

# **CABINET RESOURCES COMMITTEE – 2 MARCH 2011**

## **ITEM 4 – PUBLIC QUESTION TIME**

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### **1. Questions asked of the Chairman of the Cabinet Resources Committee by Mr John Dix:**

- A. Are the Committee confident that the decision to press ahead with the preferred option is sufficiently robust to withstand any potential legal challenge given that there is no supporting evidence for any option other than the performance of the current in house team in any of the evaluation matrices and there is no risk assessment of any option?

#### **Reply by the Chairman of the Cabinet Resources Committee:**

Appendix B of the Options Appraisal outlines the scores attributed to each theme for each potential delivery option and the rationale behind these scores. These scores were developed through discussions between the project manager, One Barnet Implementation Partner and senior officers within the Council. Whilst it can be acknowledged that these scores are subjective, the rationale behind them, particularly comparative scores for the same theme across different delivery options is based on an in-depth understanding of the different delivery options.

Appendix C, D and E of the Options Appraisal discuss the Strengths, Weaknesses and Impact on Staff of each potential delivery option. While not formally a risk register, this analysis is assessing and recognising the risks inherent within each of the potential delivery options, which must be taken into account through any decision-making process and future plans for the delivery of the option must be developed in order to mitigate these risks. In no cases are these risks perceived to be insurmountable and without potential mitigating action.

The weightings for each service were developed by the project manager in conjunction with the service lead(s) (senior officer(s) within each service) and implementation partner. This process involved evaluating and understanding the available data, as presented in the options appraisal, about the cost, performance and change and improvement requirements for each service. Weightings were then developed (and iteratively improved through discussions with project board) based on what was required for each service given the conclusions drawn about the data in order for the desired outcome to be achieved for each service.

Consequently for a service that is already working well (i.e. is high performing and low cost) with little change needed, the themes given the highest weighting were performance and cost, as in order to achieve the One Barnet objectives of high-performing and low-cost support services a delivery option that can best deliver against the performance and cost themes would be the preferred option (even if the services are already high-performing and low-cost, as there is still room for improvement to make them higher-performing and lower cost). Conversely, a service requiring significant transformation, again understanding that the One Barnet objective is to have high-performing and low-cost services, had a higher weighting on other themes (such as transformation and pace) as these are important to deliver the required transformation to deliver the desired outcomes for that service.

- B. Are the Committee concerned that the Finance and Revenue & Benefits functions will be included in the outsourcing scheme even though there is no evidence to support this strategy other than the appetite of the private sector?

#### **Reply by the Chairman of the Cabinet Resources Committee:**

It is entirely appropriate that the Finance and Revenues & Benefits functions are included in the cluster of services to be outsourced, as this is the option that it is believed will best deliver the desired outcomes for these services.

It is true to say that they are already relatively high performing and relatively low cost, however there is potential for improvement to make these services higher performing and lower cost than they already are, and the options appraisal recommends that outsourcing these services is the option that will best enable this desired outcome to be delivered.

It is important to understand that the outsourcing option is not an option that should only be recommended when services are high-cost and low performing, in fact experience from other organisations show that services should only be outsourced when their performance is at least adequate, to prevent the private sector from realising significant benefits that will not be passed back to the Council.

- C. Can the Committee confirm that they are not prepared to consider an in house option under any circumstances?

**Reply by the Chairman of the Cabinet Resources Committee:**

The Options Appraisal has considered the in-house option, and in fact for Legal Services has recommended that in-house delivery is the preferred option. In-house options will be considered at options appraisal throughout the One Barnet programme, and where through options appraisal the in-house option is the recommended option plans will be developed to implement this option.

- D. Are the Committee concerned that, as there is no possibility of an in house option, key members of staff will start leaving the Council in the intervening 18 months that it will take to negotiate a contract with the outsourcing company? How has this been addressed within the option appraisal risk assessment?

**Reply by the Chairman of the Cabinet Resources Committee:**

It is important during a period of change to ensure communication and engagement of employees is well planned and implemented. There will always be a risk to an organisation at these times and risk management is essential.

There is an entry on the One Barnet Programme risk register which relates to the potential exit of existing employees due to future uncertainty, with actions against this for managers to carry out.

As part of the communication and engagement strategy, staff groups and briefings are taking place and they offer channels for employee feedback. Line managers are required to manage their direct reports and understand where there may be a risk and support individuals through the change.

Where outsourcing is the chosen option on a project there will potentially be development opportunities from working for a different and possibly larger organisation. There are a number of employees who recognise and welcome this prospect

- E. Are the Committee concerned that this outsourcing report appears to be critical of the way the Council has been run as evidenced at Appendix F paragraphs F1.5, F2.5, F3.5, F4.5, F5.5, F6.5 and F7.5? Who is to blame, officers or councillors and who should the residents hold accountable?

**Reply by the Chairman of the Cabinet Resources Committee:**

The Options Appraisal gives an honest and open appraisal of the current performance of each service in scope. Any organisation at any point would expect to have areas of the organisation in need of change and improvement, and this is more likely to be the case when, as in the case of the Council currently, the organisation is undergoing significant change and facing significant pressures.

The report is not being critical of the way the Council has been run, it is quite correctly identifying weaknesses and areas for improvement (which if it did not would invalidate the recommendations in the options appraisal).

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**2. Questions asked of the Chairman of the Cabinet Resources Committee by Mr Kevin Green:**

- A. Should the re-assignment of the lease from a garden centre to a 600 place school not take into account the historic restrictions placed on the site?

**Reply by the Chairman of the Cabinet Resources Committee**

There are no 'historic restrictions' to which the land was subject to on acquisition, under the 1923 Conveyance. The land was conveyed "discharged from all the Trusts powers and provisions" of a Will and Codicils. Therefore, if there were any restrictions etc in the Will, the land was discharged from them.

- B. Will any proposed new school go through the normal full planning application process or is this just a rubber stamp exercise?

**Reply by the Chairman of the Cabinet Resources Committee**

Planning permission for change of use to a school will be required and the application will go through the normal statutory process. The proposed school is a single form entry primary school with approximately 210 places.

- C. Is the car park that is used by existing local residents likely to be swallowed up as part of the proposed new school?

**Reply by the Chairman of the Cabinet Resources Committee**

The existing public car park adjoining the site does not form part of the application site or the lease, and no additional rights are being granted to the proposed school over the car park.

- D. What effect will a 600 place school have on traffic / parking in the vicinity?

**Reply by the Chairman of the Cabinet Resources Committee**

The traffic implications of the proposed change of use will be considered as part of the planning process.

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