

<u>MEETING</u>
COUNCIL
<u>DATE AND TIME</u>
TUESDAY 20TH JANUARY, 2015
AT 7.15 PM
<u>VENUE</u>
HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ

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
5.	Minutes of the meeting held on 16 December 2014	1 - 62
11.1	Report from the Policy & Resources Committee - Council Tax Support Scheme	63 - 140
11.2	Report from the Children's, Education, Libraries & Safeguarding Committee - Education and Skills Alternative Delivery Model	141 - 298
12.1	Report of the Head of Paid Service	299 - 302

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Minutes

OF THE MEETING OF THE COUNCIL OF THE LONDON BOROUGH OF BARNET
held at Hendon Town Hall, The Burroughs, London NW4 4BQ, on 16 December 2014

AGENDA ITEM 5

PRESENT:-

The Worshipful the Mayor (Councillor Hugh Rayner)
The Deputy Mayor (Councillor David Longstaff)

Councillors:

Maureen Braun	Andreas Ioannidis	Tim Roberts
Rebecca Challice	Dr Devra Kay	Gabriel Rozenberg
Pauline Coakley Webb	Sury Khatri	Lisa Rutter
Dean Cohen	Adam Langleben	Shimon Ryde
Jack Cohen	Kathy Levine	Brian Salinger
Melvin Cohen	Kitty Lyons	Gill Sargeant
Philip Cohen	John Marshall	Joan Scannell
Geof Cooke	Kath McGuirk	Alan Schneiderman
Alison Cornelius	Arjun Mittra	Daniel Seal
Richard Cornelius	Alison Moore	Mark Shooter
Tom Davey	Ammar Naqvi	Agnes Slocombe
Val Duschinsky	Nagus Narenthira	Stephen Sowerby
Paul Edwards	Graham Old	Caroline Stock
Claire Farrier	Charlie O-Macauley	Daniel Thomas
Anthony Finn	Alon Or-Bach	Reuben Thompstone
Brian Gordon	Reema Patel	Jim Tierney
Eva Greenspan	Bridget Perry	Amy Trevethan
Helena Hart	Wendy Prentice	Laurie Williams
John Hart	Sachin Rajput	Peter Zinkin
Ross Houston	Barry Rawlings	Zakia Zubairi
Anne Hutton		

1. APOLOGIES FOR ABSENCE

There were none.

2. ELECT A MEMBER TO PRESIDE IF THE MAYOR IS ABSENT

The Mayor was present.

3. PRAYER

The Mayor's Chaplain offered prayer.

4. DECLARATIONS OF INTEREST

It was noted that many Councillors were appointed as members to school governing bodies in the borough and that where this applied there was no need to declare an interest.

Member:	Subject:	Interest Declared:
Councillor Dean Cohen	11.1 Depot Relocation Project – Referred from Assets, Regeneration and Growth Committee	Non-disclosable pecuniary interest as a client had a property adjoining the Oakleigh Road South site
Councillor Dean Cohen	11.2 Business Planning – Referred from Environment Committee 11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as he was in negotiations with a lighting company
Councillor Dean Cohen	11.2 Business Planning – Referred from Environment Committee 11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as a private landlord of property in the Borough
Councillor Geof Cooke	11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as a private landlord of property in the Borough
Councillor Helena Hart	11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as a private landlord of property in the Borough
Councillor Andreas Ioannidis	14.2 Councillor Adam Langleben - A fair repayment scheme for Barnet	Pecuniary interest as a Barnet Homes leaseholder

	Homes' leaseholders	
Councillor Arjun Mitra	11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as his mother was a Barnet Homes tenant and he lived with her
Councillor John Marshall	14.2 Councillor Adam Langleben - A fair repayment scheme for Barnet Homes' leaseholders	Non-pecuniary interest as a Council appointed Non-Executive Director of Barnet Homes
Councillor Adam Langleben	14.1 Councillor Caroline Stock - Mayor's Primary School Fitness Award	Non-disclosable pecuniary interest as an employee of the Greater London Authority
Councillor Ross Houston	14.2 Councillor Adam Langleben - A fair repayment scheme for Barnet Homes' leaseholders	Non-pecuniary interest as a Council appointed Non-Executive Director of Barnet Homes
Councillor Anne Hutton	14.1 Councillor Caroline Stock - Mayor's Primary School Fitness Award	Non-pecuniary interest Governor of a Friern Barnet School Non-pecuniary interest Member of National Union of Teachers
Councillor Hugh Rayner	11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as a private landlord of property in the Borough
Councillor Brian Salinger	11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as a private landlord of property in the Borough
Councillor Peter Zinkin	11.3 Business Planning 2015/16 - 2019/20 – Referred from Policy and Resources Committee	Non-disclosable pecuniary interest as a private landlord of property in the Borough

5. MINUTES OF THE LAST MEETING

RESOLVED that both the minutes of the Council meeting and the extraordinary meeting held on 4 November 2014 be approved as a correct record.

6. OFFICIAL ANNOUNCEMENTS

The Worshipful the Mayor made the following announcements:

With regret, the Worshipful the Mayor announced the death of Mrs Ivy Hughes, a former Mayoress of Barnet, who passed away on Sunday 9 November 2014. Mrs Hughes was the Mayoress between 1971/72 and wife to Kenneth Williams Hughes who was Mayor from 1971/72.

The Worshipful the Mayor congratulated the St Michaels Catholic High School for winning the Jack Petchey Award.

The Worshipful the Mayor wished all those present a Happy Chanukah and a Happy Christmas.

7. ANY BUSINESS REMAINING FROM LAST MEETING

There was none.

8. QUESTIONS TO THE LEADER

The questions, together with the answers provided and the text of any supplementary questions and answers, are set out in Appendix 1 to the minutes.

9. PETITIONS FOR DEBATE

There were none.

10. REPORT FROM THE LEADER

There were none.

11. REPORTS FROM OTHER COMMITTEES

11.1 REPORT FROM ASSETS, REGENERATION AND GROWTH COMMITTEE - DEPOT RELOCATION PROJECT

Councillor Daniel Thomas introduced the report and moved reception and adoption. Councillor Kathy Levine moved her amendments. Debate ensued.

Upon the amendments in the name of Councillor Kathy Levine being put to the vote, at least ten members called for a formal division on the voting. Upon the vote being taken the results of the Division were declared as follows:

	For	Against	Abstain	Absent
Maureen Braun		✓		
Rebecca Challice	✓			
Pauline Coakley Webb	✓			
Dean Cohen		✓		
Jack Cohen	✓			
Melvin Cohen		✓		
Philip Cohen	✓			
Geof Cooke	✓			
Alison Cornelius		✓		
Richard Cornelius		✓		
Tom Davey		✓		
Val Duschinsky		✓		
Paul Edwards	✓			
Claire Farrier	✓			
Anthony Finn		✓		
Brian Gordon		✓		
Eva Greenspan		✓		
Helena Hart		✓		
John Hart		✓		
Ross Houston	✓			
Anne Hutton	✓			
Andreas Ioannidis	✓			
Devra Kay	✓			
Sury Khatri		✓		
Adam Langleben	✓			
Kathy Levine	✓			
David Longstaff		✓		
Kitty Lyons	✓			
John Marshall		✓		
Kath McGuirk	✓			
Arjun Mittra	✓			
Alison Moore	✓			
Ammar Naqvi	✓			
Nagas Narenthira	✓			
Charlie O'Macauley	✓			
Graham Old		✓		
Alan Or-Bach	✓			
Reema Patel	✓			
Bridget Perry		✓		
Wendy Prentice		✓		
Sachin Rajput		✓		

Barry Rawlings	✓			
Hugh Rayner		✓		
Tim Roberts	✓			
Gabriel Rozenberg		✓		
Lisa Rutter			✓	
Shimon Ryde		✓		
Brian Salinger		✓		
Gill Sargeant	✓			
Joan Scannell		✓		
Alan Schneiderman	✓			
Daniel Seal		✓		
Mark Shooter		✓		
Agnes Slocombe	✓			
Stephen Sowerby		✓		
Caroline Stock		✓		
Daniel Thomas		✓		
Reuben Thompstone		✓		
Jim Tierney	✓			
Amy Trevethan	✓			
Laurie Williams	✓			
Peter Zinkin		✓		
Zakia Zubairi	✓			

For: 31
Against: 31
Absent: 1
TOTAL: 63

The Mayor used his casting vote and voted against the amendment. The amendment was declared lost.

Votes were taken on the recommendations set out in the report.

For: 31
Against: 31
Abstain: 1
Absent: 0
TOTAL: 63

The Mayor used his casting vote and voted in favour of the recommendations. The recommendations in the report were declared carried.

RESOLVED that:

- 1. Council approve the freehold purchase of Lupa House, Borehamwood, and delegate the finalisation of terms to the Chief Operating Officer, in consultation with the Deputy Leader of the Council.**

2. Council approve either the purchase of the freehold or a lease agreement with an option to purchase for Abbots Depot, Oakleigh Road South, and delegate the finalisation of terms to the Chief Operating Officer, in consultation with the Deputy Leader of the Council.

11.2 REPORT FROM ENVIRONMENT COMMITTEE - BUSINESS PLANNING

Councillor Dean Cohen introduced the report and moved reception and adoption. Debate ensued.

Upon being put to the vote the recommendations in the report were declared carried. Votes were declared as follows:

For: 32
 Against: 31
 Absent: 0
 TOTAL: 63

RESOLVED that:

1. Council approves the 5 year Commissioning Plan (Appendix A), subject to consultation. The Commissioning Plan sets out the strategic priorities, commissioning intentions, outcome measures, revenue budgets and capital requirements for recommendation to the council's Policy and Resources Committee on 2 December 2014.
2. Council approves the indicative savings proposals set out in Appendix B for recommendation to Policy and Resources Committee on 2 December 2014, as the Committee's £5.9m initial contribution to the overall £72m savings challenge facing the Council by 2019/20.
3. Council agrees to public consultation on the Commissioning Plan commencing immediately following Policy and Resources Committee on 2 December 2014, before final Commissioning Plans are agreed by Policy and Resources on 17 February 2015.
4. Council approves the capital investment proposals set out in paragraph 5.1 for recommendation to Policy and Resources Committee on 2 December 2014.

11.3 REPORT FROM POLICY AND RESOURCES COMMITTEE - BUSINESS PLANNING 2015/16 TO 2019/20

Councillor Richard Cornelius introduced the report and moved reception and adoption. Debate ensued.

Votes were taken on the recommendations set out in the report. At least ten members called for a formal division on the voting. Upon the vote being taken the results of the Division were declared as follows:

	For	Against	Abstain	Absent
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Maureen Braun	✓			
Rebecca Challice		✓		
Pauline Coakley Webb		✓		
Dean Cohen	✓			
Jack Cohen		✓		
Melvin Cohen	✓			
Philip Cohen		✓		
Geof Cooke		✓		
Alison Cornelius	✓			
Richard Cornelius	✓			
Tom Davey	✓			
Val Duschinsky	✓			
Paul Edwards		✓		
Claire Farrier		✓		
Anthony Finn	✓			
Brian Gordon	✓			
Eva Greenspan	✓			
Helena Hart	✓			
John Hart	✓			
Ross Houston		✓		
Anne Hutton		✓		
Andreas Ioannidis		✓		
Devra Kay		✓		
Sury Khatri	✓			
Adam Langleben		✓		
Kathy Levine		✓		
David Longstaff	✓			
Kitty Lyons		✓		
John Marshall	✓			
Kath McGuirk		✓		
Arjun Mittra		✓		
Alison Moore		✓		
Ammar Naqvi		✓		
Nagas Narenthira		✓		
Charlie O'Macauley		✓		
Graham Old	✓			
Alan Or-Bach		✓		
Reema Patel		✓		
Bridget Perry	✓			
Wendy Prentice	✓			
Sachin Rajput	✓			
Barry Rawlings		✓		
Hugh Rayner	✓			
Tim Roberts		✓		
Gabriel Rozenberg	✓			

Lisa Rutter	✓			
Shimon Ryde	✓			
Brian Salinger	✓			
Gill Sargeant		✓		
Joan Scannell	✓			
Alan Schneiderman		✓		
Daniel Seal	✓			
Mark Shooter	✓			
Agnes Slocombe		✓		
Stephen Sowerby	✓			
Caroline Stock	✓			
Daniel Thomas	✓			
Reuben Thompstone	✓			
Jim Tierney		✓		
Amy Trevethan		✓		
Laurie Williams		✓		
Peter Zinkin	✓			
Zakia Zubairi		✓		

For: 32
Against: 31
Absent: 0
TOTAL: 63

RESOLVED that:

1. Council agree the high-level strategic priorities, as set out in section 1.2, which will frame a new Corporate Plan for 2015-2020, subject to consultation commencing on 17 December 2014 – after Full Council – and concluding on 11 February 2015.
2. Council agree the updated Medium Term Financial Strategy (MTFS) up to 2020 as set out in Appendix B and the assumptions underpinning this in section 2.
3. Council approve: the budget savings proposals for 2015/16 as “budget headlines” for consultation from 17 December 2014 until 11 February 2015; the overall MTFS savings and pressures from 2016/17 to 2019/20 as set out in Appendix C; individual savings proposals for future years included in the MTFS will be consulted on where necessary – with full Equalities Impact Assessments conducted - in the relevant budget year before final decisions are taken by Committees and Full Council and savings are cast into future annual budgets. (In the case of the Environment Committee to instruct the Chief Finance Officer to include the views of Full Council on 16 December in the consultation document.)
4. Council agree the five year Commissioning Plans in Appendix A which set out indicative plans to address both the high level strategic priorities outlined in section 1.2 and the forecast budget deficit of £73.5m by 2020 and agree the commencement an 8 week public consultation on the

Commissioning Plans which will conclude on the 11th of February 2015. (In the case of the Environment Committee to instruct the Chief Finance Officer to include the views of Full Council on 16th December in the consultation document).

5. Council approve the recommendation of the additional capital schemes proposals as set out in Appendix D, to be added to the capital programme.
6. Council approve the transformation programme as set out in Appendix E, the allocation of £16.1m from the transformation reserve to fund this programme from 2015 through to 2020 and the drawdown requested under section 2.6.10. This programme and funding is required to deliver annual revenue savings of £44.4m by 2020 (cumulatively £124m).
7. Council to approve the write offs in Appendix F as requested by the Policy & Contract Management Committee.
8. Council to note the review of reserves as set out in section 2.5 and Appendix G.
9. Council to agree the draw-downs from reserves as set out in paragraph 2.2.1 and saving amendments in paragraph 2.2.4.
10. Council agree that the Children, Education, Libraries & Safeguarding Committee should complete the detailed consideration of alternative delivery options, including agreeing to the commencement of procurement where relevant. As set out in paragraph 2.2.11 of this report.
11. Council to note the impact on performance, staff and equalities as set out in section 6,7, 9 and 10 of the report.

11.4 REPORT FROM GENERAL FUNCTIONS COMMITTEE - BUSINESS PLANNING 2015/16 TO 2019/20

Councillor Joan Scannell introduced the report and moved reception and adoption. Debate ensued.

Votes were taken on the recommendations set out in the report. At least ten members called for a formal division on the voting. Upon the vote being taken the results of the Division were declared as follows:

	For	Against	Abstain	Absent
Maureen Braun	✓			
Rebecca Challice		✓		
Pauline Coakley Webb		✓		
Dean Cohen	✓			
Jack Cohen		✓		
Melvin Cohen	✓			
Philip Cohen		✓		
Geof Cooke		✓		

Alison Cornelius	✓			
Richard Cornelius	✓			
Tom Davey	✓			
Val Duschinsky	✓			
Paul Edwards		✓		
Claire Farrier		✓		
Anthony Finn	✓			
Brian Gordon	✓			
Eva Greenspan	✓			
Helena Hart	✓			
John Hart	✓			
Ross Houston		✓		
Anne Hutton		✓		
Andreas Ioannidis		✓		
Devra Kay		✓		
Sury Khatri	✓			
Adam Langleben		✓		
Kathy Levine		✓		
David Longstaff	✓			
Kitty Lyons		✓		
John Marshall	✓			
Kath McGuirk		✓		
Arjun Mittra		✓		
Alison Moore		✓		
Ammar Naqvi		✓		
Nagas Narenthira		✓		
Charlie O'Macauley		✓		
Graham Old	✓			
Alan Or-Bach		✓		
Reema Patel		✓		
Bridget Perry	✓			
Wendy Prentice	✓			
Sachin Rajput	✓			
Barry Rawlings		✓		
Hugh Rayner	✓			
Tim Roberts		✓		
Gabriel Rozenberg	✓			
Lisa Rutter	✓			
Shimon Ryde	✓			
Brian Salinger	✓			
Gill Sargeant		✓		
Joan Scannell	✓			
Alan Schneiderman		✓		
Daniel Seal	✓			
Mark Shooter	✓			

Agnes Slocombe		✓		
Stephen Sowerby	✓			
Caroline Stock	✓			
Daniel Thomas	✓			
Reuben Thompstone	✓			
Jim Tierney		✓		
Amy Trevethan		✓		
Laurie Williams		✓		
Peter Zinkin	✓			
Zakia Zubairi		✓		

For: 32
Against: 31
Absent: 0
TOTAL: 63

RESOLVED that:

1. Council note the decisions of the Policy and Resources Committee on 2 December 2014 and the impact of staffing numbers.
2. Council adjust the Council's workforce establishment in 2015/16 to reflect the proposals agreed by the Policy & Resources Committee and delegate to officers the necessary actions to implement these proposals (subject to functions and decisions reserved to Full Council or the General Functions Committee in respect of terms and conditions of employment). The proposed reduction is set out in Section 6 of this report.
3. Council note the requirements for statutory consultation and collective bargaining where there are changes proposed to terms and conditions potential impacts on individual roles or groups of staff.
4. Council to note the impact on performance, staff and equalities as set out in section 6, 7, 9 and 10 of the report (Appendix A).

11.5 REPORT FROM THE LICENSING COMMITTEE

Councillor John Hart introduced the report and moved reception and adoption. Debate ensued.

Upon being put to the vote, the recommendations were approved.

RESOLVED:

1. Council adopt the Licensing Policy to take effect from 1 January 2015.
2. Council adopt the Street Trading Policy.

11.6 REPORT FROM CONSTITUTION, ETHICS AND PROBITY COMMITTEE

Councillor John Marshall introduced the report and moved reception and adoption. Councillor Alison Moore moved her amendments. Debate ensued.

Upon the amendments in the name of Councillor Alison Moore being put to the vote, at least ten members called for a formal division on the voting. Upon the vote being taken the results of the Division were declared as follows:

	For	Against	Abstain	Absent
Maureen Braun		✓		
Rebecca Challice	✓			
Pauline Coakley Webb	✓			
Dean Cohen		✓		
Jack Cohen				✓
Melvin Cohen		✓		
Philip Cohen	✓			
Geof Cooke	✓			
Alison Cornelius		✓		
Richard Cornelius		✓		
Tom Davey		✓		
Val Duschinsky		✓		
Paul Edwards	✓			
Claire Farrier	✓			
Anthony Finn		✓		
Brian Gordon		✓		
Eva Greenspan		✓		
Helena Hart		✓		
John Hart		✓		
Ross Houston	✓			
Anne Hutton	✓			
Andreas Ioannidis	✓			
Devra Kay	✓			
Sury Khatri		✓		
Adam Langleben	✓			
Kathy Levine	✓			
David Longstaff		✓		
Kitty Lyons	✓			
John Marshall		✓		
Kath McGuirk	✓			
Arjun Mittra	✓			
Alison Moore	✓			
Ammar Naqvi	✓			
Nagas Narenthira	✓			
Charlie O'Macauley	✓			
Graham Old		✓		
Alan Or-Bach	✓			

Reema Patel	✓			
Bridget Perry		✓		
Wendy Prentice		✓		
Sachin Rajput		✓		
Barry Rawlings	✓			
Hugh Rayner		✓		
Tim Roberts	✓			
Gabriel Rozenberg		✓		
Lisa Rutter		✓		
Shimon Ryde		✓		
Brian Salinger		✓		
Gill Sargeant	✓			
Joan Scannell		✓		
Alan Schneiderman	✓			
Daniel Seal				✓
Mark Shooter		✓		
Agnes Slocombe	✓			
Stephen Sowerby		✓		
Caroline Stock		✓		
Daniel Thomas		✓		
Reuben Thompstone		✓		
Jim Tierney	✓			
Amy Trevethan	✓			
Laurie Williams	✓			
Peter Zinkin		✓		
Zakia Zubairi	✓			

For: 30
 Against: 31
 Absent: 2
 TOTAL: 63

The amendments were declared lost.

Upon being put to the vote the recommendations in the report were declared carried.
 Votes were declared as follows:

For: 31
 Against: 30
 Absent: 2
 TOTAL: 63

RESOLVED that:

- Council approve the recommendations contained in the report from the Constitution Ethics & Probity Committee at Annexe A, and the track change versions attached at Appendix A to Appendix G.**

2. Council authorise the Interim Legal and Governance Adviser to implement these revisions and publish a revised Constitution.

The Leader of the Labour Group, Councillor Alison Moore, advised Council that the Labour Group would be withdrawing from the Group Leaders Panel.

11.7 REPORT FROM ASSETS, REGENERATION AND GROWTH COMMITTEE - GRAHAME PARK REGENERATION, COMPULSORY PURCHASE ORDER, GROUND 10A AND RELATED CONSENTS

Councillor Daniel Thomas introduced the report and moved reception and adoption. Councillor Nagus Narenthira moved the following amendment:

“That the Council delay the decision until there is more detail to see the facts before voting.”

Debate ensued.

Upon the amendment in the name of Councillor Nagus Narenthira being put to the vote the amendments were declared lost:

Votes were declared as follows:

For: 31
Against: 31
Absent: 1
TOTAL: 63

The Mayor used his casting vote and voted against the amendment.

Upon being put to the vote the recommendations in the report were declared carried. Votes were declared as follows:

For: 31
Against: 31
Absent: 1
TOTAL: 63

The Mayor used his casting vote and voted in favour of the recommendations.

RESOLVED that:

- 1. Council resolve in principle the exercise of compulsory purchase powers (by the making of up to three separate compulsory purchase orders) to secure the delivery of Stage B of the Grahame Park Regeneration Scheme;**
- 2. Council note that further report(s) will be brought to the Committee at later stages to seek authority to secure the making, confirmation and implementation of up to three separate Compulsory Purchase Orders (CPOs) for the acquisition of third party proprietary interests within Stage B;**

3. Council authorise the appropriate Chief Officer to negotiate and complete a Compulsory Purchase Order Indemnity Agreement to ensure that Choices for Grahame Park (CfGP) and Genesis Housing Association (GHA) indemnify the Council for the full financial costs incurred in preparing, making and implementing the CPO(s).
4. Council authorise the commencement of all preparatory work required for the making of the CPO(s), including (but not limited to):
 - a) appointing land referencers to review all relevant proprietary interests with a view to producing a draft schedule and plan for the CPO(s);
 - b) the service of requests for information notices under section 16 of the Local Government (Miscellaneous Provisions) Act 1976 on those who may be affected by the proposed CPO(s);
5. Council authorise the appropriate Chief Officer(s) to:
 - a) advertise the Council's intention to appropriate to a planning purpose any open space lands required to deliver Stage B of the Scheme pursuant to Section 122 of the Local Government Act 1972. In the event that representations are submitted in respect of the notice to appropriate open space these will be referred to the Assets, Regeneration and Growth Committee for consideration and determination; and
 - b) appropriate to planning purposes the housing and highways land required to deliver Stage B prior to disposal of such lands;
6. Council authorise the appropriate Chief Officer(s) to submit an application to the Secretary of State for his consent to the disposal and redevelopment of land within Stage B of the Grahame Park Regeneration Scheme (for the purposes of Ground 10A) pursuant to Part V of Schedule 2 of the Housing Act 1985;
7. Council delegate the service of Initial and Final Demolition Notices to suspend and/or terminate the exercise of the Right to Buy on properties due for demolition (as required for the delivery of the regeneration project), within Stage B, pursuant to sections 138A and 138B and Schedules 5 and 5A of the Housing Act 1985 (as amended) to the appropriate Chief Officer(s);
8. Council authorise the appropriate Chief Officer to obtain all relevant consents necessary to secure the delivery of the regeneration of Stage B.

11.8 REPORT FROM ASSETS, REGENERATION AND GROWTH COMMITTEE - PAVILION WAY HA8 PROPOSED DISPOSAL

Councillor Daniel Thomas introduced the report and moved reception and adoption. Debate ensued.

Upon being put to the vote the recommendations in the report were declared carried. Votes were declared as follows:

For: 31
Against: 30
Absent: 2
TOTAL: 63

RESOLVED that:

- 1. Council note the decision of the Department for Education to approve the Belle Vue Place Education Trust to be the sponsor for the new free school to be provided as part of the development at Pavilion Way.**
- 2. Council approve the replacement of the education sponsor, Marco Polo Academy Trust by the new education sponsor, Belle Vue Place Education Trust, in relation to the decision confirmed by the Cabinet Resources Committee on 16 December 2013 for the development of the Pavilion Way site.**
- 3. Council delegate any further decisions in relation to the education sponsorship of the school to the Director for Children's Services.**

12. REPORTS OF OFFICERS

12.1 REPORT OF THE HEAD OF GOVERNANCE

The Interim Legal and Governance Advisor introduced the reports for Council's agreement. Upon being put to the vote the recommendations in the report were carried.

RESOLVED that:

- 1. The Chairman of the Pension Fund Committee be appointed as the Council's representative on the Pensions CIV Sectoral Joint Committee and the Leader of the Council be appointed as their Deputy.**
- 2. Council note the changes to the Calendar of meetings as set in Appendix B.**
- 3. Council note the decisions of the Remuneration Committee as detailed in Appendix C of the report.**
- 4. Council approve the changes to the membership of the General Functions Committee and Pension Fund Committee as detailed in Appendix D in the Supplemental Report of the Head of Governance.**
- 5. Council approve the changes to outside bodies as detailed in Appendix D in the Supplemental Report of the Head of Governance.**

Council noted that the School Governor Vacancies detailed in Appendix E of the Supplemental Report of the Head of Governance would be deferred for consideration at the 20 January 2015 meeting.

12.2 REPORT OF THE MONITORING OFFICER (IF ANY)

None.

13. QUESTIONS TO COUNCIL REPRESENTATIVES ON OUTSIDE BODIES (IF ANY)

There were none.

14. MOTIONS (45 MINUTES)

14.1 COUNCILLOR CAROLINE STOCK – MAYOR'S PRIMARY SCHOOL FITNESS AWARD

Councillor Caroline Stock moved the Motion in her name. Councillor Arjun Mitra moved his amendment. Debate ensued.

Upon being put to the vote, the amendment in the name of Councillor Mitra was declared lost. Votes were declared as follows:

For: 30
Against: 32
Absent: 1
TOTAL: 63

Upon being put to the vote, the motion in the name of Councillor Stock was declared carried.

RESOLVED that:

Council is concerned that obesity is a rapidly growing problem nationally among children of primary school age, noting that 1 in 5 10-11 year olds are obese and 1 in 3 are overweight. Council further notes that obesity leads to a range of health problems including the premature development of cardiovascular disease, stroke, heart attacks and heart failure, which together are the most prevalent causes of death and disability in the UK. The health costs of obesity and Type 2 diabetes currently stand at over £29 billion annually and are continuing to rise.

Council believes obesity in primary age children is preventable and that we must try to help curb its rise. Council notes that by the age of 7 most children have decided if they enjoy being active. The council can encourage this choice and work to help reverse the current trend of limited exercise.

Council also notes that the borough has some of the best areas of open space in all of London and believes they comprise a great resource and opportunity in getting people active.

Council therefore calls for the introduction of a Mayor's Primary School Fitness Award to encourage Barnet's 92 primary schools to make the most of local open spaces in promoting outdoor exercise. Pupils would walk to their nearest park or open space, be introduced to what it has to offer – including play / suitable gym equipment, marked and measured routes and other features – and tasked with

devising an exercise circuit of at least 500m for each year group to complete. It is also an opportunity to help children experience all the excitement and stimulation that our parks and open spaces have to offer. The best ideas and programmes would win the award.

The Worshipful the Mayor moved, under meeting procedure rule 14.2 that the time for transaction of business be extended to 10:30pm. This was at the Mayor's sole discretion.

