additional value. For example, Camden has a strong business relationship model in place while Islington has good foundations for scaling-up products and services through its enterprise architecture function. Equally, both Councils have strong infrastructure and application teams that could be synergised to deliver efficiencies and also improve service resilience.
- **An enriched and rewarding working environment:** The creation of a shared service would also provide staff with the opportunity to work in an integrated way across two large organisations. This would create a greater range of career and work development opportunities. It would also open up the potential, in the medium term, for local apprenticeships and links to educational establishments. It is hoped that this strategy would help to manage the current risks around recruitment and retention and ensure that the two organisations benefit from a wider and deeper talent pool of staff.

4.3 In addition to the opportunities cited above, the review also identified a series of benefits that could be delivered in the short to medium term. These include:

- **Simplify security** arrangements across both Councils to make it easier to access systems remotely, supporting flexible and integrated working;
- **Accelerate the integration of support** for systems and infrastructure (e.g. single helpdesk, shared networks and datacentres) to deliver more immediate financial savings, improve knowledge sharing and reduce dependency on agency staff;
- **Share the Islington approach to common standards** and policies for systems to spearhead the integration of digital platforms and support information sharing;
- **Centralise Digital Services** into a Business Partner model to strengthen the management of digital services corporately, whilst enhancing business engagement; and
- The potential to **accelerate the implementation of digital platforms** that are being successfully used in one borough but not yet available in the other to deliver savings and transformation.

## 5 WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?

### 5.1 Target operating model

5.2 The ability to deliver fully the benefits cited above will require a transformation of existing ICT structures within both Councils. To ensure that any proposed operating model could deliver the three strategic objectives, seven guiding principles are proposed (see Appendix A). At their core, these principles aim to ensure that current activities are aggregated as much as possible into a range of cross-cutting portfolios to deliver cost savings and to facilitate greater synergies, joint investment, knowledge-sharing and common approaches.

5.3 It is proposed that the new Target Operating Model is an integrated one capable of working across both Councils (see Appendix B). It would bring together staff into four functional areas that will support both Councils. It is proposed that:

- **The Digital Change function** will ensure that any digital developments are aligned with the strategic priorities of both Councils at both a departmental and

corporate level.

- **An Applications Support team** will have responsibility to support corporate and departmental systems.
- **The Common Infrastructure function** will lead on the integration and consolidation of underlying infrastructure.
- **The Strategy and Architecture function** will have responsibility for the overall strategic direction and operational performance of the service.

5.4 Beyond the financial considerations, one of the principal objectives of the project is to create a public service structure that is resilient. The service will be operating in a competitive employment market with organisations from both the public and private sector. It will need to have a strong brand and a range of employment policies that are sufficiently attractive to recruit and retain high-calibre staff.

5.5 Under the proposed operating model, there would be a single post to lead and manage the shared service. In line with the arrangements for the shared internal audit post, the post holder will have a direct line manager with the expectation that the head of the service would maintain links with both directors of finance. In line with the governance arrangements below, the post holder would also be accountable to the management board and joint committee more broadly for the operational performance of the service. It is planned that there will be an internal recruitment process to fill this role with both senior officer and member involvement. If these proposals are approved by both councils, the recruitment process would be initiated in early October 2015.

5.6 At the inception of the shared service, existing staff will not be transferred to another employer, but will, as necessary, provide services to both councils under a staff secondment agreement in accordance with section 113 of the Local Government Act 1972. However, the integrated nature of the proposed operating model, combined with the longer-term option to operate under a more commercial framework, means that there is an ambition to move towards a harmonisation of employment terms and conditions over the next eighteen months. In line with the employment practices of both councils, this will be subject to a thorough staff engagement process including consultation with the relevant trade unions. As part of these arrangements (and in a similar approach to the shared public health functions between both councils) it is proposed that there is a 'Lead Employer'. Under the public health arrangements, Islington Council is the Lead Employer. For the ICT service, it is proposed that the Lead Employer is Camden Council. These associated costs would be captured within the budget of the joint service and funded through the broader resources of the service. It is also recognised that there will need to be systems and processes within this that provide sufficient reassurance to both councils that decisions and actions are being taken in keeping with their legal and statutory responsibilities.

Initially, there will be no transfer of staff from Islington to Camden, though any new posts will be appointed on Camden's current terms and conditions.

## 6. **Governance Framework**

6.1 In its review, SOCITM also considered the governance arrangements for the shared service and the need for both political and managerial oversight. Following consideration of a range of options, the review recommended that the shared service should be governed by either a Joint Committee (common in many local government ICT shared services such as the Havering and Newham 'One Source' model) or a Wholly-Owned Legal Entity (e.g. Company Limited by Guarantee, which is less commonly employed). A joint committee is a formal local authority committee established by two or more local authorities under Sections

101 and 102 of the Local Government Act 1972 with responsibility for the discharge of functions delegated to it by those authorities and is part of the governance arrangements of those authorities. A wholly owned company is a separate legal entity from the local authority(ies) that have set it up. It would own assets, may employ staff and is able to contract in its own right. Various options include a Company Limited by Guarantee, Mutual, Industrial and Provident Society, Limited Liability Partnership or a Social Enterprise.

