

# Capital Ambition Board

London Ventures

Progress Summary and Options for Future  
Delivery of the Programme

21<sup>st</sup> May 2015



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# Foreword

Over two years have passed since the beginning of EY and London Councils working together. The development of the London Ventures programme has led to a longer term, successful partnership between us since April 2013. This seems a good point to reflect on how far the programme has come since its initial stages, as we look ahead to what we might aim to achieve in the future.

The difficulties faced by local government over the past five years have been a driving force for developing the London Ventures programme. Faced with challenging cuts, developing innovative solutions to key issues has been not only useful, but necessary.

Since these early stages, the London Ventures programme has signed deals with eleven venture partners, helping to deliver innovative solutions to London boroughs in a cost-effective manner. We have launched pilot ventures to develop proof of concepts and showcase the benefits of our solutions, which have been running successfully across Xantura, Blue Prism and Oxygen Finance. In taking the programme forward, we have engaged with nearly every borough across London to ensure that the solutions we are putting forward are the right solutions for local government.

Since its launch, EY has fostered the creation of over 100 innovative concepts from all parts of the private, public and third sector that have been pitched to the political leadership of London. These have secured over £4m additional investment into London, projected to save well over £10m for the public purse and improve the lives of some of the most vulnerable people in society. This has all been achieved at an ongoing net cost of nothing due to the innovative commercial principles that have been established.

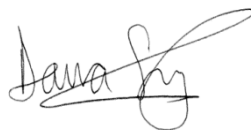
We should be tremendously proud of these achievements. Without the investment and commitment from all parties involved, the programme would not have been the success it has been to date. However, at these checkpoints, it is equally vital to question the approach we are taking, to understand our current trajectory and seek to understand whether we can do things better.

## Our mission statement is:

*"To deliver significant benefits for the residents of London. We will do this through securing investment and facilitating multiple organisations to make innovation a reality. We will achieve this by working in partnership with public and private sector organisations who see benefits from co-ordinated access to the London public services market"*

With the final steps for securing commercial deals with our remaining third generation partners in place, it is a good time to look ahead. With funding for the programme secured until June 2015, it is time to ask the question, 'where should the programme go next?'

With this in mind, this paper contains a number of principles which could be used to shape the programme going forward and where investment could be placed to ensure the continuing success of the programme. With the collaboration and buy-in across the private, public and third sector, we believe we have the ability to do something more ambitious with London Ventures and help it to reach new strengths over the coming year.



**Darra Singh**  
Partner, EY



# Contents

	Page
Introduction	5
Section 1 The Journey	8
Section 2 Current Portfolio	11
Section 3 Programme Financial Statement	19
Section 4 Looking Forward	21
Section 5 Options For Future Programme Delivery	23
Appendix 1 Venture Progress	32
Appendix 2 Progress Against KPIs	34
Appendix 3 Team Structure	37

# Introduction



# Introduction

This report sets out how the London Ventures programme has moved forward since the last Capital Ambition Board meeting. It includes an update on current ventures and the pilot ventures, as well as presenting the programme's financial statement and options for the future delivery of the programme. A separate paper will look at the third generation concepts progressed to commercial deals.

The table below provides a summary of each section and sets out the decisions to be taken by the Board.

## Summary

### Section 1: The Journey

- ▶ This section marks the progress that has been made in a number of key areas over the past three months. We have continued to achieve successes within our venture pilots and through new forms of marketing.
- ▶ This section sets out the journey of the programme with its key achievements in terms of outcomes and sector engagement.

### Section 2: Current Portfolio

- ▶ Each of the eleven ventures within the London Ventures portfolio are in varying stages of delivery.
- ▶ The table in this section summarises the progress that has been made on each venture since the February Capital Ambition Board.
- ▶ More detail is given on ventures currently in delivery with local authorities.

### Section 3: Programme Financial Statement

- ▶ This section provides a summary of the financial year 2014/15, sets out the income and expenditure projections for both this quarter until June and the financial year 2015/16.

### Section 4: Looking Forward

- ▶ This section includes the plan for delivering the programme from May to June 2015.

### Section 5: Options for future programme delivery

- ▶ This section sets out principles to consider for the future delivery of the programme. These principles, once agreed, will be developed into a programme plan for FY15/16.

### Appendices

1. Venture Overview
2. Progress Against KPIs
3. Team Structure

### Decisions for the Board

The decisions presented for consideration by the Board which accompany this progress report are:

1. Note venture progress
2. Note progress of ventures in delivery
3. Note the programme financial projections
4. Agree the principles for the future delivery of the programme to be developed into a programme plan for the June CAB
5. Agree 3<sup>rd</sup> generation ventures to progress to delivery

# Since the last Board meeting

At the Capital Ambition Board meeting in February 2015, a progress update was presented on the London Ventures programme which covered:

1. Progress of ventures and the investment case pilots; one match-funded robotic automation pilot and three 'Children's Safeguarding Profiling Model' pilot sites
2. The programme financial projections and progress against these projections
3. Agreement to take three ventures into delivery; Usage Analytics tool, Slow Application Fix and a Local Social Network.
4. Agreement to progress five 3<sup>rd</sup> generation outline business cases to commercial deals to present at the May board.

## Progress

The key highlights are:

<b>Income generation</b>	From April 2015 we have seen income begin to be returned to the London Ventures programme from some of the successful ventures currently in delivery with local authorities. By June we should see £75,540 returned, with a total current committed income back to the programme of £281,167.
<b>New commercial deals</b>	At the February Board, two commercial deals were agreed for our new venture partners, Quadnet and Centrix. Since February, both venture partners have been developing marketing material and their 12 month action plan, in addition to taking up opportunities presented to promote their ventures to local authorities.
<b>Progress on existing venture partners</b>	The pilots for Xantura and Blue Prism have continued to progress steadily since the last Board meeting and an additional local authority has recently joined the Children's Safeguarding programme. Oxygen Finance has continued to make positive progress with the three local authorities currently signed up. There will be further detail presented at the June board.
<b>Local authority engagement</b>	We continue to engage with local authorities across London and hold venture demonstration workshops for individual local authorities. The programme continues to receive interest from multiple authorities and most recently, Newham have now signed up to the Children's Safeguarding Profiling Model programme.
<b>Communications and marketing</b>	<p>In April the CIO Council hosted a technology fair at Guildhall, which provided the opportunity for seven of our venture partners to demonstrate the benefits of their solutions. This was positively received by all in attendance and a further 'marketplace' event is to be hosted with senior management at Harrow Council.</p> <p>London Ventures was shortlisted for a Management Consultancy Association (MCA) award in April which provided further promotion for the programme.</p>