14.2 COUNCILLOR ADAM LANGLEBEN - A FAIR REPAYMENT SCHEME FOR BARNET HOMES' LEASEHOLDERS

Having declared a pecuniary interest in this item, Councillor Ioannidis left the Council Chamber for consideration of this item.

Councillor Adam Langleben moved the Motion in his name. Debate ensued.

Upon the motion in the name of Councillor Adam Langleben being put to the vote, at least ten members called for a formal division on the voting. Upon the vote being taken the results of the Division were declared as follows:

	For	Against	Abstain	Absent
Maureen Braun		✓		
Rebecca Challice	✓			
Pauline Coakley Webb	✓			
Dean Cohen		✓		
Jack Cohen	✓			
Melvin Cohen		✓		
Philip Cohen	✓			
Geof Cooke	✓			
Alison Cornelius		✓		
Richard Cornelius		✓		
Tom Davey		✓		
Val Duschinsky		✓		
Paul Edwards	✓			
Claire Farrier	✓			
Anthony Finn		✓		
Brian Gordon		✓		
Eva Greenspan		✓		
Helena Hart		✓		
John Hart		✓		
Ross Houston	✓			
Anne Hutton	✓			
Andreas Ioannidis				✓
Devra Kay	✓			
Sury Khatri				✓
Adam Langleben	✓			

Kathy Levine	✓			
David Longstaff		✓		
Kitty Lyons	✓			
John Marshall		✓		
Kath McGuirk	✓			
Arjun Mittra	✓			
Alison Moore	✓			
Ammar Naqvi	✓			
Nagas Narenthira	✓			
Charlie O'Macauley	✓			
Graham Old		✓		
Alan Or-Bach	✓			
Reema Patel	✓			
Bridget Perry		✓		
Wendy Prentice		✓		
Sachin Rajput		✓		
Barry Rawlings	✓			
Hugh Rayner		✓		
Tim Roberts	✓			
Gabriel Rozenberg		✓		
Lisa Rutter		✓		
Shimon Ryde		✓		
Brian Salinger		✓		
Gill Sargeant	✓			
Joan Scannell		✓		
Alan Schneiderman	✓			
Daniel Seal		✓		
Mark Shooter		✓		
Agnes Slocombe	✓			
Stephen Sowerby		✓		
Caroline Stock		✓		
Daniel Thomas		✓		
Reuben Thompstone		✓		
Jim Tierney	✓			
Amy Trevethan	✓			
Laurie Williams	✓			
Peter Zinkin		✓		
Zakia Zubairi	✓			

For: 30
Against: 31
Absent: 2
TOTAL: 63

The motion was declared lost.

15. MOTIONS FOR ADJOURNMENT

There were none.

The meeting finished at 10.13pm

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The running order of questions is collated by which Party provides the first questions.

	Question
1.	<p style="text-align: right;">Minute Annex</p> <p><u>Councillor Peter Zinkin</u> Would the Leader like to congratulate the Friends of Childs Hill Park on their magnificent victory in the Big Lottery Peoples Millions competition and the award of £50,000 for the Marsh Garden in the Park to which the Council will be adding £7,500 to the funding as a result of the win?</p> <p><u>Answer by the Councillor Dean Cohen (Chairman of the Environment Committee)</u> Yes.</p> <p><u>Supplementary Question</u> Could I ask the Leader if he regards the model of the Friends of Childs Hill Park as a very good model for the future, given the reality of the economic situation?</p> <p><u>Supplementary Answer</u> Yes, it's an excellent model and I would like to give praise to Mrs Ingrid Posen for all the hard work that she put in and obviously without her and her team this wouldn't have happened.</p>
2.	<p><u>Councillor Alison Moore</u> How does the Leader reconcile the pledges made within the Conservative Manifesto 2014 with the plans the Administration are now consulting on for Barnet's libraries?</p> <p><u>Answer by the Leader</u> Easily. I would be interested to hear what Labour's plans are to deal with the budget challenge.</p> <p><u>Supplementary Question</u> No Supplementary.</p>
3.	<p><u>Councillor Shimon Ryde</u> The Mayor's London Plan policies require boroughs to resist loss of open space unless equivalent or better quality provision is made. Will the Leader confirm he recognises the importance of the open space to the residents who live on and nearby the Granville Road Estate and the impact on the residents if it were lost?</p> <p><u>Answer by the Leader</u> Yes.</p> <p><u>Supplementary Question</u> As a result of newly installed width restrictions at the Claremont Road end of The Vale, HGVs are using nearby side roads as shortcuts. Residents of Dersingham, Somerton and Thorverton Roads are regularly seeing in excess of 20 HGV movements a day on their roads, putting pedestrians, other road users and property in danger. Please could I therefore ask the Leader to request of the Borough Commander that he enforces weight restrictions on these roads as a matter of urgency?</p> <p><u>Supplementary Answer</u> Yes, I can see no problem with doing that.</p>
4.	<p><u>Councillor Zakia Zubairi</u> What is the council doing to stop the blight of fly-tipping in Colindale and across the Borough? Are they using CCTV, how many enforcements / prosecutions have the council brought against fly tippers since 2010?</p> <p><u>Answer by the Leader</u> The Council is doing whatever it can to counter fly-tipping.</p>

	<p><u>Supplementary Question</u> I asked a question and I didn't get an answer. This is no answer: that the council is doing whatever it can to counter the fly-tipping. I want to know what the council is doing.</p> <p><u>Supplementary Answer</u> I will make an effort to find out what that is but perhaps Councillor Zubairi could write to me and inform which officer she has already inquired so I don't do it a second time.</p>
5. Supp	<p><u>Councillor Shimon Ryde</u> Does the Leader agree with me that weight restrictions on side roads to prevent HGVs using them as short cuts should be strictly enforced and if the Leader does agree with this would he kindly request a meeting with the Borough Police Commander as a matter of urgency to discuss police enforcement of these weight restrictions which are currently being ignored by drivers of these lorries?</p> <p><u>Answer by the Leader</u> Yes, I will speak with the Borough Commander.</p> <p><u>Supplementary Question</u> No Supplementary</p>
6.	<p><u>Councillor Devra Kay</u> How much does the Council save by dimming street lights by 50%.</p> <p><u>Answer by the Councillor Dean Cohen (Chairman of the Environment Committee)</u> The initiative is on target to achieve a £400k saving for the financial year 2014/15.</p> <p><u>Supplementary Question</u> No Supplementary</p>
7.	<p><u>Councillor Brian Gordon</u> Following your very successful appearance as Guest of Honour at a recent event organised by the Torah Vodaas Boys Primary School, could you please comment our Administration's interest in local schools that are independent and not part of the state or voluntary aided sector?</p> <p><u>Answer by the Leader</u> The better the variety of the offer across our schools, the better the education for children. Independent schools are an important source of educational places that we would struggle to provide.</p> <p><u>Supplementary Question</u> With regard to private schools, could the leader confirm more strongly ... I'm very pleased that he says this ... 'independent schools are an important source of educational places that we would struggle to provide' ... I think that's an excellent statement and really sums up the way we think and would you not agree that our Administration, the Conservative Administration and the Conservative Party more widely is really the only party that believes in independent schools and freedom of the individual to educate their children in a private way, is they wish to, as a matter of principle rather than a matter of tolerance which I think is the case with the other parties.</p> <p><u>Supplementary Answer</u> Councillor Gordon is of course quite right there. It is very important that there is a choice of education that is available and those people who do not choose the state route, they should have the right to go private.</p>

8.	<p><u>Councillor Geof Cooke</u> Was any risk assessment carried out before you decided to appoint a Monitoring Officer who was not legally qualified?</p> <p><u>Answer by the Leader</u> The appointment was made in line with the proper recruitment process, as overseen by the cross-party Remuneration Committee.</p> <p><u>Supplementary Question</u> Appointing an unqualified Monitoring Officer illustrates the mind-set that brought us the thin Client Outsourcing Model and contracting to vacate the Mill Hill Depot without anywhere else to go. Do you get a thrill from risking public money and the council's reputation?</p> <p><u>Supplementary Answer</u> I assume that he is being rhetorical and facetious.</p>
9.	<p><u>Councillor Brian Gordon</u> The Communities Secretary Eric Pickles has recently written to local authorities across the country urging them to do more to tackle racist and hate graffiti. Have we any plans to improve our Council's performance in response to this?</p> <p><u>Answer by Councillor David Longstaff (Chairman of the Community Leadership Committee)</u> The council and partner organisations already deal swiftly with incidents of such graffiti and stepped up our efforts earlier in the year in response to increased prevalence of anti-Semitic and Islamophobic graffiti.</p> <p><u>Supplementary Question</u> Would you agree that this issue of racist graffiti is a form of hate-crime and that we should continue to look at this in a very strict way because any kind of overt racism in terms of graffiti and statements and abuse is something which is totally against the ethos of our council, especially in such a borough as ours which is a multi-racial and multi-cultural one and all in all a pretty tolerant one – long may that remain the case.</p> <p><u>Supplementary Answer</u> I totally agree and as part of the forthcoming Safer Communities Partnership Board Strategy that will be out in January, hate-crime will be top of the list and is a major issue or racist behaviour.</p>
10.	<p><u>Councillor Anne Hutton</u> Could I please have a reply to my supplementary question to question No. 59 at the Council meeting on 4 November? I was told I would receive a written response, to date I have not received anything.</p> <p><u>Answer by the Leader</u> We will write to confirm the answer to your previous supplementary.</p> <p><u>Supplementary Question</u> Would there be a time scale attached to that?</p> <p><u>Supplementary Answer</u> No but there is considerable embarrassment that you haven't had it already.</p>

<p>11.</p>	<p><u>Councillor Brian Gordon</u> The Local Government Association has pledged to support a private members' bill calling for a national law on pavement parking. Does our Administration think that such a law is necessary to ostensibly make pavements safer or would it be our view that, as far as Barnet is concerned, we have got our pavement policy right?</p> <p><u>Answer by the Councillor Dean Cohen (Chairman of the Environment Committee)</u> The council's new parking policy includes a fairly hefty section on pavement parking, which should deal with this issue comprehensively.</p> <p><u>Supplementary Question</u> The hefty section on pavement parking, you would be on top of what this actually proposes but I wonder whether we could look at some of the roads which are narrow roads which still do not have white lines on the pavements which entitle people to park on the pavement and I do think we should look at them in a very understanding way and where possible allow such parking to take place in order to ensure that people don't get caught by traffic wardens given tickets when the pavement parking is necessary in order to avoid congestion.</p> <p><u>Supplementary Answer</u> All these roads will be coming up for review shortly.</p>
<p>12.</p>	<p><u>Councillor Jim Tierney</u> We are getting many complaints from residents in West Finchley Ward concerning damaged pavements which are a danger to pedestrians. In the majority of cases we find that the damage has occurred where there was recent building work or the work is still going on. I understand in issuing the necessary licences to the builders for the hoarding, scaffolding, building materials on the public highway, in each case we also take a deposit against possible damage to the road or pavement. Can the Leader please provide a list of locations in West Finchley Ward where all or part of these deposits have been retained against damage done.</p> <p><u>Answer by the Leader</u> The data is being gathered. However, I would join the councillor in the belief that they should contribute to the cost of the damage and this is something we are looking at.</p> <p><u>Supplementary Question</u> I thank the Leader for the information more than the answer, simply because I did ask specifically could this information be available at ward level. Simply because we need it when the builders break up roads, we need to be able to tell people we have taken this money in lieu of repairs. So I need to ask the Leader again whether this information can be made available, itemised, site by site in West Finchley Ward or any ward.</p> <p><u>Supplementary Answer</u> This information should have been provided and it should be available on a ward basis but the more important point made is there should be a much more rigorous system.</p>

<p>13</p>	<p><u>Councillor Brian Gordon</u> You will no doubt be aware that a number of faith schools around the country, including some in Barnet, have been upset by the conduct of certain OFSTED inspectors who seem to have been targeting such schools for inspection disproportionate to their numbers and have been asking pupils somewhat insensitive and embarrassing questions. Can the Council monitor this to some extent and assist local schools in raising tactful complaints to the Education Dept. should future incidences of this arise?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> This is not a matter for the council as there is no mileage we can make with OFSTED. However, we are supportive of such schools.</p> <p><u>Supplementary Question</u> Is it not arguable that the council can take some kind of action if only lobbying if OFSTED is concerned because there are a number of schools in this borough which are very upset about the behaviour of some of the OFSTED inspectors, some of the very inappropriate questions they have been asking children at faith schools – you may have read about it in the press – could the council consider taking some kind of action on behalf of those schools if requested to do so for the benefit of the citizens of our borough who send their children to faith schools.</p> <p><u>Supplementary Answer</u> I am very supportive of the faith schools and of the work that OFSTED does with those schools. I understand some of the concerns that have been raised by the schools and I am happy to work with them to work through these issues.</p>
<p>14.</p>	<p><u>Councillor Nagus Narenthira</u> Can the leader provide the following - a) Floor area of the present library in Grahame Park b) The floor area of the new library built in the new Barnet College site? Will there be a new library built in the regeneration site to meet the needs of the increased population if the leader thinks libraries are an essential part of peoples’ lives?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> An appropriate library will be provided.</p> <p><u>Supplementary Question</u> What is appropriate in terms of the increasing population of Colindale, is it one, two or three libraries?</p> <p><u>Supplementary Answer</u> The outcome will be obvious from the outcome of the consultation that’s in process and I would strongly encourage people to continue with that process.</p>

15.	<p><u>Councillor Brian Gordon</u> Are we well enough equipped in terms of road clearance, snow measures etc. to deal with any severe weather conditions that might arise this winter?</p> <p><u>Answer by the Councillor Dean Cohen (Chairman of the Environment Committee)</u> Yes. I have also been encouraging residents and local organisations to consider using the pledge bank scheme.</p> <p><u>Supplementary Question</u> In case we do not get a mild winter, what is a pledge bank scheme. I have heard of it but I am not sure what it is or how it works. Do you not agree that we must try to avoid sudden snap storm and tremendous snow, that we don't find we are caught unawares and residents complain that we are not ready for it.</p> <p><u>Supplementary Answer</u> Pledge banks are for residents to grit their own roads and they are provided a bag of grit, shovels, etc, and also for local schools to do the same in the locations and it has been successful in the last few years since it was established.</p>
16.	<p><u>Councillor Barry Rawlings</u> While glad to note the administration has accepted Labour's 2014/15 Budget amendment by using reserves to fund the shortfall in the Leisure contract, it is a year too late. This could and should have been done last year. Will the Leader now apologise to the thousands of Barnet carers who lost out on £250,000 of extra support this year due to his refusal to listen to our common-sense budget last year?</p> <p><u>Answer by the Leader</u> I don't recognise to what Cllr Rawlings is referring.</p> <p><u>Supplementary Question</u> No supplementary</p>
17.	<p><u>Councillor Anthony Finn</u> Has the Leader received an update from the Leader of the Labour Group as to what action has been taken with regard to Cllr McGuirk following the recommendations of the last Group Leader's Panel?</p> <p><u>Answer by the Leader</u> No.</p> <p><u>Supplementary Question</u> Does the Leader agree that in the interests of transparency, this is something that should be forthcoming from the Labour group?</p> <p><u>Supplementary Answer</u> Yes.</p>

<p>18.</p>	<p><u>Councillor Claire Farrier</u></p> <p>How many people are currently waiting for the offer a property on each of bands one and two? How long are people expected to wait for the offer of a suitable property on each of these bands?</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> Currently there are 81 Band one cases and 252 Band two cases listed on Barnet Council’s Allocations Scheme.</p> <p>The last 40 Band one customers who were housed across all bedroom sizes and types of tenure, waited on average 195 days. Band one customers tend to be extremely vulnerable with very specific needs. They often require disabled or wheelchair accessible properties. This means that many Band one customers can wait for a longer period until a suitable property that meets all of their needs becomes available.</p> <p>The last 40 Band two customers who were housed across all bedroom sizes and types of tenure, waited on average 217 days.</p> <p><u>Supplementary Question</u> It does seem that we do now have a waiting list, the allocation banding system was supposed to get rid of the waiting list. We have a waiting list of 333 families who have been assessed as in need of urgent and immediate housing and we are told they are going to have to wait up to eight months to be rehoused. Could I ask the Leader what you are doing for these families assessed to be in need of urgent re-housing, to be rehoused within a realistic expectation of time – not eight months.</p> <p><u>Supplementary Answer</u> The intention of being the allocations banding scheme was not to get rid of a waiting list, it was to help prioritise so that we ensure those with the greatest need get access to housing as fast as possible. In terms of why there are longer waiting times, when you have a specialist requirement, Barnet Homes may not have a property which is adapted to your needs readily available, therefore you have to wait a little bit of time to get that. In terms of why we don’t have as much housing, that’s because we are undergoing a scheme to build more affordable housing but also there are a number of properties occupied by people who may not necessarily be in need and I was surprised to see Councillor Mitra deems himself worthy of being in need by declaring he is a Barnet Homes tenant. Some individuals who are living in social housing who are not necessarily in need and I would urge them to return their properties to the council so the council can allocate housing to individuals in need that cannot necessarily afford accommodation in the private sector.</p>
<p>19.</p>	<p><u>Councillor Anthony Finn</u></p> <p>Does the Leader expect the Labour Group to propose an alternative budget and Medium Term Financial Strategy?</p> <p><u>Answer by the Leader</u> No.</p> <p><u>Supplementary Question</u> Does the Leader not think that a credible Opposition should be proposing an alternative budgets and a Medium Term Financial Strategy?</p> <p><u>Supplementary Answer</u> It would be very interesting and helpful and in the interests of the people of Barnet if we could have the ideas that Labour have rather than them just being in opposition to everything else that is proposed.</p>

20.	<p><u>Councillor Alan Schneiderman</u> Under the new plan to base the cost of resident parking permits on the level of CO2 emissions, will residents with cars in the (a) below 110 CO2g/ km band, (b) 110 - 200CO2g/km band and (c) above 200 CO2g/km band, pay less, the same or more than they currently do?</p> <p><u>Answer by the Councillor Dean Cohen (Chairman of the Environment Committee)</u> The policy advocates having three bands linked to CO2 emissions – the pricing structure is yet to be decided by committee.</p> <p><u>Supplementary Question</u> In proposing this new method for charging for residents parking permits, residents want to know how much they are actually going to pay. For instance, a resident with a car in the middle emissions band pay less, more or the same than they do at the moment?</p> <p><u>Supplementary Answer</u> This will come out as part of the budget setting in the New Year.</p>
21.	<p><u>Councillor Anthony Finn</u> Given that the Performance and Contract Committee on 11th November expressed concern at the tight timescales for the relocation of the depot, was it not irresponsible for Labour members at the Assets, Regeneration and Growth Committee meeting on 12th to refer an item progressing this matter to this Council meeting, more than a month later?</p> <p><u>Answer by the Leader</u> It was indeed disappointing that Labour councillors could not understand the urgency of the matter in hand.</p> <p><u>Supplementary Question</u> Is this yet another example of Labour’s inability to make a decision?</p> <p><u>Supplementary Answer</u> Yes.</p>
22.	<p><u>Councillor Laurie Williams</u> Is it fair that residents parking should be based on emissions, when whilst parked they are not producing any. And does this suggestion not disadvantage those people with older cars that do lower mileage, and that by not replacing them are saving the emissions caused by new car manufacture.</p> <p><u>Answer by the Leader</u> As the owner of an aged Volvo I am interested in the councillor’s point.</p> <p><u>Supplementary Question</u> No supplementary.</p>
23.	<p><u>Councillor Tom Davey</u> Would the Leader join me in thanking Cllr Philip Cohen and the two Labour subs for choosing to attend their socialist Housing Commission rather than the Adults and Safeguarding Committee, hence robbing their colleagues of the ability to enact their inevitable decision to refer the business up to full council?</p> <p><u>Answer by the Leader</u> I am grateful for their common sense.</p> <p><u>Supplementary Question</u> No supplementary.</p>

24.	<p><u>Councillor Gill Sargent</u></p> <p>At the last meeting I asked for some information about rents on Colindale developments – Cllr Thomas said he would write to me – could I now have the information: what rents are being charged per calendar month for social housing in new development in Colindale in Pulse, Beaufort Park, Redrow and Genesis? What are the service charges? Are service charges inclusive?</p> <p><u>Answer by Councillor Daniel Thomas (Chairman of the Assets, Regeneration and Growth Committee)</u></p> <p>The rents charged for The Pulse, Grahame Park and Beaufort Park developments are social rents. The properties are provided by several different registered providers. Please see below details of actual rents and service charges for each development.</p> <p><u>Supplementary Question</u></p> <p>The rents that we are being shown are £700 a month and the affordable housing is at nearly £1000 a month. What is going to happen to the tenants at Grahame Park who at the moment pay well below this and with the 20% reduction in housing benefit it going to cause them serious hardship.</p> <p><u>Supplementary Answer</u></p> <p>We haven't found that to be the case in Beaufort Park, so I don't envisage it to be a huge problem and I'd love to be paying £700 a month for a three bedroom property.</p>
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SUMMARY OF RENTS AND SERVICE CHARGES FOR NEW DEVELOPMENTS IN COLINDALE – October 2014

Scheme /Block	Registered Provider	Tenure	Unit type	Net weekly rent	Weekly Service Charge (inclusive)	Gross weekly rent	Monthly
Beaufort Park – Earhart House, NW9	Catalyst	Social rent	2 bed	£123.95	£37.99	£161.94	£701.74
Beaufort Park, Earhart House, NW9	Catalyst	Social rent	3 bed	£136.91	£38.18	£175.09	£758.72
Beaufort Park, Erwin House, NW9	Catalyst	Social rent	2 bed	£123.95	£35.57	£159.92	£693.99
Beaufort Park, Erwin House, NW9	Catalyst	Social rent	3 bed	£136.91	£35.76	£172.67	£748.24
Beaufort Park, Gilmour House, NW9	Catalyst	Social rent	2 bed	£123.95	£32.80	£156.75	£679.25
Beaufort Park, Gilmour House, NW9	Catalyst	Social rent	3 bed	£136.91	£33.01	£169.92	£736.32
Beaufort Park, Gull House, NW9	Catalyst	Social rent	2 bed	£123.95	£33.02	£156.97	£680.20
Beaufort Park, Arado House, NW9	Genesis	Social rent	2 bed	£124.00*	£40.78(actual will be lower by £5.71 as overpayment last year)**	£164.78	£714.05
Beaufort Park, Astoria House, NW9	Genesis	Social rent	2 bed	£124.00*	£38.24 (actual will be higher by £0.48 as underpayment last year **	£162.24	£705.38

Scheme/Block	Registered Provider	Tenure	Unit type	Net weekly rent	Weekly Service charge	Gross weekly rent	Monthly
Beaufort Park, Ball House, NW9	Genesis	Social rent	2 bed	£124.00*	£25.38(actual will be lower due to overpayment of £10.00 last year) Due to increase in future years in line with the other blocks**	£149.38	£647.31
Beaufort Park, Arado House, NW9	Genesis	Social rent	3 bed	£152.00*	£40.78(actual will be lower by £5.71 as overpayment last year)**	£192.78	£835.38
Beaufort Park, Astoria House, NW9	Genesis	Social rent	3 bed	£152.00*	£38.24 (actual will be higher by £0.48 as underpayment last year **	£190.24	£824.37
Beaufort Park, Ball House, NW9	Genesis	Social rent	3 bed	£152.00*	£25.38 (actual will be lower due to overpayment of £10.00 last year) Due to increase in future years in line with the other blocks**	£177.38	£768.65
Scheme/Block	Registered Provider	Tenure	Unit type	Net weekly rent	Weekly Service charge	Gross weekly rent	Monthly
Grahame Park, NW9	Genesis	Social rent	1 bed	£108.00*	£16.24	£124.24	£538.37
Grahame Park, NW9	Genesis	Social rent	2 bed	£138.00*	£ 3.11	£141.11	£611.48
Colindale Hospital, The Pulse, NW9	NHHT	Social rent	1 bed	£119.71	£ 7.50	£127.21	£551.24
Colindale Hospital, The Pulse, NW9	NHHT	Social rent	2 bed	£141.11	£ 7.50	£148.61	£643.98
Colindale Hospital, The Pulse, NW9	NHHT	Social rent	3 bed	£153.90	£ 7.50	£161.40	£699.49
Colindale Hospital, The Pulse, NW9	NHHT	Affordable Rent	1 bed	£212.59 (incl of SC)		£212.59	£921.22
Colindale Hospital, The Pulse, NW9	NHHT	Affordable Rent	2 bed	£217.77 (incl of SC)		£217.77	£943.67
Colindale Hospital, The Pulse, NW9	NHHT	Affordable Rent	3 bed	£222.96 (incl of SC)		£222.96	£966.16

*Maximum rent charge – rents start £5 below figure stated

** Service charges the same for each unit in a block

25.	<p><u>Councillor Tom Davey</u> Is the leader aware of Labour's plans to find the savings they have refused from the libraries?</p> <p><u>Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries and Safeguarding Committee)</u> No.</p> <p><u>Supplementary Question</u> No supplementary</p>
26.	<p><u>Councillor Pauline Coakley Webb</u> Could the deputy leader tell me what progress has been made in agreeing a 'sustainable lease' for Friern. Barnet Community library?</p> <p><u>Councillor Daniel Thomas (Chairman of the Assets, Regeneration & Growth Committee)</u> This is being considered with regards to both HGS and Friern Barnet as part of the wider consultation. We intend to agree business plans and premises-related agreements through to 2020.</p> <p><u>Supplementary Question</u> Could the Leader or Deputy Leader confirm that would actually be proposed for Friern Barnet Library will be a saleable lease and that the word license will not come into the equation?</p> <p><u>Supplementary Answer</u> I'm not prepared to confirm that tonight. That will be a matter for the ARG Committee on which Cllr Coakley Webb sits and I am sure we will make the right decision to ensure the library can secure grant funding going forward. I'm not prejudice to any arrangements. We want the best arrangement for the group. I look forward to seeing the group's business case for an extension to their current arrangement.</p>
27.	<p><u>Councillor Tom Davey</u> Is the leader aware of Labour's plans to find the savings they have refused from the Nursery Schools?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> I do not believe Labour have a plan.</p> <p><u>Supplementary Question</u> Does the Member not find that odd, given that the Labour group are happy to oppose all of our plans at every stage without providing a single funded alternative themselves?</p> <p><u>Supplementary Answer</u> I would find it surprising if I didn't find it on each and every one of these issues, it appears that Labour has no plan.</p>

28.	<p><u>Councillor Adam Langleben</u> The Council issued a press release regarding the revised offers to leaseholders on the West Hendon estate. Council the Leader tell me if any terms and conditions are attached to taking this final offer including the goodwill payment and covering of maintenance works and if there are such terms, what are they?</p> <p><u>Answer by the Leader</u> The detailed commercial terms are confidential to each property owner.</p> <p><u>Supplementary Question</u> Will the leader confirm that there is a gagging clause attached to the offer to leaseholders on the West Hendon Estate?</p> <p><u>Supplementary Answer</u> That wouldn't be the term I would use to describe it.</p>
29.	<p><u>Councillor John Marshall</u> Could the Leader comment on London Councils' Summit on 22nd November, particularly as to the progress other councils seem to be making with their budget problems?</p> <p><u>Answer by the Leader</u> Strangely, Labour councils in London are engaged in meeting the same challenges Barnet are, with some of the same solutions.</p> <p><u>Supplementary Question</u> Can the Leader tell us whether any London Labour councils are engaged in outsourcing and if they are can they have a seminar to educate the Labour Party locally about the advantages of outsourcing?</p> <p><u>Supplementary Answer</u> All councils outsource in some way, shape or form. There are always going to be functions that are not exercised directly by a councillor. Many of the other Labour councils in London are going a long way further than the opposition in Barnet would have us believe is practical and possible. I think your suggestion of a seminar could be very helpful. Thank you for that.</p>
30.	<p><u>Councillor Philip Cohen</u> 'Visiting our local library with my family is the highlight of our week.' Who said that?</p> <p><u>Answer by the Leader</u> I don't know.</p> <p><u>Supplementary Question</u> This quote was – if I can remind you ... 'Visiting our local library with my family is the highlight of our week.' That was said by an older resident at the East Barnet Consultation event. Does he support her view and the view of thousands of other Barnet residents who signed a petition to save our libraries, that public libraries are held in the same high regard as the NHS; a free, unique and universal service that provides a space to read, learn and receive advice from qualified staff and therefore they should all remain directly run by the council at their current level?</p> <p><u>Supplementary Answer</u> Libraries are enjoyed by many people and are an important local asset. Many people do really appreciate them and this council will endeavour to provide the best possible library service that we can. There will be change and just as so many libraries had to convert from scrolls to books, times do change.</p>