- 6.2 Both options have their perceived strengths and weaknesses and these are set out in more detail in Appendix C. In considering the governance arrangements, factors considered included, but are not limited to:
- The need for democratic accountability;
  - The speed and financial implications of implementation;
  - Commercial possibilities and the ability to generate revenue beyond the service for the benefit of the partner authorities; and
  - The ability to grow the shared service to include additional partners.
- 6.3 At this stage, given the proposed go-live date of 1 April 2016, it is suggested that the shared service initially operates under a joint committee structure. It is felt that that provides the quickest route to operation. Under the proposals, the Committee would consist of four members (two from each borough) and it would convene twice a year to provide democratic oversight, agree the overall strategy for the service and to receive six-monthly progress reports on the performance of the service. By law, every member appointed to the joint committee needs to be a member of either Islington's Executive or Camden's Cabinet. The current working draft of the terms of reference for the joint committee is attached as Appendix D to this report.
- 6.4 There would also be a senior officer management board. This would include senior officers from both councils, including both directors of finance, senior service users and the head of the shared service. The board would be responsible for delivering the overall strategy of the service and for managing the overall operational and financial performance. Its proposed terms of reference are attached as Appendix E to this report.
- 6.5 A longer-term option would be to move from the joint committee structure towards a more commercially-orientated model. It is proposed that a full review of the options for such a new model would be completed within 18 months of the go-live date. This commitment would be captured within the terms of reference for the joint committee. Given this longer-term consideration, it is expected that the structures and arrangements for the joint committee will be designed in a flexible way to facilitate any potential move to a different operating model.
- 6.6 It is proposed that the Leader (who may exercise any Executive functions), subject to the Executive's agreement to the recommendations in this report, to the overall strategy of creating a joint service and to the delegation to a Joint Committee of the IT functions of the Council, and in consultation with the Executive Member for Finance and Performance, makes any further decisions required (and makes any appropriate delegations to officers) as to the terms or reference and operation of the Joint Committee.

## 7 WHAT ACTIONS WILL BE TAKEN AND WHEN FOLLOWING THE DECISION AND HOW WILL THEY BE MONITORED?

- 7.1 While the bringing together of two distinct services into one integrated operating model offers a number of opportunities, there are also a range of significant challenges and risks. Experience across London local government and beyond shows that the creation of a shared service is not without obstacles. The project will continue to be subject to a robust project management process, overseen by the Directors of Finance from both councils and managed by a project team, led by a dedicated project resource, and consisting of senior finance and ICT staff from both organisations.
- 7.2 In its review, SOCITM identified a number of key risks. This has been supplemented by thoughts from the current project team. These risks are being actively managed through a regular review of the project's risk register. They include:
- Lack of common structure could add costs and cause operating and project management issues;
  - Lack of pooled budgets could prevent economies of scale and common approach;
  - Failure to address culture change could prevent a collaborative working relationship between IT and the business; and
  - Loss of key staff during the transition and lack of buy-in from key stakeholders in both Councils could mean that the shared service is not supported and potentially set up to fail.
- 7.3 One of the principal risks identified concerns the need to ensure that both councils continue to receive a fully functioning ICT service while the transition is made to the target operating model. In response to this concern, an additional senior management post will be earmarked from within existing resources. The objective of this role will be to provide senior management support to the transition, minimising the impact of these changes on the two organisations and to provide additional management capacity alongside the head of the shared service at a time when there is expected to be significant levels of change.
- 7.4 The shared service is predicated on Islington centralising its ICT staff and budgets. It is anticipated that all directorate staff will report into the Director of Digital Services and Transformation at Islington and IT budgets will be centralised to facilitate the transition to the shared service from 1 April 2016.
- 7.5 Subject to the view of Executive, it is proposed that the new shared service would be operational by 1 April 2016. This is an ambitious timeline and will require a robust project management approach. A summary of the key milestones over the next 12 to 18 months is provided below. This work will commence immediately upon an affirmative decision by both councils.

### **Milestones 0 – 6 Months**

- **Appoint Single ICT Head of Service (designate)** to be accountable for delivery
- **Centralise ICT in Islington (both staff and budgets) from 1 October 2015**
- **Agree shared service governance model** (including funding model and business plan) and implement
- **Engage with stakeholders to develop detailed design**, consultation and proposals to deliver efficiencies along with implementation costs
- **Develop programme of proposed Quick Wins** and accelerate implementation where business case to do so
- **Investigate Data Centre Options**

