



AGENDA FOR THE EXECUTIVE

Members of the Executive are summoned to attend a meeting to be held in Committee Room 4, Town Hall, Upper Street, N1 2UD - Islington Town Hall on **19 September 2019 at 7.00 pm.**

Enquiries to : Philippa Green
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Despatched : 11 September 2019

Membership

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

Councillor Andy Hull

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

Portfolio

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

Quorum is 4 Councillors

Please note

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

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



Declarations of interest:

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

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

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

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

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

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

I. **Urgent exempt Matters**

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

The next meeting of the Executive will be on 17 October 2019

London Borough of Islington

Executive - 11 July 2019

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD - Islington Town Hall on 11 July 2019 at 7.00 pm.

Present: **Councillors:** Watts, Burgess, Hull, O'Halloran, Shaikh and Ward

Councillor Richard Watts in the Chair

627 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Comer-Schwartz and Councillor Webbe.

628 DECLARATIONS OF INTEREST

None.

629 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the Minutes of the meeting on 20 June 2019 be agreed as a correct record and the Chair be authorised to sign them.

630 APPROPRIATION OF LAND FOR PLANNING PURPOSES - WEDMORE ESTATE

RESOLVED:

- 2.1 That the Interim Corporate Director of Resources be authorised to appropriate the Land from housing to planning purposes in accordance with section 122 Local Government Act 1972 and subsequent use of the Council's powers under s203-s206 of the Housing & Planning Act 2016 to override rights to light of neighbouring properties that would be infringed by the Wedmore Estate redevelopment be agreed.
- 2.2 That the Interim Corporate Director of Resources be authorised, following consultation with the Acting Director of Law and Governance and Corporate Director of Housing, to agree the settlement of rights of light claims with owners and occupiers of the

two affected properties and ancillary affected leases, together with any associated fees be agreed.

- 2.3 That the cost of the proposed settlement of rights of light compensation payments and associated fees for leaseholders affected by this scheme will be met from the capital budget for the Wedmore Estate scheme be noted.

Reason for decision – to provide much needed genuinely affordable housing as well as social, economic, and environmental benefits, as detailed in the report. Other options considered – none other than as specified in the report. Conflicts of interest/dispensations granted – none.

631 DOWNSZERS DUAL CHARGE RELIEF (FOR COUNCIL TAX PAYERS)

RESOLVED:

- 2.1 That creating a class of council tax charge payers for the purposes of awarding an exemption to their council tax to be known as "Downsizers" be agreed.
- 2.2 That the definition of a Downsizer as a tenant who was living in a larger property over which LBI has nomination rights who has completed an under-occupation transfer to a smaller property over which LBI has nomination rights be agreed.
- 2.3 That this class of charge payers will be awarded a local council tax relief, by way of a discount, if during the transition from the larger to the smaller property the Downsizer becomes liable for council tax at both properties for an overlapping period be agreed. That the discount will be applied in a way that will reduce the Downsizer's council tax bill on any unoccupied property during the overlap to nil be agreed.
- 2.4 That this class of reduction will be applied in accordance with the Downsizers Dual Charge Relief Scheme which is contained in Appendix 1 of this report be agreed.
- 2.5 That Downsizers Dual Charge Relief will be available from the date the scheme is agreed and can be applied to any qualifying period from the 2019/20 financial year onwards be agreed.

Reason for decision – to remove an obstacle to residents moving to smaller accommodation and releasing their original accommodation to house families on the Housing Register. Other options considered – none other than as specified in the report. Conflicts of interest/dispensations granted – none.

632 PROCUREMENT STRATEGY FOR AUTOMOTIVE FUELS

RESOLVED:

- 2.1 That the procurement strategy for Automotive Fuel as outlined in this report be agreed.
- 2.2 That authority be delegated to the Corporate Director of Environment and Regeneration following consultation with the Executive Member for Environment and Transport, to award the supply of automotive fuels contract/s to the, for a duration of 30 months commencing 1 October 2019 until 31 March 2022 be agreed.
- 2.3 That the Executive be provided with an annual update on the progress being made to move the Council's fleet away from diesels and petrol to electric and renewables be agreed.

Reason for decision – to ensure service continuity and achieve improved value for money through the use of a framework agreement.
Other options considered – none other than as specified in the report.
Conflicts of interest/dispensations granted – none.

633 GP SURGERIES SCRUTINY - RECOMMENDATIONS FROM THE HEALTH AND CARE SCRUTINY COMMITTEE

RESOLVED:

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

Reason for decision – to allow the Executive to receive the Health and Care Scrutiny Committee's recommendations.
Other options considered – none other than as specified in the report.
Conflicts of interest/dispensations granted – none.

634 PROCUREMENT STRATEGY AND CONTRACT AWARD FOR END USER COMPUTING HARDWARE

RESOLVED:

- 2.1 That the procurement strategy for EUC Hardware as outlined in paragraph 3.4 of this report, utilising the HealthTrust Europe framework agreement – Lot 1, be agreed.

- 2.2. That the award of a direct-call contract from the HealthTrust Europe framework agreement – Lot 1 to XMA Limited to deliver the 4,500 EUC laptop devices over a period of 12 months with a total value of £3,264,943 be agreed.

Reason for decision – to ensure the Council’s EUC hardware remains fit for purpose and compliant with security standards..

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

Conflicts of interest/dispensations granted – none.

635 PROCUREMENT STRATEGY AND CONTRACT AWARD FOR END USER COMPUTING - EXEMPT APPENDIX

That the information in the exempt appendix to agenda item E1 be noted (see Minute 634 for details).

636 APPROPRIATION OF LAND FOR PLANNING PURPOSES OF SITE KNOWN AS LAND AT WEDMORE ESTATE, WEDMORE STREET, LONDON N19 - EXEMPT APPENDIX

That the information in the exempt appendix to agenda item B1 be noted (see Minute 630 for details).

MEETING CLOSED AT 7.06 pm

CHAIR



ISLINGTON

**Resources Directorate
Newington Barrow Way**

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

Meeting of	Date	Ward(s)
Executive	19 September 2019	All
Delete as appropriate	Exempt	Non-exempt

BUDGET MONITORING 2019/20 MONTH 4

1. SYNOPSIS

- 1.1 This report presents the forecast outturn position for 2019/20 as at 31 July 2019. Overall, there is a forecast General Fund overspend of £0.504m, without taking into account the corporate contingency budget of £5.080m.
- 1.2 The Housing Revenue Account (HRA) is forecast to break-even over the year.
- 1.3 It is forecast that £119.206m of capital expenditure will be delivered in 2019/20 against the 2019/20 capital budget of £144.205m.
- 1.4 The agreed 2019/20 budget included savings totalling £13.775m for the 2019/20 financial year. Of these, £9.559m are currently on course for delivery ('Green' rated); £0.375m have 'Amber' risks; £2.500m are considered high risk ('Red' rated – currently still expected to be delivered but there are significant risks and could be potential delays); and £1.341m are now considered delayed/undeliverable in the current financial year ('Black' rated). We are proactively seeking replacement savings for the undeliverable savings and these will form part of the 2020/21 budget report.

2. RECOMMENDATIONS

- 2.1. To note the forecast revenue outturn for the General Fund (**Table 1**) of a forecast overspend of £0.504m, without using the corporate contingency of £5.080m. (**Section 3**)
- 2.2. To note that management action is being undertaken over the course of the financial year to bring the directorate-level overspend of £2.719m back to within agreed cash limited budgets where possible. Also, a detailed business case is being developed to request an allocation from the corporate contingency budget that will be submitted in a future report. (**Paragraph 3.3**)
- 2.3. To note the breakdown of the forecast General Fund outturn by individual variance at **Appendix 1** and by service area at **Appendix 2**.
- 2.4. To note that the HRA forecast is a net break-even position. (**Section 5, Table 1**)
- 2.5. To note the latest capital position and key capital variances with forecast capital expenditure of £119.206m in 2019/20 against the 2019/20 capital budget of £144.205m. (**Section 6, Table 2, and Appendix 3**)
- 2.6. To note that the capital programme is actively under review to establish whether project milestones and deliverables are reflected in the financial profiles of the existing 3 year programme. (**Paragraph 6.3**)
- 2.7. To note the re-profiling of the leisure capital programme between financial years. (**Paragraph 6.5**)
- 2.8. To note the latest savings tracker of agreed savings 2019/20 (**Appendix 4 and Table 3**) and the ongoing budget impact of undeliverable savings. (**Table 4**)
- 2.9. To note the allocations from the corporate transformation earmarked reserve. (**Table 5**)

3. REVENUE POSITION: SUMMARY

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

Table 1: 2019/20 General Fund and HRA Month 4 Forecast

	Net Forecast Over /(Under) Spend £m
<u>GENERAL FUND</u>	
Resources	(0.033)
Chief Executive's Directorate	0.038
Environment and Regeneration	2.714
Housing	0
People	0
Public Health	0
DIRECTORATE TOTAL	2.719

Corporate Items	(2.215)
GROSS OVER/(UNDER) SPEND	0.504
<u>HOUSING REVENUE ACCOUNT</u>	
NET (SURPLUS)/DEFICIT	0

- 3.2. This position is before taking into account the 2019/20 corporate contingency budget of £5.080m, which other things being equal at year end would improve the overall General Fund position by £5.080m.
- 3.3. All services have agreed cash limited budget allocations and therefore take responsibility for delivering a balanced budget unless a detailed business case is developed and approved for an allocation from the corporate contingency budget. Management action is therefore required over the course of the financial year to bring the directorate-level forecast overspend of £2.719m back to within agreed cash limited budgets. Where this is not possible, a business case for the drawdown of part of the 2019/20 corporate contingency funding will be submitted. The balance of the contingency will be carried forward to future years, providing much needed financial resilience for known cost pressures over the medium term.

4. GENERAL FUND

Resources (-£0.033m)

- 4.1. The Resources directorate is forecasting a (-£0.033m) underspend with the key variances detailed in **Appendix 1**. This includes the provisional use of one-off funding carried from 2018/19 currently held in earmarked reserves (-£0.500m). It is expected that either Property Services or the Resources directorate as a whole will put in place a strategy to contain the current forecast overspend and therefore this one-off funding will not be called upon. There are in year financial risks relating to Digital Services, where the service is undertaking numerous improvement projects whilst still trying to establish a new staffing structure.

Chief Executive's Directorate (+£0.038m)

- 4.2. The Chief Executive's directorate is forecasting a (+£0.038m) overspend with the key variances summarised in **Appendix 1**.

Environment and Regeneration (+£2.714m)

- 4.3. The Environment and Regeneration directorate is forecasting a (+£2.714m) overspend. The key variances behind this net overspend are set out in **Appendix 1**.
- 4.4. There are additional in-year budget risks related to income forecasts in planning (+£0.200m), commercial waste (+£0.250m) and parking (+£0.500m).
- 4.5. The management actions being taken to control this position include:
- 4.5.1. Regular monitoring of spend and income trends across the department to enable effective decisions to be taken;

- 4.5.2. Extensive work being undertaken within Street Environmental Services (SES) to control and monitor staff related spend, particularly around sickness absence management;
- 4.5.3. On-going work to drive through service changes to deliver delayed savings.
- 4.5.4. A business case is being written to draw down contingency funding where there are valid, justifiable reasons for the overspend and no further management action is possible to contain this overspend. A recommendation will follow in a future report.

Housing (Break-Even)

The Housing General Fund is forecast to break-even with no material variances from budget. The impact of Homelessness Reduction Act 2017 has resulted a steady and persistent rise in homeless cases throughout 2018/19 and this trend is continuing into the current year. This has led to an overspend on temporary accommodation (+£0.520m). However, with this Act came a new burdens grant plus a flexible homelessness support grant and these are being used to offset the overspend.

People (Break-Even)

- 4.6. The new People directorate (comprising Children's, Employment and Skills and Adult Social Services) is forecasting a break-even position with key variances set out in **Appendix 1**.

Children's, Employment and Skills - General Fund (Break-Even), Schools (-£0.460m)

- 4.7. Children's, Employment and Skills is forecasting a break-even position with no material variance from budget.
- 4.8. There are underlying demand pressures in supported accommodation (non-regulated) placements (+£0.460m), residential (regulated) placements (+£0.100m) and Joint Agency Panel (JAP) placements (+£0.500m). However, an overspend is currently not forecast as these pressures are expected to reduce under management action and/or be contained within the overall placements contingency budget of £0.500m.
- 4.9. In addition, there are in-year budget risks around youth remand and SEN Transport, particularly if activity levels increase.
- 4.10. The Dedicated Schools Grant (DSG) is forecasting an underspend of (-£0.460m or -0.3%), which relates to a prior-year balance being managed on behalf of Schools Forum.

Adult Social Services (Break-Even)

- 4.11. Whilst Adult Social Services is forecasting a break-even position, this includes the use of one-off resources totalling (-£4.176m), including Social Care Grant, Improved Better Care Fund (Stabilising the Social Care System), Winter Pressures

Funding, Direct Payments Surplus and funding carried forward from 2018/19 (-£1.539m) currently held in earmarked reserves.

- 4.12. The Adult Social Services forecast does not include an additional in-year risk of (+£0.500m) relating to the Transforming Care programme, which aims to transfer care for service users with learning disabilities and/or autism with behaviour that challenges from long stay acute hospitals to the community.

Public Health (Break-Even)

- 4.13. Public Health is funded via a ring-fenced grant and forecast to break-even with no material variances from budget.

Corporate Items (-£2.215m)

- 4.14. The forecast for corporate items, before any call on corporate contingency budgets, is a (-£2.215m) underspend with key variances set out in **Appendix 1**. The main variance is a forecast underspend of (-£3.234m) relating to treasury management.
- 4.15. The corporate items forecast currently assumes that the agreed 2019/20 cross-cutting savings (totalling £1.380m) are fully deliverable and that service cash limits will be adjusted accordingly.

5. HOUSING REVENUE ACCOUNT

- 5.1. The forecast net variance for the Housing Revenue Account is an underspend of (-£0.600m) due to general saving underspend and spend on repair and maintenance, summarised at **Appendix 2**. As this is a self financing account, any underspends go into HRA balances to be used in future years resulting in a net break-even position.

6. CAPITAL PROGRAMME

- 6.1. It is forecast that £119.206m of capital investment will be delivered in 2019/20 against the 2019/20 capital budget of £144.205m. This is set out by directorate in **Table 2** below and detailed in **Appendix 3**, which also includes the provisional capital programme for 2020/21 and 2021/22.

Table 2: 2019/20 Capital Programme Month 4 Forecast

Directorate	2019/20 Budget	2019/20 Spend To Date	2019/20 Forecast Outturn	Forecast Capital Variance
	£m	£m	£m	£m
Environment and Regeneration	16.027	4.866	16.420	0.393
Housing	114.171	22.847	90.578	(23.593)
People	14.007	3.828	12.207	(1.800)

Directorate	2019/20 Budget	2019/20 Spend To Date	2019/20 Forecast Outturn	Forecast Capital Variance
Total	144.205	31.541	119.206	(25.000)

- 6.2. As at the end of month 4, £31.541m (22%) of capital expenditure had been spent against the 2019/20 capital budget of £144.205m. Hypothetically, if expenditure continued at the same pace for the remainder of the financial year, this would lead to a capital outturn of £94.623m (66% of the 2019/20 capital budget).
- 6.3. The capital programme is actively under review to establish whether project milestones and deliverables are reflected in the financial profiles of the existing 3-year programme 2019/20 to 2021/22. The work to date has identified projects that are a mix of revenue and capital expenditure, which will be consolidated into the capital programme in a future report to the Executive. Before the capital programme can be revised, the estimated split between capital and revenue expenditure (both General fund and HRA) needs further review to confirm the funding available and ensure the most efficient use of resources.

Environment and Regeneration

- 6.4. There is an ongoing review of the outturn forecast on the Bunhill II capital scheme. Consultants Inner Circle have been commissioned by the Programme Delivery Board (PDB) to undertake an independent review of the project and construction contract. Recommendations will be made to a future Executive meeting following consultation with the Affordable Energy Board.
- 6.5. The profile of 3-year leisure capital programme will be revised in month 5 to reflect the latest expenditure profile and bring forward £0.187m of funding to 2019/20.

Housing

- 6.6. Housing has a delivery target of building 550 genuinely affordable homes by 2022 and this is still considered to be achievable. However, within the programme there is forecast slippage of £23.593m on the New Build programme budget of £76.046m. In addition to delays due to planning and re-design issues, this slippage arises primarily as a result of contractors including a very high premium in their bids to reflect Brexit uncertainty, which in turn requires the new build team to carry out protracted value engineering exercises and/or price negotiations with contractors in order to try and secure value for money. Discussions with other Local Authority developers, housing associations and the GLA indicate that these price increases are prevalent across the sector.
- 6.7. A further significant impact on increased prices are the number of site offices required within a single scheme as the contractor effectively needs to set up several site offices and provide extra personnel to make those sites secure and safe.
- 6.8. In order to mitigate the uncertainty caused by Brexit and the related increase in construction costs, the Council is currently considering reviewing its new build

contracts (this would likely require the commissioning of external procurement expertise) with a view to securing a position whereby the Council ultimately either only pays for any actual cost increases arising from Brexit or enters into a risk/cost sharing arrangement with the contractor, as opposed to paying in advance for maximum unrealised risk.

Alternatively, or in addition to the above, where agreement has not or is unlikely to be reached with the contractor, consideration could be given to delaying procurement for some schemes until the new contractor framework is in place at the end of the year. This new framework will bring in new contractors who are likely to want to price competitively and in an environment where some of the Brexit uncertainty may have been resolved. It should be noted that delaying procurement could lead to further slippage in the region of £9.000m.

People

- 6.9. The Children’s Employment and Skills capital programme is forecasting an underspend of £1.800m in 2019/20. This represents the forecast balance on the school expansion schemes contingency budget. These schemes are due to be completed by the end of the summer, and it is not anticipated that the remaining contingency budget will be used.

7. SAVINGS DELIVERY

- 7.1. The latest delivery tracker (‘RAG’ rating) of agreed savings 2019/20 is provided at **Appendix 4** and summarised in **Table 3** below.

Table 3: Summary of Agreed Savings RAG Rating

RAG Rating	2019/20 £m
Green	9.559
Amber	0.375
Red	2.500
Black	1.341
Total	13.775

- 7.2. Of the £13.775m agreed savings for the 2019/20 financial year, £9.559m are currently on course for delivery (‘Green’ rated); £0.375m have ‘Amber’ risks; £2.500m are considered high risk (‘Red’ rated – currently still expected to be delivered but there are significant risks and could be potential delays); and £1.341m are now considered delayed/undeliverable in the current financial year (‘Black’ rated). We are proactively seeking ways to mitigate the impact of these undeliverable savings.
- 7.3. The agreed 2019/20 budget included cross-cutting savings totalling £1.380m that have still to be formally allocated across services. It is currently assumed that these

cross-cutting savings are fully deliverable in 2019/20 and that service cash limits will be adjusted accordingly.

- 7.4. A breakdown of the ongoing budget impact of undeliverable savings is provided in **Table 4** below. These undeliverable savings, which are not just delayed but now considered undeliverable on an ongoing basis, will need to have an alternative proposal for delivery of the saving developed or be reversed as part of the 2020/21 budget setting process.

Table 4: Undeliverable Savings 2020-22

Directorate	Description	2020/21 £m	2021/22 £m	Total £m
L				
Environment and Regeneration	Waste and Recycling Centre Reorganisation	0.100	0.155	0.255
Housing	Temporary Accommodation	0.300		0.300
People	SEN Transport	0.225		0.225
	Total	0.625	0.155	0.780

inked to the delivery of savings, the one-off investment allocations in **Table 5** below have been made from the corporate transformation earmarked reserve.

Table 5: Allocations from Transformation Reserve

Description	£m
A more efficient operation at the Waste and Recycling Centre, using technology to automate access to the facility	0.305
Project and Programme Management Training Portal	0.025
Adults Social Care Transformation Review - Project Management Support	0.075
Project and Programme Management Training Workshops	0.016
Localities Programme Management Support	0.174
Accessible Transport Review - Project and Analytical Support	0.066
Implementation of Microsoft Project Online	0.130
Enterprise Resource Planner - Discovery Phase	0.180
ICT Telephony - Funding to support migration to new telephony platform	0.457
Total	1.428

8. IMPLICATIONS

Financial Implications

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

Legal Implications

- 8.2. The law requires that the Council must plan to balance its spending plans against resources to avoid a deficit occurring in any year. Members need to be reasonably satisfied that expenditure is being contained within budget and that the savings for the financial year will be achieved, to ensure that income and expenditure balance (section 28 Local Government Act 2003; the Council's Financial Regulations 3.7 to 3.10 (Revenue Monitoring and Control)).

Environmental Implications

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

Resident Impact Assessment

- 8.4. The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.
- 8.5. A resident impact assessment (RIA) was carried out for the 2019/20 Budget Report approved by Full Council. This report notes the financial performance to date but does not have direct policy implications, so a separate RIA is not required for this report.

Appendices:

Appendix 1 – General Fund Revenue Monitoring by Individual Variance


Appendix 2 – Revenue Monitoring by Service Area

Appendix 3 – Capital Monitoring 2019/20 to 2021/22

Appendix 4 – Delivery of Agreed Savings 2019/20 to 2021/22

Background papers: None

Final report clearance:

Signed by:		11 September 2019
	Executive Member for Finance, Performance and Community Safety	Date

Responsible Officer:

Annabel Scholes

Interim Service Director Finance and Property (Section 151 Officer)

Report Authors:

Martin Houston, Strategic Financial Advisor

Steve Key, Assistant Director (Service Finance)

Legal Implications Author:

Peter Fehler, Acting Director of Law and Governance (Monitoring Officer)

Appendix 1: 2019/20 General Fund Revenue Monitoring by Individual Variance - Month 4

Directorate / Service Area	Sub-Heading	Description of Over/(Under) Spend	Over-spend	Under-spend	Net Over/(Under) Spend	% of Directorate Net Budget that Over/(Under) Spent
			£m	£m	£m	%
RESOURCES						
Accommodation and Facilities	Business Rates	Reduction in costs relating to rationalisation of buildings.		(0.378)	(0.378)	(0.9%)
Accommodation and Facilities	Commercial Property	Commercial income has been budgeted to rise significantly. However, practical issues have meant that the development project at Old Street has taken longer than anticipated and a delay in achieving full income growth.	1.178		1.178	2.9%
Financial Management	Corporate Audit Fee	Re-negotiation of contract with a new supplier.		(0.064)	(0.064)	(0.2%)
All	Vacancy Management	Vacancy management across the directorate.		(0.069)	(0.069)	(0.2%)
All	One-off Income	2018/19 Carry Forward for Transformation Projects (£500k) and allocation from corporate transformation fund for ERP discovery phase costs (£200k).		(0.700)	(0.700)	(1.7%)
Total Resources			1.178	(1.211)	(0.033)	(0.1%)
CHIEF EXECUTIVE'S DIRECTORATE						
Chief Executive's Office	Chief Executive's Office	Overspend on consultancy costs.	0.154		0.154	13.4%
Chief Executive's Office	Chief Executive's Office	Underspend on salaries.		(0.086)	(0.086)	(7.5%)
Communications and Change	Communications and Change	Underspend on running costs.		(0.030)	(0.030)	(2.6%)
Total Chief Executive's Directorate			0.154	(0.116)	0.038	3.3%
ENVIRONMENT AND REGENERATION						
Planning & Development	Development Control	Lower levels of development control income due to lower levels of economic activity.	0.226		0.226	1.4%
Planning & Development	Building Control	Lower levels of building control income due to lower levels of economic activity.	0.188		0.188	1.2%
Public Protection	Local Land Charges	Decline in Local Land Charges income.	0.163		0.163	1.0%
Public Protection	Various	Redundancy and pension strain costs.	0.184		0.184	1.2%
Public Realm	Greenspace and Leisure	Various.	0.117		0.117	0.7%
Public Realm	Highways and Energy Services	Lower level of income from the advertising concession contract.	0.200		0.200	1.3%
Public Realm	Highways and Energy Services	iCo income pressure as a result of income generated being accounted for elsewhere.	0.200		0.200	1.3%
Public Realm	Highways and Energy Services	Unachievable street lighting Wi-Fi concession income.	0.160		0.160	1.0%
Public Realm	Highways and Energy Services	Pressure around the lease arrangement for one of the depots.	0.085		0.085	0.5%
Public Realm	Street Environmental Services	Additional staff costs due to changes in refuse collection service.	0.500		0.500	3.2%
Public Realm	Street Environmental Services	Delays in fleet replacement due to ULEZ considerations.	0.400		0.400	2.6%
Public Realm	Street Environmental Services	Sickness levels exceeding target operating model.	0.325		0.325	2.1%
Public Realm	Street Environmental Services	Shortfall in Commercial Waste income.	0.250		0.250	1.6%
Public Realm	Street Environmental Services	Driver grade uplift to reflect additional supervision duties due to Operator ('O') licence requirements.	0.120		0.120	0.8%
Public Realm	Street Environmental Services	Additional staff cover due to operational, performance and disciplinary issues.	0.100		0.100	0.6%
Public Realm	Street Environmental Services	Anticipated fuel savings offset by higher pump prices.	0.100		0.100	0.6%
Public Realm	Street Environmental Services	ULEZ on non compliant council vehicles.	0.100		0.100	0.6%
Public Realm	Street Environmental Services	Shortfall in bulky waste income.	0.080		0.080	0.5%
Public Realm	Street Environmental Services	One-off abortive costs associated with service re-design.	0.022		0.022	0.1%
Public Protection	Various	Higher levels of income achieved across enforcement, pest and animal services.		(0.278)	(0.278)	(1.8%)
Public Protection	Various	Net employee costs across the division.		(0.207)	(0.207)	(1.3%)
Public Protection	Various	Underspend on running expenses budgets throughout the division.		(0.070)	(0.070)	(0.4%)
Public Realm	Highways and Energy Services	Higher levels of income and spend management across the service.		(0.251)	(0.251)	(1.6%)
Total Environment and Regeneration			3.520	(0.806)	2.714	17.3%
HOUSING						
Homelessness	Temporary Accommodation	Increase in demand for the use of TA due to increase in numbers	0.520		0.520	5.6%
Homelessness	Temporary Accommodation	Use of grants to fund pressure		(0.520)	(0.520)	(5.6%)
Total Housing			0.520	(0.520)	0.000	0.0%
PEOPLE						
No material variances.			0.000	0.000	0.000	0.0%
Total Children's, Employment and Skills			0.000	0.000	0.000	0.0%
Adult Social Care	Adult Social Care	Legal costs.	0.070		0.070	0.1%
Integrated Community Services	Re-profiled Savings	Assistive technology.	0.280		0.280	0.4%
Integrated Community Services	Reablement	Reablement overspend.	0.242		0.242	0.3%
Integrated Community Services	Undelivered Savings	Adult Social Care case reviews.	0.710		0.710	1.0%
Learning Disabilities	Placements	Placements overspend (net of management action).	1.174		1.174	1.7%
Strategy and Commissioning	Re-profiled Savings	Adult Social Care transformation.	1.500		1.500	2.2%
Strategy and Commissioning	Re-profiled Savings	Previous MTFS savings.	0.370		0.370	0.5%
Strategy and Commissioning	Re-profiled Savings	Advocacy.	0.035		0.035	0.1%
Strategy and Commissioning	Re-profiled Savings	Age UK.	0.035		0.035	0.1%
Strategy and Commissioning	Re-profiled Savings	Intermediate care.		(0.240)	(0.240)	(0.3%)
Adult Social Services	One-off Income	Social Care Grant, Improved Better Care Fund (Stabilising the Social Care System), Winter Pressures Funding, Direct Payments Surplus and 2018/19 Carry Forward.		(4.176)	(4.176)	(6.0%)
Total Adult Social Services			4.416	(4.416)	0.000	0.0%
Total People			4.416	(4.416)	0.000	0.0%
PUBLIC HEALTH						
No material variances.					0.000	
Total Public Health			0.000	0.000	0.000	
DIRECTORATE TOTAL			9.788	(7.069)	2.719	
CORPORATE ITEMS						
Housing Needs	NRPF	Uncontrollable pressure due to the Council's statutory, yet unfunded, duty to provide a safety net to vulnerable migrants with No Recourse to Public Funds (NRPF) and European Economic Area nationals.	0.669		0.669	(0.3%)
Corporate Projects	Corporate Projects	Corporate project costs (non-recent projects).	0.500		0.500	(0.2%)
Corporate Financing Account	Corporate Financing Account	The Council continues to follow a successful Treasury Management Strategy of shorter-term borrowing at low interest rates, whilst the corporate financing budget for interest costs and debt repayment is currently based on the average long term cost of borrowing. This means that corporate financing costs in 2019/20 are significantly less than than budgeted. Combined with unbudgeted investment income, this is currently forecast to lead to an underspend in the corporate financing account of £3,234k. This forecast will be reviewed and updated to take into account the impact of re-profiling of the capital programme and another phase in Treasury Management Strategy.		(3.234)	(3.234)	1.4%
Levies	Levies	Underspend on corporate levies budget compared to the estimate before the start of the financial year.		(0.150)	(0.150)	0.1%
Total Corporate Items			1.169	(3.384)	(2.215)	1.0%
GROSS TOTAL			10.957	(10.453)	0.504	

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Appendix 2: 2019/20 Revenue Monitoring by Service Area - Month 4

GENERAL FUND				
Directorate / Division	Original Budget	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 4
	£m	£m	£m	£m
RESOURCES				
Directorate	0.849	0.563	(0.133)	(0.696)
Digital Services and Transformation	12.705	12.956	12.956	0.000
Financial Management and Property	(0.821)	(0.536)	0.070	0.606
Financial Operations	19.718	20.339	20.321	(0.018)
Internal Audit	0.697	0.698	0.647	(0.051)
Law and Governance	3.941	4.181	4.186	0.005
Human Resources	1.883	1.867	1.999	0.132
Strategy and Change*	0.000	0.802	0.791	(0.011)
Total Resources	38.972	40.870	40.837	(0.033)
CHIEF EXECUTIVE'S DIRECTORATE				
Chief Executive's Office	0.052	0.052	0.120	0.068
Communications and Change	1.069	1.099	1.069	(0.030)
Strategy and Change*	0.832	0.000	0.000	0.000
Total Chief Executive's Department	1.953	1.151	1.189	0.038
ENVIRONMENT AND REGENERATION				
Directorate	0.154	0.154	0.154	0.000
Planning and Development	1.297	1.453	1.867	0.414
Public Protection	4.531	4.656	4.448	(0.208)
Public Realm	9.414	9.414	11.922	2.508
Total Environment and Regeneration	15.396	15.677	18.391	2.714
HOUSING				
Temporary Accommodation (Homelessness Direct)	2.292	2.292	2.325	0.033
Housing Needs (Homelessness Indirect)	1.456	1.456	1.523	0.067
Housing Benefit	0.880	0.880	0.880	0.000
Housing Strategy and Development	0.133	0.133	0.067	(0.066)
Housing Administration	1.008	1.008	0.974	(0.034)
Voluntary and Community Services (VCS)	2.616	2.950	2.950	0.000
Total Housing	8.385	8.719	8.719	0.000
PEOPLE				
Youth and Communities	6.040	5.578	5.578	0.000
Safeguarding and Family Support	41.332	43.441	43.441	0.000
Learning and Schools	25.385	26.939	26.479	(0.460)
Partnership and Service Support	3.600	5.754	5.754	0.000
Strategy and Planning	0.079	0.108	0.108	0.000
Employment, Skills and Culture	5.322	5.436	5.436	0.000
Health Commissioning	0.930	0.930	0.930	0.000
Less Projected Ring-Fenced Schools Related Underspend	0.000	0.000	0.460	0.460
Total Children's, Employment and Skills	82.688	88.186	88.186	(0.000)
Adult Social Care	(6.288)	(7.941)	(12.047)	(4.106)
Integrated Community Services	27.399	29.052	30.284	1.232
Learning Disabilities	27.316	27.524	28.698	1.174
Strategy and Commissioning	21.168	20.959	22.659	1.700
Total Adult Social Services	69.595	69.594	69.594	(0.000)
Total People	152.283	157.780	157.780	(0.000)
PUBLIC HEALTH				
Children 0-5 Public Health	3.689	3.689	3.689	0.000
Children and Young People	1.434	1.434	1.434	0.000
NHS Health Checks	0.383	0.383	0.383	0.000
Obesity and Physical Activity	0.735	0.735	0.735	0.000
Other Public Health	(19.635)	(19.635)	(19.635)	0.000
Sexual Health	5.965	5.965	5.965	0.000
Smoking and Tobacco	0.468	0.468	0.468	0.000
Substance Misuse	6.961	6.961	6.961	0.000
Total Public Health	(0.000)	(0.000)	(0.000)	0.000
DIRECTORATE TOTAL	216.989	224.197	226.916	2.719

Appendix 2: 2019/20 Revenue Monitoring by Service Area - Month 4

Directorate / Division	Original Budget	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 4
	£m	£m	£m	£m
CORPORATE ITEMS				
Other Corporate Items	(1.114)	(1.307)	(0.807)	0.500
Corporate Financing Account	(25.043)	(25.043)	(28.277)	(3.234)
Pensions	9.348	9.348	9.348	0.000
Levies	19.962	19.962	19.812	(0.150)
Transfer to/(from) Reserves	(4.207)	(11.337)	(11.337)	0.000
Specific Grants	(5.616)	(5.616)	(5.616)	0.000
Core Government Funding / Council Tax	(215.822)	(215.822)	(215.822)	0.000
No Recourse to Public Funds	0.423	0.538	1.207	0.669
Contingency	5.080	5.080	5.080	0.000
Total Corporate Items	(216.989)	(224.197)	(226.412)	(2.215)
GROSS TOTAL	0.000	0.000	0.504	0.504

Appendix 2: 2019/20 Revenue Monitoring by Service Area - Month 4

HOUSING REVENUE ACCOUNT(HRA)			
Service Area	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 4
	£m	£m	£m
Dwelling Rents	(165.684)	(166.684)	(1.000)
Non Dwelling Rents	(1.600)	(1.600)	0.000
Heating Charges	(2.684)	(2.684)	0.000
Leaseholders Charges	(12.730)	(12.730)	0.000
Other Charges for Services and Facilities	(5.380)	(5.380)	0.000
PFI Credits	(22.855)	(22.855)	0.000
Interest Receivable	(0.500)	(0.500)	0.000
Contribution from General Fund	(0.816)	(0.816)	0.000
Gross Income	(212.249)	(213.249)	(1.000)
Repairs and Maintenance	32.928	32.928	0.000
General Management	53.102	53.102	0.000
PFI Payments	43.964	43.964	0.000
Special Services	22.356	22.356	0.000
Rents, Rates, Taxes & Other Changes	0.590	0.590	0.000
Capital Financing Costs	16.426	16.426	0.000
Depreciation	35.003	35.003	0.000
Bad Debt Provisions	0.750	1.750	1.000
Contingency	1.100	1.100	0.000
Transfer to HRA Reserves	6.030	6.030	0.000
Gross Expenditure	212.249	213.249	1.000
Net (Surplus)/Deficit	0.000	0.000	0.000

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Appendix 3: Capital Monitoring 2019/20 to 2021/22 - Month 4

