

# Capital Ambition Board

## Director's Report

Item no: 4

**Report by:** Guy Ware      **Job title:** Director Finance, Performance and Procurement

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### Summary

This report provides an update on the following:

- Financial position
- Work programme
- CAB Terms of Reference and changes to constitutional documents

### Recommendations

It is recommended that Board members:

- a) Note the financial summary.
  - b) Note the progress on grant funded projects.
  - c) Note the Terms of Reference and changes to constitutional documents.
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### Appendices:

A: Current Financial Statement

B: Project Status

C: Capital Ambition Terms of Reference



## **DIRECTOR'S REPORT**

### **Financial Position**

1. The current financial position is set out in **Appendix A**. The uncommitted balance to 31 March 2020 is £55k at 31 March 2017.
2. This balance takes into account forecast programme office costs and the spend on individual projects, including funds earmarked for use in two areas: health and social care, and the trialling of behavioural insights.
3. The London Ventures programme is designed to derive income, to be reinvested in innovation. No income projections are included in the calculations provided. All London Ventures income will be used to support the continuation of the London Ventures programme beyond the funded period, the funded period is from 23 August 2016 to 22 August 2019.

### **Work Programme**

4. The Capital Ambition work programme currently comprises nine projects, as shown in **Appendix B**, with the exception of the current behavioural insights work and London Ventures all projects are in close down phase.
5. More information on the financial commitments for each of these projects is given in Appendix B. An update on each project is given below, with the exceptions of the Behavioural Insights Team project – which is reported under item 5, the health and social care integration project – which is reported under item 6, and the London Ventures programme – which is reported under item 7.

### **Visbuzz Pilots**

6. Capital Ambition Board agreed to fund Visbuzz pilots in five boroughs: Barking and Dagenham, Barnet, Croydon, Havering and Waltham Forest. CAB agreed to invest in the Visbuzz Venture as it was new to London – having only been delivered in Halton Borough Council previously – and it was identified in the commercial deal that some of the benefits associated with implementation would be a reduction in GP and hospital appointments, ie accrue to parties other than the local authority – the pilot would test these assumptions and if borne out, help support the case for partnership funding of future implementation.
7. London Councils is maintaining an overview of the five pilots by facilitating regular project manager meetings, which Visbuzz staff also attends. This provides a forum for

the boroughs to raise issues, devise common solutions and support each other with the pilot delivery, and also learn lessons to improve future project planning.

8. Independent research is being conducted to show the benefits of the use of simple video calling to reduce loneliness. Visbuzz users are asked to complete a survey every 12 weeks; this is to capture any changes to their service use, feelings of wellbeing, and social activity. The final report from MEL Research is presented to the Board under exempt item 2.
9. Each pilot had available for deployment a maximum of 100 Visbuzz units. The Capital Ambition Board heard at its meeting in February 2017 that the number of Visbuzz units set up for use is a long way short of full implementation.
10. The pilot is coming to an end in June. London Councils officers have been informed by project managers in the pilot boroughs that they do not want to continue with Visbuzz after the pilot has finished.
11. A more formal close down process is underway, the lessons learnt exercise, together with the MEL Research findings will be drawn together and a closedown report issued – early indications are that boroughs find the process of implementing Visbuzz very time consuming and results are not as positive as had been expected or desired.
12. The pilot boroughs, as with other London local authorities, continue to be committed to reducing digital isolation and loneliness – and as such are planning to continue to use the Visbuzz tablets (as these are purchased, not leased, as part of the project) on this strategic agenda.
13. The use of the Visbuzz units in each pilot authority will be reported to London Councils in the project management closure report – it is anticipated that boroughs will find innovative uses to support older, or disadvantaged residents to improve their digital capability.

#### **Circle app – report on Capital Ambition funded marketing campaign:**

13. Capital Ambition Board approved funding, up to £120,000, for a London-wide marketing campaign of the Circle app at their meeting in February 2016. This was to ensure the app was marketed in a common format across London and to provide councils with collateral and assets that could be used for a number of years to come.
14. In May 2016 a creative agency, Things Unlimited, was commissioned to develop the campaign. Things Unlimited have worked with the developers Xantura to simplify the functionality of the app, making it attractive and intuitive to use. This also included a change of name from Tap-it to Circle.