<ul style="list-style-type: none"> <li>• <b>Baseline priorities and demand</b> across both Councils and aggregate into cross-cutting portfolios that enable synergies, savings and joint development opportunities to be identified</li> </ul>
<b>Milestones 6 – 12 Months</b>
<ul style="list-style-type: none"> <li>• <b>Centralise IT staff and budgets from both councils into the shared service</b></li> <li>• <b>Appoint senior management structure</b></li> <li>• <b>Align staff into the new operating model</b></li> </ul>
<b>Within 12 – 18 months</b>
<ul style="list-style-type: none"> <li>• Implement service efficiency programme to deliver efficiencies</li> <li>• Assuming operating model stable, explore proactively opportunities to expand</li> <li>• ICT Target Operating model in place</li> </ul>

## 8 CONSULTATION

8.1 Relevant staff and members in both councils have been consulted, e.g. through Islington Council's Members' Digital Sounding Board. A more formal organisational change process will follow for staff in both councils as we move towards a shared service model.

## 9 Financial implications:

9.1 A high-level financial analysis has been undertaken of the existing services and the financial benefit that could accrue from a shared arrangement. At present, there is a combined net revenue budget of £27m with 313 Full Time Equivalents working (FTE) across both councils.

9.2 Based upon the proposed target operating model (see Section 5), the high-level business case suggests that these arrangements would be expected to deliver an annual saving of £4 million per annum once fully implemented.

9.3 The majority of these savings would come from a rationalisation of the workforce and a reduction in FTE numbers (potentially of up to 50 FTEs) as the service moves from two standalone services. This integrated operating model would require fewer management and supervisory posts. It would also be expected that there would be a further reduction in the workforce from process efficiencies as both Councils would benefit from integrated networks, datacentres and common applications.

9.4 In addition to the workforce savings, the financial model assumes 11 per cent savings on non-staff costs through the removal of duplicated spend and the integration of contract and software licensing. Based on experience from other ICT shared services which have over time delivered savings of close to 20 per cent, this is seen as a prudent estimate.

9.5 To implement these arrangements, SOCITM has concluded that upfront investment in the region of £5 million will be required. It is thought that this is a prudent estimate and it is expected that these costs will be driven down as the project is implemented.

9.6 The anticipated costs include:

- **Project support to aid the start-up and transition to the shared service**, including organisational development, process redesign and governance arrangements, programme management support and contract rationalisation support, procurement support and legal costs;

- **Restructuring costs:** This would include job design, job evaluation, assimilation, selection, recruitment costs and associated redundancy costs; and
- **Building a common base (e.g. platform / infrastructure costs)** to bring the two Councils to a common standard and approach.

9.7 Further work will be undertaken to validate and agree the baseline budgets in detail and to estimate the savings and investment cashflows to inform both councils' financial plans. Both councils will need to identify capital and revenue investment funding for the project costs during the transition. Some of the funding could come from a one-off recycling of savings. However, the precise funding would be a decision for each council to make. Given both councils have prudently set aside earmarked reserves to cover redundancy costs, it is expected that these costs will be met from those reserves.

**Figure 1: High-Level Financial Analysis**

Summary	£000s
Total Annual Savings	4,000
Total One-Off Investment Cost	4,917
End-State FTE Reduction	50

Annual Savings	
Staff Savings (service average £/FTE)	2,457
Non-staff savings	1,543
Investment Avoided (Annual Benefit)	0
<b>Total Annual Savings</b>	<b>4,000</b>

Investments and One-Off Costs	
<b>Design, build and implementation</b>	
Project Team Cost (External)	1,900
Capital Investment	1,600
Severance Pay	1,500
<b>Total Investment and One-off Costs</b>	<b>5,000</b>

9.8 Based on the above, Islington's share of the investment costs is approximately £2.5m, although it is expected that this level of investment will be driven down as plans are developed further. The Council has set aside resources to fund any redundancy costs.

9.9 The outline business case is subject to an independent review by the joint Internal Audit service. This is due for completion and discussion in September.

9.10 Given the financial imperative, the shared service will need to deliver financial savings for both Councils. Consideration has been given to how this arrangement could work. There are a range of options to apportion the financial benefits, including:

- Understanding where individual savings fall and allocating them accordingly;
- Distributing the savings according to the existing expenditure baselines of both Councils; or
- Sharing the savings on an equal basis.

Each of the options above has both merits and drawbacks. While fairness is a key

9.11 consideration, this must be balanced against the need to avoid unnecessary complexity and bureaucracy. It is also felt that any arrangement should align with and not undermine the spirit of the proposed integrated service delivery model. With this in mind, current thinking is that all financial savings should be shared on an equal basis. This is subject to due diligence and a more detailed assessment of each borough's starting level of investment contribution and anticipated financial benefit.

9.12 It is also proposed that agreed project investment and one-off costs will be shared on an equal basis. That said, there may be occasions when each council will wish to invest in a local priority. Equally, there may be times when one council is slightly more advanced than the other in a certain area of the business and in order to progress a joint undertaking, one council will require further investment. In these instances, it would be expected that the costs of any focused investment would fall directly on the council in question.