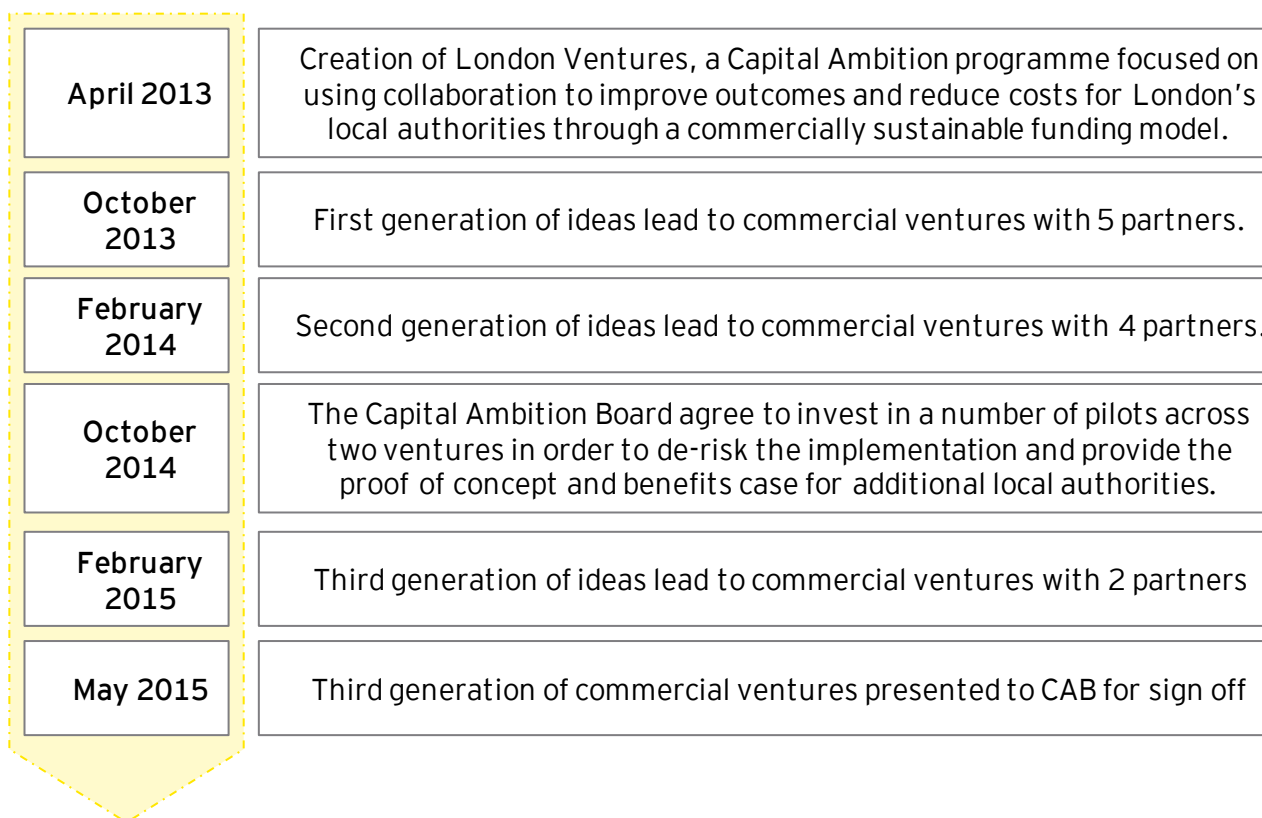


# Section 1

## The Journey

# The London Ventures journey

*Since its creation, London Ventures has launched 11 initiatives across London*



## *Delivering outcomes across local authorities and London residents*

One LA has identified almost all of their Troubled Families target as an added benefit of the CSPM programme (Xantura)

£1.5m of potential income generation over 5 years at one LA (Oxygen Finance)

**The priority themes for the London Ventures programme are to have initiatives that:**  
 Work cross organisation and cross sector  
 Reduce cost  
 Achieve better outcomes for Londoners  
 Achieve increased investment in public services

One LA has seen productivity gains of 7 times identified through robotic automation (Blue Prism)

26 successful crowd funding projects in London (Spacehive)

# The London Ventures journey

## *Involving senior stakeholders across London*

A strategic approach to stakeholder engagement continues to drive progress through the venture pipeline. Venture take up relies on engagement with the key decision-makers at local authorities and presenting a persuasive case for innovation and change.

The focus on engaging key stakeholders within local authorities has continued over the last few months with interest in the programme continuing to grow. As well as a number of initial conversations, there has been a deeper level of engagement with the following local authorities:

- ▶ Haringey
- ▶ Newham
- ▶ Havering
- ▶ Islington
- ▶ Westminster
- ▶ Kensington and Chelsea
- ▶ Hammersmith and Fulham



*Chief Executives  
Finance Directors  
Senior Management Teams  
Heads of Transformation  
Shared Services Boards*

## *Engaging London local authorities*

The map demonstrates that nearly all local authorities in London have been engaged with the London Ventures programme. Nine local authorities are currently implementing Ventures with a further 23 expressing interest and engaging with the programme to varying degrees. The below map highlights the London Ventures engagement with local authorities to date.





# Section 2 Current Portfolio

# The London Ventures Portfolio

Set out below is an overview of progress for each venture within the portfolio.

## Ventures in Delivery

Blue Prism	Xantura	Oxygen Finance	Spacehive
<ul style="list-style-type: none"> <li>▶ The venture is currently being implemented in Croydon Council</li> <li>▶ Further London boroughs have had demonstration workshops of Blue Prism</li> </ul>	<ul style="list-style-type: none"> <li>▶ Currently implementing in Hackney, Newham and Tower Hamlets - and Thurrock Council in Essex</li> <li>▶ There are a number of further authorities interested, both in, and outside London</li> </ul>	<ul style="list-style-type: none"> <li>▶ Currently under implementation at Croydon Council</li> <li>▶ The first suppliers are expected to join the programme at Croydon by 31<sup>st</sup> May with income being generated soon after.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Engaging extensively with local authorities across London and providing demonstrations of the platform.</li> <li>▶ Interest in adopting Spacehive from numerous other LAs</li> </ul>
Strategic importance: <b>G</b>	Strategic importance: <b>G</b>	Strategic importance: <b>G</b>	Strategic importance: <b>G</b>
Commercial viability: <b>G</b>	Commercial viability: <b>G</b>	Commercial viability: <b>G</b>	Commercial viability: <b>A</b>

## Ventures Approved for Delivery

Quadnet	Centrix	Fraud Hub	Care Broker
<ul style="list-style-type: none"> <li>▶ Approved for delivery at the CAB in Feb 2015</li> <li>▶ Working with EY and London Councils to develop a promotional plan and create promotional materials</li> </ul>	<ul style="list-style-type: none"> <li>▶ Approved for delivery at the CAB in Feb 2015</li> <li>▶ Working with EY and London Councils to develop a promotional plan and create promotional materials</li> </ul>	<ul style="list-style-type: none"> <li>▶ DCLG grant fully received and project set up</li> <li>▶ Hub design due to begin mid-May</li> <li>▶ 16 LAs have so far indicated agreement to participate in principle</li> </ul>	<ul style="list-style-type: none"> <li>▶ Currently being tested in a City Council and a pilot local authority</li> <li>▶ Continuing to engage with local authorities across London to develop the venture further</li> </ul>
Strategic importance: <b>A</b>	Strategic importance: <b>A</b>	Strategic importance: <b>G</b>	Strategic importance: <b>G</b>
Commercial viability: <b>A</b>	Commercial viability: <b>A</b>	Commercial viability: <b>A</b>	Commercial viability: <b>A</b>

## Ventures not in Delivery

iTechnosoft	PitchWise	Business Angels
<ul style="list-style-type: none"> <li>▶ Approved for delivery but has not successfully engaged with any local authorities to implement within London</li> </ul>	<ul style="list-style-type: none"> <li>▶ Approved for delivery but does not meet the needs of any local authorities within London</li> </ul>	<ul style="list-style-type: none"> <li>▶ Approved for delivery but venture continues to remain on hold</li> </ul>
Strategic importance: <b>R</b>	Strategic importance: <b>R</b>	Strategic importance: <b>R</b>
Commercial viability: <b>R</b>	Commercial viability: <b>R</b>	Commercial viability: <b>R</b>

Venture update: The commercial deal for Streetlife was agreed at the February Capital Ambition board. Since this time, Streetlife have decided to re-evaluate their involvement in the programme, so will not be proceeding further with London Ventures at this time.

# Children's Safeguarding Profiling Model

*Optimising the work of safeguarding teams through the use of technology*

## What's happening?

Xantura is building a Children's Safeguarding Profiling Model (CSPM) across 4 local authorities. This model brings together data from multiple agencies and applies risk scores to identify those children, and families, who are statistically most in need of earlier or additional support. The initial model build will begin the end of May 2015.

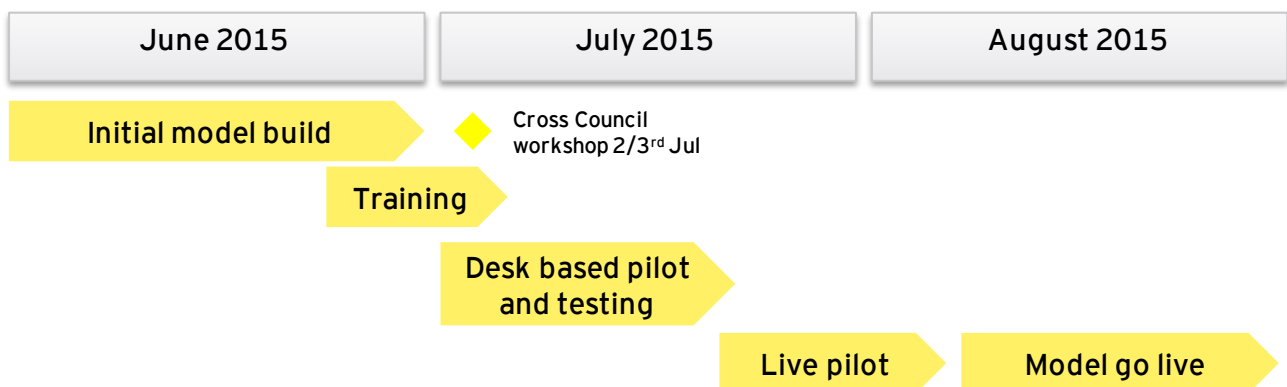
## How many are on board?

