

Capital Ambition Board

London Ventures Progress Report

Item no: 6

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Date:	18 October 2017		
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Summary	This report provides an update on the key activities and progress in the London Ventures programme since July 2017. This report highlights activities that have taken place to support both the general and targeted ventures programme particularly in relation to advocating the programme to local authorities and other key promotional activities.
Recommendation	Board members are recommended to note the London Ventures progress report.

LONDON VENTURES PROGRESS UPDATE

Background

1. Since the July 2017 Capital Ambition Board meeting, the London Ventures programme has entered into its second contract year as of August 2017. There has been a significant shift in profile and credibility in the programme, as the team has been very proactive in promoting and advocating the opportunities presented through the London Ventures programme.
2. This report provides an overview of the activities that have taken place and is divided between the homelessness, temporary accommodation and housing targeted venture and the general ventures workstreams.

Homelessness, Temporary Accommodation and Housing Targeted Venture

3. CAB approved the development of strategic business cases for the targeted ventures concepts in July 2017, and the London Ventures team have developed these documents over the summer. They are presented in exempt report for members' approval.
4. The team have continued to identify opportunities to source social investment and engaged with various organisations including Big Society Capital, City Bridge Trust and London Funders. The responses from these organisations have been generally positive, and further discussions will be arranged once the projects have been initiated.
5. The targeted ventures activity has been promoted at various events and forums and these include a House of St Barnabas hosted event, advocacy at the London local authority transformation network and with individual local authorities across the capital.
6. A summary of targeted ventures activity is included as appendix A

General Ventures

7. The team has conducted a review of the current portfolio of general ventures, and a summary of this and a series of recommendations are presented as part of report as well as a commercial deal proposal for Leigh Fisher. These documents are presented in the exempt agenda.
8. There has been extensive engagement work undertaken since July. There have been a combination of roundtable discussions, formal presentations and

discussions and a summary of some of the groups that have been engaged and attended include:

- LGC Summit
- Society of London Treasurers
- Society of IT Managers
- London Association of Planners

9. Further events are planned for autumn for a number of London Ventures partners.
10. In addition the London Ventures team are undertaking an online survey of local authorities, venture partners and other key stakeholders who have been involved in the London Ventures programme.
11. A summary of general ventures activity is included as appendix B.

Programme level expenditure and income

12. In summary, in relation to EY's programme costs London Councils has been invoiced for £397,302 to 22 August 2017 from the total of £906,150 to support the delivery of London Ventures. This amount does not include London Councils' time and resource.
13. The income target for the first year of current commercial deals is £113,000. London Councils has invoiced for £25,375 as at 30 September 2017. There is approximately another £7,600 due to the programme by the end of the first year of the commercial deal contracts. Further income into the programme is dependent upon the extent to which local authorities take up London Venture's products and services.

Financial Implications for London Councils

14. The Director of Corporate Resources reports that the invoiced contract sum of £397,302 relates to the 13 months to 30 September 2017. This represents 44% of the total contract sum of £906,150. There is a further £93,850 for seed funding, and the proposals for allocation are contained in the exempt report.
15. Since the last report to CAB in July 2017 there has been an increase in the invoiced income for the programme. This now totals £25,375 of which £7,240 has been invoiced since July. While this progress is positive, it remains slow and there is still a significant gap between the current position and moving towards a self-financing position.
16. Appendix B highlights the EY income forecast for the year of £84,000, which should be compared with the year 1 income target figure included in the agreed KPIs with EY of £113,000. The total secured year 1 income is indicated to be £33,000,

compared to the current total of £25,375. This indicates that only a further £8,000 is potentially guaranteed. Therefore the remaining £51,000 is stated by EY to be the potential value of pipeline income.

17. The contract review is due to be carried out at the 18 month stage in February 2018. From the figures highlighted in this report, there are some significant grounds for questioning whether significant income will be generated to reasonably allow for the contract activity to be extended into year 3.

Legal Implications for London Councils

18. There are no direct legal implications for London Councils as a result of this report.

Equalities implications for London Councils

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

Recommendation

20. Board members are recommended to note the London Ventures progress report.

Targeted Ventures: One Year Summary

Our journey to transforming the homelessness, housing, and temporary accommodation experience in London

Since starting our first targeted ventures cycle in October 2016, the programme has had a significant impact, engaging widely by bringing together the public, private, and third sectors; building a recognised hub for innovative thinking and ideas in this space with our trusted brand; and identifying transformative solutions that, through the programme, can become a reality to deliver real benefits for Londoners.

1 We have facilitated cross-sector collaboration through a variety of events and sessions attended by hundreds of professionals.



Launching our first targeted theme at the **Launch Event** to 150 attendees



Developing new solutions with 50 attendees at our targeted ventures **solution hackathon**



Engaging housing and homelessness experts at our **think tank** workshop



Demonstrating our commitment to housing and homelessness by hosting the **trailblazers best practice event**



Crocodiles' Den for Housing Directors to develop our concepts through scrutiny from housing experts.