31.	<p><u>Councillor John Marshall</u> Does the Leader or the Committee Chairman welcome Labour’s embarrassing U-turn on free schools?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> Yes. I’m pleased that Labour have come to appreciate the merits of this flagship Tory policy and that the excellent education being offered by free schools in Barnet is being recognised.</p> <p><u>Supplementary Question</u> Has the councillor seen the latest issue of Suburb News which pointed out that the Archer Academy is already a heavily over-subscribed school and would he like to congratulate the Government on producing this school which met the needs of pupils in the N3 and NW11 postal districts?</p> <p><u>Supplementary Answer</u> Thank you for giving me the opportunity to welcome the changes that were introduced by this government and also to note the accolades of this particular, one of many great outstanding free schools.</p>
32.	<p><u>Councillor Paul Edwards</u> Would the Leader confirm if any senior officer currently employed by the London borough of Barnet has also been an employee of Capita in the last 5 years; and if so, for which Council Department/theme area are they currently employed?</p> <p><u>Answer by the Leader</u> I do not believe so, but it would not be a barrier to their employment.</p> <p><u>Supplementary Question</u> It seems that the Leader has not been fully informed. On 4th September 2013, the managing director of Capita took up his new role as Director of Education and Skills at the London Borough of Barnet and is now leading the possible outsourcing of the children, education, libraries and safe-guarding services. Given that Capita has previously had interest in bidding for this service, would the Leader agree with me that there is a real conflict of interest here?</p> <p><u>Supplementary Answer</u> No and I don’t count the enormous donations made to the Labour Party by Capita as an obstacle as well.</p>
33.	<p><u>Councillor Stephen Sowerby</u> Does the Environment Committee Business Planning paper, referred to this meeting, include a decision – or even firm proposal – to outsource streetscene services?</p> <p><u>Answer by the Councillor Dean Cohen (Chairman of the Environment Committee)</u> No, there are many proposals.</p> <p><u>Supplementary Question</u> No supplementary</p>

34.	<p><u>Councillor Alison Moore</u> Can the Leader explain why, despite it being quite clear from a survey of other Councils that such models are currently in use, his Administration continues to oppose the adoption of an independently chaired 'standards' committee with independent as well as councillor members in place of the current model which is solely councillors and is Chaired by and has an in-built Administration majority?</p> <p><u>Answer by the Leader</u> I believe it can operate satisfactorily, but am open to new suggestions.</p> <p><u>Supplementary Question</u> I have made a serious of suggestions over several cycles of meetings however the question is: can you honestly say that the current Leader's Panel has any integrity?</p> <p><u>Supplementary Answer</u> I am surprised that Cllr Moore would suggest that any committee on which she sits would lack integrity. I don't believe that's a very fair suggestion of any of us. I would agree it's entirely unsatisfactory that we have a costly and unproductive process in Barnet. I am not sure her suggestions would improve the situation, in fact, I think they would make them markedly worse.</p>
35.	<p><u>Councillor Stephen Sowerby</u> On 15th July full Council agreed a motion which, among other things, called on members "not to bring forward proposals to reverse policy without having identified an appropriate compensating saving." Why does the Leader think Labour are not abiding by this resolution?</p> <p><u>Answer by the Leader</u> Because they can't – they have no alternatives and no plan. Their only implied alternatives would be a massive council tax increase or bankruptcy.</p> <p><u>Supplementary Question</u> No supplementary</p>
36.	<p><u>Councillor Devra Kay</u> We have all experienced Capita's appalling standard of services that they are contracted to provide to Barnet, including call centre, IT, payroll and highways. If we received service like this in our personal lives we would blow the company out of the water. In the light of Capita's failures, what is the Council doing and intending to do about Capita?</p> <p><u>Answer by the Leader</u> Overall, Capita is delivering a good service.</p> <p><u>Supplementary Question</u> When I was in a recent meeting with Capita it was dropped into the conversation that the Call Centre is soon to be automated and that only 30% of staff would be retained and that this was in the original contract. So knowing this, the council encouraged council employees to move to Coventry in order to keep their jobs and some did so. Does the Leader believe that he has behaved ethically? And does he have more consideration for Capita which is indicated by his written answer than for the people of Barnet, the employees of the council and their futures and the futures of their families?</p> <p><u>Supplementary Answer</u> Yes and no.</p>

37.	<p><u>Councillor Eva Greenspan</u> Is there yet a prospective date for the meeting to confer the Freedom of the Borough upon the Chief Rabbi?</p> <p><u>Answer by the Leader</u> Tuesday 3rd February 2015.</p> <p><u>Supplementary Question</u> Can I please invite every Member of this council to put that date in their diaries?</p> <p><u>Supplementary Answer</u> Yes.</p>
38.	<p><u>Councillor Barry Rawlings</u> Can the Leader explain his groups decision to support Cllr. Thompstone's amendment that mean's in the options for Libraries rather than 540 square feet being a minimum it is now a minimum 'on average' i.e. could be smaller?</p> <p><u>Answer by the Leader</u> The words 'on average' were not an addition made by the amendment, but were already part of the report. However, 540 square feet is small and it is difficult to imagine one smaller.</p> <p><u>Supplementary Question</u> No supplementary</p>
39.	<p><u>Councillor Mark Shooter</u> The National Audit Office has found that over half of single tier and county councils are not well-placed to deliver their medium-term financial plans. Does the Leader agree that this again shows the importance of facing up to the serious challenges for council spending and for all councillors to work to ensure we can achieve a balanced budget?</p> <p><u>Answer by the Leader</u> Barnet has a good record of forward planning and we are now planning for a difficult spending round – whatever the make-up of the next government. The alternative to not having a plan is much worse.</p> <p><u>Supplementary Question</u> Does the Leader agree that the Opposition cannot be taken seriously until they are fully costed in terms of solutions?</p> <p><u>Supplementary Answer</u> Absolutely. There seems to be a characteristic of the Labour Party both locally and nationally when they are in opposition they fail to come up with any proposals. When there are boroughs are unlucky enough to have a Labour administration they then do set budgets which seem to be far more draconian than Barnet's.</p>
40.	<p><u>Councillor Alison Moore</u> Can the Leader assure me that the council will continue to pay at least the London Living Wage to all directly employed staff and what action he has taken to encourage contractors to do the same?</p> <p><u>Answer by the Leader</u> Yes, we will pay the equivalent of the London Living Wage to all directly employed staff and encourage contractors – but the delivery of the latter is in the long-term.</p> <p><u>Supplementary Question</u> No supplementary</p>

41.	<p><u>Councillor Mark Shooter</u> What does the Leader make of Labour-run Harrow Council’s proposals to close four libraries, reduce the opening hours of all others, reduce staffing and, at times, leave libraries unmanned and accessible by swipe card?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> What it shows is that other, Labour-run, councils are making proposals similar to, or indeed more radical than, our own. We hope to keep all libraries open and I hope Harrow will have the same success.</p> <p><u>Supplementary Question</u> So Labour councils on one side of us are closing libraries, what about Enfield on the other side? Are they set to leave their services untouched?</p> <p><u>Supplementary Answer</u> I have seen papers today that evidence that Enfield has chosen proposals to radically change their libraries to include community libraries, to have something similar to the open libraries that we are looking at. So this is very much something that seems to be in keeping with where we are with libraries.</p>
42.	<p><u>Councillor Amy Trevethan</u> Would the Leader provide an update on the installation of superfast broadband in Underhill ward; what steps he is taking to work with BT to accelerate the provision of superfast broadband in the ward; and when he envisages that residents and small business will be able to benefit from superfast broadband provision?</p> <p><u>Answer by the Leader</u> Superfast broadband is important in every ward and we are encouraging BT to accelerate this.</p> <p><u>Supplementary Question</u> Could the Leader just say in what way specifically the council is encouraging BT to do this and what plans are in place to address remaining gaps in superfast broadband provision?</p> <p><u>Supplementary Answer</u> Cllr Trevethan knows that there are particular problems in my ward, her ward and one of the other Chipping Barnet wards where BT have been at best unhelpful. I am in correspondence with them but I have to say they very rarely answer letters. However, I haven’t given up.</p>
43.	<p><u>Councillor Wendy Prentice</u> Does the Leader know why Andrew Dismore was forced to withdraw two motions at the GLA, with regards to the council’s housing allocations policy and domestic violence, by the Monitoring Officer at City Hall?</p> <p><u>Answer by the Leader</u> I believe they had to be withdrawn for factual inaccuracies.</p> <p><u>Supplementary Question</u> Has the council received an apology from Mr Dismore on this?</p> <p><u>Supplementary Answer</u> I don’t think we have received an apology but there’s a surprise!</p>

44.	<p><u>Councillor Alison Moore</u> Does the Leader believe that community and voluntary organisations in Barnet are important partners in supporting vulnerable residents and building resilience in our communities?</p> <p><u>Answer by the Leader</u> Yes.</p> <p><u>Supplementary Question</u> No supplementary</p>
45.	<p><u>Councillor Wendy Prentice</u> Would the Committee Chairman join me in congratulating the schools in Barnet that made the Sunday Times Parent Power Top 200, especially QE Boys which claimed the top spot?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> Yes, that Barnet has five schools on the list – including the top two – is once again testament to the enormous efforts and talents of students and teachers in the borough.</p> <p><u>Supplementary Question</u> No supplementary</p>
46.	<p><u>Councillor Paul Edwards</u> In Autumn 2013, Barnet Council paid £16.1m to Capita PLC in support of the CSG contract for IT and back office infrastructure We were originally told that Capita would meet this investment: indeed this was one of the major justifications for the contract. However the Audit Committee on 23 October reported that “The council agreed to fund the capital costs up front because the council benefits from a lower interest rates which keeps the overall cost of funding CSG as low as possible. The assets are Capita’s but Capita is obligated to provide them back to the council upon contract termination for at no further cost” This is clearly a loan to Capita. Would the Leader confirm what level of interest the Council is charging Capita for this loan, and what level of income this is generating for the LBB?</p> <p><u>Answer by the Leader</u> The £16.1m is not a loan, neither is it an additional payment. It forms part of the core contract. By paying up front rather than over a 10 year period, it has saved taxpayers £800k in interest costs.</p> <p><u>Supplementary Question</u> Could the Leader confirm if this arrangement was something that was discussed pre-awarding of the contract, or post-awarding?</p> <p><u>Supplementary Answer</u> I think it goes to the heart of the contract, so as the contract was signed.</p>

47.	<p><u>Councillor Graham Old</u> To quote from the Guardian (19th Nov): “One in six councils are not expected to deliver services within budget this year, and more than half of councils are at risk of financial failure within the next five years.” With such a warning in their deified newspaper, does the Leader think will Labour now finally wake up to reality and cease their blanket opposition to every single savings proposal?</p> <p><u>Answer by the Leader</u> I am not a Guardian reader, but hope that Labour realise it is dishonest to oppose all savings.</p> <p><u>Supplementary Question</u> In light of the Ed Milliband speech last week, whether the Leader thinks that the Labour Party locally was hoping that the advent of a Labour Government would get them off the hook but now, in the light of Mr Milliband’s speech regarding the deficit that they are going to have to face the facts of life.</p> <p><u>Supplementary Answer</u> And of course the Labour Party is committed nationally to continue with the current spending plans. The spending review that will take place after the election will undoubtedly have an impact on Barnet whichever form of government is elected but with the potential Labour Government committed to transferring money away from London, we would be more adversely affected here in Barnet and would indeed have to budget for even larger cuts than those which we are planning now.</p>																		
48.	<p><u>Councillor Alison Moore</u> Does the Leader believe it is reasonable to renegotiate and cut the contract price to small organisations mid-term?</p> <p><u>Answer by the Leader</u> I think it is important to be fair to both the taxpayer and the organisation.</p> <p><u>Supplementary Question</u> No supplementary</p>																		
49,	<p><u>Councillor Graham Old</u> How much has the Labour-led NLWA lost in its procurements?</p> <p><u>Answer by the Leader</u> Information previously provided by the North London Waste Authority (NLWA) advises that in the region of £21 million has been spent on the procurement process over a seven year period. In addition, £5m has been spent on settling a litigation claim.</p> <p><u>Supplementary Question</u> Does this not show that complete and utter incompetence of a Labour-led administration?</p> <p><u>Supplementary Answer</u> I believe that to be a general truth.</p>																		
50.	<p><u>Councillor Amy Trevethan</u> Can the Leader provide the number of people directly employed by Barnet Council in October 2010, October 2012, and October 2014, both head count and FTE?</p> <p><u>Answer by the Leader</u></p> <table border="1" data-bbox="220 1877 1102 1995"> <thead> <tr> <th colspan="2">01/10/2010</th> <th colspan="2">01/10/2012</th> <th colspan="2">01/10/2014</th> </tr> <tr> <th>Headcount</th> <th>FTE</th> <th>Headcount</th> <th>FTE</th> <th>Headcount</th> <th>FTE</th> </tr> </thead> <tbody> <tr> <td>3,404</td> <td>2,988</td> <td>2,77</td> <td>2,302</td> <td>1,32</td> <td>1,678.85</td> </tr> </tbody> </table> <p><u>Supplementary Question</u> No supplementary</p>	01/10/2010		01/10/2012		01/10/2014		Headcount	FTE	Headcount	FTE	Headcount	FTE	3,404	2,988	2,77	2,302	1,32	1,678.85
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51.	<p><u>Councillor Val Duschinsky</u> Does the Committee Chairman endorse the build to sell approach for housing, adopted by London Borough of Camden?</p> <p><u>Answer by the Leader</u> Yes and I am happy to take inspiration from the good work of Labour councils when that occurs.</p> <p><u>Supplementary Question</u> No supplementary</p>
52.	<p><u>Councillor Amy Trevethan</u> Could the Leader provide the number of consultants and agency staff engaged on Barnet Council work between April 1st 2012 - March 31st 2013 and between April 1st 2013 – March 31st 2014.</p> <p><u>Answer by the Leader</u> The Council engages non-payroll arrangements with agency roles and senior interim resources through our contract with Comensura. This contract commenced in October 2012 and had been preceded by a contract with Hays.</p> <p>Use of a ‘consultant’ is a very specific arrangement, where we have a contract with an individual who owns their own intellectual property, who has been brought in to provide specific advisory services or a clear deliverable. This form of arrangement is used in exceptional circumstances. More commonly, the Council is using two different forms of non-payroll resource – agency roles, and within this two forms of interim resource.</p> <ol style="list-style-type: none"> 1. Agency: This refers all short-term deployments via Comensura to provide non-payroll roles to the Council – whether in street cleaning, waste, catering, administrative function, or covering a management role 2. Interim: This refers to the deployment of skilled specialist resource for a specific activity or period of time, working at management level or equivalent (and higher-cost resources). There are two specific forms of interim deployment: those covering an established post at a senior level; and those used for a specific project, activity of deliverable. <p>April 2012: Agency Number – 367 Interim Number – 37</p> <p>April 2013: Agency Number – 507 Interim Number – 30</p> <p>April 2014 Agency Number – 452 Interim Number – 47</p> <p>For a more up-to-date picture; as at September 2014 the Council had 33 interim deployments, of which 8 were short term assessors within Adults and Communities. The remaining 25 are made up of 6 senior level interims working on projects, (ie where the amount paid is equivalent to Barnet Head of Service or above as an annualised cost) and 19 below this level of cost.</p> <p><u>Supplementary Question</u> No supplementary</p>

53.	<p><u>Councillor Bridget Perry</u> Where does Barnet sit among other Conservative-run boroughs, and London as a whole, in respect to the building of affordable housing?</p> <p><u>Councillor Tom Davey (Chairman of the Housing Committee)</u> We have built more than any other Conservative borough and sit in the top third overall.</p> <p><u>Supplementary Question</u> Data was recently released showing the affordability of London Boroughs by comparing the house price to earnings ratio. How did Barnet compare to neighbouring Labour Harrow, Brent, Camden and Haringey?</p> <p><u>Supplementary Answer</u> I believe we were on about par with Haringey but were more affordable than Brent and Harrow and significantly more affordable than Camden. So might I suggest that when the GLA member for Barnet and Camden is talking about affordable housing, he has a conversation with Labour in Camden before focusing on the Conservatives in Barnet?</p>
54.	<p><u>Councillor Amy Trevethan</u> What value does the Leader place on Barnet's trained professional librarians?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> The role of librarians is constantly changing and it is important to keep up with current trends.</p> <p><u>Supplementary Question</u> What is the extent to which the council's librarians are being involved in discussions regarding their future role in Barnet's library service?</p> <p><u>Supplementary Answer</u> I thank the councillor for raising this issue once again. Every opportunity I get to raise the point that this consultation will be best served by having the greatest number of people involved, the better it will be. All librarians within the borough of course have been welcomed and I am sure most have participated within the consultation. I welcome all Members and all residents, all users of the libraries to participate in this consultation so that we can get the fullest picture of what our future library service should look like.</p>
55.	<p><u>Councillor Bridget Perry</u> Does the leader wish to comment on the latest remarks made by Tristram Hunt, as he attacks successful independent schools?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> We rely upon the private sector as an important source of school places and we should support all good schools. The politics of envy should be discouraged, as should hypocrisy.</p> <p><u>Supplementary Question</u> No supplementary</p>
56.	<p><u>Councillor Amy Trevethan</u> Would the Leader provide an update on whether there are any directly employed staff working on less than London's Living Wage?</p> <p><u>Answer by the Leader</u> I do not believe so.</p> <p><u>Supplementary Question</u> No supplementary</p>

57.	<p><u>Councillor Joan Scannell</u> What are the administrative implications of Labour referring items up to this Council meeting?</p> <p><u>Answer by the Leader</u> Aside from limiting discussion and running from debate, the Labour members who have referred up items have disrupted the efficient progress of council business and delayed public consultation on the budget.</p> <p><u>Supplementary Question</u> No supplementary</p>
58.	<p><u>Councillor Amy Trevethan</u> The Leader has said that Barnet Council paying a Living Wage to its direct employees is the ‘right thing to do’. However, the Council does not insist on payment of the London Living Wage by its contractors, either when these contracts are tendered or re-tendered. Can the Leader explain why, although it is the right thing for staff directly employed by the Council to be paid the London Living Wage, it is apparently not the right thing to insist that the LLW is paid to employees whose jobs have been outsourced or stand to be outsourced – through no fault of their own?</p> <p><u>Answer by the Leader</u> Because the council’s budget does not permit this.</p> <p><u>Supplementary Question</u> This answer would appear to suggest that outsourcing is being used by the council to reduce expenditure on staff wages. Would the Leader please comment?</p> <p><u>Supplementary Answer</u> It’s not being used deliberately to do that however the council budget would be completely blown were we to move to this in any kind of hasty way. I would agree with Cllr Trevethan that we should pay the London Living Wage; it is something we should aim to do. Now, signing up to the scheme does not mean that a body actually pays the London Living Wage, it just means that they aspire to it. so they get the ‘street cred’ without actually doing it but I think it is something that we should actually move towards doing.</p>
QUESTION TIME CONCLUDES	
59	<p><u>Councillor Joan Scannell</u> Would the Committee Chairman like to comment on the go ahead for the two new primary schools to create through-schools at the Wren Academy, North Finchley and the London Academy, Edgware?</p> <p><u>Answer by the Leader</u> I am delighted that we will see these new through-schools offering valuable places and an excellent educational offer for their pupils.</p>
60.	<p><u>Councillor Amy Trevethan</u> Do Barnet contractors use zero hours contracts for staff employed on Barnet work.</p> <p><u>Answer by the Leader</u> Sometimes.</p>
61.	<p><u>Councillor Alison Cornelius</u> Would the Committee Chairman further comment on the plans to expand the Oak Lodge Special School in East Finchley set to create additional places and improved facilities for children with learning difficulties?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> We are working hard to ensure sufficient and high quality new school places across our school system.</p>

	This must also apply to our outstanding special schools. The plans for Oak Lodge will be of great benefit to local children with learning difficulties.
62.	<p><u>Councillor Amy Trevethan</u> Concerns continue to be voiced by local traders and now the Barnet Society that insufficient free parking and the absence of cash parking facilities are hindering our already-struggling high streets and town centres. Can the Leader explain why his administration thinks these concerns are unwarranted, and tell me when his administration will finally take notice?</p> <p><u>Answer by the Leader</u> The parking policy that went through the Environment Committee established an occupancy target for on street and off street spaces of 85%. Parking charges and payment methods will be looked at in this context. Perhaps Cllr Trevethan can achieve what her colleagues have all repeatedly failed to do and provide realistic costings and a source of funding for these ideas.</p>
63.	<p><u>Councillor Maureen Braun</u> During Quarter 2 of 2014/15, what was the rate of satisfaction with the service provided through the CSG contact centre?</p> <p><u>Answer by the Leader</u> Satisfaction further increased to 88%.</p>
64.	<p><u>Councillor Devra Kay</u> It was revealed at the recent Constitution, Ethics and Probity Committee meeting on 25 November that the two councillors who have recently come before the Leaders' Panel, one Conservative, one Labour, were denied their Constitutional rights of access to an independent advisor because Barnet Governance and HB Public Law wrongly advised that the councillors did not have that right. Is the Leader satisfied to conclude the matter with the flippant comment given at the meeting by its Conservative Chairman, Cllr John Marshall, that "It was a mistake. I am very sorry, but it wasn't me" and if not, what action is he intending to take?</p> <p><u>Answer by the Leader</u> Recommendations coming forward from the Constitution, Ethics and Probity Committee instigate a review of the Standards Committee at the end of the 2014/15 municipal year and allow councillors subject to a case access to the independent person throughout the process, as well as legal representation.</p>
65.	<p><u>Councillor Maureen Braun</u> With regards to the benchmarking of the council's planned spend over 2014/15, how does Barnet compare to the London average in terms of efficiency?</p> <p><u>Answer by the Leader</u> Benchmarking with other local authorities and London Boroughs shows the Council to be high performing and low cost.</p> <p>When compared with similar local authorities (London boroughs, Unitary Councils and County Councils) using Local Government Association data, Barnet is performing above the benchmark across 86% of the indicators.</p> <p>Data from Department for Communities and Local Government for planned expenditure this financial year (2014/15) shows Barnet is in the lowest quartile of spend per household - £3,359 per household compared to a London average of £4,142. In addition, across 8 out of 9 service areas available for analysis, Barnet spends less than the London benchmark for 8 of the 9 services. The only service where spend is higher is Highways and Transport services.</p>
66.	<p><u>Councillor Devra Kay</u> It came to light by chance that there may be asbestos present in the obsolete fan heating systems in leaseholders homes on the West Hendon Estate when a leaseholder recently requested to have his</p>

	<p>system removed. Would the Leader please provide a copy of the asbestos report carried out about ten years ago; a copy of the annual report on asbestos inspections on the Estate including asbestos levels and the asbestos report carried out with regard to the regeneration of the Estate and will he accept that it is the Council's responsibility to cover the cost of any necessary action after years of ignoring the danger to the health and safety of leaseholders to whom they sold these homes.</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> Once the properties are transferred to the developer prior to demolition the management of asbestos within the building falls to them. The developer is required to survey the building and remove the asbestos in an appropriate manner prior to demolition occurring.</p> <p>Within a leasehold property the responsibility for maintaining the internal services that are of sole benefit to the property falls to the leaseholder and the internal fabric of the building. It is therefore not accepted that the council owes any duty to the leaseholders to reimburse them for the cost of asbestos removal works. The purchaser, prior to completing the transaction to acquire the property would have been at liberty to carry out their own survey of the property to ascertain the overall condition of the dwelling.</p>
67.	<p><u>Councillor Brian Salinger</u> Will the Leader please make a statement about the past, present and future uses of the former Royal British Legion hall off Summers Lane, N12?</p> <p><u>Councillor Daniel Thomas (Chairman of the Assets, Regeneration & Growth Committee)</u> The former Royal British Legion building was previously in a community use, held under a lease for a period of 20 years from the 8th February 2000. Over time the use of the building migrated to the point that the council was alerted to it being occupied by squatters, on the 15 November 2013. Due to the anti-social behaviour of the illegal occupants at the site, police enforcement action was eventually triggered which in turn resulted in the Council being able to take possession of the site on 1 July 2014. Building condition assessment work was undertaken Sep 14 which identified that the property would require considerable investment to get it into a lettable state.</p> <p>Currently, the site and property has been cleared of rubbish and made safe. The site has been secured with on-site guardians and the title has been formally registered to mitigate against any further risk of squatter occupation.</p> <p>There is also a memorial garden where ashes have been scattered at the property, which places some constraints on what can be done on the site. The Council are in contact with the Institute of Cemetery and Crematorium Management (ICCM) to work through what needs to be done to facilitate the British Legion to be able to relocate the ashes with a memorial plaque to another British Legion property, so that these constraints can be lifted.</p> <p>The council is now planning to initiate a study to identify viable options for the site. This will include an assessment of how the currently unusable site could be brought back into use, whilst ensuring that full consideration is given to its Metropolitan Open Land status, and the surrounding community, allotment, sports and residential uses.</p>
68.	<p><u>Councillor Geof Cooke</u> What costs have been and will be incurred as a result of the constitutional chaos this year broken down by commissioning legal advice from HB Public Law and counsel, officer time responding to the situation, commissioning the Lloyd-Jones report, paying off the former monitoring officer, buying the services of an interim monitoring officer and recruiting a replacement permanent monitoring officer?</p> <p><u>Answer by the Leader</u> HB Public Law – contained within the contract cost.</p> <p>The Counsel advice was £5,230.</p> <p>Lloyd-Jones report cost £16,200.</p>

	<p>The payment to the former monitoring officer is subject to legal privilege and cannot be published here but all payments to all senior officers will be included in the year end accounts.</p> <p>Cost of interim monitoring officer and recruiting permanent replacement is contained within the existing governance budget.</p> <p>The more times that Labour Councillors refer this item to different committees, the more officer time will be spent on this matter.</p>
69.	<p><u>Councillor Brian Salinger</u> Will the Leader or Chairman of the Education Committee make a statement about the latest position with regard to the re-provision of the Pavilion PRU?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> The council has submitted an application to the Government's Priority School Building programme for the rebuilding of the Pavilion PRU. If successful, the rebuilding of the PRU will be funded by central government and an announcement as to whether this bid has been successful is expected shortly. In the meantime the council has funded a feasibility study for the re-building project in preparation of funding from either the Priority School Building programme or, if unsuccessful, from the council's own resources.</p>
70.	<p><u>Councillor Geof Cooke</u> You and other Conservatives dismissed concerns from trade unions, residents and opposition councillors about the thin client model of outsourcing in which little or no service expertise is retained to assess the quality and cost of work done. In light of the Lloyd-Jones report will you reverse this disastrous policy?</p> <p><u>Answer by the Leader</u> It is not disastrous, no.</p>
71.	<p><u>Councillor Brian Salinger</u> Will the Leader or the Chairman of the Adult committee please advise the Council how many cases of inter-generation domestic violence have been brought to the attention of the Council in the last 12 months?</p> <p><u>Answer by the Leader</u> The council does not currently specifically record intergenerational domestic violence, so this would require manually going through each record.</p>
72.	<p><u>Councillor Geof Cooke</u> Do you think that senior officers should be qualified and experienced to undertake the roles to which they are appointed?</p> <p><u>Answer by the Leader</u> Yes.</p>
73.	<p><u>Councillor Caroline Stock</u> Is the Leader aware of any proposals for the budget having been put forward by the Labour Group?</p> <p><u>Answer by the Leader</u> No. I have no idea what they think, but they have the luxury of opposition - which is to oppose everything without having their own solutions.</p>
74.	<p><u>Councillor Geof Cooke</u> What did Comer Homes pay for the Abbots Depot site off Oakleigh Road South N11 and what is the administration proposing to pay to buy it?</p>