- ▶ We are currently working with three London local authorities - Hackney, Newham and Tower Hamlets - and Thurrock Council in Essex
- ▶ There are a number of further authorities interested, both in, and outside London

## What are the benefits?

- ▶ Benefits of circa £122k from increased efficiency in Troubled Families (TF) teams. One LA has identified over 300 additional families to receive support through their TF programme and are in an improved position to access phase 2 of the TF programme
- ▶ Improved access to multi-agency data leading to increased efficiency in safeguarding teams, equating to circa £148k. One local authority is surfacing Xantura's Insight database within their MASH team, providing a holistic view of a case, thus enhancing, and increasing the speed of, the safeguarding professionals referral decision
- ▶ Further expected benefits across all authorities involved will come through identifying children, and families, in greatest need of support, enabling more targeted interventions to be implemented earlier, reducing the levels of safeguarding cases. This reduction of cases could amount to cost avoidance of over £700k.

## Next steps





# Early Payment Programme

*A cost neutral early payment programme whereby standard 30 day payment terms for suppliers are replaced with an accelerated, incentivised programme*

## What's happening?

Currently implementing Early Payment at Croydon Council.

The first suppliers are expected to join the programme by the end of May and transacting can begin.

## How many are on board?

- ▶ Implementation is currently underway at Croydon Council
- ▶ LB Lewisham and LB Bexley have undertaken the Assessment phase and expected to commence Implementation over the coming months
- ▶ Other London boroughs have expressed interest

## What are the benefits? ?

- ▶ £1.5m of potential income generation over 5 years for the Croydon Council
- ▶ Additional areas of spend identified as in scope for the programme
- ▶ Efficiencies within the Council's processes and policies
- ▶ Stronger relationships with the supplier base which will increase as more authorities join the programme

## Next steps

June 2015

July 2015

August 2015

Early payment programme in place at Croydon (Earnings generated)

Second tranche of local authority implementation  
(likely Lewisham and Bexley)

Assessments undertaken for additional London Boroughs

## *Automating back office functions with robotic software*

### **What's happening?**

Blue Prism is currently implementing their robotic automation software in Croydon Council who received match funding from CAB to implement this venture.

Croydon are already experiencing a number of benefits (see below) and will be documenting these in order to promote the venture to other local authorities.

### **How many are on board?**

- ▶ This venture is currently being implemented within Croydon Council
- ▶ Further London local authorities have seen demonstrations of the robotic automation software with another demo workshop in May

### **What are the benefits?**

Through the automation of their first process, Croydon are experiencing the following benefits:

- ▶ Productivity gains of up to 7 times in completing the process
- ▶ Improved customer service and avoidance of regulatory breach due to increased accuracy of the robot
- ▶ Comprehensive exception report and full audit trail provided which was not previously available

### **Next steps**

June 2015

July 2015

August 2015

Continue implementing at Croydon Council

Take up opportunities to promote the venture to other local authorities

# Crowd funding platform

## Crowd funding civic projects

### What's happening?

Spacehive continue to engage extensively with a large proportion of local authorities across London and have held a number of demonstration workshops.

In London there has been 26 successful projects; two in the Ealing hive with 38 more in development; one in Camden, 9 more in development; and 7 projects already in development on the newest Croydon hive.

### How many are on board?

- ▶ Croydon, Camden, Ealing, Hackney, Harrow, the GLA and London Councils all have a 'hive' with Spacehive
- ▶ Further interest in adopting this crowd funding platform has been received from Islington, Hammersmith and Fulham, Kensington and Chelsea, Southwark, Lewisham, Lambeth and Richmond

### What are the benefits?

- ▶ Spacehive has already seen 72 successfully funded projects through their crowd funding platform, 26 projects in London, with just under £2.4m raised through these successful projects
- ▶ There are over 642 civic projects currently on the Spacehive site seeking funding
- ▶ Local authorities with hives, that have not already, are discussing match funding Spacehive projects in order to help their civic transformation funds go further
- ▶ Interest from Hammersmith and Fulham in terms of internal corporate transformation

### Next steps

June 2015

July 2015

August 2015

Engage Enfield, Hackney and Brent

Contacting London boroughs which are currently not engaged with Spacehive

# Ventures approved for delivery

## Fraud Hub

*A pan-London fraud hub operated by a private sector supplier on a payment-by-results basis for the detection of fraud against the 32 London boroughs and City of London Corporation.*

### Status:

- ▶ DCLG grant fully received and project now set up. Governance structures for the development of the hub are in place and robust project/change management practices have been implemented
- ▶ The next phase of work (hub design) is due to begin mid-May which will design the procurement and commercial model options for the hub
- ▶ 16 boroughs have so far indicated agreement to participate in principle

## Centrix

*Centrix Software's SaaS based solution, WorkSpace iQ, analyses usage of users' devices, applications and content, whether delivered locally, virtually or via the cloud, helping to shape how public sector organisations deliver technologies.*

### Status:

- ▶ Approved for delivery at the Capital Ambition board in February 2015
- ▶ Attended a technology fair in April 2015 with the CIO Council
- ▶ Currently creating promotional material for publicising the venture across London
- ▶ Working with EY and London Councils to develop a promotional plan

## Quadnet

*Quadnet's service works to understand the problems behind slow-running applications, find the root causes and drive forward solutions.*

### Status:

- ▶ Approved for delivery at the Capital Ambition board in February 2015
- ▶ Attended a technology fair in April 2015 with the CIO Council
- ▶ Currently creating promotional material for publicising the venture across London
- ▶ Working with EY and London Councils to develop a promotional plan

## Care Broker

*The Care Brokerage Service involves establishing a new entity to provide local authorities across London with a centralised care brokering managed service for the sourcing and provision of adult social care services.*

### Status:

- ▶ The Care Brokerage organisation is being tested within a City Council and one pilot local authority
- ▶ Continuing to engage with local authorities across London to develop the venture further

## Business Angels

*Creation of a London Ventures Business Angel Co-Fund targeting early stage and emerging local London businesses seeking to access between £200k and £2m of equity finance. The initial phase would involve due diligence.*

**No update.**

## Pitchwise

*A centralised, one-stop website giving customers the ability to search and book a suitable football pitch, optimising time and money.*

**No update**

## i-Technosoft

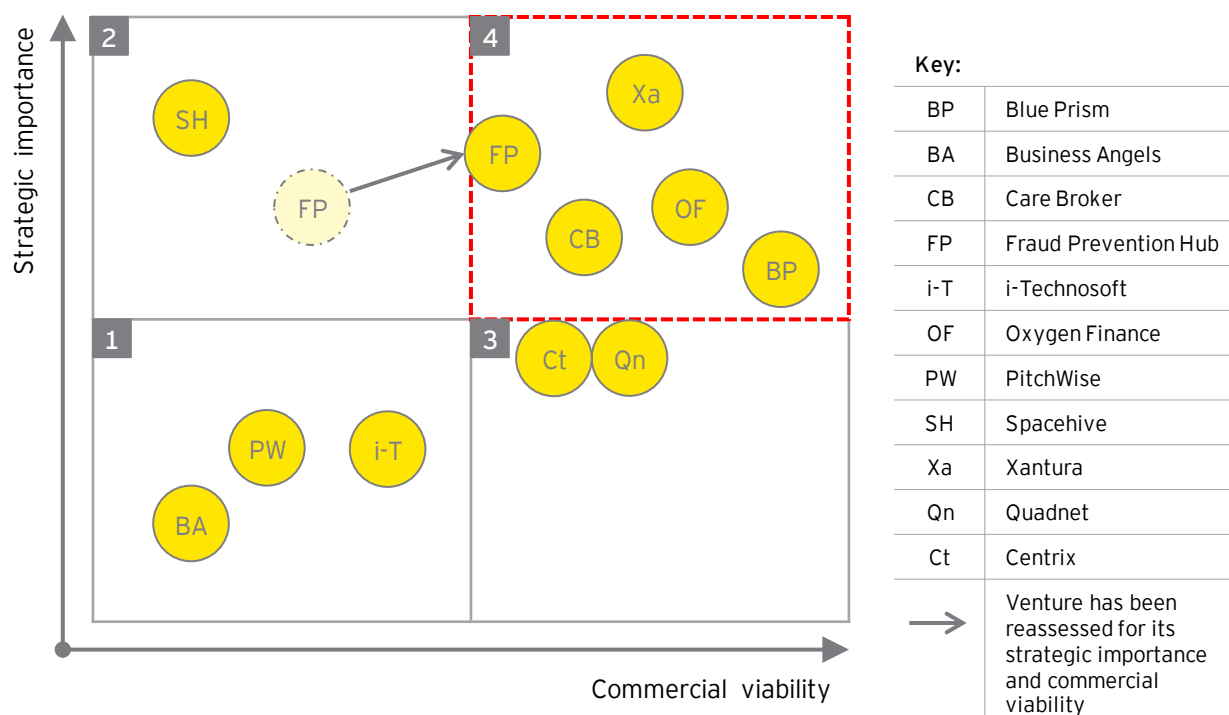
*This programme includes award winning parental control and social media protection tools that filter out harmful content on the internet, provided at a preferential rate*