	2019/20 Capital Monitoring							Future Year Budget		Overall Monitoring 2019/20 to 2021/22		
	Original Budget	Budget Changes During the Year	Revised Budget	Forecast Outturn	Forecast Variance	Expenditure to Date	2019/20 Budget Spent to Date	2020/21 Provisional Budget	2021/22 Provisional Budget	Budget	Forecast	Forecast Variance
	£m	£m	£m	£m	£m	£m	%	£m	£m	£m	£m	£m
ENVIRONMENT AND REGENERATION												
Cemeteries	0.000	0.040	0.040	0.040	0.000	(0.020)	(50.1%)	0.000	0.000	0.040	0.040	0.000
Combined Heat and Power	0.000	(0.248)	(0.248)	0.000	0.248	0.821	(330.9%)	0.000	0.000	(0.248)	0.000	0.248
Old E&R Schemes	0.000	0.000	0.000	0.000	0.000	0.061	0.0%	0.000	0.000	0.000	0.000	0.000
Energy Saving Council Buildings	0.390	0.015	0.405	0.405	0.000	0.000	0.1%	0.000	0.000	0.405	0.405	0.000
Greenspace	0.395	1.162	1.557	1.557	0.000	0.666	42.8%	0.000	0.000	1.557	1.557	0.000
Highways	1.400	0.683	2.083	2.083	0.000	0.088	4.2%	1.400	1.400	4.883	4.883	0.000
Leisure	0.475	0.023	0.498	0.648	0.150	0.512	102.8%	0.475	0.375	1.348	1.348	0.000
Other Environment and Regeneration	0.000	0.019	0.019	0.019	0.000	0.000	0.0%	0.000	0.000	0.019	0.019	0.000
Planning and Development	0.000	0.535	0.535	0.530	(0.005)	0.144	26.9%	0.000	0.000	0.535	0.535	0.000
Recycling Improvements	0.000	0.158	0.158	0.158	0.000	0.201	127.5%	0.000	0.000	0.158	0.158	0.000
Special Projects	0.000	0.141	0.141	0.141	0.000	0.032	22.7%	0.000	0.000	0.141	0.141	0.000
Traffic and Engineering	5.354	0.708	6.062	6.062	0.000	0.255	4.2%	4.500	2.500	13.062	13.062	0.000
Fleet	1.999	2.778	4.777	4.777	0.000	2.105	44.1%	2.000	1.000	7.777	7.777	0.000
Total Environment and Regeneration	10.013	6.014	16.027	16.420	0.393	4.866	30.4%	8.375	5.275	29.677	29.925	0.248
HOUSING												
Major Works and Improvements	25.000	0.000	25.000	25.000	0.000	9.937	39.7%	20.000	30.000	75.000	75.000	0.000
New Build	76.046	0.000	76.046	52.453	(23.593)	9.510	12.5%	111.067	73.224	260.337	260.337	0.000
Temporary Accommodation	13.125	0.000	13.125	13.125	0.000	3.400	25.9%	0.000	0.000	13.125	13.125	0.000
Total Housing	114.171	0.000	114.171	90.578	(23.593)	22.847	20.0%	131.067	103.224	348.462	348.462	0.000
PEOPLE												
Central Foundation School	1.600	0.152	1.752	1.752	0.000	0.347	19.8%	0.120	0.000	1.872	1.872	0.000
Dowry Street/Primary PRU	0.000	0.135	0.135	0.135	0.000	0.000	0.0%	0.000	0.000	0.135	0.135	0.000
Early Years Capital	0.000	0.327	0.327	0.327	0.000	0.016	4.8%	0.000	0.000	0.327	0.327	0.000
Electrical & Mechanical	0.000	1.486	1.486	1.486	0.000	0.099	6.7%	0.000	0.000	1.486	1.486	0.000
Highbury Grove School	1.470	0.955	2.425	2.425	0.000	1.417	58.4%	0.000	0.000	2.425	2.425	0.000
Libraries	0.000	0.048	0.048	0.048	0.000	0.005	10.1%	0.000	0.000	0.048	0.048	0.000
New River College	0.000	0.185	0.185	0.185	0.000	0.000	0.0%	0.000	0.000	0.185	0.185	0.000
Other Schools/Contingency	0.000	2.252	2.252	0.452	(1.800)	0.166	7.4%	0.000	0.000	2.252	0.452	(1.800)
School Condition Works	0.000	0.112	0.112	0.112	0.000	0.000	0.0%	0.000	0.000	0.112	0.112	0.000
Tufnell Park School	3.100	1.753	4.853	4.853	0.000	1.780	36.7%	0.750	0.250	5.853	5.853	0.000
Windows Schemes	0.000	0.430	0.430	0.430	0.000	0.000	0.0%	0.000	0.000	0.430	0.430	0.000
Youth	0.000	0.003	0.003	0.003	0.000	0.000	0.0%	0.000	0.000	0.003	0.003	0.000
Total People	6.170	7.837	14.007	12.207	(1.800)	3.828	27.3%	0.870	0.250	15.127	13.327	(1.800)
TOTAL CAPITAL PROGRAMME	130.354	13.851	144.205	119.206	(25.000)	31.541	21.9%	140.312	108.749	393.266	391.715	(1.552)

* this project is under review and an accurate projection will be included in a future report

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#	DIRECTORATE	SERVICE	SUMMARY DESCRIPTION	2019/20 AGREED SAVINGS RAG				
				GREEN £m	AMBER £m	RED £m	BLACK £m	TOTAL £m
1	Corporate/Project	2020 Customer Programme	Redesigning our customer service offer across the council, bringing together transactional services to provide a better service for residents	0.280	0.000	0.000	0.000	0.280
2	Resources	Post, Stationery, Cleaning	Savings on postage, stationery and facilities management costs as a result of new ways of working	0.200	0.000	0.000	0.000	0.200
3	Corporate/Project	2020 Organisation Design	Savings resulting from a review of management spans and tiers and improved administrative processes across the council	0.050	0.000	0.500	0.000	0.550
4	Resources	Property	Savings resulting from a new property strategy, increasing income, more co-locating with partners and reducing the council's office	0.377	0.000	0.000	0.000	0.377
5	People	Adult Social Care Case Reviews	Conduct annual reviews of Adult Social Care packages in line with relevant legislation, applying a strengths-based approach to create better outcomes for residents in the care	0.800	0.000	0.000	0.710	1.510
6	Corporate/Project	Adults Localities	Implementation of the new "Localities" model in partnership with the voluntary and community sector, health organisations and our other local partners to align preventative services and reduce long-term demand	0.000	0.000	0.000	0.000	0.000
7	People	Children's Early Help	Redesigning our early help services to improve our preventative offer in children's services	0.020	0.000	0.000	0.000	0.020
8	Public Health	Public Health Lifestyle	Change the way we deliver public health behaviour-change programmes, including health checks and exercise on referral, through our universal services and other more cost-	0.194	0.000	0.000	0.000	0.194
9	People	Children in Need	Recruitment of additional children's social workers to reduce longer-term demand	0.981	0.000	0.000	0.000	0.981
10	People	CES efficiencies	Increasing income received by the Health and Wellbeing Service and realising efficiencies and reducing back-office costs in the Children's, Employment and Skills directorate	0.140	0.000	0.000	0.000	0.140
11	People	Play and Youth	Maintaining the availability and scope of play and youth provision by reducing its costs through new commissioning arrangements and more efficient back-office support	0.175	0.000	0.000	0.000	0.175
12	People	Youth Offending Service Management	Reduced operational costs for the Youth Offending Service to reflect a reduction in the cohort of young people requiring the service	0.000	0.000	0.000	0.000	0.000
13	Housing	Temporary Accommodation	Improving the quality and reducing the cost of temporary accommodation through purchasing homes to be owned by the council and used by it for temporary accommodation	0.300	0.000	0.000	0.300	0.600
14	Environment and Regeneration	Community Safety	Focusing Trading Standards and Environmental Health teams on high-risk areas, securing additional external income for Pest Control and reduced back-office support	0.130	0.000	0.000	0.000	0.130
15	Environment and Regeneration	HMO Licensing	Increased income as a result of a new Homes in Multiple Occupation licensing scheme in Finsbury Park	0.085	0.000	0.000	0.000	0.085
16	Environment and Regeneration	Traffic and Parking	Financial impact of separate policy decisions to be taken by the Executive in January to improve the borough's air quality	1.930	0.000	0.000	0.000	1.930

Appendix 4 - 2019-20 Agreed Savings RAG Rating

#	DIRECTORATE	SERVICE	SUMMARY DESCRIPTION	2019/20 AGREED SAVINGS RAG				
				GREEN £m	AMBER £m	RED £m	BLACK £m	TOTAL £m
17	Environment and Regeneration	Increased Income	Increased income in Environment and Regeneration from Leisure Management, trading services in tree management and commercial waste, and stricter monitoring of	0.325	0.000	0.000	0.000	0.325
18	Environment and Regeneration	Service Integration	Reduced costs as a result of better integration of public realm services within Environment and Regeneration and on housing estates	0.050	0.210	0.000	0.000	0.260
19	Environment and Regeneration	Public Realm Transformation	Management savings in Environment and Regeneration as a result of implementing new technology	0.100	0.000	0.000	0.000	0.100
20	Environment and Regeneration	WRC Reorganisation	A more efficient operation at the Waste and Recycling Centre, using technology to automate access to the facility	0.000	0.100	0.000	0.000	0.100
21	Resources	Corporate Service Redesign	Re-design of support services in Financial Management, Procurement and Human Resources to reduce costs	0.825	0.000	0.000	0.000	0.825
22	Chief Executive's Directorate	Chief Executive's Department Savings	Staffing reductions in the Chief Executive's department and securing additional commercial income for print services	0.050	0.000	0.000	0.000	0.050
23	Corporate/Project	Commissioning and Procurement	Savings resulting from a corporate review of contracting and procurement arrangements, helping to get a better deal for the council and apply a category-management approach	0.050	0.000	0.500	0.000	0.550
24	Resources	Revenues and Benefits Efficiencies	Efficiency savings in Revenues and Benefits, including deleting some vacant posts, increasing income from externally traded services and improved collection of current and older debt, realigning the Resident Support Scheme in line with demand and process	1.352	0.000	0.000	0.000	1.352
25	Resources	Legal Services	Efficiency savings in Legal Services as a result of implementing a new electronic case-management system, and increasing charges for Right to Buy lease extensions in line with	0.070	0.000	0.000	0.000	0.070
26	Resources	Elections and Registration	Back-office efficiencies in the Elections team and introduction of new discretionary charges for optional registration services	0.028	0.000	0.000	0.000	0.028
27	People	Continuous Improvement	An ongoing programme of service reviews within the Children's, Employment and Skills directorate through improved commissioning	0.047	0.000	0.000	0.000	0.047
28	People	Adult Social Care Transformation Programme	Savings from a comprehensive transformation of our in-house provided Adult Social Care services, ensuring they provide a modern, strengths-based service that meets residents' needs	0.000	0.000	1.500	0.000	1.500
29	People	Telecare	Reduced costs from moving our existing telecare offer to a more modern assistive technology offer and reducing the need for	0.000	0.000	0.000	0.281	0.281
30	People	Adult Social Care contracts	The council, working with partners, will review the provision of daytime activities and daytime services in Islington with a view to broadening participation and extending the use of local	0.000	0.065	0.000	0.015	0.080

#	DIRECTORATE	SERVICE	SUMMARY DESCRIPTION	2019/20 AGREED SAVINGS RAG				
				GREEN £m	AMBER £m	RED £m	BLACK £m	TOTAL £m
31	People	Adult Social Care Advocacy Services	A new approach to non-statutory advocacy services, using existing mainstream service provision rather than a separate, specific offer	0.025	0.000	0.000	0.035	0.060
32	People	Employment Services	Reorganise the council's approach to youth employment, with savings from contract management and more efficient administration	0.093	0.000	0.000	0.000	0.093
33	People	Young People's Accommodation	Purchasing additional high-quality accommodation via HASS where previously more expensive placements have been purchased	0.100	0.000	0.000	0.000	0.100
34	People	Bright Start	Savings from the termination of a contract with an external provider to display information on electronic screens in a number of children's centres (now no longer used) and staff	0.040	0.000	0.000	0.000	0.040
35	People	Vacancy Factor	Applying a vacancy factor to low-risk posts in the Children's, Employment and Skills directorate based on anticipated service	0.500	0.000	0.000	0.000	0.500
36	Environment and Regeneration	Invest to Save	Investment in LED lighting and controls for street furniture, and a new, floodlit, artificial-grass football pitch in Highbury Fields for hire and community use	0.000	0.000	0.000	0.000	0.000
37	People	Adult Community Learning and Libraries	Savings from deleting vacant posts in Adult and Community Learning, a reduction in sessional tutors made possible by more efficient use of currently under-utilised permanent staff and a reduction in back-office support. Re-align purchases of books, periodicals, magazines and audio-visual materials in line with current demand and delete some vacant posts in the	0.242	0.000	0.000	0.000	0.242
38	Corporate/Project	Enterprise Resource Planner	Introduction of an Enterprise Resource Planner, integrating and automating internal support functions and reducing costs	0.000	0.000	0.000	0.000	0.000
Total				9.559	0.375	2.500	1.341	13.775

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Report of: Executive Member for Housing and Development

Meeting of:	Date:	Ward(s):
Executive Board	19 September 2019	Highbury West

		Non-exempt
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SUBJECT: Procurement Strategy for the Construction of 24 new build residential homes on the Harvist Estate

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of the new build development on the Harvist Estate in accordance with Rule 2.7 of the Council's Procurement Rules.
- 1.2 The site proposed for development currently consists of a small amount of amenity space and car parking spaces. The new proposal includes replacing part of the car park and amenity space along Citizen Road with 24 terrace homes at 100% social rent with new amenity space. The development which will also include improvements to the public realm and create new parking spaces, new refuse storage and a mix of secured bicycle spaces on the estate.

2. Recommendations

- 2.1 To approve the procurement strategy for Harvist Estate new build project as outlined in this report.
- 2.2 To undertake an independent design review before the tender is published.
- 2.3 To delegate authority to award the contract to the Corporate Director of Housing in consultation with the Executive Member for Housing and Development.

3. Background

3.1 Nature of the service

The purpose of this report is to appoint a suitably qualified main contractor to carry out the construction of the new build residential development as described below.

The development is for the construction of two and three storey terraced homes with estate improvement works.

Accommodation details are as follows.

- 3 X 1 bed 2 person wheelchair flat
- 4 X 2 bed 3 person flats
- 1 X 2 bed 3 person wheelchair flat
- 8 X 2 bed 4 person wheelchair accessible and adaptable house
- 4 X 3 bed 5 person wheelchair accessible and adaptable house
- 4 X 4 bed 7 person wheelchair accessible and adaptable house

Total 24 homes

Islington's vision for housing as laid down in the Housing Strategy 2014 – 2019 is to ensure everyone in Islington has a place to live that is affordable, decent and secure. Housing has an important role in shaping healthy places, preventing ill health, supporting residents into work and tackling child poverty. The council has a corporate objective to deliver 550 new council homes by 2022. This contributes towards corporate objectives of new affordable homes.

This contract is for the construction of 24 genuinely affordable homes. All homes have been designed to the highest energy standards, enabling the new homes to be run more cheaply and energy efficient. The design will comply with Lifetime Homes Standards ensuring the homes will serve residents throughout their lives.

We have already consulted local residents, local ward councillors, the council's planning, refuse, estate services, and energy and housing allocation departments. Other departments also consulted were the fire brigade services and Metropolitan Police Secured by design officers. The feedback received was generally positive from stakeholders. Residents were concerned with access for emergency vehicles, however the application has received the fire brigade's and planning committee's approval.

3.2 Estimated Value

The development will be funded through the Council's Capital new build housing budget. The estimated value is £13m.

The design and specification have undergone a value-engineering process alongside the design development. Key elements of the construction have been the subject of detailed costing exercises, where alternative construction systems have been evaluated, and the most cost effective system chosen. Without compromising quality and safety, Value Engineering exercises have reviewed the following elements:

- Structural Systems - Alternative structural systems including masonry walls, concrete frame and steel frame were considered and their costs compared. A concrete frame was chosen for cost and practicality reasons.
- Foundations - The foundation design underwent a process of rationalisation resulting in the omission a number of piles.
- Parapet design - Alternative construction solutions for roof parapets were considered, including blockwork with wind posts, in-situ concrete and brickwork. The most cost-effective and buildable solution (in-situ concrete) was selected.
- Landscaping elements - A variety of landscaping options were considered, with alternative materials and layouts reviewed and costed, so that a design that came within the allocated budget was arrived at.

3.3 Timetable

Published tender	October 2019
Open Tender Evaluation	November 2019
Corporate Director approval of Contract award	February 2020
Anticipated Contract Start On Site	March 2020
Contract end Date	September 2021

An 18 month contract period has been advised. Planning Permission was achieved in January 2019.

3.4 Options appraisal

When procuring new build housing projects, the council's standard approach is to use the Design and Build form of contract (Joint Contracts Tribunal, JCT). The benefit of this form of contract is that the responsibility for design sits with the contractor who also takes all design related risks for the project, thereby minimising the risks to the council.

The council has also taken the decision to procure some of its new build projects using the Standard Building form of contract (JCT). To further augment this assessment process between design and build and the Standard Building contract the new build project manager will compare the schemes to ascertain the above. This will allow the council to assess the different procurement options and will inform future procurement options based on quality and risk on the different options.

In this form of contract design is the responsibility of the council and risks associated with design will remain with the council throughout the project. The service wishes to test and evaluate situations, including this procurement, where relying on in-house provision of design services will lead to better value for money and allow enhanced control of the design quality, leading to a building that will perform better over its lifecycle. Therefore, this procurement will be based on the Standard Building form of contract (JCT) with in-house provided design services.

As part of this procurement strategy the following procurement routes were considered:

- **Option 1** - Utilising an existing framework agreement: Islington is in the process of procuring a new contractor framework, but access to that framework does not exist at present, and the framework will not cater for traditionally procured contracts using the

JCT standard form of building contract, which is considered to be the appropriate form of contract for a traditionally procured project of this size.

- **Option 2**- A competitive tender using a two stage restricted procedure: This option was discounted as it added a number of months to the procurement programme.
- **Option 3** - competitive tender using the open procedure: This option was chosen as the preferred procurement route as it offers the competitive advantages associated with inviting tenders from a large pool of potential tenderers, while being a quicker route than the restricted procedure.

3.5 Key Considerations

The majority of new homes being built in the New Build Programme are much needed family sized homes. The development on the Harvist Estate will create 100% genuinely affordable homes for social housing residents. There is lack of good quality affordable housing locally and this development will provide energy efficient, spacious and well-designed family accommodation. In addition, we will provide much needed wheelchair accommodation for disabled residents in the borough. All ground floor homes will have wheelchair access and will be built to Lifetime Homes Standards.

Best value has been considered in terms of balancing the need to deliver this project by procuring through the open market. This process should produce a large number of bids which in turn should deliver Value for Money. Value engineering exercises were undertaken to reduce the programme and costs without compromising the quality of homes. All new homes will be genuinely affordable homes for those in need of housing providing better accommodation for families in overcrowded conditions and those who would like to downsize.

The new components of the building will be to Building Regulations standards and will achieve Code for Sustainable Homes Level 4. The materials of the building will be of a high quality and high insulation standards will reduce energy costs to assist in tackling fuel poverty. The key proposals are:

Highly Insulated External Envelope - The new homes will be highly insulated to maximise thermal efficiency. The following U-Values will be achieved: 0.15 for external walls, 0.11 for ground floors and roofs, and 1.2 for windows and doors.

Solar Panels - 5 solar panels will be installed on top of each dwelling to provide 1.6Kw/unit.

Communal Heating - A centralised plant room is proposed to serve the new dwellings. Allowance will be made for a future district heating connection.

Open Spaces

Citizen Road will be redesigned to improve both pedestrian and vehicular safety. All car parking bays presently allocated to residents, including disabled bays, will be re-provided on the estate, along with 15 visitor bays.

3 new trees will be planted on the estate to replace every tree lost. Throughout the estate new areas of soft landscaping will replace previous hard landscaping. The variety and quality of

planting will be augmented and improved, so as to enhance the quality of the open spaces on the estate.

Green roofs will be provided to enhance biodiversity and control the flow of rain water into the mains drainage systems.

Improved Facilities

Secure cycle store capacity will be increased and bike stores will be repositioned centrally along the main access route to encourage greater use. Additionally, new covered cycle stores are proposed along Citizen Road to serve the new accommodation. Cycle stores will also house scooters and mobility scooters.

Play facilities will be expanded in size and improved, with new play elements and surfacing. Opportunities for informal play on the estate will also be enhanced.

New communal recycling stores are proposed to serve new and existing dwellings on the estate.

Street lighting to Citizen Road will be redesigned with LED column-mounted lanterns positioned along the route to improve safety and energy efficiency. Along the central pedestrian spine of the estate existing column-mounted lanterns will be replaced by energy efficient LED fittings.

There are wide benefits for all residents on the estate with improved cycle provision, play facilities, landscaping, new refuse and recycling stores and improved lighting. An enhanced scheme has been designed for more landscaping improvements but this will be subject to other bids for funding.

Relevant impact assessments have been completed as part of this procurement process including a full risk/opportunity assessment, resident impact, environmental impact and health and safety impact assessments.

During the construction phase the appointed contractor and the council will continue to engage with residents who live on or off the estate and with local businesses until the completion of the development

The Council will be able to achieve a significant amount of social benefit and value through this procurement. Social value will be included as an award criterion within the tender process in order to derive the maximum social benefit from the contract and the supply chain. As part of the evaluation process bidders will be asked to include a proposal regarding the social value they can achieve. The social evaluation will require bidders to consider their economic, environmental and social plans for delivery.

The Council is committed to supporting residents into employment, especially those who are disadvantaged in the labour market. Increased training apprenticeship and employment outcomes have been achieved by building in these requirements at the commencement of the procurement process. The contractor is committed to meeting the Council's requirement of 1:20 where 1 fulltime apprenticeship will be provided for every 20 homes built.

The intentions of Islington's development and corporate plans are to reduce poverty, deprivation, unemployment, especially those who are disadvantaged in the labour market.

There will be opportunities for sustained employment for local unemployed people facilitated through the new development with the requirement for all contractors to pay the London Living Wage.

The development will deliver a number of benefits that meet the Council’s corporate objectives including:

- Making Islington fairer, by providing high quality facilities and services available to the community, with particular focus on provision for vulnerable residents
- Tackling the housing shortage, by building new genuinely affordable homes
- Delivering good services on a restricted budget, by carefully managing the project to contain costs of the development without recourse to additional council funding
- Creating a good quality of life by delivering good quality genuinely affordable homes

All new build development is expected to bring further social and economic benefits, including environmental improvements to the public realm through the development.

All new build development is designed in accordance with the council’s detailed planning requirements and the New Homes design procedures.

There are no TUPE, pension or staffing implications relating to this procurement.

3.6 Evaluation

The tender will be conducted in one stage, known as the Open Procedure, as the tender is ‘open’ to all organisations who express an interest. The Open Procedure includes minimum requirements which organisations must meet before the rest of their tender is evaluated.

The proposed evaluation award criteria is MEAT based on 60% cost and 40% quality.

The full breakdown of the cost/quality award criteria is:

Tender Award Criteria	Total
Cost	60%
Quality – made up of	40%
Proposed approach to contract management and quality of finished build; Including quality management and provision of consistent qualitative improvements to deliver project on time	20%
Proposed approach to Health and Safety	10%
Proposed approach to <i>social value including employment, training, resident care; community engagement; equality, diversity and inclusion , economic and environmental considerations</i>	10%
Total	100%

3.7 Business Risks

The main business risk would be that when the tenders are returned the cost of the build is higher than estimated. We have managed these risks by ensuring the project has undergone a series of cost-plan assessments based on current cost indices.

The main opportunities associated with this procurement would be that the tendering process results in a tender return which demonstrates high quality tenders which are tested in the market place demonstrating best value for the council.

3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

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

Relevant information	Information/section in report
1 Nature of the service	This report seeks pre-tender approval for the procurement strategy in respect of the Construction of 24 homes on the Harvist Estate See paragraph 4.1
2 Estimated value	The estimated value is £13m See paragraph 4.2
3 Timetable	The timetable is outlined within this report. See paragraph 4.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	Competitive tender option is preferred, to ensure best value is achieved for the Council. See paragraph 4.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	Social, economic, environmental consideration including Equality, Diversity and Inclusion will form part of the bidder's proposals. See paragraph 4.5
6 Evaluation criteria	Cost - 60%, quality - 40%. The award criteria breakdown is more particularly described within the report. See paragraph 4.6

7 Business risks are described within this report.	Business risks are described within this report. See Paragraph 4.7
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Implications

4.

4.1 Financial implications:

The Harvist Estate scheme is part of Islington Council's 3 year (19/20 to 21/22) New Build (NB) programme. This scheme has been allocated a budget of £12.8m which is made up of £9.9m for construction and £2.9m for fees. The 3 year NB programme has an overall budget of £260.3m.

The Financing of the scheme is set out below:

	£m
Right to Buy 1-4-1 receipts for the 11 Non-GLA funding units	1.8
GLA grant for 13 OMS units Flipped to SR units, at £100k per unit	1.3
Primarily HRA borrowing, and non-scheme specific funds (Section 106 income + Shared Ownership receipts)	9.7
Total financing	12.8

This scheme formed part of the GLA bid in which a total of 131 OMS units were flipped to SR units on the basis of securing GLA grant (at £100k per unit) & funding the balance from HRA borrowing (following the abolition of HRA debt cap). The cost of servicing the increased borrowing has been accommodated within the current HRA business plan.

Risk:

£10m construction cost estimated by Employer's agent is the same as in the cost assessment carried out in July 2018, and the budget set in Nov 2018. However, cost reviews of other schemes by contractors in recent months have shown a significant increase as compared to budget, ranging from 20% to 50% increase. A 20% increase in Harvist's cost would increase the overall scheme's cost by a minimum of £2m, resulting in additional financing requirement.

Point 4.4 indicates that the existing or new contractor framework (option1) will not cater for traditional forms of contract as has been determined necessary to deliver the Harvist Scheme.

Generally, in a traditional procurement approach (chosen option 3 above), the design responsibility will lie with the Council, hence the risk of cost increases arising from design changes or any other associated consequences will fall to the Council.

However, it can also be argued that a traditional contract will afford the Council greater control over the design quality, minimising life cycle costs over the long term & as such potentially providing better value for money.

The proposed tender evaluation approach referred to at point 4.6 recommends determining the "most economically advantageous tender" based on a 60% Cost & 40% quality split, this is in line with the standard evaluation approach adopted by the Council.

4.2 Legal Implications:

The Council as a local housing authority has powers to provide housing accommodation by erecting houses on land held or acquired for that purpose under section 9 of the Housing Act 1985. The Council has power to enter into works contracts for that purpose under section 1 of the Local Government (Contracts) Act 1997. The Executive may provide Corporate Directors with responsibility to award contracts with a capital value over £5,000,000 (Council's Procurement Rule 16.2).

The proposed contract is a contract for works. The threshold for application of the Public Contracts Regulations 2015 (the Regulations) is currently £4,551,413 for works contracts. Contracts above this threshold must be procured with advertisement in the Official Journal of the European Union and in full compliance with the Regulations. The Council's Procurement Rules also require contracts over the value of £181,302 to be subject to competitive tendering.

The proposed procurement strategy, to advertise a call for competition and procure the service using the open procedure competitive tender process, is in compliance with the principles underpinning the Regulations and the Council's Procurement Rules. On completion of the procurement process the contract may be awarded to the highest scoring tenderer subject to the tender providing value for money for the Council.

4.3 **Environmental Implications**

The construction of the new development on the Harvist Estate will have several environmental implications. These include the materials used for the new buildings, energy used in the construction process, the generation of construction waste, vehicular movements for the removal of waste, delivery of materials, construction workers travelling to work, and potential nuisance issues such as noise and dust.

The buildings will also have a long-term impact on the environment, particularly in terms of their use of energy and water. This will be mitigated by the new buildings meeting Code for Sustainable Homes Level 4, including a communal heating system that could potentially connect to a district heat network in future, whilst a solar PV system will provide power for the dwellings. In addition, green roofs will enhance biodiversity and help control the flow of rain water into the local drainage system.

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 22 May 2019. The completed Resident Impact Assessment is appended. The new development will have a positive impact people with residents and will deliver four wheel chair homes for residents with mobility impairments. Residents on the estate will have first dibs to bid for properties under the local lettings plan and will also have the opportunity to down size to a smaller home or where there is over crowding upsize to a larger home. The house will have gardens that provide good quality amity space and all homes will support the wellbeing of new residents. All car parking bays presently

allocated to residents, including disabled bays, will be re-provided on the estate, along with visitor bays.

The design will be fully inclusive. The proposal aims to meet the highest standards of accessibility and inclusion so that all potential residents and visitors, regardless of disability, age or gender, can use them safely and easily. Inclusive access is achieved by eliminating barriers physical, attitudinal and procedural, which inhibit the involvement of the whole community, not just disabled people.

The ultimate aim of inclusive access is that the design and layout of the building should enable everyone to be able to enter the building, use the facilities and leave safely, independently and with ease.

5. Reason for the decision:

- 5.1 This report recommends the approval of the procurement strategy for the construction of new build residential homes on the Harvist Estate N7. One of the Council's housing priorities in the Corporate Plan is to build new affordable homes. The building of these new council apartments supports this priority. Advertising a competitive tender will ensure best value is achieved for the council, and secure a contractor who can deliver high quality homes at a competitively tendered price.

6. Record of the decision:

- 6.1 I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Signed by: *Diarnaid Ward.*

Executive Member for Housing and
Development

Date 11 September 2019

Appendices Resident Impact Assessment

Background papers: None

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Resident Impact Assessment

Title of policy, procedure, function, service activity or financial decision:

Service Area: Housing New Homes

This assessment is not related to a policy, strategy or plan. It is in relation to the proposed implementation of a planning permission for the Harvist Estate Scheme P2018/2767/FUL: Construct of 24 new dwelling units (100% social rent) on the Harvist Estate Site and is part of Islington's New Homes Programme.

Background:

The Harvist Estate Scheme will provide 24 new residential homes (4 x 1B2P flats, 4 x 2B3P flats, 8 x 2B4P houses, 4 x 3B4P houses and 4 x 4B7P Houses). All properties will be for social rent. In addition the scheme will include improvements to the public realm, new refuse facilities and bicycle storage on the estate.

The planning committee resolved on 8 January 2019 to grant planning permission for the development being ref: **P2018/2767/FUL** with a letter of undertaking by the Director of Housing in the form of a section 106 agreement. The description, reason and manner of this dependency is explained below.

We have already consulted local residents, local ward councillors, the council's planning, refuse, estate services, and energy and housing allocation departments. Other departments also consulted were the fire brigade services and Metropolitan Police Secured by design officers to deliver the best possible outcomes.

2. Resident Profile

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

The residents of the Harvist Estate will be impacted following the construction of the new development with noise, dust and traffic. No residents will be required to move from their homes. Traffic calming measures will make the estate safer and new landscaping will increase

biodiversity and improve amenity space across the estate. The realignment of Citizen road will provide better emergency vehicles better access.

		Borough profile	Service User profile
		Total: 206,285	Total: 960
Gender	Female	51%	49%
	Male	49%	48%
	Other / Undisclosed	-	3%
Age	Under 16	32,825	197
	16-24	29,418	99
	25-44	87,177	304
	45-64	38,669	227
	65+	18,036	90
	Undisclosed	-	43
Disability	Disabled	16%	11%
	Non-disabled	84%	83%
	Undisclosed	No data	6%
Sexual orientation	LGBT	No data	1%
	Heterosexual/straight	No data	24%
	Undisclosed	No data	75%
Race	BME	52%	38%
	White	48%	23%
	Undisclosed	-	39%
Religion or belief	Christian	40%	14%
	Muslim	10%	9%
	Other	4.5%	1.5%
	No religion	30%	5.5%
	Religion not stated	17%	70%

3. Equality impacts

There are no changes that have been identified that will be discriminatory towards the people that live on the estate and this scheme seeks to provide housing for one or more of those with protected characteristics, namely people with disabilities, families with children and older people.

The scheme will provide 4 wheelchair units (which is twice the requirement at 10%). The new homes will be suitable for families with children and residents with mobility needs.

Residents with allocated car parking on Citizen Road will retain their parking allocation. Residents blue badge holder will be allocated the closest car parking spaces to their home. During the construction period temporary parking will be allocated on the estate and locally. Residents will always have to access their homes.

The new homes will be allocated via the Council's Local Lettings Strategy to council residents living on the estate of which some would have one or more protected characteristics. The new homes will be fully accessible on the ground floor. The new homes are connected to a communal heating plant and fully insulated reducing heating bills. The new homes are also linked to an entryphone system improving security to their homes.

Like any new development, construction will result in noise, dust and inconvenience to residents adjacent to the construction site. For the Harvist Estate site, we have identified residents in the immediate vicinity on which the building works will impact and will continue to discuss this element with them.

The contractor will also be required to sign to the Considerate Contractor Scheme to work with the Council and residents to minimise any inconvenience to neighbouring residents. The contractor will also be asked to provide regular newsletters so that the residents affected are kept up to date with the progress of the new development. In addition, the contractor will allow 24-hour access to Citizen road during the construction period for emergency vehicles and resident disable vehicles at Globe Court.

To mitigate against loss of parking during the construction period, temporary parking will be provided for residents with allocated parking either on or off the estate.

The council has engaged with the Tenant and Resident Association (TRA) at meetings and through resident consultation drop-in events. Completed questionnaires and comments from residents have resulted in changes to the design. The newly designed play areas are between the new and old residential blocks allowing the communities on the estate to interact and develop community cohesion. Also, the police department and council will benefit from the new development as the design seeks to eliminate anti-social behavior allowing their resource to be moved to other hot spots in the community. The council will continue to engage with the TRA and residents through the design and construction stages to foster stronger relationships.

Islington's vision for housing as laid down in the Housing Strategy 2014 – 2019 is to make sure everyone in Islington has a place to live that is affordable, decent and secure. Secure and affordable housing is recognised as an enabler. Housing has an important role in shaping healthy places, preventing ill health, supporting residents into work and tackling child poverty. The council has a corporate objective to deliver 550 new council homes by 2022. The delivery of Harvist Estate scheme is part of Islington's Corporate objective to deliver New Homes.

The Council will be able to achieve a significant amount of social benefit and value through this procurement. Social value will be included as an award criterion within the tender process in order to derive the maximum social benefit from the contract and the supply chain. As part of the evaluation process bidders will be asked to include a proposal regarding the social value they can achieve. The social evaluation will require bidders to consider their economic, environmental and social plans for delivery.

The Council is committed to supporting residents into employment, especially those who are disadvantaged in the labour market. Increased training apprenticeship and employment outcomes have been achieved by building in these requirements at the commencement of the procurement process. The contractor is committed to meeting the Council's requirement of 1:20 where 1 fulltime apprenticeship will be provided for every 20 homes built.

There will be opportunities for sustained employment for local unemployed people facilitated through the new development with the requirement for all contractors to pay the LLW.

4. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

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

There are no risks or breaches against human rights

5. Action

Action	Responsible person or team	Deadline
Allocation of parking	Area Housing Office, Customer Services	09/2021 and ongoing throughout programme.
Minimise implications of construction nuisance	LBI, Employers Agent and selected Building contractor	March 2020 and ongoing throughout programme.
Allocation of housing through the Local Lettings policy	Lettings team	09/2021 and ongoing throughout programme

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

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

Staff member completing this form:



Signed: _____

Date: 17/05/2019

Head of Service or higher:



Signed: _____

Date: 20/05/2019



Report of: Executive Member for Housing and Development

Executive	Date: 19th September 2019	Ward(s): All
		Non-exempt

SUBJECT: Procurement Strategy for Domestic Gas Boiler Installations, Servicing and Repairs

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of borough-wide domestic gas boiler installations, servicing and repairs provision in accordance with Rule 2.7 of the Council's Procurement Rules.
- 1.2 The intention is to award three contracts:
 1. Back-up service for domestic gas boiler responsive repairs and servicing for the north of the borough to support the in-house gas team;
 2. Delivery of domestic gas boiler responsive repairs and servicing in the south of the borough and;
 3. A contract for domestic gas boiler installation renewals, both planned and reactive, throughout the borough.

2. Recommendations

- 2.1 To approve the procurement strategy for the provision of domestic gas boiler installations, servicing and repairs as outlined in this report.
- 2.2 To authorise the Corporate Director of Housing, in consultation with the Executive member for Housing and Development, to take the decision to award the contracts.

3. Background

3.1 Nature of the service

The Council is responsible for undertaking the annual servicing of every domestic gas boiler in its tenanted properties, along with responsive gas repairs and any gas installations (both planned and reactive). The annual gas servicing compliance figure is a key performance indicator for the Council. Gas safety is an area which carries substantial risk due to the implications of service failure and the high volumes involved.

The Council's Housing Property Services division currently provides the gas service in the north of the borough and has done so since insourcing this in June 2014. A separate contract was procured for the domestic boiler installation programme in the north of the borough, with a back-up service to the in-house team for repairs and servicing including out of hours' emergency cover.

The contract for the gas service in the south of the borough was originally procured by Homes for Islington (HFI). This contract was novated to the Council when HFI was insourced.

The Council wishes to procure three contracts for domestic gas installations, servicing and repairs. The current contracts come to an end on 31st May 2020 and any options to extend them have now been exercised.

The procurement will be split into three Lots. The three services will be procured through one tender process to award contracts to one or a maximum of two contractors. Providers may apply for Lots 1 to 3, but any single provider will only be awarded a maximum of two contracts for example Lot 1 and Lot 3 or Lot 2 and Lot3. The services cover the requirements as follows.

