

**MEETING****CABINET****DATE AND TIME****TUESDAY 25TH FEBRUARY, 2014****AT 7.00 PM****VENUE****HENDON TOWN HALL, THE BURROUGHS, NW4 4BG**

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
4.	PUBLIC QUESTION TIME (IF ANY)	1 - 10

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**CABINET**

**25 February 2014**

**PUBLIC QUESTIONS AND ANSWERS**

**AGENDA ITEM 5- Your Choice Barnet Task and Finish Group**

<b>QUESTION</b>	<b>RESPONSE</b>
<p><b>From Barbara Jacobson</b></p> <p>4.7 'Service users are no longer able to purchase services directly from local authorities ...' It is more accurate to state that <i>only</i> service users <i>in receipt of direct payments</i> are no longer able to purchase services directly from local authorities, and that service users can still choose to have their budgets administered by the council and therefore could utilise services directly from the council.</p>	<p>On 2 May 2011 a report was taken to Cabinet Resources Committee on 'Adults In-House Service Review: Initiation of Full Business Plan ' The Committee approved the plan so that the Council could set up a holding company in the form of a Local Authority Trading Company (LATC) and to 'Transfer the adult social care service provision as set out in Para 6.2 [of the report] from the management of the Council to the LATC following approval of the business plan.</p> <p>The relevant functions were transferred to the LATC on 1 December 2012.</p> <p>In respect of the specific question raised, service users are able to choose to have their budgets administered by the Council which can commission the services for them. However as the report of 24 May 2011 makes clear at 5.2 'The purpose of the project is to empower vulnerable adults to make choices about, and take control over, the social services they receive. Consequently creating an organisation which can support the implementation of the Personalisation Agenda should increase choice and control for individuals.'</p>

AGENDA ITEM 4

<p>As LBB is the sole shareholder in YCB, how, in law, is it not perceived as a single entity (i.e. part of LBB), and whose legal advice has the council taken on that issue?</p>	<p>Advice was taken from Trowers and Hamlin and this advice was set out in section 7 of the report of 24 May 2011 to Cabinet Resources Committee. It is established law that all companies have a distinct separate legal identity from their shareholders, irrespective of whether the shareholders are also limited companies/corporate bodies. Therefore a company wholly owned by another company or organisation such as TheBarnetGroup Ltd or Your Choice Barnet is a separate legal entity and is regulated by its own Articles of Association and legislation, specifically under the framework of the Companies Act 2006. The directors have specific duties set out in that Act including a duty to (a) act in accordance with the company's constitution and the best interests of the organisation, and (b) only exercise powers for the purposes for which they are conferred.</p>
<p>5.1.4–5.1.9, The YCB website states that ‘Your Choice Barnet is projected to start delivering a surplus to the council from 2013/14. The surplus is projected to reach £263,000 by 2014/15 and £493,000 by 2015/16.’ Tables 1–3 and their accompanying text illustrate three revised budgets, with the final one showing a loss of £105,000 in 2013/14.</p> <p>Why is the misleading statement still on the Barnet website, what is the end-December 2013 estimation of the projected loss, and is that loss despite the reported £1m loan from Barnet Homes?</p>	<p>We cannot see where this statement is on the YCB/Barnet Group website. The facts are that YCB outturn for 2013/14 is a loss of £831,000. The loan from Barnet Homes to YCB was made in 2012/13 and therefore is not included in this figure. The interest payments in respect of this loan are included in the loss.</p>