**No update**

# The Portfolio Approach

For the programme to become financially sustainable we need to ensure that the commercial value in partners engaging with Capital Ambition and the opportunity to increase their footprint in the market, is reflected in negotiations. The imperative for the programme is to ensure that ventures can be implemented by local authorities providing significant benefits and opportunity. The Capital Ambition Board agreed in July 2014 that the portfolio approach would be adopted to target resource at the ventures likely to provide the best outcomes for both local authorities and the programme.

Since the last Board meeting some ventures have been reassessed for their strategic importance and commercial attractiveness. Their new positions are shown on the matrix below.



Criteria	
<b>Strategic Importance:</b> <ul style="list-style-type: none"> <li>► Aligns to LA priorities</li> <li>► Fits strategically with the priorities of Capital Ambition</li> </ul>	<b>Commercial Attractiveness:</b> <ul style="list-style-type: none"> <li>► Generates a revenue return for the programme</li> <li>► Offers a commercial advantage for LAs</li> </ul>

## Key focus

To ensure that the London Ventures programme can achieve a future sustainable programme of work, we will target resource at ventures in the top right quadrant of the matrix. These are those ventures that deliver the best return, both financially and strategically, to local authorities and the programme.



# Section 3 Programme Financial Statement

# Programme finances

London Ventures is an innovative public-private sector partnership seeking to broker commercial deals for improved public services. The inherent risk of non-delivery of projected income as with any new venture has been recognised by each organisation and the Capital Ambition Board agreed to a 50:50 risk sharing agreement with EY to underpin the forecast income projections to support delivery towards a self sustaining model.

The below page summarises the current financial position of the programme.

## Annual statement (April to March 14/15)

The following table summarises the annual statement for FY14/15.

	£
Opening book	-£34,407
Net programme costs	-£309,228
Closing book	-£343,635
Overdraft split:	
London Councils	-£140,000
EY	-£203,635

## Financial projections - Q1

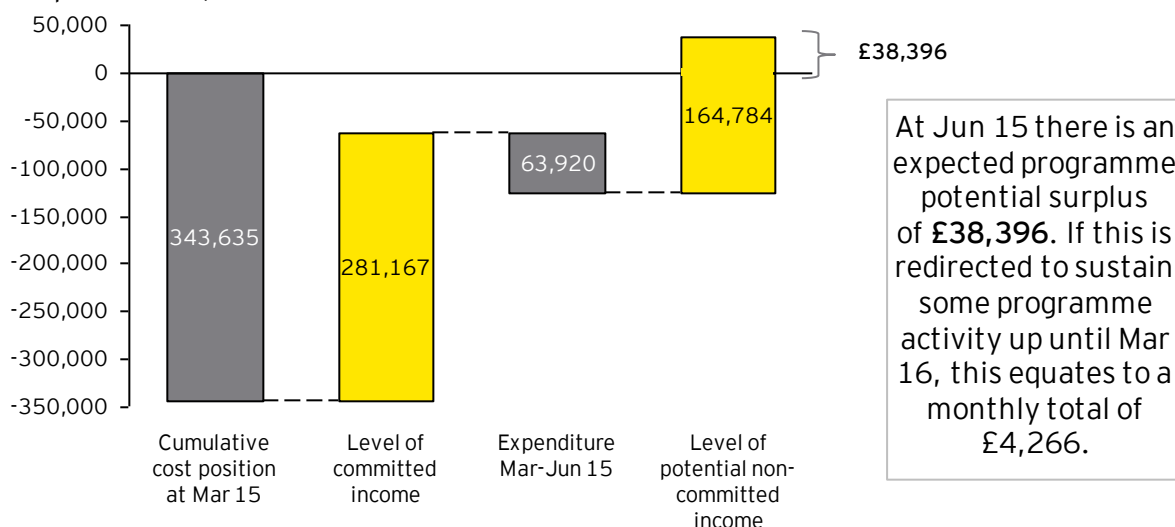
In the first quarter of this year we have seen an income stream into the programme. By June 2015 we will have the following committed income and expenditure:

	Apr 15	May 15	Jun 15
Committed income	£13,680	£34,500	£27,360
Committed expenditure	£21,307	£21,307	£21,307
Total	-£7,627	£13,193	£6,053
Cumulative total	-£351,262	-£338,069	-£332,016
Overdraft split:			
London Councils	-£140,000	-£140,000	-£140,000
EY	-£211,262	-£198,069	-£192,016

## Forward looking - FY16

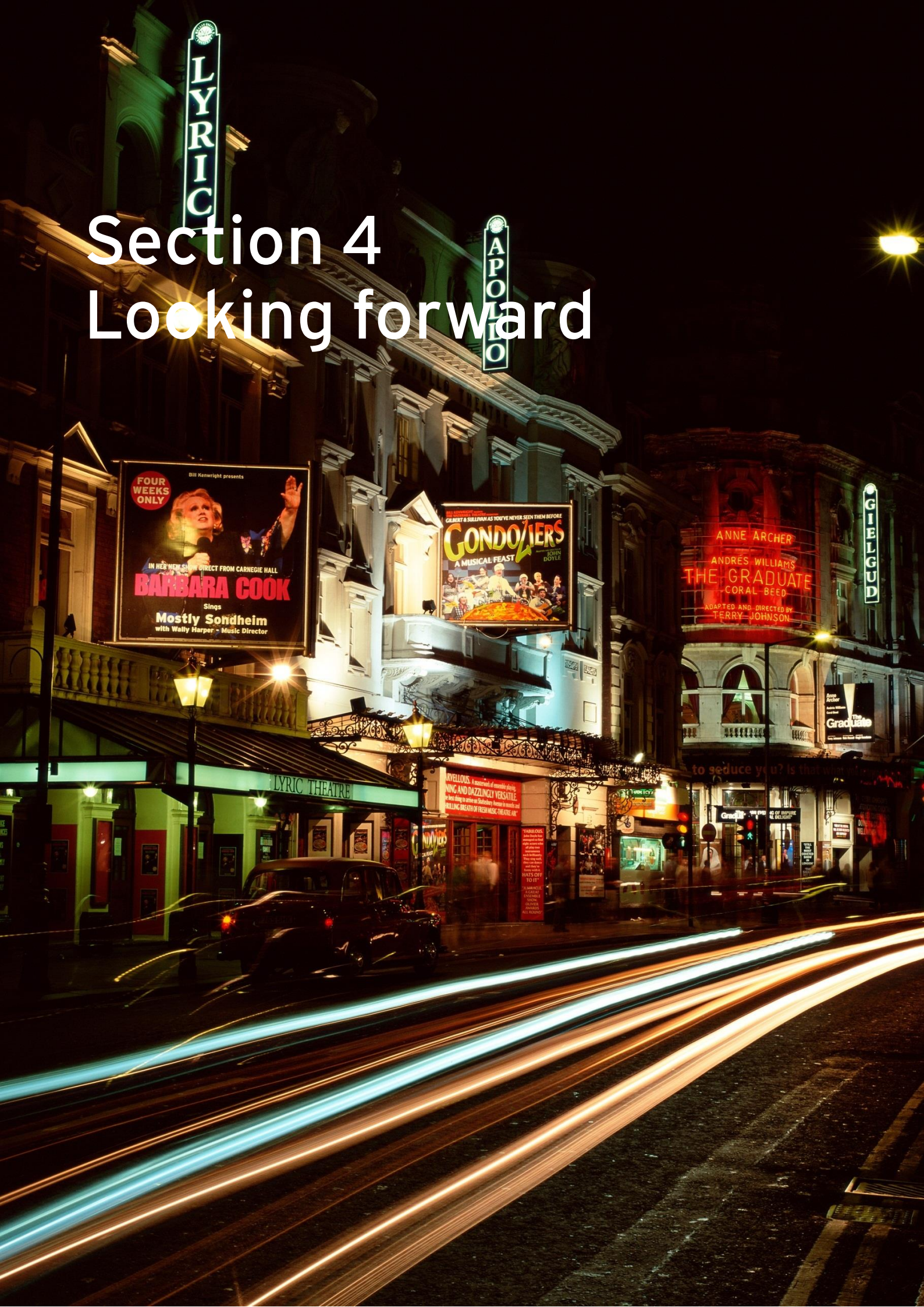
Over the course of FY15/16 we expect to have committed income into the programme of £281,167, made up of the income from Blue Prism, Xantura and Oxygen Finance ventures. If we apply this to the Mar 15 cumulative cost position and add the Mar-Jun programme expenditure, the programme will be at a cumulative cost position of -£126,388 at Jun 15.