	<p><u>Councillor Daniel Thomas (Chairman of the Assets, Regeneration & Growth Committee)</u> I don't know what Comer Homes paid for the site. Historic pricing is of limited use. If Labour councillors had allowed discussion at meeting with officers this may have been apparent.</p>
75.	<p><u>Councillor Caroline Stock</u> What is an open library and is there an example of where they have been tried somewhere else?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> An open library is one which can be accessed and used by residents outside of staffed hours.</p> <p>40% of Denmark's 450 libraries are now open libraries, with more on the way. They have expanded rapidly since 2004 and proved popular.</p> <p>According to a Local Government Denmark survey in 2013, 75% of municipalities with open libraries expect to expand the scheme, with 78% of participating municipalities having experienced increasing visiting figures and 65% having seen an increase in loans.</p> <p>A user survey by the Danish Agency for Culture revealed that 92% of people feel that they receive the help they need, 91% feel it is easy to use the open library, 45% do not differentiate between there being staff available or not and only 35% prefer to visit the library when there are staff present.</p>
76.	<p><u>Councillor Geof Cooke</u> The 'consultation' on relocating the Finchley Lido has included the following features.</p> <p><u>Answer by the Leader</u> In July a statement that it was coming to the end of its life and a map showing both the present and possible future locations, especially Finchley Memorial Hospital, in completely the wrong places (as was the Church Farm pool in East Barnet). Nevertheless it was approved for the Sport and Physical Activity Project consultation.</p> <p>In August Labour questioning caused the erroneous map to be removed from the Strategic Asset Management Plan consultation.</p> <p>In November councillors were told that a workshop about Finchley Lido would be held at Finchley Memorial Hospital but residents and councillors who turned up were excluded. Councillors were then told by officers that the workshop was not about Finchley Lido but the invitees, from a wide area not immediately local residents, were indeed asked about their view on relocating Finchley Lido. When asked by a councillor to substantiate the 'end-of-life' statement the project leader declined to do so. The 'public' part of the consultation was said to be an online questionnaire but that does not mention the Lido.</p> <p>It appears that the Conservative administration wants to reduce the leisure swimming facility at the Lido and build a replacement on green space somewhere else. Will there be a real consultation on this property transaction with affected local residents before any deal is done?</p> <p>I am not aware that either the Conservative Group or the council has a policy to reduce swimming. Consultation is an important part of any process.</p>
77.	<p><u>Councillor Dean Cohen</u> Has the Leader written to the family of Rabbi Goldberg, expressing condolences following his death in the recent attack on a synagogue in Jerusalem?</p> <p><u>Answer by the Leader</u> Yes.</p>

78.	<p><u>Councillor Geof Cooke</u> The London European Partnership for Transport has helped London boroughs receive over €5M funding from the European Union.</p> <ol style="list-style-type: none"> 1. How much of this has come to Barnet? 2. For how much has Barnet bid? <p><u>Answer by the Leader</u> We are not members of the LEPT.</p>
79.	<p><u>Councillor Anne Hutton</u> Why has the public right of way at Church Farm House ex Museum been closed? When will it reopen?</p> <p><u>Councillor Daniel Thomas (Chairman of the Assets, Regeneration & Growth Committee)</u> Following the theft of the flagstones, the Public Right of Way was secured while the flagstones were replaced. Adjustments to the security lighting have since taken place to improve security and avoid a repetition of the theft. The Right of Way has been re-opened this week, but will remain locked at night until 15th December, while the security lighting is monitored; following which the Right of Way will re-open permanently.</p>
80.	<p><u>Councillor Anne Hutton</u> Why are the security lights at Church Farm House ex Museum still not functioning properly? When can we expect this to be rectified?</p> <p><u>Councillor Daniel Thomas (Chairman of the Assets, Regeneration & Growth Committee)</u> Some adjustments to the security lighting have taken place, and they have also been reset to remain on during the night, to improve security and try to avoid further theft of the flagstones.</p>
81.	<p><u>Councillor Nagus Narenthira</u> Can the leader specify what criteria would be used to assess the non-secure tenants in Grahame Park estate to determine the eligibility for re housing?</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> Barnet Council owe the majority of non-secure tenants on the Grahame Park Estate a continuing duty to house under PtVII Housing Act 1996. This means that for the majority of residents the assessment process will divide into two parts. First there is a review of the information held on our files. This involves assessing any change in circumstances that may have occurred since the household started living in the non-secure tenancy, including any changes in passport status, household numbers and income. The second part is assessing household income and outgoings as part of an affordability assessment and undertaking a suitability assessment by understanding if individual factors such as medical conditions and children's education impact on the type and location of property that the household can be reasonably offered as a form of alternative accommodation. Once this is completed the household will be placed onto Barnet Council's Allocations Scheme and can be nominated for properties.</p> <p>The assessment of the majority of non-secure tenants impacted by the regeneration of Grahame Park will take place over the course of financial years 2015/16 – 2016/17. This will be done in a phased way in line with the proposed vacant possession dates of each block on the estate.</p> <p>There may be a small number of non-secure residents who were allocated accommodation at the discretion of Barnet Council and who are not owed an on-going duty. In such cases, Barnet Homes will undertake the assessment as outlined above, to establish if these residents' circumstances have changed significantly and if they now qualify to be placed onto Barnet Council Allocations Scheme. If not these residents will need to find their own forms of accommodation.</p>
82.	<p><u>Councillor Nagus Narenthira</u> How many residents in Grahame Park estate are living in overcrowded dwellings? Does the council realise that overcrowding is risk to health and well-being of the residents?</p>

	<p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> As of May 2014 there were 16 households who currently live on Grahame Park, who have applied to be rehoused in a larger property and have been accepted for a transfer. A transfer is not normally accepted when the current home is one bedroom undersized.</p>
83.	<p><u>Councillor Barry Rawlings</u> Given the Commissioning strategy does not exclude any form of service delivery does this mean with every commissioning activity there will be an in-house option, even if it is currently out-sourced?</p> <p><u>Answer by the Leader</u> Where appropriate.</p>
84.	<p><u>Councillor Alan Schneiderman</u> In addition to Finchley Lido and Church Farm, for which of Barnet's other leisure centres and pools are alternative locations being considered?</p> <p><u>Answer by the Leader</u> All can be reconsidered; we cannot afford to be luddites.</p>
85.	<p><u>Councillor Barry Rawlings</u> The Coalition government promised councils that any new burdens resulting for legislative changes will be fully funded. Yet in the business plan it is predicted that the Care Act will cost an extra [unfunded] £7.8m of recurring costs by 2020 and there will be increased [unfunded] extra costs on foster parents being paid for young people up to the age of 21. Does he agree this means the government have broken this promise?</p> <p><u>Answer by the Leader</u> The government have not yet announced funding for the Care Act beyond 2015/16.</p>
86.	<p><u>Councillor Kathy Levine</u> According to research by RAC Home Insurance, in the 3 month period August-October 2014 there were 243 break-ins in Barnet which makes it the most burgled borough in London. Given the level of concern from our residents on this issueWill the Leader support our GLA member for Barnet, Andrew Dismore, in his campaign to highlight the reduction in police in our Borough and join him in pressing for an increase in police support here?</p> <p><u>Answer by Councillor David Longstaff (Chairman of the Community Leadership Committee)</u> Police Officer numbers are up 1.4% on last year across London.</p> <p>The overall crime rate in Barnet has dropped 15 points since the Coalition came into office and the burglary rate in 2013/14 was down 2.5 points (or nearly 20%) on the previous year and at the lowest level for the 15 years that the data was published.</p> <p>We continue to work closely with the police in the borough to bring crime down even further.</p>
87.	<p><u>Councillor Kathy Levine</u> At the East Barnet Area Forum on 22 October 2014 the Walksafe N14 representative asked about the progress being made on their 2013 petition, signed by 2,365 local residents, for safety measures to be introduced on roads in N14. He was assured that a report would be presented to the 18 November Environment Committee and that there would be consultation with residents prior to this.</p> <p>a) Could the Leader please let us know why this has not happened, when the consultation now will take place and what form the consultation will take? b) Following the promised consultation, when might we expect to see the safety measures put into place?</p> <p><u>Answer by the Leader</u> It was originally anticipated that a report would be presented to the Environment Committee on 18 November 2014 in relation to the Walksafe N14 petition and the proposed scheme to be implemented.</p>

	<p>However the report was referred back to the service area as the decision does not in fall within the (terms of reference) Environment Committee. Council Constitution, Responsibility for Functions, Annex A states that Area Committees have responsibility for: “Discharging any functions, within budget and policy framework agreed by Policy & Resources Committee, of theme committees that they agree are discharged more properly delegated to a local level. These include but are not limited to: Local highway and safety schemes’ On that basis, this report will go to the Chipping Barnet Area Committee on January 15th 2015</p> <p>As part of the preparation of the report and its recommended measures, Walksafe N14 have been engaged and are supportive of the proposals. Assuming the committee agree the report in January, consultation in the area on agreed measures would likely commence shortly thereafter by way of letter drop and subject to any feedback; the roll out of the scheme could then commence as early as March.</p>
88.	<p><u>Councillor Kathy Levine</u> Why has there been no consultation on the choice of sites for a new depot?</p> <p><u>Councillor Daniel Thomas (Chairman of the Assets, Regeneration & Growth Committee)</u> Following the decision by Labour Councillors to refer the depot relocation report to full Council, the Council currently does not have an alternative depot proposal to consult on. Should the report be agreed by full Council, the Council will seek to enter into the purchase of this site subject to planning permission. As part of the planning process, the Council will undertake full and comprehensive public consultation.</p>
89.	<p><u>Councillor Kathy Levine</u> What will be the Council's position regarding the land set aside for Crossrail 2, including the potential site for the new depot on Oakleigh Road South?</p> <p><u>Councillor Daniel Thomas (Chairman of the Assets, Regeneration & Growth Committee)</u> It is our understanding that this land will not be required for Crossrail 2, although it has been added to the list of safeguarded sites. As such, any planning application for this site will need to be approved by Transport for London. This process would run alongside a local planning process. Based on the current Crossrail experience, TFL have been approving 90% of planning applications on safeguarded sites.</p>
90.	<p><u>Councillor Laurie Williams</u> The CIL has been in operation for 18 months. How much has been collected and how much of that has been allocated to the local communities where the developments are taking place?</p> <p><u>Answer by the Leader</u> The Council has to formally publish full details of CIL income, allocations and expenditure by 31st December 2014 in accordance with CIL Regulation 62. The details of this report are currently being finalised in response to feedback from communities that they wish to have visibility of the funds received in each Ward.</p> <p>Since adoption of its charging schedule on 1st May 2013, the first year of Barnet CIL collection 2013-14 saw £856,538.78 collected for the Council from developments approved and commenced during this period. This level of collection is based on planning applications decided since May 2013 where the developer has also begun development within the same period.</p> <p>From 1st April 2014 to end of November 2014 the Council received a net income of £2,273,107</p> <p>The Localism Act introduced requirements that a ‘meaningful proportion’ of CIL income is allocated to parish councils to support their neighbourhood infrastructure requirements. As Barnet does not have Parish Councils, the three Area Forums provide that elected framework to support neighbourhood decision-making.</p> <p>The ‘meaningful proportion’ requirement is to be addressed through the provision of a variable budget for each Area Committee. This will be an allocation of 15% (but with capping system applying) of Barnet</p>

	<p>CIL income accrued in the previous financial year within the wards covered by each Area Committee. The total income from 2013-14 due to be allocated to Area Committees is £128,480.82.</p> <p>The 2013-14 annual Barnet CIL report due for publication identifies the following meaningful proportions of income from 2013-14 to be allocated to each Area Committee:</p> <p><u>Area Committee</u> Chipping Barnet - CB Finchley Golders Green – F Hendon - H</p> <table border="0" style="margin-left: 40px;"> <tr> <td><u>Net CIL income</u></td> <td><u>15% allocation</u></td> </tr> <tr> <td>CB - £646,839.54</td> <td>£97,025.93</td> </tr> <tr> <td>F - £190,513.04</td> <td>£28,576.96</td> </tr> <tr> <td>H - £19,186.20</td> <td>£2,877.93</td> </tr> </table>	<u>Net CIL income</u>	<u>15% allocation</u>	CB - £646,839.54	£97,025.93	F - £190,513.04	£28,576.96	H - £19,186.20	£2,877.93
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91.	<p><u>Councillor Gill Sargeant</u> At the last meeting I asked when the paths in Lynton Avenue will be repaired so older people are able to walk out of their houses? The response was that they will be assessed in the autumn – can I have an update now please?</p> <p><u>Answer by the Leader</u> Paths are repaired as and when funds are available and prioritised according to need.</p>								
92.	<p><u>Councillor Gill Sargeant</u> Can I have an update on when the zebra crossings in Aerodrome road will be completed?</p> <p><u>Answer by the Leader</u> In due course.</p>								
93.	<p><u>Councillor Alan Schneiderman</u> In the 'Alternative options considered and not recommended section' of the Business Planning report, which came to the Environment Committee on 18 November, why is there no mention of the administration's proposals to drop weekly bin collections, switch off residential street lights at night, stop locking parks or to charge for the collection of green waste?</p> <p><u>Answer by the Leader</u> The administration has not proposed any of these things.</p>								
94.	<p><u>Councillor Gill Sargeant</u> How many people are employed to inspect the state of Barnet roads, what criteria are used to prioritise repairs, what records are kept of damage to roads and are these records available for public inspection?</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> We currently have 5 staff undertaking inspections of utility works on the public highway and a further 8 dealing with the highway safety inspection regime. Following a review of the service, the implementation of a bespoke IT system has enabled more efficient mobile working practices to reduce this number to 6 staff. However, there is an obligation for ALL staff to report any defects they become aware of on the public highway or that may affect the highway. The criteria used to prioritise repairs is prescribed in the London Borough of Barnet Improving Barnet Roads, Highway Maintenance Inspection Manual, last amended January 2013 and which is currently under review. All records of defects are now being recorded on the newly installed “Exor” system which will in the future be accessible to the public through our website for residents to track the progress of defect repairs.</p>								
95.	<p><u>Councillor Alan Schneiderman</u> Given that street lights have already been dimmed by 50%, what assessment has been made of safety</p>								

	<p>implications of the plan to save money by increasing the time taken to complete street lighting repairs?</p> <p><u>Answer by the Leader</u> It is important to repair the street lights swiftly.</p>
96.	<p><u>Councillor Alan Schneiderman</u> Will North Finchley library remain on its current site?</p> <p><u>Answer by the Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> Decisions about the location of individual library buildings have not been made.</p>
97.	<p><u>Councillor Alan Schneiderman</u> Why did Tory councillors reject my amendment to Barnet's new parking policy, which would have provided at least 30 minutes free parking in all of Barnet's town centres given that this is regularly called for by residents and traders?</p> <p><u>Answer by the Leader</u> Because it was undeveloped and uncoded.</p>
98.	<p><u>Councillor Alan Schneiderman</u> Is there any evidence that local businesses do not want a free parking period or the return of cash parking?</p> <p><u>Answer by the Leader</u> If the parking spaces are full then I'm sure local businesses will be pleased.</p>
99.	<p><u>Councillor Alan Schneiderman</u> What consultation is planned on the Tory budget proposal for streetscene services, which includes 'Savings from an alternative delivery model'?</p> <p><u>Answer by the Leader</u> These are budget proposals, not Tory budget proposals. I wonder what the Labour proposal is.</p>
100.	<p><u>Councillor Alan Schneiderman</u> How will the planned 'compulsory recycling of dry and food waste' be enforced?</p> <p><u>Answer by the Leader</u> Tactfully.</p>
101.	<p><u>Councillor Alan Schneiderman</u> Who will carry out the new proposal to raise income from the enforcement of littering and dog fouling and how much income is it anticipated that will be raised from this activity?</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> Any new proposal to enforce would be subject to criteria defined within a Barnet enforcement policy. This is currently being considered as part of the wider transformation of street scene and other environmental services.</p> <p>A draft revised enforcement policy will be submitted to a future meeting of the Environment committee for member consideration.</p> <p>Any income raised from enforcement would be utilised to fund the actual enforcement activity and therefore it is expected that this initiative would be self-funding.</p> <p>For future years there is an expectation this action will lead to better compliance and therefore reduced levels of litter etc. This service adjustment will be picked up within future Street Cleansing efficiency reviews.</p>

102.	<p><u>Councillor Alan Schneiderman</u> Do the proposals for the 'revised scheduling of highways grounds maintenance including grass cutting and annual bedding' mean less frequent grass cutting and less bedding plants?</p> <p><u>Answer by the Leader</u> That may well be so.</p>
103.	<p><u>Councillor Alan Schneiderman</u> What assessment has been made on the potential for greater fly tipping around the Summers Lane recycling centre from proposals to cut its opening hours?</p> <p><u>Answer by the Leader</u> None, but it is something that would have to be taken into account.</p>
104.	<p><u>Councillor Alan Schneiderman</u> Have any lessons been learnt from the operation of Barnet's shared legal service and how will this affect the plan to share the management of the street lighting PFI contract with Enfield?</p> <p><u>Answer by the Leader</u> In the main, the shared legal service has been successful and I'm sure all shared arrangements will be – even if with Labour councils.</p>
105.	<p><u>Councillor Alan Schneiderman</u> How much money will be raised by the plan to license commercial dog walking?</p> <p><u>Answer by the Leader</u> No separate income target has been set for the licensing of professional dog walkers. Further research will be undertaken ahead of any decision to set a relevant and appropriate charge.</p>
106.	<p><u>Councillor Alan Schneiderman</u> How much is the contract to notify residents of unclaimed parking permit refunds costing? Since this contract was awarded, how much money has been reclaimed and how much is still outstanding?</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> After the original refund contract expired (at that point refunds to the value of £1.1Million had been made) there were 6,800 residents who had not claimed a refund. A further contract was entered into with Civica to make contact with the remaining 6,800 residents and the cost of this work which will span a 6 month period is £34,500. To date 1,650 residents have been contacted, and of these 413 refund requests have been received so far with a value of £68,000. A sum of £1.1M has been set aside to accommodate the full extent of this exercise.</p>
107.	<p><u>Councillor Alan Schneiderman</u> Under what circumstances would Tory councillors not claim a dispensation in order to vote on an issue in which they have a disclosable pecuniary interest?</p> <p><u>Answer by the Leader</u> I believe Conservative councillors have been very straightforward in this matter.</p>
108.	<p><u>Councillor Alan Schneiderman</u> Will the leader be happy for Labour councillors to demonstrate how to effectively perform the role of a ward councillor without the need to award themselves the perk of claiming a free parking permit?</p> <p><u>Answer by the Leader</u> It is questionable whether Labour councillors are effective ward councillors, with or without a council-use parking permit.</p>

109.	<p><u>Councillor Pauline Coakley Webb</u> Could the leader tell me if he approves of Barnet homes starting to introduce controlled parking areas on council estates?</p> <p><u>Answer by the Leader</u> If it is appropriate.</p>
110.	<p><u>Councillor Alan Schneiderman</u> At the Environment committee on 18 November, the committee unanimously agreed my amendment to Barnet's new parking policy to say that parking tickets should be issued 'fairly' rather than 'vigorously'. What action is being taken to implement this much needed and called for reform?</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> We are currently issuing tickets fairly, but where challenges come in these must be considered more fairly.</p>
111.	<p><u>Councillor Pauline Coakley Webb</u> Does the leader agree that ward councillors should be consulted if Barnet Homes wants to introduce controlled parking areas on council estates within their wards?</p> <p><u>Answer by the Leader</u> Yes.</p>
112.	<p><u>Councillor Alan Schneiderman</u> Will the Council consult residents over the borders and operating times of controlled parking zones?</p> <p><u>Answer by the Leader</u> Controlled parking zones are always consulted on.</p>
113.	<p><u>Councillor Pauline Coakley Webb</u> In previous question times there has never been an answer as to what was 'plan B' in relation to the plan to relocate the waste depot in 2016. Now that the councils preferred option of a move to Pinkham way has been binned why did it take until July this year for council to research other options?</p> <p><u>Answer by Councillor Daniel Thomas (Chairman of the Assets, Regeneration and Growth Committee)</u> The Council has always been aware of alternative options to the depot move to Pinkham Way. However, it was not until the summer of 2014 when the Labour controlled Haringey Council changed its stance on Pinkham Way and the Labour controlled NLWA proved incapable of formulating proposals on their future waste plans that it became apparent that Barnet Council needed to actively pursue an alternative option.</p>
114.	<p><u>Councillor Adam Langleben</u> Could the Chair of the Housing Committee tell me how many Barnet Homes tenants across the borough are 'non-secure' tenants who have been in the same property for more than five years.</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> As of 04/12/2014 there are an estimated 415 non-secure tenants living in Barnet who have been in their non-secure tenancy for 5 years or more.</p>
115.	<p><u>Councillor Pauline Coakley Webb</u> Does the leader agree that had residents been consulted about a proposed waste site and bin lorry depot prior to any land deal, a great deal of time and money may have been saved?</p> <p><u>Answer by Councillor Daniel Thomas (Chairman of the Assets, Regeneration and Growth Committee)</u> No. The plan to relocate the depot will save the taxpayers of Barnet tens of millions of pounds. The only waste of public money so far in this process has been as a result of the actions of the Labour controlled NLWA.</p>

116. Councillor Adam Langleben
 Could the Chair of the Housing Committee tell me how many Barnet Homes tenants there are in each ward?

Answer by Councillor Tom Davey (Chairman of the Housing Committee)

**No' Active
 Tenants &
 Leaseholders**

Ward	Leaseholder	Tenant	Total
Brunswick Park Ward	96	158	254
Burnt Oak Ward	252	1,533	1,785
Childs Hill Ward	239	411	650
Colindale Ward	494	1,273	1,767
Coppetts Ward	434	607	1,041
East Barnet Ward	221	400	621
East Finchley Ward	384	646	1,030
Edgware Ward	110	155	265
Finchley Church End Ward	181	178	359
Garden Suburb Ward	25	27	52
Golders Green Ward	97	389	486
Hale Ward	126	507	633
Hendon Ward	249	466	715
High Barnet Ward	58	138	196
Mill Hill Ward	161	301	462
Oakleigh Ward	142	225	367
Totteridge Ward	129	177	306
Underhill Ward	233	1,154	1,387
West Finchley Ward	115	152	267
West Hendon Ward	229	808	1,037
Woodhouse Ward	149	335	484
Grand Total	4,124	10,040	14,164

117. Councillor Pauline Coakley Webb
 When will residents be consulted about the proposed waste depot at Oakleigh Road South?

Answer by Councillor Daniel Thomas (Chairman of the Assets, Regeneration and Growth Committee)
 Resident consultation will take place through the planning process. The timing of this will depend on whether a decision is taken to proceed with the purchase which will be subject to planning permission.

118. Could the Chair of the Housing Committee tell me how many Barnet Homes leaseholders there are in each ward? See Q116.


Answer by Councillor Tom Davey (Chairman of the Housing Committee)
 See Q116.

119.	<p><u>Councillor Pauline Coakley Webb</u> Will a legal agreement to purchase the proposed Oakleigh Road site be in place before residents are consulted?</p> <p><u>Answer by Councillor Daniel Thomas (Chairman of the Assets, Regeneration and Growth Committee)</u> Any legal agreement to purchase will be subject to planning permission, and residents will be consulted as part of the planning process.</p>																																																																																																
120.	<p><u>Councillor Adam Langleben</u> Could the Chair of the Housing Committee tell me the average Barnet Homes monthly rent for a 1 bed, 2 bed and 3 bed property in each ward.</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u></p> <table border="1" data-bbox="204 589 1002 1641"> <thead> <tr> <th colspan="4">Av Monthly Rent by Bed Size</th> </tr> <tr> <th>Ward</th> <th>1 Bed</th> <th>2 Bed</th> <th>3 Bed</th> </tr> </thead> <tbody> <tr><td>Brunswick Park Ward</td><td>£451</td><td>£517</td><td>£574</td></tr> <tr><td>Burnt Oak Ward</td><td>£426</td><td>£470</td><td>£511</td></tr> <tr><td>Childs Hill Ward</td><td>£448</td><td>£484</td><td>£551</td></tr> <tr><td>Colindale Ward</td><td>£483</td><td>£544</td><td>£568</td></tr> <tr><td>Coppetts Ward</td><td>£470</td><td>£528</td><td>£557</td></tr> <tr><td>East Barnet Ward</td><td>£426</td><td>£497</td><td>£572</td></tr> <tr><td>East Finchley Ward</td><td>£445</td><td>£485</td><td>£543</td></tr> <tr><td>Edgware Ward</td><td>£420</td><td>£474</td><td>£543</td></tr> <tr><td>Finchley Church End Ward</td><td>£465</td><td>£523</td><td>£567</td></tr> <tr><td>Garden Suburb Ward</td><td>£391</td><td>£404</td><td></td></tr> <tr><td>Golders Green Ward</td><td>£467</td><td>£472</td><td>£519</td></tr> <tr><td>Hale Ward</td><td>£392</td><td>£467</td><td>£522</td></tr> <tr><td>Hendon Ward</td><td>£476</td><td>£526</td><td>£569</td></tr> <tr><td>High Barnet Ward</td><td>£456</td><td>£539</td><td>£560</td></tr> <tr><td>Mill Hill Ward</td><td>£449</td><td>£485</td><td>£553</td></tr> <tr><td>Oakleigh Ward</td><td>£452</td><td>£512</td><td>£554</td></tr> <tr><td>Totteridge Ward</td><td>£510</td><td>£515</td><td>£586</td></tr> <tr><td>Underhill Ward</td><td>£452</td><td>£494</td><td>£536</td></tr> <tr><td>West Finchley Ward</td><td>£477</td><td>£544</td><td>£561</td></tr> <tr><td>West Hendon Ward</td><td>£448</td><td>£475</td><td>£537</td></tr> <tr><td>Woodhouse Ward</td><td>£467</td><td>£505</td><td>£543</td></tr> <tr> <td>Grand Total</td> <td>£456</td> <td>£497</td> <td>£540</td> </tr> </tbody> </table>	Av Monthly Rent by Bed Size				Ward	1 Bed	2 Bed	3 Bed	Brunswick Park Ward	£451	£517	£574	Burnt Oak Ward	£426	£470	£511	Childs Hill Ward	£448	£484	£551	Colindale Ward	£483	£544	£568	Coppetts Ward	£470	£528	£557	East Barnet Ward	£426	£497	£572	East Finchley Ward	£445	£485	£543	Edgware Ward	£420	£474	£543	Finchley Church End Ward	£465	£523	£567	Garden Suburb Ward	£391	£404		Golders Green Ward	£467	£472	£519	Hale Ward	£392	£467	£522	Hendon Ward	£476	£526	£569	High Barnet Ward	£456	£539	£560	Mill Hill Ward	£449	£485	£553	Oakleigh Ward	£452	£512	£554	Totteridge Ward	£510	£515	£586	Underhill Ward	£452	£494	£536	West Finchley Ward	£477	£544	£561	West Hendon Ward	£448	£475	£537	Woodhouse Ward	£467	£505	£543	Grand Total	£456	£497	£540
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121.	<p><u>Councillor Adam Langleben</u> Could the Chair of the Housing Committee tell me how much has the Council paid to landlords in incentives in 2012/13, 2013/14 and the current financial year to date?</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> 12/13 £42,689 13/14 £698,843 14/15 to 4 Dec 2014 £512,556</p>																																																																																																
122.	<p><u>Councillor Adam Langleben</u> Further to question 92 at the last full council meeting. Could the Leader tell me yet how much Re has made in profit? 122.</p>																																																																																																

