

Islington Council

Productivity Plan

July 2024

1. How you have transformed the way you design and deliver services to make better use of resources.

Islington Together 2030 provides a strong vision for the future of our Borough across five missions: child friendly; safe place to call home; fairer together; greener and healthier; and community wealth building. Islington has a reputation for innovation and creativity and continues to be transformative for its communities. We have had to make savings of almost £300m since 2010 and we expect a further £70m reduction to our revenue budgets will be required from 2025/26 to 2027/28. This has led to the Council having to continuously transform the way we design and deliver services to make better use of resources. Examples of this include:

- Delivery of savings of almost £300m since 2010, with significant transformation in children services, adult services, environment, housing and corporate services. Significant examples include:
 - Access Islington Community Hubs, Family Hubs designed to provide a locality based approach for support and assistance to residents.
 - Investment in and redesign of support to families and households experiencing homelessness.
 - Remodelled health services and children's centres to ensure that services for families from conception to age five are effective and integrated
 - Established a Community Budget for Families with Multiple Needs and subsequent early intervention services for families with children
 - Joint partnership delivery of the social, emotional and mental health pathway for children and young people, with access built into the council's children's services front door
 - An integrated front door with health is in the design phase, aimed at facilitating more effective support across the health and care system
 - Our new outcomes-based homecare model enables and empowers care workers to work in a strengths based way; leveraging social value to create better jobs for local people by working towards the ethical care charter
 - Using Automation and Artificial intelligence to increase productivity and efficiency within Adult Social Care
 - The introduction of 'Care Cubed' has supported benchmarking costs of care against other authorities and ensures we are paying a fair cost for care whilst ensuring value for money. Our Care Cost Negotiator role negotiates directly with providers to achieve efficiencies, and our new robust uplifts process ensures we are timely and consistent in what we offer providers.
 - Created a community wealth building helping residents to improve financial resilience and access skills and employment and helping local business grow and thrive
 - Significant progress in electrifying and rationalising fleet
 - Supplying low carbon heat through a unique heat network drawing waste heat from London Underground
- This is underpinned by a revised Performance Management Framework that aligns to an updated Business Planning approach, supporting the golden thread across financial, people and performance considerations that connect our workforce to the Councils core objectives. Examples of this include:
 - A new Islington Together Delivery Plan outlining the key priorities and areas for transformation from July 2024 to July 2026.
 - Business Plans for each Directorate that outline service priorities and objectives.
 - Islington Check Ins with each colleague which consist of monthly discussions related to three areas of individual performance; YOU (wellbeing and inclusion) GOALS (individual goals linked to team, service, directorate and organisational objectives) and GROW (individual learning and development plans).
 - New Build projects are being managed through a re-established PMO, linked to the RIBA gateway reviews, to ensure more agile and better governance of large-scale development programmes.

What are your current plans for transformation over the next two years and how will you measure the effects of those changes?

- Side by side with our Medium Term Financial Plan, we have produced an Islington 2 year Delivery Plan that sets out our top priorities, aligned to our existing Islington Together 2030 Plan and 5 Missions; A Child Friendly Islington, Fairer Together, A safe place to call home, Community Wealth Building and Greener, Healthier Islington.

- Within that Delivery Plan, a revised Change (Transformation) Model and Governance Framework outlines how we manage and support change across the organisation. This ensures business cases for change are evidence based, resourced appropriately and have an outcome focus that supports our corporate priorities and commitments to members and the public.
- Outside of the Performance Management Framework that will capture progress against KPIs and core/new areas of work across the Council, we have a Wellbeing Index and Evidence Islington programme that seek to measure impact on Residents and Communities across the borough at a variety of levels.
- Transforming the support for young people in transitions – transformation programme across adults and children’s looking at how all CYP move into adulthood, improving outcomes for CYP and systems for supporting and tracking CYP that mean we can understand performance and finances better, giving us an opportunity to negotiate packages of care for example.
- We aim to embed an Aging Well community approach over the next 2 years, to ensure our aging population is enabled to be independent and live well into older age.
- Our developing Integrated Localities Model will provide holistic health and social care support and connection to services within a localities footprint

Looking ahead, which service has greatest potential for savings if further productivity gains can be found? What do you estimate these savings to be?

Investing and maximising early year and prevention services across the Council in a way that tackles root causes issues for children, families and adults is key. Doing this in a connected way across both the Council, Health, Police, Faith and Community Sector has massive potential for upstream demand reduction into the statutory services, whilst ensuring residents have the best life chances for good outcomes. We have strong foundations and provision across our early help services in Islington as well as a thriving faith and community sector – something we will build on and ensure future demand is predicted and supported at a system level.