Based on projections of ventures in delivery and potential income from the 3<sup>rd</sup> generation ventures there is a level of potential non-committed income into the programme in FY15/16 of £164,784. If this was all received we would have a potential programme surplus of £38,396.



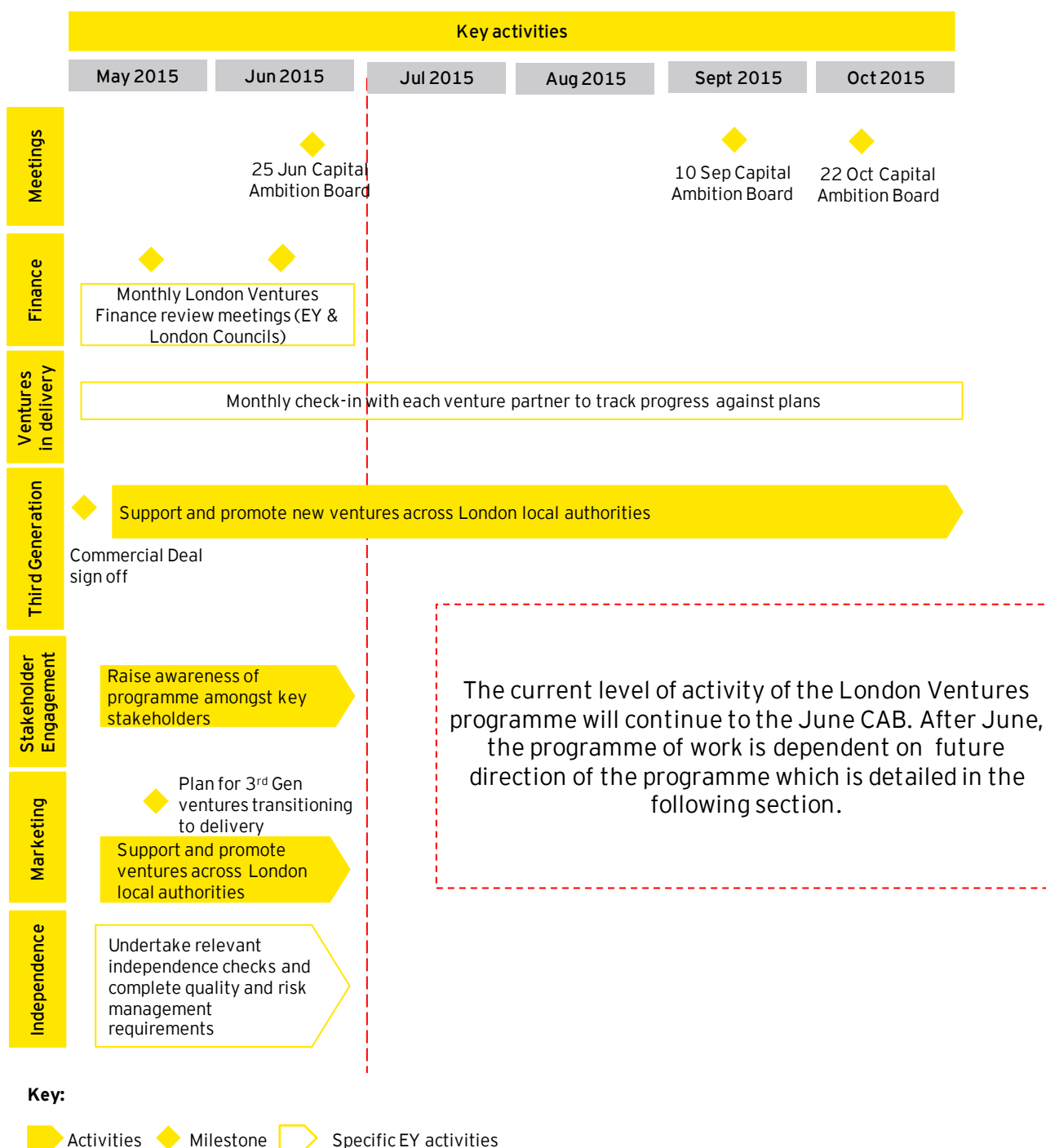
# Section 4

## Looking forward



# London Ventures programme plan

The plan for delivering the programme from May to Oct 2015 is shown below. After agreement to the final 3<sup>rd</sup> generation ventures commercial deals, the focus of the programme will be on ventures in delivery and ensuring that the ventures are appropriately marketed across London. A decision is required at the June CAB as to what happens to the future programme, however there will still be some activity that will continue as highlighted in the plan below.



A nighttime photograph of a modern building with a glass facade. The building's interior lights are on, and the glass reflects the surrounding environment. A large, bare tree stands in the foreground, its branches silhouetted against the building. The text "Section 5 Options for future programme delivery" is overlaid on the image in a white, sans-serif font.

# Section 5 Options for future programme delivery

## Options for future delivery

For the year ahead, the London Ventures programme will have:

- ▶ Ventures in delivery which will deliver a guaranteed income for the programme, increasing with the sign up of additional local authorities
- ▶ Ventures approved for delivery, including a number of new third generation ventures, with projected potential income for the programme

The programme will have achieved its ambition to deliver innovation to local authorities in a self-sustaining way.

The programme is funded until June 2015. The June Capital Ambition Board therefore represents a key point to agree the future direction of the programme.

**We ask that the Board agree:**

**(a) to EY and London Councils developing a programme plan for the future delivery of the programme for presentation at the June CAB**

**(b) that the following premises are true:**

- ▶ that London Ventures is achieving its objectives and should be continued beyond June 2015
- ▶ that the Board is open to considering increasing the funds available to the programme in FY 2015/16

**(c) that the programme plan should consider all or some of the following principles:**

- ▶ **Invest in individual ventures** - Additional and/or prioritised investment in existing ventures, for example, further pilots for approved ventures
- ▶ **Invest in the London Ventures programme** - Additional and/or prioritised investment in the London Ventures programme to drive further generations of ventures (4th, 5th generation of venture partners)
- ▶ **Invest in a London Ventures “new” generation** - Investment in a London Ventures “new” generation to develop a new infrastructure for developing venture ideas driven by responses from the sector and embedding further innovation in the programme