	<p><u>Answer by the Leader</u> Re will publish their first set of accounts as of the end of December 2014 in the New Year. As the Council is a significant shareholder in Re, taxpayers will benefit from any profit.</p>																		
123.	<p><u>Councillor Adam Langleben</u> Would the Leader tell me how many non-secure tenants (as 1 December 2014) are living on a) the West Hendon estate b) Stonegrove estate. 123.</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> As of 04/12/2014 there an estimated a) 207 non-secure tenants resident at West Hendon b) 12 non-secure tenants resident at Stonegrove.</p>																		
124.	<p><u>Councillor Adam Langleben</u> Further to question 94 at the last full council meeting which to failed to answer. I hope the Leader will now answer my question. Will you now insist that developers publish all viability assessments on large new build proposals?</p> <p><u>Answer by the Leader</u> These are a matter for professional assessment.</p>																		
125.	<p><u>Councillor Adam Langleben</u> Could the Chair of the Housing Committee tell me the percentage inflation on property prices in NW9 since 2002? 125.</p> <p><u>Answer by Councillor Tom Davey (Chairman of the Housing Committee)</u> According to Land Registry data there was a 49% increase in median house prices in West Hendon ward between 2002 and 2013. This is lower than e 67% increase across the borough as a whole (over the same period) as set out in the table below.</p> <table border="1" data-bbox="204 1086 758 1218"> <tr> <td></td> <td>2002 median price</td> </tr> <tr> <td>West Hendon</td> <td>£176,000</td> </tr> <tr> <td>Barnet</td> <td>£207,000</td> </tr> </table> <table border="1" data-bbox="204 1290 758 1422"> <tr> <td></td> <td>2013 median price</td> </tr> <tr> <td>West Hendon</td> <td>£262,000</td> </tr> <tr> <td>Barnet</td> <td>£346,000</td> </tr> </table> <table border="1" data-bbox="204 1458 758 1590"> <tr> <td></td> <td>% change</td> </tr> <tr> <td>West Hendon</td> <td>49%</td> </tr> <tr> <td>Barnet</td> <td>67%</td> </tr> </table>		2002 median price	West Hendon	£176,000	Barnet	£207,000		2013 median price	West Hendon	£262,000	Barnet	£346,000		% change	West Hendon	49%	Barnet	67%
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126.	<p><u>Councillor Adam Langleben</u> Further to question 101 at the last full council meeting to the Leader. Will you attend the next open West Hendon Partnership Board to fulfil your pledge to me?</p> <p><u>Answer by the Leader</u> I will attend a West Hendon meeting.</p>																		
127.	<p><u>Councillor Philip Cohen</u> How would unstaffed libraries with card-swipe facilities only help older people suffering loneliness who rely on their library visits and chats with the staff they know well?</p> <p><u>Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> I don't understand the syntax of this question.</p>																		


128.	<p><u>Councillor Adam Langleben</u> Could the Leader offer any Christmas advice to the Council tenants in Franklin House, NW9 in who have been forced to leave their homes today - just 9 days before Christmas? At the time of writing (30 Nov) not all have been offered alternative accommodation. 128.</p> <p><u>Answer by the Leader</u> Barnet Homes has sought possession orders against all the non-secure tenants at Franklin House as a precautionary measure to ensure vacant possession by 31 March 2015. Unless and until they are informed otherwise, tenants who have received a possession order containing a date by which they must leave the property do not actually have to do so. This has already been explained to them on several occasions in writing, public meetings and surgeries. We hope that the majority of tenants will work with us and let us help them to find alternative accommodation. We will only enforce the possession orders and apply for evictions where tenants refuse reasonable offers or where their cases are closed for other reasons e.g. that we have no duty to rehouse them.</p>
129.	<p><u>Councillor Philip Cohen</u> How much is the council paying private company Opinion Research Services (ORS) to run consultations on library and leisure services? Why haven't ward councillors been invited to any consultation events during the leisure services review?</p> <p><u>Answer by the Leader</u> Ward councillors will have opportunities during the regular council process.</p>
130.	<p><u>Councillor Philip Cohen</u> Why is the council not holding proper public meetings so residents can give their views on the leisure services review instead of focus groups and pre-selected workshops. What are they afraid of?</p> <p><u>Answer by the Leader</u> The council is not afraid of anything – we are a representative democracy where the representatives of the people can express their views.</p>
131.	<p><u>Councillor Philip Cohen</u> By next year the Tory-led coalition Government will have reduced core funding for local authorities by £10 billion or 34 per cent since 2010/11. Has he joined the protest to Ministers about this and does he support Labour's plan to devolve £30 billion of resources to local areas who know their needs better than Whitehall?</p> <p><u>Answer by the Leader</u> National government is still dealing with the mess left by the last Labour government. Labour's economic plan is to borrow more, tax more and spend more.</p>
132.	<p><u>Councillor Charlie O-Macualey</u> How many elderly residents are there in Barnet that are not in the working age as per "Legislation 2013" and are having "Pension Credit" that the council has been wrongly charging council tax or wrongly sending council tax arrears alerts and also court notices?</p> <p><u>Answer by the Leader</u> There are 9,343 residents of 'Pension Credit Age' and in receipt of Housing Benefit, and/or Council Tax Support. Of those, 6700 are in receipt of Pension Credit. We are not aware of any cases where council tax has been wrongly charged to this group of residents. Enforcement action has been taken against 572 residents of Pension Credit Age who based on their means are required to pay, but have failed to make the necessary payment on time.</p>
133.	<p><u>Councillor Paul Edwards</u> Could the Leader provide the Council's spend on Consultancy and agency staff in the year 2013-14 and the projected spend for the current financial year 2014-15, and outline what steps the Council intends to take to reduce this expenditure? 133.</p>

	<p><u>Answer by the Leader</u> The Council uses its Comensura contract for the deployment of both agency and interim resource, which is sometimes referred to as use of ‘consultants’. (See the response to question 52).</p> <p>The response below focuses on the overall number of agency posts in place, and within this, the senior interim resource covering an established post or delivering a project or specific piece of work.</p> <p>2013/14 Agency and Interims Spend - £17,531,000</p> <p>2014/15 (Estimated) Agency and Interims Spend – c. £13,500,000</p> <p>There are a number of reasons for delivery units deploying agency and interim resource. For example, the changes to the Children and Families Bill, preparation for the impact of the Care Act and a number of workforce transformation programmes.</p> <p>In terms of the position within 2014/15, we have just over 100 deployments within Family Services supporting social care practice and over 200 within Street Scene covering a variety of established roles; both services are also currently undergoing internal restructuring. AS these changes take place we anticipate reduction in the use of agency resources. There are also just under 100 within Adults and Communities covering a number of established roles and preparing the delivery unit for the implementation of the Care Act, alongside this there are 33 interim roles across delivery units covering either established roles, or providing services for one off pieces of work and projects.</p> <p>Agency usage is reviewed regularly within service areas, at the Council’s Workforce Board, the overall position reported to Performance and Contract Monitoring Committee each quarter. In addition to this, Workforce plans are being created per delivery unit for 2015/16 and this will include the use of agency and interims moving forward, with an aim to reduce expenditure once the series of transformation programmes have been completed.</p>
134.	<p><u>Councillor Arjun Mittra</u> Is there a clear commitment from the Council to provide the Somali Bravanese community with a new centre?</p> <p><u>Answer by the Leader</u> The ARG Committee on 15th December received a report detailing proposals for a new community centre at Tarling Road. The intention is that this centre will be able to be used by a range of local community groups and will provide a permanent home for the Somali Bravanese.</p>
135.	<p><u>Councillor Arjun Mittra</u> Will the Council ensure that the new Old Barn management are given every chance of success, and that the building will be brought up to standard as soon as possible?</p> <p><u>Answer by the Leader</u> Yes.</p>
136.	<p><u>Councillor Arjun Mittra</u> Is it true that the council has hired a contractor to consult on the libraries proposals, and that they have hired subcontractors? Was the decision to hire contractors due to a lack of internal ability to consult, or a desire to save money? 136.</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> An external research agency was appointed to conduct significant parts of the libraries consultation. External research organisations are largely used for the objectivity they bring to a consultation process which can provide further reassurance to residents and councillors that all feedback has been listened</p>

	<p>to and reported on impartially. This is standard practice for LBB, and indeed other councils across the country. Commissioning an external research provider on an ad hoc basis is also far more cost effective when compared to having a larger central consultation team all year round.</p> <p>The consultation was put out to tender and Opinion Research Services were appointed. Their bid included partnering with another agency (Shared Intelligence) that brought additional expertise and experience to the process.</p>																										
137.	<p><u>Councillor Arjun Mitra</u> Will the Chair of the CELS committee give an undertaking to read the residents consultation feedback, unlike the approach he took to the Mapledown issue, where was frightened that reading the views of residents might actually change his mind?</p> <p><u>Answer by Councillor Reuben Thompstone (Chairman of the Children, Education, Libraries & Safeguarding Committee)</u> I do not accept the premise of this question.</p>																										
138.	<p><u>Councillor Arjun Mitra</u> How much of the road and pavement repair budget has been spent so far this year. Could the monthly expenditures be shown on a table for the 2014 calendar year as well please?</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> The total projected spend for highways maintenance in 2014/15 is approximately £4.3 million. This includes planned, reactive and cyclical maintenance and is funded from both internal and external sources. The reactive budget for 2014/15 is £1.9m of which £1.6m has been spent or committed as at the end of November. In terms of the total budget for both reactive and planned maintenance, to date we have committed approximately £2.8 million with the indicative spend profile set out below.</p>  <table border="1"> <caption>Indicative Spend Profile for Highways Maintenance (2014/15)</caption> <thead> <tr> <th>Month</th> <th>Spend (£000,000)</th> </tr> </thead> <tbody> <tr><td>Apr 14</td><td>350</td></tr> <tr><td>May 14</td><td>380</td></tr> <tr><td>Jun 14</td><td>320</td></tr> <tr><td>Jul 14</td><td>280</td></tr> <tr><td>Aug 14</td><td>350</td></tr> <tr><td>Sep 14</td><td>450</td></tr> <tr><td>Oct 14</td><td>520</td></tr> <tr><td>Nov 14</td><td>480</td></tr> <tr><td>Dec 14</td><td>380</td></tr> <tr><td>Jan 15</td><td>320</td></tr> <tr><td>Feb 15</td><td>280</td></tr> <tr><td>Mar 15</td><td>250</td></tr> </tbody> </table>	Month	Spend (£000,000)	Apr 14	350	May 14	380	Jun 14	320	Jul 14	280	Aug 14	350	Sep 14	450	Oct 14	520	Nov 14	480	Dec 14	380	Jan 15	320	Feb 15	280	Mar 15	250
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139.	<p><u>Councillor Arjun Mitra</u> I have asked in written questions before when the plant boxes at the junction of Church Lane and Long Lane will be fixed, and previously been reassured that it was soon. Months later nothing has been done. Please could you explain? 139.</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> The planters in question have been inspected and although there are some missing and a few with loose bricks they have been deemed to be safe. We are currently focussing our finite resources on those defects that pose a higher risk and assume therefore a higher priority. We will therefore not be undertaking works to these planters in the foreseeable future, unless alternative funding becomes available.</p>																										
140.	<p><u>Councillor Arjun Mitra</u> Will the data from the Church Lane 20 mph zone be made available to the councillors and residents who have asked for it, as we have been requesting it for months? 140.</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> Officers apologise that follow up review data following the implementation of the 20mph scheme was not available at the time of the request. This was due to issues surrounding the data collection equipment. However this has been resolved and speed data for Church Lane has now been collected.</p>																										

	The results have been sent to Councillor Mitra for his information.
141.	<p><u>Councillor Arjun Mitra</u> In answer to a previous written question of mine, it was indicated action was taken on only 10% or so of planning enforcement requests made. Does the leader feel residents should be confident that complaints will be dealt with when they report breaches in planning rules?</p> <p><u>Answer by the Leader</u> Yes.</p>
142.	<p><u>Councillor Arjun Mitra</u> Are all council buildings fully wheelchair accessible? If not does the council have a plan to make them so?</p> <p><u>Answer by the Leader</u> In the fullness of time.</p>
143.	<p><u>Councillor Agnes Slocombe</u> Under Highways inspection repairs programme will the council remind London Highways to remove green and red barriers on the footpaths after pavement repairs are done and not leave them for 2 months?</p> <p><u>Answer by Councillor Dean Cohen (Chairman of the Environment Committee)</u> Yes.</p>

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	AGENDA ITEM 11.1
	Council 20 January 2015
Title	Council Tax Support: Options for a Revised Scheme (Post Consultation)
Report of	Deputy Chief Operating Officer
Wards	All
Status	Public
Enclosures	Annex 1: Report to Policy and Resources Committee report, 13 January 2015 Appendix 1 – Consultation report and results Appendix 2 – Equalities Impact Assessment Appendix 3 – Draft Barnet Council Tax Support Scheme 2015
Officer Contact Details	Andrew Charlwood, Head of Governance (Acting) andrew.charlwood@barnet.gov.uk 020 8359 2014

<h2>Summary</h2>
<p>A report presenting the outcome of consultations on options for a revised council tax scheme was considered by the Policy and Resources Committee on 13 January 2015. The Committee was requested to consider the consultation outcomes and recommend one of three options for a revised scheme for 2015/16 onwards to full Council for a decision. This report encloses the report that was considered by Policy and Resources Committee and sets out the recommendations the Committee made to Full Council.</p>

Recommendations

- 1. That Council adopt the draft Barnet Council Tax Support Scheme 2015 based on Option 3 (Increase the Council Tax contribution rate to 20%) as detailed in the report to the Policy & Resources Committee attached at Annex 1.**
- 2. That Council agree the uprating of the scheme in line with Department for Work and Pension changes for Housing Benefit and working age non-dependant deductions as set out in Appendix 3**

1. WHY THIS REPORT IS NEEDED

- 1.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

2. REASONS FOR RECOMMENDATIONS

- 2.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

4. POST DECISION IMPLEMENTATION

- 4.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

5.3 Legal and Constitutional References

- 5.3.1 Constitution, Responsibility for Functions – sets out the functions of Full Council including 'Setting the Council Tax'.

5.4 Risk Management

5.4.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

5.5 Equalities and Diversity

5.5.1 As set out in the report to Policy and Resources Committee, 13 January 2015.


5.6 Consultation and Engagement

5.6.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

6. BACKGROUND PAPERS

6.1 As set out in the report to Policy and Resources Committee, 13 January 2015.

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	<p align="center">Policy and Resources Committee 13 January 2015</p>
<p>Title</p>	<p>Council Tax Support: Options for a revised scheme (post consultation)</p>
<p>Report of</p>	<p>Deputy Chief Operating Officer</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>Appendix 1 – Consultation report and results Appendix 2 – Equalities Impact Assessment Appendix 3 – Draft Barnet Council Tax Support Scheme 2015 Appendix 4 – Excerpts of minutes of Policy and Resources Committee of 21/7/2014</p>
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<p>Summary</p>
<p>When responsibility for Council Tax Support (CTS) was devolved to Local Authorities in 2013, Barnet Council consulted on and implemented a 2 year scheme covering the period 2013/14 and 2014/15. At the time, the Council agreed to consult again after the 2 year period.</p> <p>A report setting out the options for a revised CTS scheme, including a range of contribution rates for those eligible for support and the potential impacts on individuals and on Council revenues was considered by the Policy and Resources Committee on 21st July 2014. The committee considered the report and agreed to publicly consult on three options for a revised Council Tax scheme.</p> <p>Option 1: Continue the current CTS scheme, with the Council Tax contribution rate for those in receipt of CTS remaining at 8.5%</p> <p>Option 2: Increase the Council Tax contribution rate to 15%</p>

Option 3: Increase the Council Tax contribution rate to 20%

On 29 October 2014, the Supreme Court gave judgment on a case involving a neighbouring London borough's consultation process in relation to CTS. This judgment was announced after Barnet's consultation on these options for a revised CTS scheme had closed (27 October).

Having considered the judgment and reviewed its original consultation documentation, the Council decided it was appropriate to re-open consultation in order for it to:

- (i) provide further information to consultees to inform their response to the proposals;
- (ii) give consultees information about what alternatives have been considered and why the Council is not minded to adopt these; and
- (iii) give consultees the opportunity to suggest alternative schemes and how these could be funded.

This report presents the outcome of both consultations and asks the Committee to recommend one of the options for a revised scheme for 2015/16 onwards to full Council for a decision.

Recommendations

- 1. That the Committee make recommendation to Full Council for the adoption of the draft Barnet Council Tax Support scheme 2015 based on one of the options.**
- 2. That the committee agrees the uprating of the scheme in line with Department for Work and Pension changes for Housing Benefit and working age non-dependant deductions as set out in appendix 3**

1. WHY THIS REPORT IS NEEDED

- 1.1. In 2013/14 the Local Government Finance Act 1992 was amended to require local authorities to adopt a Council Tax Support scheme. This ceased the previous system of council tax benefit, which was funded by central Government, although administered by local authorities. Local authorities were passed funding for Council Tax Support (CTS), with a reduction of 10 per cent. Local authorities were given the freedom to adopt a scheme meeting local need, however prescribed national regulations meant that those of pension credit age were protected. This meant that if the scheme replicated the CTB rules, a local authority would have to find funding from elsewhere in its general fund budget. The funding for CTS was added to the overall Revenue Support Grant (RSG) and is not ring-fenced, therefore it is up to local authorities to determine the level of funding to make available for CTS.
- 1.2. When CTS schemes were devised, local authorities had the option of funding the shortfall from its general fund or adopting a scheme which led to the 10% funding cut being absorbed within the scheme. The Government made available a transitional grant for local authorities who limited the level of reduction of support to 8.5%. In dealing with the shortfall, many local

authorities required recipients of CTS to make a contribution to their overall Council Tax bill. Approaches by local authorities have varied greatly across London and the rest of the country. In London, a small number of authorities have absorbed the funding reduction without making those working age residents eligible for CTS pay a contribution to their Council Tax, whereas the majority of others have required residents in support of CTS to make a contribution, in some cases as high as 30% of their total Council Tax bill. In Barnet, the council implemented a 2 year scheme – for 2013/14 and 2014/15 – with a Council Tax contribution rate for those working age claimants in support of CTS at 8.5%. The Council also agreed to consult on a revised scheme after the 2 years.

- 1.3. Following agreement at Policy and Resources Committee on 21 July, a public consultation has been carried out on three options for a revised scheme. The decision on variation of the Council Tax Support scheme is reserved to Full Council and as such a recommendation needs to be made to Full Council by 31 January 2015 to comply with the requirements of the legislation. The 1992 Act requires local authorities to consult the precepting authorities, publish a draft CTS scheme and consult interested parties. A fourth option was put to the Policy and Resources Committee – to reduce the current contribution rate down to zero – but it was agreed not to consult on this option.
- 1.4. A second consultation was carried out following, the Supreme Court's judgment on a case involving a neighbouring London borough's consultation process in relation to CTS. This judgment was announced after Barnet's consultation on options for a revised CTS scheme had closed (27 October).

The potential wider implications of such legal judgments needed to be considered and following a review of the original consultation document, it was considered appropriate to re-open consultation in order to:

- (i) Provide further information to consultees to inform their response to the proposals;
- (ii) give consultees information about what alternatives have been considered and why the Council is not minded to adopt these; and
- (iii) give consultees the opportunity to suggest alternative schemes and how it should be funded.

1.5. **Broader context for the Council Tax Support Scheme**

- 1.5.1. Barnet Council, alongside other public bodies in England, face an unprecedented challenge as the country deals with the on-going impact of the financial crisis of 2008 alongside the challenges and opportunities that come from Barnet's growing and changing population.
- 1.5.2. At the same time the economy is expected to continue to grow with potential opportunities to Barnet residents from being part of London's economy. Unemployment levels for those on Job Seekers Allowance have fallen in the last year, and the number of young people Not in Education, Employment and Training in Barnet is, at 2.3% the fourth lowest in England.

1.5.3. Government guidance has confirmed that the CTS scheme should be framed so as not to disincentivise work. A key mitigation for the impact of any increased resident contributions is the support that is available to residents from JobCentre Plus to increase their income through employment and salary progression. The Council is increasingly working with partners such as JobCentre Plus to support those who may have barriers to starting work or face stigma in the workplace. This includes a Care Leaver hub, a bespoke multi agency service for Offenders and public health investment in employment support for people with mental health problems. The Council is also supporting significant regeneration schemes within the Borough, which will help improve employment opportunities.

1.6. Financial context

1.6.1. In 2013/14, when responsibility for CTS was passed to local authorities, funding for the scheme was included as a separate element in the RSG. For Barnet, the total set aside for CTS was £22.4m as part of overall RSG of £78.8m (28%).

1.6.2. From 2014/15, CTS funding was rolled into the overall RSG and not split out. The overall level of RSG was reduced by 17% in 2014/15, and is forecast to reduce by a further 26% in 2015/16 and 17% in 2016/17. As such, unless spending on CTS is also reduced, there will be proportionately less RSG to spend on other services – meaning that a broad range of services would face greater reductions, unless income can be generated from elsewhere

1.6.3. The tables below set out the overall impact. **Table 1** shows the reduction in spending on CTS required if it were to fall in line with the overall reduction to RSG over the next 3 years. This would effectively require a 50% reduction in CTS spend between 2013/14 and 2016/17.

1.6.4. **Table 2** shows that, if spending on CTS is not reduced (i.e. if it remains at the level set in 2013/14 of £22.4m) there will be significantly less RSG to spend on other services. This effectively means that a 17%/26%/17% overall RSG reduction over the next 3 years becomes a 24%/40%/32% reduction in the element of RSG not spent on CTS.

	RSG £m	CTS £m	Available to spend on other services £m	% cut on previous year
13/14	78.8	22.4	56.4	
14/15	65.2	18.5	46.7	17%
15/16	48.2	13.7	34.5	26%
16/17	40.0	11.4	28.6	17%

Table 1 - Impact on Council finances if spend on CTS not reduced in line with overall RSG reduction

	RSG £m	CTS £m	Available to spend on other services £m	% cut on previous year
13/14	78.8	22.4	56.4	
14/15	65.2	22.4	42.8	24%
15/16	48.2	22.4	25.8	40%
16/17	40.0	22.4	17.6	32%

Table 2 - Effect of reduction in RSG if CTS remains the same.

1.7. **Barnet's current CTS scheme**

1.7.1. During 2012, the Council developed, consulted on and implemented a 2 year CTS scheme for 2013/14 and 2014/15.

1.7.2. Barnet Council's approach was to do everything possible within statute before considering whether to pass on the impact of the funding reduction to residents by making those eligible for CTS pay a contribution to their Council Tax. This included other technical reforms of Council Tax such as removing the second home discount; exemptions for empty properties; and introducing a levy for properties which were empty for more than 2 years.

1.7.3. Having done this, the Council set a contribution rate of 8.5% for all working age claimants towards their Council Tax bill (i.e. working age claimants now

receive 91.5% of their maximum CTS compared to the previous level of Council Tax Benefit received).

- 1.7.4. Aside from pension age claimants, who are statutorily protected, the only group protected from making a minimum payment are war pensioners. Anyone with exceptional circumstances that affect their ability to pay their contribution can apply for a discretionary Council Tax Support (DCTS).
- 1.7.5. Discretionary Council Tax Support is available to all residents who demonstrate exceptional hardship to the council. Section 13A(1)(c) of the Local Government Finance Act 1992 provides that in certain circumstances the authority may reduce the amount payable as it thinks fit.
- 1.7.6. The war pensioners have been protected under the armed forces covenant and fall under a category of a 'Local Scheme' for the Housing Benefit regulations. The regulations state that the first £10 per week of income is disregarded under the covenant. However authorities have the discretion to extend this under local discretion. The scheme allows this discretion.

1.8. **Collection rates for those in receipt of CTS who are required to make a contribution to Council Tax**

- 1.8.1. At the time Barnet's scheme was developed, it was forecast that the Council Tax collection rate for those in receipt of CTS would be 70%. However, data for the 2013/14 Financial Year has shown the actual collection rate to be significantly higher, at 90%. This is only 6% lower than the overall CT collection rate.
- 1.8.2. Currently the 2014/15 overall collection rate and the CTS collection rate is on par with last year's.

1.9. **Number of residents affected**

- 1.9.1. Currently, 29,689 households claim CTS, including pension age claimants – some approx. 20% of the borough's total households, and approx. 8.7% of the total population. **Table 3** shows the breakdown by band

1.9.2. Of this, 20,338 are working age claimants who are eligible for CTS and, under Barnet's current scheme, are required to make an 8.5% contribution to their overall Council Tax bill (pension age claimants are exempt under statute). The number of working age CTS claimants that are in work are 9,355 opposed to 10,983 who are out of work. **Table 4** shows the breakdown by band.

Band	A	B	C	D	E	F	G	H	Total
Working Age	1272	3079	6253	5749	2761	933	280	11	20338
Pension Age	311	1325	2617	2433	1630	711	303	21	9351
Total	1583	4404	8870	8182	4391	1644	583	32	29689

Table 3 - Number of households claiming CTS

Band	A	B	C	D	E	F	G	H	Total
Working	913	2107	3483	2855	1168	349	103	5	10983
Not Working	359	972	2770	2894	1593	584	177	6	9355
Total	1272	3079	6253	5749	2761	933	280	11	20338

Table 4 - Number of working age households claiming CTS who are in or out of work.

Analysis of 2013/14 and the enforcement action taken shows that of 20,338 households receiving CTS:

- Approximately 14,000 working age claimants were not paying any Council Tax under the more generous and central Government funded CT benefit scheme.
- Approximately 3,700 summonses were issued against this 14,000.
- Of those, 856 still owe a balance, despite efforts by the Council to contact these individuals and discuss payment options. This amounts to 4.2% of total claimants.

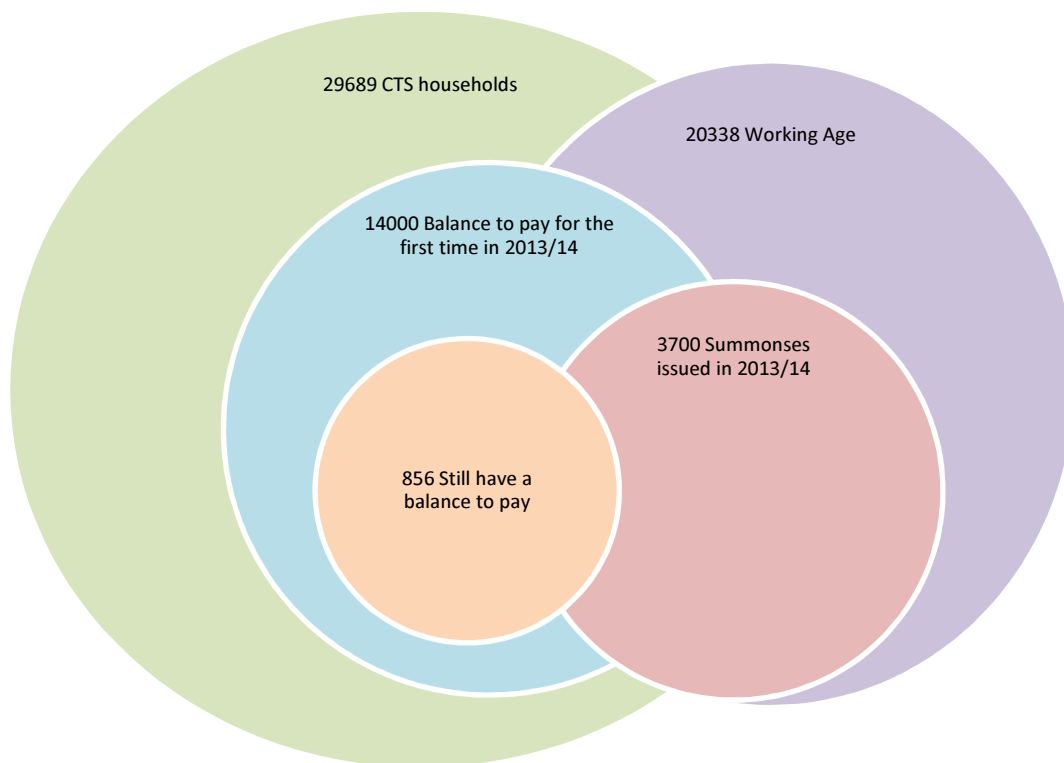


Chart 1 – Breakdown of CTS household and enforcement action taken

1.9.3. **Table 5** below shows that Barnet’s current CTS contribution rate is one of the lowest in NW London. Neighbouring boroughs of Haringey, Harrow, Brent and Enfield have all set Council Tax contribution rates for working age CTS claimants at around 20% or higher.

1.9.4. In Barnet, and in other areas, collection rates for those eligible for CTS have been significantly higher than expected. In Barnet, the collection rate was nearly 90% against a forecast rate of 70%. Even in neighbouring boroughs with contribution rates of ~20%, collection rates have been around 83% - 84%. In 2014/15 Barnet collection rates are holding up well on par with last year.

1.9.5. This suggests that, although there is a correlation between contribution rates and collection rates, collection rates are still high even when contribution rates are set at 20%+ and the majority of claimants are managing to pay a contribution towards their council tax.

1.9.6. There have been different approaches to enforcing non-payment in different boroughs. Most authorities have avoided the use of bailiffs or enforcement agents to collect unpaid Council Tax. Many authorities, including Barnet, have used outbound calling to remind customers to pay their instalment - recognising that for some customers this is a new burden. Additionally being in contact with taxpayers to prompt or support the repayment process early, before arrears being to accrue has been beneficial – as once a debt builds it is often impossible to repay before the next year’s debt is then due.

