



London Borough of Hammersmith & Fulham

# Cabinet

## Agenda

**MONDAY**  
**14 JULY 2014**  
**7.00 pm**

**COURTYARD ROOM**  
**HAMMERSMITH**  
**TOWN HALL**  
**KING STREET**  
**LONDON W6 9JU**

### Membership

Councillor Stephen Cowan, Leader of the Council  
Councillor Michael Cartwright, Deputy Leader  
Councillor Wesley Harcourt, Cabinet Member for Environment,  
Transport & Residents Services  
Councillor Lisa Homan, Cabinet Member for Housing  
Councillor Vivienne Lukey, Cabinet Member for Health and Adult  
Social Care  
Councillor Sue Macmillan, Cabinet Member for Children and Education  
Councillor Max Schmid, Cabinet Member for Finance  
Councillor Andrew Jones, Cabinet Member for Economic Development  
and Regeneration  
Councillor Sue Fennimore, Cabinet Member for Social Inclusion

**Date Issued**  
**04 July 2014**

If you require further information relating to this agenda please contact:  
David Viles, Committee Co-ordinator, Governance and Scrutiny, tel:  
020 8753 2063 or email: [David.Viles@lbhf.gov.uk](mailto:David.Viles@lbhf.gov.uk)

Reports on the open Cabinet agenda are available on the Council's  
website: [http://www.lbhf.gov.uk/Directory/Council\\_and\\_Democracy](http://www.lbhf.gov.uk/Directory/Council_and_Democracy)

### PUBLIC NOTICE

The Cabinet hereby gives notice of its intention to hold part of this meeting in private to consider items 11-15 which are exempt under paragraph 3 of Schedule 12A to the Local Government Act 1972, in that they relate to the financial or business affairs of any particular person, including the authority holding the information.

The Cabinet has received no representations as to why the relevant part of the meeting should not be held in private.

**Members of the Public are welcome to attend.**  
**A loop system for hearing impairment is provided, together with disabled access to the building**

### DEPUTATIONS

Members of the public may submit a request for a deputation to the Cabinet on non-exempt item numbers **4-9** on this agenda using the Council's Deputation Request Form. The completed Form, to be sent to David Viles at the above address, must be signed by at least ten registered electors of the Borough and will be subject to the Council's procedures on the receipt of deputations. **Deadline for receipt of deputation requests: Wednesday 9 July 2014.**

### COUNCILLORS' CALL-IN TO SCRUTINY COMMITTEES

A decision list regarding items on this agenda will be published by **Wednesday 16 July 2014**. Items on the agenda may be called in to the relevant Accountability Committee.

The deadline for receipt of call-in requests is: **Monday 21 July at 3.00pm**. Decisions not called in by this date will then be deemed approved and may be implemented.

A confirmed decision list will be published after 3:00pm on **Monday 21 July 2014**.

# Cabinet Agenda

14 July 2014

<u>Item</u>		<u>Pages</u>
1.	<b>MINUTES OF THE CABINET MEETING HELD ON 23 JUNE 2014</b>	1 - 4
2.	<b>APOLOGIES FOR ABSENCE</b>	
3.	<b>DECLARATION OF INTERESTS</b>	
	<p>If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.</p> <p>Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.</p> <p>Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit, Pensions and Standards Committee.</p>	
4.	<b>MAINTAINING COMPLIANCE WITH PUBLIC SERVICES NETWORK CODE OF CONNECTION</b>	5 - 12
5.	<b>POSTAL SERVICES CONTRACT WITH ROYAL MAIL</b>	13 - 19
6.	<b>INFORMATION, ADVICE AND GUIDANCE SERVICES FOR YOUNG PEOPLE - COMMISSIONING STRATEGY</b>	20 - 35

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| <b>7.</b> | <b>3RD SECTOR INVESTMENT FUND ALLOCATION REPORT</b>   | <b>36 - 42</b> |
| <b>8.</b> | <b>FUTURE OF COVERDALE ROAD RESIDENTIAL CARE HOME</b> | <b>43 - 53</b> |
| <b>9.</b> | <b>EXCLUSION OF PRESS AND PUBLIC</b>                  |                |

The Cabinet is invited to resolve, under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

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|------------|---|--|
| <b>10.</b> | <b>MAINTAINING COMPLIANCE WITH PUBLIC SERVICES NETWORK CODE OF CONNECTION : EXEMPT ASPECTS (E)</b>              |  |
| <b>11.</b> | <b>POSTAL SERVICES CONTRACT WITH ROYAL MAIL : EXEMPT ASPECTS (E)</b>  |  |
| <b>12.</b> | <b>INFORMATION, ADVICE AND GUIDANCE SERVICES FOR YOUNG PEOPLE - COMMISSIONING STRATEGY : EXEMPT ASPECTS (E)</b> |  |
| <b>13.</b> | <b>FUTURE OF COVERDALE ROAD RESIDENTIAL CARE HOME : EXEMPT ASPECTS (E)</b>                                      |  |

London Borough of Hammersmith & Fulham



# Cabinet

## Minutes

Monday 23 June 2014

### **PRESENT**

Councillor Stephen Cowan, Leader of the Council  
Councillor Michael Cartwright, Deputy Leader  
Councillor Wesley Harcourt, Cabinet Member for Environment, Transport & Residents Services  
Councillor Lisa Homan, Cabinet Member for Housing  
Councillor Vivienne Lukey, Cabinet Member for Health and Adult Social Care  
Councillor Sue Macmillan, Cabinet Member for Children and Education  
Councillor Max Schmid, Cabinet Member for Finance  
Councillor Andrew Jones, Cabinet Member for Economic Development and Regeneration  
Councillor Sue Fennimore, Cabinet Member for Social Inclusion

### **ALSO PRESENT**

Councillor Marcus Ginn  
Councillor Steve Hamilton  
Councillor Lucy Ivimy

#### **1. MINUTES OF THE CABINET MEETING HELD ON 28 APRIL 2014**

That the minutes of the meeting of the Cabinet held on 28 April 2014 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

#### **2. APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

#### **3. DECLARATION OF INTERESTS**

There were no declarations of interest.

#### **4. REVIEW OF THE HOUSING STRATEGY**

Cabinet received a report requesting it to confirm that it is a policy of the Council to increase the supply of affordable rented housing and low cost home ownership opportunities in the borough. It was noted that this priority would be incorporated as an amendment to the existing Housing Strategy with immediate effect. The Economic Regeneration, Housing and the Arts Policy and Accountability Committee was invited to commence the process of reviewing and proposing amendments to the Housing Strategy to reflect this and other new housing priorities. In response to a question regarding whether the change in policy would form part of the Housing Strategy, it was noted that any changes recommended by the PACs to the existing policy would be considered by Cabinet.

#### **RESOLVED:**

That with immediate effect the priority to provide more affordable rented housing and low cost home ownership opportunities in the borough, be approved.

That the Economic Regeneration, Housing and the Arts Policy and Accountability Committee be invited to begin the process of reviewing and proposing amendments to the Council's Housing Strategy to reflect the priority for additional affordable rented housing and low cost home ownership opportunities and other changes in housing policy.

That pending the review and amendment of the Housing Strategy, the existing Housing Strategy is to be read together with the recommendations of this report, and that taken together they comprise the Council's Housing Strategy until further amended or replaced.

#### **Reason for decision:**

As set out in the report.

#### **Alternative options considered and rejected:**

As outlined in the report.

#### **Record of any conflict of interest:**

None.

#### **Note of dispensation in respect of any declared conflict of interest:**

None.

**5. REVIEW OF DECISION TO DISCONTINUE SULIVAN PRIMARY SCHOOL AND ENLARGE NEW KING'S PRIMARY SCHOOL**

Cabinet acknowledged the receipt of two letters from New Kings and Sullivan Schools in response to the consultation on the Council's intention to delay implementation and publish revocation proposals. Officers noted that New King's had responded that it understood why the Council needs to delay implementation but it does not support the publication of the revocation proposals. Sullivan School's letter supported both the delay and the publication of revocation proposals. Cabinet was asked to note that section 4.5 paragraph iii of the report which related to Parayhouse was printed in error. This paragraph was to be deleted.

Councillor Ivimy noted that the explanation given for the anticipated rise in population would imply that the Council was willing to exceed the recommended density range. Officers noted that the original supplementary planning document had provision for 4000 units; however 4900 units had already been approved. In addition, a switch in policy towards more affordable housing would result in a higher child yield. The Leader also noted that the Council will tackle the perennial problem of overseas investors leaving homes empty, depriving local people of accommodation. Therefore, more school places will be required. The Children and Education Services Policy and Accountability Committee was requested to review the Schools Organisation Strategy in light of these changes.

**RESOLVED:**

- 1.1. That, in the light of the anticipated increase of affordable rented housing within the South Fulham area in future years, Cabinet agrees to:
  - i) Publish proposals to revoke the decision of 10 February 2014, which was to discontinue Sullivan Primary School and enlarge New King's Primary School with effect from 1 September 2014, subject to planning permissions being granted for both the interim accommodation at the Sullivan site and the proposed extension and remodelling of the New King's Primary School buildings, and the making of an agreement under section 1 of the Academies Act 2010 for the establishment of a New King's Primary School as an academy,
  - ii) Modify the current proposals to discontinue Sullivan Primary School and enlarge New King's Primary School by delaying implementation of the proposals to 1 September 2015. This recommendation arises because the 10 February 2014 decision otherwise has to be implemented by the start of the 2014/15 academic year. There will be insufficient time before September 2014 to publish the revocation proposals and consider them after the statutory objection and comment period.
  - iii) Establish a provision of £200,000 to fund a programme of capital works at Sullivan Primary School

1.2 That a further report be submitted in September 2014 summarising any comments or objections received during the six-week statutory period of publication of the revocation proposals and that Cabinet decides whether to revoke the original proposals or not (statutory provisions mean that the only basis on which it can take that decision is if it believes that circumstances have so altered since approval was given on 10 February 2014 that implementation of the proposals would be inappropriate).

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.


**6. KEY DECISIONS LIST**

The Key Decisions List was noted.

Meeting started: 7.00 pm  
Meeting ended: 7.15 pm

Chairman .....



	<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>CABINET</b></p> <p style="text-align: center;"><b>14 JULY 2014</b></p>
<p><b>MAINTAINING COMPLIANCE WITH PUBLIC SERVICES NETWORK CODE OF CONNECTION</b></p>	
<p><b>Report of the Cabinet Member for Finance – Councillor Max Schmid</b></p>	
<p><b>Open Report</b></p> <p>A separate report on the exempt Cabinet agenda presents exempt correspondence relating to this matter.</p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Wards Affected: All</b></p>	
<p><b>Accountable Executive Director:</b> Jane West, Executive Director of Finance and Corporate Governance</p>	
<p><b>Report Author:</b> Howell Huws, Head of Business Technology</p>	<p><b>Contact Details:</b>          Tel: 020 8753 5025          E-mail: Howell.Huws@lbhf.gov.uk</p>

## 1. EXECUTIVE SUMMARY

- 1.1. The Public Services Network (PSN) is a UK Government Wide Area Network, whose main purpose is to enable connected organisations, including local authorities and central government, to communicate electronically and securely at low protective marking levels. H&F make use of the PSN to access a range of applications to carry out its business, including paying housing benefits and issuing parking tickets.
- 1.2. H&F needs to maintain compliance with the PSN code of connection (CoCo) to secure continued access to the PSN. Without this access, the Council could not carry out these vital business functions.
- 1.3. The PSN Authority (PSNA) issued new CoCo requirements for unmanaged user devices (see Appendix 1) and has moved from reasonable controls to a zero-tolerance approach. An unmanaged user device is any device not provided, configured and maintained by the Council. The most typical example of an unmanaged user device is a

home PC used to provide remote access to the Council network from home.