Good quality, well invested social care interventions with working age adults can ensure our residents can remain independent, hold gainful employment, remain economically active and crucially prevent pressures on the NHS in terms of cost and capacity. Preventative services, those that support hospital discharge and reablement services to older residents can reduce dependency in the social care system whilst having a profound positive impact on NHS budgets. This benefit spreads across the full spectrum of NHS provision including GPs, Urgent Care, Primary Care and Secondary Care.

As a result of continuing funding reductions, Islington Council is not able to further invest in social care beyond the current level. It is the council’s position that a properly funded social care system would deliver a net reduction in costs.

What role could capital spending play in transforming existing services or unlocking new opportunities? If you have already used capital spending to boost growth or improve services, we would be interested in learning more; what preventative approaches you have undertaken and can the value of these be quantified?

Islington Council has been successful in attracting funding to support the acquisition of housing properties in order to address a growing demand for Temporary Accommodation. The purchase of assets rather than spending money on expensive hotel accommodation has meant that the cost pressures experienced have been contained much more than many boroughs.

Temporary accommodation pressures are predominantly caused by national policy and have rapidly accelerated post pandemic. To ensure the sector is sustainable the Government needs to ensure that these new burdens are adequately funded within the next spending review together with a fair distribution method to those boroughs hit the hardest.

The council is maximising the amount of activity it can afford within the capital programme to decarbonise its estate. It is challenging to achieve a reasonable payback period for this investment at the current level of interest rates however where it is possible, it achieves the dual goal of reducing costs and reducing carbon emissions.

Are there wider locally-led reforms that could help deliver high quality public services and improve the sustainability and resilience of your authority?

- Increase the Homelessness Prevention Grant and Rough Sleeping funding to levels that sustain service provision.
- Agree 10-year rent increase framework to allow councils to manage the business plans with some certainty.
- Remove barriers **preventing councils from combining Right to Buy receipts with grant funding** to deliver affordable housing.
- **Remove the cap on the proportion of individual sites that can be funded through Right to Buy receipts.**
- **Make the increase in LHA rates from Autumn Statement 2023 a permanent** measures with annual uplifts .
- **Remove the cap on LHA payable for Temporary Accommodation** in Housing Benefit subsidy (set at 90% of January 2011 LHA rates).
- Provide funding to **help councils buy accommodation sold by private landlords.**
- Deliver a **new HRA debt settlement** based on updated assumptions, as government policy changes have altered the existing 2012 agreement beyond recognition.

How do you measure productivity in your organization?

Organisational productivity is monitored at the corporate level by benchmarked metrics such as sickness levels (short- and long-term absence), complaints and staff surveys which capture and track employees' sense of innovation and modernisation, workforce performance, effective use of resources, management effectiveness, digital and service improvements and the impact of our work on residents in the council. This is monitored and managed in more detail by directorates and teams including absence cases and ragged staff performance reviews.

Effectiveness is monitored using benchmarked corporate performance indicators and targets alongside a Wellbeing Index of resident and community outcomes compared to other London boroughs that together provide an Impact Framework for the Council. Corporate performance indicators cover a range of outputs to monitor progress against our plans and capture effectiveness including resident satisfaction. This is reported quarterly to corporate and directorate management teams which manage improvements. Scrutiny committees review performance under their remits quarterly.

2. How you plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources.

Over the past year, we have made progress in building solid foundations to improve our ability to generate information and intelligence currently held in many applications.

Technology investment: We have invested in a **data platform** to ingest high value data from the numerous applications across the organisation into a single place. This will support the production of better, faster and more comprehensive data analysis, including the ability to link datasets across the organisation. We have also rolled out **PowerBi** as our business intelligence tool and are developing a strategic approach to dashboard development and deployment, focusing on areas where a dashboard approach can be most impactful for service delivery and performance. The combination of the data platform and our business intelligence tool will also allow us to automate routine/statutory reports to release capacity amongst our analytical staff.

Data quality: We have data quality officers embedded within services including Adult Social Care and Housing. We are developing a data quality strategy for the organisation which in the first instance will focus on data related to monitoring performance and statutory returns. The data quality strategy will include the following:

- Data quality champions for directorates and services
- Guidance and training to frontline staff on data quality
- Developing feedback loops for staff where records are missing, incomplete or not valid.
- Annual data quality audits
- Documentation on data standards and definitions

- Data quality score cards
- Considerations around the use of automation for improving data quality

Use of new technology (Automation and AI to improve workflows): We have introduced a robotic process automation (RPA) capability in Islington to automate repetitive and rule-based tasks and optimise processes and workflow. Our first automations have delivered benefits for the Adult Social Care ‘front door’ and value driven improvements for several areas, including Finance and Housing, are under development. To support the automation and standardisation of common operational practices, an automated reconciliation platform has been successfully piloted with Finance and wider adoption is underway. We will test the potential of Generative AI comprehensively across service areas this year; we are designing our tests to optimise the benefits we believe AI can deliver to staff, partners and residents whilst ensuring we use AI responsibly, ethically and inclusively.