Authority	CTS contribution rate	CTS collection rate 2013/14	Overall collection rate 2013/14
Barnet	8.5%	89.8%	96.4% (down 0.2%)
Haringey	19.8%	84.1%	95.2% (up 0.1%)
Harrow	22.5%	83.0%	97.5% (up 0.2%)
Brent	20%	82.9%	95.7% (down 0.8%)
Enfield	19.5%	80.12%	94.86% (down 1.0%)

Table 5 - neighbouring borough comparison

2. REASONS FOR RECOMMENDATIONS

2.1. Following the decision of the Policy and Resources Committee on 21 July, the Council has consulted on three options for a CTS scheme in Barnet, including the option of continuing with the current scheme. In a second consultation – conducted in light of the Supreme Court judgment relating to Haringey - the Council has sought alternative proposals to be put forward by respondents, as a fourth option. The three options and any proposed alternatives are considered further below, including the implications on the Council finances. The options consulted on are:

Option 1: Continue the current CTS scheme, with the Council Tax contribution rate for those in receipt of CTS remaining at 8.5%

Option 2: Increase the Council Tax contribution rate to 15%

Option 3: Increase the Council Tax contribution rate to 20%

2.2. Key considerations applicable to options 1 to 3

2.2.1. There is a clear link between the level of contribution rate set for the Council's CTS scheme and the level income received through Council Tax. Given that the Council faces a further £73 m of savings between 2015-20, on top of £72m of savings between 2010-15, there is a need for the Council to consider all options available in relation to delivering these savings. These options include the following:

2.2.1.1. Making savings from service budgets

The Council has given savings targets to each themed committee and Policy and Resources Committee will be considering the commissioning plans from each committee when agreeing the budget. The CTS options proposed go toward making these budgets available. Theme committees have to date identified options which could generate savings of approximately £50m out of a total £73m gap, so even with the CTS contribution rate remaining at 8.5% or increasing, it is likely that further savings will need to be found across a range of service budgets.

2.2.1.2. Increasing efficiencies to reduce the cost of council services

The Council has already considered the use of alternative providers and innovative ways of delivering services to reduce the overall cost, without reducing the level of service. The level of savings being achieved in this area is limited, and therefore a revised CTS scheme must be considered.

2.2.1.3. Increasing the level of income received in fees and charges and use of trading powers

The Council is reviewing its fees and charges and its jointly owned company, Regional Enterprise, is able to make use of trading powers, providing an additional income to the Council. However, the level of revenue raised in this regard is not sufficient to offset the overall reduction in RSG. Increased fees and charges are already factored into the Council's future budget.

2.2.1.4. Increasing the level of Council Tax

Barnet Council agreed a 1% reduction in 2014/15 and proposes to freeze it for the next two years. Whilst the decision to freeze or increase Council Tax rests with Full Council and this will not be determined for 2015/16 until February 2015, the Council must balance the needs of those residents receiving services and support from the Council with the needs of taxpayers as a whole. The Council has a fiduciary duty towards council tax payers, which includes ensuring services are delivered in an efficient way and that Council Tax bills are manageable.

2.2.1.5. Use of reserves

The Council retains annual unallocated and un-ringfenced reserves of £15 million in order to help reduce the impact of unexpected financial pressures that may occur in-year. This represents 5% of the annual Council budget. The Council does have additional reserves, some of which is ringfenced by statute (e.g. school reserves). The remainder has been earmarked to be used for infrastructure and one off projects and, whilst not contractually obligated to spend these reserves in this way, the projects are deemed to be necessary in order to meet the Council's duties in the future. Overall, the use of reserves is not considered a viable permanent alternative to protecting recurrent spending on CTS.

2.2.2. Section 1.9.6 demonstrates that there is a case for increasing the contribution rate above the current 8.5% level. Although experiences in other boroughs has shown that collection rates reduce as contribution rates increase, they are still around 83% in areas with a contribution rate of 20%. This suggests that the ability of residents to pay Council Tax at a higher contribution rate is greater than originally envisaged.

2.2.3. Any increase to the contribution rate will impact those on lower incomes, which has the potential to increase their level of total indebtedness. Although the overall annual increase is relatively modest – increasing the contribution rate to 15% adds an additional £1.35 a week to the Council Tax bill of a couple – it is important to consider the impact of increasing the CT burden of those residents who are also likely to be impacted by wider reform of the benefit system. This is set out below.

2.2.4. None of the options set out are fully cost neutral to the Council, meaning that the Council will still need to absorb a proportion of the funding cut no matter which option is decided upon. The scale of the overall funding gap in the RSG and budget shown in section 1.6 above is too great to be wholly met by the CTS contribution.

2.2.5. The Council recognises that residents are also facing wider financial pressures, from high energy bills, increasing housing costs, and welfare reforms so the ability of many households to absorb the impact of reductions from public sector funding through increased financial contributions is constrained. A key mitigation for the impact of increased resident contributions is support that is available to residents from JobCentre Plus to increase their income through employment and salary progression. The Council is increasingly working with partners such as JobCentre Plus to support those who may have barriers to entering work or face stigma in the workplace. This includes a Care Leaver hub, a bespoke multi agency service for Offenders and public health investment in employment support for people with mental health problems.

2.2.6. There is also a possibility that the scheme may be perceived as being unfair. The council needs to strike the right balance between fairness towards the more frequent users of services and fairness to the wider taxpayer and making sure all residents from our diverse communities benefit from the opportunities of growth. In line with the Government's commitment to incentivise work, the recommended scheme requires a contribution from all residents excluding Pensioners (subject to income) and War Pensioners. Residents' views on whether options are fair have been tested during the consultation and are included in the appendices. The mitigations for those in crisis or struggling to make a contribution are listed below.

2.3. **Highlights of Consultation feedback**

Citizen's Panel: Initial consultation

- 40% respondents favoured retaining the current scheme at 8.5%
- 46% of respondents favoured an increase to either 15% or 20%
- 14% did not state preference

Citizens' Panel respondents (248 out of 528) favour retaining 8.5% contribution, 280 out of 528 opted to increase the contribution to either 15% or 20%. Only 10% of respondents said that they were currently in receipt of Council Tax Support. The Citizens' Panel is less representative of claimants, but are more likely to represent the whole of the borough.

Online Web Survey: Initial consultation

- 71% respondents favoured retaining the current scheme at 8.5%
- 14% respondents favoured an increase
- 15% did not state a preference
- Low level of response - 215 out of 21000 directly affected claimants

The Online web survey respondents favoured (147 out of 176) to retain the contribution at 8.5%. Most respondents (77%) said they were currently in receipt of Council Tax Support. The response is more representative of the group directly affected by the proposed changes.

The results from the Citizens' Panel represent the whole borough but the responses from the online web survey is more representative of current claimants, who are the group directly affected.

Secondary Online Web Survey – conducted from 25 Nov 2014 to 21 Dec 2014

- 54% respondents favoured retaining the current scheme at 8.5%
- 9% of respondents favoured an increase
- 34% of respondents favour an alternative scheme
- 4% did not state a preference

- 2.3.1. 2087 Citizen Panel members were sent either a postal or online survey.
- 2.3.2. The Greater London Authority (GLA) and Mayor of London were also sent a copy of the consultation for comment. A response was received acknowledging the consultation. Suggested considerations such as uprating of allowances have been included with this report.
- 2.3.3. 21049 working age recipients of Council Tax Support (CTS) were sent a letter explaining that a consultation was underway.
- 2.3.4. In total 868 surveys were completed, 653 were completed by the Citizens' Panel and 215 completed by the general public/organisations via the open online web survey. 77% of the Online Web Survey, and 10% of the Citizens' Panel are in receipt of CTS.
- 2.3.5. 20190 working age recipients of CTS were sent a further letter explaining that the consultation had been reopened.
- 2.3.6. In response to the re-opened consultation a total of 105 surveys were completed by the general public/organisations via an Online Web Survey.
- 2.3.7. Both consultations asked respondents how much they agreed or disagreed with the council's proposed Council Tax Support options in terms of balance making it fair not only on those residents who are eligible for support – but also those residents who depend on other Council services.
- 2.3.8. The first survey presented three options and asked for a rating of each and asked respondents to indicate a preferred option. Additionally the survey asked for reasons for the chosen options.

The options were

Option 1 – The council tax support contribution should remain at 8.5 per cent

Option 2 – The council tax support contribution should increase to 15 per cent

Option 3 – The council tax support contribution should increase to 20 per cent

2.3.9. A further option was offered in the second consultation

Option 4 – Have an alternative scheme

2.4. Charts 1 and 2 below show the details of the responses from each consultation.

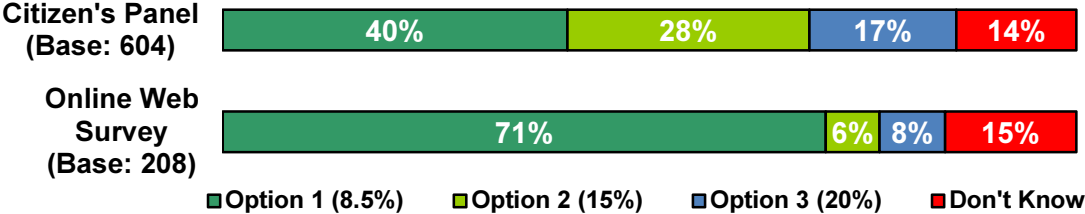


Chart 1 - Preferred option chosen – initial consultation

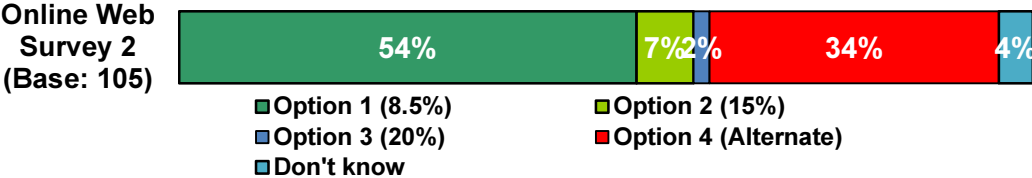


Chart 2 - Preferred option chosen – supplementary consultation

- 2.4.1. The five top most commonly mentioned reasons for their answers were:
- *'People are struggling now, they have no extra money/ Do not increase the bills of those on low income* (mentioned by 12 per cent of the Citizens' Panel and 46 per cent per cent of the online web sample)
 - *"The increase seems right, it is required/achievable"* (mentioned by 8 per cent per cent of the Panel sample, but not mentioned by respondents to the open online web survey)
 - *'Share financial burden'* (mentioned by 6 per cent of the Panel sample, and 1.9 per cent per cent of online web survey)
 - *'Increase to 20 per cent is too much'* (mentioned by 6 per cent of the Panel sample and 3.3 per cent of the online web survey).
 - *If people need help paying then they should get it'* (mentioned by 3 per cent of the Panel sample, and 10 per cent of the online web survey).

Most respondents to both the Citizens' Panel and the online web survey did not provide a comment for the reasons for their choice of preferred option.

It is not surprising that the majority of current claimants supported keeping the existing scheme, as this would have the least financial impact on them. Respondents were not specifically asked whether they favoured other options for meeting the Council's overall budget shortfall, however this is part of the consultation on the Council's budget from 2015-2020. The consultation documentation made clear that the Council had an option as to what scheme to adopt, albeit in a difficult financial climate.

2.4.2. Results of consultation – suggested alternative schemes.

The responses are collated in Appendix 1.

2.4.2.1. A number of respondents suggested that the council use the powers created in the Local Government Finance Act 2012 to remove the second home discount and charge extra for long term empty properties.

For example “in the council's documents there is not a word about a few simple existing tools, to fund a more generous Council Tax Support for those who need it by taxing those who can very well afford it: , in England, second homes may be charged 100% of their normal rate of council tax, i.e. income for the council from council tax can be generated from those who own more than one home. Additionally local authorities may set an ‘empty homes premium’ for long-term empty properties. Properties which have been unoccupied and substantially unfurnished for over two years may be charged up to 150% of the normal liability. So option 4 should be a 1% contribution rate funded by robust enforcement of the above”

“Other options apart from these three must be explored - in view of the fact that the removal of current council tax exemptions and discounts for empty properties and second homes could generate a huge amount of additional Council Tax income”

Response: The council is already using these powers to increase the revenue collected from Council Tax. The council consulted on this option in 2012 and agreed to use the monies raised to mitigate the reduction in Central Government Funding when adopting the original Council Tax Support scheme in January 2013.

2.4.2.2. Other suggestions were to protect the disabled or change the structure of Council Tax to charge more for affluent residents.

For example “Increase the council tax rate on properties worth over a million pounds to fund council tax on those who simply can't afford to pay it.”

“Allow the disabled, people with chronic long term illness & families with children exempt from any increase as the proposal to increase CT payments for these groups has a direct impact on their health and living standards which ultimately has an affect on the the NHS and Social Services. The above groups are unlikely to gain employment and therefore cannot work to improve their situation and enable them to pay this additional charge. I believe the entire community has a responsibility to support those in their community therefore the increase should be applied to ALL households in the borough.

Response: In 2012 the council consulted on who should receive protection from the minimum contribution. It was decided that to protect disabled residents and carers would cause an increased minimum contribution for all other unprotected groups.

Disabled people and carers are given additional council tax support by retaining the applicable amounts, increased earned income disregard from Council Tax Benefit

and not taking Disability Living Allowance in to account as an income when calculating entitlement.

Parents are given additional help by retaining the family premium, not taking child benefit into account when calculating income and disregarding child care costs up to £175.00 per week.

The council cannot directly impose a higher Council Tax rate on the more affluent residents of the borough. Council Tax is a property based tax not a capital or income tax and the bands and relationship between the bands is fixed by law.

2.4.2.3. Several suggestions included increasing Council Tax, or reducing services.

For example “increase council tax generally”, “If they are required by law to make a contribution it should be set at the minimum. Council Tax should not be frozen in 2015/16 or 2016/17 as is being proposed”, “for people on very high incomes (£100,000 per year), increase theirs a little, and reduce the amount poor people have to pay. Or to save money, do rubbish collections fortnightly and decrease the amount people have to pay on council tax.”

Response: Full Council can consider an increase to Council Tax, however, the Council is unable to increase Council Tax beyond 1.99% a year without holding a local referendum. A 1.99% increase would generate income of £2.9m, which will not be sufficient to match the overall funding gap, which is around £18.1m per annum from 2015/16 until 2019/20. The current proposal for council tax is to freeze it in 2015/16, as this is a way of the Council supporting taxpayers as a whole.

The Council is already considering a number of reductions in services to meet the overall funding gap. It is likely that further savings will need to be made from services to meet financial shortfalls in future years.

2.4.2.4. Some suggestions were made about the contribution rate or phasing in the increases.

For example *“Reduce contribution or allow non-working families to not contribute at all, in order to alleviate families living in poverty.”*

“Bring back 100% reductions for unemployed, disabled and low income households”

“I think option 1 is just about right, for now. The only other option I would endorse is not to pay anything at all.”

“10 % increase 2015/2016 increase to 15% in 2016/2017”

Response: The Council is committed to supporting families on low incomes. The most effective way to do this is to encourage opportunities for families to gain and retain employment. Paragraph 2.6 below details the council’s program of support to assist claimants affected by the benefit cap, return to employment.

The wider welfare reform changes are all designed to incentivise work, and providing 100% support does not encourage residents to seek employment.

The Council can consider whether to have transitional arrangements or a phasing of the scheme if appropriate.

2.5. Wider Welfare Reform Impact

2.5.1. The current programme of reform to the benefit system, which started in 2011, constitutes the biggest shake up of the welfare state in over 60 years. The reforms that have been rolled out are wide ranging and include changes to some out of work and disability related state benefits, uprating of a wide range of benefits and the locally administered Housing Benefit and CTS schemes.

2.5.2. As part of these changes, the Government expects reforms to reduce the overall benefits bill by £18 billion by 2014/15. In Barnet, the total reduction in benefits received by eligible residents is expected to be £81.4m per annum – the 10th highest reduction in the country. The average loss for each claimant household is £2,100¹. Therefore, when considering the impact on residents from increasing contribution rates for Council Tax, it is important to consider the impact when combined with the impact of wider welfare reform. So, for the average claimant household, any increase in their Council Tax contribution comes on top of an average overall reduction of £2,100.

In Barnet, high rents and high levels of benefit receipt have combined to mean that overall welfare reforms lead to very large financial losses. Research by the Centre for Economic & Social Inclusion commissioned by LGA, estimates that in 2015/16 (the year for which the new Council Tax scheme is intended) nearly 40,000 households in Barnet will be affected by at least one of the reforms, the 10th highest in England and the average loss per household will be the 7th highest after Westminster, Kensington & Chelsea, Brent, Wandsworth, Camden and Hackney.

2.5.3. There are around 20,000 people affected by any changes to the Council tax Scheme. Of these 14,000 would not have paid anything under the previous Council Tax Benefit scheme. These people are currently losing nearly £13 million annually from the present welfare reform changes and localised CTS scheme.

Reform	LHA	Removal of spare room subsidy	*Benefit cap	Current CTS scheme
No. affected	6,000	780	400	14,000
Average yearly financial loss per household	£2,700	£1,000	£3,100	£95

* Around 70 of this cohort are affected by both the cap and the LHA changes

Table 6 - impact of LA administered benefits

¹ LGA, August 2013

2.5.4. In Barnet 60% of the losses from welfare reforms affect working households and the biggest financial losses are from changes to working tax credits (£26.5 m) and Local Housing Allowance rates (£23.2m). Of the 20,000 affected by the changes to Council Tax support, there are around 3,500 working households claiming working tax Credits of whom around 1,200 have a gap of around £2,500 a year between their LHA rate and their rent.

2.5.5. Overall, Welfare Reform means that the 20,000 or so working age claimants of CTS that will be affected by any changes to Council Tax support are currently losing nearly £20m already as a result of the locally administered HB and current localised Council Tax Support scheme. In addition to these losses they will also be affected by one or more reductions to Central government administered benefits such as:

- Child Tax Credits
- Working Tax Credits
- Disability Living Allowance (DLA) replacement with Personal Independence Payments (PIP)
- 1% up rating (instead of using consumer price index) of all benefits
- Employment Support Allowance (ESA)

2.6. **Supporting people into work and off the Benefit Cap**

2.6.1. The Council is working with JobCentre Plus and the Barnet Group to understand the impact of welfare reform and support people to manage the change it will mean for them. A multi-agency Task Force has been set up since July 2013 and this has made contact with and offered support to 94% of the affected households. They offer advice and support to people to start working or move to more affordable accommodation. DWP released information in May that showed that 42% of these households are no longer capped. Barnet has the 9th highest off- cap rate of the 29 London boroughs who started capping households in August 2013. The team has worked with 540 people who have since started working (1/3 of the caseload) and become exempt from the cap.

2.6.2. In addition JobCentre Plus is rolling on in-work support for those who have started work but are looking to increase their income through salary progression.

2.7. **Expected impact on Council finances**

2.7.1. The Table 7 below shows the expected financial benefit to the Council if the contribution rate is increased to 15% and 20%. Assuming an 80% collection rate on the additional yield, the additional gross council tax received is expected to be just over £1m at 15% and £1.8m at 20%. Clearly, if the Council were to reduce the contribution rate to zero, this would lead to a funding reduction which we expect to be £1.1m.

2.7.2. The council tax burden on those of working age in receipt of CTS is £5.907m. The collection rate achieved on this in year was 89.77%, with an overall expectation to reach close to 98.5%. Having regard for the additional burden being proposed this forecast collection rate has been reduced to 88% overall.

	8.5% contribution	15% contribution (80% collection)	20% contribution (80% collection)
Council tax income from CTS claimants, assuming 98.5% collection rate overall	£5,907,121		
Additional income from proposed options at 80% collection rate		£1,042,074	£1,838,834
Admin costs		-£2,200	-£4,400
Reduction in collection rate on existing income, assume 90% collection rate		-£509,751	-£509,751
Net benefit compared to current position		+£530,123	+£1,324,683

Table 7 - Expected financial benefit

2.7.3. Increasing the contribution rate is likely to lead to increased postage costs. For 2013/14, additional postage costs as a result of CTS totalled approximately £9,500. An increase to 15% will increase postage by £2,200 and to 20% by £4,400.

Impact on residents

2.8. It is unknown that if contributions increase, whether residents who have paid and been able to pay, will now be forced into greater indebtedness, and non-collection rates increase.

Increasing the burden to taxpayers can mean that the debt is never repaid in a timely manner. For those taxpayers in receipt of a passported benefit (Job Seekers Allowance, Income Support, or Employment Support Allowance) deductions can be made from their benefit at source. For the year 2013/14, we have issued 865 instructions to the DWP to make deductions from benefits at source. This is a 91.8% increase on the previous year. The value of debt awaiting deduction is £115,413, with a further £80,611 queued to be collected once a previous year's order has been paid.

The maximum the DWP can deduct is £3.75 per week. Therefore with an increasing debt burden, the council tax is never paid at a rate fast enough.

2.8.1. Option 1 - Remain at 8.5% contribution rate

At 8.5% the gross net collectable debit (NCD) raised is £1.47m, which at the rate of collection achieved in 2013/14 (89.8%) would yield £1.32m in revenue for the authority.

When taking account of admin costs, the revenue available to the council would be £1.1m. However, given that the overall RSG will continue to fall – by £17m in 2015/16 and a further £8.2m in 16/17 – keeping the contribution rate at current levels will not reduce spending on CTS and will mean there is significantly less RSG for spending on other services, which will face greater cuts or other options such as increasing council tax will have to be considered

2.8.2. Option 2 - Increase contribution rate to 15%

We have taken the current caseload and modelled a 15% contribution rate. Final outturn in March 2015 will be subject to changes in CTS caseload and Council Tax rates at that time.

However, indications using current data would increase the Council Tax burden for working age claimants by £1.32m. That is to say, the Council could potentially benefit from £1.32m in additional revenue, although if we were to assume an 80% collection rate, this would be more like £1.042m. When factoring administration costs and an overall reduction in collection on the existing burden, the net figure would be £0.53m – this would help to offset spending reductions to other services

However, increasing the Council Tax contribution rate for those eligible for CTS would increase the financial burden on those residents. The table below sets out the likely additional annual cost burden on specific cohorts:

Claimant Group/ Council Tax Band	Band							
	A	B	C	D	E	F	G	H
Lone parent	£38.08	£44.43	£50.77	£57.12	£69.81	£82.51	£95.20	£114.24
Single Claimant	£41.09	£47.94	£54.79	£61.64	£75.34	£89.04	£102.73	£123.28
Couple	£47.13	£54.98	£62.84	£70.69	£86.40	£102.11	£117.82	£141.38
Family	£46.33	£54.06	£61.78	£69.50	£84.94	£100.39	£115.83	£139.00

Table 8 - Additional Council Tax contribution per annum if contribution increased to 15%

2.8.3. Option 3 - Increase contribution rate to 20%

As above, we have taken the current caseload and modelled a 20% contribution rate. Final outturn in March 2015 will be subject to changes in CTS caseload and council tax rates at that time.

Indications using current data would increase the Council Tax burden for working age claimants by £2.298m. That is to say, the Council could potentially benefit from £2.298m in additional revenue, although, assuming an 80% collection rate, this would be more like £1.838m. The net figure, taking account of administration costs and an overall reduction in collection on the existing burden, would be £1.3m – this would help to offset spending reductions to other services.

The financial burden on those residents eligible for CTS would increase. The table below sets out the likely annual additional cost burden on specific cohorts:

Claimant Group/ Council Tax Band	Band							
	A	B	C	D	E	F	G	H
Lone parent	£67.54	£78.80	£90.05	101.31	£123.82	£146.34	£168.85	£202.62
Single Claimant	£72.18	£84.21	£96.24	108.27	£132.33	£156.39	£180.45	£216.54
Couple	£83.39	£97.28	£111.18	125.08	£152.88	£180.67	£208.47	£250.16
Family	£81.58	£95.18	£108.77	122.37	£149.56	£176.76	£203.95	£244.74

Table 9 - Additional Council Tax contribution per annum if contribution increased to 20%

2.8.4. Transitional Protection

When the council amends its Council Tax Support Scheme (CTS) that has the effect of reducing or removing a reduction the Council has an obligation to include a transition scheme that the council sees fit.

Of the options be being considered, option 2 and 3 would require consideration of a transition scheme. However this would be applied to each of the claimants and would have the effect of increasing the cost of the scheme considerably.

It is recommended that it be noted that a transition scheme has been considered as part of this report but is not a feature of the new scheme.

2.8.5. Annual Up-rating

In order to keep the scheme in alignment with the Department for Work and Pension's Housing Benefit regulations the Barnet Council Tax Support scheme must also be updated in line with those changes.

It is recommended that the committee approve the revised scheme which will be updated accordingly.

2.8.6. Non-Dependant Deductions

The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No2) Regulations 2014 set out the changes to the working age Non-dependant (ND) deductions which may be applied to the scheme.

It is recommended that the Committee approve the amendments to the non-dependant deductions as follows:

Claimant or partner receiving Jobseeker's Allowance (income based, Income related Employment and Support Pension credit allowance, or Universal Credit where the award is calculated on the basis that the recipient does not have any earned income.	£0.00
Gross Income up to £189.00 per week regardless of source if ND not receiving above benefit.	£5.00
Gross Income £189.00 per week or over regardless of source if ND not receiving above benefit.	£11.36 per week

Table 10 – Non-Dependant Deductions

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1. The options available to the Council have been set out throughout this report.

4. POST DECISION IMPLEMENTATION

4.1. Following the Committee's recommendation on a preferred scheme, final approval will then be sought from Full Council, for preparation into the annual billing process commencing in January 2015

Milestone	By
Policy and Resources Committee agree new scheme	13 January 2015
Full Council agree new scheme	20 January 2015
Implementation and testing for annual billing	February 2015 – March 2015

Table 11 - Implementation Timetable

5. IMPLICATIONS OF DECISION

5.1. Corporate Priorities and Performance

The council's Corporate Plan for 2013 – 2016 sets the direction and priorities for the years ahead. It is based around six priorities:

- To maintain a well-designed, attractive and accessible place, with sustainable infrastructure across the borough.
- To maintain the right environment for a strong and diverse local economy.
- To create better life chances for children and young people across the borough.
- To sustain a strong partnership with the local NHS, so that families and individuals can maintain and improve their physical and mental health.
- To promote a healthy, active, independent and informed over 55 population in the borough to encourage and support our residents to age well.
- To promote family and community well-being and encourage engaged, cohesive and safe communities.

The localised Council Tax Support scheme has been designed to 'To maintain the right environment for a strong and diverse local economy', making the best use of resources to provide a scheme which best meets the needs of Barnet residents and ensures a stable Medium Term Financial Strategy.

The new scheme should support the priorities by considering the impacts of the scheme on different demographic groups and mitigating adverse impacts where possible.

5.2. Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

The Council has savings plans totalling £39m over 2014/15 and 2015/16 to enable a balanced budget to be set for these years. While the implementation of these savings is currently on track, some risks exist in the delivery of savings for 2015/16. If additional Council Tax income was received in 2015/16 arising from a change in the CTS scheme this would mitigate against non-delivery of savings and also ensure that the Council starts to address the projected budget gap of a further £73m by the end of the decade.

5.3. Legal and Constitutional References

Council Constitution, Responsibility for Functions, Annex A, sets out the terms of reference of the Policy and Resources Committee, including 'Housing Benefit, Council Tax Support and Welfare programmes'.

The Local Government Finance Act 1992 was amended in 2012 to require local authorities to agree local council tax reduction schemes within certain prescribed constraints.

Local authorities must consider whether to revise or replace their CTS schemes on an annual basis. Where the scheme is to be revised or replaced the procedural requirements in paragraph 3 of schedule 4 of the 1992 Act apply. Any revision/replacement must be determined by 31st of January in the preceding year to the year which the changes are to apply. The council must therefore consider whether the scheme requires revision or replacement and if so, consult with the GLA, publish a draft scheme and then consult with such persons as are likely to have an interest in the operation of that scheme prior to determining the scheme before 31st January. The Council has consulted on alternative options for the scheme and the results of the consultation are included in the report.

On 21 May 2012, the Department for Communities and Local Government published a guidance note setting out the key local authority duties affecting vulnerable people in relation to the decision to localise council tax support. This covered the public sector equality duty, which is set out elsewhere within this report, duty to mitigate the effects of child poverty, the armed forces covenant and the duty to prevent homelessness.