- 1.4. The PSNA's new requirements oblige H&F to physically separate IT services accessed from unmanaged user devices into PSN and non-PSN services. This paper sets out how H&F can maintain compliance with the PSN Code of Connection.

## **2. RECOMMENDATIONS**

- 2.1. That officers seek to agree a risk-tolerant approach with PSNA.
- 2.2. That in the event that it is not possible to agree this risk-tolerant approach, approval be given to implement the fully PSN compliant solution for H&F remote access at a project cost of £147,991 and additional revenue costs per year of £49,457, making a total cost of £395,276 over five years.

## **3. REASONS FOR DECISION**

- 3.1. H&F need to maintain compliance with the PSN code of connection to secure continued access to the public sector network for a range of applications to carry out its business.

## **4. INTRODUCTION AND BACKGROUND**

- 4.1. The PSN is a UK Government Wide Area Network, whose main purpose is to enable connected organisations, including local authorities and central government, to communicate electronically and securely at low protective marking levels. H&F make use of the PSN to access a range of applications to carry out its business, including paying housing benefits and issuing parking tickets. In paying housing benefit, for example, the Council makes use of systems provided by the Department for Work and Pensions (DWP).
- 4.2. The PSN CoCo provides a minimum set of security standards that organisations must adhere to when joining the PSN. H&F needs to maintain compliance with the PSN CoCo to secure continued access to the PSN.
- 4.3. The PSN CoCo is intended to maintain security of PSN Data, which is any data sent over the PSN as a bearer. So DWP-owned data sent over the PSN as a bearer (as is the case when H&F staff use DWP systems in order to pay housing benefits) remains DWP data and the recipient must comply with any data handling requirements imposed by DWP.
- 4.4. The PSN was preceded by the Government Secure extranet (GCSX). H&F were compliant with the GCSX CoCo. However, in August 2013 the PSNA issued new requirements to the connected organisations for connection via unmanaged user devices (see Appendix 1). Unmanaged user devices

are those which are not under the control of the organisation and are used for remote access to the IT systems of the organisation. The Council makes extensive use of unmanaged user devices for remote access to the IT systems, with 2,000 staff able to work this way, and 300 staff making use on a typical day.

- 4.5. This change was accompanied with a change in emphasis from the previous acceptance from GCSX for reasonable controls implemented by the organisations to a zero-tolerance approach. H&F and many other Councils have made representations to the Cabinet Office about the additional burdens that this approach brings.
- 4.6. The new PSNA requirements oblige H&F to physically separate services into PSN and non-PSN services. This paper sets out how H&F can maintain compliance with the PSN Code of Connection by implementing a solution compliant with PSNA's requirements specified in CESG/PSNA document "AP7 - Transitioning to PSN: Managing the Risk from Unmanaged End User Devices".

## **5. PROPOSAL AND ISSUES**

- 5.1. Hammersmith & Fulham Bridge Partnership (HFBP) provide the Council's ICT services, while Colt provide the Council's virtual desktop solution, including the remote access solution. To achieve the required physical separation of services into PSN and non-PSN services, HFBP propose working with Colt to provide additional infrastructure for a separate remote access solution to support connection of up to 400 concurrent users from unmanaged devices. HFBP will configure this solution to restrict these users to access non-PSN services only.
- 5.2. In addition, HFBP will implement a separate solution using certificates to identify corporately managed devices and enable these to use the existing remote access solution with access to both PSN and non-PSN services.
- 5.3. GCSX secure e-mail is used for communication with government partners. This e-mail service is provided through PSN and therefore also needs to be secured. HFBP will therefore also build new exchange and fileshare servers and move GCSx mailboxes and fileshares onto these servers. Only remote sessions from corporately managed devices will be able to access these GCSX mailboxes and fileshares.
- 5.4. The costs for this work are as follows:

<b>Cost element</b>	<b>Cost £</b>
HFBP Project Management	21,720
HFBP Technical Services	95,025
Colt Installation Costs	31,246
<b>Implementation costs</b>	<b>147,991</b>
HFBP support charges	13,575
HFBP charges for Shared Server – Infrastructure	25,870
Colt – annual charges for firewall pair	4,213
Colt – annual charges for separate non-PSN connection	1,467
<b>Annual costs</b>	<b>45,125</b>

5.5. This creates the potential for compliance. However, additional costs may arise in enabling staff to continue to operate efficiently, if they are currently using their own devices to work remotely. Three main categories of PSN usage in H&F have been considered:

- Use for access to Department for Work and Pensions (DWP) systems to enable housing benefits claims to be paid;
- Use for access to Driver and Vehicle Licensing Agency (DVLA) systems to enable parking control notices (PCNs) to be issued;
- Use for GCSX e-mail for secure communications with other public sector bodies.

<b>Usage</b>	<b>Impact</b>	<b>Cost £ pa</b>
DWP systems	Existing DWP constraints mean that users are already issued with Council laptops when working remotely.	0
DVLA systems	12 additional Council-owned laptops would be required to enable secure remote access to PSN systems.	4,332
GCSX e-mail	Less than 100 staff make use of GCSX e-mail, and it is assumed that these can arrange their work such that they only access GCSX e-mail when in the office. No additional laptops are therefore required.	0
<b>Total additional costs for laptops pa</b>		<b>4,332</b>

5.6. The total additional costs per year are therefore £49,457, as follows:

<b>Cost element</b>	<b>Cost £</b>
Annual costs for PSN compliant solution	45,125
Annual costs for additional laptops required	4,332
<b>Total additional costs per year</b>	<b>49,457</b>

5.7. These additional costs per year will be required as long as the PSN regime requires this implementation to assure separation of PSN and non-PSN data. The continuously changing requirements of PSN inevitably brings uncertainty around the costs of maintaining compliance. In addition, this requirement may be affected by future developments in the Tri-Borough ICT architecture, particularly with regard to desktops and networks.

## 6. OPTIONS AND ANALYSIS OF OPTIONS

6.1. Three options were considered.

1. Cease compliance with PSN
2. Issue all staff requiring remote access with corporate laptops
3. Negotiate a risk-tolerant approach with PSN
4. Implement a PSN compliant solution

6.2. The pros and cons of each are listed below.

Option	Pros	Cons
1 – Cease compliance with PSN	Minimal cost	Inability to carry out core Council business including benefits payments and parking control notices
2 – Issue all staff requiring remote access with corporate laptops	Minimum disruption to ways of working	Additional <b>annual</b> cost estimated at £360,000 due to requirement to issue staff with Smart Laptops
3 - Negotiate a risk-tolerant approach with PSN	Minimal cost	Failure to agree approach would result in having to adopt a different option, possibly with less time and therefore greater risk of failing to achieve the deadline of April 2015.
4 – Implement a PSN compliant solution	Continue with current operating model enabling optimal use of buildings	Project costs of £147k, plus additional annual costs of £50k Minor disruption to ways of working for staff using GCSx

6.3. Option 3 offers the best balance of enabling current operating model to continue while keeping costs to the minimum. Informal discussions have suggested the Cabinet Office are wanting to be more balanced in their approach and have now encouraged the PSNA to review their position on unmanaged devices, particularly for virtual desktops such as those used by H&F. This is partly in response to representations made by local government regarding the burden imposed by the central government position (see Appendix 2).

6.4. However, the current extent of this tolerance has yet to be tested. If the PSNA are willing to accept the very low levels of risk associated with unmanaged user devices when used with virtual desktops, this may afford an opportunity to avoid the additional expense, and will be discussed as part of the next compliance audit, due in August 2014.

6.5. H&F will continue to make representations to the Cabinet Office that compliance with PSN is not compromised by the use of unmanaged user devices used with virtual desktops in order to avoid the expense if

possible. In doing so, it will seek to work with other Local Authorities in a similar position, such as Lambeth, Ealing and Camden.

- 6.6. If the indications are that PSNA are unwilling to agree this risk-tolerant approach, Option 4 offers the next best balance of enabling current operating model to continue while keeping costs to the minimum. Option 4 will take six months to implement, and therefore a decision must be taken in early September to enable this to complete in time.
- 6.7. It is therefore recommended that we seek to agree a risk-tolerant approach with PSNA, with the option to implement the fully PSN compliant solution if this risk-tolerant approach cannot be agreed.

## **7. CONSULTATION**

- 7.1. Local departmental IT strategy groups and the corporate IT Strategy and Operational Group have been consulted in the formation of this report.

## **8. EQUALITY IMPLICATIONS**

- 8.1. There is considered to be little or no impact on equality as a result of the issues in this report.

## **9. LEGAL IMPLICATIONS**

- 9.1. There are no direct legal implications. The works will be procured through the Council's existing arrangements with H&F Bridge Partnership.
- 9.2. Kevin Beale, Head of Social Care and Litigation Legal Services, tel: 020 8753 2740.

## **10. FINANCIAL AND RESOURCES IMPLICATIONS**

- 10.1. The estimated one-off cost of the proposal is £147,991 and there is an annual commitment of £49,457 for five years. It is proposed that the one-off cost be funded from use of the IT infrastructure fund. The balance of the fund was £2.7m at the close of 2013/14. The annual cost will be met from the IT Enablers budget which has an annual budget provision of £0.8m.
- 10.2. Implications verified/completed by: Andrew Lord, Head of Strategic Planning and Monitoring, Phone : 020 8753 2531

## **11. RISK MANAGEMENT**

- 11.1. Information is an asset rather than a by-product of our services. Information risk management and governance of information is the

responsibility of the Council and the designated Senior Information Risk Officer. The report proposals present the best approach to mitigate the risk at the best cost with the least disruption for unmanaged end-user devices.

- 11.2. The Cabinet Office wrote in their communication of the 6<sup>th</sup> August 2013 that exposing internal Government services to access from unmanaged end-user devices is not compliant with PSN Information Assurance so Local Authorities must ensure that the risk to information received through the PSN is minimised. They added that they are familiar with the balancing act between access, security and cost. However, the business conducted by Local Authorities and the data underpinning those services must be appropriately protected.
- 11.3. The PSN Compliance regime ensures that the appropriate measures are in place. The cross-Government move to the Public Services Network (PSN) requires end-to-end trust to facilitate increased interoperation. This trust model has resulted in an increased focus on the compliance of connected organisations.
- 11.4. Implications completed by: Michael Sloniowski Bi-borough Risk Manager ext. 2587.

**12. PROCUREMENT AND IT STRATEGY IMPLICATIONS**

- 12.1. There are no procurement related issues as the recommendations contained in this report relate to an order to be placed under the contract with H&F’s strategic ICT provider, H&F Bridge Partnership.
- 12.2. Implications verified/completed by: Mark Cottis, e-Procurement Consultant 020 8753 2757.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

**LIST OF APPENDICES:**

**Appendix 1: Changes in PSN Compliance approach**

**Appendix 2 –: Copies of previous correspondence on the issue (exempt)**


## **APPENDIX 1 – CHANGES IN PSN COMPLIANCE APPROACH**

In 2012, the PSN has implemented a zero tolerance approach to compliance. At its core, this is about creating a trust model across PSN. The scope of PSN is substantially different to the old GSi and as such needs genuine trust between connected partners. Although some of the eventual increased sharing benefits may not be immediately available, without creating a network of trust it will not be possible to increase the data sharing opportunity that PSN presents. In order to be able to share sensitive data, it is essential that the central government data owners trust LAs as end points and can share data with confidence across PSN; that end-to-end trust is not always there today because not all end points meet the compliance standard.

Additionally, Data Protection laws require all those connected to PSN to protect the data that Government handles on behalf of citizens. The GSi – and now PSN – compliance requirement is to provide this minimum standard for the appropriate protection of data and assets. All connected organisations are aware of their obligations, however some have not implemented the appropriate controls.