<p><b>From Ruth Kissin</b></p> <p>6.4 How many public meetings of the Your Choice Barnet Board have there been since May 2013, how are service users/carers informed of the meetings, and why are the minutes of those meetings no longer published on the YCB website?</p>	<p>The Barnet Group's three Boards, Barnet Homes, Your Choice Barnet and The Barnet Group have since June 2013 held a joint meeting. This was a decision made by the Board following an independent governance review which highlighted duplication. The Board believes that this is a more efficient way of running the businesses.</p> <p>All meetings of the Board are open to the public except where items on the agenda have been identified as exempt under Category 3 of schedule 12a of the Local Government Act 1972. As the Barnet Group is a business there are usually items on agendas of a commercially sensitive nature.</p> <p>The minutes of meetings held since May 2013 are available online from the Your Choice website.</p>
<p>6.4 As the 'role [of current Your Choice Barnet board members] is not to represent the views of residents or carers', why there should not be more than one service user and carer on the board specifically to represent their views?</p>	<p>All Board members have the same duty under legislation to act in the best interests of the company and not to represent any specific interest. The Board member who is a parent of one of our service users is able to use this experience to support effectively the work of the Board. Views from carers and service users are fed into the Board through other means too. Last year the YCB Board held a series of open meetings with carers and service users. The views of the Customer Panel who carry out service quality audits are also reported to the Board.</p>
<p><b>From Mr Phil Fletcher</b></p> <p>It has come to my knowledge that the clients who attend the Community Space Activities on Fridays now take place in a church in Mill Hill Broadway near the roundabout on the A1.</p> <p>I have the following questions:</p> <ol style="list-style-type: none"> <li>1) How much does it cost to hire the hall?</li> <li>2) Do the clients pay all or part of this?</li> <li>3) If they pay a part of the costs, then how much?</li> </ol>	<ol style="list-style-type: none"> <li>1) £64 for the day and includes the provision of tea, coffee and biscuits</li> <li>2 and 3 ) Clients pay £4 each; this pays for drinks and biscuits, and towards equipment and its maintenance. With the exception of one service user who brings in a packed lunch everyone brings in money (usually £6) to spend in local bakeries cafes etc.</li> <li>4) It is not for YCB to know how everyone gets the money they bring in, those from supported living budget for it weekly from</li> </ol>

<p>4) Are these costs covered by their personal budgets?  <b>From Kathleen Fletcher</b></p>	<p>their benefits. It is presumed the same applies to those from family or residential homes. YCB is not aware that anyone has a personal budget allocated specifically for this activity.</p>
<p>How does cutting pay by 10 percent or more result in a motivated and stable workforce?</p>	<p>YCB is consulting staff on a 9.5% pay reduction. This would result in £400,000 savings. They need to make these savings to achieve future financial viability by bringing costs into line with income and reducing costs in order to secure more work. Independent pay benchmarking exercises have been carried out which show that YCB are significantly higher than equivalent job roles in London by an average of 20%. If the salary reduction goes ahead salaries will still be attractive and above the market median. All other terms and conditions remain unchanged, ie annual leave, final salary pension scheme, sick pay.</p>
<p><b>From Janet Leifer</b></p> <p>1. How is it possible to consider YCB and LBB as separate entities if the London Borough of Barnet is the sole shareholder and the purpose of Your Choice Barnet is to make a profit for the London Borough of Barnet? (Final Report 3 Your Choice Barnet – An Overview)</p>	<p>Please see response to Mrs Jacobson's question above for the legal position. Your Choice is part of The Barnet Group and therefore has two management Boards it is accountable to. As a private company, these Board members have a duty to act in the best interests of the organisation.</p>
<p>2. What is the shortfall at the end of this financial year and how much savings does YCB need to make in the coming financial year? (Final Review 5.2.3 Challenging areas of performance)</p>	<p>YCB is projected to make a loss in 2013/14 of £831,000. The 2014/15 budget has not yet been finalised.</p>
<p>3. The first recommendation of this review concerns core permanent staffing level and there is an urgent need for Risk Management Control. When will this recommendation be put in place and what will be management response if core management staffing levels are inadequate? Will more permanent staff be employed very quickly to mitigate risk? (Final Report 6</p>	<p>This recommendation (Risk Management Control) was implemented by YCB following the Task &amp; Finish Group's report in November 2013.</p> <p>The YCB Risk Register includes the following risk and control:  Risk – The increased use of agency staff can increase the risk</p>