15. The Circle app went live on 22 December and the campaign was launched concurrently.
16. The campaign had a number of elements:
  - a. Things Unlimited engaged Hannah Witton, a lifestyle vlogger, in an influencer partnership. This partnership ensured a predominantly female-led community was aware of the Circle app. Hannah produced one video published to YouTube, three Twitter posts, one Instagram post and one Facebook status.
  - b. A toolkit of generic materials was developed for boroughs to use in delivering targeted marketing in parallel to the London Councils led campaign. The toolkit consists of brand guidelines for all London boroughs and a suite of assets – including photography, one long form video and three shorter edits – which can be used across various channels, but predominantly social media.
  - c. A concentrated 6 week marketing campaign from the launch in December 2016 through to early February 2017. This consisted of 31 paid social ads, PR support, a content calendar and a paid media strategy plan.
14. During the 6 week campaign there was a very positive level of engagement with the app. Launching ads prior to and during the festive season contributed towards the high figures, with:
  - a. 6.2M total impressions generated as a result of launching ads across three channels
  - b. 32,008 total clicks to the app store
  - c. 115K video views on the influencer video
15. The total cost of the marketing contract was £113,600.
16. In addition to the work of the agency London Councils has undertaken a significant promotional exercise working with borough heads of communications to generate local marketing of the app in parallel to the launch.
17. To raise awareness of the app, London Councils officers have delivered presentations to a number of groups, including specialist officer groups who work with our target audience, the Association of Colleges Heads of Student Services network, youth charities, and Circle was represented at the London Ventures launch event on 23 February.
18. At the current time the number of downloads is approximately one thousand. This shows a very low conversion from clicks to the app store – to downloads. The working assumption for this is due to the small number of reviews – and therefore no ‘star’ rating by the app stores.
19. London Councils officers have developed a one year communications plan to drive further awareness and reach through a variety of activities and channels. Each quarter

will focus on a new audience, including residents, borough staff, NHS staff and students. This will involve limited print material being produced which it is proposed is funded from the Capital Ambition team's small operational budget.

20. Our main focus is now on supporting Xantura in demonstrating the benefits and functionality of the back-end dashboard to boroughs and encouraging them to buy the licence in line with the Commercial Agreement. The dashboard allows boroughs to access management information and intelligence generated by the use of the app to identify trends and inform local service development Boroughs will continue to be encouraged to push content out on their channels, adding to their websites, posting on social media and distributing information to their staff and residents.

#### **Health and social care:**

21. The work on health and social care funded by Capital Ambition is designed to capture and disseminate learning from the five integration pilots in London being overseen by the London Health Board.
22. The results of this funding will be presented under item 6. In addition, the Board will be asked to consider a proposal for additional funding support, in line with the earmarked funds, as noted in Appendix B

#### **Capital Ambition Board Terms of Reference and changes to Constitutional documents**

23. The Leaders' Committee AGM will take place on 11 July 2017. The AGM was scheduled to take place on 6 June 2017, but due to the general election has been rescheduled to take place on 11 July 2017. At the time of writing this report, Leaders' Committee will not have met. Details of Capital Ambition Board appointments made and dates for 2017/18 meetings as agreed at the AGM will be notified to this meeting. It is anticipated that the Terms of Reference and changes to the constitutional documents detailed below will also be agreed at Leaders' AGM on 11 July but any changes to these recommendations will be reported verbally to this meeting.
24. The Terms of Reference for the Capital Ambition Board can be found in Appendix C.
25. Four constitutional documents have been submitted to the Leaders' Committee AGM, namely London Councils' Standing Orders, Scheme of Delegation to Officers, Terms of Reference for Sub Committees and Financial Regulations.

26. Three of the four reports contain changes which apply to Capital Ambition Board and are therefore reported to CAB for information. The changes made are summarised below:
- i. Amendments to Standing orders regarding meetings, quoracy, and the urgency process to reflect changes to London Councils' staffing structure.
  - ii. Small changes to the Scheme of Delegation to Officers covering the absence of the Chief Executive, and other similar changes to reflect the current structure of London Councils corporate management officer team and senior officer structure.
  - iii. Minor changes to the Financial Regulations covering Financial Thresholds for contract opportunities, the process regarding externally funded projects and tender procedures and the provision for a greater number of officers to have authority to execute or sign off on orders, tenders and contracts.
  - iv. The Terms of Reference for Sub-Committees report has not been reported to this Board, as it does not apply. The Terms of Reference for the Board are set out in full at Appendix C.