The PSN has not allowed exceptions or mitigations to meeting the core standard. All organisations have known about the compliance requirement, which is a minimum standard, since Compliance was introduced. However, some organisations never reached this minimum standard and have instead been submitting compliance applications with remedial action plans that have not been concluded or have received the same IT Health Check (ITHC) failures year on year without remediation. It is these poor behaviours of the few that resulted in PSNA in taking a hard look at the end-to-end compliance position and having to enforce the compliance position across the whole community.



	<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>14 JULY 2014</b></p>
<p><b>POSTAL SERVICES CONTRACT WITH ROYAL MAIL</b></p>	
<p><b>Report of the Cabinet Member for Finance – Councillor Max Schmid</b></p>	
<p><b>Open Report</b></p> <p>A separate report on the exempt Cabinet agenda provides exempt information relating to the procurement process.</p>	
<p><b>Classification - For Decision</b>  <b>Key Decision- Yes</b></p>	
<p><b>Wards Affected:</b> None</p>	
<p><b>Accountable Executive Director:</b> Jane West</p>	
<p><b>Report Author:</b> Sue Cooper, Service Improvement Manager, The LINK</p>	<p><b>Contact Details:</b>          Tel: 0207 3612110          E-mail:  <a href="mailto:sue.cooper@rbkc.gov.uk">sue.cooper@rbkc.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1 This report seeks approval to enter into a two year contract with Royal Mail to provide mail services relating to the collection and delivery of letters and parcels to the addressee pursuant to Lot 1 of the Government Procurement Services (GPS) RM 782 Postal Services Framework Agreement. This follows a procurement exercise undertaken by London Councils/Capital Ambition with the London Borough of Camden as the lead authority.
- 1.2 Royal Mail currently provides mail services relating to collection and delivery of letters and parcels for LBHF, however, there is no existing contract in place. The Council can take advantage of Royal Mail's business rates based on volumes. By participating in this Framework, based on budget figures for 2013/14, savings of at least 10-12% are achievable for LBHF as follows:

	Current cost 2014	Royal Mail contract cost 2014 (-10%)	Royal Mail contract saving 2014	Projected saving over 2 year contract period
London Borough of Hammersmith & Fulham	£269,000	£242,100	£26,900	£53,800

- 1.2 The borough will be required to sign up to the Framework call off terms and conditions.
- 1.3 There will be no changes to any existing collection and delivery service levels.

## **2. RECOMMENDATION**

- 2.1 That the Council enters into a two year contract with Royal Mail to provide collection and delivery of letters and parcels to the addressee pursuant to Lot 1 of the Government Procurement Services (GPS) RM 782 Postal Services Framework Agreement.

## **3. REASONS FOR DECISION**

- 3.1 Calling off from the Framework Agreement for a period of two years will deliver a 10-12% reduction on postal costs per annum. Based on past years' volumes this is likely to produce Tri-borough savings in the region of £26,900 per annum or £53,800 over the duration of the contract.

## **4. INTRODUCTION AND BACKGROUND**

- 4.1 The deregulation of the postal services market in 2006 combined with developments in service providers' technology has led to significant opportunities to reduce costs in the handling and distribution of postal items.
- 4.2 In 2009/10 Talis Consultancy carried out a review of postal services across London, with 15 London Boroughs taking part. The review was commissioned by London Councils/Capital Ambition. The review established that there was considerable interest among London authorities and the postal services market in a collaborative procurement using the Government Procurement Service (then OGC) Postal Services Framework. The review predicted a 6% – 28% saving on postal costs as a result of such procurement. In May 2011 a London Postal Services Project Board convened, with a view to progress the procurement. Camden was the Lead Authority for the project.

- 4.3 The Project Board decided to invite tenders for Lot 1, "Collection and Delivery to Addressee" of the Framework. Seventeen London authorities were named in the Invitation to Quote (ITQ) and the contract was initially awarded to UK Mail in January 2012 but the offer was subsequently withdrawn in December 2012 as UK Mail wished to change key clauses of the call-off terms and also failed to engage with the negotiation process.
- 4.4 The London Postal Services Board confirmed that a further competition should occur to re-run the ITQ. New mail profiles were requested from participating Councils and new ITQ documentation was prepared in consultation with the participating authorities.
- 4.5 The services provided in Lot 1 involve the Council's external mail. All standard 1<sup>st</sup> class and 2<sup>nd</sup> class letters, large letters and packet services fall within the scope.
- 4.6 Downstream access providers such as UK Mail, TNT etc were included in the tender process but following the subsequent competitive process Royal Mail was the successful bidder and the contract was awarded on 17 May 2013.
- 4.7 Currently 21 London Boroughs are participating in the phased implementation of the Royal Mail Contract of which 14 have entered into formal contractual arrangements.

## **5. PROPOSAL AND ISSUES**

- 5.1 The Council currently utilises various mail products provided by Royal Mail in the despatch of items from the central mailroom.
- 5.2 The main mail product utilised to generate reduced rates by the Council is Business Mail Advanced 1<sup>st</sup> and 2<sup>nd</sup> class. This product requires addresses and full postcodes to be printed in an OCR-readable (Optical Character Recognition) font and must be PAF (Postcode Address File) compatible.
- 5.3 To access the proposed contract, the mailroom will be required to replace their existing frank mark with a PPI (Printed Postage Impression).
- 5.4 The PPI will be sprayed on envelopes utilising the existing franking machine equipment and will have no impact on costs or building users.
- 5.5 The following table provides a snapshot of prices of the main mail products used, 1<sup>st</sup> and 2<sup>nd</sup> class, that make up approximately 50% of the savings achievable; it highlights the number of mail items despatched that are compliant with Business Mail Advanced for the period 1 April 2013 – 31 March 2014; and shows the savings that will be realised by entering the proposed contractual agreement.

Business Mail Advanced product	No: of mail items 2014	Current rate cost per item	Current volume cost	Proposed contract cost per item	Proposed contract volume cost	Proposed contract saving
LBHF 1st class	6366	0.437	£2,782	0.346	£2,203	£579
LBHF 2nd class	98082	0.287	£28,150	0.242	£23,736	£4,414

- 5.6 The following table identifies the remaining expenditure (non Business Mail Advanced) which is classified as Universal Services. The 10-12% reduction extends across the extensive range of Royal Mail products that comprise Universal Service.

Universal Service franked mail products	Current cost 2014	Royal Mail contract cost 2014	Royal Mail contract saving 2014	Projected saving over 2 year contract period
London Borough of Hammersmith & Fulham	£219,000	£197,100	£21,900	£43,800

## 6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1 **Option 1** - Do nothing and continue to utilise the existing Royal Mail rate card for universal postal services and pricing structure and do not generate any savings.
- 6.2 **Option 2** - Enter into a two-year contractual agreement with Royal Mail as detailed above thereby generating a 10-12% reduction on postal costs per annum.

## 7. CONSULTATION

- 7.1. No consultation is required.

## 8. EQUALITY IMPLICATIONS

- 8.1. There are no equality implications.

## **9. LEGAL IMPLICATIONS**

9.1 The Bi Borough Director of Law has been consulted and comments that the Postal Services Framework is described by the Crown Commercial Service, (CCS), as providing public sector bodies with easy access to all their postal requirements. For the purposes of the procurement exercise carried out by the CCS, postal services were divided into 14 lots. Royal Mail is one of a number of suppliers on the Framework. The framework commenced on the 10th of August 2010 and was let for a period of 4 years. The Agreement will expire in August 2014; however, authorities are able to call off under it for two years beyond the expiry date, meaning that the agreement can run to August 2016. Prior to entering into a contract with a supplier, authorities are required run a competitive exercise and the report explains the process carried out in that regard. Should the recommendation be approved, the Council will enter into a contract with Royal Mail, pursuant to the formalities required by the Council's Standing Orders.

9.1 Implications verified/completed by: Dian West, Locum Solicitor (Contracts) Bi-Borough Contracts and Employment Team 0208 753 2335.

## **10. FINANCIAL AND RESOURCES IMPLICATIONS**

10.1 The Head of Finance (London Borough of Hammersmith & Fulham) has been consulted and concurs with the financial implications set out in this report and the potential savings as set out in Paragraph 1.2. The mail service is managed by Amey under the Tri Borough TFM with monthly invoices sent to each borough as a pass through costs therefore the savings of approximately £27,000 will be attributed directly to the Council.

10.2 Implications verified/completed by: Gary Hannaway, Head of Finance, 0208 753 6071

## **11. RISK MANAGEMENT**

11.1 This is not applicable in this case.

## **12. PROCUREMENT AND ( IT STRATEGY) IMPLICATIONS**

12.1 After liaison with the GPS category team, 6 suppliers were invited to quote for Lot 1 on 20 March 2013. Responses were received on 15 April from 3 suppliers. These tender submissions were then evaluated and the award made by the London Borough of Camden after a voluntary contract award standstill ('Alcatel') period on 17 May 2013.

12.2 The process undertaken was conducted in line with the documented procedures required for a further competition exercise under the

Government Procurement Service Framework. A 50:50 price/quality model was used to evaluate the bids and the tender process was run as follows:

Invitation to Quote invited	20/03/13
Closing date for supplier responses	15/04/13
Tender Presentation	18/04/13
Contract award date	17/05/13

12.3 The evaluation team was comprised of officers from participating boroughs as follows:

Procurement Officer, London Borough of Camden  
 Post Room Manager, London Borough of Camden,  
 Information & Communications Manager, London Borough of Enfield  
 Information & Communications Manager, London Borough of Enfield  
 Procurement and Corporate Programmes, London Borough of Islington

12.4 The suppliers were asked to submit five method statements, which were each scored on a 0 – 5 basis with up to 5% awarded at a presentation focusing on implementation. The final panel consensus scores are shown below (please see Confidential Part B Appendix for details of the other bidders). Royal Mail Group was ranked highest and is therefore the preferred supplier.

LOT 1: Collection & Delivery RM782	Proposed Approach for Service Provision	Proposed Implementation Approach / Lead Times:		Mission Statement	Methodology Statement	Proposals for Innovative Solutions	Cost Effectiveness	Total Score
		Method Statement	Presentation					
Weighting (%)	20.00	15.00	5.00	1.00	8.00	1.00	50.00	
Royal Mail Group	100.00	100.00	100.00	100.00	100.00	95.00	100.00	99.95
Bidder 1	70.00	60.00	50.00	75.00	60.00	55.00	97.22	80.21
Bidder 2	75.00	75.00	100.00	90.00	60.00	90.00	98.89	87.29


12.5 Procurement has been consulted and comments that the use of central purchasing bodies' frameworks is a good way of leveraging savings out of combining demand for common goods and services. The public procurement law risk in establishing a framework rests with the contracting authority that concludes it. In this case, that is the GPS (now called Crown Commercial Services). The risk in the call-off contracts rest with the contracting authorities who make them. Provided the contracting authority is eligible to use the framework agreement and the call-off contract is awarded within the terms of the framework, the procurement will have been properly executed.

12.6 Implications verified/completed by: Alan Parry, Bi-borough Procurement Consultant (TTS), Corporate Procurement Team 0208 753 258.1

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	Existing contract	Sue Cooper 0207 361 2110	

# Agenda Item 6

	<b>London Borough of Hammersmith &amp; Fulham</b>  <b>CABINET</b>  <b>14 JULY 2014</b>
<b>INFORMATION, ADVICE AND GUIDANCE SERVICES FOR YOUNG PEOPLE - COMMISSIONING STRATEGY</b>	
<b>Report of the Cabinet Member for Social Inclusion and the Cabinet Member for Children and Education - Councillor Sue Fennimore and Councillor Sue Macmillan</b>	
<b>Open report</b> A separate report on the exempt Cabinet agenda presents details of the pricing strategy for this project.	
<b>Classification:</b> For Decision <b>Key Decision:</b> Yes	
<b>Wards Affected:</b> All	
<b>Accountable Executive Director:</b> Andrew Christie, Tri Borough Executive Director Childrens Services	
<b>Report Author:</b> Tony Young, Commissioning Officer, Young People Tri-Borough Children's Services	<b>Contact Details:</b> Tel: 020 361 2035 E-mail: <a href="mailto:tony.young@rbkc.gov.uk">tony.young@rbkc.gov.uk</a>

## 1. EXECUTIVE SUMMARY

1.1. Following a commissioning strategy submitted to the Tri Borough Children's Services Contracts and Commissioning Board, this report seeks authority to conduct a procurement exercise and subject to approval by the lead Cabinet member for Childrens Services (via delegated authority) to award contracts to:-

- Support the monitoring and tracking of all young people aged 16 – 19
- Support the assessment of children and young people, who are eligible for an Education, Health and Care plan (by providing the specialist knowledge of post 16 options) under the Children and Families Act 2014

in the London Borough of Hammersmith & Fulham and the City of Westminster.



