



# Capital Ambition Board

15 May 2019 – 10:30 – 12:30

**Location:** Room 5

London Councils, 59 ½ Southwark Street, London, SE1 0AY

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## Agenda item

- |       |  |      |
|-------|--|------|
| 1     | <b>Declarations of interest*</b>   |      |
| 2     | <b>Apologies for absence</b>   | 1-4  |
| 3     | <b>Minutes of the meeting held on 13 February 2019</b>   |      |
| <hr/> |  |      |
| 4     | <b>Capital Ambition – Director's Report and London Ventures Progress Report</b>  | 5-18 |
|       | This report and the accompanying appendices provide a summary of the activities since February 2019 on Capital Ambition funded activity including the London Ventures programme. |      |
|       | <b>Recommendation</b>  |      |
|       | The Board is recommended to note the contents of the report  |      |
| <hr/> |  |      |
| 5     | <b>Any other business</b>  |      |
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## **\*Declarations of Interests**

If you are present at a meeting of London Councils' or any of its associated joint committees or their sub-committees and you have a disclosable pecuniary interest\* relating to any business that is or will be considered at the meeting you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting, participate further in any discussion of the business, or
- participate in any vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

It is a matter for each member to decide whether they should leave the room while an item that they have an interest in is being discussed. In arriving at a decision as to whether to leave the room they may wish to have regard to their home authority's code of conduct and/or the Seven (Nolan) Principles of Public Life.

\*as defined by the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

Exempt item	
E1 Exempt minutes of the meeting held on 13 February 2019	1-2
E2 Commercial deal update and outstanding approvals	3-8
E3 London Ventures Targeted Ventures Outline Business Case approval	9-22
E4 London Ventures procurement update	To Follow

Close approx. 12:30

# Meeting of the Capital Ambition Board

**Wednesday 13 February 2019, 10:30**

**London Councils, Conference Suite, 59½ Southwark Street, London SE1 0AL**

## **Members**

Cllr Steve Curran (Chair)  
Cllr Stephen Alambritis  
Cllr Kevin Davis  
Cllr Victoria Mills  
Cllr David Simmonds OBE

## **Local Authority**

LB Hounslow  
LB Merton  
RB Kingston upon Thames  
LB Southwark  
LB Hillingdon

## **Advisors**

John Hooton  
Sarah Ireland

Chief Executive, LB Barnet  
Director, Corporate and Commercial, RB Kingston upon Thames

## **London Councils**

Frank Smith  
Guy Ware  
  
Thomas Man  
Anton Nisbeth

## **Role**

Director of Corporate Resources  
Director of Local Government Performance and Finance  
Head of Capital Ambition  
Capital Ambition Programme Manager

## **Board Secretariat**

Ana Gradiska

Principal Governance and Projects Officer

## **EY**

Victoria Evans  
Chess Dennis

Senior Manager, Local Public Services  
Manager, Local Public Services

## **1. Declarations of Interest**

1.1 There were no declarations of interest.

## **2. Apologies for absence**

2.1. Apologies were received from Andrew Blake-Herbert (Chief Executive, LB Havering) and Paul Najsarek (Chief Executive, LB Ealing).

## **3. Minutes of the meeting held on 12 December 2018**

3.1 The minutes were agreed as an accurate record of the meeting held on 12 December 2018.

## **4. Capital Ambition – Director's Report and London Ventures Progress Report**

- 4.1 Thomas Man, Head of Capital Ambition, introduced this report, which provided a summary of Capital Ambition funded activities since December 2018. He stated that there had been an increase in the unallocated balance as a result of an underspend on the operational budget for 2018/19, the current London Ventures income was approximately £90,000 and that recent invoicing meant that additional income was expected prior to the next Board meeting
- 4.2 Mr Man then gave an update on the three Capital Ambition Board funded Behavioural Insights projects which were improving decision making in children's social care, improving communications in the area of prevention and early help, and increasing MMR immunisation rates.
- 4.3 He said that, in terms of London Venture activities there was a very successful Dragon's Den session that provided an opportunity for CAB members and advisors to review and shortlist the concepts being developed through the children and families targeted ventures process. This was followed by a challenge panel session involving public sector representatives, charities and investors/innovators, where the shortlisted ideas were discussed and refined. The targeted ventures young persons' challenge panel gave an opportunity for a group of 16-18-year-olds to consider and provide feedback on the long list of ideas developed through the children and families work.
- 4.3 Mr Man said that the terms of the addendum to vary the data protection clause set out in the main consultancy contract with EY for London Ventures to take into account GDPR, and the new Data Protection Act 2018, were due to be imminently agreed between London Councils and EY in consultation with London Councils' Legal Advisors.
- 4.4 Mr Man also updated members on the Homelessness, Temporary accommodation and Housing cycle of targeted ventures:
- Property listing platform (Capital Letters): London Ventures contributed to developing the IT specification for this project, and the award of the IT contract is due by the end of February with a formal launch of Capital Letters in March 2019.
  - PLACE: the award of the contract for the design and manufacture of the modular units will be announced by March 2019. Several potential sites have been identified.