Lot 1: Back-up to in-house Gas Team for Domestic Gas Repairs and Servicing (north of the borough)

Currently the Council's gas service provides approximately 13,500 responsive repairs and gas servicing to 10,040 tenanted properties per annum in the north of the borough as part of the Council's statutory obligations under the Gas Safety (Installation and Use) Regulations 1998. The in-house service has operated since 2014 with the support of contractors providing a back-up service, including for out of hours emergency cover.

The in-house team has had substantial difficulties in recruiting to the level that would enable it to negate the requirement for a back-up contractor, and currently the team is operating at 63% of staffing level. However, the Council is committed in maintaining and developing the gas in-house team by "growing our own" and has recruited three apprentices who are currently undergoing training.

In order to support the in-house team, it is necessary to procure a back-up contractor who can provide additional support during busier 'peak' times to ensure that the Council complies with its repairing obligations as a landlord. It is crucial that tenants' homes are heated and that the Council can respond quickly and efficiently to breakdowns and repairs.

It is therefore recommended that such support is maintained but with a view to reviewing at the initial three-year stage where optional extensions are available.

Lot 2: Domestic Gas Boiler Responsive Repairs and Servicing (south of the borough)

One contractor manages the delivery of approximately 10,600 responsive repairs and gas servicing to 9,386 tenanted properties per annum in the south of the borough. The current contract arrangement is a "3-Star Contract", where the contractor is paid a set fee to undertake the annual service and all repairs are included irrespective of the number of visits, which incentivises the contractor to get it right first time and delivers good value for money. We recommend one contractor is maintained to provide a service on the same "3-Star Contract" basis with a view to reviewing the situation after three years.

Lot 3: Domestic Gas Boilers - planned and reactive installation/renewal

Domestic gas boiler installation arrangements, both planned and reactive, are currently delivered through a combination of the back-up contractor in the north and the external contractor in the south of the borough. The new arrangement will combine these two areas of work and the service will be delivered through a separate contract. The in-house team does not currently have resources or expertise in this area. A separate installation contract will ensure enough resources are available to undertake any boiler installations, inclusive of those arising from the return of the PFI2 street properties to the council in 2022/23.

3.2 Estimated Value

The contracts are funded from the Housing Revenue Account (HRA).

The anticipated total value of each contract will be:

- a) Lot 1: Back-up to in-house gas team for domestic boiler responsive repairs and servicing (north of the borough) £11.97m (based on £1.71m average per annum)
- b) Lot 2: Domestic boiler responsive repairs and servicing (south of the borough) £9.31m (based on £1.33m average per annum)
- c) Lot 3: Domestic Gas Boilers - planned and reactive installation/renewal £16.45m (based on £2.35m per annum).

The estimated maximum values for Lots 1 and 2 are based on actual spend over the past two years plus an estimated amount for PFI2 tenanted properties coming back in July 2022. The estimated value of Lot 3 may not be entirely reflective of the spend in future years considering the difficulty in predicting how many PFI2 street properties will require boiler replacements when they return to the Council's direct management in 2022/23.

The above contracts will be let for an initial term of three years with provision for up to two extensions of two years each (3+2+2) for a maximum contract duration of seven years.

There is a financial risk in relation to potential legal disrepair claims if the Council does not maintain its statutory obligation to keep its residential properties in good repair.

3.3 Timetable

The following deadlines must be reached:

Approval for the procurement strategy	19 September 2019
Current contracts expire	31 May 2020
Publish contract notice	October 2019
Return date for Tenders	November 2019
Tender award report	December 2019
Corporate Director approval of contracts award	January /February 2020
Anticipated contract start	1 June 2020

These contracts are not subject to Section 20 consultation.

3.4 Options appraisal

Having one in-house gas team servicing the whole borough was considered. This option would be extremely difficult to deliver given that, with only the north of the borough currently insourced, we are still only running at 63% resourcing levels (12 out of 19 posts filled). The reality is that this area of operations is extremely competitive and all providers, whether local authority or private contractor, struggle to maintain adequate staffing resource. There would therefore be unacceptable risk to tenants' safety in pursuing this option. The other likely consequence of insourcing the service to the whole borough would be that we have to procure expensive back-up arrangements for the whole borough rather than just the north, increasing the financial pressures on the service and the whole of the HRA.

Collaboration with neighbouring boroughs was also explored but this is not currently considered a viable option given the overriding priority to maintain 100% compliance levels and our challenging 24-hour response target for gas repairs.

Procuring the services via a framework agreement was explored but none were identified that offer the Council the flexibility required to deliver the service, nor offer best value.

It was therefore decided that the preferred option is to procure three contracts using a one stage competitive Open Tender as this can deliver best value overall and meet service requirements.

3.5 Key Considerations

Delivering social value to Islington residents will be a contractual obligation on the selected provider. Their performance will be monitored at regular contract meetings and will be a consideration in any decision on contract extension. Social value contributions will include work experience placements, job shadowing and training opportunities for residents. A clear set of rigorous social value targets will be included in the contract specification. These will be agreed with the Council's iWork team and will focus on job opportunities for local residents, especially those who are disadvantaged in the labour market.

London Living Wage will be included as a condition of the contract. However, the current market pays above London Living Wage for roofing operatives.

Staff from the existing contractors delivering this contract may be subject to TUPE regulations as part of this procurement.

Best Value

The service will implement a robust performance monitoring framework so that value for money, quality, outcomes and cost effectiveness can be assessed. The monitoring framework will include activity levels, evidence of outcomes achieved, as measured against the desired service KPI outcomes in the service specification. Expenditure against the service budget will also be required. Service user feedback and use of resources will be monitored by commissioners on a scheduled basis and as required. Regular contract monitoring reviews will take place and the provider will, quarterly, submit information on the service provided. This process allows for continuous improvement and service development.

3.6 Evaluation

The tender will be conducted in one stage, known as the Open Procedure, as the tender is 'open' to all organisations who express an interest. The Open Procedure includes minimum requirements which organisations must meet before the rest of their tender is evaluated.

The contract will be awarded to the Most Economically Advantageous Tender (MEAT). The proposed award criteria will be based on quality 30% and cost 70%.

The evaluation criteria will be broadly similar for all the contracts, although they will be tailored to specific areas. The specific, tailored evaluation criteria will be published clearly for each individual contract in the advert. The broad areas of evaluation will be:

Lot 1 and 2

- Proposed approach to mobilising, resourcing and implementing the delivery of the works/services within timescales 10%
- Proposed approach to customer service, delivering equalities and social value 10%
- Proposed approach to Health & Safety 10%

Lot 3

- Proposed approach to mobilising, resourcing and implementing the delivery of the works/services within timescales 10%
- Proposed approach to customer service, delivering equalities and social value 10%
- Proposed approach to quality management 10%.

3.7 Business Risks

There is a risk that the quality of tenders may not be suitable, or that costs may exceed the allocated budget, which would risk the council having to re-advertise one or more of the Lots. There is a risk the council will fail to meet its statutory obligations if the contractors are not in place within the necessary timeframe. A robust procurement process and mobilisation plan is in place to ensure we meet our targets in a timely manner. In-house support will be made

available to assist the newly appointed contractors with set up requirements, particularly around IT.

Consideration was given to the possibility of offering gas services to leaseholders but, given the council's legal obligations to tenants and the challenges of maintaining high levels of compliance across the council's stock, this was judged to be too much of a risk.

We will be seeking delegated authority so that the Corporate Director of Housing can award the contracts to avoid delays in mobilising the new contracts within the restricted timescales and ensure continuity of service.

The reintegration of housing stock currently managed through PFI will impact on budget and potentially the scope of works. The budget has been modified to take account for this. ICT must integrate fully with the council's IT system. Mobilisation may include site visits and demonstrations to set up, integrate and test the system. Integration with the council's IT system will be built into the providers' specification.

- 3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.
- 3.9 The following relevant information is required to be specifically approved in accordance with rule 2.8 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	Provision of Domestic Gas installation, servicing and repairs to Islington Council's tenanted properties. See paragraph 3.1
2 Estimated value	<ul style="list-style-type: none"> a) Back-up to In-house Gas Team for Domestic Gas Servicing and Repairs (north of the borough) £11.97m (based on £1.71m average per annum) b) Domestic Boiler Responsive Servicing and Repairs (south of the borough) £9.31m (based on £1.33m average per annum) c) Domestic Gas Boilers - Planned and Reactive Installation/Renewal £16.45m (based on £2.35m per annum). <p>The agreement is proposed to run for a period of 3 years with two optional extensions each of 2 years. See paragraph 3.2</p>

3 Timetable	Advert: September 2019 Evaluation: November 2019 Award decision: by February 2020 Contract start date: 1 June 2020 See paragraph 3.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	A one stage competitive tender, using the Open Procedure, is the preferred option See paragraph 3.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	<ul style="list-style-type: none"> - Approach to social values included - London Living Wage - Best Value - TUPE implications See paragraph 3.5
6 Award criteria	The award criteria price/quality 70%-30% split is included within the report. See paragraph 3.6
7 Any business risks associated with entering the contract	<ul style="list-style-type: none"> - Lack of suitable tenders - Delay in awarding contracts - ICT Booking System integration See paragraph 3.7

4. Implications

4.1 Financial implications:

Lot1 – Backup contract to In-house Gas team (north of the borough)

The In-house Gas team is funded from the Housing Repairs budget (£32.93m in 2019/20). The budget allocation for Gas Service to the north of the borough is £4.11m. Within this allocation, £200k was earmarked to spend on subcontractors to back up the in-house team.

Owing to difficulties in recruitment, the backup service has been extensively used in the last few years causing substantial overspends in the budget (£680k overspend in 2016/17, £900k in 2017/18 & £1.1m in 2018/19). However, the overspends have largely been offset by the underspends in staffing and material costs. The only exception was in 2018/19 where the net overspend was £400k. It is worth noting that this overspend was contained within the overall Housing Repairs budget and did not cause any additional pressure to the Council.

The estimated contract value of Lot 1 consists of 2 parts:

1. £1.4m for existing properties in north of the borough
2. £300k for approx. 2500 PFI properties which will return to the Council in 2022/23

It is estimated there will be a budget shortfall of £400k to cover the part for existing properties. The shortfall is mainly due to the fact that an outsourced back up service is more expensive to procure and the costs cannot be fully compensated by the underspend in staffing and material costs. This funding gap will be considered alongside other resourcing issues in the HRA business plan review. The aim is to ensure all budget pressures can be contained within the available resources in the HRA.

In relation to the part for PFI properties, additional budget will be made available to accommodate the increase in property numbers. Therefore, it is anticipated that this part of the contract will be fully funded.

Lot 2 Domestic Gas Boiler Responsive Repairs and Servicing (south of the borough)

The budget allocation for Gas service to south of the borough is £1.45m in 2019/20. It is anticipated that the budget provision will continue to be available in the foreseeable future. The value of the contract will therefore be contained within the budget without causing additional pressure to the Council.

Lot 3 Domestic Gas Boilers - planned and reactive installation/renewal

The value of the contract is funded within the Capital 10 year investment plan which assumes average resources of £4.4m per annum. The value of the contract will therefore be contained within existing resources without causing additional pressure to the Council.

4.2 Legal Implications:

The Council is responsible for undertaking the repair, maintenance and improvement of its housing properties and installations therein (Part 2 of the Housing Act 1985 and section 111 of the Local Government Act 1972). The Council has power to enter into contracts with suppliers of domestic gas boiler installation, servicing and repair works under section 1 of the Local Government (Contracts) Act 1997.

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

The proposed contract is a contract for domestic gas boiler installation, servicing and repairs. For purposes of the Public Contracts Regulations 2015 (the Regulations) this procurement is likely to be classified as a procurement for 'services' since the value of the proposed contracts for repairs and servicing (lots 1 and 2) is far greater than the value of the contract for boiler installation (lot 3). The total estimated value of the contract (all 3 Lots across a 7-year maximum term) is £37,726,000. The threshold for application of the Regulations is currently £181,302 for service contracts. The value the proposed contract is above this threshold. Contracts above this threshold must be procured with advertisement in the Official Journal of the European Union and with full compliance of the Regulations. The Council's Procurement Rules also require service contracts over the value of £181,302 to be subject to a formal competitive tender process. The proposed procurement strategy, to advertise a call for competition and procure the contract using a competitive tender process (open procedure), is in compliance with the principles underpinning the Regulations and the Council's Procurement Rules.

On completion of the procurement process the contract(s) for each Lot may be awarded to the highest scoring tenderer(s) subject to the relevant tenders providing value for money for the Council.

The contract is for a period in excess of 12 months and therefore will be qualifying long term agreements under section 20 of the Landlord and Tenant Act 1985. Accordingly, the Council will need to comply with the leaseholder consultation requirements applicable to long term qualifying agreements set out in the Service Charges (Consultation Requirements) (England)

Regulations 2003 (as amended).

4. Environmental Implications

3

The main potential environmental impacts of the contract for domestic boiler installation, repairs and servicing are:

- Disturbance of biodiversity; some protected species live in and around the fabric of domestic dwellings, including nesting birds and bats. Staff working for the contractor should be trained to identify and deal with potential biodiversity risks.
- Emissions; the installed boilers will produce emissions during combustion. The contractor will be required to install only SEDBUK A or B - rated boilers (rated using the 2009 calculation). NO_x emissions should be minimised by ensuring that all newly-installed boilers are class 5 (European Standard EN 483:2000).
- Travel; carrying out works will involve travelling to different sites, which may result in tailpipe emissions and also contributes to congestion. The contractor should be required to ensure that zero or low emission vehicles are used, and to combine jobs to ensure effective route optimisation where possible.
- Use of materials; installation and repair works may require the use of new materials (e.g. piping). The contractor should seek to minimise the new of virgin products, and reuse existing materials where possible.
- Waste generation; installation and repair works are likely to generate waste products, some of which may be hazardous. The contractor has a duty of care to ensure that these are disposed of legally and that the waste hierarchy is followed to ensure the maximum rate of reuse and recycling.

4. Resident Impact Assessment:

4

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

A Resident Impact Assessment was completed on 13th June 2019 and the summary is included below. The complete Resident Impact Assessment is at appendix 1.

5. Reasons for recommendations:

- 5.1 The Council has a duty to maintain its statutory obligation to keep its residential properties in good repair. The current gas servicing contract expires on 31st May 2020. The procurement of a new contract is required to ensure continuous provision of this service.

Appendices: Resident Impact Assessment

Final report clearance:

Signed by:

Diarmuid Ward.

11 September 2019

Executive Member for Housing and
Development

Date

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Resident Impact Assessment

Procurement Strategy for Domestic Gas Boiler Installation, Servicing and Responsive Repairs

Service Area: Housing Gas Service Team

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

Delivery of two or more contracts for the existing Domestic Boiler Installations, Servicing and Responsive Repairs to Islington Council's tenanted properties due to expire May 2020.

2. Resident Profile

The group within Islington which is going to be impacted by these contracts are primarily council tenants. Below is the known diversity profile for Islington council tenants.

		Tenants
Gender	Female	59.7%
	Male	40.3%
	Transgender	0.1%
Age	Under 20	0.3%
	20 - 29	10.5%
	30 - 39	16.0%
	40 - 49	22.2%
	50 - 59	20.5%
	60-69	13.4%
	70 and over	17.2%
Disability	Blind/Visually Impaired	2.1%
	Deaf/Hearing Impaired	2.1%
	Learning Difficulty	2.1%
	Mental Illness	11.4%
	Mobility Difficulty	5.1%
	No Disability	57.7%
	Other Disability	13.8%

	Physical Difficulty	5.3%
	Wheelchair User	0.5%
Sexual orientation	LGBT	3.6%
	Heterosexual/straight	96.4%
Race	BME	42.4%
	White	57.5%
Religion or belief	Buddhist	1.1%
	Christian	58.8%
	Hindu	0.5%
	Humanist	0.4%
	Judaism	0.3%
	Muslim	16.9%
	No Religion	19.6%
	Other Religion	1.8%
	Rastafarian	0.4%
	Sikh	0.2%

3. Equality impacts

It is anticipated that the delivery of the contracts for the provision of the domestic gas boiler installation, servicing and repairs to council homes will not discriminate against any individuals with protected characteristics living in council homes or visiting council homes or estates. The delivery of the contracts will have a positive impact on all tenants including those with protected characteristics as it is designed to ensure that all council residential properties meet the statutory obligations under the Gas Safety (Installation and Use) Regulations 1998 irrespective of residents' employment/financial status.

Arrangements proposed within the procurement process for these contracts will have a positive impact on groups with protected characteristics as diversity and equality implications will be considered during the procurement. Potential service providers will be asked a series of questions which will be scored during the procurement process. Scoring will take account of how service providers propose to take due consideration to equality and diversity in the delivery of these contracts in a number of ways.

Service providers' responses to this question will be expected to clearly demonstrate how they will communicate effectively with residents impacted by works they are carrying out. Particular attention will be paid to what arrangements they will put in place to ensure they can communicate appropriately with residents with protected characteristics who may have different communication needs, in particular residents with a disability, those for whom English is not their first language and elderly residents.

Service providers' will also be expected to explain clearly how they will take account of any access difficulties and disruption residents may experience to their homes, block or parts of the estate affected by the works they are carrying out and how these can be minimised. In particular responses are expected to clearly set out what reasonable adjustments the service provider can make to works carried out, in particular when scaffolding is involved, to minimise

access problems and disruption to residents with protected characteristics in particular disabled residents, older and younger residents.

Service providers will also be expected to clearly explain how they will deliver their services to ensure the health and safety for all residents and members of the public is protected and again any additional health and safety measures they will put in place to ensure individuals with protected characteristics are protected sufficiently.

The answers given by the successful service provider to the quality questions within the procurement process will form part of the contract documents for the provision of this service and performance against these commitments will be monitored by the Housing Gas Service. In addition, it is a contractual requirement for service providers to work to Islington Council's policies and procedures covering health and safety and equality and diversity.

Social Value is considered and written into the contract terms including offering a minimum number of apprenticeship opportunities, work experience placements, job shadowing and training opportunities throughout the delivery of this contract. The council's Employment Engagement Team will attend quarterly Core Group meetings with the successful service provider, where commitments made to deliver Social Value requirements will be monitored and enforced if necessary with the chosen service provider.

It is not anticipated that the delivery of this contract will have any negative impact on relations between communities with protected characteristics and the rest of the population in Islington.

4. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

All of the service providers appointed by the gas servicing team are required to have DBS checks for all of their staff working on an Islington contract, including any subcontractors they use and this must be evidenced. It is also checked on a quarterly basis to ensure any staff changes within the service provider's workforce are taken into consideration. Service providers are not allowed to enter a property unless an adult over the age of 18 is present. Service providers are given leaflets and information regarding safeguarding and reporting any safeguarding concerns back to Islington Council during the contract mobilisation stage. They also have to attend mandatory safeguarding training delivered by Islington Council. These are all contractual requirements irrespective of whether the contractor works internally or externally to residents' homes.

There is no anticipated risk of Human Rights breaches linked to the delivery of this contract.

5. Action

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

Action	Responsible person or team	Deadline
No impacts have been identified		

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

Staff member completing this form:

Signed: Linda Malerba

Date: 13/06/2019

Head of Service or higher:

Signed: Anne Bagland

Date: 13/06/2019

Executive Member for Housing and Development

Meeting of:	Date:	Ward(s):
Executive	19.09.2019	N/A

Delete as appropriate:		Non-exempt
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SUBJECT: LOCAL DEVELOPMENT SCHEME 2019

1. Synopsis

- 1.1 The Local Development Scheme (LDS) is the work programme which sets out how the Council will prepare and review its Local Plan and other planning guidance. Islington's adopted Local Plan comprises a number of separate Development Plan Documents including the Core Strategy, Development Management Policies, Site Allocations, Finsbury Local Plan and the North London Waste Plan (currently in preparation). The Local Plan is supported by various Supplementary Planning Documents (SPDs) which provide additional guidance on Local Plan policies.
- 1.2 Local authorities are required by statute to prepare and maintain an up-to-date LDS. The Executive approved the last version of the Local Development Scheme in April 2016.
- 1.3 The LDS requires revision in order to set out the timescale for the review of the Local Plan. Amending the LDS will also allow the document to reflect the revised timetable for the North London Waste Plan. Furthermore, the revised LDS includes up-to-date timescales for the preparation of new or revision of existing Supplementary Planning Documents.
- 1.4 Following enactment of the Localism Act 2011, the Council is no longer required to submit the LDS to the Mayor of London and Secretary of State prior to its approval. However, the Mayor and Secretary of State retain the ability to direct changes to the LDS for the purposes of ensuring effective coverage of the authority's area by the development plan documents taken as a whole.

- 1.5 The LDS describes how the Council will exercise its statutory plan-making powers. Extensive consultation is carried out on component parts of the Local Plan at key stages in their development. Publication of the LDS gives residents and interested parties advance notice of publication of planning documents, thus increasing their ability to participate in consultation.

2. Recommendations

- 2.1 To approve the Local Development Scheme 2019 as set out in Appendix 1, and agree that the scheme is to have effect from 25 September 2019.

3. Background

- 3.1 Local planning authorities are required to prepare an up-to-date work programme called the Local Development Scheme (LDS). Its main purpose is to provide a mechanism for the local community and interested parties to find out about Local Plan documents and planning guidance that the Council intends to review or produce over the coming three years. The LDS can be reviewed at any time.
- 3.2 The Council's Core Strategy was adopted in February 2011. The Council subsequently adopted the Finsbury Local Plan, Development Management Policies and Site Allocations in June 2013, which contain further detailed policies on how the Core Strategy will be delivered. A review of the Local Plan is currently progressing, with adoption likely to be in late 2020.
- 3.3 The revised LDS also includes up-to-date timescales for the preparation of new Supplementary Planning Documents, as well as for the review of the existing SPDs.
- 3.4 The updated LDS at Appendix 1 focuses solely on statutory documents (i.e. those that are specifically governed by legislation) and does not include any non-statutory documents. The 2016 LDS referred to the following informal Planning Guidance Notes (PGNs):
- Promoting Sustainable Drainage Systems
 - Islington Shopfront Design Guide
 - Refuse and Recycling Storage Requirements
 - Islington Tree Policy
 - Packington Estate Masterplan
 - Highbury & Islington Station and Highbury Corner Framework
- 3.5 Although these documents are no longer referred to in the LDS, they are still capable of being a material consideration for specific planning applications. It is also noted that the policies of the adopted and emerging Local Plan (which will have an increasing amount of weight in planning decisions up to adoption, when it has full weight) and some adopted SPDs cover the same topics as these PGNs.

4. Implications

4.1 Financial implications:

The LDS is a three-year work programme, which covers the period 2019 to 2021/2022. The work programme set out in the LDS will be funded through the Planning and Development

budget. Some aspects of the LDS may need to be reprioritised and reprogrammed if the future budget is unable to support the full programme.

4.2 Legal Implications:

The Planning and Compulsory Purchase Act 2004 S15 requires a local planning authority to prepare and maintain a LDS. The scheme must specify the local development documents which are to be development plan documents; the subject matter and geographical area to which each development plan document is to relate; which development plan documents are to be prepared jointly with one or more other local planning authorities; and the timetable for the preparation and revision of the development plan documents.

To bring the scheme into effect, the local planning authority must resolve that the scheme is to have effect and in the resolution specify the date from which the scheme is to have effect.

4.3 Environmental Implications

The LDS itself is simply a work programme for the preparation of future Development Plan Documents and Supplementary Planning Documents, which will be subject to Sustainability Appraisal /Strategic Environmental Assessment (SA/SEA) requirements in due course. As such the LDS itself does not have any environmental implications.

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 (RIA) has not been completed for the LDS as it is a work programme document (i.e. it is not in itself a policy or programme). All documents to be prepared which are identified within the work programme will be subject to an RIA during their production.

5. Reason for recommendations

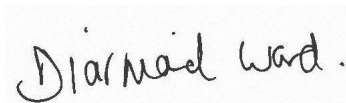
- 5.1 The revision of the Local Development Scheme is required in order to set out an updated timescale for the review of Islington's Local Plan, and for the preparation and review of Supplementary Planning Documents. It is recommended that the draft Local Development Scheme 2019 be approved and brought into effect from 25 September 2019.

Appendices

- Appendix 1 - Local Development Scheme 2019

Final report clearance:

Signed by:



10.9.19

Executive Member for Housing and
Development

Date

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Local Development Scheme September 2019

1 About the Local Development Scheme

- 1.1. Islington Council has a duty to maintain a statutory Local Plan, which is used to inform decisions on planning applications in the borough. It also has a duty to maintain an up-to-date **Local Development Scheme (LDS)**¹.
- 1.2. The LDS is a formal work programme which identifies which planning documents the council proposes to produce or review over the next three years, and when these documents are expected to be consulted upon and adopted.
- 1.3. This LDS sets out a timetable for a review of the Local Plan. In addition, it identifies when Supplementary Planning Documents will be produced and reviewed. Indicative timetables for document preparation and review are provided in Appendices 1 and 2.

What's in a Local Plan?

A Local Plan contains planning policies which are used to make decisions on planning applications.

A Local Plan is composed of one or more **Development Plan Documents (DPDs)**. These documents are subject to a statutory preparation and adoption procedure, including an Independent Examination.

Supplementary Planning Documents (SPDs) are used to elaborate on policies contained in DPDs. They are not part of the Local Plan. SPDs are prepared using a set procedure for public consultation, but do not undergo Independent Examination.

The **Statement of Community Involvement (SCI)** sets out minimum standards for community involvement in both plan making and in determining planning applications. It is not part of the Local Plan. Islington's current SCI was adopted in May 2017.

2 National and London-wide planning policy

- 2.1. The government first published its National Planning Policy Framework (NPPF) in March 2012; the latest update was published in February 2019. This document sets out how councils should produce planning documents to guide the development and use of land within a local authority's boundary.
- 2.2. In 2011 the government introduced changes to the planning system through the Localism Act. This gave new powers to communities to produce Neighbourhood Plans (see Section 5 for details of neighbourhood planning in Islington).
- 2.3. The Mayor of London produces, and regularly reviews, a Spatial Development Strategy for London (known as the London Plan). All London boroughs' Local Plans must be in general conformity with this document. The current London Plan, consolidated with a number of alterations made since 2011, was published in March 2016. A full review of the London Plan has commenced and the new Plan is expected to be adopted in early 2020.

¹ Prior to the Localism Act 2011, the LDS was required to be approved by the Secretary of State. This is no longer the case.

3 Islington's Local Plan

- 3.1.** Islington has an up to date Local Plan, which comprises the following documents:
- Core Strategy (February 2011)
 - Development Management Policies (June 2013)
 - Site Allocations (June 2013)
 - Finsbury Local Plan (June 2013)
- 3.2.** The Policies Map forms part of the statutory Development Plan, and reflects policies, designations and allocations arising from the DPDs. The Policies Map was also adopted in June 2013
- 3.3.** The Council is reviewing its Local Plan; an indicative timetable for the review is provided at Appendix 1. The Core Strategy and the Development Management Policies will be merged into a single document, whilst the Finsbury Local Plan (to be renamed as the Bunhill and Clerkenwell Area Action Plan) and the Site Allocations will remain as stand-alone documents.
- 3.4.** An additional DPD – the North London Waste Plan – has been in preparation over the past few years in partnership with the London Boroughs of Barnet, Camden, Enfield, Hackney, Haringey and Waltham Forest.

4 Preparation and review of other planning documents

- 4.1.** The following Supplementary Planning Documents and Statement of Community Involvement are extant (listed in order of adoption; most recent first). An indicative timetable for preparation of all non-Local Plan documents is provided at Appendix 2:
- Holloway Prison Site SPD (January 2018)
 - Statement of Community Involvement (May 2017)
 - Urban Design Guide SPD (January 2017)
 - Planning Obligations (Section 106) SPD (December 2016)
 - Location and Concentration of Uses SPD (April 2016)
 - Development Viability SPD (January 2016)
 - Basement Development SPD (January 2016)
 - Preventing Wasted Housing Supply SPD (July 2015)
 - Finsbury Park Development Framework SPD (March 2015)
 - Finsbury Park Town Centre – Joint SPD by Islington, Hackney and Haringey (June 2014)
 - Inclusive Design in Islington (Feb 2014)
 - Cally Plan SPD (January 2014)
 - Student Accommodation Contributions for Bursaries SPD (June 2013)
 - Affordable Housing – Small Sites Contributions SPD (October 2012)
 - Streetbook SPD (October 2012)
 - Environmental Design SPD (October 2012)
 - Mount Pleasant SPD (February 2012)
 - Inclusive Landscape Design SPD (January 2010)

- Archway Development Framework SPD (September 2007)
- Nag's Head Town Centre Strategy SPD (May 2007)
- King's Cross Neighbourhood Framework SPD (July 2005)

4.2. Following the adoption of the new Local Plan, the status of the existing SPDs will be reviewed, which may lead to some SPDs being revised or cancelled. Additional new SPDs may be necessary following the adoption of the new Local Plan

4.3. The council will update the LDS following adoption of the Local Plan to reflect any proposed changes to existing SPDs, and to identify any new SPDs which will be prepared.

5 Neighbourhood planning

5.1. Three Neighbourhood areas have been designated in Islington, two of which also have designated forums:

- Crouch Hill & Hornsey Rise neighbourhood area was formally designated in November 2015.
- Mount Pleasant neighbourhood area and forum were formally designated in February 2016.
- Finsbury Park and Stroud Green neighbourhood area and forum were formally designated in September 2018.

5.2. Although the council provides guidance to community groups, Neighbourhood Forums are responsible for advancing neighbourhood planning in their areas and will work to their own timescales. Therefore, it is not possible to include timetables for the preparation of any potential Neighbourhood Plan.

Appendix 1: Indicative timetable for Local Plan documents currently being prepared / scheduled for review

Development Plan Document	Evidence gathering / preparation	Consult statutory bodies on scope of SA	Regulation 18 consultations ²	Publication of DPD and start of public consultation ³	Submission to Secretary of State	Hearing sessions	Receipt of Inspector's report	Adoption
Strategic and Development Management Policies	Throughout 2015, 2016 and 2017	Summer 2016	Scope of the Review consultation: November 2016 Regulation 18 draft consultation: November 2018	September 2019	Late 2019	Early 2020	Mid 2020	Late 2020
Page 33 Sunhill and Clerkenwell Area Action Plan (previously Finsbury Local Plan)	As above	As above	Scope of the Review consultation: Nov 2016; Site Allocations Direction of Travel: February 2018 Regulation 18 draft consultation: November 2018	As above	As above	As above	As above	As above

² Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012

³ Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012

Appendix 1: Indicative timetable for Local Plan documents currently being prepared / scheduled for review

Development Plan Document	Evidence gathering / preparation	Consult statutory bodies on scope of SA	Regulation 18 consultations ²	Publication of DPD and start of public consultation ³	Submission to Secretary of State	Hearing sessions	Receipt of Inspector's report	Adoption
Site Allocations	As above	As above	Scope of the Review consultation: Nov 2016; Site Allocations Direction of Travel: February 2018 Regulation 18 draft consultation: November 2018	As above	As above	As above	As above	As above
North London Waste Plan	Throughout 2013, 2014 and 2015	2013	July 2015	March 2019	Summer 2019	Autumn 2019	Early 2020	Summer 2020

Appendix 2: Indicative timetable for non-Local Plan documents

Document	Current document adopted	Current document status	Proposed review/production		Updated / new document status
			Formal Consultation	Adoption	
Conservation Area Design Guidelines	Various	Design Guidelines	Replace on ongoing basis.	SPD	SPD
Holloway Prison Site	January 2018	SPD	No review scheduled		
Statement of Community Involvement	May 2017	SCI	No review scheduled		
Urban Design Guide	January 2017	SPD	No review scheduled		
Planning Obligations (S106)	December 2016	SPD	No review scheduled		
Location and Concentration of Uses	April 2016	SPD	No review scheduled		
Development Viability	January 2016	SPD	No review scheduled		
Basement Development	January 2016	SPD	No review scheduled		
Preventing Wasted Housing Supply	July 2015	SPD	No review scheduled		
Finsbury Park Development Framework	March 2015	SPD	No review scheduled.		
Finsbury Park Town Centre Strategy	June 2014	SPD	No review scheduled.		
Inclusive Design in Islington	February 2014	SPD	No review scheduled.		
Cally Plan	January 2014	SPD	No review scheduled.		
Student Accommodation Contributions for Bursaries	June 2013	SPD	No review scheduled.		
Affordable Housing – Small Sites Contributions	October 2012	SPD	No review scheduled.		
Streetbook	October 2012	SPD	No review scheduled.		
Environmental Design	October 2012	SPD	No review scheduled.		
Mount Pleasant	February 2012	SPD	No review scheduled.		
Inclusive Landscape Design	January 2010	SPD	No review scheduled.		

Appendix 2: Indicative timetable for non-Local Plan documents

Document	Current document adopted	Current document status	Proposed review/production		Updated / new document status
			Formal Consultation	Adoption	
Archway Development Framework	September 2007	SPD	No review scheduled.		
Nag's Head Town Centre Strategy	May 2007	SPD	No review scheduled.		
King's Cross Neighbourhood Framework	July 2005	SPD	No review scheduled.		



Report of: Executive Member for Children, Young People and Families

Meeting of:	Date:	Ward(s):
Executive	19 September 2019	All
Delete as appropriate		Non-exempt

SUBJECT: Procurement strategy for the operation, delivery and facilities management of 11 adventure playgrounds in Islington

1. Synopsis

- 1.1 This report seeks approval for the strategy to procure two contracts to operate Islington’s eleven adventure playgrounds in accordance with Rule 2.7 of the Council’s Procurement Rules, following a procurement for one contract to operate eleven playgrounds that failed in May 2019.
- 1.2 The proposed contracts are for the operation, delivery and facilities management of eleven adventure playgrounds in Islington.
- 1.3 This report proposes a fresh procurement approach that better manages risk to the council.

2. Recommendations

- 2.1 To note that procurement of contract 1819-0029a failed because no bidders met the minimum requirements at ITT stage.
- 2.2 To approve the revised procurement strategy for the operation, delivery and facilities management of Islington’s 11 adventure playgrounds for up to 15 years as outlined in this report (an initial 3-year contract followed by 4 opportunities to extend by 3 years at a time (15 = 3+3+3+3+3)) and to note that the recommended contract length will maximise opportunities for leveraging in additional revenue and capital funds over the 15-year period, providing much needed additional resource to support facilities management and capital improvement across the adventure playground estate.

2.3 To delegate authority to award the contracts to the Corporate Director of People in consultation with the Executive Member for Children, Young People and Families.

3. Background

3.1 A strategy for the procurement of Islington's 12 adventure playgrounds was approved in February 2019. This strategy brought together 11 of the adventure playgrounds under one contract (1819-0029a), which was published to the market at the end of March 2019 and a second contract specifically to operate and manage Hayward, the specialist adventure playground for children and young people with SENDs (1819-0029b).

3.2 The proposals for contract 1819-0029a were received on Friday 10 May 2019 and following assessment, no bidders met the minimum requirements at ITT stage.

3.3 The proposals for contract 1819-0029b were received on 17 May 2019. The procurement of this contract will continue as planned, but with a later start date aligned with that for the other 11 adventure playgrounds.

3.4 Estimated Value

The overall budget available for the operation and management of the 11 adventure play sites is up to £1.04 million per annum.

3.5 Timetable

Activity	Date
Executive meeting	September 2019
Publication of opportunity to the market	End of September 2019
Approximate date of contract award	December 2019
Mobilisation plan	January – March 2020
Start date	01 April 2020

3.6 Options appraisal

A range of routes have been appraised in order to secure the adventure play offer over the long term and to ensure that it continues to respond clearly to local needs, engages effectively with children with SENDs and is able to realise the maximum amount of additional income is raised.

The development of partnerships and local knowledge in the delivery of adventure play in Islington is considered to be a priority.

The options for securing the required services have been appraised in the original procurement strategy considered by the Executive in February 2019. In the light of this and subsequent feedback, the recommended procurement approach is set out below:

Procure **two separate contracts** via open procedures, stipulating that providers may bid for one contract only, consisting of:

- **Contract 1** - 6 adventure playgrounds
- **Contract 2** - 5 adventure playgrounds

Benefits	Risks
<ul style="list-style-type: none"> • There is greater opportunity for there to be a diverse service offer for children and families • Opportunities are maximised for providers to work together, streamlining resources and sharing expertise • Smaller providers are not disadvantaged 	<ul style="list-style-type: none"> • Providers may all choose to bid for one contract and not the other, creating the risk, given the size of the market, that one procurement will be failed, raising the risk of a break in service for beneficiaries • One contract will be more attractive than the other due to the value, number and quality of the adventure playgrounds in each portfolio • The opportunities for consistent income generation and investment across the 11 sites are reduced, with one portfolio providing more opportunities for generating funds than the other • There may be an increased risk of a partial or fully failed procurement

3.7 Key Considerations

In line with the council’s commitment to apprentices, the successful organisation(s) will be required to demonstrate how they will ensure that local apprentices are engaged over the life of the contract, with the quota of 1 apprentice for every £1million of expenditure, equating to a minimum of 15 apprentices across the contracts.