<p>Conclusions 6.1 Recommendation 1)</p>	<p>that staff have less experience and skills to deliver care. Control – YCB undertake robust recruitment processes to ensure high calibre of agency staff. Core permanent (non-agency) staffing levels for each service area are identified on the YCB Risk Register as a risk to continuity of service and reputation.”</p>
<p>4. In the Business Plan of May 2011, 7 Commercial Aspects, 7.4 Risk allocation P.57 states “Commercial risk ultimately remains with the Council and in the unlikely event of failure, the services need to be brought back in-house. If YCB’s financial situation does not improve will YCB services be brought back in-house? (Final Report Executive Summary, First Para, Page 1)</p>	<p>The Council has a duty to provide quality adult social care. Quality has been, and continues to be, high. YCB business plans seek to improve financial outlook. Provision to meet service users’ care needs will be continued.</p>
<p><b>From George Christodoulou, received 20/2/14 at 8.58pm</b> As a parent of service users I am aware that besides the Space Centre other venues are been used during the week and particularly on Friday, namely, Lynwood in East Finchley, Trinity Church Hall in Mill Hill and a Church Hall in Victoria Road East Barnet. Lynwood, being, the Lounge room of eleven supported living residents, we consider it to be too crowded and unsuitable for the needs of the users. We proposed to have discussions about the situation but so far have been declined. Talking to other parents they don't seem to be aware of the suitability of the buildings the state of condition with lifts and stairs for people unable to use stairs in case of an emergency..</p>	
<p>1. Have these alternative venues been assessed for their suitability by an independent body which should include some parents? 2. In what way are Community Space service users more in the community on Friday when they use alternative venues. In my</p>	<p>YCB have accommodated the service users’ requests about choice of venues and continue to discuss this specific case with the parents. Jane Surtees is the manager for these services and is available for further discussion on this specific case.</p>

<p>opinion the purpose built Space Centre should be used more as a base for other specific activities.</p> <p>3. Do you not think its a great shame that management have decided not to consult with parents-carers as a number of service users are unable to make choices of their own.</p>	<p>Other service users and their carers are happy with the venues and activities provided. The use of these venues offers service users:</p> <ul style="list-style-type: none"> <li>• For those who can, an opportunity to travel to the venue independently of Council transport supported by staff.</li> <li>• Access to a wide range of facilities such as bowling and swimming</li> <li>• The opportunity to visit different places to drink and eat as they are near the venues</li> </ul> <p>Each venue used has been assessed by professional and dedicated staff who understand the needs of the service users.</p>
<p><b>From Tirza Waisel</b></p> <p><b>Question 1:</b></p> <p>4.1 Your Choice Barnet delivers care services to the quality expected by its customers and independent inspectors. Therefore, the long-term viability of this LATC as a provider of adult social care is a largely financial question (rather than a service quality question) that will be answered through realising cost-saving measures, income sustainability and growth.</p> <p>And</p> <p>To 5.1.8 ('...the budget approved by The Barnet Group Board for 2013/14 projected a loss of £105,000'):</p> <p>Can you provide details of the business growth income stream which will be in place in 12 months time.</p>	<p>Current growth plans include:</p> <ul style="list-style-type: none"> <li>• Increasing capacity with our existing services (examples below)</li> <li>• Flower Lane and Rosa Morison – exploring developing bespoke packages of care outside of the buildings. Our current costs restrict the viability of this.</li> <li>• Valley way respite service – external services to provide respite during the day</li> <li>• Exploring domiciliary care services in neighbouring boroughs</li> <li>• In Barnet, exploring linking domiciliary care with floating support to offer a more comprehensive package</li> <li>• In discussions with LBB about a neighbourhood network scheme to support people to live more independently in the community</li> <li>• Tender for care and support in neighbouring Boroughs</li> </ul> <p>This question is addressed in part in the response above to Mr Christodoulou's question.</p>
<p>In relation to</p> <p>3.1 The key responsibility of local authority Social Services is to</p>	<p>This question is addressed in part in the response above to Mr Christodoulou's question.</p>

<p><b>design flexible packages of care to meet people's assessed needs</b> (Community Care Act 1990).</p> <p>And to</p> <p>'The stated vision of Your Choice Barnet is to "empower people to live the lives they choose, as independently as possible" (3.6):</p> <p>In what way is it empowering to YCB service users or enhancing their independence, in particular the users of Community Space and BILS, to be sent to alternative venues and/or wander the streets and supermarkets 'in the community' instead of using their respective purpose built day centres for meaningful activities, and how is this in their best interests or addressing their assessed needs?</p> <p>Did the T&amp;FG see any evidence of that and is the cabinet convinced that this is the best way of meeting the council's duty of care towards these vulnerable adults users?</p>	<p>Service users are not being 'sent out to wander the streets'. They are always supported by staff to pursue their activities on a Friday. Going shopping or having a walk along a high street may seem mundane but all activities are planned totally around supporting service users to maximise their independence and enjoy the activity.</p> <p>The Task and Finish Group made enquiries on how service users' needs were assessed and were advised that each user has their own regularly reviewed personal plan to support their development.</p>
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**AGENDA ITEM 7 - Budget and Business Planning 2014/15-2015/16**