The Chair requested that an update on the sites be provided at the next meeting in May 2019.

- 4.5 EY said that over a third of boroughs were now engaged with the children and families targeted ventures work, and that six outline business cases will be brought to the Capital Ambition Board for approval at the May meeting.
- 4.6 Members said that they were aware that the boroughs which had already invested a considerable amount of time and money into recruiting foster carers or providing temporary accommodation, might have some reservations about signing up to those targeted ventures.

## **5. London Ventures commercial deals approval using the delegation of functions procedure**

- 5.1 Mr Man introduced this report, which asks members to approve the delegation of the approval of commercial deals which are currently being negotiated to the Director of Local Government Performance and Finance, in consultation with the Chair and Vice Chair of the Capital Ambition Board. This was because the next commercial deal cycle is due to start in

April 2019, which was in between CAB meeting dates, and the delegation of powers would allow potential new commercial deal arrangements to be in place for the start of the 2019/20 financial year.

- 5.2 Members asked that the process be slightly amended so that all CAB members were consulted as part of the process who could set out any concerns or challenges regarding the commercial deals.
- 5.3 EY said that currently there were 16 partners in portfolio and that commercial negotiations were taking place with 10 of those partners. They added that although deals were based on 17-month long relationships (finishing in August 2020), the contracts have break clauses built in, in case the programme was terminated early.

## **6. Any Other Business**

- 6.1 The Chair announced that Chess Dennis (Manager, Local Public Services, EY) would shortly be going on maternity leave. Members thanked Ms Dennis for all her work on London Ventures.

**Members resolved to exclude the press and public from the meeting for the exempt part of the meeting.**

The meeting finished at 11.00

# Capital Ambition Board

## Director's report and London Ventures progress update

Item no: 4

<b>Report by:</b>	Thomas Man	<b>Job title:</b>	Head of Capital Ambition
<b>Date:</b>	15 May 2019		
<b>Contact Officer:</b>	Guy Ware		
<b>Telephone:</b>	020 7934 9675	<b>Email:</b>	<a href="mailto:guy.ware@londoncouncils.gov.uk">guy.ware@londoncouncils.gov.uk</a>

**Summary** This report and the accompanying appendices provide a summary of Capital Ambition funded activity, including the London Ventures programme, since February 2019.

**Recommendation** The Board is recommended to note the contents of the report.



# Director's report and London Ventures progress update

## Capital Ambition Financial Position

1. The current financial position is set out in Appendix A. At 30 April 2019 there is a potential unallocated balance of £150,711 by end of 2020/21<sup>1</sup>. This balance is composed of the original grant fund from MHCLG, income from the London Ventures sustainability fund, London Councils' programme office costs and projected commitments and £108,319 of London Ventures income.
2. The London Ventures programme is designed to derive income, to be reinvested in innovation. Income that has been received by London Councils from London Ventures partners is set out in the sustainability fund. Invoices for 2018/19 quarter 4 have been raised with a total value of £10,542 but these are not reflected in the table. No income projections are included in the calculations provided at this stage.
3. Members should also note that this report does not take into account any future award of a London Ventures contract to run from August 2019 to August 2020 and which is the subject of a separate report. On the basis that London Councils is able to make an award, it is likely that the majority, if not all, of the uncommitted balance will be utilised to support the funding of the new contract.
4. Appendix B contains an overall summary of the status of Capital Ambition funded activity.