CAB members reviewed the shortlist of ideas at **Dragons' Den** and agreed those that should be developed further



Showcasing our concepts at **The House of St Barnabas** hosted event

Ongoing engagement with the Housing Directors Group, Housing Director Steering Group, TA Supply Group, and the Homelessness and Housing Needs Group

2 Our events have been underpinned by engagement with hundreds of organisations, including local authorities, charities, funders, businesses, and partners.

Local authorities
















Charities














Funders






Businesses and Partners


















innovation through collaboration

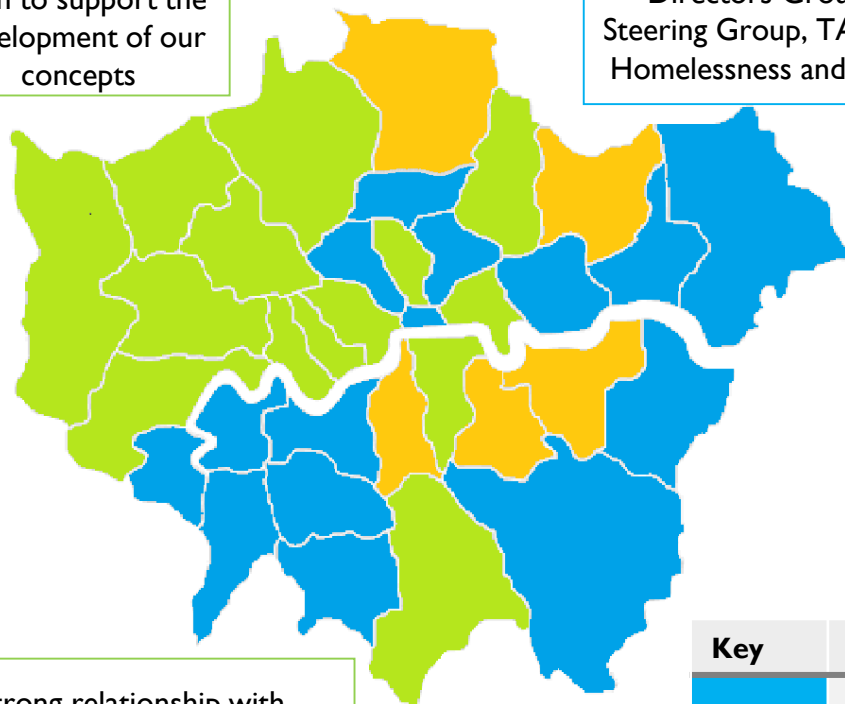
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Targeted Ventures: One Year Summary

3 We have developed relationships with all 33 local authorities across London.

Strong relationship with WLA who are keen to support the development of our concepts

Presented to all London authorities through key group such as the Housing Directors Group, Housing Director Steering Group, TA Supply Group, and the Homelessness and Housing Needs Group

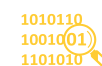


Strong relationship with housing directors in Croydon and Tower Hamlets

Key	Level of engagement
■	Presented to
■	1:1 engagement
■	Borough champions

4 We are using our networks to secure funding and support for our key concepts.

1 – Early identification of those at risk of homelessness



Saving c.30% of officer time to identify and process individuals & families

3 – Modular temporary accommodation on non-permanent sites



Helped secure £11-55m of GLA funding

2 – London-wide accommodation platform



Supporting Housing Directors to access £25m DCLG funding

4 – Transition insurance to reduce the upfront costs of living in private rented sector (PRS)



Support London boroughs to save c.£22m on PRS deposits

Next steps

We will be focussed on taking the high level business cases that are approved by CAB and working with borough champions to develop these into more detailed plans for delivery. We will invest the allocated seed funding to de-risk delivery, and report back on the implementation progress and commercial return to the programme as a result of our sponsorship at December CAB.



Driving innovation across London

Our focus has been on leveraging the extensive engagement we've had through the launch event, professional networks, venture partner roundtables, and other London Councils and EY relationships to lead to venture partner demos and implementations.

1 We have engaged with all 33 London local authorities through events and professional groups.



September

Heads of Regeneration Group: Commonplace presentation
& Society of London Treasurers: Roundtable with Oxygen Finance
& London Society of IT Managers: Roundtable with Cerno
& Planning Officers' Society: Commonplace and Spacehive presentation

July

London Association of Directors Children's Services: Xantura presentation
& LGA Conference: Xantura fringe event

May

Heads of HR Network: Circle and MyCognition presentation
& London Ventures hosted fostering roundtable: Cornerstone Partnership