The Child Poverty Act 2010 requires local authorities and other public bodies to co-operate, understand needs and develop and deliver a strategy for their local area. The council carries out this duty through its annual review of its children and young people's plan,

The Armed Forces Covenant seeks to redress the disadvantages that the armed forces community face in comparison with other citizens. The existing council tax benefit regulations require local authorities to disregard the first £10 per week of war pension and armed forces compensation scheme payments, when calculating income. This requirement will continue. However, local authorities also have discretion to top up the disregard to the full amount. The Council previously made the decision to disregard the total payments from these schemes and the current proposals do not change this decision.

The Housing Act 1995 requires authorities to formulate homelessness strategies and to seek to prevent homelessness and secure sufficient accommodation and support in their areas. It is advisable to have good publicity to ensure that those in financial hardship are aware of the CTS they are entitled to and encouraged to apply for these, so as to prevent

homelessness due to non payment of rent. Barnet Homes provides advice and assistance to those threatened with homelessness on behalf of the Council.

When making policy decisions, the Council must take account of all relevant material, including financial resources, consultation responses and potential equality impacts in order to reach a decision. This report presents a number of options and sets out the financial implications of these and makes a recommendation. However, this does not preclude the Committee from recommending that another option is the most appropriate way forward.

There is a statutory duty to consult on the council tax support scheme. A summary of the details of the consultation responses are set out in the report and attached as an appendix. Case law has confirmed that when determining whether to change policy, the Council must be receptive to reasonable arguments against the proposals, however this does not simply involve a head count of those for and against the proposals. In the case of withdrawal of support, it will not be surprising if a number of respondents are against the proposal. The Council must take these views into account and must balance this with other relevant information to decide whether to recommend an option. When considering relevant information, the Council should consider other options to meet its budgetary shortfall. If the adverse impact of a proposal is so significant, the Committee should request that Full Council considers this when setting its budget.

5.4. Risk Management

The council must make a decision within a time limit, on whether or not to revise the scheme. In addition to this a number of other factors have been considered.

Fairness: There is also a risk that the scheme may be perceived as being unfair. Fairness for the council is about striking the right balance between fairness towards the more frequent users of services and fairness to the wider taxpayer and making sure all residents from our diverse communities benefit from the opportunities of growth. In line with the Government's commitment to incentivise work, the recommended scheme requires a contribution from all residents excluding Pensioners (subject to income) and War Pensioners. Residents' views on whether options are fair have been tested during the consultation and are included in the appendices. The mitigations for those in crisis or struggling to make a contribution are listed below.

Impact on households who cannot afford the increased expenditure: The scheme seeks to recover part of the funding shortfall from households at the lower end of the income scale. Together with other welfare reforms being implemented by government, the scheme may exacerbate already difficult financial circumstances for some individuals and families. There are a number of mitigations for those in crisis or struggling to make a contribution- these include promotion of the Council Tax statutory reductions and exemptions for

certain groups (including apprentices, those with live in carers or disability adapted properties), the availability of a Discretionary Council Tax Relief fund and support for those on welfare benefits to increase their income by moving into work. For those who do get into difficulty in making their payments the Council has put in place the following measures that can assist people and particularly those who have only been making contributions since 2013;

- Instalments can now be spread over 12 months as opposed to 10 months prior to the localised Council Tax scheme.
- Outbound calling where possible, to encourage these customers to make payment arrangements following the commencement of each recovery stage. Other payers are automatically moved through the escalating recovery stages.
- Customers who are taken to court are given an option of making a payment arrangement as usual, but if they are receiving Council Tax support and stick to an arrangement to complete payment within the financial year the court costs are waived.
- Customers on CTS are not currently being passed to bailiffs, but an attachment of earnings on their benefits is done instead.

Collection rate reducing: Since current claimants are currently only paying 8.5 per cent of their Council Tax bill, any increase in the contribution, may reduce the collection rate. Existing collection and recovery strategies may not be cost-effective, and small debts may be written off. This has been mitigated by implementing robust arrears management procedures during the operation of the previous scheme. It is proposed that these continue in the new scheme. The financial analysis has also made a prudent analysis of collection rates under a new scheme, based on evidence from other Boroughs.

Principal financial risks and mitigations

Risk	Mitigation
Lower Council Tax collection rate and bad debts	Robust arrears management procedures to maximise collection rate and prudent assumptions on collection rates
Higher administrative costs	The collection and enforcement policy ensures that the most vulnerable residents are supported from an early stage thus ensuring both customer and council the ability to keep costs to a minimum.
Any growth in demand would be become financially unsustainable	Realistic assumption on caseload growth based on trends in recent years
The proposed scheme is based on a number of assumptions, including collection rate and take-up rate. A downturn in the economy could lead to higher benefit take-up rates. As a	Review operation of scheme yearly and modify to reflect experience

result, the projected funding gap would increase.	
If Barnet's population increases, including an increase in the population segment that currently receives Council Tax Support, demand for Council Tax Support could increase against a fixed grant from the government. This would increase the funding gap.	Continued investment in regeneration and increasing employment opportunities to move households out of financial hardship.

5.5. Equalities and Diversity

At Policy and Resources on 10 June 2014, Members discussed the concept of fairness and advised that Theme Committees 'should be mindful of fairness and in particular, of disadvantaged communities when making their recommendations on savings proposals'. These proposals are about reducing the level of support provided to those on low incomes who are most likely to be affected by other Welfare reforms and may be members of the groups outlined as protected characteristics in the 2010 Equality Act. The Council has sought to mitigate some of these effects by keeping council tax as low as possible for all and freezing Council Tax since 2010. During this time, the cost of living has risen by around 18 per cent. The Council is committed to continue freezing Council Tax until 2017 to help mitigate against further rises in the cost of living which includes Council Tax.

The Council's strategic equality objective is expressed both in the Constitution and the Corporate Plan. It gives a commitment that citizens will be treated equally, with understanding and respect; have equal opportunity with other citizens; and receive quality services provided to Best Value principles. The proposals set out in this report support this commitment.

The options under consideration for the proposed scheme work within the prescribed regulations that support the Government's intention that pensioners should not be affected by this cut in spending.

Following consultation a full Equalities Impact Assessment has been carried out.

The proposals for the new scheme have been assessed to ensure that due regard has been given to the Public Sector Equality Duty as enshrined in the Equality Act 2010 using the process set out in the Corporate Plan 2013-16. Section 149 of the Act provides that 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 the 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.

The relevant protected characteristics are:

- age;
- disability;
- gender reassignment;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;
- sexual orientation.

The resulting Equalities Impact Assessment is presented in Appendix 2. The analysis of the proposals indicates that the increasing the contribution rate to 15-20% is likely to have a minimal negative impact on groups that have already been impacted by the initial 2013 Council Tax Support Scheme including large families, lone parents and people with disabilities. Lone parents are statistically more likely to be female. Whilst there is no data available locally, there is national evidence to suggest that larger families are more likely in certain ethnic groups.

The mitigating steps against the adverse impact, if the contribution rates are increased, are as follows:

- Continuation of discretionary council tax reduction scheme for households in severe financial hardship
- Continuation of current enforcement policies taking account of ability to pay before determining whether enforcement activity is appropriate
- Continuation of Local Welfare Provision (Crisis Fund) for emergency and essential payments to the borough's most vulnerable.
- Continuation of income disregard for disability benefits and child benefit.
- Continuation of work with the JobCentre Plus and The Barnet Group to assist low income households into employment.

The Council is also aware of the lack of monitoring data from current claimants, which impacts on its ability to effectively monitor whether the scheme impacts on certain protected groups more than others. The Council will consider whether it can collect monitoring data from claimants in the future to provide better data for future analysis.

6. BACKGROUND PAPERS

- 6.1. Policy and Resources Committee Report 21 July 2014
- 6.2. Report from Cabinet, Council Meeting 22 January 2013

Council Tax Support Consultation

Consultation Findings

January 2015

SECTION 1

Executive Summary

1. EXECUTIVE SUMMARY

This report sets out the detailed findings from the Council Tax Support Consultation 2014/15.

1.1 Summary of approach to Council Tax Support Consultation

This report sets out findings, which consisted of

- A 12 week online web consultation; and
- A citizen's panel survey.
- A further 4 week online web consultation

A summary of the key findings are outlined on the following pages. The results will be used to inform the decision by the Policy and Resources Committee and the recommendation to the Council's Business Plan and Budget for 2014 - 2015. Detailed findings can be found under sections 2 and 3 of this report.

1.2 GENERAL CONSULTATION ON THE COUNCIL'S PROPOSED COUNCIL TAX SUPPORT SCHEME FOR 2014 -15 ONWARDS

The general consultation consisted of an online survey published on <http://engage.barnet.gov.uk/>. A letter was sent to all 21049 current working age Council Tax Support recipients as at 1 September 2014. A further letter was sent to 20190 claimants as at 24 November to advise them of the re-opened consultation. Paper copies and easy read versions were made available on request. In order to boost the response to the survey and ensure the council heard the views of a representative sample, the first consultation survey was also sent to the Citizens' Panel².

In total 868 surveys were completed, 653 were completed by the Citizens' Panel and 215 completed by the general public via the open online web survey.

The Citizens' Panel response was also weighted to ensure that the achieved sample was representative of the borough's population. As the web survey has only received a total response of 215, the **online web survey findings should be treated with caution** due to the small sample size. The findings have therefore been reported on separately, so that comparisons can be made with the larger representative sample of the Citizens' Panel and the open online web survey. In 2012, there were 2910 responses.

2. GENERAL CONSULTATION SUMMARY OF KEY FINDINGS

• Options proposed

Respondents were asked how much they agreed or disagreed with the council's proposed Council Tax Support options in terms of balance making it fair not only on those residents who are eligible for support – but also those residents who depend on other Council services.

The survey presented three options and asked for a rating of each and asked respondents to indicate a preferred option. Additionally the survey asked for reasons for the chosen options.

The options were

Option 1 – The council tax support contribution should remain at 8.5 per cent

² The **core** panel is made up of 2087 Barnet residents, selected to be representative of the adult population of the borough in terms of ward, age, gender, ethnicity, housing tenure, faith and disability

Option 2 – The council tax support contribution should increase to 15 per cent

Option 3 – The council tax support contribution should increase to 20 per cent

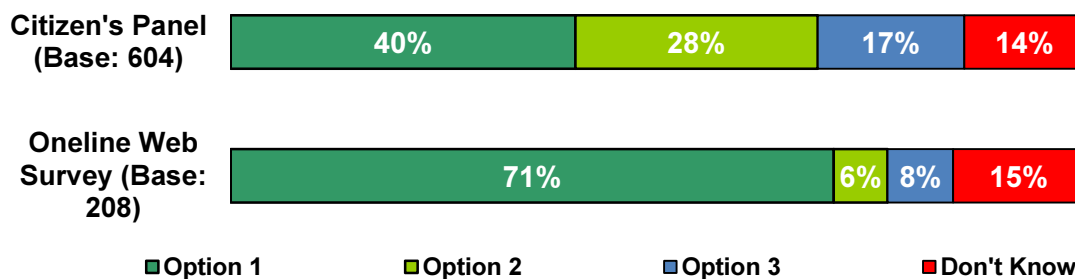
A fourth, Option 4 – Have an alternative scheme was offered in the subsequent consultation.

Citizens' Panel members responded 247 out of 528 in favour of retaining the council tax support contribution at 8.5 per cent. The online web survey responded 70.7 per cent (147 out of 176) in favour of retaining the 8.5 per cent contribution.

However some Citizens' Panel members preferred an option to increase the contribution - 28.4 per cent (174 out of 528) opted in favour of an increase to 15 per cent contribution and 17.2 per cent (106 out of 528) opted in favour of an increase of 20 per cent contribution. This is a total of 45.6 per cent in favour of an increase above the current 8.5 per cent contribution.

Whilst the Citizens' Panel is more representative of the borough, the number of respondents who claim Council Tax Support is lower in this group. The number of respondents to the open survey was weighted in favour of recipients to Council Tax Support so it was not surprising to find that this group were in favour of retaining the same level of contribution.

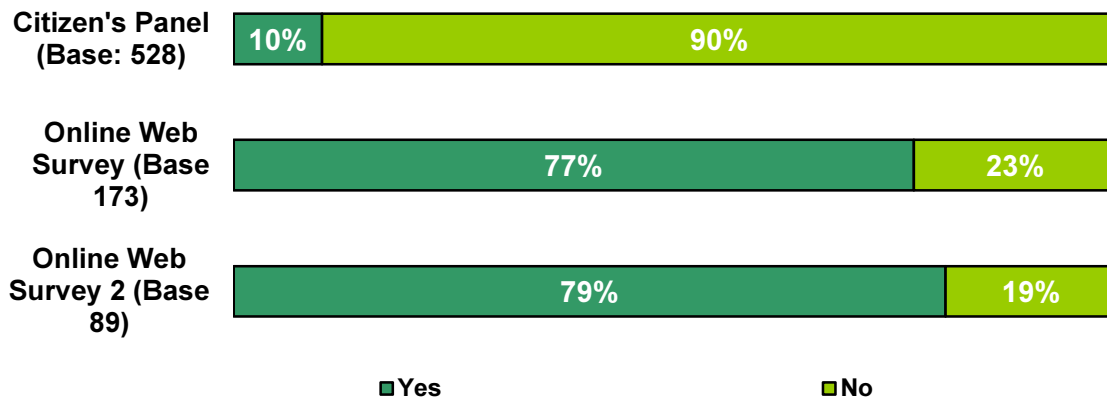
Respondents were asked, overall which is your preferred option?



When presented with a fourth option, the response was as follows.



Those responding to the online web survey were much less likely to agree with the Citizens' Panel as council tax support recipients were individually invited to respond to the survey, see below.



The results from the Citizens' Panel represent the whole borough but the responses from the online web survey should be given more weight because they are more representative of the group directly affected.

The five top most commonly mentioned reasons for their answers were:

- *'People are struggling now, they have no extra money/ Do not increase the bills of those on low income* (mentioned by 12 per cent of the Citizens' Panel and 46 per cent per cent of the online web sample)
- *"The increase seems right, it is required/achievable'* (mentioned by 8 per cent per cent of the Panel sample, but not mentioned by respondents to the open online web survey)
- *'Share financial burden'* (mentioned by 6 per cent of the Panel sample, and 1.9 per cent per cent of online web survey)
- *'Increase to 20 per cent is too much'* (mentioned by 6 per cent of the Panel sample and 3.3 per cent of the online web survey).
- *If people need help paying then they should get it'* (mentioned by 3 per cent of the Panel sample, and 10 per cent of the online web survey).

● **The survey also asked what respondents thought residents who are in financial hardship would need from the Council**

Respondents were asked what help residents who were in financial hardship would need from the Council.

The five top most commonly mentioned areas of help were:

- *'Reduce Council Tax, increase support'* (mentioned by 6.3 per cent of the Citizens' Panel and 35 per cent per cent of the online web sample)
- *'Increase Housing Benefit'* (mentioned by 7 per cent per cent of the Panel sample, and 7 per cent of respondents to the open online web survey)
- *'Financial Counselling'* (mentioned by 12 per cent of the Panel sample, and 5 per cent per cent of online web survey)

- *'Promote employment, offer training for work opportunities'* (mentioned by 10 per cent of the Panel sample, and 4 per cent of the online web survey).
- *'Food Banks'* (mentioned by 6 per cent of the Panel sample, but only 1 per cent of the online web survey).

- **Results of consultation – suggested alternative schemes**

The responses are collated in Appendix 1.

A number of respondents suggested that the council use the powers created in the Local Government Finance Act 2012 to remove the second home discount and charge extra for long term empty properties.

For example "in the council's documents there is not a word about a few simple existing tools, to fund a more generous Council Tax Support for those who need it by taxing those who can very well afford it.; in England, second homes may be charged 100% of their normal rate of council tax, i.e. income for the council from council tax can be generated from those who own more than one home. Additionally local authorities may set an 'empty homes premium' for long-term empty properties. Properties which have been unoccupied and substantially unfurnished for over two years may be charged up to 150% of the normal liability. So option 4 should be a 1% contribution rate funded by robust enforcement of the above"

"Other options apart from these three must be explored - in view of the fact that the removal of current council tax exemptions and discounts for empty properties and second homes could generate a huge amount of additional Council Tax income"

For example "Increase the council tax rate on properties worth over a million pounds to fund council tax on those who simply can't afford to pay it."

"Allow the disabled, people with chronic long term illness & families with children exempt from any increase as the proposal to increase CT payments for these groups has a direct impact on their health and living standards which ultimately has an affect on the the NHS and Social Services. The above groups are unlikely to gain employment and therefore cannot work to improve their situation and enable them to pay this additional charge. I believe the entire community has a responsibility to support those in their community therefore the increase should be applied to ALL households in the borough.

Some suggestions were made about the contribution rate or phasing in the increases.

For example "Reduce contribution or allow non-working families to not contribute at all, in order to alleviate families living in poverty."

"Bring back 100% reductions for unemployed, disabled and low income households"

“I think option 1 is just about right, for now. The only other option I would endorse is not to pay anything at all.”

“10 % increase 2015/2016 increase to 15% in 2016/2017”

SECTION 2

Council Tax Support Scheme Consultation

Detailed Findings

3. GENERAL CONSULTATION ON THE COUNCIL'S PROPOSED COUNCIL TAX SUPPORT SCHEME FOR 2014 -15 ONWARDS

The general consultation consisted of an open online survey published on the web and a closed survey sent out to Barnet's Citizens' Panel³.

3.1. Technical details and method

In summary, the survey was administered as follows:

The Council Tax Support Scheme consultation was open for 12 weeks, from the 4 August 2014 to 27 October 2014 and from 25 November 2014 to 21 December 2014.

- The consultations were published on the council's engage space <http://engage.barnet.gov.uk/> which gave detailed background information about the Council Tax Support scheme currently in place, the manner in which the government have reduced funding for Council Tax Benefit centrally and how the Revenue Support Grant continues to be reduced year on year.
- Collection of respondents' views were fed back via an open online self-completion survey.
- Hard copies and easy read were also available on request
- In order to boost the response to the survey, and to ensure the views of a profiled representative sample was heard, the survey was also sent to the Citizens' Panel⁴.

The survey was widely promoted through: a direct mailing to all 21049 working age support recipients. Potential respondents could telephone a support line for advice and guidance, followed by a further mailing to 20190 working age support recipients, the September 2014 edition of Barnet First; a press release; social media; exhibited at the Communities Together Network space; and various service user groups and partner mailing lists.

3.2. Questionnaire design

The survey was developed to ascertain residents' views on the Council's Council Tax Support scheme 2015/16 onwards, particularly in terms of:

- the Revenue Support Grant pressures;
- the need to strike a balance between supporting the most vulnerable and other service users;
- drawing parallels with other neighbouring boroughs;
- the Council Tax collection rate for 2013/14.

In order to enable further understanding and analysis on the results the following types of questions were also included on the survey:

- Open ended questions, where respondents were asked if they agreed or disagreed with any option to say why, and to state an overall preference. Additionally, residents were requested to provide details of help that those experiencing financial hardship may need from the council.
- Key demographic questions

⁴ The Citizens' Panel is made up of 2087 Barnet residents, selected to be representative of the adult population of the borough in terms of ward, age, gender, ethnicity, housing tenure, faith and disability

3.3. Response to the survey

In total 868 surveys were completed, 653 were completed by the Citizens' Panel and 215 were received from the general public via the online web survey.

The Citizens' Panel response was weighted to ensure the achieved sample was representative of the borough's population. Due to the small sample size of the web survey, 215, the **online web findings should be treated with caution**. For this reason the findings have been reported on separately, so that comparisons can be made with the much larger representative sample from the Citizens' Panel.

3.4. Citizens' Panel Response

A combined postal and online survey method⁵ was mailed out to 2087 members of Barnet's Citizens' Panel and a total of 653 surveys were completed (278 postal and 375 online) giving a response rate of 31 per cent.

3.5. Online Survey Web response and profile

The table below shows the online profile of those who responded to the web survey. Of the 215 responses received, those who replied were mainly residents (86 per cent, 184 out of 215).

7 per cent of the sample (14 out of 215 respondents) chose not to answer this question.

Table 1

Type	Number	%
Resident	184	86%
Barnet resident and business	5	2%
Landlord	1	0%
Housing Association	2	1%
Voluntary/community organisation	2	1%
Representing a public sector organisation	2	1%
Other	5	2%
Not answered	14	7%
Total	215	100%

3.6. Citizens' Panel sample profile

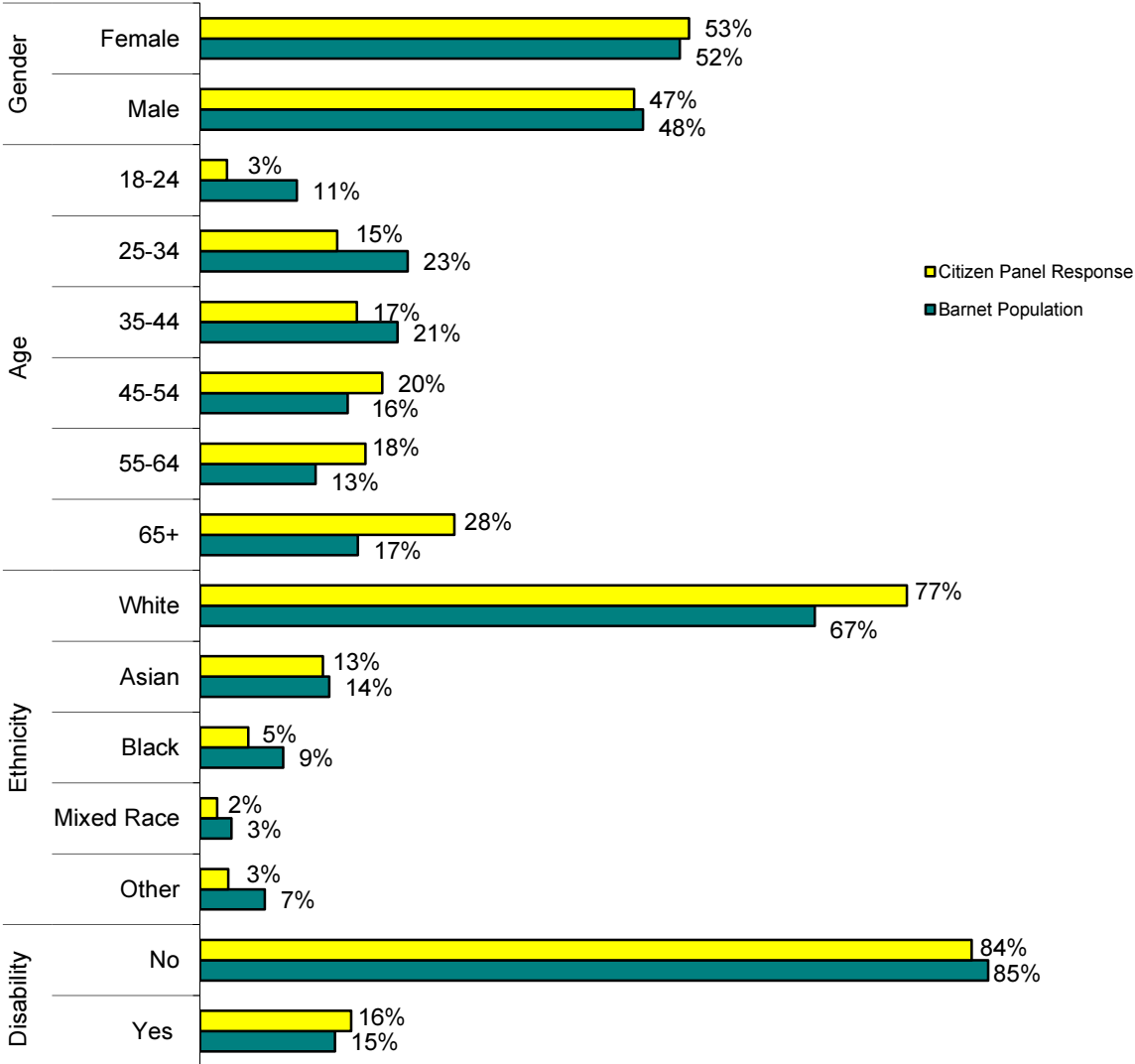
The chart below shows the demographic profile of those who responded to the panel survey compared to the population of Barnet.

The sample that responded closely matches Barnet's population profile in terms of gender and ethnicity. However, in terms of age, younger panel members are underrepresented and older panel members are over represented. There is also a slight over representation of

⁵ When panel members are recruited they are given the choice of which method they prefer receive their surveys; either online sent to their e mail address, or hard copy sent to their postal address.

white respondents and under representation of black and mixed race respondents. Weighting has been applied to tackle the issue of under and over representation in the sample, and it is the weighted data that is reported on in this report.

Chart 1: Citizens’ Panel Sample profile – key demographics



3.7. Calculating and reporting on results

The results are based on “valid responses” only, i.e. all those providing an answer (this may or may not be the same as the total sample) unless otherwise specified. The base size may therefore vary from question to question depending on the extent of non –response.

3.8. Results in detail:

Respondents were asked how much they agreed or disagreed with the council’s proposed options of retaining 8.5 per cent contribution, increasing contributions to 15 per cent or increasing contributions to 20 per cent. And subsequently which option was preferred.

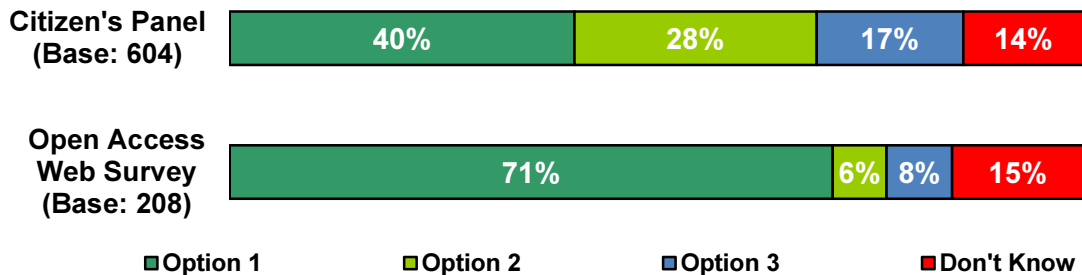
The Citizens’ Panel were much more likely to give a representative view compared to the Online web survey as all recipients of Council Tax Support were sent a letter agree with the council’s approach to its business plan compared to those respondents responding to the open online survey on the web.

3.9. Preferred option

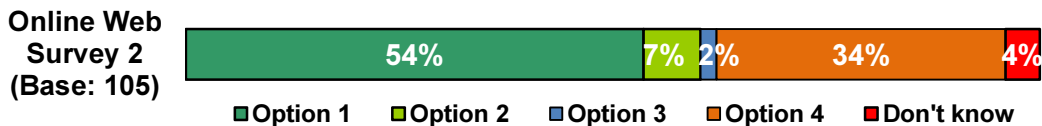
Respondents to the surveys were asked which of the three options they preferred and to give a reason for their answer.

The Citizens' Panel responded with over 40 per cent (248) selecting option 1. Twenty eight per cent chose option 2, and 17 per cent chose option 3. However 14 per cent (86) did not know.

Most respondents (77 per cent, 133 out of 173) to the online web survey said they receiving council tax support. It is anticipated that this group of respondents would be more likely to choose option 1, of retaining the same level of contribution.

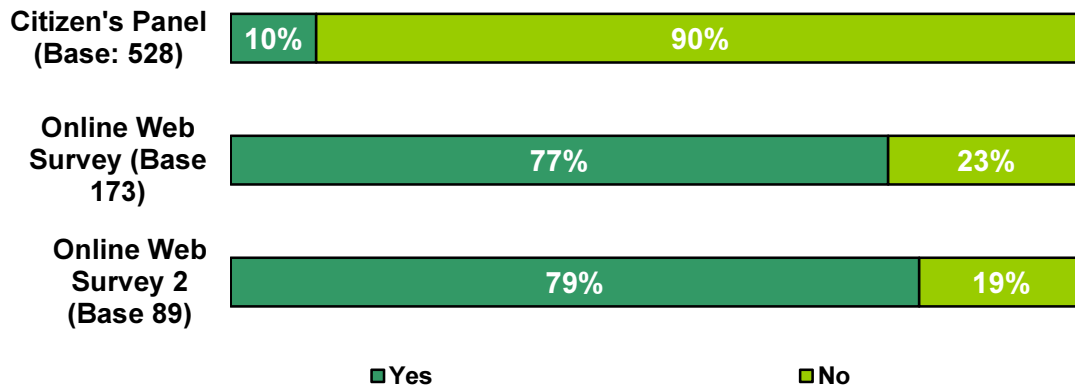


When presented with a fourth option, 34% of respondents provided an alternative scheme suggestion.