## Update on Behavioural Insights projects

5. CAB approved three projects at its July 2017 meeting. They were designed to test the application of behavioural science in the following areas. These are referred to as phase 2 behavioural insights projects as stated in Appendix B:
  - a. Improving decision making in children's social care;
  - b. Improving communications around prevention and early help, including messaging around foster care recruitment; and
  - c. Improving immunisation rates of MMR.

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<sup>1</sup> The figures in appendix A are subject to year end financial processes and adjustments.



6. The delays and complications regarding the delivery of the Behavioural Insights work have been documented in previous updates however the problems have largely stemmed from data access/quality problems as well as collaborating with other public sector bodies. Nevertheless following discussions with BIT it was agreed that the trials should be completed within the current calendar year. The plan is to complete all the trials and undertake a dissemination plan within the year as well as presenting to CAB the outcomes of the trials later in the year.

### **London Ventures progress update**

7. The London Ventures work programme is agreed by the operational team at regular intervals. London Councils is finalising the latest statement of works which will cover the period to the end of the current contract (August 2019).
8. Since the last Board meeting in February 2019, both London Councils officers and EY staff have continued to promote both the innovation offer of the general ventures programme and take forward the targeted ventures on children and families with London local government and other public sector, private and third sector stakeholders.
9. A detailed update on the commercial deal negotiations for existing and new general ventures partners has been included within the exempt agenda. However officers are pleased to confirm that the following new organisations have been accepted onto the London Ventures programme:
  - a. Autonomie - helps Local Authorities measure the progress of people with Learning Disabilities to improve decision making and deliver better outcomes through the use of apps to support their independence.
  - b. EveryLIFE – provides Local Authorities with access to real time information and intelligence about the delivery of social care to enable councils to commission more effectively and improve outcomes for its service users.
  - c. Pythagoras – supports Local Authorities to transform their digital transformation strategies through the Microsoft platform.
10. The following partners will be continuing their venture partner relationship with London Ventures:

- a. Xantura - a provider of data sharing and advanced analytics to the public sector. The solutions are designed to help professionals make more timely, better informed decisions with less administrative effort.
  - b. FISCAL Technologies – a technology provider that can reduce the incidence of errors and incorrect invoice payments.
  - c. Oxygen Finance – an early payment provider that can create an income stream for Local Authorities while also improving the sustainability and cash flow of small businesses.
  - d. Cornerstone – supports local authorities to improve their fostering and adoption services through the use of virtual reality experiences and a programme to support home adaptations and increase capacity for foster carers.
11. For the children and families targeted ventures work London Councils' officers and EY staff have been developing the outline business cases (OBCs) for the ideas developed through the innovation process. These ideas are presented to CAB for approval as part of the exempt agenda.
12. For the homelessness, temporary accommodation and housing cycle of targeted ventures there is the following update:
- a. PLACE – the contract for the design and manufacture of the units was awarded to Extraspace. Tower Hamlets, Lambeth, Ealing and Redbridge have joined the company with numerous other boroughs active and involved in the project. Recruitment is currently open for a development manager
  - b. Property Listing Platform – the specification developed with London Ventures is now being built by IT provider Panlogic. The platform is on track to go live in June when Capital Letters, now a company with thirteen borough members, starts its procurement.
  - c. Transition Insurance – Southwark have been successful in their application to the PRS Access fund on behalf of a number of boroughs.
  - d. Predictive analytics – On hold at London Borough of Southwark.

A summary of key London Ventures activity is included in Appendix C.

13. The terms of the Addendum to vary the data protection clause set out in the main consultancy contract with EY for London Ventures to take into account GDPR, and the new Data Protection Act 2018 have been agreed, and the engrossments are currently

awaited from EY for sign off. Once the GDPR Addendum has finally been signed off by the respective parties, then the current Exit Plan must be updated to take account of the GDPR Addendum. The Exit Plan should be regularly review in any event by the parties.