1.2. Tenders will be sought for a single contract for each of the following lots across London Borough of Hammersmith & Fulham and the City of Westminster.

- Lot 1:- Tracking & Surveys - Intended Destinations and activity Surveys (Year 11-Year 13)
- Lot 2:- Careers Information Advice & Guidance Delivery

These services will support the delivery of Statutory Responsibilities to:-

- Monitor and track all young people 16 – 19, as detailed in Section 68 of the Education and Skills Act 2008
- Assess children and young people, who are eligible for an Education, Health and Care plan (by providing the specialist knowledge of post 16 options) The Children and Families Act 2014

1.3. It is recommended that an open market tender process is implemented for contracts to commence from 1 April 2015, and be for a contract length of 3 years with an option to break after two years.

## **2. RECOMMENDATIONS**

2.1. That approval be given for the commissioning of a single contract for each of the following lots across the London Borough of Hammersmith & Fulham and the City of Westminster:

- Lot 1:- Tracking & Surveys - Intended Destinations and activity Surveys (Year 11-Year 13)
- Lot 2:- Careers Information Advice & Guidance Delivery;

both contracts to be 3 years in length, with an option to break after the second year, at a total estimated cost of: Lot 1 proposed budget £480,492 with a contribution to the budget from the London Borough of Hammersmith & Fulham of £240,246; and Lot 2 proposed budget of £640,556 with a contribution to the budget from the London Borough of Hammersmith & Fulham of £384,393.

2.2. That delegated authority be given to the Cabinet Member for Children and Education to approve the award of contracts.

## **3. REASONS FOR DECISION**

3.1 Current contracts are in place until 31 March 2015; these new contracts from 1 April 2015 will support the delivery of Statutory Responsibilities to:-

- Monitor and track all young people 16 – 19, as detailed in Section 68 of the Education and Skills Act 2008

- Assess children and young people, who are eligible for an Education, Health and Care plan (by providing the specialist knowledge of post 16 options) under the Children and Families Act 2014.

#### 4. INTRODUCTION AND BACKGROUND

4.1. There are currently two contracts that deliver Careers Information Advice and Guidance, and Activity / Destination surveys across the London Borough of Hammersmith & Fulham and the City of Westminster. In Hammersmith and Fulham this is delivered by CfBT Educational Trust and Prospects Services Limited in the City of Westminster. These services support young people with learning difficulties and disabilities and deliver / input into the services that execute the Local Authority statutory responsibilities to:

- Arrange for and conduct a Learning Difficulty Assessment (commonly known as S139a assessments) for all young people who have a statement of Special Educational Needs and expect to progress into post 16 education, training or higher education
- The Learning Disabilities Assessment should be learner centred and discuss the wider aspirations of young people, wherever possible to encouraging education and training that will lead to greater independence and where appropriate employment
- For Local Authorities to have input into the reviews of year 9 - year 11 transition plans / statements of special educational need
- Comply with the Education Act 1996, as amended by the Apprenticeships, Skills, Children and Learning Act 2009 and Section 80 of the Education & Skills Act 2008, and the Special Educational Needs and Disability Act 2001 and Regulations

*These responsibilities are changing due to the implementation of the Children and Families Act (2014), requirements of which will be implemented from September 2014*

- To monitor and track all young people 16 – 19, as detailed in Section 68 of the Education and Skills Act 2008
- For young people who have learning difficulties or disabilities the responsibility extends until aged 25

*These responsibilities remain unchanged*

4.2. These Statutory responsibilities are delivered on behalf of the Royal Borough of Kensington and Chelsea by Epic CIC Limited, within their current five year contract that commenced on the 1 January 2014. It is intended that they will continue to deliver the tracking & surveys and support Education Health and Care planning & commissioning, through the existing contract specification. The staff that will support Education Health and Care planning & commissioning will be co-located with the Tri Borough Special Educational Needs team.

- 4.3. The Children and Families Act 2014 takes forward the Coalition Government's commitments to improve services for vulnerable children and support strong families. The Act will reform the systems for adoption, looked after children, family justice and special educational needs. It will encourage growth in the childcare sector, introduce a new system of shared parental leave and ensure children in England have a strong advocate for their rights.
- 4.4. Reform of Special Educational Needs  
The Government is reforming the system for supporting children and young people with special educational needs in England. The Children and Families Act includes measures to:
- require local authorities and local health services to plan and commission education, health and social care services jointly;
  - require local authorities to publish in one place a clear and easy to understand 'local offer' of education, health and social care services to support children and young people with Special Educational Needs and their families;
  - require co-operation between local authorities and a wide range of partners, including schools, academies, colleges, other local authorities and services responsible for providing health and social care;
  - introduce a more streamlined process for assessing the needs of those with more severe and complex needs, integrating education, health and care services and involving children, young people and their parents;
  - replace statements and Learning Difficulty Assessments with a new 0-25 Education, Health and Care Plan, which will co-ordinate the support for children and young people and focus on desired outcomes including, as they get older, preparation for adulthood;
- 4.5. In October 2013, the government published the 'Draft Special Educational Needs Code of Practice for 0-25 years' and requested comments via a formal consultation period, which closed on 9 December 2013. It is expected that the final Code of Practice will be published in summer 2014.
- 4.6. Education, Health and Care Plan  
From 1 September 2014 the provisions in the Children and Families Act 2014, its associated regulations and Code of Practice will be in force. Subject to any transitional arrangements made, from that date the following guidance will cease to have effect:
- Special Educational Needs Code of Practice (2001)
  - Inclusive Schooling (2001)
  - Section 139A Learning Difficulty Assessments Statutory Guidance (2013)
- 4.7. The majority of children and young people with Special Educational Needs will have their needs met within local mainstream early year's providers, schools or colleges. However, the draft Special Educational Needs Code

of Practice states that “a local authority must conduct an assessment of education, health and care needs and prepare an Education, Health and Care plan when it considers that it may be necessary for special educational provision to be made for the child or young person through an Education Health and Care plan”. This is likely to be where the special educational provision required to meet the child or young person’s needs cannot reasonably be provided from within the resources normally available to mainstream early years providers, schools and post 16 institutions. This statutory assessment should not be the first step in the process; rather it should follow on from planning already undertaken with parents and young people in conjunction with an early year’s provider, school, post-16 institution or other provider.

#### 4.8. Preparing for adulthood (transition)

The draft Special Educational Needs Code of Practice states that schools should help pupils to start planning for their future adult life as early as possible, and by Year 9 at the latest. This goes beyond thinking simply about the transition to post-16 education and training. Schools should focus on raising aspirations and supporting pupils to go on to achieve the best possible outcomes in employment, independent living and participating in society. This could include, for example:

- including preparation for adulthood in the planning meetings with pupils and parents at an early stage (and particularly from Year 9)
- Ensuring that career advice and information provides high aspirations and a wide range of options for pupils with Special Educational Needs; and
- Helping pupils and parents understand and explore how the support they receive in school will change as they move into different settings, and what support they are likely to need to achieve their ambitions.

#### 4.9. Schools have specific duties to prepare young people with Education Health and Care Plans for the transition to adulthood. The review of an Education Health and Care Plan in Year 9 should build on previous reviews and existing plans. It must allow time for the commissioning of any necessary provision and support to take place. It should build on action that has already been agreed with the child and should inform decisions about the next stage of education - specifically choices about what GCSEs or other relevant qualifications the child will be studying, the range of post-16 options which may be available and the longer term outcomes that the child wants to achieve in their adult life.

#### 4.10. The role of impartial information, advice and guidance and transparent decision making for children and young people

Schools have a duty to secure independent, impartial careers guidance for pupils in 8-13. Guidance from schools or colleges must include information on the full range of 16-18 education or training options, including further education and Apprenticeships. The Department for Education has issued statutory guidance which includes a clear requirement for schools to

secure access to independent face-to-face support where this is the most suitable support for young people to make successful transitions - particularly children from disadvantaged backgrounds, or those who have Special Educational Needs or are disabled. A practical guide includes further information and models of good practice to help schools meet their requirements under the duty

- 4.11. Delivery model for the new Special Educational Needs requirements  
The Tri-borough Children and Families Act implementation project is led by Andrew Christie, who chairs the Executive Board for this work. The project has four specific work streams that will deliver the implementation of the Act on Tri-borough basis. These four workstreams are as follows:
- Education, Health and Care Planning
  - Development of the Local Offer
  - Personal Budgets
  - Addressing the needs of the 16-25 cohort
- 4.12. For the Local Offer workstream, initial work has been undertaken to scope the variety of service offered by Education, Health and Social Care services across the three boroughs and a consultation with parents, asking their views on the current and future local offer, has been launched. The work on developing an Education Health and Care Plan delivery model that meets the requirements of the Act is currently being finalised, and is due to be piloted June 2014.
- 4.13. The delivery model for the single assessment process and Education Health and Care Plan is currently being developed by the Tri-borough Assistant Director for Special Educational Needs and her team, in partnership with colleagues in Health and Social Care (Family Services). The current model for delivery is for a central Tri-borough Special Educational Needs team, which will lead on the following responsibilities:
- to manage the Education Health and Care process
  - provide the delivery of appropriate Education and Care Assessments
  - Co-ordinate / manage the input to the Education Health and Care plan from our colleagues from
  - health and social care professions
- 4.14. The proposed approach towards delivering Education Health and Care Plans is based on key working model. It is envisaged that this will require an organisational step change across the three Boroughs. By developing a team that will provide a key working role to children, young people and their families who are undergoing an education, health and care assessment or have an education, health and care plan, across the 0 – 25 age range, who are resident in Hammersmith and Fulham, Royal Borough of Kensington and Chelsea and Westminster and/or Looked After by these three London Boroughs.
- 4.15. It is intended that this approach will meet the needs of the new legislation, by providing a “family centred” service, for all children & young people

resident, in the Tri Borough, across the 0 – 25 age range, who are eligible for an Education Health and Care plan.

Staff undertaking Education Health and Care the planning & commissioning role will:

- Undertake the statutory assessment processes within the statutory deadlines (under current legislation) and from September 2014 Education, Health and Care Single Assessment and the issuing of Education Health and Care Plans within twenty weeks.
- Coordinate a person centred, outcome focused multi agency approach to assessment, planning and support ensuring that parents are treated as equal partners in the assessment and planning process.
- Provide effective and efficient commissioning of suitable educational provision and school placement for children with an Education Health and Care Plan, with a focus on accountability for outcomes.

4.16. Of direct relevance to this report, will be the understanding of the skills and knowledge of staff within the current sovereign team, to undertake the planning and commissioning role for the whole age range 0-25.

4.17. It has been identified, with the Tri-borough Assistant Director for Special Educational Needs, the knowledge and expertise required to support young people and their families through the options and opportunities post 16 is required to be commissioned.

It is proposed that once these contracts commence, staff will form part of the new Tri Borough Special Educational Needs casework and Commissioning team – within the Tri Borough Education Service.