**(d) Which principle(s) should form the basis for the programme plan to be developed for June CAB**

# 1. Invest in individual ventures

## Overview

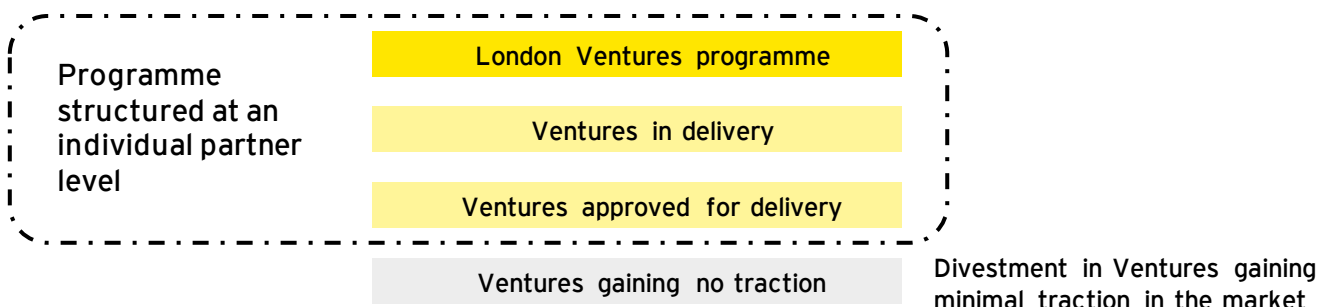
The London Ventures programme operates through its existing venture partners (in delivery and approved for delivery):

- ▶ Additional generation of venture ideas (beyond the 3<sup>rd</sup> generation) are placed on hold and investment is focussed on existing partners

Investment is made through a targeted, focussed approach

- ▶ Investment is made through individual ventures such as funding pilot sites
- ▶ The board considers divestment in ventures which are not gaining traction in the market

## Programme structure



## Programme governance

Investment is managed through existing venture relationships and governed by CAB

Resource effort targeted on specific venture pilots

## Commercials

Income is guaranteed through existing venture partners in delivery

The investment secured within individual ventures will provide increased traction in the marketplace and provide a potential additive income stream

## Costs

Limits the opportunities to expand the programme further, and for London's local authorities to benefit from an expanded Ventures programme.

## Benefits

Opportunity to focus on ventures with greater benefits and receiving the highest levels of engagement and interest from local authorities

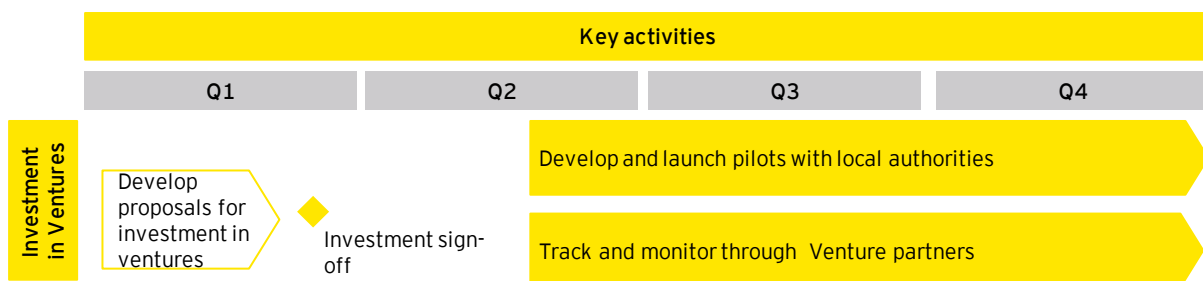
Move towards a self-sustaining model for the remaining ventures

# 1. Invest in individual ventures

## Programme plan

The main activities for delivering this principle over the next four quarters are shown below. The activities are focused on the management and promotion of the individual pilots:

- ▶ Focused activity on the investment case proposal will then move to implementation in the later part of the year
- ▶ Stakeholder and marketing activity will be targeted on promoting existing ventures



### Key:

- ▶ Activities    ◆ Milestone    ◻ Specific Commercial partner activities

## 2. Invest in the London Ventures programme

### Overview

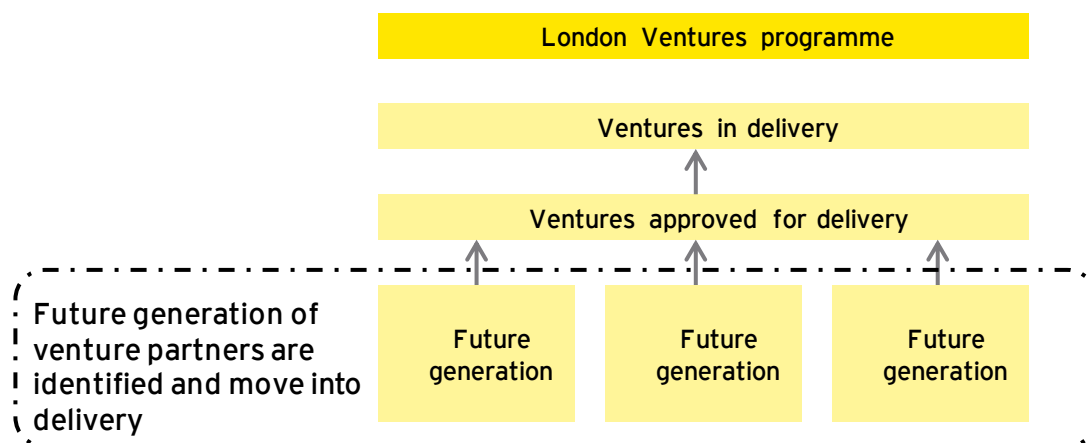
The London Ventures programme operates through its existing venture partners (in delivery and approved for delivery) and through future generations of venture partners:

- ▶ Existing venture partners would sustain through their current momentum, generating income for the programme
- ▶ Future generations of ventures would provide a potential revenue stream

Investment would be focussed on generating future generations of venture partners:

- ▶ Investment targeted on cycles of future generations - identification, promotion, broker, deliver

### Programme structure



### Programme governance

Programme management resource to facilitate future generation activity.

Investment tracked through the programme and governed by CAB.

### Commercials

Income is guaranteed through existing venture partners in delivery

Investment would mean that:

- ▶ Additional income is generated as future generation ventures move into delivery
- ▶ Resource is in place to identify and promote future generations and to negotiate commercial terms and broker local authority relationships

### Costs

Limits the opportunities to target the programme differently

### Benefits

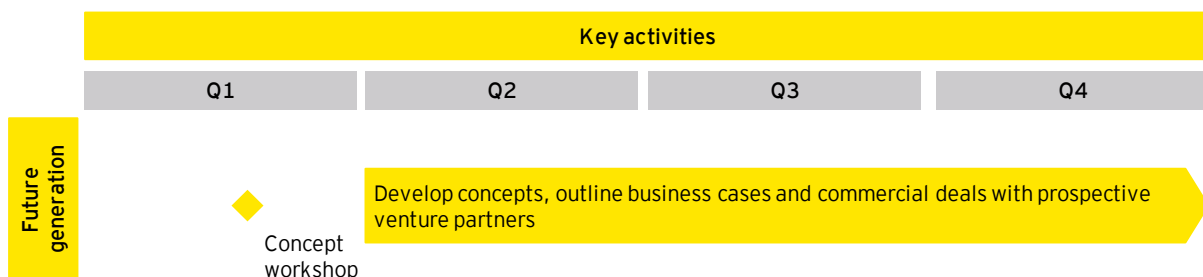
Expanded programme of ventures through introducing future generations

## 2. Invest in the London Ventures programme

### Programme plan

The main activities for delivering this principle over the next four quarters are shown below. Programme activity will be focused on developing further generations of ventures:

- ▶ Stakeholder and marketing activity will continue to promote existing ventures but will also be targeted towards new generation ventures
- ▶ Light touch engagement with existing venture partners to track progress



#### Key:



### 3. Invest in a London Ventures “new” generation

#### Overview

**The London Ventures programme grows in its ambition:**

- ▶ The programme manages the existing venture partners to ensure their success and generate income
- ▶ Future venture partners are identified through a new process, re-positioning the objectives and ambitions of the programme to ensure the programme is responding appropriately to the sector (see feedback from CELC and SLT on the following page 31)

**Investment would focus on developing and implementing a new structure to the programme and embedding a new approach to venture generation.**

#### Programme structure

The programme structure will be re-designed to embed a new approach to the generation of ventures, and to their the promotion and implementation.

#### Programme governance

New governance would be designed and agreed as part of the programme’s new infrastructure.

#### Commercials

Income is guaranteed through existing venture partners.

Potential for significant additive income through identifying and implementing a “new” generation of ideas which have greater traction in the market.

#### Costs

Requires greater investment in order to develop the infrastructure for the new programme.