Organisations will be required to demonstrate how income generation acquired through their activities will be reinvested into the delivery of services and facilities management to support children and young people’s adventure play. It will be essential that the providers are partners in helping to improve the capital estate, ensuring that income generated is reinvested into the buildings and outdoor spaces in most need of repair.

To contribute to the sustainability of the offer overall, at procurement stage, the council will require tendering organisations to submit a business plan which will include plans to generate additional income to be reinvested into the offer. The contract specifications will set out requirements for flexibility around the application of additional income generated in order to best maintain and maximise the offer whilst managing the future financial position of the council.

London Living Wage has been considered in a separate report and it will be a requirement that all paid members of staff must be paid the London Living Wage where permitted by law. Providers will be actively encouraged to pay London Living Wage to apprentices that they employ.

In addition to the intrinsic social benefits that will be realised through the nature of the contracts, organisations will be asked to demonstrate their role as community hubs within the localities the adventure playgrounds are based. Adventure playgrounds will continue to work in close partnership with targeted and specialist services, health and early years to ensure that playgrounds’ ‘open for all’ services provide a holistic and family-focused

approach. For example, playgrounds will continue to provide opportunities for families to play together every Saturday throughout the term time. During these Saturday sessions, other professionals will be invited who can provide preventative support around issues ranging from physical and mental health through to energy and benefit advice. Enhanced emphases in the updated specifications on partnership working and holistic services for families will ensure adventure playgrounds increase opportunities to offer early and 'earliest' help through the delivery of high quality play experiences.

There may be TUPE, pensions and staffing implications to be considered. These will be published with the procurement documents to ensure that the market can respond adequately to what is required.

3.8 Evaluation

It is proposed that the tenders will be conducted in one stage, known as the Open Procedure as the tender is 'open' to all organisations who express their interest in the tender. The Open Procedure includes minimum requirements which the organisation must achieve before its evaluation Award Criteria responses are considered.

The proposed approach is a split of 20% cost versus 80% quality.

Cost 20%

1. Financial forecast in line with the length of the service contract	10%
2. Sustainability, including income generation, fundraising and resources in-kind	10%

Quality 80%

3. Proposed approach to quality assurance including: proposed systems to ensure services are effectively reviewed and evaluated; reach across the local child and young person population; effective use of data available about service users to effectively plan and deliver the offer; effective comms and marketing	20%
4. Proposed approach to the delivery of playwork on adventure playgrounds in line with the Playwork Principles	10%
5. Proposed approach to safeguarding, early intervention and earliest help including: policies and procedures; staff training and development; holistic approaches to working with children and families in need of additional support	10%
6. Proposed approach to partnerships and integrated working (supported by evidence of extensive local knowledge and ability to engage with the local community) including: collaboration with local, regional and national organisations; coordination with other providers of adventure play and wider children's services including the Islington SEND Local Offer ¹	10%
7. Proposed approach to facilities management, including buildings and the adventure playground environment	10%
8. Proposed business plan including objectives, strategies, marketing and income generation in line with the length of the service contract	10%

¹ <http://directory.islington.gov.uk/kb5/islington/directory/localoffer.page?localofferchannelnew=0>

9. Proposed approach to contract mobilisation including continuity of service, community engagement, TUPE and staffing considerations	10%
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3.9 Business Risks

The market for adventure play is small and it is essential that the successful providers are able to respond to the value and size of the contracts that are published. Organisations will need to be able to manage TUPE and to demonstrate financial viability, including income generation to reinvest in the adventure play offer in the longer term.

Through letting longer-term contracts of up to 15 years, the aim is to reduce any risks to the successful providers. A longer contract period will allow for more substantive opportunities for revenue and capital fundraising. It will also create stability for staff teams and support management structures that are in line with the contract value and size of the capital estate.

The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

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

Relevant information	Information/section in report
1 Nature of the service	The delivery, operation and management of the 11 adventure playgrounds in Islington, including facilities management through the procurement of two separate contracts. See paragraphs 3.1 and 3.2
2 Estimated value	The estimated value per year is up to £1.04 million across the two contracts. The agreements are proposed to run for a period of three (3) years with four (4) options to extend for up to three (3) years each (3+3+3+3), giving a total possible duration of fifteen (15) years. The total estimated value across the life of the contracts if all extensions are utilised is £15.6 million. See paragraph 3.4

3 Timetable	<ul style="list-style-type: none"> • Executive meeting: September 2019 • Advert: end of September 2019 • Evaluation: December 2019 • Contract award: December 2019 • Start date: 01 April 2020 <p>See paragraph 3.5</p>
4 Options appraisal for tender procedure including consideration of collaboration opportunities	<p>The recommendation is to procure two contracts: one to operate and manage 5 playgrounds and one to operate and manage 6 playgrounds. The intention is to require that tendering organisations may bid for one contract only. This approach is compliant with the Public Contracts Regulations 2015 and the council's own procurement rules.</p> <p>See paragraph 3.6</p>
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	<p>Due consideration has been given to these key areas and the proposed strategy is compliant.</p> <p>See paragraph 3.7</p>
6 Evaluation criteria	<p>The award criteria breakdown for both contracts is identical and is 20% price / 80% quality.</p> <p>The award criteria breakdown is more particularly described within the report.</p> <p>See paragraph 3.8</p>
7 Any business risks associated with entering the contract	<p>Business risk is medium due to the limited size of the market and the complexity of the operational aspects.</p> <p>See paragraph 3.9</p>
8 Any other relevant financial, legal or other considerations.	See paragraphs 4.1 – 4.4

4. Implications

4.1 Financial implications:

There is a £1.04 million budget per annum to cover the cost of these contracts. A risk exists if tenders exceed this amount.

4.2 **Legal Implications:**

The Council is required under section 507A(1) of the Education Act 1996 to secure adequate recreation and social and physical training facilities for children under the age of 13. This can include the establishment, management and maintenance of playgrounds. When making arrangements, the council must have particular regard to the expediency of cooperating with any voluntary bodies whose objects include the provision of similar facilities or activities (section 507A(3)). The council may enter into contracts with providers of adventure play services under section 1 of the Local Government (Contracts) Act 1997. The Executive may provide Corporate Directors with responsibility to award contracts with a value over £2 million using revenue money and over £5 million using capital money (council's Procurement Rule 16.2).

The services being procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £615,278.00. The value of the proposed contracts is above this threshold. It will therefore need to be advertised in the Official Journal of the European Union (OJEU). There are no prescribed procurement processes under the light touch regime. Therefore, the council may use its discretion as to how it conducts the procurement process provided that it: discharges its duty to comply with the Treaty principles of equal treatment, non-discrimination and fair competition; conducts the procurement in conformance with the information that it provides in the OJEU advert; and ensures that the time limits that it imposes on suppliers, such as for responding to adverts is reasonable and proportionate. Following the procurement, a contract award notice is required to be published in OJEU. The council's Procurement Rules require light touch contracts over the value of £500,00.00 to be subject to competitive tender.

In compliance with the requirements of the light touch regime in the Regulations and the council's Procurement Rules the proposal outlined in the report is to advertise a call for competition in OJEU and procure the service using a competitive tender process.

4.3 **Environmental Implications:**

The main environmental impact of the adventure playgrounds is the use of energy, water, and waste generation on the sites. However, this is kept to a minimum, with ecological efficiencies identified wherever possible. Organisations running adventure playgrounds have a vested interest in ecologically sound practice, with council commissioners ensuring this is adhered to through robust contract monitoring and quality assurance processes in place over the life of the contracts.

It is expected that the letting of these contracts for adventure playgrounds will also have substantive beneficial impact to the local environment. Adventure playgrounds are protected in perpetuity through Deeds of Dedication, meaning that these natural spaces are safeguarded for children's play. The work required through the service specifications for adventure play includes food growing, effective recycling and composting and supporting children, young people and families' understanding of the environment.

Through ensuring that providers are contracted to effectively run quality services and deliver facilities management to a high ecological standard, both providers and commissioners ensure that the environment is integrated across work that takes place at

adventure playgrounds on a daily basis. Engagement with stakeholders and partners, including the council's Environment and Regeneration directorate, ensures that biodiversity and eco-friendly activities are incorporated into the services offered for children, young people and families.

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 16 November 2018 and the summary is included below:

This procurement regards the long-term trusted relationships with young people and their families which have been built by Adventure Play providers as important. The continuation of this service for example, the same number of hours per year the service is available, availability of the service across term and holiday times and the number of locations from which the service is delivered.

By investing in a high-quality adventure play offer, the council is likely to be contributing to the elimination of discrimination against children and families. These services will provide a wide range of high quality, inclusive, 'earliest help' programming through adventure playgrounds that will be centred around the needs of the children, their families and local communities. Based on regular and robust needs analyses, the council has identified that adventure playgrounds reach some of the most deprived communities in Islington.

These contracts will provide children with access to fun, exciting, safe (yet risky), well-supported, inclusive and natural play experiences that will support their physical and emotional health and wellbeing. Children will have opportunities to develop their own projects, build their social and emotional skills and explore the world around them, including their neighbourhoods, communities and the wider world.

Through providing these opportunities, the contracts will bring children from a range of different ages, abilities, gender identities, cultures and backgrounds closer together in a safe and supportive environment, fostering better understanding and communication, challenging stereotypes and developing mutual understanding.

4. Reason for recommendations

- 4.1 It is recommended that the adventure play offer for Islington from April 2020 is secured through the option set out in section 3 of this report.

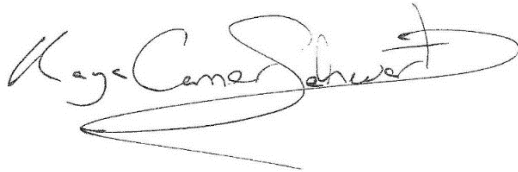
4.2 This approach would be compliant with the council's procurement rules and the Public Contracts Regulations 2015.

Appendices: RIA

Background papers: None

Final report clearance:

Signed by:



11 September 2019

Executive Member for Children, Young People and Families

Date

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Resident Impact Assessment

Title of policy, procedure, function, service activity or financial decision: The procurement of contract 1819-0029: The operation, delivery and facilities management of Islington's 12 adventure playgrounds.

Service Area: Play and Youth Commissioning

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

The intended outcome of this procurement is to secure the ongoing delivery of a high quality play work offer across Islington's 12 adventure playgrounds from October 2019 as well as the effective management of the adventure play buildings and spaces.

2. Equality impacts

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

This procurement will, as a minimum, maintain the current levels of service delivery at Islington's 12 adventure playgrounds, for example, the number of hours per year the service is available, availability of the service across term and holiday times and the number of locations from which the service is delivered.

By investing in a high quality adventure play offer, the council is likely to be contributing to the elimination of discrimination against children and families. These services will provide a wide range of high quality, inclusive, 'earliest help' programming through adventure playgrounds that will be centred around the needs of the children, their families and local communities. Based on regular and robust needs analyses, the council has identified that adventure playgrounds reach some of the most deprived communities in Islington.

These contracts will provide children with access to fun, exciting, safe (yet risky), well-supported, inclusive and natural play experiences that will support their physical and emotional health and wellbeing. Children will have opportunities to develop their own

projects, build their social and emotional skills and explore the world around them, including their neighbourhoods, communities and the wider world.

Through providing these opportunities, the contracts will bring children from a range of different ages, abilities, gender identities, cultures and backgrounds closer together in a safe and supportive environment, fostering better understanding and communication, challenging stereotypes and developing mutual understanding.

These contracts represent a long-term commitment in resources invested by the council in both play and youth services, and it is expected that it will attract additional children to the offer over the life of the proposed contract length. The play offer as a whole is currently slightly under used by families of Asian and some African (i.e. Nigerian and Somalian) descent, however there is no evidence to suggest that these contracts will impact negatively on these groups' participation or on any others, as an improvement in quality and an extension of the range of the offer is likely to raise participation levels across all ethnic groups.

There will be opportunities to create better offers for some children with protected characteristics through the requirement of the appointed service providers to co-produce the offer with children, families and the wider community. This means that the services will respond to the needs and wants of children and families alongside appropriate professional guidance, and that different groups or pieces of work will emerge that are flexible to changing communities within an evolving local and national picture for children and families.

3. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

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

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

4. Action

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

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

Action	Responsible person or team	Deadline
N/A		

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

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

Staff member completing this form:

Signed: Christine Lehmann

Date: 16/11/2018

Head of Service or higher:

Signed: Holly Toft

Date: 20/11/2018

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Report of: Chair of Environment & Regeneration Scrutiny Committee

Meeting of	Date	Ward(s)
Executive	19 September 2019	All

Delete as appropriate		Non-exempt
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Subject: Resident and Volunteer Engagement in Parks and Open Spaces – Findings of the Environment & Regeneration Scrutiny Committee

1. Synopsis

- 1.1 This report requests that the Executive receive the recommendations of the Environment & Regeneration Scrutiny Committee following the completion of its review of Resident and Volunteer Engagement in Parks and Open Spaces. A response to the recommendations set out in the report will be considered at a future meeting of the Executive.

2. Recommendations

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

3. Background

In September 2018 the Environment & Regeneration Scrutiny Committee commenced a review of Islington Parks and Open Spaces. The overall aim of the review is to increase the engagement of residents and volunteers in Islington’s Parks and open spaces and to understand the current role our parks and opens spaces play in meeting the Council’s core objectives and what opportunities are there for increasing this. The objectives of the review included understanding barriers to the use of parks and volunteering; understanding how parks and open spaces are used by other council teams to meet core council priorities of building resilience and tackling social isolation; understanding the extent the parks and

open spaces contribute to the health and wellbeing agenda and identifying what changes could be made to make the offer more attractive to bodies such as the public health team, NHS and other commissioning groups; understanding how the council engages with the third sector.

4.1 Financial Implications

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

4.2 Legal Implications

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

4.3 Environmental Implications

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

4.4 Resident Impact Assessment

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

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

5. Conclusion and reasons for recommendations

5.1 The Committee believes that there is more scope for resident and volunteers use and activities in Islington's Parks and Open Spaces. The committee recognises the involvement of volunteers especially as they ensure that parks and open spaces remain attractive and welcoming. The recommendations in the report will support volunteer engagement and encourage others to get involved.

Appendices: Scrutiny Committee Recommendation report

Background papers: None.

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Scrutiny Review

Resident and Volunteer Engagement in Parks and Open spaces

Report of the Environment and Regeneration Scrutiny Committee



London Borough of Islington

19 June 2019

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Foreword

Islington's success in Britain in Bloom demonstrates the importance the Council and residents place on our parks and open spaces, and is a recognition of the impressive partnership between the Council and the volunteers who work together to provide safe and attractive community spaces.

Parks and open spaces, and the opportunities they provide, contribute to the Council's priorities, particularly in:

- creating a safe and well-organised borough;
- making Islington a great place for young people to grow up;
- making the borough an attractive, welcoming and healthy environment for everyone;
- ensuring that our residents are able to lead healthy and independent lives.

In times of austerity, however, the parks service must have a clear vision that makes the most of its contribution to the lives of Islington's residents. While it must be able to justify its funding, its value must also be appreciated. We believe that the best way of ensuring a sustainable future and, incidentally, securing safe and attractive parks and open spaces, will be to return it, primarily, to a public health function – supporting residents' health and well-being.

A recent study by the University of Exeter found that two hours a week in a natural environment significantly improves health. Being physically active in that environment, volunteering or socialising with others, brings immense health and social benefits.

A 2017 report, Natural capital accounts for public greenspace in London, by Vivid Economics in co-operation with the GLA, the National Trust and HLF, estimated that green space enables Londoners to avoid £950 million a year in health costs: the value of recreational activities is around £926 million a year and for every £1 spent Londoners enjoy at least £27 in value. Areas of higher deprivation derive the greatest benefits: "Since populations in deprived areas may be less able to afford substitutes for green space, investments targeting those areas may deliver the largest gains to London's population" [para 5.2.2].

Council teams, principally Greenspace and the Public Health Team, have already started down this route. Funding from the Heritage Lottery Fund and the National Trust, together with support from the GLA, for a two-year Parks for Health project with Camden Council, will provide the opportunity to transform the service. It will be an exciting two years.

The involvement of volunteers will continue to be as important as it is now – without them the parks and open spaces would be less attractive and welcoming, and the value the volunteers add cannot be overestimated. In addition, volunteering has a positive impact on

mental and physical health and social exclusion and creates opportunities to develop skills. While widening the pool of volunteers to include harder-to-reach groups will be a challenge, it would bring immense benefits.

We thank the staff of Greenspace for their dedication and for their willingness to help us with this scrutiny. We also thank the officers, residents and groups who gave evidence or showed us the work they do. Finally, we thank the volunteers who make our parks and open spaces such attractive community spaces. We hope that the recommendations we make will support them and will encourage others to get involved.

Scrutiny Review – Islington’s Parks and Open Spaces

The aim of the review is to increase the engagement of residents and volunteers in Islington’s parks and open spaces; to understand the current role our parks and open spaces play in meeting the Council’s core objectives; and to recognise the opportunities that exist for increasing this role.

The review, from 10 September 2018 to May 2019, received evidence from a number of sources.

Witnesses

The Garden Classroom

Octopus Network

Chair of Friends of Paradise Group

Chair of Caledonian Friends Group

Dr Coleman, Clinical Lead of NCL Personalisation

Park Manager and Park Rangers Service

Council Officers

Andrew Bedford, Head of Greenspaces and Leisure Services

Barry Emmerson, Parks and Open Spaces Manager

Site visits

Friends of Parks Forum

Penn Road

Plant Nursery on the Hollins & McCall Estate

Volunteering in Caledonian Park

Gillespie Park Ecology centre

Skip Garden – Octopus Community network meeting

Garden Classroom

King Henry’s Walk

Bingfield Park

Meetings with Council officers

Parks Events team

Grounds Maintenance

Assistant Director, Public Health

Head of Neighbourhood Services, Homes and Communities

Head of Communities, Homes and Communities

Community Development Team Manager and Community Development Officer, Homes and Communities

Objectives

1. To understand the barriers to use and volunteering, and to examine whether there are effective measures that can be taken to increase participation, particularly by children and harder-to-reach and vulnerable residents.
2. What, if any, barriers there are to residents, volunteers and community groups holding events and activities in parks and open spaces, and whether these barriers can be removed or reduced.
3. To understand how parks and open spaces are used by other council teams to meet core council priorities, including building resilience and tackling social isolation; to understand whether existing opportunities meet the needs of other Council teams; and to discover if further opportunities for cross-team working exist.
4. To understand to what extent our parks and open spaces are contributing to health and wellbeing, and to identify what changes could be made to make the offer more attractive to bodies such as the public health team, NHS and other commissioning groups. In addition, to understand the value of such opportunities.
5. To understand the way the council engages with the third sector, to discover what capacity exists to increase the value of that engagement, and to increase the activities available to the community (with a particular focus on young people).

Recommendations

Section 1

Maximising the contribution of parks to health and well-being – prevention, early intervention and promotion.

Given the wholesale review that is to be carried out, the Committee does not feel it appropriate to make specific recommendations, but asks that a report on the progress of the project is provided as part of the update on the scrutiny recommendations that are made below.

Section 2

Volunteering and engagement

1. The overall communication strategy should include an overarching mission statement or brand to reflect the Council's vision and to help increase participation.
2. The provisions of the local plan and other relevant policies should be applied rigorously. All developers and other bodies that are involved in planning in the borough should be made aware that the long-term health and well-being of its residents is integral to the provision of homes. Attractive, well-used community space is fundamental to development.
3. Greenspace and, where appropriate, the Community Support team should be consulted during the early design stage of:
 - Council new-build, in respect of the location and nature of community open space;
 - public realm projects.
4. Maintain existing levels of those Greenspace staff whose roles are focused on developing and supporting community engagement, and look for opportunities to increase capacity, either in-house or through third-sector organisations.
5. Review Greenspace's apprenticeship programme to ensure that it equips the participants with those skills that Greenspace finds difficult to recruit.
6. Homes and Communities and Greenspace, with the assistance of the Friends of Parks Forum, representatives of estate gardening groups and, if their remit allows, Octopus, should carry out a review with a view to:
 - providing more integrated support, where appropriate;
 - ensuring that they should have access to the same information and training opportunities; and
 - there should be a network of mutual support that includes the opportunity to link local groups, through a local hub, or otherwise.
7. Greenspace and Homes Communities working with the Friends of Parks Forum, representatives of gardening and third-sector organisations, should develop support and training opportunities for community groups and strengthen local and borough-wide networks.
8. Retain SLAs or an alternative system of core funding for Friends of Groups;

9. Provide seed funding from the HRA for estate groups;
10. Provide more focused help for groups to access funding opportunities.
11. Communication links between the grounds' maintenance teams and the Friends of Groups/Gardening Groups should be improved and formalised, and opportunities for joint working should be identified.
12. Consult with community groups, including questions about the events app, to identify what the barriers there are to putting events on in parks;
13. Identify opportunities for increasing diversity of events in park and open spaces.
14. Review the communications strategy to ensure that information and advice on volunteering, and on community opportunities and events in our parks and open spaces, reaches the maximum number of residents. The review should include a range of methods of disseminating information, such as through community networks and social media platforms, as well as up-to-date and easily accessible information on the Council website and other channels.

Summary of main evidence and recommendations

Section 1

Maximising the contribution of parks to health and well-being – prevention, early intervention and promotion.

The Committee heard compelling evidence on the health and well-being benefits of parks and open spaces, and on the way they can transform lives. It also heard how the NHS now considers social prescribing to be a vital tool and – although it is still in its early stages – is likely to become mainstream.

During the scrutiny, the “Parks for Health” project was adopted by Greenspace, the aims of which, set out below, broadly accord with recommendations that we would have made. The Committee strongly believes that the opportunity afforded by social prescribing, and the health and well-being benefits of localities-working that are afforded by parks and open spaces, should be embedded in the Council’s core services.

To ensure that the opportunities and benefits afforded by this project are understood, we would like to see the involvement, including that of corporate directors, of all the Council’s teams that work with Islington residents.

Greenspace aims for the “Parks for Health” project are as follows.

“Parks for Health will involve a transformation of the service which will place health and well-being at the core of the service and will contribute to the early intervention strategy. The aim of the project is to deliver

- *A systems transformation so that parks and green spaces become central to our local strategies for promoting health and wellbeing.*
- *Greater use of parks and green spaces by those in our communities who are currently making least use of them and are also the least active.*
- *A sustainable future business model for the delivery of parks as public health assets for the 21st century.*

This will be achieved by:

- *Creating Insight – to understand the current value of our green spaces as health assets in terms of physical and social infrastructure and to create a strategic Greenspaces for Health Strategy to frame the next phase creating pathways to health initiatives.*
- *Partnerships & workforce transformation – to build new partnerships with the health sector and transform the workforce to re-focus their role to support health and well-being outcomes.*
- *Building the physical and social infrastructure of parks through co-design and innovation – to maximise the current usage of parks to achieve health and well-being benefits”*

Given the wholesale review that is to be carried out, the Committee does not feel it appropriate to make specific recommendations, but asks that a report on the progress of the project is provided as part of the update on the scrutiny recommendations that are made below.

Section 2

Volunteering and engagement

The evidence the Committee heard from witnesses showed the commitment and enthusiasm of Greenspace and Homes and Communities staff, third-sector organisations, such as Octopus and Garden Classroom, and the residents and volunteers who are active in our parks and open spaces, as groups or individuals. In a borough, which has the second-smallest open space and which is home to many adults and children who have no access to it, there is a passion for our greenspaces and for nature. We heard of the many opportunities afforded to volunteers and of the way in which community and other events can attract new people into our parks and open spaces.

We also encountered some residents who were unaware that they could become involved in our public spaces and others who felt there were barriers to their full engagement. We also heard about children who would not eat produce they helped to grow because they expected food to come in a package.

The Committee supports the Council's vision of making our borough an attractive, green place in which to grow up and live, one which has community parks and open spaces – land in housing estates, forgotten corners, tree pits, or on our streets – that include the active involvement of residents and volunteers.

There appears to be no overarching mission statement that articulates this vision, one that encompasses the different aspects and volunteers, and makes it clear to residents that they are welcome to become part of it.

The Committee heard about Islington's success in the national "In Bloom" scheme and how important that is for engaging greenspace volunteers and groups. "Islington in Bloom" could be used in this way, although some residents thought that it would not give the desired message and could cause confusion.

Recommendation

- 1. The overall communication strategy should include an overarching mission statement or brand to reflect the Council's vision and to help increase participation.**

The Committee understands that, in a borough such as ours, there are many competing demands on open space. It recognises that the inclusion of good-quality community space in new housing developments and public realm schemes can be challenging the ambitious provisions of the draft local plan.

We have been told that there are instances in which community space is provided, but is not in areas where it can be used as intended and does not, therefore, contribute to the health and well-being of the residents. As a result, it cannot be used to reinforce a sense of community.

The Committee also believes that more green infrastructure could be built into public realm schemes, with more community participation. We accept that green structure would have to be sustainable and appropriate to the space.

Recommendations

2. **The provisions of the local plan and other relevant policies should be applied rigorously. All developers and other bodies that are involved in planning in the borough should be made aware that the long-term health and well-being of its residents is integral to the provision of homes. Attractive, well-used community space is fundamental to development.**
3. **Greenspace and, where appropriate, the Community Support team should be consulted during the early design stage of:**
 - **Council new-build, in respect of the location and nature of community open space;**
 - **public realm projects.**

Provide welcoming, well-maintained and safe parks and open spaces that provide a wide range of opportunities for public engagement.

The work that Greenspace and Homes and Communities do with residents and volunteers is impressive and greatly appreciated. Without the support of the experienced and well-resourced teams, much of the volunteers' work would not be possible or would be much harder, and the benefits would be greatly reduced.

The Committee heard from Greenspace and the CSOs about how much they value residents' and volunteers' contribution, and how areas and lives have been transformed by the creation of a Friends' or gardening group.

This collaborative working not only benefits the volunteers, but the way they transform spaces can also benefit all residents. Parks and open spaces play a significant role in social cohesion by bringing together residents from different age-groups and backgrounds.

We heard evidence from the public health team that the biggest gain to health and well-being would simply be to get residents out into greenspace – getting them active is a bonus.

We also heard that some residents are unwilling to use parks because they think they are dangerous or unwelcoming. The provision of a safe, attractive, well-used space is essential in encouraging more people from diverse communities to use parks or greenspace on the estates. It is also essential to encourage families who bring their children to playgrounds, to stay longer and to keep returning when their children are too old for the swings.

We heard how areas that had been blighted by anti-social behaviour have been turned into well-loved and well-used spaces, how working in our greenspaces has given residents a sense of belonging and has turned the spaces from passive areas into active community spaces.

There is a recognition within Greenspace that budget cuts mean that staff have little time to do more than routine essential maintenance and, partly as a result, that there is some deficiency in skill levels among the maintenance teams. While steps are being taken to recruit staff with horticultural skills, it is proving difficult. Apprentices attended a college

course but we understand that a decision by the college to end the programme means that apprentices no longer attend.

Many people who are involved in groups are highly skilled gardeners and, in some cases, garden and landscape designers. The most attractive, and bio-diverse areas in many greenspaces are there because of the volunteers. Biodiversity brings health and well-being benefits to residents as well as wildlife and these benefits will be reflected in the new Biodiversity Action Plan which is currently being drafted.

Third sector organisations such as Octopus and Garden Classroom also have a real impact on the opportunities available for residents. Octopus is working with Homes and Communities to support gardening groups on the estates, who also have the support of a dedicated Community Support worker and are providing training and plant-growing opportunities at their nursery in Tufnell Park. They have recently organised networking meetings to bring together community centres, gardening groups and friends' groups.

In evidence to the Committee, Octopus and Garden Classroom both mentioned that attracting funding is greatly helped by their association with Islington Council and by the enthusiastic support of Greenspace, which is very open to new activities and ways of engaging residents. Their relationship with the officers is key to the effectiveness of their work.

The Committee is well aware that all departments are under financial pressure and have to manage their budgets while keeping all their responsibilities in mind. We are, therefore, wary of making recommendations about funding. What we have heard, however, combined with our experiences as ward councillors, indicates that a reduction in staff working with the community would be extremely detrimental to the Council's core priorities.

Recommendations

- 4. Maintain existing levels of those Greenspace staff whose roles are focused on developing and supporting community engagement, and look for opportunities to increase capacity, either in-house or through third-sector organisations.**
- 5. Review Greenspace's apprenticeship programme to ensure that it equips the participants with those skills that Greenspace finds difficult to recruit.**

Friends of Parks Groups and Gardening Groups

The Committee believes that as part of the "Parks for Health" project there should be a focus on increasing the capacity of community groups. We reiterate that we believe the role played by volunteers is crucial to delivering the Council's core priorities on health and well-being and in making the borough an attractive place in which to live. Having listened to the views of a number of volunteers and groups, as well as to those working with them, we are of the view that some measures could be taken to help groups and to reduce the workload of staff and volunteers.

First, the current hard division between the estate gardening groups, supported primarily by the Homes and Community Teams and, currently, Octopus, and the non-estate groups, supported primarily by Greenspace, wastes opportunities and, in some instances, officers' time. Second, if there were a greater focus on common experiences and on increasing groups' and individuals' capacity, it would benefit the Council as well as the volunteers.

Reducing barriers between estate and non-estate groups.

The Committee was encouraged to hear the commitment from Homes and Communities to improve the quality of greenspaces on the estates, with the aim of raising them to the standard of our parks. This creates opportunities for the further engagement of residents and volunteers.

There will continue to be a different support structure and, in some circumstances, it is entirely appropriate that there will be differences in the way the groups are treated. We believe, however, that there should be much more integration of support, and increased opportunities for the groups to provide mutual support.

Recommendations

- 6. Homes and Communities and Greenspace, with the assistance of the Friends of Parks Forum, representatives of estate gardening groups and, if their remit allows, Octopus, should carry out a review with a view to:**
 - **providing more integrated support, where appropriate;**
 - **ensuring that they should have access to the same information and training opportunities; and**
 - **there should be a network of mutual support that includes the opportunity to link local groups, through a local hub, or otherwise.**

Strengthening Friends and Gardening groups

Throughout the scrutiny we were told how much the groups appreciate the support given by all levels of officers at Greenspace and, in particular, by the three area managers and their teams of rangers. Despite the pressure on human and financial resources it is apparent how much those officers enjoy working with the volunteers and are committed to helping them.

The Committee believes that reorganising the way that some of the help and support is delivered could enable the officers and the volunteers to make more effective use of their time and, therefore, financial resources.

The Committee believes that a centrally provided programme of capacity building, which includes more effective information sharing, training and a focus on working with the groups to identify and help resolve common problems, would be of benefit to officers and volunteers alike. There is already peer-to-peer support, but it is *ad hoc* and, to some extent, depends on personal contacts.

The Committee would like to see a support package developed that gives new groups the ability to identify and carry out their priorities. At present the support depends on groups knowing who to ask and what they can ask for. This can be confusing and, at best, iterative. The goodwill and commitment of volunteers and officers alike generally makes this work, but it is not an effective use of resources. In the vast majority of cases, groups need assistance with the provision of equipment and/or support to access funding.

The VCS team recognises that Greenspace volunteers are not integrated into their work and is keen to investigate how this can be improved so that volunteers can benefit from the support offered to other community volunteers.

Recommendation

- 7. Greenspace and Homes Communities working with the Friends of Parks Forum, representatives of gardening and third-sector organisations, should develop support and training opportunities for community groups and strengthen local and borough-wide networks.**

Steps should include:

- an easily accessible source of current information for Friends and gardening groups. This would replace or be in addition to email;
- an information pack on how to set up and organise a Friends' Group, including information on, for example, how to procure insurance, easily accessible funding sources (such as LIF, community chest), and simple fundraising suggestions, such as coffee mornings;
- a similar pack for new estate gardening groups
- targeted support for new groups
- peer-to-peer support, including a mentoring system for new groups;
- identifying and, where possible, helping to solve common problems, such as mulching, fund raising and capacity building;
- promoting and facilitating the sharing of resources, such as equipment and plants;
- assisting groups to link to external initiatives, such as the free seeds, plants and funding opportunities provided by the Mayor of London;
- encouraging groups to put biodiversity at the forefront of their activities;
- developing simple guidance for managing wildlife-friendly spaces and for putting on small activities;
- encouraging third-sector organisations to bid for funding to provide practical support and share expertise;
- better integration of greenspace volunteering into the VCS service

Funding

Once again, the Committee acknowledges that departments budgets are under pressure. It is, however, firmly of the view that Friends of Groups and gardening groups need a consistent source of funding. The majority of Friends of Groups that garden in parks are given an annual grant under a service level agreement (SLA) that is equal to the estimated cost to Greenspace of the work they carry out. They use the money to pay for plants, compost, and other equipment and material for maintenance and community events. Groups told us that without this grant they would not be able to maintain their community spaces adequately.

Greenspace, and Islington residents, benefit because most, if not all, of that grant is spent on improvements to the park rather than the cost of labour. Friends of Groups that do not garden do not receive SLA funding, and only a few gardening groups have them. Homes and Communities are considering this issue in relation to estate groups.

There are funding sources which can grant funds to these community groups, including Council schemes, such as the Local Initiative Fund, which is controlled by ward Councillors and Community Chest, and is administered jointly with Cripplegate. The Committee heard from long-established groups who were, however, unaware of them. While external funding opportunities are also available, they can require technical information that not all groups have the capacity to provide. The funding opportunities are constantly changing and currently groups find it difficult to keep up to date. The Committee believes that supporting groups to access funding should be a priority, and that new groups should be provided information and, if necessary, support for funding applications.

Recommendations

- 8. Retain SLAs or an alternative system of core funding for Friends of Groups;**
- 9. Provide seed funding from the HRA for estate groups;**
- 10. Provide more focused help for groups to access funding opportunities.**

Grounds maintenance

There are, in some cases excellent links between the grounds' maintenance teams and groups, but because there is no formal procedure for information sharing on their respective priorities for the same space, there can be misunderstandings. The Committee believes that more collaborative working would benefit both parties, but recognises that this must not add an unmanageable burden to the grounds' maintenance teams who are already stretched.

Recommendation

- 11. Communication links between the grounds' maintenance teams and the Friends of Groups/Gardening Groups should be improved and formalised, and opportunities for joint working should be identified.**

Continue to provide and promote a range of opportunities for residents and communities to be involved in, and take ownership of, parks and open spaces.

The Committee heard how important it is to provide a range of opportunities for residents to get involved in parks and open spaces, and, despite the pressures they can bring, how commercial events, such as funfairs, attract new people into parks. The Committee is very keen to ensure that the events put on in our parks and open spaces are inclusive and diverse – open to all ages, and appealing to different ages, backgrounds and interests.

While it is clear that Greenspace and community support officers do support groups and individuals to put on events, and that there is a dedicated events team that is committed to helping them through the process, some witnesses raised concerns that there are unnecessary barriers and that the information required for small events is too onerous. We were told that this has led to some groups limiting their activities.

The events team told us that it is very keen to encourage activities in parks, but that it has to make sure that events are safe. The events app, through which the applications are made, is not bespoke and may appear, in some regards, to be too prescriptive. The team

would be happy to consult with groups to see whether there are steps that can be taken to assist.

Recommendations

- 12. Consult with community groups, including questions about the events app, to identify what the barriers there are to putting events on in parks;**
- 13. Identify opportunities for increasing diversity of events in park and open spaces.**

Communications

Finally, the Committee is concerned that the many opportunities available to residents and volunteers are not easy to find, although we acknowledge that there are many pressures on the communications team, not least the financial cost of hosting information on websites.

Our own experiences, as well as evidence, suggest that if current communications were improved, many more residents would benefit. Giving officers the ability to publicise their own events would help.

Recommendation

- 14. Review the communications strategy to ensure that information and advice on volunteering, and on community opportunities and events in our parks and open spaces, reaches the maximum number of residents. The review should include a range of methods of disseminating information, such as through community networks and social media platforms, as well as up-to-date and easily accessible information on the Council website and other channels.**

Appendix 1

Key evidence

The Committee considered evidence from Garden Class Room and Octopus Network on their activities, particularly within the community, and their use of open spaces and parks. The following points were noted.