## **5. PROPOSAL AND ISSUES**

5.1. Considering the contents of this report, that a commissioning exercise is undertaken that will support the delivery of Statutory Responsibilities to:-

- Monitor and track all young people 16 – 19, as detailed in Section 68 of the Education and Skills Act 2008
- Assess children and young people, who are eligible for an Education, Health and Care plan (by providing the specialist knowledge of post 16 options) The Children and Families Act 2014.

5.2. Procurement timeline (Indicative)

<b>Activity title</b>	<b>Activity detail</b>	<b>Start date</b>	<b>End date</b>
Specification Agreed	Sign off of Specification by Children and Families Act Project - Addressing the needs of the 16-25 cohort working group	9 June 2014	20 June 2014
Evaluation Criteria completion		23 June 2014	24 July 2014
Award criteria completion		23 June 2014	24 July 2014
Pricing Schedules		23 June 2014	24 July 2014
ITT Pack		23 June 2014	24 July 2014
Build project on <u>capital esourcing</u>		30 June 2014	8 August 2014
Advertise the opportunity		11 August 2014	8 September 2014
Tender opened for bids		8 September 2014	8 September 2014
Deadline for suppliers to submit questions		22 September 2014	22 September 2014
Deadline to respond to supplier questions		6 October 2014	6 October 2014
Bids Received		20 October 2014	20 October 2014

Evaluation Period		24 October 2014	21 November 2014
Award confirmations (political)		5 January 2015	12 January 2015
Award notifications		26 January 2015	30 January 2015
Standstill period		16 February 2015	27 February 2015
Mobilisation Period		1 March 2015	31 March 2015
Contract Start			1 April 2015

### 5.3. Issues

TUPE (the "Transfer of Undertakings (Protection of Employment) Regulations 2006" as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014") will apply to this decision for the three WCC staff who are wholly dedicated to WCC work, as long as they are going to perform the same or fundamentally the same activities post transfer. Consultation with appropriate employee representatives needs to take place in accordance with the Regulations.

## 6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. A summary of the options and the analysis of their relevant merits are described in the table below. Option 1 was recommended and signed off by the Tri Borough Children's Services Contracts and Commissioning Board on 14 May 2014.



Activities	Option 1	Option 2	Option 3
<u>Activity Surveys and Tracking</u> A 3 year Bi Borough (WCC/LBHF) contract to: <ul style="list-style-type: none"> <li>• Intended Destinations survey/Activity Survey</li> <li>• September Guarantee - Report on the young people with a post 16 offer from a Further Education College, school, Apprenticeship etc</li> <li>• Identify and contact those with no offer</li> <li>• Track young people (year 12 – year 14) whose destination is not known</li> </ul>	X	X	X
<u>Careers Information Advice &amp; Guidance <b>Delivery</b> (WCC / LBHF)</u> A 3 year month contract with option to break after the 2 <sup>nd</sup> year to: <ul style="list-style-type: none"> <li>• Providing Careers Information Advice &amp; Guidance for young people who have leaning difficulties or disabilities</li> <li>• Output from this support &amp; advise being input into the Single Education, Health and Care Assessment</li> <li>• The Service will work be located within the Tri Borough Special Educational Needs / Education, Health and Care Single Assessment Team</li> <li>• With budget transfer &amp; contract management responsibilities to be transferred to the Tri Borough Special Educational Needs / Education, Health and Care Single Assessment Team</li> </ul>	X		
<u>Careers Information Advice &amp; Guidance <b>Consultancy</b> (WCC / LBHF)</u> <ul style="list-style-type: none"> <li>• 12 – 18 month (Call Off contract) – Providing Careers Information Advice &amp; Guidance consultancy support to develop the Education Health and Care Team’s skills to provide post 16 Careers Information Advice &amp; Guidance to deliver LA Statutory Requirements (within the Education Health and Care Assessment)</li> <li>• The specification for this to be written by the Single Education Health and Care Assessment Project Team</li> </ul>		X	

Note for options 2 & 3

No direct Careers Information Advice and Guidance for young people who have learning difficulties or disabilities being commissioned. The responsibility to undertake Local Authority Statutory Responsibilities for providing Careers Information Advice and Guidance for young people who have learning difficulties or disabilities (as part of the Single Education Health and Care Assessment) to transfer to the Tri Borough Special Educational Needs / Education, Health and Care Single Assessment Team

## Options Analysis

Option	Advantages	Disadvantages / Risks
<p>Option 1 3 Yr Bi Borough Contract (Tracking / surveys)</p> <p>Plus</p> <p>A 3 year Bi Borough Careers Information Advice &amp; Guidance Delivery contract with option to break after the 2<sup>nd</sup> year</p>	<p>(Tracking &amp; Surveys)</p> <ul style="list-style-type: none"> <li>• Will develop a Bi Borough solution with the opportunity to obtain best value through economies for scale</li> <li>• This will provide for a single point of contact for all schools across the Bi Borough for Intended Destination / Activity Survey work</li> <li>• Will provide a consistent approach / quality of delivery across the Bi Borough</li> </ul> <p>(Careers Information Advice &amp; Guidance – Delivery)</p> <ul style="list-style-type: none"> <li>• Existing contracts (WCC / LBHF) end 31/3/2015 and piloting of the Single Education Health and Care Assessment programmed for June 2014 and Implementation in September 2014</li> <li>• This provides 6 months of service under the current contracts that can be regarded as an initial transition period</li> <li>• The new 3 year contract providing additional flexibility during the period of transitional arrangements to the full implementation and bedding in of the Single Education Health and Care Assessment</li> <li>• This will develop a Bi Borough solution with the opportunity to obtain best value through economies for scale</li> <li>• Will provide a consistent approach / quality of delivery across the Bi Borough</li> <li>• Will provide comfort (for 18 – 24 months) as to the delivery of Statutory Responsibility, during the implementation / transitional phase of Single Education Health and Care Assessment</li> </ul>	<p>(Tracking &amp; Surveys)</p> <ul style="list-style-type: none"> <li>• Solution Provides for WCC / LBHF only as RBKC services are provided within the EPIC contract</li> </ul> <p>(Careers Information Advice &amp; Guidance - Delivery)</p> <ul style="list-style-type: none"> <li>• Solution Provides for WCC / LBHF only</li> <li>• Further investigation / Negotiation with EPIC will be required by Alison Farmer / Young People Commissioning</li> <li>• Solution may provide duplication overlap of service between the Single Education Health and Care assessment team and contracted services (Depended on the speed of the full implementation of the Single Education Health and Care Assessment)</li> </ul>
<p>Option 2 3 Yr Bi Borough</p>	<p>(Tracking &amp; Surveys)</p> <ul style="list-style-type: none"> <li>• Will develop a Bi Borough solution with the opportunity to</li> </ul>	<p>(Tracking &amp; Surveys)</p> <ul style="list-style-type: none"> <li>• Solution Provides for WCC / LBHF only as RBKC</li> </ul>

<p>Contract (Tracking / surveys)</p> <p>Plus</p> <p>12 – 18 month Bi Borough Careers Information Advice &amp; Guidance – Delivery consultancy call off contract</p>	<p>obtain best value through economies for scale</p> <ul style="list-style-type: none"> <li>• This will provide for a single point of contact for all schools across the Bi Borough for Intended Destination / Activity Survey work</li> <li>• Will provide a consistent approach / quality of delivery across the Bi Borough</li> </ul> <p>(Careers Information Advice &amp; Guidance - Consultancy)</p> <ul style="list-style-type: none"> <li>• Will provide transitional and transformational support to the Education Health and Care Single Assessment team during the Education Health and Care Assessment implementation</li> <li>• Will provide flexibility for the Education Health and Care team as consultancy services are “called off” as and when needed</li> <li>• Will provide for the development of the Tri / Bi Borough Education Health and Care team culture and skills development</li> <li>• Specification can be tailored by the Education Health and Care team to meet their needs</li> </ul>	<p>services are provided within the EPIC contract</p> <p>(Careers Information Advice &amp; Guidance – Consultancy)</p> <ul style="list-style-type: none"> <li>• No Education Health and Care delivery is being commissioned</li> <li>• Risk that Local Authority statutory responsibilities are not undertaken due to Education Health and Care Single implementation slippage</li> <li>• Has the Education Health and Care Team got the capacity, skills and knowledge to deliver the Local Authorities statutory responsibilities for Careers Information Advice and Guidance for this cohort of young people</li> <li>• Appropriate service / support is not provided during Education Health and Care Single Assessment implementation then Local Authorities are at risk of Challenge from Parents / Department for Education and will provide reputational risk, as well as letting down young people</li> <li>• Education Health and Care delivery model is not approved in time to commission</li> </ul>
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<p>Option 3</p> <p>3 Yr Tri Borough Contract (Tracking / surveys)</p>	<p>(Tracking &amp; Surveys)</p> <ul style="list-style-type: none"> <li>• Will develop a Bi Borough solution with the opportunity to obtain best value through economies for scale</li> <li>• This will provide for a single point of contact for all schools across the Bi Borough for Intended Destination / Activity Survey work</li> <li>• Will provide a consistent approach / quality of delivery across the Bi Borough</li> </ul>	<p>(Tracking &amp; Surveys)</p> <ul style="list-style-type: none"> <li>• Solution Provides for WCC / LBHF only as RBKC services are provided within the EPIC contract</li> </ul> <p>(Careers Information Advice &amp; Guidance)</p> <ul style="list-style-type: none"> <li>• No Careers Information Advice &amp; Guidance delivery is being commissioned</li> <li>• Risk that Local Authority statutory responsibilities are not undertaken due to Education Health and Care Single implementation slippage</li> <li>• Has the Education Health and Care Team got the capacity, skills and knowledge to deliver Local Authorities Statutory responsibilities for Careers Information Advice and Guidance for this cohort of young people</li> <li>• Appropriate service / support is not provided during Education Health and Care Single Assessment implementation then Local Authorities are at risk of Challenge from Parents / DfE and will provide reputational risk, as well as letting down young people</li> <li>• Education Health and Care delivery model is not approved in time to commission</li> </ul>
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## **7. CONSULTATION**

- 7.1. The current providers have been engaged over the past year, as the Childrens and Family Bill progressed to obtain Royal Assent. They understand the direction of travel and have expressed an interest in the shape of future services.

## **8. EQUALITY IMPLICATIONS**

- 8.1. A comprehensive Equality Impact Assessment will accompany the Tri Borough consultation on the reorganisation of the Special Educational Needs teams, a copy of which will be available upon request.

## **9. LEGAL IMPLICATIONS**

- 9.1. TUPE (the "Transfer of Undertakings (Protection of Employment) Regulations 2006" as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014") will apply to this decision for the three WCC staff who are wholly dedicated to WCC work, as long as they are going to perform the same or fundamentally the same activities post transfer. Consultation with appropriate employee representatives needs to take place in accordance with the Regulations.
- 9.2. Implications verified/completed by: (Jo Beill, Employment solicitor, 020 8753 2712).

## **10. FINANCIAL AND RESOURCES IMPLICATIONS**

- 10.1. Total estimated costs for these contracts are:
  - Lot 1 proposed budget for a 3 year contract of £480,492 with a contribution to the budget from the London Borough of Hammersmith & Fulham of £240,246.
  - Lot 2 proposed budget for a 3 year contract of £640,656 with a contribution to the budget from the London Borough of Hammersmith & Fulham of £384,393.
- 10.2. The estimated costs for these budgets have been arrived at by an open book dialog with the current service providers. This informed the development of a pricing strategy, based on current delivery.
- 10.3. It was assumed that lowest current costs would be used in the construction of the pricing strategy. Please see appendix 1

10.4. Estimate savings on current contracts for these services are:

- Tracking and Surveys – A total of £14,249 annually, £5,351 attributable to Hammersmith and Fulham, and £8,898 to Westminster.
- Careers Information Advice & Guidance Delivery – A total of £17,817 annually, £14,258 attributable to Hammersmith and Fulham, and £3,559 to Westminster.