#### Benefits

Opportunity to expand the London Ventures programme in an innovative way.

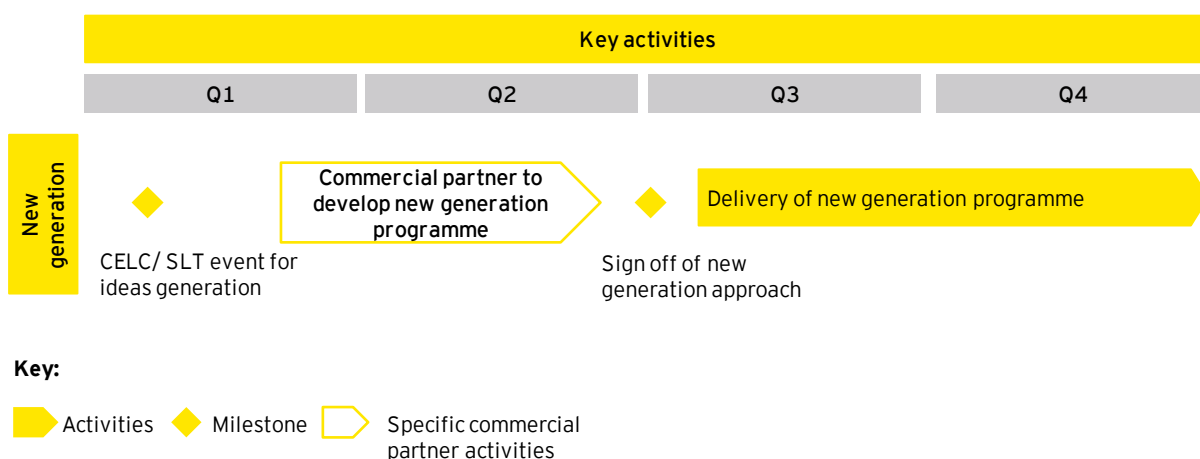
Ability to more directly address the key challenges that are being faced by London’s local authorities, as highlighted by the feedback from SLT and CELC on page 31.

### 3. Invest in a London Ventures “new” generation

#### Programme plan

The main activities for delivering this principle over the next four quarters are shown below. Programme activity will focus on developing the new generation:

- ▶ Designing the new generation (Q1 and Q2) - developing design principles and strategic direction of the new programme through sector events. This will be followed by designing the infrastructure of the programme based on these principles
- ▶ Implementation (Q3 and Q4) - operationalise the new generation based on the infrastructure design developed in Q1 and Q2
- ▶ Stakeholder, marketing and venture management will continue but with a focus towards the new generation



### 3. Invest in a London Ventures “new” generation - Feedback from CELC/SLT

As part of investing in a “new generation” of London Ventures, the programme may want to consider feedback received from the sector and perhaps be more responsive to the challenges put forward by the sector. The London Ventures programme ran a workshop with CELC and SLT to gather insights into the problems currently faced in London. These insights could provide the beginnings of a new way of approaching London Ventures, which is strategically aligned to combating some of the key issues faced by London’s local authorities. Each of the problems have been grouped into a key question or challenge.

#### KEY PROBLEMS

Reconfiguration of services around the customer/client
Planning service- having a customer focus
Customer channels - elimination of intermediary costs
Cost of adult/children social care
Homecare contract price
Social worker recruitment
Integration of health and advanced social care
Care Act implementation
SEN Transport
Transitions of children to adults in social services
Demand management in adult social care
Homelessness & number in temporary accommodation
IT Provision
Data Management / Information Governance
ICT staff retention
Project Management capacity
Staff development/competency development

How can local authorities ensure that they are providing excellent services to customers through multiple channels, whilst easing any administrative processes?

How can local authorities handle national policy changes and demands on health and social care, whilst retaining a quality of service for the end user?

How can local authorities respond to the challenges of homelessness in the short and longer term?

How can local authorities ensure that they have the right capabilities, IT resources and human resources to be an effective organisation?

These four questions could potentially provide a foundation on the direction of the “new” generation so that new innovative ideas remain outcomes focused on the challenges which local authorities are facing.

A nighttime photograph of a modern building with a glass facade. The building's interior lights are on, and the glass reflects the surrounding environment. A large, bare tree stands in the foreground, its branches silhouetted against the building. The text "Appendix 1" and "Venture Overview" is overlaid on the image in a white, sans-serif font.

# Appendix 1

## Venture Overview

# London Ventures portfolio

## Introduction

There are currently eleven ventures that have been presented and approved for delivery by the Capital Ambition Board in Oct 2013, Feb 2014 and Feb 2015. These eleven ventures cover a diverse spectrum and range of services:

Venture	Partner	What is it?
Robotic Automation	Blue Prism	Innovative software which mirrors and then automates human behaviour on any computerised system.
Safeguarding Solutions	Xantura	Xantura are developing offer two safeguarding solutions; <ul style="list-style-type: none"> <li>► An analysis platform to support the evolving requirements of the Troubled Families programme (data asset delivered supports the risk model solution)</li> <li>► An 'early years' predictive risk model for preventing children going into care, which will be used to predict the likelihood of neglect and abuse by the age of 5 (and would be applied to children less than two years old)</li> </ul>
Care Broker	EY	The Care Brokerage Service involves establishing a new entity to provide local authorities across London with a centralised care brokering managed service for the sourcing and provision of adult social care services.
Fraud Prevention Hub	Ealing Council	The long term vision of this venture is based on the development of a data analytics project (the London Fraud Hub), which will tackle fraud against local authorities organised around the three themes of, "Acknowledge, Prevent and Pursue". The first focus is on reducing business rates and council tax.
Crowd Funding	Spacehive	Spacehive is a crowd funding platform for civic projects (e.g. new park or playground). It aims to unlock new sources of investment and creativity for regeneration projects, transforming the public realm and empowering communities. It allows anyone with inspiring project ideas to pitch for support and funding from their community.
Early Payment Programme	Oxygen Finance	A cost neutral early payment programme whereby standard 30 day payment terms are replaced with an accelerated, incentivised programme.
Business Angels Co-Fund	EY	Creation of a London Ventures Business Angel Co-Fund targeting early stage and emerging local London businesses seeking to access between £200k and £2m of equity finance. The initial phase would involve due diligence.
Online football pitch booking system	PitchWise	A centralised, one-stop website giving customers the ability to search and book a suitable football pitch, optimising time and money.
Online child protection programme	i-Technosoft	This programme includes award winning parental control and social media protection tools that filter out harmful content on the internet, provided at a preferential rate.
Usage Analytics	Centrix	This software analyses users' devices, applications and content, providing insights into unused and similar applications. These usage insights shape the way public sector organisations maintain, choose and deliver technologies to balance user and business needs.
Slow Application fix	Quadnet	This service enables customers' to resolve difficulties with slow-running applications by running a feasibility study, finding root causes and driving forward solutions.



# Appendix 2 Progress Against KPIs

# KPI progress

The following section reports progress against the key KPIs and scorecards agreed during contractual negotiations.

KPI 1 Achieve financial sustainability for London Ventures		
Indicators	Evidence	RAG status
Test 1: Achieved minimum level of resources to sustain the programme next year	The current activity levels and resources directed at the programme will continue until June 2015. At June a decision is required on the future focus of the programme and thus the level of programme resource may change.	Amber
Test 2: Achieved additional resources to support the delivery of the organisation's objectives	In June a decision is required on the future focus of the programme and thus the level of programme resource may change. Investment continues to be established through private partner commercial negotiations, the sourcing of additional funding through cash investment and time.	Amber
Test 3: Achieved a robust pipeline of collaborative, cross-sector opportunities which are likely to provide additional cash/time/other resources	Third generation concepts are now in delivery stage, or have progressed to commercial deal stage, and the venture portfolio contains 11 ventures. The core focus will remain on transitioning Board-approved ventures into implementation.	Green

KPI 2 Deliver the current programme within the resources identified		
Indicators	Evidence	RAG status
Test 1: Use of resources for setting up the programme for the current year is within the specified limits	Deliverables have been established within existing resources and all deliverables were and are on track.	Green
Test 2: Use of resources for setting up the programme is planned and controlled and there is adequate resource available to deliver the plan	Adequate level of resources to deliver plan until June 2015 within the resources identified. Beyond June 2015 is dependent on the future programme focus.	Amber
Test 3: There is visibility of project delivery resources and no material/major areas of concern	There are no areas of concern.	Green