## 10 **Legal Implications:**

10.1 The Local Government Act 2000 empowers the Secretary of State to make regulations enabling a Cabinet / Executive of a local authority to arrange for the discharge of its functions by other means. The Local Authorities (Arrangement for the Discharge of Functions)(England) Regulations 1012/1019 apply. The regulations empower the Leader and Executive to make arrangements to discharge their Executive functions jointly with another local authority through a Joint Committee created for that purpose. The Regulations confirm that when the arrangements are between two local authorities and relate to Executive functions (which the IT function in a council is) then the arrangements are to be between the two Executives/Cabinets. The appointment of the joint committee, number of members, and term of office and scope of the committee is to be fixed by the Cabinet/Executive. In addition the Cabinet/Executive (in agreement with Islington/Camden) agree whether for example the Joint Committee can create a sub-committee(s) and / or delegate functions to an officer of one of the two Authorities. Every member to be appointed to the joint committee must by law be a member of their home Executive/Cabinet and the political balance rules do not apply. While Executive is being asked to agree the overall strategy and the creation of the Joint Committee, the Leader may, in consultation with the Executive Member for Finance and Performance, make the detailed further decisions which will include:

- To agree the final terms of reference of the joint committee – current working draft is attached at Appendix D;
- To appoint two members of the Executive/Cabinet to the Joint Committee to serve until the end of the municipal year; and
- To agree the contents of an underpinning joint committee agreement between the Councils.

10.2 In deciding whether to agree to establish a shared ICT and Digital Service, the Executive should be satisfied that the proposed arrangements with Camden will enable the continuation and development of ICT services required for the delivery of the council's functions. In this regard, equal membership of the Joint Committee will enable the Council to continue to have oversight of the delivery of the service and its future strategy and development. In particular, in reaching their decision, the Executive should weigh up and balance the advantages of a shared service over the current delivery method as set out in the report and the need to achieve budget savings against the risks of failure identified in paragraph 8.2. The Executive also needs to be reasonably satisfied that the shared service will deliver value for money and that the financial investment of up to £2.5m will enable the projected level of savings to be achieved.

## Environmental Implications

10.3 None identified

### Resident Impact Assessment:

10.4 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.

Bringing the two ICT services together is expected to have positive outcomes for residents, as it will help to accelerate progress on resident-focussed ICT projects that will improve residents' interactions with the council. It will also allow the councils to work collaboratively to address digital inclusion issues and ensure that we support residents in their digital lives.

The changes will affect staff working for both authorities and a full assessment of the staffing impact will be carried out as we work through the transition plan.

## 11 Reasons for the recommendations / decision:

11.1 Camden and Islington Councils set out three key criteria that must be satisfied by a shared ICT service, as set out in paragraph 4.2. The business case demonstrates that all three can be achieved and so the creation of a shared ICT service with Camden is recommended.

Signed by:



**Cllr Andy Hull, Executive Member for  
Finance and Performance**

**Date 24 August 2015**

## Appendices

Appendix A: Design Principles for a Responsive Shared Service

Appendix B: Proposed Target Operating Model

Appendix C: Governance Frameworks

Appendix D: Joint Committee - Terms of Reference

Appendix E: Management Board - Terms of Reference

## Background papers:

- Please list all background papers that comply with the description in the regulations (seek advice from Democratic Services if needed).

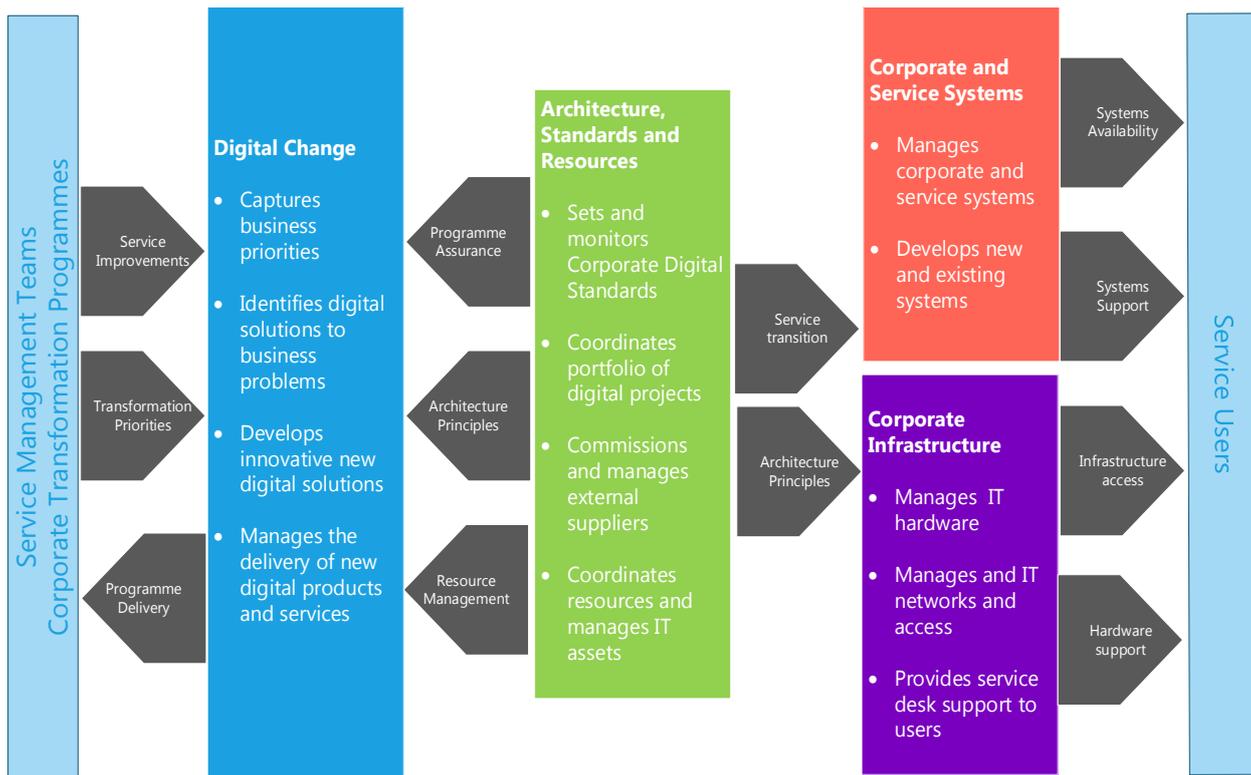
Report Author: Roger Dunlop  
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Email: [roger.dunlop@islington.gov.uk](mailto:roger.dunlop@islington.gov.uk)