These figures do not include any associated accommodation cost savings that may arise from this as they do not form part of the Youth Service controllable budgets.

10.5. Property costs associated with commissioned staff (including those from Epic CiC Limited) who will support Education Health and Care planning & commissioning, will be met through the Children and Family Act implementation budget, as they will be co-located with the Tri Borough Special Educational Needs team.

10.6. If a single provider is awarded contracts for Lot 1 and Lot 2, further savings will be discussed at the pre-contract clarification stage.

10.7. Additional savings will be made against the current contract spend in Hammersmith and Fulham. The CfBT contract includes working with 16 and 17 year olds, who attend Job Centre plus. This service is not in scope of this commissioning strategy. There is a responsibility for Local Authorities to confirm if 16 / 17 year olds are registered as “Not in Education Employment or Training”, prior to them applying for Jobseekers Allowance. It is anticipated that these numbers of young people will be small, with young people remaining engaged in learning to the age of 18 (Raising the Participation Age). Young people who drop out of learning prior to the age of 18 will be identified by the Pan London early leavers reporting mechanism. Appropriate signposting will be provided through Lot 1. For young people who are not picked up through the pan London arrangements, dialog will commence with Hammersmith and Fulham Localities to provide support.

10.8. These anticipated additional saving will be – £56,956 annually attributable to Hammersmith and Fulham.

10.9. Implications verified/completed by: (Alex Ward, Finance Manager, x5040)

## **11. RISK MANAGEMENT**

11.1. All recommendations made in this paper have been discussed and signed off by the Tri Borough Children’s Services Contracts and Commissioning Board . Once authority has been received to commence the procurement risks and issues will be monitored as part of the procurement project

## 12. PROCUREMENT IMPLICATIONS

- 12.1. It is intended to invite multi lot tender submissions from the open market using the procurement portal <https://www.capitalesourcing.com>
- 12.2. It is intended to go to the market for these services in two lots:-
- Lot 1:- Tracking & Surveys - Intended Destinations and activity Surveys (Year 11-Year 13), for a 3 year contract with the option to break after two years
  - Lot 2:- Careers Information Advice & Guidance Delivery, for a 3 year contract with the option to break after two years. This will provide flexibility for any future development of the needs of the Special Educational Needs / Single Assessment team
- 12.3. The details of the specification for this lot will be developed with the Children and Families Act Project working group – “Addressing the needs of the 16-25 cohort”.
- 12.4. It is understood that contracting will be based upon outcomes and that this will need to be defined as part of the work on the Specification and technical criteria for evaluation.
- 12.5. Implications verified/completed by: (Amman Batth, Business Development and Procurement Manager; telephone 07739 315994)


### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	N/A		

### **LIST OF APPENDICES:**

Appendix 1 Pricing Strategy (exempt)

# Agenda Item 7

	<b>London Borough of Hammersmith &amp; Fulham</b>  <b>CABINET</b>  <b>14 JULY 2014</b>
<b>3<sup>RD</sup> SECTOR INVESTMENT FUND</b>	
<b>Report of the Cabinet Member for Social Inclusion – Councillor Sue Fennimore</b>	
<b>Open Report</b>	
<b>Classification:</b> For Decision <b>Key Decision:</b> Yes	
<b>Wards Affected:</b> all	
<b>Accountable Executive Director:</b> Jane West, Executive Director of Finance & Corporate Governance	
<b>Report Author:</b> Sue Spiller, Head of Community Investment	<b>Contact Details:</b> Tel: 020 8753 2483 E-mail: sue.spiller@lbhf.gov.uk

## 1. EXECUTIVE SUMMARY

- 1.1 The current Third Sector Grants are due to expire at the end of October 2014 with new grants due to be awarded as from 1<sup>st</sup> November 2014 following the retendering of the fund in 2013-14. A one month extension of existing grants was agreed in 2013 to avoid a conflict in timetables with the local election processes and enable the Administration to make final decisions on the award of the new grants in July 2014
- 1.2 However, the recently elected Administration needs more time to consider the range of services to be recommended for funding, and to consider the level of support to the sector that can be made available. This includes waiting for the outcome of applications for Public Health Funding to support 3<sup>rd</sup> sector initiatives, which is due to be presented for Cabinet Decision on 1<sup>st</sup> September 2014.
- 1.3 This report therefore requests authority for the extension of current funding agreements, where currently funded groups sought funding for a similar service, until the end of November 2014. A decision on new funding will be scheduled for Cabinet Decision in September 2014, with funding commencing in 1<sup>st</sup> December 2014.



## **2. RECOMMENDATION**

- 2.1 That an extension of one month be offered to those organisations which have applied for funding to deliver a service comparable/similar to the service they are already funded to provide, as set out in Appendix 1.

## **3. INTRODUCTION AND BACKGROUND**

- 3.1. LBHF's corporate grants budget, the 3<sup>rd</sup> Sector Investment Fund is allocated through an open tendering process. All service areas were last tendered across two funding rounds in 2010 and 2011.
- 3.2 Services are funded across the service areas of:
- Infrastructure
  - Children, Young People & Families
  - Economic Development
  - Health & Wellbeing
  - Safer Communities
  - Arts, Culture & Sport
  - Environment & Community Transport
  - Homelessness Prevention & Home Safety
- 3.3 The current funding agreements are due to expire on 31<sup>st</sup> October 2014. In accordance with the terms of the funding agreement, the council is required to provide the providers with three months' notice of termination in order to terminate the existing funding agreements. The Cabinet Decision would therefore need to be taken on 14<sup>th</sup> July 2014.
- 3.4 The local elections in May 2014 resulted in a change of Administration for the London Borough of Hammersmith & Fulham. The new Administration has had a brief opportunity to consider the approach of officers in terms of the recommendations to be made, but need more time to more fully consider the approach and level of funding to be made available under this programme. In order to do this, the Cabinet Decision will be delayed until September 2014.
- 3.5 In order to offer at least three months' notice to groups from Cabinet Decision to the new funding term beginning, the delay in Cabinet Decision will also delay the implementation of the decision.
- 3.6 It is recommended that an extension of one month be offered to those organisations which have applied for funding to deliver a service comparable/similar to the service they are already funded to provide. Details of organisations and the level of funding to be offered are set out in Appendix 1.

## **4. PROPOSAL AND ISSUES**

- 4.1. It is proposed that the Council extend the current third sector grants for a one month period to enable the Administration to give further consideration to the

approach to third sector support to be provided by the council, with a report submitted for Cabinet Decision on 1<sup>st</sup> September 2014.

- 4.2. In accordance with the terms of the funding agreements, providers must receive three months notification of the termination of the projects which would mean that notice should be given by the 1st August 2014. By extending the existing contracts by one month, expiring on 30<sup>th</sup> November 2014, would enable the new Cabinet to make decisions on the next round of grant funding.
- 4.3. The timetable for the communications with 3<sup>rd</sup> sector current providers and applicants is proposed as follows:
  - All current providers would be notified in writing of the extension of current funding immediately following Cabinet agreement.
  - Cabinet Report paper written for presentation in September 2014 for presentation to and decision by Cabinet.
  - Notification given to new providers immediately following the Cabinet Decision to extend contracts.
  - New grants to become effective from 1st December 2014.

## **5. OPTIONS AND ANALYSIS OF OPTIONS**

- 5.1 A minimum period of 3 months is desirable for new providers to start providing the services from the point of which they are notified of their success in bidding. For new contracts to commence on 1 November 2014, a decision on the new funding would need to be made no later than 1<sup>st</sup> August 2014. Delaying the Cabinet Decision until September (there is no Cabinet meeting scheduled for August 2014) means that less than two months' notice would then be offered to groups.
- 5.2 Extending the current grants by one month would enable the Administration to confirm the level of support to be made available to the sector, and more fully consider the approach being taken by officers in reaching their conclusions and recommendations regarding which services to prioritise for funding. The extension will then allow for three months' notice to be given to all groups regarding the outcome of their funding application and cessation of their current funding agreement.
- 5.3 The Cabinet Decision on 3<sup>rd</sup> sector funding will realign funding terms to the financial years, and offer an initial funding term of 16 months with the option for annual 12 months extensions until March 2018. These extensions will be dependent on:
  - The Council's financial position and funding availability
  - Review of priorities for each service area
  - Satisfactory performance of agreed targets

## 6. CONSULTATION

- 6.1. All current providers and 3SIF applicants be written to advising them of the extension and their agreement will be formally sought.

## 5. EQUALITY IMPLICATIONS

- 7.1 An equalities impact assessment would not be required at this time as the current service delivery is unaffected.

## 8. LEGAL IMPLICATIONS

- 8.1 It is noted that it is proposed to extend the current third sector investment funding agreements, referred to in this report for an additional month to allow sufficient time for the new Administration to consider the scope of future funding.
- 8.2 The services described in this report are Part B services under the Public Contracts Regulations 2006 and are therefore not subject to the full regime of those Regulations. However, the Council should still seek to comply with general treaty principles of transparency, equal treatment, non-discrimination and proportionality. On this basis, contracts should not generally be extended beyond the term for which they were originally advertised and procured. However, in mitigation, it is noted that the extension is of a short period following which new, competitively procured contracts will be awarded.
- 8.3 Comments completed by: Kar-Yee Chan, Solicitor (Contracts), Bi-Borough Legal Services, 020 8753 2772.

## 9. FINANCIAL AND RESOURCES IMPLICATIONS

- 9.1 The proposed extension will be met from within the existing budgetary provision for the 3<sup>rd</sup> Sector Investment Fund.
- 9.2 Implications verified by: Andrew Lord, Head of Strategic Planning and Monitoring, Corporate Finance 020 8753 2531

### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

Description of Background Papers	Name/Ext. of Holder of File/Copy	Department/Location
Current list of third sector funded organisations	Sue Spiller ext 2483	Community Investment Team, FCS

Appendix 1 List of organisations to be extended and contract values.

**Appendix 1: Proposal for 1 month Extension**

	<b>Committed spend agreed</b>	<b>Proposed additional spend</b>
	Contract values from Oct 13 to Sept 14	for a further 1 month until 31st Oct 2014
<b>Allocation to service areas:</b>	<b>Oct 13 to Sept 14</b>	<b>Oct-14</b>
Infrastructure	£345,320	£19,610
Children, Young People & Families	£620,000	£42,503
Economic Wellbeing & Opportunity	£318,263	£26,522
Health & Wellbeing (OP)	£458,481	£38,207
Health & Wellbeing (adults)	£170,000	£14,167
Safer Communities	£194,000	£16,167
Arts, Culture & Sport	£270,000	£22,500
Environment & Community Transport	£126,250	£9,167
Homelessness Prevention & Home Safet	£127,750	£10,563
ESF	£431,737	n/a
Library	£15,000	n/a
<b>Total</b>	<b>£3,076,801</b>	<b>£199,406</b>
<b>Pro Rata Budget</b>	<b>£3,264,975</b>	<b>n/a</b>
<b>Difference</b>	<b>£188,174</b>	<b>n/a</b>

## Recommendations

Infrastructure					
Organisation	Service	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to 30th November 2014	Comments
Community & Voluntary Sector Association	Core	£110,000	£9,167	£9,167	
Community & Voluntary Sector Association	Fundraising	£42,000	£3,500	£3,500	
H&F Volunteer Centre	Core	£110,000	£9,167	£9,167	
Urban Partnership Group	Masbro Community Centre - Urban Futures	£43,320	£3,610	£3,610	
Community Accountancy Self Help	CASH	£40,000	£3,333	£3,333	
<b>sub total</b>		<b>£345,320</b>	<b>£28,777</b>	<b>£28,777</b>	