Predictive analytics: An area of analytics that we are exploring is the use of data to identify cohorts of our population who are at risk of homelessness or falling into debt to provide support earlier.

Data sharing: Sharing data with our partners such as the NHS, police and schools is critical to delivering joined up services and improving outcomes for our residents. Currently there are various ways we share data in our local system. This ranges from the sharing of individual records of residents for the purposes of safeguarding to aggregate performance information for our partnership boards. Most recently, we have been working with our local NHS to integrate adult social care data with the NHS to provide frontline staff with real-time data for more effective care management of residents. Sharing this data between partners is useful, but current challenges relate to the interoperability of systems to share data securely.

Our digital and data strategies will set out further details of how we will harness technology and data insight to transform services and enhance decision making.

3. **Your plans to reduce wasteful spend within your organisation and systems.**

The council sets a balanced budget each year. Developing the budget estimates for a given financial year is an ongoing, iterative process within the medium-term financial planning cycle. It considers the most recently available budget monitoring information and the latest assumptions for the forthcoming financial year. In particular, all savings are reviewed and signed off as deliverable by key stakeholders across the organisation. The thoroughness of this process is a source of assurance in determining that overall estimates in the budget are robust and that financial reserves, whilst needing to be significantly strengthened over the medium term, are adequate.

The capital programme has been built on a prudent, affordable, and sustainable basis in accordance with the CIPFA Prudential Code framework. When appraising new projects, the objectives of the scheme are checked against the council’s priorities, and assumptions are built in for contingencies (e.g. impact of inflation on the cost of materials), optimism bias and interest rate risk. This ensures that sufficient funding is allocated as early as possible in the council’s revenue and capital budget planning processes, and that the council only progresses with schemes that are affordable and fit with the vision of the organisation.

The council has a robust approach to monitoring expenditure on agency staff with quarterly reports to the public scrutiny committee. The council has ongoing plans to manage costs including fixed-term and permanent contracts and developing targeted recruitment strategies to attract talent.

4. **The barriers preventing progress that the Government can help to reduce or remove.**

Islington Council has seen its core spending power cut by 23% in real terms since 2010, while its population has risen by 11%. London has seen an increase in demand for services driven by an increase of more than 800,000 residents and additional duties and responsibilities – totalling over £1bn.

Boroughs have worked together effectively to collaborate and save money on multi-borough, sub-regional and pan-London projects.

In general, a stable, long-term funding settlement would enable the council to be more productive, especially by:

- **Multi-year settlements** – the uncertainty driven by one-year settlements is a huge barrier to becoming more productive and enabling boroughs to plan services strategically and take invest-to-save decisions. Three or four-year settlements would go a long way to solving this.
- **Reduce ringfencing** – remove ringfences and reporting requirements associated with grant funding to empower and trust councils to get on with delivering services.
- **Reduce the number of funding pots** – reduce the number of specific funding pots and arduous bidding processes, particularly in economic development and skills.
- **Ensure funding reflects need** – many councils are unable to put resources into driving further productivity gains because they are being overwhelmed by demand pressures due to structural underfunding and a system that no longer reflects local needs. The Government should review and update the funding formulae for all the major grants that councils receive from government.

More specifically, the government can help to increase Islington and the country's productivity by:

- Allowing local authorities to keep all income from Right to Buy sales and spend it flexibly to create more council housing; and make it easier for councils to borrow money for council-house building at affordable rates.
- Properly funding council housing upgrades and investment, with a new long-term HRA settlement, reimbursement of funding lost because of rent caps, and a new Decent Homes programme.
- Reversing cuts to Islington's funding since 2010 and increase local government funding in real terms to help protect local services.
- Creating an ongoing settlement to create a resilient adult social care system that's fit for the future and guarantees everyone the support and care they deserve.
- Giving businesses greater flexibility on how they can spend the apprenticeship levy, so it can be spent on training and salaries. This would help address skills shortages and deliver housing, transport, and digital infrastructure.
- Devolving employment support to local authorities, in a way which allows genuine flexibility to adapt support to local needs and help people into work.
- Delivering grant funding to councils, based on cases recorded on NRPF Connect, which can be used by a council to invest in improving its response when statutory social care duties are engaged to support families and adults with care needs with no recourse to public funds.
- Empowering and enabling local authorities to take effective decisions to manage school place planning for local communities.