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## **Appendix A: Design Principles for a Responsive Shared Service**

1. Partnership based on an integrated model of delivery that will ultimately save money & accelerate innovation.
2. Responsive to customer need through partnership and alignment to corporate strategy & business driven approach to the allocation of resources.
3. Embedded in and with service needs through a strong and effective business partnering model.
4. Optimised through demand aggregation, integrated programme management and standardisation.
5. Delivers economies of scale through shared infrastructure and applications support services.
6. Provides resilience through shared knowledge and joint teams.
7. Delivers transformation capabilities and accelerates innovation through specialist teams building on shared expertise from the two teams (e.g. mobile working and customer access development skills).

## Appendix B: Proposed Target Operating Model



## Appendix C: Governance Frameworks

### A. Joint Committee

Features
A formal local authority committee constructed under Section 101 of the Local Government Act 1972 with responsibility for policy-setting delegated by principal local authorities
Serviced by designated officers
Positives
Staff remain employed by their respective Councils – i.e. no TUPE impact
Allows a simple delegation of authority functions
Simple governance structure that is tried and tested
Fastest way of establishing the Shared Service
Enables several longer-term structures to be considered as the Shared Service arrangement evolves – can form the basis of a move to a more commercial company structure once established, if desirable
Democratic accountability is maintained – member involvement at the heart of the entity
Provides the opportunity to create a sense of partnership identity through a separate ‘brand’ that distinguishes the service from the founding service departments and provides the basis for culture change
Challenges
Arrangements for employing new members of staff into the shared service need to be agreed – may become complex and impact on individual pension funds needs to be monitored
Can be bureaucratic - as new partners join the Joint Committee competing viewpoints increase the risk of more cumbersome strategic decision-making
The ability to “trade” is subject to legal challenge – need to ensure external service provision remains within the boundaries of the Local Authorities (Goods and Services) Act 1970, section 38 of the Local Government (Miscellaneous Provisions) Act 1976 and section 93 of the Local Government Act 2003
May not drive cultural change – may be difficult to create a sense of separate identity and joint enterprise
Limited scope to introduce commercial expertise (if trading is a driver)
No corporate entity to be able to contract or own property in own name (e.g. one of the principals needs to lead for external contracting)

### B. Wholly-Owned Company

Features
Separate legal entity set up by the principal local authorities - owns assets, employs staff and able to contract in its own right
Company wholly-owned by the shareholders – likely to be Company Limited by Guarantee – with purpose set out in memorandum and articles of association
Positives
Distinct legal status
Provides the opportunity to create the necessary terms and conditions of employment to attract and retain the best talent in a highly competitive market without impacting on those of the rest of the two Councils
Allows the ability to bring onboard other shareholders and partners

Can be used to drive culture change, including a more 'commercial' approach to service delivery
Can contract and own property
Ability to trade commercially
Ability to introduce commercial expertise through non-executive Board membership
Capable of being used for multiple purposes
<b>Challenges</b>
Likely to trigger TUPE transfer of staff in existing operations – may take longer to establish
Potential exposure to taxation issues not faced by local authorities (e.g. corporation tax and recovery of VAT)
Conflict of interest issues need to be monitored
Independently monitored – subject to Companies Acts/Industrial and Provident Societies Acts and Insolvency Acts
Financial overhead of a separate company
Other Local Authorities and public sector bodies likely to be subject to EU Procurement Rules when buying services from the company
Need to ensure that service delivered back to principal local authorities remain within the boundaries of 'Teckal' exemptions (i.e. that external trading is within legal limits)