Children, Young People & Families					
Organisation	Project name	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014	Comments
Barnardo's (SEone Service)	Barnardo's SEone Service	£51,700	£4,308	£4,308	
Brunswick Club, The	Brunswick Juniors	£18,800	£1,567	£1,567	
Brunswick Club, The	Motivate	£20,680	£1,723	£0	did not apply for funding for this service
Catholic Children's Society, The	School Play Therapy Service	£9,400	£783	£783	
Doorstep Library Network, The	The Doorstep Library Network	£37,600	£3,133	£3,133	
HAFAD (substitution)	Welfare Benefits Advice	£41,000	£3,417	£3,417	
HAFAD (substitution)	1:1 Holiday Support	£29,060	£2,422	£2,422	
H&F Mencap	H&F Mencap Parent/Carer Advocacy and Partici	£37,600	£3,133	£3,133	
H&F Urban Studies Centre	H&F Urban Studies Centre	£14,100	£1,175	£1,175	
London Cyrenians (substitution)	Supported Accommodation for care-leavers	£57,000	£4,750	£4,750	
QPR in the Community Trust	White City Rangers	£37,600	£3,133	£3,133	
Sands End Associated Projects In Action (SEAPIA)	Sands End Associated Projects In Action (SEAPIA)	£47,000	£3,917	£3,917	
Urban Partnership Group	Urban Futures Parenting Programme (incorporati	£28,200	£2,350	£2,350	
West London Action for Children (substitution)	Emotional Wellbeing Outcomes	£38,000	£3,167	£3,167	
West London Action for Children	West London Action for Children Counselling and	£42,300	£3,525	£3,525	
Brunswick club Trust (youth club) (substitution)	substitution funding	£50,000	£4,167	£4,167	
The Harrow Club (youth club)(substitution)	substitution funding	£50,000	£4,167	£4,167	
<b>sub total</b>		<b>£610,040</b>	<b>£50,837</b>	<b>£49,113</b>	

Economic Wellbeing & Opportunity					
Organisation	Project name	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014	Comments
Employment support services		0	Jan-00	0	
H&F Citizens Advice Bureau	Core service	£318,268	£26,522	£26,522	
<b>sub total</b>		<b>£318,268</b>	<b>£26,522</b>	<b>£26,522</b>	

Health & Wellbeing (adults)					
Organisation	Service	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014	Comments
Foundation 66 (ARP Charitable Services)	Alcohol and Health Improvement Service	£45,000	£3,750	£3,750	
Broadway Homelessness Support	Health Opportunities Programme	£40,000	£3,333	£3,333	
H&F MENCAP	Safety Net People First (SNPF) Self Advocacy Pr	£45,000	£3,750	£3,750	
West London Centre for Counselling	West London Centre for Counselling	£40,000	£3,333	£3,333	
Age Concern H&F	Age Concern H&F	£151,810	£11,484	£11,484	
Alzheimer's Society	H&F Dementia Support Service	£33,934	£2,828	£2,828	
Asian Health Agency, The	Shanti Luncheon & Wellness Service	£25,004	£2,084	£2,084	
Bishop Creighton House	HomeLine	£66,975	£5,581	£5,581	
Fulham Good Neighbour Service	Fulham Good Neighbour Service	£33,934	£2,828	£2,828	
Irish Support & Advice Service	Active Ageing Mind & Body Pensioner Services	£33,934	£2,828	£2,828	
Nubian Life Resource Centre Ltd	Nubian Life's SHIP (Support Health Independence	£51,794	£4,316	£0	did not apply for funding for this service
Urban Partnership Group	Urban Elders Project	£42,864	£3,572	£3,572	
W&NW London Vietnamese Association	Befriending - north	£18,232	£1,519	£1,519	
<b>sub total</b>		<b>£628,481</b>	<b>£51,207</b>	<b>£46,890</b>	


Safer Communities					
Organisation	Service	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014	Comments
Advance	ADVANCE Hammersmith and Fulham	£85,000	£7,083	£7,083	
CALM	Restorative Justice Service	£12,000	£1,000	£1,000	
H&F Victim Support	Community Engagement Project	£20,000	£1,667	£1,667	
Outside Chance	Its Your Choice	£18,000	£1,500	£1,500	
Standing Together Against Domestic Violence	Domestic Violence Justice Project	£45,000	£3,750	£3,750	
Wormwood Scrubs Community Chaplaincy	Wormwood Scrubs Community Chaplaincy	£14,000	£1,167	£1,167	
<b>sub total</b>		<b>£194,000</b>	<b>£16,167</b>	<b>£16,167</b>	

Arts Culture and Sport					
Organisation	Service	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014	Comments
Albert & Friends	Physical Arts Alive	£14,000	£1,167	£0	did not apply for funding for this service
Lyric	Lyric Hammersmith	£220,000	£18,333	£18,333	
William Morris Society	WM Soc. & Kelmstoc Hse Museum	£15,000	£1,250	£1,250	
<b>sub total</b>		<b>£249,000</b>	<b>£20,750</b>	<b>£19,583</b>	

Environment and Community Transport					
Organisation	Service name	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014	Comments
Groundwork London	Environmental Community Enterprise'	£30,000	£2,500	£2,500	
H&F Urban Studies Centre	Urban Studies Green Service	£10,000	£833	£833	
Hammersmith Community Gardens Association	Hammersmith Community Gardens Association	£40,000	£3,333	£3,333	
Staying Put Services	Furnish	£30,000	£2,500	£2,500	
<b>sub total</b>		<b>£110,000</b>	<b>£9,167</b>	<b>£9,167</b>	

Homelessness Prevention and Home Safety					
Organisation	Service name	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014	Comments
H&F CAB	Renters, Owners, Occupiers and Families	£68,000	£5,667	£5,667	
Bishop Creighton House	Care & Repair and Safer Homes	£58,750	£4,896	£4,896	
<b>sub total</b>		<b>£126,750</b>	<b>£10,563</b>	<b>£10,563</b>	

	Amount allocated Oct 13 to Sept 14	Extended amount for Oct 14	Extension to December 2014
<b>Total:</b>			
all service areas	£2,581,859	£213,988	£206,782

	<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>14 JULY 2014</b></p>
<p><b>FUTURE OF COVERDALE ROAD RESIDENTIAL CARE HOME</b></p>	
<p><b>Report of the Cabinet Member for Health and Adult Social Care – Councillor Vivienne Lukey</b></p>	
<p><b>Open report</b> A separate report on the exempt Cabinet Agenda provides exempt information in relation to this issue.</p>	
<p><b>Classification:</b> For Decision <b>Key Decision:</b> Yes</p>	
<p><b>Wards Affected:</b> All</p>	
<p><b>Accountable Executive Director:</b> Stella Baillie – Tri-borough Director of Provider Services, Mental Health Partnerships and Safeguarding for Adult Social Care</p>	
<p><b>Report Author:</b> Christine Baker - Service Manager, Provider Services</p>	<p><b>Contact Details:</b> Tel: 020 8753 1447 E-mail: <a href="mailto:christine.baker@lbhf.gov.uk">christine.baker@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1 The consultation on the future of Coverdale Road residential care home for people with learning disabilities forms part of the Hammersmith and Fulham *Learning Disability Housing and Support Strategy*. This involves a review of current learning disability housing including in house Adult Social Care Services to ensure they are compatible with current and future needs. The Strategy was agreed by July 2013 Cabinet. Cabinet also agreed that a consultation on the future of Coverdale Road should take place. This report details the outcome of the consultation and seeks approval to implement the recommended option to close Coverdale Road.
- 1.2 The building at Coverdale Road is owned by the Council and provides a residential care home for six people with learning disabilities. A needs analysis has indicated that the building and service at Coverdale Road is unable to meet the Borough's current and emerging needs for this group. In particular the

constrictions of the building means that it cannot accommodate those with challenging behaviour, physical and complex needs.

- 1.3 The consultation has involved individual meetings with current residents, parents and carers. Public meetings have been held for stakeholders and interested parties in the community. The consultation has highlighted a number of concerns from the six current residents of Coverdale Road, their parents, carers, and families. The concerns centre around the number and type of care and support alternatives, what would be offered to meet the needs of service users, and disruption to the care and support of the six service users at Coverdale Road.
- 1.4 As the building cannot be converted to make it accessible for the emerging needs of the service user group the recommendation is that the current service users be found suitable alternative care and support accommodation and that the service should close.

## **2. RECOMMENDATIONS**

- 2.1 That approval be given to Tri borough Adult Social Care to carry out assessments for alternative placements for six service users residing at the Council run care home at Coverdale Road, and move all six service users to suitable alternative care and support accommodation from June 2014 onwards. Once this is done the service should close.
- 2.2 That approval be given to Adult Social Care to consult with staff and carry out a reorganisation of the Coverdale Road Service which will involve the deletion of 8 posts (5 currently filled).

## **3. INTRODUCTION AND BACKGROUND**

- 3.1 There have been significant developments in planning care and support for people with learning disabilities over the last ten years. Emphasis is on a human rights based approach whereby people with learning disabilities are seen as equal citizens with the same rights and responsibilities as non-disabled people. This extends to accommodation and support so that people with learning disabilities, including those with complex needs should have more choice and control over where they live and who they live with.
- 3.2 Best practice models emphasise the importance of:
  - 3.2.1 Appropriate housing stock and flexible support so that people do not need to move if their needs change
  - 3.2.2 Recognising the needs of families caring for people with complex needs
  - 3.2.3 Providing information and support to access shared ownership and private rented accommodation;



### 3.2.4 Choice to live independently or in groups

- 3.3 Whilst residential care should be an option for those who choose it, it should not be considered the default option for people simply because of their level of support needs. In contrast to residential care, the funding arrangements that apply to supported living schemes enable services users to have access to a larger disposable income which allows greater autonomy.
- 3.4 “Putting People First” is a national initiative which has led to the widespread personalising of adult services in social care. People with learning disabilities, their families and carers benefit from more personalised arrangements for their accommodation and support. Models of delivery have changed over the last decade. People with learning disabilities now have access to personal budgets from Adult Social Care and receive support in planning how to use them.
- 3.5 There are many best practice examples which show that person centred planning leads to better outcomes for people with a learning disability if the money comes with it through a personal budget. Personal budgets are not available for people in residential and nursing care.

## 4. PROPOSAL AND ISSUES

- 4.1 This report seeks permission to close the service provided in Coverdale Road and move the service users to more suitable alternative care and support accommodation from June 2014 onwards.
- 4.2 This report seeks permission to consult with staff and carry out a reorganisation of the Coverdale Road Service which will involve the deletion of 8 posts (5 currently filled).
- 4.3 The report and proposal forms part of the wider *Learning Disability Housing and Support Strategy* agreed by Cabinet in July 2013 which seeks to improve and increase the choice, quality and availability of housing for people with learning disabilities in Hammersmith and Fulham.

## 5. LOCAL NEED

- 5.1 The background to this proposed closure is that there is a need to remodel local housing and support services for people with a learning disability. Currently there is an over reliance on residential care models and older supported housing schemes and an insufficient supply and range of suitable housing, support and care options to meet the needs of people with learning disabilities, particularly those with complex and challenging needs.