<b>QUESTION</b>	<b>RESPONSE</b>
<p><b>From Barbara Jacobson</b></p> <p>9.2.4 How does a cut in council tax that delivers pennies a week help the poorest and most vulnerable people in our community who are now faced with a rent increase as well as the cut in housing benefit and, possibly, the bedroom tax?</p>	<p>All residents who pay council tax, in full or discounted, will benefit from it being cut. The measures you refer to are part of much needed welfare reform, the long term aim of which is to decrease dependency on the state, make best use of social housing stock, encourage work, promote independence and reduce the national deficit created by the last Government. There is a range of financial assistance available for those who need it from the crisis fund to discretionary housing payments. There is a balance to be struck between helping everyone and those most in need and this administration believes it has struck that balance as best as possible, we accept some will disagree.</p>
<p>9.2.4 How much money will the council collect from people on benefits by the imposition of the 8.5% council tax?</p>	<p>The Council will not generate any additional funding from the imposition of 8.5% Council Tax for working age claimants, because the government cut the funding for this (previously Council Tax Benefit) by 10%. The total amount of revenue collected from this is estimated to be approximately £1.3m (the year has not ended yet so the actual amount collected has not been confirmed). This total is substantially less than the cut in government grant which totalled £3.7m.</p>
<p>9.2.4 How much money could the council collect by implementing a mansion tax on properties valued over £2m and doubling the council tax on empty properties?</p>	<p>The “Mansion Tax” is commonly described as a proposal to raise a 1% levy on the excess value of residential properties over £2 million. This is not something that the Council could implement as it would contravene government regulation. However, if government policy changed, then this would be something that the Council could implement.</p> <p>The value of properties would need to be determined by the</p>

	<p>Valuation Office, as currently the official record only applies a valuation band A-H, at 1991 values. Band H is only indicative of a value exceeding £320,000, not its absolute value so it is difficult to calculate the value of the excess over £2m and determine the levy that would be charged from the records that the Council currently holds.</p> <p>Of the current 4009 Band H properties in the borough, a brief analysis of 126 (3%) random properties has been carried out. It is difficult to extrapolate exact values, but we can estimate that in the region of 50% (2000) are over £2m. The average value (of those that exceed £2m) is £3.5m. So this could yield (£1.5m x 2000 x 1%) £30m per annum in additional income. <i>Please note that this is a very rough calculation and not based on a comprehensive survey of property in Barnet.</i></p> <p>In respect of empty properties, it is also not possible to double Council Tax on empty properties based on current government policy. However, if this changed, then the Council could generate an additional income. The empty property premium of 50% is currently yielding £200,000 per annum, so this change could generate an additional £200,000 on top of that.</p>
<p>9.5.8 Only 54 respondents to the online survey. When will the council learn that people do not spend their time browsing the Barnet website and that there will never be a significant response to online-only surveys until the council is proactive in making people aware that they exist?</p>	<p>In addition to the 54 people responding to the open survey, the council proactively sought the views of members of the Citizens Panel, a representative group of Barnet Residents. 443 took the time to complete the consultation.</p> <p>The council makes a great effort to engage residents in consultation about the annual budget. The consultation was press released in November and was promoted on 14 occasions in the council's social media outlets. The consultation was available by direct link from the homepage for</p>

<p>9.9.7 Why is Grounds Maintenance for Barnet Homes scheduled to go up by 44% in 2014/15 and who pays it?</p>	<p>84 days during which time 372,000 unique users visited the council website.</p> <p>Grounds maintenance charges are paid by council tenants who live in homes which benefit from communal external areas such as shrubs and grassed areas. There are approximately 6,300 tenants who pay these charges, which are eligible for housing benefit. The reason for the 44% increase is that there has been a significant rise in the cost of providing grounds maintenance in relation to planned works to trees, following a number of years where only responsive tree works have been undertaken.</p>
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