### **Financial Implications for London Councils**

27. The Director of Corporate Resources reports that Appendix A summarises the estimated Capital Ambition fund balance at the end of the 2019/20 financial year. It shows the opening and pre-audited closing balance for the financial year 2016/17 and forecasts costs over the next three successive financial years (2017/18 - 2019/20), which reduces the Capital Ambition fund to a closing uncommitted balance of £64,812 by 31 March 2020. However, this is subject to the earmarked project commitments reflected in Appendix B and reported elsewhere on this agenda being formally approved. These will have a direct impact on the forecast fund balance and consequently the operation of the programme office beyond 31 March 2020.

### **Legal Implications for London Councils**

28. There are no direct legal implications arising from this report.

### **Equalities implications for London Councils**

29. There are no direct equalities implications for London Councils as a result of this report.

## **Recommendations**

It is recommended that Board members:

- a) Note the financial summary.
- b) Note the progress on grant funded projects.
- c) Note the Terms of Reference and changes to constitutional documents.



**Capital Ambition - Funding Position as at 31 March 2017**

	Programme Office	LV Phase 2 Contract	LV Seed Fund	LV Sustainability Fund	
			See note 1	See note 2	Total
<b>Opening Balance Balance 2016/17</b>	<b>-1,887,384</b>	<b>-906,150</b>	<b>-93,850</b>	<b>0</b>	<b>-2,887,384</b>
Operational and project spend since 2016/17 (See note 3)	679,521	239,485	0		919,006
Income London Ventures Phase 2				-10,044	-10,044
<b>Pre Audited Closing Balance 31 March 2017</b>	<b>-1,207,863</b>	<b>-666,665</b>	<b>-93,850</b>	<b>-10,044</b>	<b>-1,978,422</b>
Indicative Staff costs and operational budget 2017/18	233,322	341,737			575,059
Project Commitments	79,973				79,973
Earmarked Funds	350,000				350,000
Seed Fund - proposals anticipated 2017/18			93,850		93,850
<b>Subtotal spend and commitments 2017/18</b>	<b>663,295</b>	<b>341,737</b>	<b>93,850</b>	<b>0</b>	<b>1,098,882</b>
Indicative Staff costs and operational budget 2018/19	240,923	246,487			487,410
Indicative Staff costs and operational budget 2019/20	248,877	78,441			327,318
<b>Subtotal spend and commitments 2018/19 and 2019/20</b>	<b>489,800</b>	<b>324,928</b>	<b>0</b>	<b>0</b>	<b>814,728</b>
<b>Uncommitted/ unallocated Balance</b>	<b>-54,768</b>	<b>0</b>	<b>0</b>	<b>-10,044</b>	<b>-64,812</b>

**Notes**

1. London Ventures Seed Fund - CAB will make decisions on any seed funding allocation - it is anticipated that the initial amount will be allocated during 2017/18

2. London Ventures Sustainability Fund - income derived from Ventures implementations is 'banked' in the sustainability fund. This fund is required to support the continuation of the programme beyond the contract funded period. Projected income is not included in this table.

3. London Ventures Phase 1 income and expenditure is included in the Programme Office operational and project spend.

**Capital Ambition - Project status**
**Item 4 - Appendix B**

Project Name	Lead Organisation	Status	Total Approvals	Total Claimed to Date	Balance to Claim Current	Project End Date Only
Visbuzz pilot - Barking and Dagenham	LB Barking and Dagenham	Closing	£41,000	£41,000	£0	31 March 2017
Visbuzz pilot - Havering	LB Havering	Closing	£41,000	£41,000	£0	31 March 2017
Visbuzz pilot - Waltham Forest	LB Waltham Forest	Closing	£41,000	£41,000	£0	31 March 2017
Visbuzz pilot - Barnet	LB Barnet	Closing	£41,000	£33,290	£7,710	31 March 2017
Visbuzz pilot - Croydon	LB Croydon	Closing	£41,000	£41,000	£0	31 March 2017
Circle app London-wide implementation	LB Southwark	Closed	£138,600	£138,600	£0	31 March 2017
Behavioural Insights Work	LB Croydon	ACTIVE	£120,000	£47,737	£72,263	31 October 2017
Health and Social Care	London Councils	Closing	£100,000	£100,000	£0	31 March 2017
London Ventures Phase 2	EY	ACTIVE	£1,000,000	£231,760	£768,240	22 August 2019
Capital Ambition - earmarked funds		Status	Total earmarked	Anticipated proposal to CAB		
Behavioural Insights Work	TBC	Earmarked	£200,000			11 July 2017
Health and Social Care	TBC	Earmarked	£150,000			11 July 2017