March

Transformation Network: London Ventures presentation

February

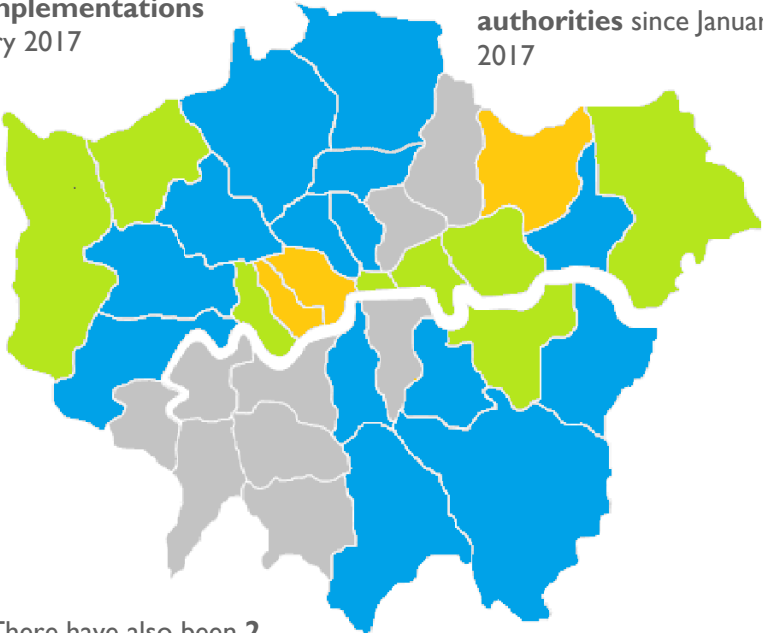
London Ventures Launch Event & CELC Children Lead: Xantura EHPS presentation



2 Our broad engagement has led to one-to-one conversations, demos, and implementations across London.

There have been **7 venture partner implementations** since January 2017

We have held **demos with 14 London local authorities** since January 2017



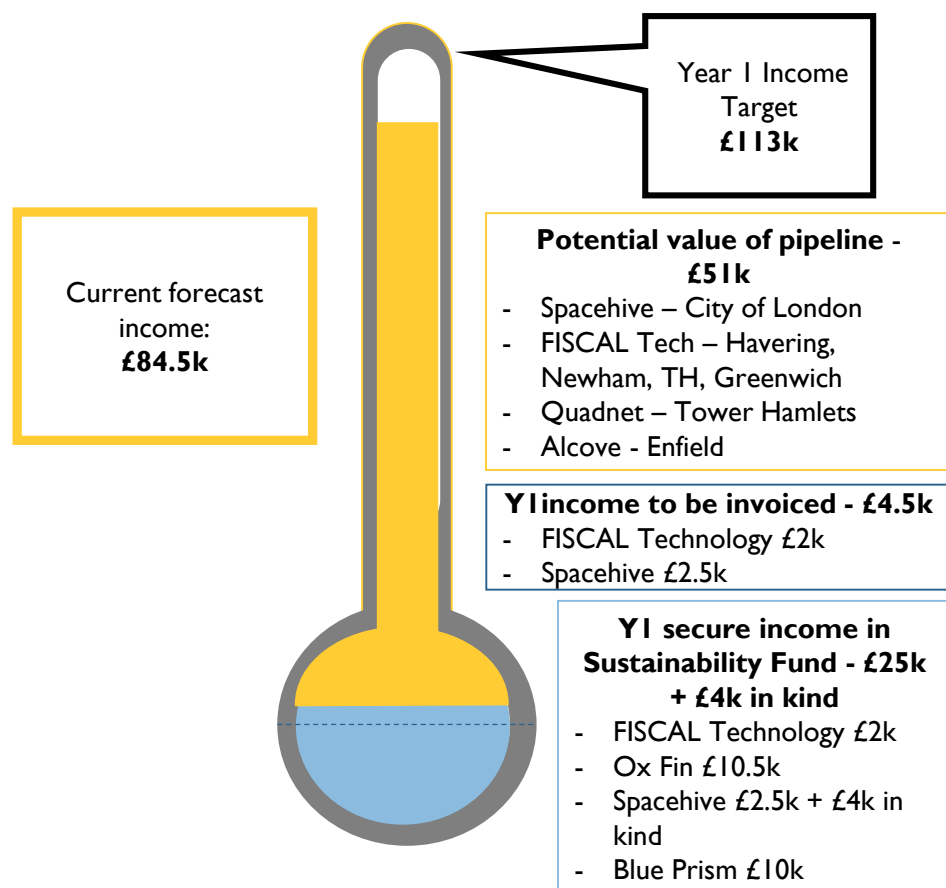
There have also been **2 venture partner implementations** in the wider UK

Key	Engagement
	Presented to
	1:1 engagement
	Demo(s)
	Implementation(s)



General Ventures: Summary

- 3 Through venture partner implementations we are building our Sustainability Fund and have line of sight to February 2018



- 4 Our venture partners are delivering significant benefits to London local authorities.

Local Authorities using the Fiscal Technologies AP Forensics® product have seen a total of



£25m savings

across 15 London councils

Spacehive a crowd funding platform has raised



£3.6m for 149

successfully funded London projects

Examples of the savings and efficiencies of our venture partners

In one London borough Xantura's profiling model has identified

£1.4m

savings



split equally across cost avoidance and cashable savings

Oxygen Finance uses automation to accelerate supplier payments in 5 LAs.

In Croydon it is estimated to generate a

£1.5m

revenue stream from existing budgets over the next 5 years



Next steps

As part of our ongoing commitment to providing the most innovative solutions to London local government, for December CAB we will be assessing potential venture partners to identify those we believe have the most exciting offer to add to our portfolio. In parallel, we will continue to focus on converting demonstrations into implementation as well as continue to build financial sustainability for the programme.



innovation through collaboration

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