- **Octopus Network**, a small charity, initially held most of its activities in community centres, where it offered and hosted a range of services and events. Over the years it has expanded its activities to open spaces and parks, and welcomes the support provided by the Parks Department.

The network received more than £900,000 external funding over a number of years, enabling it to carry out a range of borough-wide activities to support residents in designing gardens and open spaces, growing food, and running workshops in community centres.

The Committee noted that a successful Octopus activity is the Environmental Summer Schools, for children ages 5-11 and their families, which are run in partnership with Islington Green Space for Children.

The “Trail Blazer”, which is run in partnership with Islington Community Hubs Network, aims to create unique living/learning spaces that provide new outdoor environments to enable local communities to design, develop, manage and enjoy learning activities.

In promoting “Urban Wild Places” in parks, the Committee was informed, that with the support of Islington Parks, Octopus would endeavour to establish wild-life areas in parks to enable young children to learn about bees, butterflies, frogs, etc.

- **The Garden Classroom (TGC)** comprises volunteers who have a passion for, and understanding of, outdoor life to deliver high-quality hands-on sessions in green spaces across Islington.

TGC works in partnership with Islington Council, other councils, community gardens, schools and businesses, to bring true benefits to the community, which it believes will boost staff morale and engage client and/or customer bases. The Committee was advised that TGC works with schools to deliver its curriculum through outdoor learning in parks and gardens.

Since TGC began its activities, more than 62,000 children have been involved in various outdoor activities; this accounts for 28.5% of what TGC offers. TGC recognises that city dwellers are subject to myriad challenges, including overdevelopment, pollution and insufficient open space. As a result, TGC not only

offers outdoor activities for city dwellers, but also engages with disadvantaged children and visits schools.

TGC works with other departments, but currently has a particularly positive working relationship with Public Realm. It helps to deliver more than 200 hours of activities in the Ecological Centre, instead of the 60-70 hours agreed in the service-level agreement.

- **Challenges** include lack of shelter and toilet facilities for schoolchildren in the parks. There is, however, a noticeable decrease in anti-social behaviour and dog fouling, particularly after community engagement in the spaces.
- **Engagement of housing-estate residents.** Urban Wild Places organises workshops on the Harvist and Bemerton Estates, where residents are encouraged to grow their own vegetables and set up garden clubs. An example of successful planting activities on the Andover Estate was highlighted, but this had been suspended after the start of the new-build programmes.
- **A Biodiversity Action Plan**, together with a budget would be welcomed by TGC and Octopus because it would help to deliver and promote diversity in the borough. The Head of Green Space and Leisure Spaces reported that a concise briefing paper, which focuses on habitat, is currently being drafted.
- The Committee was informed by Officers that although the **Council's Nature Conservation Team** continues to ensure that Islington has integrated parks, it is important to strike a balance between residents who prefer well-manicured parks and those who want wild-life to be promoted.

TGC and Octopus Network both welcome the support of, and recognition by, ward councillors since this gives small charities credibility with external funders when seeking financial support.

The Committee was informed that organisations work with Community Development Officers and the Housing Communities' team to identify which housing estates to work with and where to run activities. Since some estates already have garden clubs in place, while others are looking for help to set them up, the level of support varies from estate to estate.

- **Longevity and sustainability**, TGC and Octopus both acknowledged that although external funding is important for their operations and activities, their model is based on being facilitators for other groups.
- **Advice and support.** The Committee was advised that although no financial support is provided to community centres, or for any of their activities, other types of support would include providing advice about the design of gardens, or planting of seeds to grow food. The essence of any support is to ensure that it provides a living space for its residents to develop their space. In addition, it provides an environment in which skills are cascaded and enables residents to identify areas of

interest.

The Committee received a presentation on 4 December from the Assistant Parks Manager and Ranger Services. The following points were noted.

- **The Area Parks Team** comprises the Nature Conservation Manager, who manages the ecological centre and three nature reserves, together with three Assistant Park Managers, who are responsible for the day-to-day operations of the 124 parks in the borough. They are supported by two Community Rangers and three apprentices.

The Area Parks Team is the first point of contact for residents, the press and event managers on a range of issues, such as events in parks, anti-social behaviour and rough sleeping. In 2018, 129 events were held in Islington parks with more than 65,000 people attending. Together with the ground maintenance works, the team is responsible for managing projects in the park that are commissioned by other council services. The team facilitates fun fairs in the summer months, which can be a challenge, particularly in terms of public attendance, and health and safety issues.

- **The Nature Conservation Team (NCT)** safeguards the Biodiversity Action Plan by ensuring that assets and infrastructure are well maintained. In addition, it liaises with internal and external stakeholders, from Friends groups to institutions, such as the NHS, to maximise the use of open spaces and parks.

Since NCT recognises the benefit of promoting public involvement in parks, it plays an active role in facilitating community engagement through volunteering. There are currently 36 friends' groups. It also engages with other groups and communities, in particular groups for vulnerable people, such as those with learning difficulties, the NHS, schools and children. NCT also receives requests for work experience from schools.

There is a regular programme for people, such as nature conservation groups, who want to volunteer on a regular basis. In addition, Park Rangers offer *ad hoc* volunteering sessions across the borough. Other volunteering groups include the Friends groups, and companies who want to carry out team-building activities for their staff.

The team supports gardening groups in parks and on housing estates, where residents offer to develop an area by growing food or planting.

Residents volunteer for many reasons: in particular retired people want to improve their health and physical well-being, learn new skills and meet people from different backgrounds and cultures.

The Council welcomes volunteering. By helping to maintain community spaces and to prevent anti-social behaviour, it makes a significant contribution to achieving the objectives identified in the Fair Futures Commission report. In addition, income is generated from corporate volunteering when companies use the parks for staff team-building exercises. Skills are acquired and shared by volunteers and the

positive engagement with the community is to be encouraged.

The small size of the team makes the management of the various activities in the parks challenging. Safe-guarding, health and safety are paramount for all users of the parks, particularly for vulnerable users.

Events and activities which are organised by the Friends and other groups, increase community cohesion; the groups, which are encouraged to take ownership of parks, and are their “eyes and ears”, are consulted about future developments.

The Team supports Islington Friends of Parks Forum, which brings together representatives of Friends of Parks and Friends of Green Spaces groups, the Council and other interested parties. They discuss a range of issues, such as news about parks and green spaces and the challenges they face. They are consulted about, and informed of, current and future plans. The support provided to the Friends of Parks Forum by the officers is purely administrative. The team helps in facilitating meetings, booking rooms and supporting their fund-raising activities. The Forum works with local resident associations, schools and community organisations, as well as the Council.

The Forum’s current activities are limited to local projects, such as facilitating school book swaps, but there are plans for it to be engaged in a more strategic way – in conjunction with partners, such as the community safety team, housing services, libraries, the NHS, and sports and leisure facilities – through national campaigns, technology use in parks, social prescribing, etc.

The Team works in conjunction with partners, including the Garden Classroom which, through its hubs in the heart of communities, helps to deliver high-quality hands-on sessions in green spaces across Islington. It also works with the Octopus Network, which supports residents in designing gardens and open spaces, growing food to eat, and promoting wildlife in certain parks for schoolchildren to visit and learn about bees, butterflies, frogs, etc, and their habitat.

- **Greenspace**, the Committee was informed, is currently in discussion with Public Health on developing a physical activity strategy, which would include measures such as developing signposted walking routes. Committee was advised that the Council, in partnership with Hackney and Camden, had bid for funds that would enable them to accelerate healthy initiatives.

The Council is in discussion with SPYTAR about the use of augmented reality technology in parks, since this could be a way of attracting a new audience.

- **Events**. The Committee was informed that to avoid tensions with local residents over events held in parks, particularly during the summer, if an event is likely to attract an external audience the events team engages with the public and councillors beforehand to place restrictions on amplified music and to control the hours of operation.

Decisions to grant permission for events in parks are not treated lightly and require a delicate balance. While it is important to generate much-needed income (given the cuts imposed by central government) by promoting events that will attract a diverse range of residents who might otherwise not use the park, it is equally important not to restrict access to other park users, and to minimise disturbance to residents and the potential for anti-social behaviour.

As part of the Council's charter with the volunteer groups they are required to promote inclusivity, encourage engagement from diverse communities and, when promoting events in parks, to display leaflets and flyers that include photographs of a diverse community.

In response to the suggestion that sections of parks could be used for paid-for events, particularly in the winter months, the Parks and Open Spaces Manager informed the meeting that this was being considered and Committee members would be receiving a briefing on a low-impact noise event being planned in March 2019. Parks in Islington are, however, relatively small in comparison with those in neighbouring authorities and the cost of restoring physical damage to the field is a reason for not scheduling winter events.

- **Volunteering.** The Committee noted that the Council's website had no detailed information about volunteering and participating groups. This was as the result of a decision taken in the past few years to reduce the amount of information on the sections page because it was not cost effective; activities organised by the volunteering groups tend, however, to be promoted on their social media forums.

To discover how people get involved in volunteering, it was suggested that officers ask current volunteers to share their experiences.

It was acknowledged that although *Islington Life* promotes a number of council activities, more needs to be done to promote park activities.

- **Rough sleeping.** On the issue of tackling rough sleeping in parks, there is a public perception that reported incidents are not addressed quickly. Police assistance and support is required and, with the limited resources available, this takes time to co-ordinate. Some rough sleepers have underlying issues, such as mental illness, which need to be handled sensitively. A suggestion that incidents of rough sleeping could be reported on Street Links was noted.
- **Anti-social behaviour.** Evidence shows that young people can sometimes feel excluded because of a perception that they are linked to anti-social behaviour. Residents from different backgrounds do not always understand that the parks are a free resource. In addition, dogs can be a deterrent to some people. There is a need for more outreach work to involve different communities.

In response to a suggestion that officers need to be more proactive in resolving anti-social behaviour, the meeting was advised that the Council continues to support a number of activities, including working with the Arsenal football club, in an attempt to tackle it. An active local community deters anti-social behaviour. There

has been a transformation in that anti-social behaviour has been moved away from some of the local parks, which has encouraged other communities to use them.

- **Friends of Garden groups** indicated that they would be interested in sharing their equipment, ideas and skills with other community groups.
- **The Parks and Open Spaces Manager** acknowledged that the activities of volunteers in the parks promotes community cohesion and improves the physical and mental well-being of residents. It is important, however, that the Area Parks Team and officers continue to oversee the parks, potentially leaving some of the day-to-day operations to the volunteering groups.

It was acknowledged that resources are stretched, and that the sustainability of the current volunteering model would need to be reviewed. The cascading of skills and knowledge to newly established groups could, for example, be undertaken by established volunteering groups rather than by the Team.

- Members were informed that in the latest edition of the *Good Parks for London* guide, Islington was ranked sixth, using a number of criteria. In addition, the borough was identified as a case study for good practice for community engagement. The link to the park guide will be sent to members.
- The Committee noted that some groups receive funding because they have a Service Level Agreement for the work they carry out, from maintaining flower beds to taking responsibility for the whole park. The Council will pay the public liability insurance of all properly constituted groups which sign up to the Friends Charter.

At the meeting on 22 January, Members heard evidence from representatives of The Friends of the Parks Forum, and Islington's Event Officer and Park Service Manager, on the volunteering activities held in the parks and how they are managed. The following points were noted.

- **The Friends of the Parks Forum** (an umbrella organisation for Friends groups throughout the borough) was set up in 2010, with the assistance of the Greenspace Team. It meets twice a month to exchange ideas, information and expertise.
- **Friends of Paradise Park (FPP)** was formed to address anti-social behaviour in the park and, following discussions with the Greenspace team and residents, a decision was taken to take over the management of the park.

Since its inception, FPP has facilitated community events that have attracted new families with children into the park. As a result, anti-social activities have been diverted.

FPP promotes and facilitates events to encourage local residents to use the parks, particularly in the summer and at weekends. FPP has a Service Level Agreement with the Council. It relies on volunteers, some with gardening experience, to carry out routine maintenance tasks, such as weeding, planting small plants, litter picking and tidying up.

FPP organises weekly activities and holds a monthly meeting in the community centre to discuss a range of issues and programmes, often with Greenspace officers in attendance. Members were informed that, while some friends groups are an offshoot of their Tenant Resident Associations, FPP comprises a small group of local residents.

- **Sharing information and resources.** In response to questions about information sharing among members of The Friends of The Parks Forum, members were advised that gardening and planting are discussed. Friends' groups promote their events, share ideas and experiences, and, if required, the forum could be used as place to undertake consultation by the Greenspace team.

With regard to providing compost to groups, there had previously been the option of a large delivery from the North London Waste Authority (NLWA), which was very welcome. As a result of policy changes at NLWA, however, this may no longer be possible. In addition, storage near residential properties can be a nuisance.

- **Engaging residents, promoting and publicising events.** The meeting was informed that events are crucial to encourage residents to go into the parks. Groups advertise their events differently, but the simplest method is posters on park railings. Publicity for larger community events in the summer, is often done through leafleting by volunteers, social media, and administrative support from Park Services.

At a recent Friends Forum, it was noted that some friends' groups had not been aware of initiatives, such as the Mayor of London's tree planting or free bulbs. The Chair noted that information sharing was an issue and that it would be helpful if it were improved,

Barry Edwards acknowledged that the Service Level Agreement FPP has with the Council was valuable since it enables the group to manage Paradise Park. In addition, FPP supplements its income with funds from local businesses and Arsenal Football Club, which enables it to put on events. Funds are used to purchase seedlings and plants, although in facilitating larger events, the cost is shared with Greenspace.

- **Fundraising.** Groups such as FPP are run by a small number of volunteers who find it challenging to complete bid application forms that request a great deal of information.

The Events Officer and Park Services Manager explained the application process and the challenges experienced by both the public and officers. The following points were highlighted.

- **Events in Islington Parks** were previously managed by Green Space admin staff, but the increase in the number of event applications, and health and safety regulations, has resulted in it being transferred to the Community Engagement Officers.

In 2015 the event-applications process went online. A dedicated events' team now manages more than 200 annual events held in the parks.

Committee members were reminded that the council has a duty of care to all park users. It is, therefore, necessary to understand and manage events in the parks and to ensure that they are safe and appropriate.

- **The application process.** The Events Officer explained that the application process involves completing a questionnaire and providing information, including a risk assessment. Officers then consult with other in-house departments for advice and approval.

Council officers explained that where licenses or permits are required, particularly for food and drinks to be sold, amplified music being played, or the size of the stalls or gazebos being erected, it is imperative to enlist the expertise of other departments and that their recommendations are implemented.

In response to a question, the Events Officer advised that events that are deemed to have any risk will be required to submit evidence of public liability insurance.

The meeting was informed that events that have more than 50 attendees, that have catering, involve performances, the showing of a film, or the use of a gas BBQ require an application. Smaller events, such as picnics, history or nature walks, professional dog walking and charcoal BBQs, do not require an application.

The officer advised that larger events of 1,000 or more attendees take at least 90 days to process; small to medium events, take between 30-45 days.

- **All applications are made through EventApp**, which enables supporting documents to be uploaded. EventApp automatically creates an event calendar to avoid clashes and to assist other teams affected by park events. The app is used throughout the process, to communicate with the event organiser on issues such as fees and consultation with the various teams, and it issues the event permit. Since each action is logged there is an audit trail.

Despite initial teething issues, the app is much more efficient than the previous booking system. Delays could arise in some instances, particularly if the application is dependent on other sections, such as licensing, whose timescales are not always in line with those of the Parks Service.

Delays can also arise because not every Council department engages with EventApp and, in some cases, departments consider park events to be low priority in comparison with their day-to-day responsibilities. In addition, IT doesn't always work efficiently, and the level of support received from Digital Services is inconsistent.

Because EventApp is web-based, some applicants find the system difficult to work with and others are initially unaware of the time and effort required to get approval for an event. Changes in regulations can cause delays, particularly when they result

in a request for additional licences or certification and incur extra costs. In addition, Officer support to help applicants can fluctuate due to capacity.

Despite the challenges highlighted above, the team continues to offer support and advice through the application process. In addition, Greenspace advocates with other teams on behalf of applicants, for example when a Temporary Structure Licence may be required for the use of gazebos.

Officers continue to work with Apply4, the developers of EventApp, to improve the application process. Officers from different teams are invited to review the entire process.

Waste management in parks. The Committee was advised that applicants are encouraged to put on sustainable events. In the case of a big event, applicants are encouraged to liaise with the Council's commercial waste team and to promote recycling by ensuring that containers are in position.

EventApp is used by many London boroughs. In response to a suggestion that the App could be internalised and used by other Council services, the meeting was advised that the system was built to deal with events in parks (and film applications) and is unlikely to be used by other Council teams.

There has been an increase in event applications processed through the App. The App serves as a "one-stop shop"; applicants who hold regular events are required to upload documents only once.

Safety Advisory meetings are held with applicants, particularly if the event is likely to have a significant impact on the site or surrounding area.

In response to some concerns that the process was about gathering information and was too complicated, the responsible officer advised that the essence of the application process was a concern for public safety.

- **Increasing the capacity of park activities.** The Committee was advised that a balance needs to be struck between raising income and ensuring that events do not have an adverse effect on residents and park users.

The demand for commercial events is increasing. Event Officers will ask event organisers to incorporate elements in their activities that benefit the local community by, for example, inviting local groups to participate or enjoy activities, or by donating to the Mayor's charity.

On 23 February the Committee heard evidence regarding Social Prescribing

The Committee received a presentation on social prescribing from Dr Katie Coleman, Clinical Lead of NCL Personalisation about Social Prescribing. In addition, the Chair of the Caledonian Park Friends Group shared her experience of being involved in a friends' group and the health benefits arising from the use of open and green spaces. The Parks and Open Spaces Manager contributed to the item. The following points were made.

- **Members were reminded of the value of parks in improving health and wellbeing.** In the current economic climate, it is important that the Service maximises and promotes the benefits of parks for its residents. The fact that it is not a statutory service gives it some protection from cuts.

Park Services submitted a joint bid, with Camden Council, for the Heritage Lottery Fund (HLF) Accelerated project, which aims to transform park services into a health and welfare service.

A key part of the project would involve working with the health sector to establish core links and partnerships. If the bid were successful, the service would be funded for the transformation. If it were not, the transformation would be a slower process.

- **Social prescribing (SP).** Dr Coleman informed the meeting that the NHS is promoting SP, which refers people with social, emotional or practical needs to activities or community groups. GPs recognise that there is an increasing level of complex, long-term ailments that require a different approach. Up to 70% of patient appointments are at least partly the result of socio-economic issues and would be better treated with non-medical intervention.

SP could be described as a “listening and connecting” service, under which patients are helped to build on their personal strengths. A link worker introduces them to their local resources; parks could be of one of the resources available.

Although it is too early for a definitive analysis of the benefits, SP is gaining traction and is included in the NHS England Long Term Plan and Universal Personalised Care Model 2019, which stipulates that GP practices should come together as a network to employ a social prescribing worker.

Dr Coleman advised that evidence indicates that SP results in improvements in residents’ emotional and physical wellbeing. A link worker could direct them to the appropriate service or support, including for financial advice, education, training, volunteering and physical activity.

Following consultation with the patient, the link worker, trained with skills and knowledge, would be able to produce a personal health care plan, such as facilitating a park run, referring them to knitting classes, or signposting them to the appropriate benefit support, that could address long-term needs.

The Committee heard from Dr Coleman that, by developing this person-centred care, link workers plug the gaps that exist in the current system. SP aims to change the discussion from “what is the matter with you” to “what matters to you”.

Anecdotal evidence shows that referrals to community services result in reduced GP visits and emergency services appointments, which releases resources to support those in immediate medical need.

In Islington, ten health navigators work in multi-disciplinary teams across eight GP networks to communicate with people who have complex issues and to refer them to the appropriate support service. If necessary, the link worker accompanies a patient to their first appointment, particularly if they lack confidence or are experiencing anxiety.

The Committee was advised that, for SP to be effective, the infrastructure would need to be in place and staff trained. Although mapping out the opportunities available is a big task, it is vital for the system to work. The use of parks and open spaces, and the opportunities they offer, is currently underdeveloped.

Referrals to the SP link scheme would be from clinicians, social care providers, VCSE organisations and self-referrals.

The Committee was informed that SP currently focuses on adult services, but that there is a recognition that children and young people also experience mental illness, obesity and social isolation, which cannot be ignored, particularly as no statutory services currently exist to support them.

Committee members heard evidence from the Chair of Caledonian Park Friends Group on how her life had been transformed by her decision to participate in park activities following an illness. She became involved in the Friends Group because she wanted to spend time in her local park. Meeting other volunteers and being instrumental in getting things done restored her confidence. She indicated that since her involvement in the park she has been medication free and has not visited a GP for two years.

The Chair of the Caledonian Park acknowledged that referral for those suffering long-term conditions, such as obesity, loneliness and mental illness, would be beneficial to their well-being.

In terms of GP involvement in SP, Islington currently has a number of navigators in the listening and connecting service, which has resulted in an increased number of referrals. The primary purpose of health navigators is to engage with GP practices and promote what they can offer on a regular basis. The Committee was advised that Age UK has recently employed a person to promote the service.

The Committee was informed that if the HLF funding application were successful, it would enable work to be done to identify what offer is available and, importantly, for a coherent offer to be presented to GPs. The project would create the links and

infrastructure to support participants and to ensure that the staff and, where appropriate, community groups are skilled, trained and able to manage vulnerable patients.

The Committee noted that although the transport department is not directly involved in the Parks for Health agenda, there is some input from other council departments, such as planning, leisure, housing and highways, who are involved in delivering health outcomes. Islington is promoting cycling and walking. The Healthy Streets initiative was mentioned, together with initiatives in other boroughs, including Waltham Forest.

The Committee also noted the funding challenges experienced by volunteering groups. Resources are finite, but local authorities support community groups by, for example, charging peppercorn rents for the use of facilities, including community rooms, toilets and cafés. The Parks and Open Spaces Manager advised that the Accelerator Fund project would consider ways of unlocking funds. Parks' services must be able to prove the benefit of parks and open spaces, and associated cost savings, that will arise as a result of investment in health and wellbeing.

The Chair of Caledonian Park Friends Group welcomed working with CCG and GPs and suggested that working with the Friends Forum would be beneficial.

The Committee heard evidence that although the Service engages in positive activities, such as working with special needs schools, mental health charities and facilitating guided walks, there is no structured programme. A successful bid would, however, enable this work to be more formalised.

The Committee noted that there is still room for improved communication and Information sharing between Greenspace, groups, and the public about the opportunities available to them. This would maximise the value of the work that already takes place in the parks and would help over-stretched staff.

The Committee was informed that, in an attempt to attract new audience into parks, the Park Services will be trialling an interactive App in Caledonian Park, which highlights the positives of the park.

Conclusion

The Committee thanks all the contributors to the scrutiny for a most enjoyable year.

Membership of the Environment and Regeneration Scrutiny Committee

Councillors – 2019/20

Councillor Rowena Champion (Chair)
Councillor Roulin Khondoker (Vice Chair)
Councillor Santiago Bell-Bradford
Councillor Tricia Clarke
Councillor Paul Convery
Councillor Mouna Hamitouche
Councillor Clare Jeapes
Councillor Matt Nathan
Councillor Caroline Russell

Substitutes

Councillor Osh Gantly
Councillor Satnam Gill
Councillor Anjna Khurana
Councillor Angela Picknell

Acknowledgements

The Committee thanks all the witnesses who gave evidence to the review.

Officer support

Ola Adeoye – Democratic Services
Lead Officers – Barry Emmerson and Andrew Bedford
Bhupesh Thapa

TERMS OF REFERENCE (SCRUTINY REVIEW INITIATION DOCUMENT)

Review: Resident and Volunteer Engagement in Parks and Open Spaces and understanding the wider value of our parks and open spaces.

Scrutiny Review Committee: Environment and Regeneration Scrutiny Committee

Lead Officers: Barry Emmerson

Overall aim: to increase the engagement of residents and volunteers in Islington's parks and open spaces.

To understand the current role our parks and open spaces play in meeting the council's core objectives and what opportunities there are for increasing this.

Objectives of the review:

1. To understand the barriers to use and volunteering and to examine whether there are effective measures that can be taken to increase participation, particularly among children, harder-to-reach residents and vulnerable residents.
2. What, if any, barriers there are to residents, volunteers and community groups putting on events and activities in parks and open spaces, and whether these barriers can be removed or reduced.
3. To understand how parks and open spaces are used by other council teams to meet core council priorities, such as building resilience and tackling social isolation; to understand whether the opportunities offered meet the requirements of other Council teams and whether there are further opportunities for cross-team working.
4. To understand to what extent our parks and open spaces are contributing to the health and wellbeing agenda, and to identify what changes could make the offer more attractive to bodies such as the public health team, NHS and other commissioning groups. To understand how much such opportunities are worth.
5. To understand how the council engages with the third sector and to examine what capacity exists to increase the value brought in, and to increase the activities available to the whole community (with a focus on young people).

Scope of the review

This review will focus on:

1. Why parks and open spaces are important in an urban environment, both for individuals and the community.
2. How parks and open spaces currently function and whether there is a clear vision for them.
3. The way parks and open spaces are currently managed and the resources that are available.
4. How parks and open spaces are used as community spaces and whether they could operate more effectively as such.
5. How residents and volunteers wish to engage with the maintenance of, and decision-making on, our parks and how they are currently supported to do so.
6. Whether parks and open spaces can more effectively meet the needs of certain groups such as 12- to 18-year olds.
7. How the Parks Service partnership works, including:
 - a. cross-team working to support the Council's core objectives;
 - b. work with third-sector organisations;
 - c. work with commissioning groups.
8. The role of Greenspace staff and whether they could be better supported to help achieve the Council's core objectives and to support engagement.
9. To understand how the community is kept informed of:
 - a. volunteering opportunities in parks and open spaces;
 - b. events and activities in parks and open spaces.

Additional Information:

Report of: Chair of Policy and Performance Scrutiny Committee

Meeting of	Date	Ward(s)
Executive	19 September 2019	All
Delete as appropriate		Non-exempt

Subject: Universal Credit - Findings of the Policy and Performance Scrutiny Committee**1. Synopsis**

- 1.1 This report requests that the Executive receive the report of the Policy and Performance Scrutiny Committee into Universal Credit. A response to the recommendations set out in the report will be considered at a future meeting of the Executive.

2. Recommendations

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

3. Background

- 3.1 The review was held between September 2018 and April 2019. The overall aim of the review was to review the roll out of Universal Credit in Islington, understand the impacts on residents and services, and ensure that measures are in place to address or mitigate any risks or challenges and to facilitate an effective challenge to the Government where appropriate, and communicate this to residents.

3.2 The objectives of the review included:

Gaining a good understanding of Universal Credit Full Service (UC), how it works, and the main changes it introduces to the welfare system and to assess the impact of UC on Islington residents, the Council, and other local services

4. Implications

4.1 Financial Implications

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

4.2 Legal Implications

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

4.3 Environmental Implications

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

4.4 Resident Impact Assessment

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

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

5. Conclusion and reasons for recommendations

5.1 The Committee's conclusions are set out in the appended report. Ten recommendations have been made in response to the evidence received. The Executive is asked to endorse the Committee's recommendations.

Appendices:

- Universal Credit – Report of the Policy and Performance Scrutiny Committee

Background papers:

- None.

Final report clearance:

Signed by:

Rowena Champion

11 September 2019

Chair of the Policy and Performance Scrutiny
Committee

Date

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ISLINGTON

Policy and Performance Scrutiny Review Committee

REPORT OF THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE UNIVERSAL CREDIT

London Borough of Islington
June 2019

CHAIR'S FOREWORD

In December 2018, Islington Council became one of the first local authorities to call for the abolition of the Central Government's flagship policy, Universal Credit. The impact on Islington residents, including the most vulnerable, has been significant, causing hardship and distress.

The Committee is of the view that the flaws inherent in the benefit are systematic, and its scrapping is the only realistic option to prevent further damage to our residents.

The Central Government is, nevertheless determined to proceed, rolling out the benefit to more categories of recipients. Local Authorities and our partners are left to work with the new benefit regime, and to try to help residents navigate the complex requirements to access the benefits to which they are entitled, at a time when the government's cuts to funding is already putting significant pressure on councils.

The Committee has undertaken a comprehensive scrutiny review of the introduction of Universal Credit making a number of recommendations that are designed to assist residents, either to access employment or to be paid the benefits to which they are entitled, despite the 'hurdles' put in place by Central Government.

The review highlighted not only the detrimental impact on residents, which disproportionately affects residents with disabilities and learning difficulties, as well as BAME communities, but also the failure of the policy to help those it was intended to help, those in work.

During the review we noted that since the introduction of Universal Credit, the use of food banks in the borough had increased dramatically: further proof of the detrimental effect this policy has on Islington families and of the distress caused to them.

Finally, the Committee would like to thank all the organisations, residents and officers and other witnesses who gave evidence to the Committee. Without their assistance we would not have been able to present such a comprehensive report.

COUNCILLOR ROWENA CHAMPION - CHAIR

Universal Credit Scrutiny Review

Aim

Evidence

The review ran from September 2018 until April 2019 and evidence was received from a variety of sources

1. Presentations from Council officers – Ian Adams, Robbie Rainbird, Lesley Seary, Hannah Bowman – Housing and Adult Social Services
2. Presentations from outside organisations – Eugene Nixon – L.B.Southwark, Devan Ghelani – Institute of Policy and Practice. Citizens Advice Bureau – Jean Daly-Matthias, Alison Lamb, Marcia Gay – Peabody Trust
3. Documentary evidence – The cumulative impact of Welfare Reform in Islington – Policy in Practice research report (November 2016), Written evidence submitted to the Work and Pensions Committee – Universal Credit update inquiry by the Islington Debt Coalition and the Islington Resident Support scheme (5 September 2017), Letter from Chief Executive Islington (on behalf of Chief Executives) to Neil Couling, Director of Universal Credit, Response from DWP to letter from Councillor Burgess on support for learning disabled
4. Visits – **Focus Group with UC claimants, Meeting with Key Support Services. Barnsbury Job Centre, Islington Learning Disability Partnership UC Task and Finish Group, Pillion Trust**

The scrutiny initiation document (SID) is attached - **Appendix A – Pages 44-48**
Appendix B – Examples of cases of claimants – Pages 49-50
Appendix C - Claimant's Survey – Pages 51-54
Appendix D – update on changes to UC since October 2018 and further announcements in January 2019 - Pages 55-56
Appendix E – Statistics UC Rent Data – Pages 57-59

Overall Aim/Objectives of the Review

The overall aims of the Review were as follows –

To review the roll out of Universal Credit in Islington, understand the impacts on residents and services, and ensure that measures are in place to address or mitigate any risks or challenges and

To facilitate an effective challenge to the Government where appropriate, and communicate this to residents

The objectives of the review were as follows –

- To gain a good understanding of Universal Credit Full Service (UC), how it works, and the main changes it introduces to the welfare system
- To assess the impact of UC on Islington residents, the Council, and other local services
- To ensure that effective support is in place for residents who will struggle to make and manage a claim for UC, particularly those with language or literacy needs, learning disabilities, mental health issues, and those with complex needs
- To ensure that any risks to the Council are being actively addressed and managed
- To identify any issues related to UC policy or processes, and the impacts on residents and services that cannot be resolved locally, and require escalating to Government
- To maximise the opportunities that UC provides around making it easier to move into work – and ensure that those claimants furthest from the labour market are able to benefit and receive tailored support
- To help improve the UC experience and application locally

RECOMMENDATIONS

The Committee wish to highlight that the introduction of Universal Credit is a Government Policy, and has not been introduced by Local Authorities. The Committee therefore are of the view that an effective challenge to the Government should be mounted, where appropriate on Universal Credit, and that it should communicate its actions to residents

The Committee are of the view that Universal Credit is not working for many residents, often the most vulnerable residents, and therefore request the Government to abandon the introduction of Universal Credit in its entirety

The Committee also call on the Government to recognise that the introduction of Universal Credit has placed a significant financial burden on Local Authorities, and other social housing providers, in respect of rent arrears/housing issues. The Government should ensure that Local Authorities are funded adequately to compensate them in this regard, due to the introduction of Universal Credit

Given the above, and the fact that the Committee are of the view that the Government is not likely to halt the introduction of Universal Credit, the Executive be recommended to approve the following recommendations to be directed to Government, and for action by the Council

GOVERNMENT

Recommendations – Claimants/Job Centres/Landlords

- 1. That the Government should recognise that there are a significant number of people who will never realistically be able to access sustainable work, due to ill health, disabilities, or caring responsibilities. The Government should also recognise that a number of those people having to claim Universal Credit are the 'working poor', and *ensure that the welfare system, through Universal Credit and other benefits, provides adequate funding to enable all these people to have a reasonable quality of life***

(The Committee believes that reducing the taper amount for the benefit earned over the work allowance from £0.63 to £0.60 will provide much needed support for the working poor, those with children, or with limited capability for work. The Government should immediately compensate those severely disabled people that have lost out by moving onto UC, and losing their severe/enhanced disability premium. The Government should take immediate steps to include disability premiums into UC permanently beyond a transitional protection. This is vital for essential living and care costs. The lack of them is likely to hinder disabled people's

ability to complete basic daily tasks, adding a further burden to a social care system, already at breaking point)

- 2. That the Government should ultimately scrap single household payments, and make 'split payments' standard. In the meantime:**
 - (a) In circumstance where there are dependent children, Universal Credit should be paid to the main carer of the children**
 - (b) Effective measures should be put in place to cater for circumstances where single household payments may cause financial hardship/or put one partner at risk of abuse**

(The Committee noted that those suffering domestic violence etc. are often reluctant to request 'split payments', due to the fear of their partner finding out. The position of the DVA sector is to scrap single household payments under UC, and make split payments for couples standard as part of a new Government Bill on domestic abuse)

- 3. That the Government should address the issue of childcare support for parents wishing to move back into work, and ensure that the childcare element of UC is paid immediately, rather than until they are able to submit receipts for child care**

(The Committee noted the difficulties placed on parents, in that when claiming UC, they do not receive the childcare element until they can submit receipts for childcare. The flexible support scheme currently in place is discretionary, and can only be paid for a few weeks, therefore parents will have to pay child care costs before being reimbursed through UC. This is a disincentive to parents wishing to return to work, and should be addressed if the intention of the Government is to encourage people back into work)

- 4. That the Government should ensure that local DWP offices have access to, and are able to share, with the Local Authority and partners –**
 - Numbers of claimants being referred to foodbanks**
 - Number of hardship payments**
 - Monetary amount of hardship payments, as an average**
 - Number/% of claimants who do not receive their first payment in full on time (and data as to reasons why)**
 - Failed claims where residents have not completed their claim, or are refused UC, and reasons why**

(The Committee heard evidence that some of the most vulnerable members of the community were waiting longer than the initial 5 week assessment period to receive payment of UC. The Committee felt that lack of access to this information meant that claimants were not able to challenge the delays, and this led to hardship. The Committee also heard evidence that it is important for the Council/Partners to have data to enable them to assist claimants who are in hardship, and to analyse reasons why claims have been delayed or failed, in order for support to be provided in these areas for claimants)

5. That the Government should fund Citizens Advice properly, in order to provide the level of service needed to assist claimants with their UC claims

(The Committee are concerned that Citizens Advice are having difficulty coping at present/will not be able to cope in future, with the level of assistance that claimants will need, especially when full migration takes place. Our view is that inadequate levels of funding have been allocated to Citizens Advice in this regard)

6. That the Government should -

- (i) Introduce a paper copy of the UC claim form, due to the difficulties that the learning disabled, those with mental health problems and carers, in particular, as well as those claimants who are unable to use/access a computer who are on low incomes, are facing in completing 'on line' forms**
- (ii) Introduce a more flexible approach to backdating of UC payments for those claimants who experience difficulties in claiming**
- (iii) Remove from the 'online' claim form the section that claimants have to complete, stating that they are available for work or make an alternative available**

(The Committee heard evidence that claimants/carers are often 'timed out', when completing the 'online' form, and this leads to frustration for carers and claimants, particularly those with disabilities. In addition, some claimants may never be able to work, or have limited work capability, but have to complete this part of the form. This question should be removed from the 'online' claim form, or an alternative made available, in order that claimants can complete the form with an option stating why they are not available for work/have limited work capability)

7. That the Government should ensure that self- employed people receive the same amount of support through UC, as employed people. This can be achieved by removing the minimum income floor for self-employed people