Key:	Green	Fully met
	Amber	Partially met
	Red	Not met

## KPI progress (cont'd)

KPI 3		
Create a defined programme of work over the medium term		
Indicators	Evidence	RAG status
Test 1: There is a programme of work aligned to the Capital Ambition priorities	11 ventures are currently within the London Ventures portfolio. Additional commercial deals are being presented to the Board to progress to delivery.	Green
Test 2: There is a collaborative programme of work which includes public, private and voluntary sector organisations	The programme of work includes joint ventures being launched with public, private and third sector organisations.	Green
Test 3: Individual projects are providing progress updates to the Capital Ambition board and there is an assessment of projected cash/ resources generated over time	Weekly progress reports are provided to the London Councils programme lead. Established governance with London Councils for management of programme financials and resource.	Green
KPI 4		
Build London Ventures profile, brand and reputation		
Indicators	Evidence	RAG status
Test 1: The London Ventures programme has involved engagement with a wider group of stakeholders including cross sector organisations	Engagement has taken place with a considerable number of organisations in developing concepts. Further conversations have been held with organisations advocating the programme and the ventures in delivery e.g. Nesta, Public Services Transformation Network, Future Cities Catapult etc. Wide ranging coverage across industry, national and international media.	Amber
Test 2: Feedback has confirmed a positive experience of London Ventures by stakeholders involved with the programme	Positive statements have been received from both the London Ventures programme team, Capital Ambition Board members, Local Authorities, and Partners.	Amber

Key:	Green	Fully met
	Amber	Partially met
	Red	Not met

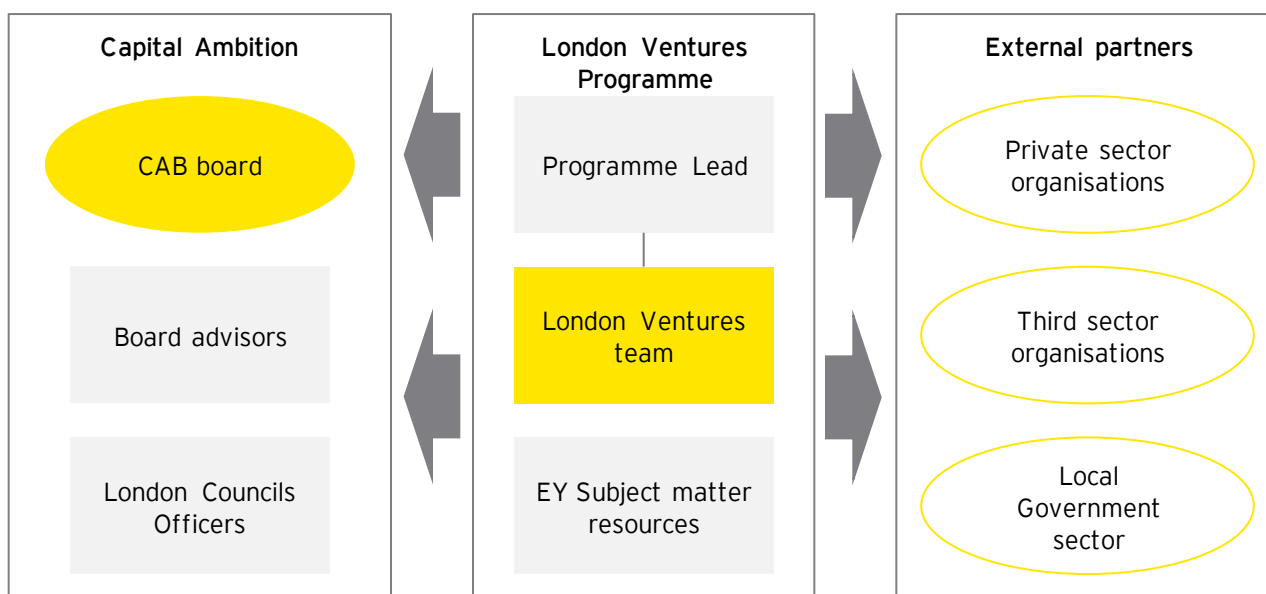


# Appendix 3

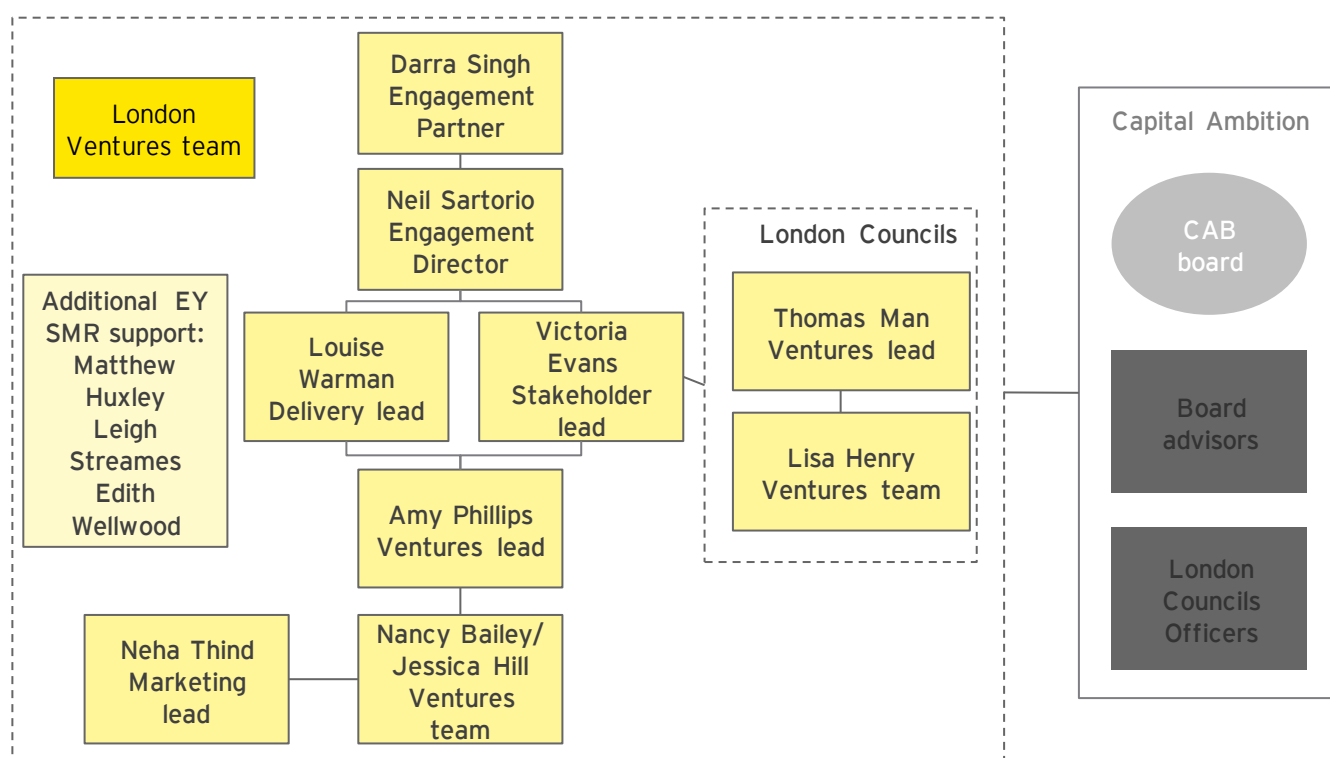
## Team Structure

# Team structure

The diagram below sets out the overall programme structure. The programme will continue to be led by Darra Singh who will provide the lead point of contact for the CAB board. The London Ventures team will continue in the role that has been key to the programme to date, linking with the CAB board, board advisors, officers at London Councils, the private and third sectors and the wider local government sectors. As the programme has developed in size and scale, the team has increasingly drawn on a range of EY people who bring a range of capabilities and understandings.



The diagram below shows the key roles involved in delivering the ventures programme. The ventures team will be overseen by an overall engagement partner and director. Victoria Evans will lead on commercial negotiations to support launch and implementation of ventures. Amy Phillips and Lisa Henry will be the main points of contact for day to day delivery of the Ventures programme from both an EY and London Councils perspective.



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