## **Appendix D: Camden/Islington Joint Committee - Terms of Reference**

### **Membership:**

1. The Committee shall comprise of four members, two appointed by each of Camden Council and Islington Council.
2. One member appointed by each council should be the relevant Cabinet/Executive member responsible for technology.
3. Every member appointed to the joint committee must by law be a member of the Executive/Cabinet of their council. Political balance rules do not apply.
4. Each Council may nominate substitute Members to attend meetings of the Joint Committee, should an appointed member of the Committee be unavailable or unable to attend a meeting of the Joint Committee. A substitute Member attending in the absence of an appointed member must by law also be a member of the Executive/Cabinet of their council and will have full voting rights.
5. Each Member of the Joint Committee shall be appointed for an initial period of three years but shall cease to be a member if he or she ceases to be a member of the council appointing him or her or of its Cabinet/Executive.

### **Terms of Reference:**

The Camden/Islington Joint Committee will:

1. Provide democratic oversight for the strategic delivery of the joint digital service provided to Camden and Islington councils through powers delegated to it by both Executives.
2. Approve the strategic service and financial plan for the service and the performance measures to ensure services are delivered to the agreed standard and within the resources provided by both councils.
3. Receive updates on the Business Plan and the performance of the Joint Service.
4. Approve revisions to the Terms of Reference of the Camden/Islington Joint Committee to be referred back to the Camden Cabinet and Islington Executive for approval
5. Receive and consider a detailed report, within eighteen months of the creation of the Joint Committee [i.e. by September 2017] that considers the options for the Shared ICT Service to be delivered via a wholly-owned company rather than a Joint Committee structure and make recommendations to the Cabinet/Executive of Camden and Islington councils in respect of the report.

### **Meetings of the Committee:**

1. The Camden/Islington Joint Committee will meet twice a year and shall meet at least once every six months. Additional meetings of the Joint Committee may be called by the Chair of the Joint Committee and shall be so called on the request of the Head of Paid Service of either authority, the Management Board or any two members of the Joint Committee.
2. Meetings of the Joint Committee shall be held at a venue or venues as agreed by the Joint Committee.

3. The Joint Committee shall appoint one of its members as Chair and that member shall remain Chair for one year unless he or she ceases to be a Member of the Joint Committee. The Chair will rotate between each authority on an annual basis with the vice-chair to come from the other authority.
4. A meeting of the Joint Committee shall require a quorum of three Members who are entitled to attend and vote. If there is a quorum of members present but neither the Chair nor the Vice Chair is present, the Members present shall designate one Member to preside as Chair for that meeting.
5. Subject to the provisions of any enactment, all questions coming or arising before the Joint Committee shall be decided by a majority of the Members of the Joint Committee immediately present and voting thereon. Subject to the provisions of any enactment, in the case of an equality of votes the Chair shall have a second or casting vote but before exercising this the Chair shall consider whether it is appropriate to defer the matter to the next meeting of the Joint Committee.
6. Any Member of the Joint Committee may request the Joint Committee to record the votes of individual Members of the Joint Committee on a matter for decision.
7. Any member of the Councils who is not a Member of the Joint Committee is entitled to attend the Joint Committee but he/she shall not be entitled to vote and shall not take part in the consideration or discussion of any business, save by leave of the Chair.
8. Meetings of the Joint Committee will be open to the public except to the extent that they are excluded under paragraph 9.
9. Any decision of the Joint Committee which is a Key Decision shall be published by the Joint Committee and the relevant Council(s) in accordance with the Local Government (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.
10. The public may be excluded from a meeting of the Joint Committee during an item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that, if members of the public were present during that item, confidential information as defined in section 100A(3) of the Local Government Act 1972 or exempt information as defined in section 100I of the Local Government Act 1972 would be disclosed to them.
11. Each Council may call in any decision of the Joint Committee in accordance with the overview and scrutiny provisions of that Council's constitution. If any decision of the Joint Committee is subject to call in by a Council, the Joint Committee shall take no action to implement that decision until after the call in process is completed. The Joint Committee may delegate a function to a Sub-Committee or an officer of either council.

## **Appendix E: Camden/Islington Management Board - Terms of Reference**

### **Membership:**

1. The Board shall comprise of no more than seven senior officers, being the head of the joint service and an equal number (three) of officers from both Camden and Islington.
2. The representatives from each council will need to include the relevant Director of Finance plus senior service representatives from each council.
3. Each representative will be responsible for taking a strategic view of the shared service and act in the broader ICT and digital interests of the two councils.