(The Committee heard that self-employed people are amongst those that can lose up to £200 per month when transferring to UC. It can be difficult for those that are self-employed to budget with an irregular income. The minimum income floor makes an assumption of how much self-employed people will earn. If they actually earn less than their minimum income floor in a given month, this means that they will be treated less favourably than others on UC. The Committee believes that the minimum income floor should be removed, and that self-employed people should have their UC entitlement calculated on their actual income)

8. That the Government, should make it a statutory requirement for private sector landlords to provide tenants with information on their rent, in a timely manner, to support their UC claim. This will also assist with regard to the difficulties, in relation to the provision of some claimants of information to support their application for Universal Credit, e.g. information to support the Habitual Residency Test. The Government should also other introduce measures, in order to ensure claimants can more easily provide information on their status, in order to support any claim for UC. The Government needs to recognise that -

- **People on low incomes, and many of the most vulnerable within our society may struggle more than others to prove their citizenship**
 - **Work Coaches should be concentrating on helping people into employment, which is the aim of Universal Credit, rather than acting as home office officials**
 - **Those transferring to Universal Credit should not be penalised if they have been on other benefits for some years, having originally claimed benefits at a time, when the documentation requirements were not as strenuous as they are now. People should not have to prove re-eligibility to claim, but should be transferred smoothly to Universal Credit**
- *(The Committee heard evidence of residents struggling to provide the evidence to verify their claim or to meet the Habitual Residency Test to be eligible for UC. The Committee heard evidence of a teacher who had worked in Islington for many years, but on coming back from holiday found her UC claim had been rejected. Such problems lead to delays and hardship, and the need for claimants to seek legal advice through support partners)*

- 9. That the Government should ensure that Job Centre/Citizens Advice staff provide adequate information to claimants/Local Authority on the availability of food banks/offer advice on healthy eating. The Government should also provide data on the number of hardship payments made, the amount of such payments, claimants that do not receive their full entitlement, within the agreed timescale, and reasons for such late payment, together with the number of referrals made to Food Banks. This information should be provided on a regular basis**

(The Committee were concerned that there is a lack of information being made available by /JCP and Citizens Advice staff not referring claimants to Food Banks. Given that the Government has admitted that the use of Food Banks has increased significantly since the introduction of UC, and often claimants are the 'working poor', (the group that UC claimed to have been introduced to assist) this information should be made available to claimants)

- 10. That the Government should pay the Housing element of UC directly to social landlords, making the process more efficient. The Government should also accept rent figures provided by 'Trusted Partners,' and should allow them to enter annual rent charges on the Landlord Portal. This would assist in avoiding the need for large volumes of rent verification requests**

(The Committee heard evidence that the 5 week assessment period is too long and leads to hardship, especially for vulnerable residents. This leads to a spiral of debt, and rent arrears for claimants, arrears for landlords, and reduces the amount of money available to claimants in the future, as the advance payment has to be repaid from future UC payments. The numbers of alternative payment arrangements and advance payments required confirm that these are not an exception, the system needs to be improved. Making the changes suggested will benefit all parties in the process, and make the process far more efficient)

- 11. That, whilst it is noted that claimants can request Alternative Payment Arrangements, there should be a simplified system for rent to be paid directly to Private Sector Landlords, given that this is an area where evictions are more likely to occur, arising from rent arrears accruing, due to delays in UC payments to claimants. The Government should put in place measures to address this**

(Please note Committee's views on APA's outlined at recommendation 9 above. However, if APA's are to continue, the Committee noted that whilst there is a system in place for APA's to be made available to 'trusted providers', such as Local Authorities, this is not the case for private landlords, although a pilot has been introduced by the Government. The Committee are of the view that the Government should also accept rent figures quoted and accept referrals for APA's from 'trusted

providers' without the need to check further. This will make the process more efficient)

- 12. That the Government should protect the services currently offered to claimants by Job Centres, and that there should be no reduction of services. The Government should also ensure that 'work coaches' are at least retained at the current level, if not increased. Best practice should be 'rolled out' across all Job Centres, where there is a high satisfaction level amongst claimants**

(The Committee noted and welcomed that a recent limited survey of claimants had shown high levels of satisfaction with the service provided at the Barnsbury Job Centre. It is felt that where best practice has been identified this should be 'rolled out' across other Job Centres. The Committee are of the view that with cost pressures on the Government they will attempt to reduce staffing levels at Job Centres, and this should not happen, and current levels should be retained, or even increased)

- 13. The Government should reduce the 5 week assessment period for UC, before the first payment is made. At the very most, the wait should be no longer than one month – the period a person in work might wait for their first salary. The period for repaying advance payments should be increased to at least 2 years, with provision for a longer period, if the claimant can demonstrate that the consequent reduction in their benefit would cause financial hardship. That increased period should be brought in immediately**

(Many claimants, particularly those transferring from 'legacy benefits' do not have the resources to meet the costs of rent, food, bills and childcare, whilst awaiting their first payment, and the situation can be exacerbated if there is an issue with their claim causing further delay. Advance payments are available, but these are loans, rather than grants, and must be paid back over 12 months (extended to 16 months from October 2021)

- 14. That the Government should recognise that the introduction of Universal Credit has resulted in additional costs being placed on Local Authorities, at the same time as Local Authority funding is being reduced generally. The Government should be requested to ensure that Local Authorities are funded adequately, to deal with these additional costs**

(The Committee noted that the Housing Benefit Administration Grant and the Discretionary Housing Grant funding has been reduced severely in recent years, and there are increasing rent arrears as a result of the introduction of UC)

COUNCIL

Recommendations - Claimants/Information/Work with voluntary sector

- 15. That the Council should continue to support the voluntary advice sector, and where possible, assist in increasing the capacity of specialist advice services. In addition, the Council should work in partnership with the voluntary sector, and other statutory partners, and support the establishment of a forum for agencies with an interest in Universal Credit, to share and collect information, including on the use of food banks, to provide to the Government as evidence for future changes to Universal Credit**

(The Committee noted the good work undertaken by the voluntary advice sector, and statutory partners and supported the suggestion that a forum should be established)

- 16. That it is noted, and welcomed, that the Council is taking all available opportunities to support residents with the introduction of UC, and that a number of initiatives are being taken by the Council, the voluntary sector and partners in order to assist residents, as outlined in the report. The Committee are of the view that there should however, be additional support provided for the most vulnerable residents, such as residents with mental health problems, learning difficulties, BME communities and the disabled**

(The Committee were concerned that the most vulnerable residents were the most likely casualties of the introduction of Universal Credit, and where possible additional support should be particularly aimed particularly at these group)

- 17. That, whilst noting that information on support and advice to residents is available, it should be ensured that up to date information is provided in Council publications, online, in councillors' ward surgeries, self-help groups, GP surgeries, on electronic noticeboards on estates and by the organisation of workshops, where necessary. Consideration should also be given to a future communications strategy, once full migration takes place, to enable residents to have access to all necessary information, and support, to assist them with claiming UC at the most appropriate time**

(The Committee were of the view that whilst information has been made available once full migration takes place a more detailed communications strategy should be looked at. In addition, given the ever changing nature of UC, as a result of changes to UC by the Government, updated information should continue to be provided to residents)

- 18. That there should be a common approach established with social housing providers in the borough, for dealing with tenants, who may fall into arrears during the 5 week assessment period, as a result of claiming UC. The Committee are of the view that the Council should discuss this issue with other social housing providers in the borough, with a view to establishing a common policy/support framework to deal with such instances**

(The Committee are of the view that all social housing providers in the borough should establish a common policy so that tenants know that all social housing providers are following the same procedures in respect of tenants in receipt of UC)

- 19. That the Policy and Performance Scrutiny Committee should receive regular updates on performance data relating to UC***

(The Committee were of the view that they should be updated by the Executive Member Policy, Performance and Community Safety of information relating to UC, including the level of rent arrears, in order that this can be monitored on a regular basis)

MAIN FINDINGS

PLEASE NOTE THAT THE EVIDENCE DETAILED BELOW STATES THE SITUATION AT THE TIME THE EVIDENCE WAS TAKEN. AS THE GOVERNMENT HAS BEEN AMENDING THE REGULATIONS AROUND UNIVERSAL CREDIT DURING THE COURSE OF THE REVIEW AND SOME CHANGES HAVE BEEN ANNOUNCED THAT WILL TAKE PLACE OVER THE COURSE OF THE NEXT TWO YEARS – A SUMMARY OF THESE CHANGES IS ATTACHED AT APPENDIX D TO THIS REPORT

Background Evidence – September 2018

- 1.** The Committee commenced the scrutiny in September 2018, with evidence on the introduction of Universal Credit (UC), from Robbie Rainbird, Head of Processing, Finance and Customer Services
- 2.** The Committee were informed that since 2010, the Government has introduced significant reforms to the welfare system, aimed at encouraging people into work, and simplifying and restricting benefits and saving money. Some key changes include – restrictions of universal credit (non means tested) support e.g. child benefit, caps and freezes on welfare spend, changes to Local Housing Allowance, introduction of the Bedroom Tax, a benefit cap which was initially £26000 in London, (later reduced to £23000), and tougher requirements on Job Seekers Allowance (JSA), and requirements for long parents to find work
- 3.** There were also changes to restricting benefits for EEA migrants, changes to sickness benefits, the replacement of Incapacity Benefit with Employment and Support Allowance (ESA), and the requirement to undergo a work capability assessment. In addition, there have been changes to disability benefits by the replacement of Disability Living Allowance (DLA), with Personal Independence Payments (PIP), and changes to Tax Credits and other family support
- 4.** The proposed aim of the introduction of Universal Credit was to simplify the Benefits system, and there have been further changes since 2017. These include – support with childcare, tax free childcare has been introduced, - the Government contributes up to 20% of the first £10000 of costs per child per year, (up to a maximum of £2000 per child per year, for people with income around £15000 per annum, and not receiving child support, via tax credits. The free child care entitlement doubled from 15 hours to 30 hours per week for working parents of 3 and 4 year olds
- 5.** In terms of benefit support for children, there is a 2 child limit support through tax credits, and the Universal Credit and Family Entitlement has been removed. People starting a family are no longer eligible for the Family Element in Tax Credits, or the First Child element in Universal Credit

- 6.** There have also been further changes to ESA, and the work related activity component has been abolished. New claimants that are placed in the Work Activity Related Group (WRAG), now receive the same rate of payment as those claiming JSA or Universal Credit equivalent. The ESA permitted work limit has been removed, and claimants undertaking permitted work, and earning between £20-£120 per week, no longer have to stop work, or stop claiming after 52 weeks. ESA sanctions have been reduced, and claimants who are sanctioned now receive 80% of their benefits. This does not apply to those in WRAG, who will receive 60% of their benefits
- 7.** The latest changes that have been introduced include a Universal Credit Youth Obligation, whereby 18-21 year olds who have been claiming UC for 6 months, now have to apply for training/apprenticeships through a work placement
- 8.** In addition, Bereavement Support Payments have been introduced for all new claims from April 2017, and this replaces Bereavement Allowance, Bereavement Payment ,and Widowed Parents Allowance
- 9.** The earnings threshold for Benefit Cap exemption has changed from a fixed rate of £430 per week, to the amount a claimant would earn if they were working 16 hours a week at the national minimum wage, so that most people have to earn more before they are exempted from the cap. In addition, support for mortgage interest is no longer available for new or existing claimants, and these people will now have to apply for a loan instead
- 10.** There were also a number of changes announced and implemented in 2018, following feedback from Pilot areas, such as L.B.Southwark, where Universal Credit had been introduced. These include Advance Payments, the removal of the 7 day waiting period, a 2 week Housing Benefit 'run on', and making it easier for claimants and social landlords to have rent paid directly to the landlord
- 11.** There are still further proposed changes to be introduced. Childcare support will be changed from Autumn 2018, and employer childcare vouchers will no longer be available to new claimants from October 2018. Existing claims will continue until the child is 15 (or 16 if disabled), or the claimant starts claiming under another scheme (as part of Working Tax Credit, Universal Credit, or Tax Free Childcare), whichever is the earliest
- 12.** Self- employed people, from April 2019, will no longer pay Class 2 National Insurance contributions, which currently count towards contributory benefits e.g. new state pension. Clarification is still awaited on how Class 4 contributions will count towards benefit entitlement

- 13.** In terms of the 'roll out' of UC, families with 3 or more children should be able to claim UC from February 2019 onwards. There will also be a transfer of the initial batch of Islington UC 'live service' claimants to full service from 5 September – November, numbering approximately 1700 residents. In addition, there will be migration of all existing benefit claimants, for all legacy benefits from 2019-22, which number around 20,000 residents in Islington, dependent on how many residents are moved over earlier
- 14.** The Committee were informed that UC 'Full service' was introduced in Islington in June 2018. Most new claims, plus existing benefit claimants with a change of circumstances, will now claim UC, instead of the current legacy benefits. Exceptions are – Families with more than 2 children (this is temporary, as DWP aim to include these from this year), residents in supported housing or temporary accommodation can continue to claim housing benefit, and people of pension age, currently 65, and those on UC who reach 65, will be required to move back to housing benefit
- 15.** Existing UC claimants (the first batch that moved from November 2018), moved to UC full service from 5 September to November 2018. All remaining claimants not yet moved over will migrate between 2019-23, and as stated previously, Islington has at least 20,000 residents claiming housing benefit, and one or more out of work/in work benefits, so that UC will have a big impact on Islington residents
- 16.** The Committee noted, as stated earlier, that Universal Credit is the new means tested benefit, that has been introduced by the Government, for people of working age, which replaces six means tested benefits – Housing Benefit, Child Tax Credit, Income Support, Working Tax Credit, Income Based JSA, and Income related ESA. It is a single monthly payment to a household (a household counts as a single person or couple with any dependent children). Claimants receive a standard allowance plus extra money if they have children, a disability, or a health condition, care for somebody who does, or qualify for assistance with rent or other housing costs
- 17.** The Committee were of the view that residents should be made aware that the introduction of UC is not a Council initiative, but a Government one, and that a communications strategy should be put in place in future informing residents of this, and the assistance that the Council is offering to residents. This has been addressed in our recommendations
- 18.** There are various 'triggers' for a move to UC and these can include a change in family circumstances, or other changes. These include a move to working more than 16 hours, to less than 16 hours, a move from being out of work to being sick, or vice versa, a move from being sick to working more than 16 hours, or a move from in work to being sick. In addition, changes to family circumstances, including where a household becomes responsible for a child for the first time, change of address in the relevant

postcode area that requires a new claim for housing benefit, where an out of work lone parent becomes part of a couple parent, where an out of work couple parent with a child under 5 becomes a lone parent, where a partner leaves/joins a household, where a claimant is within 11 weeks of the birth of a child, and where an out of work lone parent's child reaches the age of 5, can also trigger a change to UC. Other changes include a new/underlying entitlement to legacy benefit/s, attending Court of jury service, cessation of full time education, being remanded in custody, income/capital goes over the threshold, or taking on full time caring responsibilities, or where the claimant is no longer a full time carer

19. A claim for UC is made via the claimant making an online claim on the DWP website. The claim can be saved, however it is only valid when the claimant presses the 'submit' option. The claimant then receives a text or e mail, with a telephone number, in order to make an appointment with an allocated 'work coach' in the local job centre, and a failure to attend for interview could risk the claim being cancelled. The claimant has an initial meeting with the 'work coach', to clarify information relating to the claim, and a first payment will be received 5 weeks after this, subject to information being received. The rationale behind this is that as a claimants' application form is completed online, it would free the 'work coach' staff up to concentrate on assisting residents to find employment. There would also be Council staff, and other support staff present, to assist claimants. Actions are also then agreed to move towards work, and arrangements made as to how often the claimant should meet with the Job Centre 'work coach'

Key risks for Claimants/Support available

20. A major risk to the Council, and other housing providers is In relation to payment of rent, and the possible increase in arrears. In the case of Council tenants, the Housing Income Team, is notified of a UC claim via a landlord portal, and asked to verify the rent. Where the claimant is claiming housing benefit, the local authority is advised that the claimant has made a claim for housing benefit, so housing benefit will stop. The Housing Benefit team will, however, enable there to be a 2 week run on period, to cover rent for the next 2 weeks
21. There are key risks and challenges with the introduction of UC. These include the fact that claims are made and managed online, so that claimants will need access to IT, and will require the digital and literacy skills to manage their claims. All contact is by e mail, text, or UC journal. There are no letters, and claimants will have to look regularly at their UC journal, and 'To Do list', and enter updates on activity. Claimants are expected to take more responsibility than previously

- 22.** Payments for UC are made monthly in arrears, and this will be a change for people on out of work benefits, who are at present paid weekly or fortnightly. Claimants will need now to budget monthly. Claims are not backdated, but paid from the day the claim is submitted, so it is important that claimants are advised, and supported, to submit their claim as soon as possible. There is a minimum 5 week waiting period, before the first payment is received. Housing costs are included in the payment, and residents will be responsible for ensuring that their rent is paid, unless Alternative Payment Arrangements (APA) are put in place. This is dealt with later in paragraph 24 below
- 23.** The positive changes are that it will be easier for residents to move in and out of work, as claimants no longer need to 'sign on or off', as they move in and out of work. Payments are based on earnings, not hours worked, and claimants no longer need to worry that their benefits will stop if they work over 16 hours. UC will continue, but will be adjusted up and down, depending on earnings. Claimants have a personal allowance, and anything they earn above that is subject to a taper (37p is kept in the £), The DWP system accesses 'real time' information from HMRC for the previous month, and adjusts payments accordingly. There is no fortnightly 'signing on', so 'work coaches' can assist more people who want to work, and they will also have mixed caseloads, including those people previously in receipt of ESA. There is funding for training and Access to Work funding, in order to help claimants who need extra support to move into work
- 24.** The Alternative Payment Arrangements (APA's) are designed for those claimants who will struggle with the new monthly payment model. There are 3 options available. Rent can be paid directly to the landlord, claimants can request this, and social landlords can request APA's as trusted partners, however private landlords need the consent of the claimant. There can also be the option of more frequent payments – half monthly, where a claimant will struggle to budget monthly. The third option is splitting the payment to the household, such as where there is a risk of domestic violence, gambling etc.in the household
- 25.** The evidence from those areas, where full UC has been introduced, is that rent arrears have risen significantly. Rent arrears have also risen in Islington, since the limited introduction of UC in June. Islington however, is now taking a proactive approach, and is using APA's, where there is risk of tenants struggling to pay rent. The Council has adopted a two tier strategy of risk – Tier 1 factors - which indicate a highly likely/probable risk - include drug/alcohol and other addiction problems, learning difficulties (including problems with literacy and numeracy), severe/multiple debt problems, in temporary or supported housing, or are homeless or subject to domestic violence, or abuse. In addition, other tier one factors include mental health problems, if a tenant is currently in rent arrears, are at threat of eviction or repossession, or if a

claimant is a young person 16/17 years old and/or a care leaver, or if they are a family with multiple and complex needs

- 26.** Tier 2 factors include - if a claimant has no bank account, third party deductions are in place, a claimant is a refugee or asylum seeker, there is a history of rent arrears, a claimant has been previously homeless and/or in supported accommodation, disability, recently left Prison or hospital, recently bereaved, lack of language skills, where English is not the first language, ex-service Personnel and NEET's
- 27.** Claimants who will struggle to cope during the 5 week waiting period can ask for an advance payment. This can be requested at the claimant's initial meeting with the 'work coach', or at any time before they are paid. This can be any amount up to 100% of their monthly payment, and it is then paid off over the following 12 months, (to be increased) deducted directly from their monthly payments. Evidence from other areas, where UC has been introduced, has shown that the waiting period for payment caused real financial hardship, and increased demand on Food Banks and Local Authority crisis schemes. Advance payments can be of real assistance, however it means that households have less to live on over the next 12 month period. See Appendix D of the report for updated information
- 28.** In terms of Islington's Universal Credit offer, the Council's approach is that, whilst UC has been introduced by the Government, and is not a Council policy, the Council wants to help residents to be able to make and manage a UC claim, and ensure rent is paid. Staff should refer residents to DWP for issues with their claim. Advice Partners can also help, and Income Maximisation (IMAX) can assist residents to work out financial implications
- 29.** The Council will work to proactively encourage, and apply for Alternative Payment Arrangements, but also to adopt a cautious approach. Council Tax is not included in UC, however this needs to be notified as part of the UC claim, and Islington will take notification from DWP, as a trigger to offer Council Tax support. The Council's support offer also focuses on helping residents to adjust to the changes that UC brings, such as making and managing claims online, budgeting and ensuring rent is paid
- 30.** Digital support will be provided at a new Digital Zone in the Customer Care Centre at 222 Upper Street, and PC's and scanners will enable residents to self-serve. Citizens Advice volunteers will be on hand to support claimants to make and manage their claim. New UC supervisor/caseworkers will support volunteers on difficult cases. There will also be digital access in Libraries, and Library managers have all been UC trained, and this training will be cascaded to all Libraries staff. Computers will also be available in all Libraries for residents to make and manage UC claims. Staff will be on hand to give

basic support to assist residents to go online, and if necessary, to refer residents to more UC specific support at 222 Upper Street

- 31.** There are a number of key messages that are important to convey. Not all residents will have been migrated to UC from 20 June 2018, this will be just new claimants, and also some residents with a change in circumstances. The resident is responsible for their claim, however there is a lot of support available to help with changes. UC claims are not backdated, and therefore a claim must be submitted as soon as possible, and it is important for residents to attend the interview with a 'work coach', as their claim may be cancelled if they do not. Council Tax support could be claimed, if a resident is eligible, however it should be noted that UC does not include Council Tax support, but does include a reminder on this for claimants
- 32.** Claimants can also be assisted through the Discretionary Housing Relief scheme, and we noted from the Press Release from the Executive Member Finance, Performance and Community Safety that the Council has assisted over 2000 residents to date through the 'one off' discretionary housing relief scheme up until April 2019. The Council aims to alleviate the pressures that the Government's welfare reforms are putting on households by automatically making this 'one off' payment to Council tenants in receipt of Universal Credit, regardless of when they transferred to it. This additional funding by the Council of £250000 is needed to assist residents, some of which are the most vulnerable members of the community
- 33.** The Committee also noted the recent statement from the Government in a parliamentary answer that they appreciated that Councils are experiencing budgeting challenges, but UC should not be contributing to them. New Burdens funding has been provided to cover additional costs associated with UC, and the Department for Work and Pensions will consider reimbursing Council's for any additional costs that are not already supported by New Burdens and UC support funding. The effect is that UC introduction should not leave Council's 'out of pocket'
- 34.** The Committee are of the view that whilst UC is a failed system, if it continues then additional support and funding should be provided to the Council
- 35.** Another emerging problematic area that has been notified to the Committee is the area of parents needing help with childcare costs. Parents moving into employment have to pay upfront childcare costs, but do not get the childcare element of UC until they submit receipts. This requires them to have available funds to pay for childcare, in order to start work. The Flexible Support Fund is discretionary, and can only be paid for a few weeks, but at some point the parent has to pay childcare costs before being reimbursed by UC. This is proving to be a real barrier for parents starting work. Although childcare support was intended to be more generous under UC, the process

and payment system is making it more difficult for those parents who want to move into work. The Committee feel that this is another issue that needed to be addressed and have made a recommendation in this regard

- 36.** There is no universal information campaign from the Council about UC, and it should be noted that the bulk of claimants will not be switching to UC until planned migration, so any campaign at present may mean there is a risk of causing alarm, or confusion, at an early stage. Instead effort has focused on getting frontline staff across the Council, and partners, trained on UC, so that they are able to signpost and offer advice. Simple one page handouts have been produced for frontline staff to hand to residents, who need to claim UC. Housing staff will be writing to tenants when they make a claim, with information and advice on where to get help. Prompts have been added to the Home Connections site, to advise that moving home could trigger a move to UC. There is also an article in the UC resident's e bulletin in July, and in the Islington Life Autumn edition, together with a webpage on the LBI website
- 37.** Council staff are being prepared with briefings and training, and there is a comprehensive programme of training for frontline staff, together with a basic overview, with an option for detailed training on UC claims, for staff who need more in depth knowledge. A staff information pack, which contains a UC factsheet, a summary of Islington's support offer, and a directory of support and advice will also be available. There has also been a briefing for elected Members
- 38.** In terms of monitoring the impact in relation to Governance and support, there is an UC Member Board, to look at the impacts of the first 3 months, and to address any emerging policy or support issues. The UC officer group will continue to meet on a regular basis, and will monitor the situation, and escalate any issues to elected Members, and provide periodic updates
- 39.** There will also be day to day monitoring through the support services at 222 Upper Street, and Libraries will monitor demand and issues that arise. The local DWP leads have provided details of escalation routes, i.e. who to contact at the Job Centres, when there is an issue. The Council are also willing to raise any wider issues relating to UC claims on process, systems, or policy at departmental level. Frontline teams are advised to raise any emerging issues, either problems with UC claims, or with the wider support offer
- 40.** The Committee were informed that from 20 June 2018 onwards, (the introduction of full service UC) there have been around 1700 new claimants for UC, (as at 4 September), which equates to around 20 per day. DWP staff are aiming to offer clear assessment interviews, the day after a claim is made, but as numbers grow, this is likely

to become more difficult. The aim is to focus on ensuring all new claimants are paid on time, and are receiving the correct amount of money

- 41.** Council/advice partner support is in place, but initially take up has been very low. The initial emerging issues are that claimants are completing their application on line, however they are not phoning the Job Centre to make an appointment. It should be reiterated that the UC claim will be cancelled if the claimant does not have an interview at the Job Centre. In terms of claims that require more intensive support at the Job Centre, e.g. those claimants with language needs, mental health or learning difficulties, whilst 'work coaches' have been trained in dealing with these claimants, it is being found that these and other vulnerable people's claims are taking longer to process, which could become a problem, as larger numbers transition over to full UC
- 42.** There are challenges to specific groups, and feedback from services representing vulnerable residents is that their clients will really struggle with UC, and the local support offer may not be intensive enough to cope. The key groups who may struggle, as referred to previously, include people with mental health problems and learning difficulties, those with complex needs, people who are illiterate, or those for whom English is not their first language. In addition, private sector tenants who will be worse off under UC will face difficulties with less money to live on
- 43.** The Committee noted that UC would also place an additional administrative burden on Council staff, and that this needed to be recognised by the Government and DWP. In addition, the Committee expressed the view that the 'work coaches' should work with Council staff, in linking in employment programmes operated by the Council, as this may lead residents to find employment more speedily
It was also noted that the Job Centre 'work coaches' faced a heavy workload, given that reductions in DWP staff had taken place, as a result of the Government's austerity programme
- 44.** The Council is also discussing with Housing Co-operatives, who collect rent on behalf of the Council, about the processes that they need to go through to verify rent and support their tenants, and provide information to TMO's who do not collect rent, but to assist them to support their residents and direct them to appropriate support. In addition, the Council talks to DWP about issues that occur for the first time, such as rent increases, and where there are 53 week rent years
- 45.** The Committee also received evidence that self-employed people are amongst those that can lose up to £200 per month when transferring to UC. It can be difficult for those who are self-employed, to budget with an irregular income. The minimum income floor makes an assumption of how much self-employed people will earn. If they actually earn less than their minimum income floor in a given month, this means that they will be

treated less favourably than others on UC. The Committee believes that the minimum floor should be removed, and that self-employed people should have their UC entitlement calculated on their actual income. See our recommendation in this regard)

- 46.** The Committee also received evidence in relation to Islington's response to the Work and Pensions Select Committee call for evidence. Islington's response highlighted that the groups of residents who stand to lose most from the introduction of Universal Credit are parents under 25 years, single parent families who are under real threat when they move onto Universal Credit, instances where there are two wages or statutory maternity payments in an assessment period, and alternative payment arrangements for benefit cap claimants which leads to full housing costs being paid to the landlord. In addition, there are problems with benefit cap payments and child benefit, couples where one is a pensioner and one is not, those who fail a work capability assessment, those with capital above the UC threshold who have no entitlement to UC, the first claim for UC not being eligible for Housing Benefit, disabled children allowance which is less under UC than legacy benefits, the habitual residency test, and victims of domestic violence making a separate claim. The Committee also considered the submission from London Councils in response to the Work and Pensions Committee call for evidence. A number of the issues highlighted are addressed in our recommendations
- 47.** The Committee also received evidence in relation to the response from the DWP in response to Councillor Burgess, Executive Member Health and Social Care, concerns about the support available for UC claimants with learning disabilities. Whilst the Committee noted the response from the DWP, and the actions that had been put in place, we consider that more could be done and this is reflected in our recommendations

Evidence from L.B.Southwark/Institute of Policy and Practice/Citizens Advice/L.B.Islington - October/December 2018

- 48.** The Committee at its meeting on 11 October 2018 received evidence from L.B.Southwark, who had implemented full UC in 2015, and that as a result of this introduction they had been able with other boroughs, who had also piloted the implementation of UC, to present a case, based on their experiences, that led to the Government making positive changes to Universal Credit to assist claimants
- 49.** Members were informed that Southwark had over 20000 claimants, and around 7000 of these were Council tenants. There has been a significant impact on social housing tenants as a result of the introduction of UC, and around 42% of claimants in

Southwark are social housing tenants. These tended to include more vulnerable residents, who had also been affected by previous Government welfare reforms

- 50.** The Committee were informed that the introduction of Universal Credit has led to higher rent arrears in Southwark, which is not only bad for the Council/social housing providers, but for tenants as well. Whilst the Government has been pressured into amending some elements of Universal Credit, too many residents were waiting too long for payment, and 1:6 residents were waiting more than 6 weeks for their first payment. In addition, too many claims were initially unsuccessful, as Universal Credit depended on a great deal of information being provided by the claimant
- 51.** The Committee noted that the introduction of Universal Credit for private sector rented tenants, whilst no doubt having an effect in L.B.Southwark, was not felt to be as detrimental as the introduction of the previous welfare reforms by the Government, and that these had probably had a more significant impact. There is at present, no provision, unlike Council/social housing tenants, for rent to be paid directly to private landlords, and this could lead to more problems with rent arrears for private sector tenants and possible eviction
- 52.** L.B.Southwark had made a decision not to take legal proceedings against tenants, who through no fault of their own, had fallen into arrears, as a result of the introduction of Universal Credit. Where a tenant falls into arrears in Council/social housing the provider can request the rent be paid directly to the landlord, and this is being used in 50% of cases in L.B. Southwark. There is also a facility for requesting arrears of rent to be deducted from a tenant's Universal Credit payment, however Southwark did not exercise this, as the provision is inflexible
- 53.** The Committee were informed that homelessness is rising in London, and that Government welfare reforms were a significant driver in this. Whilst it is felt that Universal Credit has not at present exacerbated the situation, it was badly designed for a number of groups, particularly those who are homeless or in temporary accommodation. Whilst there had been recent changes to ameliorate the situation for these groups, it was felt that this is only temporary, and the longer term funding arrangements are unsure
- 54.** Members also noted that, given that Universal Credit had taken longer to roll out than envisaged by the Government funding for Islington Council HB staff had been reduced from £3m to £1.6m, and this would mean that in future the Council would have to prioritise the support it can give to residents. There is a realistic prospect that the HB service will cease to be viable before Universal Credit is fully introduced
- 55.** The Committee also noted that it was originally intended that Local Authorities would administer the support scheme for Universal Credit, however the Government

had now stated that they proposed to contract Citizens Advice in this regard. The Committee received witness evidence from the Citizens Advice and this is reflected elsewhere in the report

- 56.** The Committee were informed that 50% of lone parents, and 66% of couples with children would lose up to £200 per month, as a result of transferring to Universal Credit. In addition, 50% of all families in work could be worse off under Universal Credit, and this included owner occupiers, lone parents and couples with 3 or more children, the disabled and the self-employed. Members noted that Universal Credit was likely to impact over 23000 residents in Islington, and on an initial analysis, one third of claimants would be worse off, one third better off, and the other third remaining the same
- 57.** Since full UC service was introduced in June 2018, there have been 2381 new UC claims at the Barnsbury Job Centre, and 1870 in the Finsbury Park Job Centre. Job Centres were seeing around 30-40 new claimants per day in October and November 2018, but it was anticipated that this may slow down now that full service claims had been migrated over
- 58.** The impact on Housing and Council tenants has resulted in around 1450 tenants (rent accounts), now being on UC, and 411 of these are on Alternative Payment Arrangements (APA).
- 59.** 76% of tenants in receipt of Universal Credit are in arrears, compared to 40% of tenants still on Housing Benefit. Total rent arrears across UC tenants is now almost £1.4m, four times as much as in June. This has moved in line with the increase in tenants moving onto UC
- 60.** Members noted that there has been an increased demand for crisis support through food banks, which have quadrupled since full service UC went live, and there has been an increase in crisis support. 44 payments had been made through the Resident Support scheme, as of 6 December, to support residents struggling as a result of UC. The Council has increased its allowance to 2 claims, rather than the 1 previously
- 61.** Advice partners have dealt with almost 1000 requests for debt support since June 2018, and a further 450 clients have needed advice on their UC claims
- 62.** Emerging issues for residents include – only around 87% of claimants have received their first payment on time, which means that 13% have not, or have only been partly paid or not paid their claim. This equates to over 460 residents, amongst which will be the most vulnerable in the community

- 63.** The Committee were informed that there are some key issues for Job Centre staff that are resulting in delayed claims, such as failure to make or attend an appointment with a 'work coach' to verify ID, incorrect rent details entered on a claim, which then needs to be verified by the landlord, and agreed with the tenant, where there is inconsistency. Some landlords, not the Council, are taking time to verify rent amounts, and there are often difficulties in providing relevant evidence to satisfy the Habitual Residency test
- 64.** Members also noted that there have been difficulties in claimants being able to access the DWP UC helpline to resolve issues with a claim, however some improvements had recently been made, and the system can now recognise a claimant's phone number, and passport this through to the relevant UC team in Belfast. A new telephone service has been established in Glasgow to enable vulnerable claimants to make a claim by telephone. There are also verification issues with ID, for residents who had moved to the UK some years ago, but had no formal ID
- 65.** Both the Council and partners are experiencing increasing rent arrears, and front line services and partners are facing increased demand for crisis support. However, there is limited data available on UC claimants, which makes this difficult for the Council, and partners, to proactively target support. There is no definitive number of tenants on UC that can be accessed. There is also no clear role for Local Authorities, or resources being made available to them, however the Council will still be expected to feel the impact on demand for services and will need to support residents. There has been an additional administrative burden on HB staff, with diminishing resources
- 66.** There is support for residents moving onto UC, which builds on the successful USDL/DWP pilot, by providing digital support, at 22 Upper Street provided by the CAB, personal budgeting support delivered by the Citizens Advice, co-located in the Barnsbury and Finsbury Job Centres, advice for Council tenants provided by housing income officers in both job centres, information on benefit entitlement and better off calculations provided by I Max and SHINE. In addition there is support in helping residents to find employment through Islington Working, with initial triage by the iWork team, independent advice and advocacy provided by Advice partners with over £1 million funding from the Council, crisis support through the Resident Support Scheme, and referrals to food banks and soup kitchens
- 67.** Members also noted that the DWP funding to provide support to claimants on making and managing a claim, might not be enough to cope with demand at a local level. Evidence has been received from the Citizens Advice who had been funded by the Government, from April 2019 to support claimants. They will support claimants, through every step of making a claim, including assisting them to manage their money when it arrives. £12m is being provided to set up the new service by April 2019, and a further

£39m is being paid from April 2019 onwards, and the main focus will be on budgeting digital (as under the current offer)

- 68.** Members were informed Citizens Advice were assisting claimants at the moment in respect of personal budgeting, and noted that from their experience the delays in processing claims and the impact was having an effect on their mental health. In addition, claimants can spend a lot of time trying to telephone DWP. There is a high level of debt amongst these claimants, and CA staff were having to allocate significant resources to train staff on UC, despite support being available from the Council and partners
- 69.** Members expressed concern that there was a lack of data sharing by the DWP, and that it would be useful if Citizens Advice could gather data on how many claimants were being referred to food banks etc. and that this could then be presented to the Government, in order to recommend any necessary changes. It was noted that the CA envisaged that there would be more difficulties, than at present, once more claimants came onto UC, however at present they did not want to upskill staff in areas that they did not feel was necessary
- 70.** The Committee also received written evidence, from Citizens Advice, in relation to a frequent problem that is occurring regarding the housing element of UC being paid late following the initial assessment period. Those tenants housed through Partners for Islington, are anecdotally seeing delays in the housing element being paid, and this appears to be an issue with the landlord portal. Moreover, the Housing element frequently falls short of the claimants actual liability, largely because the claimant is given incorrect figures regarding their rent liability. Initially payments are being reduced considerably due to advance payments, third party deductions in respect of rent arrears, past housing benefit etc. overpayments. Discretionary Housing payment applications for tenants to cover the non-dependent deduction, bedroom tax shortfalls etc. have risen. Citizens Advice have noticed a considerable number of social tenants previously in receipt of HB, are having their claims reduced on a technicality..Those claimants that migrate naturally, because of a change in circumstances, other than failing the work capability assessment, are finding that the move to UC triggers a review of their work capability assessment. This should not happen
- 71.** Draconian sanctions are still an issue, despite the recent DWP 'u turn' on 3 year sanctions
- 72.** Citizens Advice are also finding difficulties with EEA nationals, who are often losing the ESA award after failing work capability assessment. Because they have no other right to reside in the UK, other than as a qualified person, their claim for UC is

unsuccessful, as there is no capacity for EEA nationals to claim UC as a jobseeker. Consequently they are unable to meet their rent liability, and eviction is a real problem for this group. There are also problems with claimants having a lack of understanding and lack of digital skills, in relation to many people with ongoing claims needing help on how to manage their claim

- 73.** Evidence from Citizens Advice has highlighted that there are still problems with deductions from UC payments, the waiting period of 5 weeks, and with clients who are on ESA, who appear to be routinely treated as able to work when they claim UC, or required to complete a new work capability assessment. A number of the concerns expressed by Citizens Advice are addressed in our recommendations
- 74.** Members were informed that with regard to communication with residents, it has been agreed that there should not be a mass UC campaign for residents undertaken, and that routine communications such as articles in Islington Life, such be used to gradually raise awareness of UC, and in addition rent statements are amended to clearly set out the rent figure, following feedback that residents are not entering the correct figure on their UC claim. The website has also been updated with a dedicated page on UC, and there have been over 2,000 hits since June 2018. Customer information leaflets are to be handed out by frontline services, one is an overview of UC and the other a checklist of what to do/provide to make a successful claim. A letter is also being drafted for housing staff to send out to (as referred to above – the Policy in Practice dashboard) to provide the Council with better numbers and information on who will be impacted by UC, which will enable the Council to target support in limited circumstances. Contact is also made with HB claimants whose youngest child is approaching 5 years of age. DWP escalation routes have also been circulated to staff, which includes names, contact details of key staff in local job centres, and in the Belfast processing centre, which will enable staff to directly talk to someone on behalf of a client
- 75.** Within the Council there are a number of groups monitoring the impact of UC and addressing the issues raised, and there are regular meetings with partners. In addition, the Council has made a number of submissions to Parliament on the issue of UC
- 76.** In terms of support for staff and partners training sessions had been delivered in partnership with DWP to over 60 teams and services, within the Council and VCS providers. More bespoke training is also taking place for family support services, including Bright Start teams, who are increasingly seeing parents struggling with UC, and in real hardship, but do not feel empowered to help
- 77.** In addition, UC training materials are available on Izzi, and are also circulated to partners. Maps/addresses/opening times of food banks, and soup kitchens are

circulated to front line teams. Engagement with Islington food banks is also taking places, in order to identify/sign up frontline services is planned

78. Advice services have also held UC related training session for the voluntary, and the community sector, on a range of advice issues, and have planned some full day UC advice training sessions in the New Year. A VCS conference was held in September 2018, and attracted 140 organisations and included a number of speakers including Emily Thornberry MP.