### **Financial implications for London Councils**

14. The Director of Corporate Resources reports that appendix A summarises the projected Capital Ambition fund balance at the end of the 2020/21 financial year not withstanding any new contractual commitments or forecast income from the London Ventures programme. Taking the current total spend and commitments from 2019/20 to 2020/21 the forecast costs of £496,910 reduces the Capital Ambition fund to a closing uncommitted balance of £150,711 by March 2021, which includes £108,319 from the London Ventures Sustainability Fund.
15. Members should note that this forecast does not take into account any potential award of a new contract for the London Ventures programme, nor any extension of the London Councils resource beyond August 2020. As stated within the body of the report, the award of a new contract is likely to fully utilise the uncommitted balance and any increases to the sustainability fund. Provision has been made within the contract to ensure that the resources allocated to a new contract can be scaled to the available financial resources.
16. The remaining funds of £86,169 for the London Ventures phase 2 contract reflects the fact that the current contract is due to expire in August 2019. To date a total of £819,981 has been spent on the contract representing 90% of the total contract sum of £906,150.
17. Since the last report to CAB in February 2019 there has been an increase in the invoiced income for the programme. This now totals £108,319 an increase of £18,290. While the ambitious income targets have not been achieved, the procurement of a new contract for the London Ventures programme presents an opportunity for the programme to identity an opportunity to achieve financial sustainability through the use of alternative funding options.

### **Legal implications for London Councils**

18. There are none

**Equalities implications for London Councils**

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

**Recommendation**

20. The Board is recommended to note the contents of this report.

<b>Capital Ambition - Funding Position as at 30 April 2019</b>						Item 4 - Appendix A
	Programme Office	LV Phase 2 Contract	LV Seed Fund	LV Sustainability Fund	Total	
<b>Opening Balance 01 April 2019</b>	See note 3 & 4 <b>-453,133</b>	<b>-86,169</b>	See note 1 <b>0</b>	See note 2 <b>-108,319</b>	<b>-647,621</b>	
London Ventures in year income 2019/20				0	0	
<b>Total Funds</b>	<b>-453,133</b>	<b>-86,169</b>	<b>0</b>	<b>-108,319</b>	<b>-647,621</b>	
Staff costs and operational budget 2019/20	244,866	86,169			331,035	
Project Spend	99,875		0		99,875	
Seed Fund - proposals committed 2019/20	0				0	
<b>Subtotal spend and commitments 2019/20</b>	<b>344,741</b>	<b>86,169</b>	<b>0</b>	<b>0</b>	<b>430,910</b>	
<b>Indicative Closing Fund Balance 2019/20</b>	<b>-108,392</b>	<b>0</b>	<b>0</b>	<b>-108,319</b>	<b>-216,711</b>	
Indicative Staff costs and operational budget 2020/21	66,000	0			66,000	
Project Commitments	0				0	
Seed Fund - Commitments 2020/21	0				0	
<b>Subtotal spend and commitments 2020/21</b>	<b>66,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>66,000</b>	
<b>Total spend and commitments 2019/20 to 2020/21</b>	<b>410,741</b>	<b>86,169</b>	<b>0</b>	<b>0</b>	<b>496,910</b>	
<b>Uncommitted/ unallocated Balance March 2021</b>	<b>-42,392</b>	<b>0</b>	<b>0</b>	<b>-108,319</b>	<b>-150,711</b>	

#### Notes

1. London Ventures Seed Fund - CAB allocated seed funding October 2017. Please note that as CAB no longer have any seed funding this column will be deleted for the next Director's report.
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. Staffing cost has been allocated from April 2020 - August 2020 in anticipation of one additional year of the London Venures programme.

## 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
London Ventures - Phase 2*	EY	ACTIVE	£906,150	£779,774	£126,376	22 August 2019
Behavioural Insights Work - Phase 1	LB Croydon	ACTIVE	£120,000	£67,737	£52,263	31 December 2019
Behavioural Insights - Phase 2: Immunisations	LB Croydon	ACTIVE	£59,242	£0	£59,242	31 December 2019
Behavioural Insights - Phase 2: Children's social care	RB Kensington and Chelsea	ACTIVE	£140,199	£0	£140,199	31 December 2019
Health and Social Care - Phase 2	London Councils	ACTIVE	£150,000	£0	£150,000	TBC

\* Total approval was originally £1,000,000 - as EY allocated £93,850 from the contract maximum to seed funding possible pilot projects - the total reflects this - such that the maximum value EY can claim is £906,150