### **Terms of Reference**

The Camden/Islington Management Board will have overall managerial and strategic responsibility for the delivery of the joint digital service provided to Camden and Islington. This will include responsibility for:

4. The business strategy, including key service objectives and investment priorities.
5. Ensuring that there are sufficient resources – both financial and non-financial – in place to achieve the service's key priorities and objectives.
6. Monitor and report on the service's performance against agreed metrics on a quarterly basis, taking any corrective action as and when required.
7. Leading on the financial strategy and investment priorities for the service.
8. Overseeing and agreeing the cost and benefit sharing framework, ensuring that it remains fair and appropriate for both organisations.
9. Provide updates on the strategic business plan and performance to the Joint Committee.
10. Oversee the development of work to ensure that within eighteen months of the creation of the Joint Committee [i.e. by September 2017], the Joint Committee considers the options for the Shared ICT Service to be delivered via a wholly owned company rather than a Joint Committee structure.

**Report of:** Executive Member for Health and Wellbeing

Meeting of:	Date	Ward(s)
Executive	24 September 2015	All
<b>Delete as appropriate</b>	<b>Exempt</b>	<b>Non-exempt</b>

**SUBJECT: APPROVAL OF CONTRACT AWARD FOR CONTRACT  
EXTRA CARE SHELTERED HOUSING**

**1. Synopsis**

- 1.1 The recommendation for the pre-tender procurement strategy in respect of Extra Care Sheltered Housing Services was approved by the Council’s Executive Committee in January 2015 in accordance with Rule 2.5 of the Council’s Procurement Rules. The strategy recommended that the Council directly negotiate a new maximum sixteen (16) year contract with four (4) year break options to provide Extra Care Services with provider Notting Hill Housing Trust,
- 1.2 The Council has now successfully and comprehensively directly negotiated a contract with provider Notting Hill Housing Trust to provide the service and is satisfied that this will secure continuity of care for very vulnerable residents, continuity of supply of specialist resources and continued value for money for the Council. The contract will provide at least 99 units of Extra Care, Intermediate Care and Housing Support services to individuals with complex needs across a range of client groups including Older People, those with Physical and Sensory Disabilities and Global Learning Disabilities.

**2. Recommendation**

- 2.1 To approve award of the contract to provide Extra Care Services to Notting Hill Housing Trust for a period of 16 years commencing on 1<sup>st</sup> October 2015 with the option to terminate the contract after the first 4 years and subsequently at the end of each period of four years up to the contract end date on 30<sup>th</sup> September 2031.

**3. Background**

- 3.1 Extra Care sheltered housing provides vulnerable people with access to on-site 24/7 personal care, community health and housing support services. The service is targeted at those with complex needs, usually aged 55+, and is provided for those who have been assessed by care managers as needing this level of support. People in Extra Care hold an assured tenancy and live in a self- contained flat with their own front door. The service provides a range of activities to improve quality of life and reduce isolation, including access to a meals service for tenants wishing to eat together. Tenants can contact

staff outside of their planned care times through an on-site alarm service.

- 3.2 Intermediate Care services deliver a structured time-limited rehabilitation service to enable people who have experienced deterioration in their health through illness or injury to regain as much control over their own lives as possible, The service is targeted at older people who would otherwise face unnecessary prolonged hospital stays or inappropriate admission to acute in-patient care, long term residential or nursing home care or continuing NHS health care.
- 3.3 The revised contract specification for the service will increase the requirement for the provider to engage in and support end of life planning, working more closely with community and primary health care services. The benefits realised from this will be through its contribution to:
- Reducing unplanned hospital admissions
  - Reducing unnecessary London Ambulance Service call-outs
  - Increasing the number of people dying in their preferred place
  - Reducing the number of tenants moving into more costly nursing care or delay the point at which they do so.
- 3.4 The revised contract terms and conditions include a requirement to pay the London Living Wage (LLW) to all staff employed to deliver the contract. Requirements also include that all staff be trained to a minimum of NVQ level 2 or its successor Health and Social Care Diploma L2. It is the Council's intention that services are delivered by motivated and committed staff, trained to high standards. It is intended that this in turn will yield higher quality service provision, lower staff turnover, and thus deliver better continuity of care to residents. The impact of the LLW will be monitored and assessed throughout the contract term.
- 3.5 The capacity for delivering the contract has been comprehensively assessed and increased to ensure the volume of service meets the increasing need of residents accessing the service over the lifetime of the contract. This will accommodate existing tenants developing more complex need and those entering the service with a higher level of need.
- 3.6 There are no statutory deadlines for implementation that need to be considered.
- 3.7 The new contract is planned to commence 1 October 2015. The contract term will be for four (4) years with an option for break and extension for a further four (4), plus four (4), plus four (4) year term.
- 3.8 Following options appraisal that considered the competitive tender route and delivery of the service in house, direct negotiation was assessed as the best option to secure the continued supply of extra care services in the borough at current volume and value for money.
- 3.9 No formal consultation was undertaken as there is no change to the current service being provided under new terms and conditions. The contract specification for the service is outcome based, ensuring the provider works with tenants to promote choice about the service that is received, support independence, deliver quality of life and enable social inclusion.
- 3.10 The annual value of the contract is £ 2,480,036.
- 3.11 The operational process for the management of service voids has been reviewed and revised to deliver greater efficiency and it is intended that this will deliver a reduction in costs and spend. The delivery of improved last years of life care and advance care planning will enable tenants to remain longer in extra care and increasingly until the end of their lives, reducing the need to move on to more expensive nursing home care.
- 3.12 Benchmarking of extra care services has proven to be difficult to assess. It has been difficult to compare costs in other areas because of variation in service criteria, service user groups, and specification of services across local authorities.
- 3.13 The service represents good value for money. There is no planned percentage reduction for this service as the Council secured significant efficiencies in 2012/13 and at the same time negotiated a