79. The Committee also received a presentation from the Institute of Policy and Practice detailing the analytical search engine and database that was available to assist Local Authorities in relation to Universal Credit, together with a HB/Council Tax and budgeting calculator

Announcements in the Budget October 2018 relating to UC (Further changes are outlined at Appendix D to the report)

80. The Government announced in the October 2018 budget a number of changes to UC, as a result of the problems that had been raised in relation to its implementation. These included a £1000 annual increase to the work allowance from April 2019, a 2 week run on to support transition to UC from the income related elements of JSA, ESA and Income Support from July 2020, and a reduction in the maximum debt reduction rate from 40% to 30% of the standard allowance from October 2019. In addition, the 12 month grace period for the self-employed to fully implement the proposal is to be extended from July 2019 to September 2020. It also has been agreed that the period over which advances can be recovered from claimants, has been extended from 12 to 16 months from October 2021. The surplus earnings policy will be temporarily reduced, but will continue to affect earnings spikes above £2500 until April 2020, when it will revert to affecting earnings spikes of £300

81. Since the Budget a further delay the roll-out of Universal Credit has been announced in January 2019, which will lead to a delay of 3 million claimants being transferred onto Universal Credit

82. The Government will not extend the 2 child limit on UC for children born before April 2017, when the policy came into effect, benefitting around 15000 families, and this took effect from 1 February 2019

83. From July 2019 a pilot to support 10000 people from legacy benefits on to UC, in a test and learn approach. Pilot schemes to provide more frequent payments for new claimants, a new online system for private landlords and a more flexible approach to child care provision

- 84.** The High Court has also recently found the DWP has wrongly been interpreting UC regulations, which has affected claimants, and caused severe cash flow problems for claimants living on low incomes, with no or little savings
- 85.** There have also been changes to those in receipt of severe disability premium, and from January 2019, existing claimants will be entitled to an award of an existing benefit that includes the severe disability premium, and are prevented from naturally migrating to UC following a change in circumstances. Those claimants will continue to receive the relevant legacy benefit(s) appropriate to their change in circumstances and will only move to UC, via managed migration and will therefore, at that time be eligible for transitional protections: safeguarding their existing benefit entitlement
- 86.** There are also changes to mixed age couples from May 2019 and from 15 May mixed age couples, where one partner is on working age and the other is on State Pension Age, will no longer be entitled to put in a new claim for Pension Credit. Mixed age couples could potentially lose up to £7,000 per year because they will have to claim working age benefits. The average age gap for mixed-age couples is 2.6 years, meaning the cash loss incurred before the younger partner becomes old enough to claim pension credit could be over £18,000. Where the gap is greater the potential total lost will be more
- 87.** Further additional changes have also recently been announced. These include the Government not extending the 2 child limit on Universal Credit, born before April 2017, when the policy came into effect, benefitting around 15000 families. This was due to take effect in February 2019. From July 2019, a pilot will also take place to support 10000 people moving from legacy benefits onto Universal Credit in a test and learn approach
- 88.** Pilot schemes to provide more frequent payments for new claimants, a new online system for private landlords, and a more flexible approach for childcare provision. A recent high court case has also found that the DWP has been wrongly interpreting the UC regulations
- 89.** There have also been changes to UC for those who are in receipt of an existing benefit, which includes the Severe Disability Premium, and these claimants are prevented from naturally migrating to UC following a change in circumstances. These claimants will continue to receive the relevant legacy benefit/s appropriate to their change in circumstances, and will only move to UC via managed migration, and will therefore at that time be eligible for transitional protection, safeguarding their existing benefit entitlement

90. There will also be a change for mixed age couples, from May 2019 mixed age couples, where one partner is above the state pension age, and will no longer be entitled to put in a new claim for Pension Credit. Mixed age couples could potentially lose out on up to £7000 per year, because they will have to claim UC. The average age group difference for mixed age couples is 2.6 years, meaning that the cash loss incurred before the younger partner becomes old enough to claim pension credit could be over £18000. Where the gap is greater, the potential total loss will be more

Visit to Barnsbury Job Centre – November 2018

91. Members noted that the UC full service roll out had commenced in June 2018, and that about two thirds of claimants were out of work, or those who were able to were required to look for work, as under the current legacy benefits

92. These claimants were seen more frequently by DWP Job Centre Plus work coaches, either weekly or fortnightly. The JCP stated that they felt that the best delivery method is by working closely with partners, and colleagues in the community. The UC model is constantly developing, due to changes, some of which were announced in the October budget and Government policy, and that this was a different approach to which the DWP was used to in the past. The introduction of UC is a cultural shift for staff, and a challenge to develop the expertise to deal with this. However, JCP staff felt that it empowered them to deliver for clients, and to get a more personalised relationship with them. Staff could offer support and provide the best help available to enable claimants to work flexibly, based on claimants needs. The previous legacy benefits system, was in the view of JCP staff, restricting them as to the help that could be offered and was sanctions based, but UC enabled staff to assist claimants in moving closer to the labour market. The Job Centre has assisted 400 people into work since UC was introduced

93. In addition, it was stated that when a claim is submitted on line, the work coaches could check with the claimants the information that had/needed to be supplied, and there could be an assessment of the claimant's vulnerability, health, and ability to check the rent that the claimant had put on the claim form is correct

94. JCP staff felt that UC is not sanctions based, and that they did not have any sanctions targets or other targets to meet. Claimant sanctions had reduced significantly over the last 3 years. North London has the lowest sanctions rate in England

95. JCP were also working in partnership with the Council, and it was noted that the Citizens Advice and housing staff were based in the Job Centre, as well as other partners who could offer support. If there were gaps that were found in the service, then projects could be looked at for co-funding, such as the development of a Hub for

BME clients. There are also translation facilities available for claimants, whose first language is not English

- 96.** There is a close work with Council staff undertaken on awareness training, and regular meetings are held with partners and strong relationships are being developed. Barnsbury Job Centre has 25 work coaches working on UC, however it was felt that greater automation of the process in the future, would free up more time for staff to be available for claimants, as more migration to UC takes place. In addition, the DWP are currently looking at a strategy for recruitment from the period 2020 onwards
- 97.** JCP informed us that they had projections as to the number of claimants, as a result of full migration of UC in Islington, and the number of work coaches that would be needed
- 98.** JCP staff stated that the Job Centre did endeavour to ensure that claimants saw the same work coach when they visited the Job Centre, and contact could be maintained through a telephone call, or their journal. Most of the work coaches had been in post for at least one to two years
- 99.** Members noted that there is a visiting team that could go into client's homes and assist them with claims, and this can usually take place within three to four days of notification of a claim. The team can also assist with attendance allowance claims
- 100.** Discussion took place as to the Alternative Payments Arrangements, as referred to earlier in the report, and it was stated that there is provision for rent to be paid to 'trusted providers', and that the JCP would discuss personal budgeting with clients, if necessary. We also noted that as payments may fluctuate, due to real time adjustments in salary, claimants may have difficulty in budgeting
- 101.** Members were informed that there is a 5 week assessment period for claimants when applying for UC, however a 100% advance payment can be made, which can be repaid over a period of 12 months.(To be raised to 16 months in October 2022).. About 50% of claimants took up this option. There is also the option to delay repayment for a period of up to 3 months. Whilst 88% of claimants had their payments paid after 5 weeks, there were a significant number of claimants, often the most vulnerable, who did not, and concern was expressed at how this group could be better supported
- 102.** The Committee were concerned at the fact that the lack of data analysis at JCP is a concern, and that it was worrying that JCP could only identify the number of claim outcomes, and could not identify at a local level the number of failed UC claims

- 103.** One of the main reasons for delays in making full payments was that claimants failed to make or turn up to an appointment with their work coaches, to verify their ID. This is required before the claim can be progressed. Another reason was that there are inconsistencies with the amount of rent entered by the claimant, and the sum provided by landlords. In theory, the claimant needed to agree the landlord's figure before the claim be made. However, Belfast were taking a more pragmatic approach and were accepting L.B.Islington figures as correct, given that the Council is deemed a 'trusted partner'
- 104.** JCP stated that there is no evidence, at present, that the JCP has seen an increase in evictions in the private rented sector, as a result of UC. The Committee noted that L.B.Islington calculations had shown that 48% of claimants would be worse off under UC, whereas only 38% would be better off. If families had less money, it was inevitable there would be increased use of food banks, and families would get into debt. This has shown to be the experience so far in Islington, and the Trussel Trust have informed us that this figure is now 5688 residents using foodbanks in Islington
- 105.** The main issues that claimants face in verifying a claim are identification issues, clarification of earnings and Habitual Residency Tests. Cases however, were regularly reviewed to see if improvements can be made. Where it is difficult to engage claimants, work is taking place with organisations, such as Help on Your Doorstep, to improve engagement with these claimants
- 106.** JCP stated that they did issue food bank vouchers, and Members were of the view that more information is required to assess the impact of UC on food banks and soup kitchens. Evidence has shown that the use of food banks has increased by 40% since UC has been introduced and that rent arrears has risen amongst Islington tenants. It was noted that JCP staff, when issuing food vouchers, took the opportunity to have a discussion with the claimant to ascertain their situation, and find out if there are any underlying problems that they could be supported with. During our investigation it was interesting to note that the Government has finally admitted that the introduction of Universal Credit has increased demand at food banks, something which they had previously denies.
- 107.** Members were informed that from 1 February 2019, families with more than 2 children who make a claim for benefits, would need to claim UC (currently exempt from full service), All existing claimants who have not transitioned onto UC through natural migration, would be subject to managed migration onto UC from 2019 onwards. There would be a pilot starting in July to test how this could work
- 108.** Details of transitional protection for those moving onto UC is currently being considered in Parliament, and what support can be made available to ease the

transition for disabled claimants and others who will be impacted by the move to UC. However, these claimants will have to stay on legacy benefits at present

- 109.** JCP stated that they recognised that the original intention of UC was to save money, however staff felt that they were better able, under UC, to get claimants the benefits the benefits that they were entitled to. Claimants were better able to stay on the system and had benefits adjusted in real time, rather than dropping off the system. This enabled work coaches to better support claimants into work.
- 110.** Members were also informed that a telephony service is located in the Belfast office, and that this could handle telephone calls in relation to claims and this would assist claimants. In addition, there is a new dedicated team in Glasgow, who were able to take UC claims over the phone, for those who are unable to go online
- 111.** Members were of the view that the regular changes to UC for the employed could be a disincentive for work, and it was noted that the system could not cope with two payments of salary in a month, or a lump sum payment, such as a tax refund. We also noted that for some claimants it was acknowledged that work would not be an option, and it was also difficult to get an employer to take on certain claimants, such as those with mental health issues
- 112.** JCP staff informed us that there is a great deal of work being carried out to upskill staff on mental health awareness, and claimants would not be forced into work that are not ready for work. Work is carried out with partners to support claimants, and there is also a Disability Adviser based in the Job Centre, as well as mental health specialists, and this service will continue to be developed
- 113.** The Committee were pleased to note that in a rent claimants survey, Barnsbury Job Centre satisfaction levels were higher than other Job Centres across London. We are of the view that 'best practice' from the Barnsbury Job Centre should be adopted, and implemented, across other Job Centres in London. The Committee are also of the view that the current level of work coaches should be retained, or even increased, to be able to cope with full migration when this takes place

Visit to Islington Learning Disability Partnership – January 2019

- 114.** Members of the Committee also visited the Islington Learning Disability Partnership and met representatives of organisations assisting the disabled, family carers and the Disability champion
- 115.** Members were informed of the difficulties faced by disabled claimants, and that additional training needed to take place to support organisations who are assisting

the disabled. In addition, we are of the view that a paper form should be available, as often claimants are 'timed out' of the 'on line application', leading to frustration and anxiety. It was felt that if a paper copy of the form was available this would enable claimants to save the information, rather than this being lost, if they were 'timed out on their claim'

- 116.** Claimants will need ongoing support to manage tasks associated with maintaining their payments, and this is not in the capacity of existing services. Citizens Advice are available for managing the application once it is completed
- 117.** There is no enhanced disability premium, nor a severe disability premium under Universal Credit, which is likely to make claimants with disabilities worse off. This cohort is exempt from natural migration, and will only move to managed migration, and this has been delayed for a year. In addition, the UC claim form states that you must be available for work, even if you are not, which needed to be looked at to avoid claimants submitting erroneous information
- 118.** Issues of budgeting were also raised, and that claimants will have to pay their rent, and care contributions, out of their UC payment. This will be a significant challenge to those who struggle to understand budgeting and significantly increases the chance of them getting into debt. Most supported housing is classified as exempt accommodation, but not some of the schemes for claimants with lower support needs, and not anybody in an LBI tenancy
- 119.** It was noted that DWP staff on occasions did visit claimants in hospital, and that this added to the stress that claimants were under whilst in hospital. It was also noted that the DWP visiting team would only visit claimants on an occasional basis, and that they tried to be as supportive as possible, to assist them with claims
- 120.** Members also noted that in terms of how often a person is assessed, if they had a lifelong disability, the DWP stated that once a claim form is completed, there may be a need for a 'face to face' meeting with the claimant, or a written medical report may be requested. The claim would then be referred to an independent decision maker. In terms of Personal Independence Payments, a lifelong award could be made, however a 'light touch' review may be made at some point
- 121.** A number of issues were identified by the Single Homelessness Project, such as setting up direct deductions via UC, assessing ID, as many claimants did not have the required forms of ID, setting up on line accounts for claimants who are not IT literate, and in arranging face to face appointments

122. It was noted that each Job Centre has its own specialist Disability Employment Adviser, who is able to support work coaches link in with other networks. There are also school advisors who can aid the transition from school to work

Meeting with Pillion Trust – Food Bank – January 2019

- 123.** Members also visited Ringcross Community Centre to meet Pillion Trust, who ran a food bank and provided support to claimants. Islington Peoples Rights, the iMAX team and Libraries staff were also present
- 124.** Members heard of the excellent work that the Trust were doing in providing food and support for members of the community, and that the iMAX and SHINE teams also assisted users of the food bank, and to assist them with fuel poverty, as many did not have the money for gas/electric to cook meals. The food bank has a number of suppliers that provided food and that there is increasingly a supply of healthier options, such as fruit and vegetables. The Trust saw on average 19/24 families a day, an increase since UC had been introduced
- 125.** The Trust stated that many of those attending the food bank found it deeply humiliating. It was noted that many were not able to cook, and it was felt that more cookery classes could be made available, especially for hard to reach groups. Many claimants also needed to be taught how to cook more healthily
- 126.** The majority of food bank users were the 'working poor', and families with 3 or more children could now be over £60 per week worse off under UC, than they were before. Some of the biggest issues facing users of the food bank, is that they have no money at all, especially single people living in rented accommodation, and these are sometimes one of the hardest groups to reach. As stated earlier the Government has now admitted that the introduction of UC has led to an increase in the use of food banks
- 127.** The Committee also received evidence from Councillor Debono concerning the Islington Food Bank, and that the numbers using Food Banks had increased substantially in the past 7 years from 383 to 3688 users, and that is felt to be caused by the Government's welfare reforms, austerity and the introduction of Universal Credit
- 128.** Members were informed that some of the users of the food bank had experienced difficulties, in that they had been rehoused by the Council or Housing Association, without being aware of the implications of higher rent payments, meaning that they

had less money to live on under UC. Often these claimants had stated that they wished they had not moved. Members are of the view that there needs to be a more holistic approach to information given to tenants by housing providers, as how accepting a new property can affect their UC payments

- 129.** Islington's Peoples Rights stated that they dealt with a number of vulnerable clients, and were concerned that a number of these have had problems with providing medical evidence to support their claims, and were often charged a fee by their Doctor for providing this information, and also providing proof of the Habitual Residency Test. The Committee heard evidence in relation to a claimant returning from holiday who had difficulties with providing information for the Habitual Residency Test, despite being a teacher for many years

Meeting with Universal Credit Claimants – January 2019

- 130.** Members visited the Customer Care Centre at 222 Upper Street, in order to view the facilities on offer to claimants in completing their online UC claim forms. At the Customer Care Centre claimants can scan documents, print them off and get assistance with claims. The Customer Care Centre can also assist claimants with the issuing of food vouchers, and assist them under the Resident support scheme
- 131.** Members heard further evidence that claimants were having difficulty in completing on line claims, and often claimants were given very little notice of attending an interview with a work coach, which could result in a sanction. Text messages were often sent to claimants, however there was no way to reply to state that you could not attend or make another appointment. In addition, if the claimant has trouble completing the form or needs to ask questions there are sometimes problems being able to talk to someone, who can assist them. If the wrong information is put on the online claim, this can affect the award that a claimant receives. There are also problems with verifying ID online, and documents do not always scan properly
- 132.** Budgeting was another major issue that was raised, together with the 5 week wait period to receive money, and this just exacerbated the problems for claimants, and many got into debt
- 133.** There is an increasing burden on carers by the changing benefits scheme, and carers may end up having to complete multiple claims both for themselves, and the person they are caring for, with no guarantee of approval of the claims, and this is stressful to the carer and the claimant. It has to be recognised, regrettably, that it was the intention of the Government, apart from a few limited exceptions, to force claimants

to fill in claims on line and whilst the Job Centre were trying to be as flexible as possible, sanctions rates nationally were increasing again

- 134.** Rent arrears are increasing as a result of UC, and private landlords are more likely to evict a tenant who has not paid their rent, as a result of a delay in UC. Social landlords are likely to wait until a tenant starts receiving their UC payment
- 135.** The Committee were of the view that there should be discussions with Housing Co-ops and Housing Associations, with a view to achieving a common position with regard to dealing with rent arrears, as a result of the introduction of UC. In addition, we noted that at present there is no landlord portal between Partners and DWP for direct rent payments and, this should be investigated and one made available
- 136.** Council tenants, who were in arrears as a result of transferring to UC, leading to delays in payment, are given additional support by the Housing Income Team, to arrange for their rent to be paid, and to agree a plan for repaying any arrears. Housing will not start chasing recovery of arrears until the tenant receives the first UC payment. However, tenants who are receiving their UC payment, and fall into arrears, will be subject to the recovery process like other tenants
- 137.** Concern was expressed that claimants were finding it difficult to contact the Citizens Advice, and the phone lines were constantly engaged. We were informed that, whilst Citizens Advice recognised the problem, they did not receive adequate funding to support residents adequately, and that all support, and advice agencies were experiencing similar problems.(See our recommendation in this regard)
- 138.** Reference was made to the fact that if there is financial or domestic abuse in the family this can present difficulties, and evidence will be needed by the Job Centre from a relevant agency to support a redirection of payment. In addition, advance payments had to be repaid, so in future claimants would have less money available
- 139.** Members noted that the DWP will not pick up all vulnerable claimants, as they are less likely to confide in authority, and may be more willing to go to Citizens Advice for debt advice
- 140.** Some claimants may never be able to work full time, even though on the UC claim form they have to state they are available to do so. In these cases discretionary support, through the Resident Support scheme, will not resolve this longer term issue
- 141.** The Committee heard that there is a claimant's survey taking place, and the result of this is attached at **Appendix 2 to the report**

Evidence from Lesley Seary – LBI Chief Executive/Local Authority representative on Universal Programming Board – January 2019

- 142.** The Committee received evidence from Lesley Seary, who informed us that she is the Local Government representative on the UC Programming Board.
- 143.** The Committee noted that she had argued, on Local Government's behalf, for a number of changes in UC, including lobbying for the Government to pay redundancy payments to HB staff, made redundant as a result of the introduction of UC, budgeting advances, temporary accommodation and UC, and submissions in respect of a number of issues had also been submitted to the Select Committee for Work and Pensions
- 144.** The Committee raised a number of issues, which they wished to be taken up through the Universal Programming Board, including hard copies of forms being made available, for those with family carers experiencing difficulties completing the forms online in the allocated time, the increased use of food bank since the introduction of UC, the number of food bank vouchers that can be issued, concerns around Citizens Advice not being funded sufficiently to assist claimants, and also that claimants needed to state their availability for work when completing their on line claim, even though they may have a disability that precludes this. However, the Committee has made recommendations elsewhere in the report concerning these areas

Evidence in relation to the effects of Universal Credit on the Private sector /Peabody Trust/ Hannah Bowman – L.B. Housing– February 2019

- 145.** The Committee considered evidence from Hannah Bowman, Housing and Adult Socials Services concerning the effects of Universal Credit on private sector landlords and tenants
- 146.** The Committee noted that it is more challenging to monitor the effects of Universal Credit in the private sector. About 2300 residents claim Housing Benefit or UC, and live in private sector rented accommodation in Islington. The private rented sector is high cost, and in high demand, so less landlords are reliant on letting properties to residents who need them and claim benefits
- 147.** Homelessness in the private sector accommodation has been the third most common reason for homelessness in approaching the Council, because they are at risk of homelessness, and UC is becoming a factor in this category of homelessness

- 148.** The Housing Advice Team are finding low levels of understanding about UC amongst those whose homelessness may have been affected by UC, and private sector tenants are generally not seeking help at an early stage when moving onto UC. This means it is often too late for the housing advice team to work with them, and the landlord to resolve the arrears
- 149.** The work to date has included discussing concerns about UC with private landlords, and also to work with private landlords to find alternative accommodation in the private sector. However, this has proved easier to implement in other boroughs, due to private sector rented accommodation being more affordable than in Islington. Landlords in Islington are less reliant on letting properties to those residents in receipt of benefits, and it is becoming increasingly more challenging to find accommodation for single people under 35
- 150.** Where private sector tenants are threatened with homelessness, and are benefit capped, they are referred to the iMAX team, for support and discretionary housing payments can be arranged to support these landlords. We noted that accessing residents to give them advice at an earlier stage, would enable more prevention work to take place with landlords, however these households tend to be less engaged with the Council
- 151.** The Committee also heard evidence from Peabody Trust Housing Association, that they were experiencing similar difficulties to the Council in relation to the impact of UC.
- 152.** Peabody Trust informed the Committee that they are using intelligent data, in order to identify tenants, and had a landlord portal system to text residents to give them information on UC, and to offer assistance. Where Peabody Trust applied for Alternative Payment Arrangements, they would also give budgeting advice, however there had been a low take up of this
- 153.** Peabody stated that their level of rent arrears is similar to the Council, and the main reason appeared to be the fact that arrears built up from the 5 weeks delay in the payment for receiving UC. The level of rent arrears for Islington tenants is comparable to other Peabody Trust properties across London

Evidence from Islington Strategic Advice Partnership - April 2019

- 154.** The Committee considered evidence from the Islington Strategic Advice Partnership (ISAP) which comprises Citizens Advice Islington, Islington Law Centre, Islington's Peoples Rights, Help on your Doorstep, Islington BAMER Advice Alliance, which

includes Evelyn Oldfield Unit, Eritrean Community in the UK, Islington Bangladeshi Association, IMECE, Islington Somali Community and Kurdish and Middle Eastern Women's organisation. The organisations meet regularly, together with the Council. And are also involved in various local service partnerships. ISAP was very aware of the impact that UC was having where it was rolled out elsewhere, and has taken a number of actions to try to prepare for the impact, and to assist people to mitigate the likely hardship and to highlight policy issues

- 155.** A number of specific activities have taken place such as a community conference, a research project, a community survey to gather feedback from a wide range of local front line organisations, promoting and participating in Know Your Rights group, which meets monthly and provides peer support for claimants
- 156.** In addition, training for community groups has been organised, and applications made to lever in additional funds for a year from Central Government, to increase the level of help to claimants making and maintaining claims, and this help will be located in Job Centres. The Law Centre and Islington People's Rights have been awarded funding by City Bridge Trust to increase capacity for specialist casework, as well as support to community groups
- 157.** The ISAP partners are regularly sharing data with each other and the Council to ensure there is a good understanding of the impact and emerging trends, and the partnership is committed to working together to ensure that there is a co-ordinated response
- 158.** All the advice agencies have a client group which reflects the diversity of the borough, and many clients will have multiple issues, which impact on their need for support. Clients often present with more than one issue, and the advice systems try to capture this where systems allow. Whilst the borough has a well networked sector and ISAP partners have worked hard to bring in additional resources, the demand for assistance with social security appeals is higher than can currently be met, with clients not always able to get an appointment/representation. This has a particularly detrimental effect on disabled people. Disabled residents may face a very difficult decision if they are turned down for disability benefits, following a work capability assessment, as if they claim UC, they cannot go back onto a legacy benefit, even if they subsequently win their appeal. If they are eligible for Personal Independence Payment, they may get the Severe Disability Premium of over £64 per week additional income, but this is not payable under UC, which could mean a potential loss of over £3300 per annum, to some of the residents in the greatest need. However, it is uncertain how long an appeal may take and claimants may not know how they could manage in the interim. Specialist advice on the options open to a claimant is crucial, as each client will have different circumstances, and need to weigh different factors. Once a mandatory reconsideration has been considered,

clients can then claim ESA in the interim, whilst they wait for their appeal, and that is often in their best interests

- 159.** The Committee also noted evidence with regard to difficulties in providing information to support a claim for UC, particularly in relation to the Habitual Residency Test. One example was a teacher who had worked in Islington for many years, and had gone on holiday, only to find on her return her claim had been rejected
- 160.** The Specialist advice partners are increasingly seeing people once they have already been advised to claim UC, (often incorrectly by DWP), which reduces the potential income to them. There is an implication for the number of people who can be assisted by the advice agencies, as disabled claimants who move from ESA onto UC, and then will then be subject to a further work capability assessment. This can give rise to the situation whereby an advice agency supports a client with an initial appeal and wins, but then has to start all over again a few weeks later, as the first appeal is against a decision in relation to ESA, and the second decision is in relation to a separate claim for UC, and the Tribunal will need to consider both as separate appeals. This will mean that the same client requires double the amount of support and casework assistance, simply to remain on the benefits they are entitled to, but at a lower level of income
- 161.** The Committee welcomed the fact that the Housing Benefit team at the Council are generally being helpful in identifying what people's income is, and ensuring that HB remains in payment, and where appropriate whilst people appeal, so that claimants are not forced onto UC, purely in order to ensure that their rent is paid
- 162.** Other groups have been identified who face particular challenges include older people, whose work history has meant that they are not confident in the use of IT, people who are not confident in written English, people with learning difficulties, people who have mental health issues, households with one adult, and women experiencing domestic violence/gender based abuse
- 163.** The Advice Partners also informed us that they had identified a wider range of common issues affecting local residents, which include –
- Difficulty making a claim, due to both lack of confidence in IT skills, issues around literacy, and lack of access to IT. It can take several hours to make a claim and so both time and equipment are factors
 - Difficulty maintaining claims due to claimant commitment requirements and digital access

- Inaccurate advice and information from DWP e.g. being advised by DWP to move onto UC, when it may not be in the claimant's best interests, or necessary
- Immense difficulty getting through to the DWP, both for claimants and advisors – it can often take 45 minutes to get through to the DWP, which represents most of a single advice appointment. The systems are fragmented at the DWP's end, and so it is sometimes necessary to speak to 2 or 3 different people
- Poor decision making by the DWP, including on the Habitual Residency Test
- Difficulty getting access to specialist advice early enough to get the best outcomes, especially for disabled people, and those with complex conditions
- Difficulty understanding both processes and awards
- Payments going to one adult, with particular concerns about increased financial abuse and coercive control
- Difficulty managing variable income, especially for self-employed people, and those in irregular work
- Frequent changes in circumstances being hard to manage, and may affect BAME communities to a greater level
- Difficulty in managing payments in arrears, even when an advance payment has been applied for
- Childcare costs and severe hardship payments for families with children, leading to a worsening of child poverty
- Complexity of issues, making it difficult for people to know where to start in seeking assistance
- Housing element being included so that if there is any problem with the claim, rent arrears build up immediately
- Increased need for emergency help, e.g. foodbank, help to maintain utilities, RSS, small grants etc.
- Difficulty getting early specialist help to ensure clients can get the best long term outcome
- Often significant psychological distress as a result, not only of the hardship, but of the difficulty in being able to resolve issues with the DWP, and the unpredictability of the procedures

164. The Advice agencies provide a range of services, which include Form Filling, detailed triage and support, one off advice, casework and representation. Many advice clients have health conditions and or/disabilities and it is thought that there will be a knock on effect for GP's, and other health providers, as their patient's experience both the practical impact of UC, and the psychological impact

165. Between them, IPR, Islington Law Centre and Citizens Advice has advised 1,932 on issues relating to housing, debt and welfare benefits between October and February.