# London Ventures: Progress Update (February – May 2019)

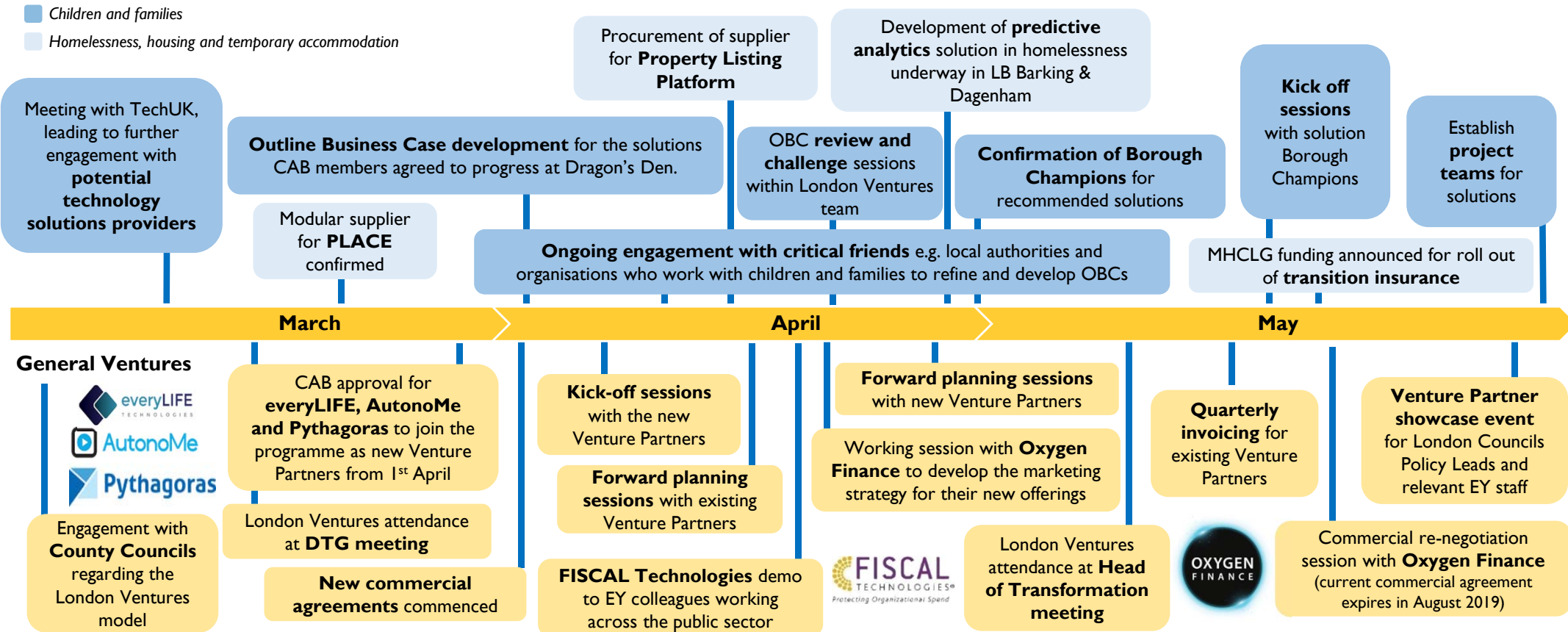
## Progress on both targeted and general ventures

Since February 2019, we have progressed both our targeted and general ventures activities through consistent engagement with the public, private and third sectors. The programme has also been recognised as 'Project of the Year' across the national consulting industry by the Management Consultancies Association. For our targeted focus on supporting vulnerable children and families, we have developed Outline Business Cases for the six solutions previously shortlisted by CAB for progression and sponsorship from London Ventures, with ongoing engagement with critical friends over this period. The key focus for general ventures has been on continuing to promote our existing partners across London local government, alongside onboarding the new partners to the programme.

### Targeted Ventures

Children and families

Homelessness, housing and temporary accommodation



innovation through collaboration

This report is intended for the sole use of London Councils. EY and London Councils shall have no responsibility whatsoever to any third party in respect of the contents of this report. It should not be provided to any third party without EY or London Councils prior written consent.

# London Ventures: Next Steps (June – August 2019)

## Our focus

Over the next three months, London Ventures will remain focused on driving innovation and transformative change across London local government. For targeted focus on children and families, this includes our transition into the project development phase by working closely with Borough Champions to define the projects and identify funding sources. For general ventures, this will include engaging and re-engaging with boroughs and pan-London professional networks about both our new and existing partners, in addition to developing commercial agreements with partners that will continue with / join the programme from August 2019.