zero percent annual uplift. Any reduction in budget would need to consider the long term impact on spend in other more expensive service areas, since Extra Care is used as part of our preventative strategy, maintaining people in the community, and reducing the numbers going into more expensive residential care.

- 3.14 The key cost drivers for this service are an increasing ageing population and increasing demand for the service. Numbers of older people living in the borough are set to increase, a predicted increase of 9% in the number of older people living in the borough by 2020 suggests an increase in demand for accommodation based support services, and extra care sheltered housing is a significantly cheaper option than residential care. The number of older people living alone is relatively high, and many are doing so without the support of extended families due to the high cost of housing in the borough. In this environment referral into Extra and Intermediate Care services reduces the amount of time tenants spend in hospital, avoids unplanned hospital admissions, extends independent living through use of reablement services and facilitates speedy discharge from hospital.
- 3.15 It is intended that the implementation of the LLW will impact positively on staff delivering the contract.

## **4. Implications**

### **4.1 Financial implications**

Extra Care services are currently funded from a combination of Adult Social Care base budget and a pooled budget agreement, for the provision of Intermediate Care services, between Islington Council and Islington Clinical Commissioning Group.

The award of the Extra Care Services for £2.48m p.a. to Notting Hill Housing represents a £256K (10%) increase on the current contract value. The increase is to be funded through available existing resources in Adult Social Care and the Intermediate Care pooled budget, with £2m funded from Adult Social Care and £0.48m from the Intermediate Care pool.

The increase in the value of this contract is due to an increase in capacity to meet increased service user needs and additional funding to ensure all staff are now paid at London Living Wage or above.

This award should not create a budget pressure for the Council although additional funding may be required in future years as the London Living wage increases.

Any TUPE cost implication that may arise from the contract will have to be met by existing resources outlined above.

### **4.2 Legal Implications**

The Council has a duty to make arrangements for providing residential accommodation and care for persons who by reason of illness and disability are in need of care and attention which is not otherwise available to them (section 21 National Assistance Act 1948 (as amended)). The Council may discharge that duty by making arrangements with private providers of residential accommodation for those assessed to need it (section 26 of the 1948 Act). Accordingly the council may enter into a contract with a provider to secure the supply of extra care sheltered housing services (section 1 of the Local Government (Contracts) Act 1997).

The services that are being procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £625,050.00. The value of the proposed contract is above this threshold. There is a requirement for such contracts to be advertised in the Official Journal of the European Union (OJEU). There are no prescribed procurement processes under the light touch regime. The council's Procurement Rules require contracts over the value of £100,000 to be subject to competitive tender.

There is some risk of procurement challenge in extending the existing contract with Notting Hill Housing Trust without conducting a transparent procurement process, including the publication of a contract notice. However this risk may not be significant if, as stated in the report considered by the Executive at its meeting in January 2015 to approve the procurement strategy, there are no other suitable providers

for this service based in Islington who would be interested in bidding for the contract. Having considered the risk the Executive at its meeting in January 2015 approved the procurement strategy. Therefore the contract may be awarded to Notting Hill Housing Trust if the Executive is satisfied as to the competence of this organisation to provide the services and that the negotiated contract price represents value for money for the council.

#### 4.3 **Environmental Implications**

A 99 unit extra care facility has some degree of environmental impact due to the nature of the client group residing there in terms of heating requirements for elderly residents, the use of kitchen facilities, and the disposal of offensive and pharmaceutical waste generated. The contract requires the provider to take steps to minimise the impact of the facility 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.

A Resident Impact Assessment was completed on 31/07/15 indicating that the direct negotiation did not need to take into account any specific equality issues.

The RIA 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. The provider is required to undertake appropriate equalities training and deliver services in line with equalities legislation. The new contract will deliver services to the same contractual requirements.

### 5. **Reasons for the recommendations / decision**

- 5.1 This report recommends that the contract to deliver Extra Care Services be awarded to Notting Hill Housing Trust.
- 5.2 The recommendation is based on a comprehensive direct negotiation strategy that will secure continuity of care for very vulnerable residents, continuity of supply of specialist resources and continued value for money for the Council.

#### **Signed by:**

*Janet Burgess*

Executive Member for Health and Wellbeing

**Date:** 2 September 2015

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