- 5.2 Recent needs analyses have indicated that people with learning disabilities are living longer and have more complex needs including physical needs. By 2030 there are likely to be substantial increases in the percentage of older people with learning disabilities<sup>1</sup>. Older people with learning disabilities are increasingly being supported in Older People's Extra Care Accommodation but there is a lack of well-designed accommodation which specifically meets the needs of Older People with a learning disability.
- 5.3 Nationally there are increased survival rates among young people with severe and complex disabilities and reduced mortality among older adults with learning disabilities. Nationally within the 50+ age range, there will be very marked increases in both the numbers of people with learning disabilities known to learning disability services (28% over the decade 2001-2011, 48% over the two decades 2001-2021).<sup>2</sup> This factor would add to the requirement for well-designed accommodation to meet the needs of Older People.
- 5.4 The accommodation strategy for people with learning disabilities in the borough is currently under consultation.
- 5.41 In Hammersmith and Fulham there are currently 357 people aged 18+ with a learning disability on the register held by the *Hammersmith and Fulham Adults with Learning Disabilities Service*; approximately 8% (27 people) are 65 years plus. The mobility of older individuals would need to be considered.
- 5.42 Of the 357 there are 35 people aged 18-64 who are formally recognised as having autistic spectrum disorder. There are also 33 people aged 18-64 who have challenging behaviours. People with autistic spectrum disorders and challenging behaviours benefit from a spacious well planned environment where they can have quiet time and personal space.
- 5.43 There are about 50 people under the age of 18 with a learning disability. Of these there are 15 people from the age of 16-18 transitioning into adulthood and services who have complex or profound learning disabilities. These individuals would benefit from a well-planned environment where they could have quiet time and personal space.
- 5.5 The accommodation strategy currently being consulted on is addressing these issues.

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<sup>1</sup> Data source: PANSI website (Projecting Adult Needs and Service Information) using LD moderate/severe population projections aged 18 to 64.

<sup>2</sup> Estimating Future Need for Social Care among Adults with Learning Disabilities in England: An Update - Eric Emerson & Chris Hatton

## **6. COVERDALE ROAD**

- 6.1 Coverdale Road is a residential care home in Shepherds Bush for people with learning disabilities. It is owned by the London Borough of Hammersmith and Fulham with care provided by a staff team employed by the borough.
- 6.2 Although Coverdale Road is currently being used for this purpose the building is not accessible and does not meet the emerging needs of those with a learning disability who would be eligible for Adult Social Care.
- 6.3 Built in the late 1870's, this five storey building in Shepherds Bush provides a registered care home for six people with learning disabilities. Comprising of six bedrooms over four floors with shared toilets, kitchen, living room and bathrooms, the building has some narrow and steep stairways, and is not suitable for conversion. It is in need of modernisation and refurbishment and it is also inaccessible or unsuitable for service users who have challenging behaviour and physical or complex needs.

## **7. OPTIONS AND ANALYSIS OF OPTIONS**

- 7.1 Retaining Coverdale Road as it is now is not a viable option as It is not suitable for three of the current service users.
- 7.2 The Council has considered the possibility of refurbishing the building to provide accessible and suitable accommodation, including en-suite bathrooms. However officers have taken advice and believe that conversion is not a feasible option due to the number of steep steps leading to the building's entrance which make it impossible to install ramp access to make it accessible.
- 7.3 Additionally the layout of the building and the narrowness of the stairways mean it would not be possible to install a lift, stair lifts or ramps that would improve the accessibility within the building.
- 7.4 The layout of the building and size of some of the rooms also means that it is impossible to add en-suite bathrooms in all rooms. It would not be possible to make improvements such as adding an extra kitchen or enlarging some of the bedrooms without losing space and rooms elsewhere in the house.
- 7.5 Given the current problem with the building and the fact that the property cannot be improved, Officers recommend that the only practical solution is to find the current residents alternative accommodation which would better meet their current and future needs and to close Coverdale Road.
- 7.6 If the decision of cabinet is to close Coverdale Road any issues relating to the future of the property and possible disposal would be dealt with in a future report.

## 8. CONSULTATION

- 8.1 This proposal has been the subject of a three month consultation process from 21 October 2013 to the 20<sup>th</sup> April 2014. This has included the following;
- 8.1.1 Consultation documents have been sent to families and stakeholders and an easy read version has been made available to service users.
  - 8.1.2 An independent facilitator has been appointed to record the views of service users. The facilitator has held individual consultation meetings with current residents to explain the consultation and record their views.
  - 8.1.3 Individual consultation meetings have taken place between the Service Manager for Provided Services, family members and carers to explain the consultation and record views.
  - 8.1.4 Individual meeting have been held with community groups and trade unions to discuss the consultation and record views.
  - 8.1.5 Local Councillors have been sent the consultation documents and offered an appointment meet and discuss.
  - 8.1.6 Two public meetings have been held for stakeholders, community groups and interested parties to express and record their views. The consensus at the second public meeting was that the Coverdale building is not fit for purpose.
  - 8.1.7 The evidence from the consultation has been reported to a project board comprising of senior officers and other key stakeholders. This board has overseen the process, tracked progress, considered the responses, and made recommendations.
- 8.2 The Consultation has highlighted a number of factors;
- 8.2.1 Some service users wish to move and see this as a positive step.
  - 8.2.2 Some service users, parents, carers, and families have concerns about the number and type of in borough care and support alternatives, and what would be offered to meet the needs of service users.
  - 8.2.3 Some service users parents and carers are concerned about the disruption to the care and support of those living at Coverdale Road.
  - 8.2.4 Some parents and carers are concerned that the decision has already been made and that closure is not in the best interest of the service users.
- 8.3 If the decision of the Cabinet is to close the service this will be mitigated by the *Hammersmith and Fulham Adults with Learning Disabilities Service* (social work team) working closely with the service users parents and carers on suitable

alternative placements. The home would not close until this work was complete and all six service users are suitably placed in care and support accommodation which better meets their needs.

- 8.4 If the decision of the cabinet is to re assess the six service users for alternative placements, and close the service, ASC Provided Services are seeking authority to carry out a consultation with staff on a reorganisation proposal to delete 8 Coverdale Road posts (5 currently filled). Human Resources and trade unions will be involved for the outset.

## **9. EQUALITY IMPLICATIONS**

- 9.1 An Equality Impact Assessment (see Appendix 1) has identified that the closure of Coverdale Road will impact on the lives of the current service users and their parents and carers but this would be mitigated by them being offered suitable alternative accommodation.
- 9.2 At this stage it is not possible to know the detail of the alternatives which could be offered to all service users, but there is a clear preference for in borough alternatives and due consideration will need to be given to this.
- 9.3 Although the assessment options have not been identified as yet it is certain there will be no withdrawal of services to the six individuals. Also Hammersmith and Fulham does commission alternative in borough care home providers; for example a contract with Yarrow for 10 care homes in similar street style houses, and another three care homes provided by Yarrow and Cambus Lodge under spot contract in nearby locations. The borough also commissions four extra care sheltered services for older peoples, which are all fully accessible services in nearby locations.
- 9.4 As the building at Coverdale Road is not suitable for people with mobility-related disabilities; closure does not contribute to the lack of fully accessible buildings in the borough. This deficiency is being addressed by a wider consultation on the *Learning Disability Housing and Support Strategy*.

## **10. LEGAL IMPLICATIONS**

- 10.1 The proposal at paragraph 2.1 above is such as to require full consultation. There is case law guidance as to what constitutes proper consultation.
- 10.2 Consultation should include the following:
- 10.2.1 It should be carried out when the proposals are still at a formative stage.
- 10.2.2 Sufficient reasons should be given for the proposals to allow those consulted to give intelligent consideration and an intelligent response

10.2.3 Adequate time must be given for responses

10.2.4 The product of consultation must be conscientiously taken into account when the ultimate decision is taken.

10.3 The comprehensive consultation process followed is set out in paragraph 8 of this report and the product of the consultation is summarised in paragraph 8. 10.4 When making a decision as to changes in service provision this Authority must comply with the requirements of the Equality Act 2010 and in particular section 149 (the Public Sector Equality Duty).

10.5 The protected characteristics to which the Public Sector Equality Duty ("PSED") applies now include age as well as the characteristics covered by the previous equalities legislation applicable to public authorities (i.e. disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, sexual orientation, religion or belief and sex).

10.6 The PSED is set out in section 149 of the Equality Act 2010 ("the Act") provides (so far as relevant) as follows:

(1) A public authority must, in the exercise of its functions, have due regard to the need to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(3) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

(4) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

10.7 Case law has established the following principles relevant to compliance with the PSED which Council will need to consider:

(i) Compliance with the general equality duties is a matter of substance not form.

(ii) The duty to have "due regard" to the various identified "needs" in the relevant sections does not impose a duty to achieve results. It is a duty to have "due regard" to the "need" to achieve the identified goals.

(iii) Due regard is regard that is appropriate in all the circumstances, including the importance of the area of life of people affected by the decision and such countervailing factors as are relevant to the function that the decision-maker is performing.

(iv) The weight to be given to the countervailing factors is in principle a matter for the authority to determine, provided it acts reasonably. However it has been held in some cases that in the event of a legal challenge it is for the court to determine whether an authority has given "due regard" to the "needs" listed in s149. This will include the court assessing for itself whether in the circumstances appropriate weight has been given by the authority to those "needs" and not simply deciding whether the authority's decision is a rational or reasonable one.

(v) The duty to have "due regard" to disability equality is particularly important where the decision will have a direct impact on disabled people. The same goes for other protected groups where they will be particularly and directly affected by a decision.

(vi) The duty to have 'due regard' involves considering not only whether taking the particular decision would unlawfully discriminate against particular protected groups, but also whether the decision itself will be compatible with the equality duty, i.e. whether it will eliminate discrimination, promote equality of opportunity and foster good relations. Consideration must also be given to whether, if the decision is made to go ahead, it will be possible to mitigate any adverse impact on any particular protected group, or to take steps to promote equality of opportunity by, for e.g., treating a particular affected group more favourably.

10.8 To assist the Council in fulfilling its PSED, the Equality Impact Analysis ('EIA') that has been carried out in respect of the proposal is available electronically at Appendix 1 and will need to be read and taken into account in reaching a decision on the recommendations in this report. In addition, the equality implications are summarised in paragraph 9 of this report.

10.9 Legal implications verified/completed by: Kevin Beale, Head of Social Care and Litigation, London Borough of Hammersmith and Fulham Tel: 020 8753 2740

## **11. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND CORPORATE GOVERNANCE**

- 11.1 The Coverdale Road net revenue budget is £344,400 (excluding SLA's).
- 11.2 There is a saving in the MTFS for 2014/15 of £108,000 rising to £145,000 in 2015/16. This is based on the savings generated through the closure of Coverdale Road and the cost re providing the six residential care placements in either private sector homes or in a supported living establishment.
- 11.3 If the decision of cabinet is to close Coverdale Road any issues relating to the future of the property and possible disposal would be dealt with in a future report
- 11.4 If Coverdale Road closes and any staff are made redundant this will be funded by the Council's centrally held redundancy budget.
- 11.5 Finance Implications verified/completed by: David Hore Finance Manager Tel: 020 8753 4498

## **12. RISK MANAGEMENT**

- 12.1 If the Cabinet decision is to close Coverdale Road then individual plans will be developed for service users to ensure any new placements meets their needs. Social workers within *Hammersmith and Fulham Adults with Learning Disabilities Service* will work with individual service users to ensure their needs are met.
- 12.2 The proposals in this report regarding the future of Coverdale Road have been the subject of a three month consultation process from 21st October 2013 to the 20<sup>th</sup> April 2014. The actions are detailed above in Section 8 .
- 12.3 If the decision of the Cabinet is to close the service, staff and trade unions will be consulted about staffing changes resulting from the closure of the service.

## **13 HUMAN RESOURCE IMPLICATIONS**

- 13.1 Human Resources are in agreement with section 8.4. If the decision is to close a formal consultation with the staff (30 days) will need to be conducted and then a formal notice of redundancy (12 Weeks) will need to be issued.

## **14. PROCUREMENT AND IT STRATEGY IMPLICATIONS**

- 14.1 There are no Procurement or IT strategy implications.

**Liz Bruce**

**Tri-borough Executive Director for Adult Social Care**



**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	Learning Disability Accommodation and Support Strategy	Christine Baker Tel: 020 8753 1447	Adult Social Care

**Appendices – Equality Impact Assessment (published separately)**