However, the level of need is high and the complexity of people's situations is increasing. It is the experience of all the agencies that it is taking longer to assist people to obtain sustainable improvements in their situation, as average case length shows

- 166.** The Advice Agencies have drawn together some recommendations for the future and the current community survey being carried out and will be assessing needs amongst frontline groups, which will be included in the research report being prepared
- 167.** There is a need expressed by community groups for improved access to specialist advice for claimants, as well as to clear locally relevant information, and it is intended to seek resources to increase capacity
- 168.** The roll out of UC, within a context in which both the low paid and those on out of work benefits have seen their incomes drop in real terms over the last 10 years. There are major pressures on both local authorities and health services, and funding within the voluntary sector is very stretched
- 169.** The cuts to legal aid in 2013 removed funding for most social security and debt work, which has affected the major advice agencies, and meant that local private practice is unable to take the cases that it would previously have done. Nonetheless advice provision has a major impact, both for individuals in terms of ensuring that people's legal rights are upheld, and in terms of the local economy, for example Islington Law Centre welfare benefits team brought in over £2m for local claimants, and Islington People's Rights over £1.6m. This is money that will be directed to some of the poorest residents and their families
- 170.** The Committee did welcome the fact that there are some positives in relation to the situation in Islington, as against other areas, which include -
- The survey of claimants has indicated that there are higher levels of satisfaction with the services provided by Job Centres in the borough than across London, especially Barnsbury Job Centre
 - The Council has retained a commitment to the RSS and there are various other schemes for residents
 - There is effective joint work between the Council, local funders and the not for profit sector and a genuine commitment to innovation and partnership
 - The advice sector has worked hard and been successful in attracting in additional resource to assist local residents
 - Suggestions for how to build on the successes to date and address the challenges posed by UC include – continued work to increase the capacity of the specialist advice services, as well as to maintain general help, with a focus on

early appointments, a package of support for community groups, including well-designed leaflets, ongoing training, outreach, second tier advice and improved ability to make referrals. In addition, continued partnership work with the Council, and other statutory partners, to both prevent issues arising and to mitigate the impact where people are experiencing difficulties, a forum for agencies with an interest in UC to share information and to collect evidence to support campaigning and advocacy work, and an anti-poverty alliance at a strategic and cross sectoral level, which both develops actions and campaigns for improvements in the system, looking at Equalities Impact Assessment, and future partnership and funding with the Council

CONCLUSION

The Committee has undertaken a wide ranging investigation into the Government's introduction of Universal Credit, and has made a number of recommendations thereon, which we hope will ameliorate this, even though we feel that the Universal Credit process is unfair, complex and will work to the disadvantage of claimants. UC was supposed to make work pay, however many of those claimants who are in financial hardship as a result of UC, are actually the working poor

The introduction on UC by the Government, as part of the austerity programme to reduce the benefits bill, was designed to save money in the welfare budget, so it unsurprising that many claimants are financially worse off as a result

Since we commenced the review we have been informed of a number of changes, that have had to be introduced by Government, which have arisen as a result of the experiences of claimants in making claims and for Local Authorities, DWP and support agencies in administering and assisting with claims. Our view is that these changes have resulted from the introduction of a poorly designed system, one that makes claiming difficult for many people, a system that penalises some of the most vulnerable members of our community, and imposed a great deal of financial hardship on a great number of claimants. Particular problems around those that are not fit for work, still having to complete on line claims, exacerbate this situation

The Committee have heard evidence that the use of food banks has substantially increased since Universal Credit has been introduced, and it should be recognised that support agencies and Local Government are having to provide 'wrap around' care to protect as much as possible the most vulnerable residents, whilst getting little/no additional funding to provide support

The Committee have been particularly concerned that applications, which have to be completed on line, present difficulties for many members of the community, particularly those with mental health or learning disabilities, BME communities and family carers. One of our recommendations seeks to address this by asking for a hard copy of the online form to be made available

Whilst our recommendations may assist in making it easier for some residents to be supported in order to claim UC, it is recognised that this flawed system will impact adversely on residents, and those that are the most vulnerable will suffer the most and the Committee are of the view that given the problems with UC it should now be scrapped

**MEMBERSHIP OF THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE –
2018/19**

COUNCILLORS:

**Una O’Halloran – Chair - ceased to be Member February 2019/Rowena
Champion – Chair from February 2019**

Troy Gallagher – Vice Chair

Gary Heather

Osh Gantly

Theresa Debono

Rowena Champion

Mick O’Sullivan

Santiago Bell-Bradford

Sheila Chapman

Jilani Chowdhury

Clare Jeapes

Anjna Khurana

Kadeema Woodbyrne

Marian Spall

Nick Wayne

Substitutes:

Alice Clarke-Perry

Satnam Gill

Mouna Hamitouche

Sara Hyde

Martin Klute

Sue Lukes

Matt Nathan

Angela Picknell

Paul Smith

Membership 2019/2020

COUNCILLORS:

Councillors:

Rowena Champion – Chair

Troy Gallagher – Vice Chair

Santiago Bell – Bradford

Sheila Chapman

Jilani Chowdhury

Vivien Cutler

Osh Gantly

Gary Heather
Sara Hyde
Clare Jeapes
Anjna Khurana
Matt Nathan
Mick O'Sullivan
Dave Poyser
Caroline Russell
Nick Wayne

Substitutes:
Mouna Hamitouche
Roulin Khondoker
Satnam Gill
Nurullah Turan

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

Officer Support:

Peter Moore – Democratic Services

Lead Officers: Ian Adams – Director of Financial Operations and Customer Services, Annette Hobart, Strategy and Change Manager, Robbie Rainbird, Head of Processing

APPENDIX A – SCRUTINY INITIATION DOCUMENT

SCRUTINY REVIEW INITIATION DOCUMENT (SID)
Review: Universal Credit
Scrutiny Committee: Policy & Performance Scrutiny Committee
Director leading the review: Ian Adams, Director of Financial Operations and Customer Services
Lead Officer: Annette Hobart
Overall aim: <ul style="list-style-type: none">• To review the roll out of Universal Credit in Islington, understand the impacts on residents and services, and ensure that measures are in place to address or mitigate any risks or challenges• To facilitate an effective challenge to the government where appropriate and communicate to residents
Objectives of the review: <ul style="list-style-type: none">• To gain a good understanding of Universal Credit Full Service (UC), how it works, and the main changes it introduces to the welfare system• To assess the impact of UC on Islington residents, the council and other local services• To ensure that effective support is in place for residents who will struggle to make and manage a claim for UC, particularly those with language or literacy needs, learning disabilities, mental health issues and those with complex needs• To ensure that any risks to the council are being actively addressed and managed• To identify any issues related to UC policy or processes, or impacts on residents and services, that cannot be resolved locally and require escalating to government• To maximise the opportunities that UC provides around making it easier to move into work – and ensure that those claimants furthest from the labour market are able to benefit and receive tailored support• To help improve the UC experience and application locally
Scope of the review: <ul style="list-style-type: none">• To look at policy and process around UC, including the claims and assessment processes, how payments are made, and the role of DWP work coaches at a local level around providing employment support

- To hear from elsewhere on the impacts of UC to date – on councils, housing providers, VCS – and what measures have been taken
- To look at early evidence of the impact of UC here in Islington since Full Service was introduced in June 2018, particularly in relation to:
 - Housing (council, housing associations and private landlords) – extent of rent arrears and risk of homelessness
 - Housing Benefit and Housing Income teams – day to day engagement with DWP around new claims
 - Advice – demand on IMAX, Advice partners, wider VCS
 - Crisis support e.g. through Resident Support Scheme, food banks and soup kitchens
- To review what's being done locally – through DWP, the Council, Advice providers and others – to support Islington residents moving to UC, assess how effective the support offer is, and any gaps in support or things that need to be done differently
- To identify issues or concerns related to UC that cannot be addressed locally or are of such importance that they require escalating or challenging at national level

Types of evidence:

The Committee will:

- Be briefed on the background to welfare reforms, particularly policy and process around UC, and receive written reports on impacts nationally and locally
- Hear witness evidence from DWP on how UC is rolling out nationally and locally, and what they are doing to support claimants
- Hear witness evidence from other local authorities and national organisations on the impact of UC
- Hear witness evidence from our own council services and partners on the early impacts of UC in Islington
- Speak to UC claimants of their experience of UC, and to service users (and their support services) whose circumstances may present challenges to claiming UC (e.g. people with LD, mental health issues, complex needs) – this could be via visits or focus groups

It is proposed that witness evidence is taken from:

- Local DWP representatives – Paula Heffernan and Ian Smith
- Robbie Rainbird, Head of Processing (including Housing Benefit)
- Representatives from other councils (e.g. Southwark or Croydon) where UC has already been rolled out

- Policy in Practice – a policy and analytics organisation specialising in the welfare system
- Adam Jenner – Head of Income Collection, Homes & Communities
- Representative from Peabody –social landlord in Islington and other London boroughs
- Representative from Landlords Forum – private sector landlords
- Advice partners: Islington Citizens’ Advice, Islington Law Centre, Islington People’s Rights
- UC claimants and service users / support services with complex needs
- Lesley Seary – Universal Credit Programming Board/Chief Executive L.B.Islington
- Representative of Government – if possible

Potential Visits or focus groups – to be confirmed:

- Visit to Barnsbury or Finsbury Park jobcentres, and to new Digital Zone at 222
- Focus Group at Elfrida (learning disabilities)
- Focus group in jobcentre (UC claimants)
- Meeting with representatives from support services e.g. PAUSE, Single Homeless Project, IMAX, libraries

Written evidence will include:

- ‘The Cumulative Impact of Welfare Reform in Islington’: Policy in Practice research report (November 2016)
- Written evidence submitted to the Work and Pensions Committee - Universal Credit update inquiry by the Islington Debt Coalition and the Islington Resident Support Scheme (5 September 2017)
- Letter from Chief Executive LB Islington (on behalf of Chief Executives) to Neil Couling, Director of Universal Credit

Additional information:

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

Witness Evidence Plan

Committee Meeting – Tuesday 4 September 2018	
Who / What	Area of focus – Introductory Information
<ul style="list-style-type: none"> Scrutiny Initiation Document 	For the Committee to agree the aim, objectives and scope of the review.
<ul style="list-style-type: none"> Ian Adams, Director of Financial Operations and Customer Service, lead officer for Welfare Reform 	Introductory presentation setting out background and context to Welfare Reforms, including Universal Credit, and the Council's work to prepare for UC

September	
Who / What	Area of focus – Background Information
<ul style="list-style-type: none"> Written Evidence 	Written evidence will be circulated to members in September after the scope of the review has been agreed, including detailed research on the impact of Universal Credit in Islington undertaken by Policy in Practice

Committee Meeting – Thursday 11 October 2018	
Who / What	Area of focus – evidence from elsewhere – impacts of UC
<ul style="list-style-type: none"> Representative from Southwark or Croydon (amongst first areas to pilot UC Full Service) 	Impacts on local authority – outline issues and impacts, and measures taken to support residents and minimise impacts on council
<ul style="list-style-type: none"> Representative from Policy in Practice 	Analytical research – in Islington and elsewhere – on the impacts of welfare reforms and UC in particular
<ul style="list-style-type: none"> Background Report 	Impact of UC at national level – evidence and experiences of councils, landlords, charities

Committee Meeting – Thursday 13 December 2018	
Who / What	Area of focus – DWP and local support offer
<ul style="list-style-type: none"> Paula Heffernan / Ian Smith 	Role of DWP, and partnership working Supporting people towards employment

Committee Meeting – Thursday 13 December 2018

Who / What	Area of focus – DWP and local support offer
<ul style="list-style-type: none"> Ian Adams / Robbie Rainbird 	Council's support offer – including feedback on take up of offer and main issues raised

Scrutiny Visits – January – March 2019

Who / What	Area of focus – The resident experience
<ul style="list-style-type: none"> Focus group with UC claimants 	Hearing from Islington residents who have already moved to UC
<ul style="list-style-type: none"> Talking to service users /support services for people 	Visit to Elfrida, Centre, 404 or PAUSE project
<ul style="list-style-type: none"> Meeting with key support services 	Bringing together representatives from in-house and commissioned support services to share impacts and concerns for their service users

Committee Meeting – Thursday 24 January 2019

Who / What	Area of focus – Impacts in Islington - Housing
<ul style="list-style-type: none"> Adam Jenner 	Impact on Housing: housing need, homelessness, council tenants, rent arrears
<ul style="list-style-type: none"> Representative from Peabody 	Impact / experience of social landlords – in Islington and other boroughs
<ul style="list-style-type: none"> Representative from Landlords' Forum 	Impact on private sector

Committee Meeting – Thursday 14 February 2019

Who / What	Area of focus – Impacts in Islington – feedback from frontline services
<ul style="list-style-type: none"> Representatives from Islington Advice Partners 	What's happening on the ground - demand for advice and emerging issues in Islington
<ul style="list-style-type: none"> Written report - UC update 	Latest data and feedback – on UC claimants, take up of support, and emerging issues – to inform final report
<ul style="list-style-type: none"> Government representative ?? 	

Committee Meeting – Thursday 4 April 2019

Who / What	Area of focus – Recommendations
<ul style="list-style-type: none">Final Report	To agree the final report, summarising all of the evidence received, and explaining the reasons for the recommendations. The report will then be submitted to the Executive.

APPENDIX B – EXPERIENCES OF CLAIMANTS

Feedback from BAME Communities in Islington:

*“Hi everyone, I live in Islington, I would like to talk about Universal Credit, how it ***** us, it takes a long time to process, nearly 5 weeks, we’ve got children, we need to pay the rent, everything, it has been very, very hard UC... we need support from the government to stop these problems”*

“Hello my name is [...], I am a mother of two kids, single mother, I am a Islington resident and the thing is I, being on Universal Credit is really hard for me, having to support my family, as well as having to live in a private accommodation and paying for the rent and bills is really hard, and sometimes I had to go to a foodbank in order to feed my kids, and I feel like this new system is really hard for me to cope with. It’s not actually working for me”

“Universal Credit, I’m talking Universal Credit, Universal Credit is very hard, Universal Credit has cut my money, before I [was] paid £370, now I [get paid] £150. I am very sad, I am not happy, the Universal Credit [is] very very very hard. I don’t want UC, before I am good, my money good, my life was good. Not UC has cut money. I am not happy, UC is hard, UC I hate, my house is expensive,[...] change Universal Credit”

“Universal Credit, I’ve been with them quite long time now, basically, they are very very hard people to deal with them. Very stressful, especially, like everything is online. You need to keep checking, Sometimes, if you need help, some of the words you don’t understand, like I for a few days they close down the website, you have to start again, if you are basically waiting for your rent money, its going to be like gone, so you have to wait for another month, its going to be two months, very stressful, very headache, I’m not happy with them, I hope they change in the future”

“I got sanctioned which affected my rent, debts, stress. My work coach didn’t always follow things or remember the things I asked her. She didn’t speak English well, so didn’t always understand me, never helped me search jobs. At one point she didn’t upload on the system that I attended the appointment which led to a late payment and a lot of difficulties”

Appendix C

LUS CLAIMANTS SURVEY 2018 - COMMENTS GLOSSARY - ISLINGTON

2) AT THE JOBCENTRE and ONLINE:

a) Treatment: respect, politeness, helpfulness etc.

- *'OK but patronising – not treated as an adult'*
- *'They need training in customer service to treat people with more respect'*
- *'David (job coach for 2 years) is fantastic - caring and helpful'*
- Very good
- *'My new advisor is nice. In the past most of my experiences have been incredibly negative. I've had an advisor criticise and victimise me.'*
- *'Very bad service and nobody cares about you'*
- Very good staff
- *'I was treated very well with respect'*
- *'Sometimes they're hard and I have to push back to get respect'*
- *'Staff are brilliant but pushed for time and have to follow restrictive rules'*
- *'Always nice and polite'*

b) Help to find work/suitable courses etc.

- *'Was just told to go on a website'*
- *'Zero help so far'*
- *'I get help elsewhere – no expert advice here'*
- *'Approachable – goes the extra mile (David)'*
- Sent on CV writing course (helpful)
- Efficient
- Expected to take just what's available – no relation to previous work experience.
- *'Never got a job via the Jobcentre -only positions I found for myself'*
- Service has deteriorated since UC
- *'Staff are helpful'*
- *'Ingeus course ok. A4E course useless and repetitive'*
- *'No they are not helpful'*
- *'Not enough help'*
- *'No help or support to improve skills'*
- *'Not enough training in my field (construction/engineering)'*

c) Pressure to go on unsuitable courses or jobs

- *'Training for Youth Offending work but pushed to work in burger shop'*
- *'No pressure so far'*
- *'No pressure but they do not help either'*
- *'They push you onto any course or job. You may have dreams but they ignore your ambitions'*
- *'Pressured to the extent where I was sanctioned'*
- Coach makes suggestions but not pushy
- ***'I have more potential than what is offered to me'***
- Mother forced into job during a stressful period in her life
- *'Down to me to resist – lots of options that were unsuitable'*
- Big pressure on JSA – ok now on ESA
- *'Just being pushed into any old job'*

d) Help filling in journal, job applications etc. using a computer

- *'I was criticised for not filling in things correctly – no help – caused stress and humiliation'*
- *'Full support filling in journal online'*
- *'I don't get any help'*
- *'Helpful'*
- *'Start-up help but NO MORE – my son has to help now'*
- ***'They let me still do things by hand'***
- Help is available
- Very good - coach helped
- *'Not enough is explained about how to use the journal'*
- *'They do help but it's antiquated tech'*
- *'Help at the start, then you're on your own. Form-filling difficult if not up with literacy'*

3) CONSULTATION AND COMPLAINTS

a) A proper say re content of Claimant Commitment

- *'Pushed into agreeing things – mild threats'*
- *'No great pressure'*
- *'They tell you what should go into it'*
- *'Went through it with job coach – very thorough, very fair'(David)*
- ***'Coach helping but it's horrible – too complex'***
- *'I feel able to push back when I need to'*
- *'Not at all – you're led down an alley'*
- *'Coach pushes things on me'*

b) Proper consultation about concerns and needs

- *'Early days but could be better esp. re accommodation support. More information about my rights needed'*
- *'NO – not consulted or bothered about you – just a numbers game'*
- *'I had to find out for myself about things – e.g. half-price travel, foodbanks etc.'*
- ***'Their way or no way'***
- ***'They should inform you of your rights more and ask you what you need'***
- ***'It depends on who you speak to'***
- ***'I am told what my needs are'***
- *'Staff could do more to help'*
- ***'Nobody listens to you'***

c) Confidence in complaining about a JCP staff member

- *'I felt too scared to complain in case of the come-back. Several people I wanted to complain about but scared of the repercussions'*
- *'I would def complain if any big problems'*
- *'Waste of time complaining – goes nowhere'*
- *'I have complained about disrespectful treatment to manager – they changed my adviser'*
- *'No – fear of sanctions. Might be labelled as a troublemaker'*
- *'I don't trust them, you'll likely end up sanctioned'*
- *'The Jobcentre are not interested in hearing about complaints'*
- *'I stand up for myself'*

d) Confidence in complaining to DWP about claim issues etc

- *'Yes – def would complain'*
- *'Useless (complaining)...they lost my ESA claim – dragged on for three months – had to resubmit claim'*
- *'Too demoralised – no energy''*
- *'I doubt whether they would listen'* (had delays in payments but did not complain)
- *'Fear of reprisals – might make it worse'*
- *'It takes a long time to get through to them and then they rush you on the phone'*
- *'A bureaucratic and confusing process – took 3 months of complaining to get HB sorted'*

MISC COMMENTS

- *'The system makes a person more ill physically and mentally due to stress and worry from one session to the next. My sleep and appetite got worse and I used to cry a lot'*
- *'Since Universal Credit a lot worse getting payments...arrears piling up as payments severely delayed on rent'*
- *'Treated good till now – some useful information. But today came several miles for appointment but coach was on training and no-one else there to help me'*
- ***'We should all get Universal Basic Income - the system spends a lot on trying to control us so that could go instead on UBI'***
- ***'David is fantastic!'***
- ***'Should have got more points for WCA.'***
- **Need more I.T. and literacy courses for UC claimants**
- ***'Thanks to JCP - They sent me on a college course (3 days p.w.) for Literacy/Numeracy etc. to Level 4'***
- ***'New UC system is horrible. You cannot speak to them, it all has to be written online which is hard. Big delays dealing with complaints'***
- ***'STAFF NEED TO BE TRAINED TO EXPLAIN UC, how to use the online journal, what benefits you are entitled to'***
- ***'UNIVERSAL CREDIT WILL CAUSE CRIME EPIDEMIC!'***
- ***'I have to visit a foodbank today and I will be in rent arrears as I won't be paid for several weeks'***
- ***'Some barriers (to work) can be personal and don't want to discuss with job coach'***
- ***'lack of help for online claiming process. If no computer you're stuck'***

- ***'Advance payments too much to repay over 12 months – had to borrow off friends and family***
- ***'Long waiting times'***
- ***'Reduction in income with move from ESA to UC affecting me negatively'***
- ***'Age is a problem – no suitable jobs or courses for people over 55'***

Budget announcements October 2018

Several changes affecting Universal Credit were announced by the Chancellor in his October 2018 Budget:

1. Changes to the work allowance for households with children and people with disabilities will be increased by £1,000 per annum from April 2019.
2. From October 2019, the maximum rate at which deductions can be made from a Universal Credit award are to be reduced from 40% to 30% of the standard allowance and from October 2021, the period over which advances will be recovered will be increased from 12 to 16 months.
3. The temporary de minimis which currently applies in the surplus earnings rules of £2,500 will change from 1 April 2020 when it will revert to £300, as originally intended. Previously this was due to revert in April 2019.
4. From July 2020, Income Support, Jobseeker's Allowance (Income-Based), and Employment Support Allowance (Income-Related) claimants will continue to receive support for a fortnight during their transition to UC.
5. The minimum income floor will apply to all gainfully self-employed UC claimants after a 12-month grace period. This measure will be effective from July 2019 for those who are 'managed migrated' to UC by DWP and from September 2020 for claimants joining UC as a result of a change of circumstance. Currently, the MIF applies to all new UC claimants unless they are within the first 12 months' start-up period of their business.
6. The timetable for transferring rent support, for those who have reached their qualifying age for state pension credit, from Housing Benefit to Pension Credit has been revised. The transfer of rent support from Housing Benefit to Pension Credit will be delayed by three years, to October 2023.
7. The schedule for managed migration (the process by which the DWP will move people to UC from legacy benefits) is updated. The Government announced that the managed migration exercise will start in July 2019, with completion by December 2023. The Office for Budget Responsibility (OBR) have built in a 6-month contingency to this schedule for the purpose of costing and so quote start date of January 2020, with completion by June 2024.
8. Increase the period over which advance payments can be recovered from 12 to 16 months from October 2021

Changes announced January 2019

Restrictions on UC claims from people in receipt of Severe Disability Premium

The Universal Credit (Transitional Provisions) (SDP Gateway) (Amendment) Regulations (Northern Ireland) 2019 came into effect on 16 January 2019. These regulations prevent benefit claimants who are currently in receipt of a Severe Disability Premium from migrating to Universal Credit due to a change in circumstances. Claimants whose benefit award has ended within the last month, but who continue to satisfy the conditions for eligibility for an SDP will also be prevented from claiming Universal Credit. For the purposes of this instrument, a Severe Disability Premium includes the equivalent premium under ESA, Income Support, old-style JSA or Housing Benefit.

Claimants who are restricted from claiming UC due to this change will, instead, be directed to claim legacy benefits. As there is currently no equivalent to the SDP in UC, claimants will be better off under the legacy system.

The DWP has issued guidance to decision makers in local authorities confirming that housing benefit awards should continue, despite a stop notice being issued, if a claimant affected by this change makes a universal credit claim in error. Similar guidance has not yet been issued in Northern Ireland.

Changes to two-child limit

The Universal Credit (Restriction on Amounts for Children and Qualifying Young Persons) (Transitional Provisions) (Amendment) Regulations (Northern Ireland) 2019 come into effect on 1 February 2019.

These regulations amend the Universal Credit Regulations (NI) 2016 to allow families with more than two children to claim Universal Credit, and to ensure that a child element will be payable in respect of all children born before 1 April 2017.

Until 1 February 2019, a household comprised of more than 2 children which needs to claim social security assistance will be directed to claim legacy benefits and tax credits. If you are advising people in this situation, an urgent better-off calculation is advisable to check if the household will receive more assistance under the legacy system. If so, clients should be advised to make the claim for benefits as quickly as possible before access to the legacy system ends on 1 February.

Preventing access to pension credit and Housing Benefit for mixed-age couples

The Welfare Reform (Northern Ireland) Order 3026 (Commencement No. 13 and Savings and Transitional Provisions and Commencement No. 8 and Transitional and Transitory Provisions) (Amendment)) Order 2019 prevents a couple from receiving pension credit where one member of the couple is of working-age. This change comes into effect on 15 May 2019.

The Savings Provisions in the Order allow a mixed-age couple to make a new claim for either Housing Benefit or Pension Credit as long as they were entitled to receive either benefit on 14 May 2019. This means that a mixed-age couple who, for example, move from owner occupier accommodation to rented accommodation after the legislation takes effect

and who had been received State Pension Credit since at least 14 May 2019 will be entitled to claim Housing Benefit to help with the rent, and will not be directed to Universal Credit.

APPENDIX E

Universal Credit analysis of rent data

This report seeks to analyse rent data from council tenants who are currently receiving Universal Credit. This data is based on the position at 1 March 2019.

1. Current position

	On UC	Total debt when claimed	Current debt	Avg balance
Credit	516	-£40,497	-£144,742	-£281
Arrears	1460	£1,255,211	£1,849,265	£1,266
Total	1976	£1,214,723	£1,704,522	£614

Of the total number of council tenants on Universal Credit, 74% are in arrears with their rent with an average debt of £1,266. This compares to an average debt of £402 for those in arrears on Housing Benefit.

The figures clearly show that those in arrears at the point of claim continue to accrue significant debts. Interestingly those who are currently in credit have been able to increase their credit levels since claiming. Further analysis of this cohort is required to understand how this has occurred, however it has already been established that some claimants are better off under Universal Credit.

The above figures don't show how many tenants moved from credit to arrears due to Universal Credit; this is 254 out of 579 (44% of those on credit at claim date).

2. Change in rent balance since UC claim

Arrears	On UC	Arrears since UC	Avg change	No in credit	No in arrears
Reduction	680	-£285,481	-£420	357	323
Increase	1296	£775,281	£598	159	1137
Total	1976	£489,800	£248		

This focuses on the change in rent balances since the UC claim was made. It shows that 680 tenants have reduced their arrears, although only 357 of these are in credit. The majority (66%) have increased their arrears, by an average of £598.

In total, we can attribute nearly £0.5 million in arrears to Universal Credit.

3. Focus on those in arrears

	On UC	Arrears since UC	Avg change
Total	1460	£594,043	£406
Those on UC from 20/06/18	1173	£422,926	£377
As above excluding less than 35 days	994	£413,875	£416

Looking at those currently in arrears, they have incurred an average of £406 in rent arrears since moving to Universal Credit. This is slightly less if we remove those tenants who were part of Live Service and claimed Universal Credit prior to Full Service roll out on 20 June 2018.

Removing tenants who have recently made a claim for Universal Credit and focusing on those in arrears who should be receiving their benefits, the average debt increase rises to £416.

4. UC arrears journey

Time since claim	No	Arrears since UC	Avg change	Monthly change
0-35 days	191	£34,822	£182	-
Month 1	112	£32,470	£289	£107
Month 2	141	£48,025	£340	£51
Month 3	175	£68,117	£389	£49
Month 4	169	£68,629	£406	£17
Month 5	154	£64,512	£418	£12
Month 6	108	£57,853	£535	£117
Month 7	110	£49,591	£450	-£85

Looking at the arrears journey since the introduction of Full Service, we can see that arrears continue to rise until seven months after receiving their first payment (based on the first payment 35 days after making a claim).

There is a period where they seem to stabilise around months four and five. It is clear that once arrears are incurred it is difficult for tenants to repay these debts. The cases at month 6 require further investigation to understand why debts have increased by such a high amount.

5. Information on stats

As with all figures, there are caveats:

- These figures are taken at a set period in time. Tenants may have just paid their rent or may be about to pay it. Using averages should negate this but because UC is paid at different times in the month, there is no clear date to report from in terms of month end.
- Our data is still very new. The UC arrears journey should be viewed with scrutiny, given the length of time it takes to apply for an APA and receive payments (typically the DWP doesn't send us the first month's APA).
- Further analysis is possible by looking at previous monthly arrears reports and building a true journey for each claimant. This would make the arrears journey more meaningful and we would be able to spot trends, indicating where we need to provide additional focus and support.
- There should be further analysis of those in credit, to understand how they are managing their finances.

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**Resources Department
7 Newington Barrow Way, London N7 7EP**

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

Meeting of:	Date:	Ward(s):
Executive	19 September 2019	List wards: All

Delete as appropriate:		Non-exempt
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SUBJECT: Consultation on Corporate Insourcing Policy

1. Synopsis

- 1.1 This report seeks approval for a consultation on adopting a Corporate Insourcing Policy (hereafter the 'policy'). The policy seeks to adopt a consistent approach, assuring delivery of services in-house is the council's default approach, with a mechanism for appropriate challenge and proper consideration of social value.
- 1.2 The policy will be supported by operational guidance for council officers, which shall be updated from time-to-time, under the guidance of the council's Commissioning and Procurement Board.

2. Recommendations

- 2.1 To approve the proposal for consultation on adopting a policy of delivery of services in-house as the council's default approach to supply. A duty to consult is required by the Best Value legislation. Set representatives of various specified groups - local taxpayers, local ratepayers, service users, and persons appearing to have an interest in the area - have a right to express their views. The consultation period will close after thirty (30) calendar days.
- 2.2 To note the council's Commissioning and Procurement Board is the mechanism for challenge to ensure the delivery of services in-house is the default approach.
- 2.3 To authorise the council's Commissioning and Procurement Board to require social value is adopted in provision of internal and/or external service delivery.

- 2.4 To endorse that the council's policy will be supported by operational guidance for council officers, which will be updated from time-to-time under the guidance of the council's Commissioning and Procurement Board.

3. Background

- 3.1 This report proposes a policy of in-house delivery of services as the council's default approach to supply. The council has the right to deliver services in-house without the need for a procurement exercise. Delivering services in-house permits the council the ability to determine where money should be spent and the correct organisational structure to deliver it, whilst keeping community funds in the community and protecting workforce rights. The Council has an extensive record since 2010 of successfully insourcing services to be provided in-house. Examples have included:
- building cleaning and window cleaning
 - education services
 - housing repairs and maintenance
 - handy-person services
 - street scene, including refuse collection and recycling
 - estate management services.
- 3.2 In-house service provision ensures the greatest level of control by the council of the services it delivers, deploying resources where they are most needed, working within budget constraints, supporting innovative approaches, without the same commercial imperatives of the private sector. Whilst the council recognises there are some services which it would be unable to provide in-house, there are a number of instances where the council can provide services itself for better value for money and quality. Furthermore, it permits the council to build and train a local workforce in keeping with its Fairness aspirations.
- 3.3 The policy seeks to adopt a consistent approach, assuring delivery of services in-house is the council's default approach, with a mechanism for appropriate challenge and proper consideration of social value. The council considers their activities holistically, taking account of the wider economic, social and environmental effects of their actions to ensure social value. The council's Commissioning and Procurement Board will provide the challenge mechanism to ensure the in-house first default position, looking at the characteristics, benefits, skills and assets to bring all or part of services in-house. A number private sector failures, such as that of Carillion, combined with unprecedented pressures on council finances have ignited heightened interest in insourcing. In-house services may be more able to respond to changes in public policy, plan finances for long term sustainability over profit, improve flexibility of formal contractual arrangement and achieve local aspirations.
- 3.4 The principles of best value are that the council "must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness" (Local Government Act 1999, section 3[1]). Reviewing services to see whether considering whole life costs in combination with an assessment of quality is in keeping with both the proposed policy and the council's legal duty. Key drivers to insource include improving service quality, efficiency, cost minimisation, response to austerity and alignment to corporate objectives.

- 3.5 Insourcing forms part of the jigsaw for ensuring fairness within the borough, enabling the council to tackle inequalities. The council can address as part of the 'make or buy' decision to do things in-house or not, supporting a more inclusive economy and securing social value. The concept is in keeping with the development under way of the Council's Procurement Strategy 2020-25. Trade unions and workforce involvement are both essential in insourcing options appraisals.
- 3.6 Risks and opportunities for delivering services via internal and external sourcing models will be considered, alongside potential to improve performance and delivery. Opportunities will likely be extended with such a review into the council's category management practice. The three primary categories are Place, Regeneration and Construction; Policy, Corporate and Core Services; and People, Wellbeing and Care Services. Greater analysis of services will have supplementary benefits, including improving sustainable and responsible procurement practice from local supply, apprentices and the use of small and medium enterprises.
- 3.7 Evidence of services which would warrant performance improvement or where satisfaction can be improved may suggest a focus for insourcing. Bringing services back in-house will allow matters to be more directly addressed than via a third party arrangement. Areas which may highlight performance concerns include reduced provision, rising costs, poor reputation or unreliable delivery. Where contracts cost a significant amount to manage, whole life costs may make it more prudent to deliver services in-house. However, services which are performing well, but may still be improved further by bringing in-house should still be considered for insourcing, particularly if the council considers value for money being the optimum combination of quality and cost.
- 3.8 The council has adopted a policy of paying at least the London Living Wage, which requires the council to consider payment of the London Living Wage on a case by case basis and adopt it wherever it adds value. Evidence would suggest the London Living Wage creates a motivated workforce and better levels of service delivery, but this can be further enhanced by good and flexible employment practice. Bringing contracts in-house will permit the council to extend those benefits enjoyed by existing council staff members to staff delivering our contracts. Given insourcing is classed as a service provision change, the employees of the contractors that are potentially insourced would be protected under TUPE legislation, which also acts as a guarantor of the council not losing expertise through insourcing.
- 3.9 Priorities when considering and planning for potential insourcing should include minimum disruption for service users; ensuring quality, reliability and compliance; the council's reputation; workforce matters and any regulatory requirements. Insourcing of services may result in the need for investment, for example in information technology, to deliver high quality and effective services. Such considerations should be taken in a timely manner in order not to delay a potential insourcing, requiring effective forward planning and timetabling.
- 3.10 The council's Constitution sets out the overarching governance rules for council operations. There is nothing which prevents the council in its governance arrangements from undertaking delivery of services in-house as the council's default approach to supply. An appreciation of the effect of a decision to insource a service should be considered in tandem with consequential effects, for example bringing services in-house could potentially

reduce spend with local, small or medium sized enterprises or with the voluntary and community sector, all of which the council is looking to support. Whilst decisions should not be made in isolation, it is likely a hybrid approach will continue of some services delivered in-house and some by external third party providers. The balance of services delivered in-house will increase as a result of adopting this policy.

- 3.11 Council departments will be required to undertake a detailed analysis of existing service provision and be prepared to be challenged by the council's Commissioning and Board on potential opportunities to bring services in-house as contracts are assessed. Services should assess value, duration and natural termination of existing agreements in combination with whole life costs, investment needs, service specification and qualitative improvements, in combination with impact on service users as well as time and resources required to bring services in-house. Services may be briefly better extended than re-procured where the council has a clear intention to bring a service back in-house, which would need to be considered on a case-by-case basis.
- 3.12 To make a comprehensive assessment about whether or not to bring a service in-house will need the council to deploy resources. A significant amount of information about service delivery, workforce required, financial implications and management planning will be required. For specialist services, external resources may additionally be required to advise, for example on achieving appropriate certifications. Consideration of the council's property estate may be required when identifying where services may operate from, including potentially review of estate assets. None of this is expected to detract from the delivery of services in-house as the council's default approach to supply; just that it will need to form part of that options appraisal. The final decision should be taken in accordance with the council's established decision making processes.
- 3.13 Under the Localism Act, voluntary and community bodies, council employees who wish to form a mutual organisation, and parish councils can express an interest in running a council service – this is commonly referred to as 'the community right to challenge'. The council must consider expressions of interest and, where they accept them, then go on to run a procurement exercise for the service. The Right has been created to give local groups with good ideas about how services could be run differently or better the opportunity to have a fair hearing, and if successful in their initial Expression Of Interest (EOI), to bid to run the service themselves as part of the procurement process. Adopting this policy may increase the number of EOIs which the council needs to assess, albeit none have been to date.
- 3.14 Members are asked to note that delivery of the policy will be supported by operational guidance for council officers, which shall be updated from time-to-time, under the guidance of the council's Commissioning and Procurement Board. The insourcing guidance will set out relevant background and an approach to insourcing including:
- the needs and outcomes to be achieved
 - establishing value for money
 - preparing the decision
 - commencing the insourcing
 - delivering the service in-house.

4. Implications

4.1 Financial implications:

It would be expected that any insourcing of services would be met from within existing budgets and would not create an additional budget pressure. However, if this were to be the case, the increase in budget would have to be highlighted and approved as part of the budget setting process.

As part of the options appraisal, all costs, both on-going and one-off, would need to be identified. Costs may include TUPE and pension costs, service delivery costs including materials, vehicles, IT and property assets, as well as increased costs to other services such as finance, human resources, legal etc.

4.2 Legal Implications:

This report, relating to the adoption of a policy on insourcing, is a matter for Members, through the Executive, rather than Full Council, in accordance with the division of responsibilities pursuant to the Local Government Act 2000, as amended, and Regulations thereunder.

The statutory powers that are being exercised are principally the best value duty under Part 1 of the Local Government Act 1999, which replaced compulsory competitive tendering, and is much more flexible, and the broad General Power of Competence under the Localism Act 2011, which, like any power, must be exercised reasonably and properly. The legal advice is that the proposed policy would be lawful. However, the implementation of the policy is subject to the community right to challenge under the Localism Act.

The policy, once adopted, will be relevant in each individual case, but each case must be determined against the background of the policy on its own merits in all the circumstances prevailing at the time, including, but not confined to, the policy. The exercise of discretion must not be fettered by the policy or otherwise.

Decisions must be made in accordance with the usual public law principles with which Members are familiar, including taking into account all relevant and proper considerations, and no others. Relevant matters will include the Public Sector Equality Duty and the Council's fiduciary duty to its taxpayers.

Best Value is at the heart of the matter. It will always be a mandatorily relevant consideration, indeed a positive duty.

Also, best value consultation is required, under Section 3(2) of the Local Government Act 1999, and in accordance with case-law including the Barnet case at first instance and in the Court of Appeal in 2013, and the Peters v Haringey case in 2018. The consultation duty was found to be breached in the Haringey case. It was only on the basis of delay that this challenge failed. The duty to consult is not just about how to make arrangements for improving performance. It extends to the substance of decisions about how to perform functions. It relates to high level decisions, such as outsourcing in the Barnet and Haringey cases, and also no doubt insourcing.

The obligation, however, is not of public consultation. It is with persons who appear to the Council to be representative of various specified groups, local taxpayers, local ratepayers, service users, and persons appearing to have an interest in the area.

4.3 Environmental Implications

A default policy of insourcing has two main potential environmental benefits. Firstly, it ensures that services are being delivered from a local base - outsourced services may be delivered from outside Islington, resulting in additional travel and higher emissions of CO2 and other pollutants. Secondly, it gives the council direct control of services (and their associated buildings and/or vehicles), which potentially enables positive changes such as switching to zero emission vehicles to be made more quickly and without having to seek changes to contracts.

4.4 Resident Impact Assessment:

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

A Resident Impact Assessment was completed in May 2019 and the complete Resident Impact Assessment is appended.

5. Reason for recommendations

- 5.1 This paper proposes a policy of in-house delivery of services as the council's default approach to supply. The council has the right to deliver services in-house without the need for a procurement exercise. Delivering services in-house permits the council ability to determine where money should be spent and the correct organisational structure to deliver it, whilst keeping community funds in the community and protecting workforce rights. The Council has an extensive record of successfully insourcing services to be provided in-house

Appendices: Resident Impact Assessment

Background papers: None

Final report clearance:

Signed by:



Executive Member for Finance,
Performance and Community Safety

11 September 2019

Date

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Resident Impact Assessment

Corporate Insourcing Policy

Service Area: Resources, Law and Governance

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

A policy of delivery of services in-house as the council's default approach to supply.

2. Resident Profile

A policy of delivery of services as the council's default approach to supply. The council has the right to deliver services in-house without the need for a procurement exercise. Delivering services in-house permits the council ability to determine where money should be spent and the correct organisational structure to deliver it, whilst keeping community funds in the community and protecting workforce rights. The Council has an extensive record of successfully insourcing services to be provided in-house. The policy will support the delivery of key Council services to residents, service users, businesses and visitors to the borough. Consideration has been given to the effect on the population, as a key element in the Equality Act compliance. Adopting the policy has no direct impact to the resident profile.

3. Equality impacts

The proposal is a policy of delivery of services as the council's default approach to supply. There is not expected to be any discrimination in adopting the policy. Careful consideration of a case-by-case options appraisal for delivering services in-house will minimise the potential negative impact on equality of opportunity for people or communities with protected characteristics. Decisions will be taken on the grounds of the optimum combination of quality and cost.

4. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

Appropriate vetting arrangements will be in place on any workforce whether or not in-house in delivery of council services.

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

5. Action

No gaps have been identified requiring action.

Action	Responsible person or team	Deadline

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

Staff member completing this form:

Signed: Peter James Horlock

Date: 12/05/2019

Head of Service or higher:

Signed: Peter Fehler

Date: 12/05/2019