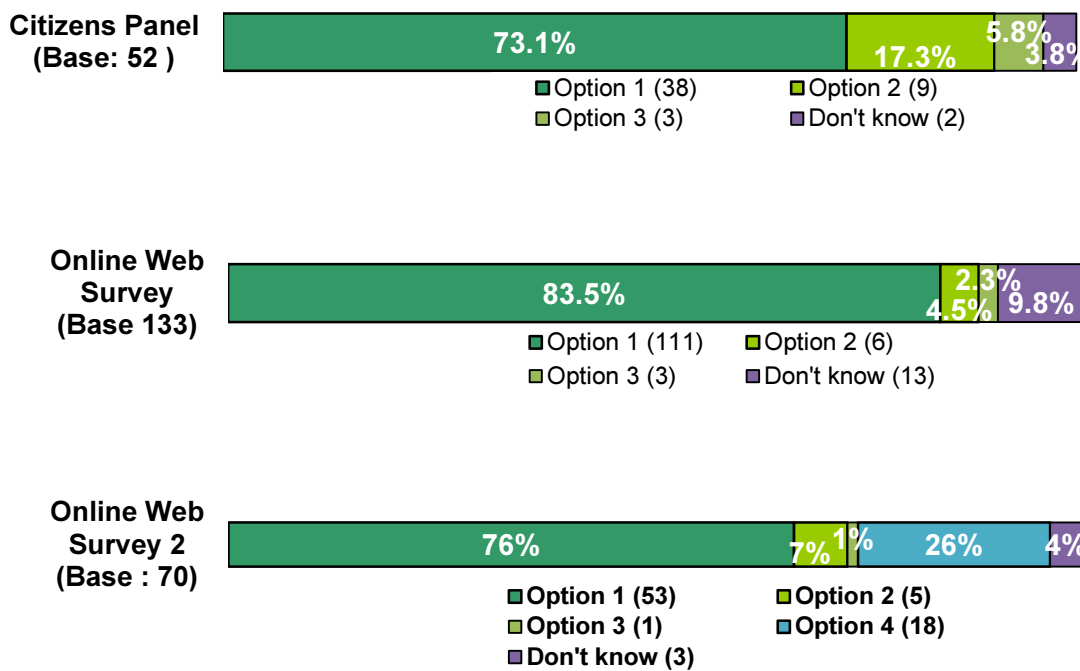


Those responding to the open online web survey were much less likely to agree with the Citizens' Panel as a direct letter was sent to all council tax support recipients.

Respondents were asked, does your household receive Council Tax Support from Barnet?



The regulations require the council to consult such persons as it considers are likely to have an interest in the operation of the CTS scheme. Taking the responses from the current CTS recipients only we can show the responses as follows:



In each of the surveys respondents were asked for the reason why they preferred an option. These have been grouped by option 1, 2 and 3. Some respondents chose not to comment at all. The graphics below show the responses for each survey. The supplementary survey is shown separately.

Chart 2 – Reasons given for choosing Option 1 as preferred option.

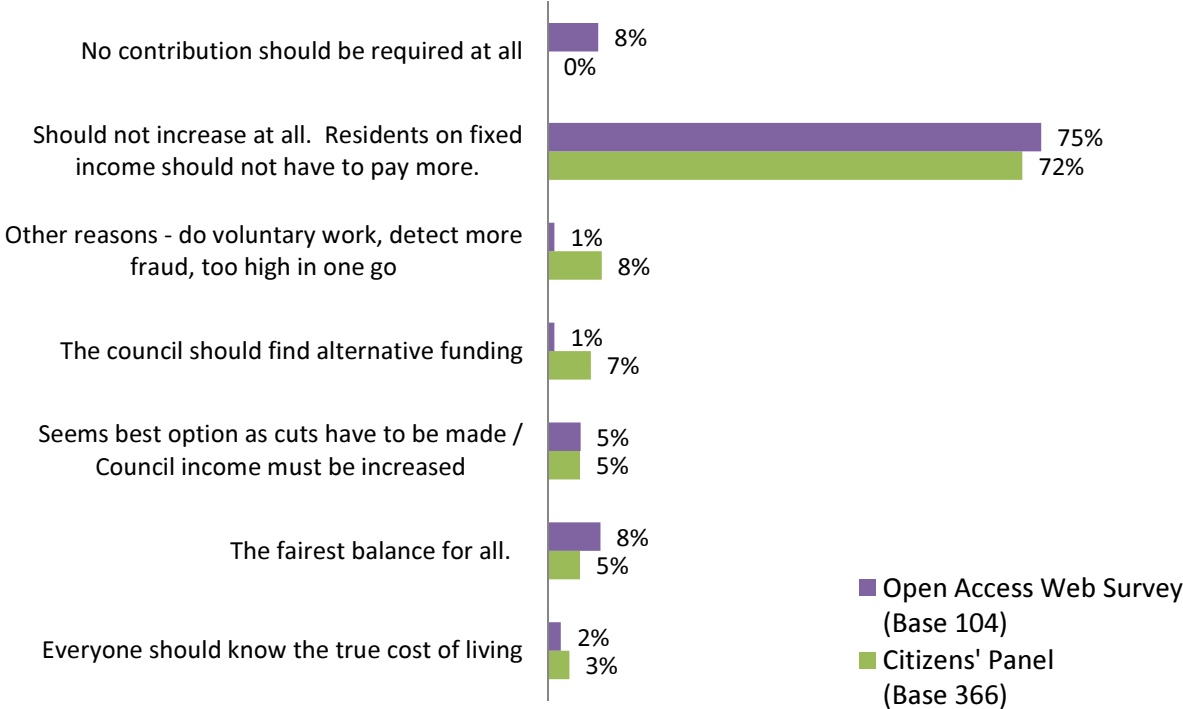


Chart 3 – Reasons given for choosing Option 1 as preferred option. Supplementary Consultation

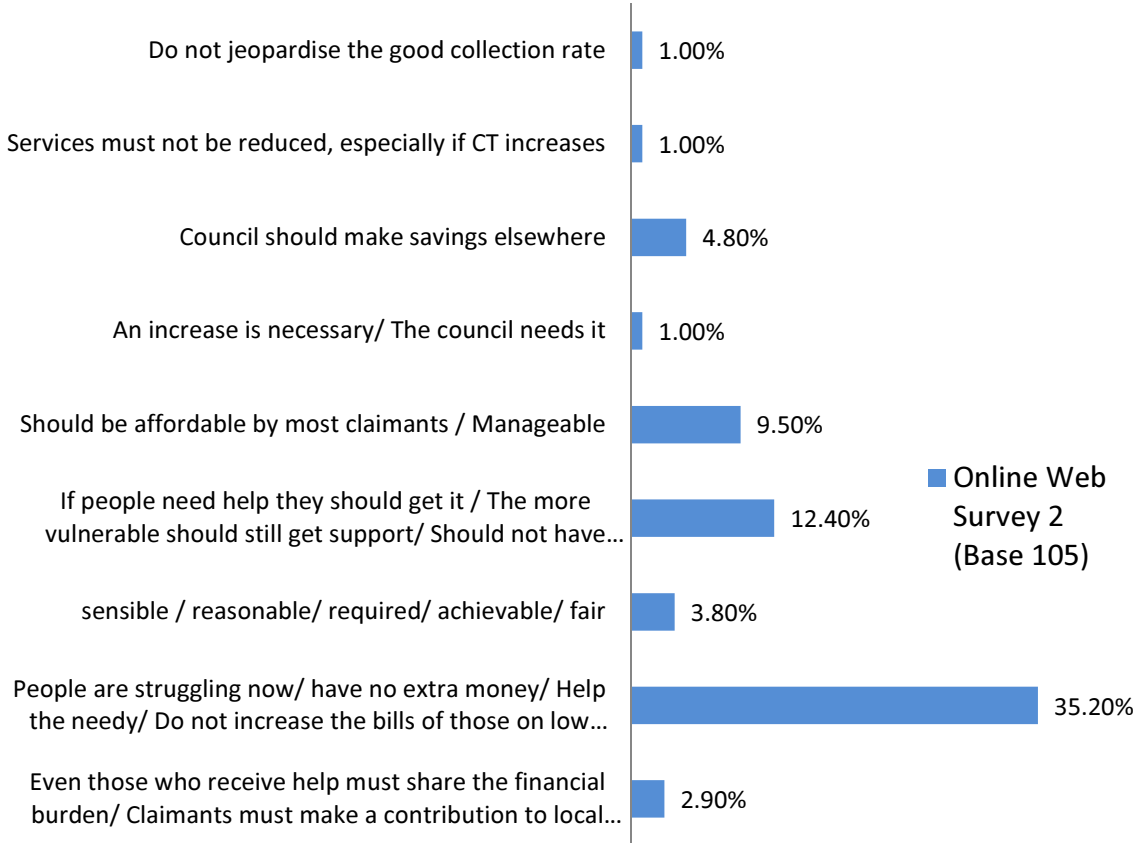


Chart 4 – Reasons given for choosing Option 2 as preferred option

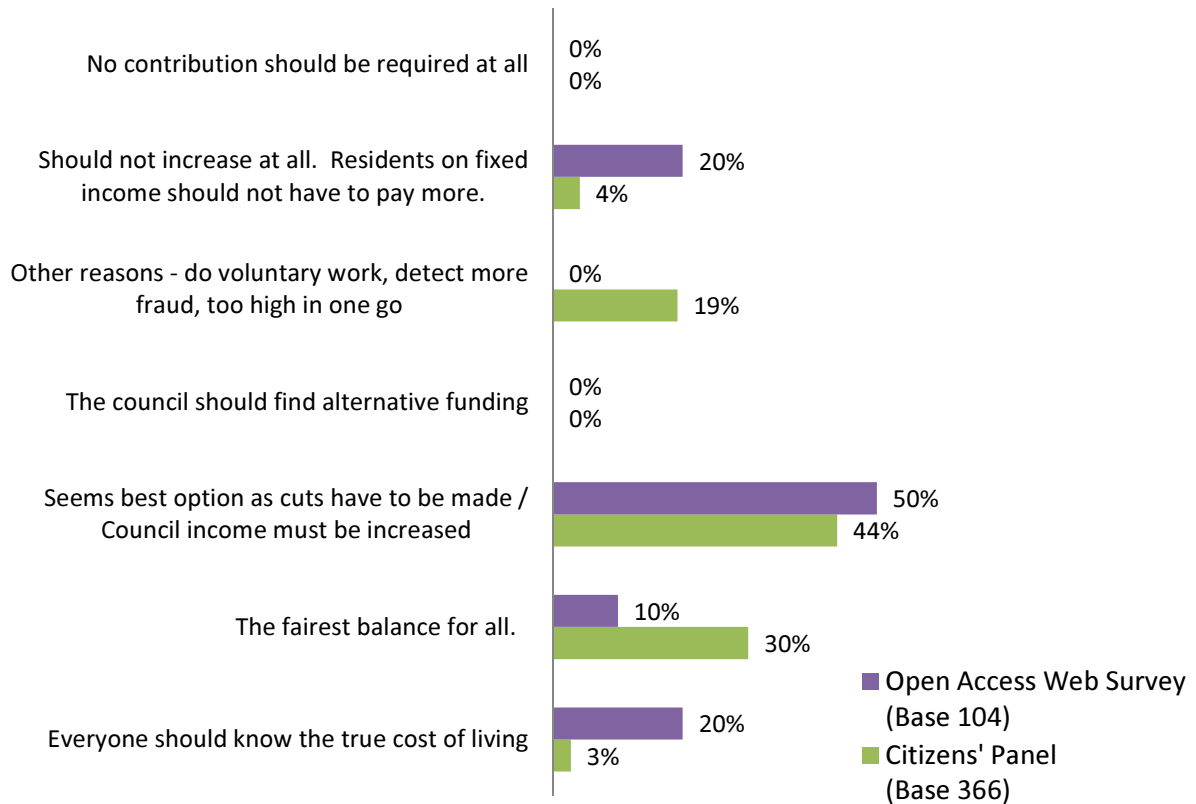


Chart 5 – Reasons given for choosing Option 2 as preferred option. Supplementary Consultation

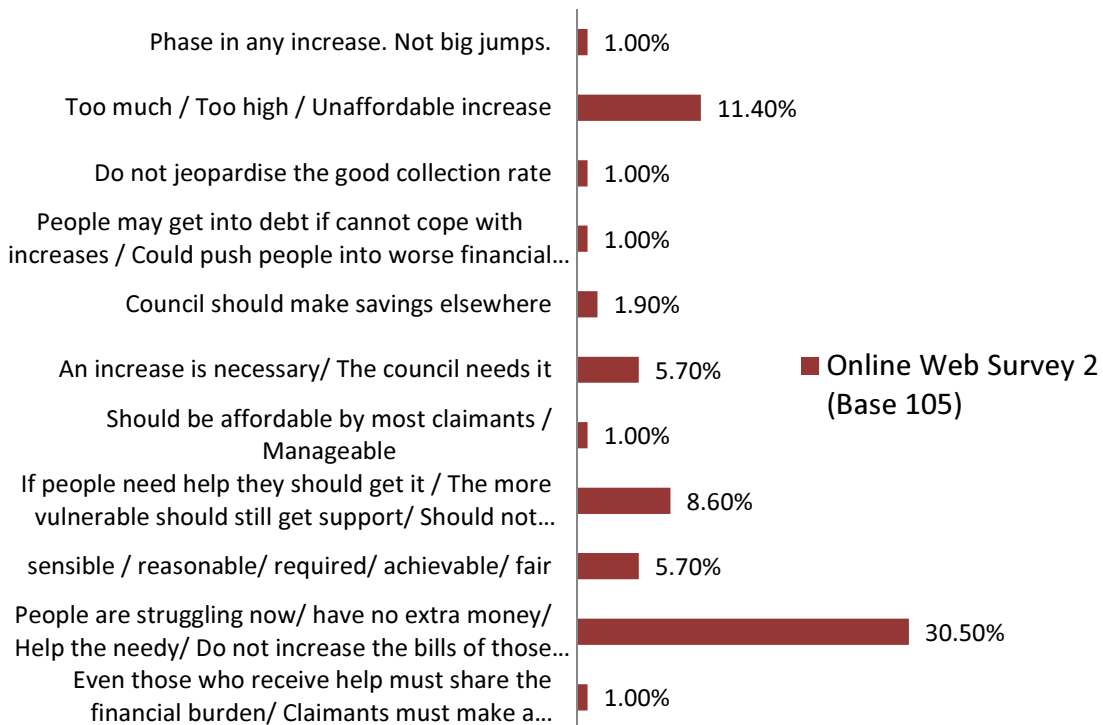


Chart 6 – Reasons given for choosing Option 3 as preferred option

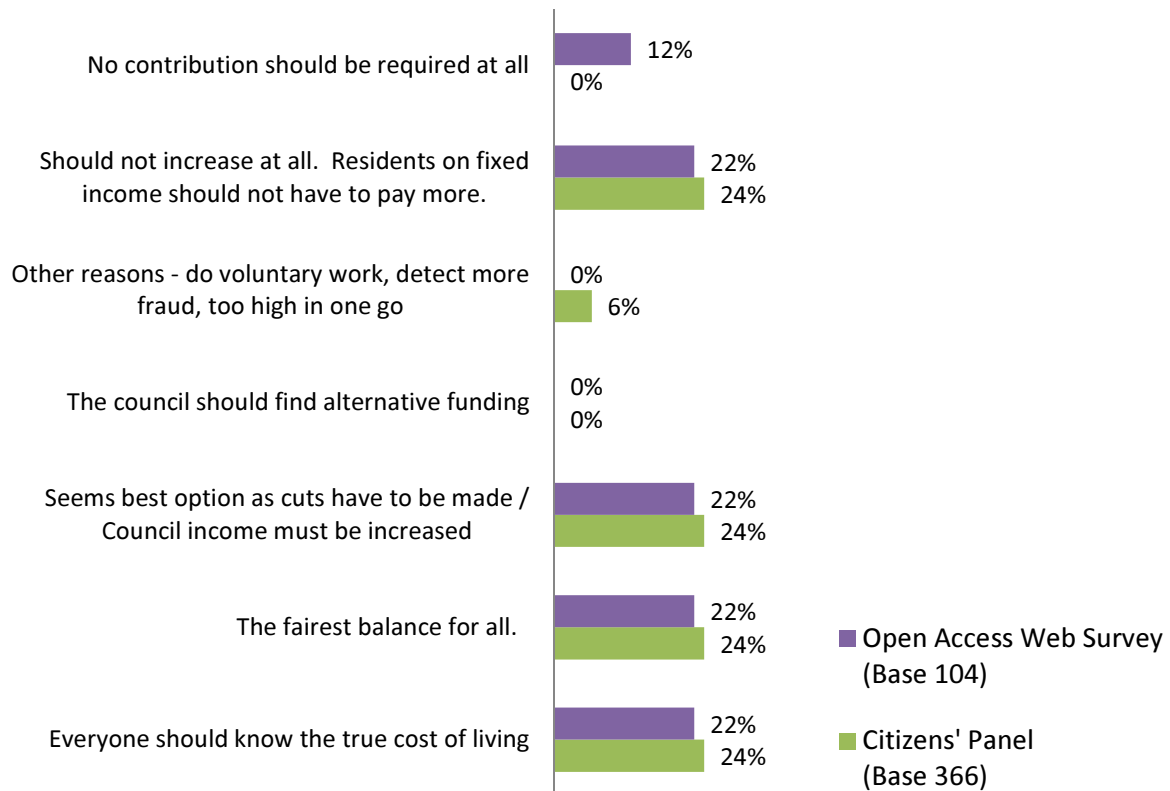
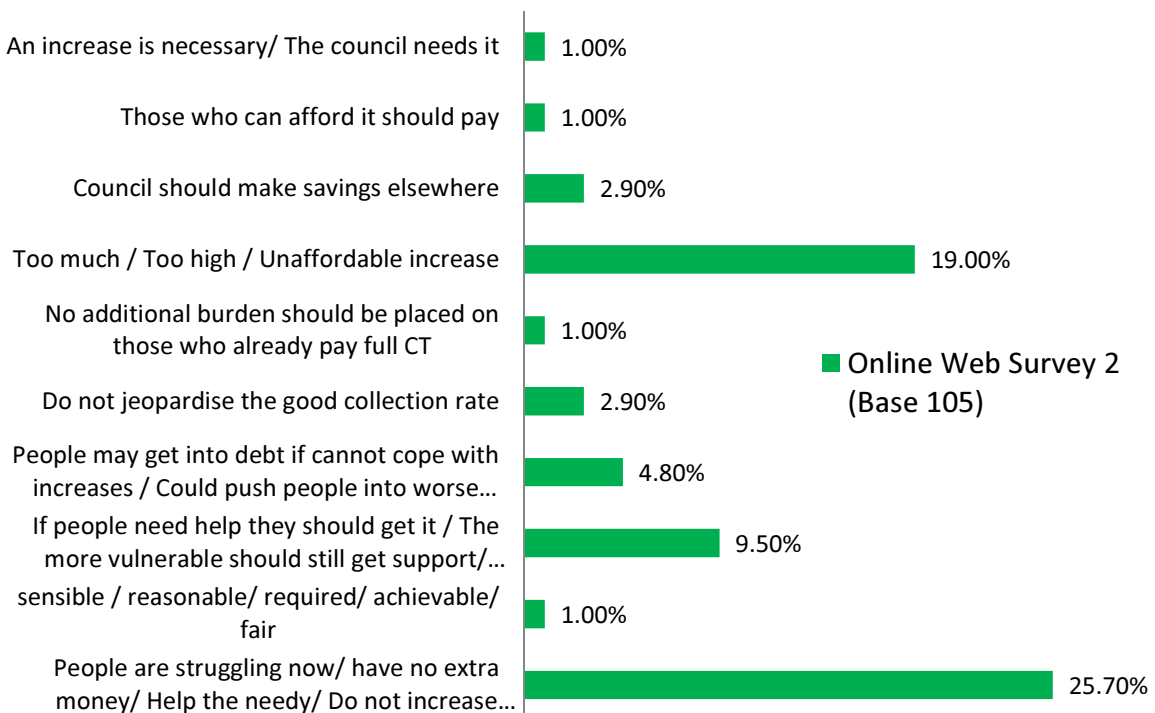


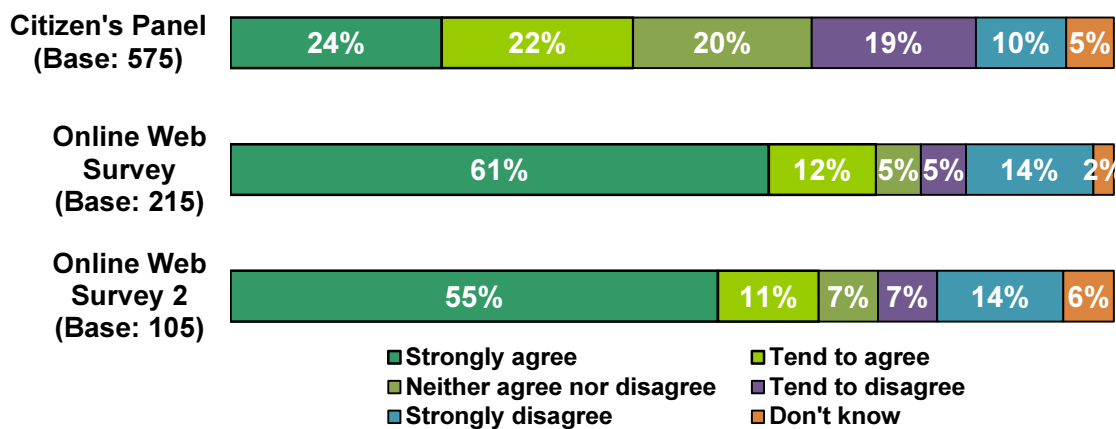
Chart 7 – Reasons given for choosing Option 3 as preferred option. Supplementary Consultation



3.10. Option 1 – continue the current scheme, with a contribution rate of 8.5 per cent (claimants receive 91.5 per cent of their maximum entitlement to CTS)

- Nearly half of the Citizens' Panel (46 per cent) agreed or strongly agreed with option 1. Twenty nine per cent of Citizens' Panel members disagreed or strongly disagreed. The remainder were neutral (20 per cent) or said they did not know (5 per cent).
- The majority of online web survey respondents agreed or strongly agreed with option 1. Three quarters of the online survey web respondents (73 per cent) agreed or strongly agreed. A fifth (19 per cent) of online web survey respondents disagreed or strongly disagreed. The remainder were neutral (5 per cent) or said they did not know (2 per cent).
- In the supplementary consultation, the majority of online web survey respondents agreed or strongly agreed with this option. 66 per cent of respondents agreed or strongly agreed, compared to 21 per cent that disagreed or strongly disagreed.

Chart 8 : Option 1 - continue the current scheme, with a contribution rate of 8.5 per cent



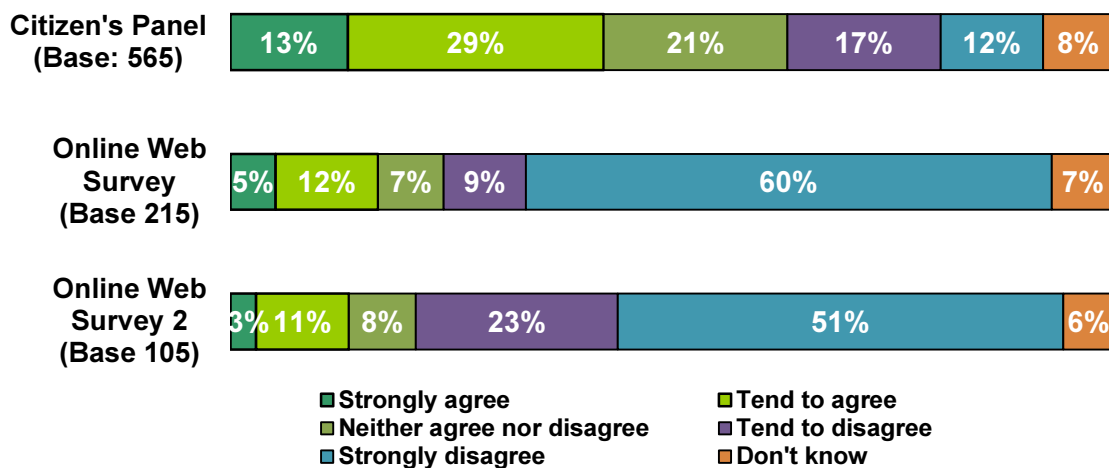
3.11. Option 2 – increase the contribution rate to 15 per cent (claimants receive 85 per cent of their maximum entitlement to CTS)

- Nearly half of the Citizens' Panel (44 per cent) agreed or strongly agreed with this option. Twenty nine per cent of Citizens' Panel members disagreed or strongly disagreed. The remainder were neutral (21 per cent) or said they did not know (8 per cent).
- The majority of online web survey respondents disagreed with this option. Over two thirds of the online web respondents (69 per cent) disagreed or strongly disagreed with this option. A fifth (19 per cent) of online web survey respondents agreed or

strongly agreed. The remainder were neutral (9 per cent) or said they did not know (7 per cent).

- In the supplementary consultation, the majority of online web survey respondents disagreed or strongly disagreed with this option. Only 14 per cent of respondents agreed or strongly agreed, compared to 74 per cent that disagreed or strongly disagreed.

Chart 9 : Option 2 - increase the contribution rate to 15 per cent



3.12. Option 3 – increase the contribution rate to 20 per cent. (Claimants receive 80 per cent of their maximum entitlement to CTS)

- A third of the Citizens' Panel (34 per cent) agreed or strongly agreed with this option. One third, (38 per cent) of Citizens' Panel members disagreed or strongly disagreed. The remainder were neutral (20 per cent) or said they did not know (8 per cent).
- The majority of online web survey respondents agreed or strongly agreed with this option. Three quarters of the online web respondents (73 per cent) agreed or strongly agreed. A fifth (19 per cent) of online web survey respondents disagreed or strongly disagreed. The remainder were neutral (5 per cent) or said they did not know (2 per cent).
- In the supplementary consultation, the majority of online web survey respondents disagreed or strongly disagreed with this option. Only 12 per cent of respondents agreed or strongly agreed, compared to 78 per cent that disagreed or strongly disagreed.

Chart 10 : Option 3 – increase the contribution rate to 20 per cent

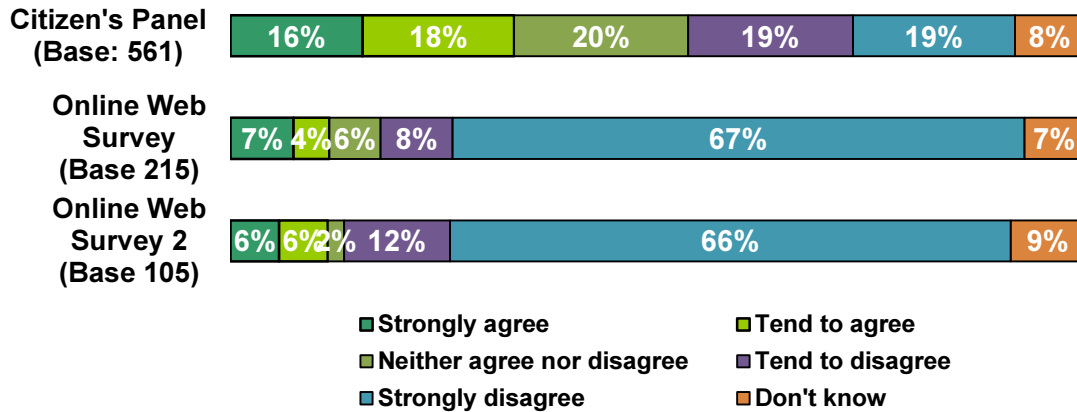


Chart 11 : An alternative scheme

In the supplementary consultation, the survey did not seek an agree/disagree grade.

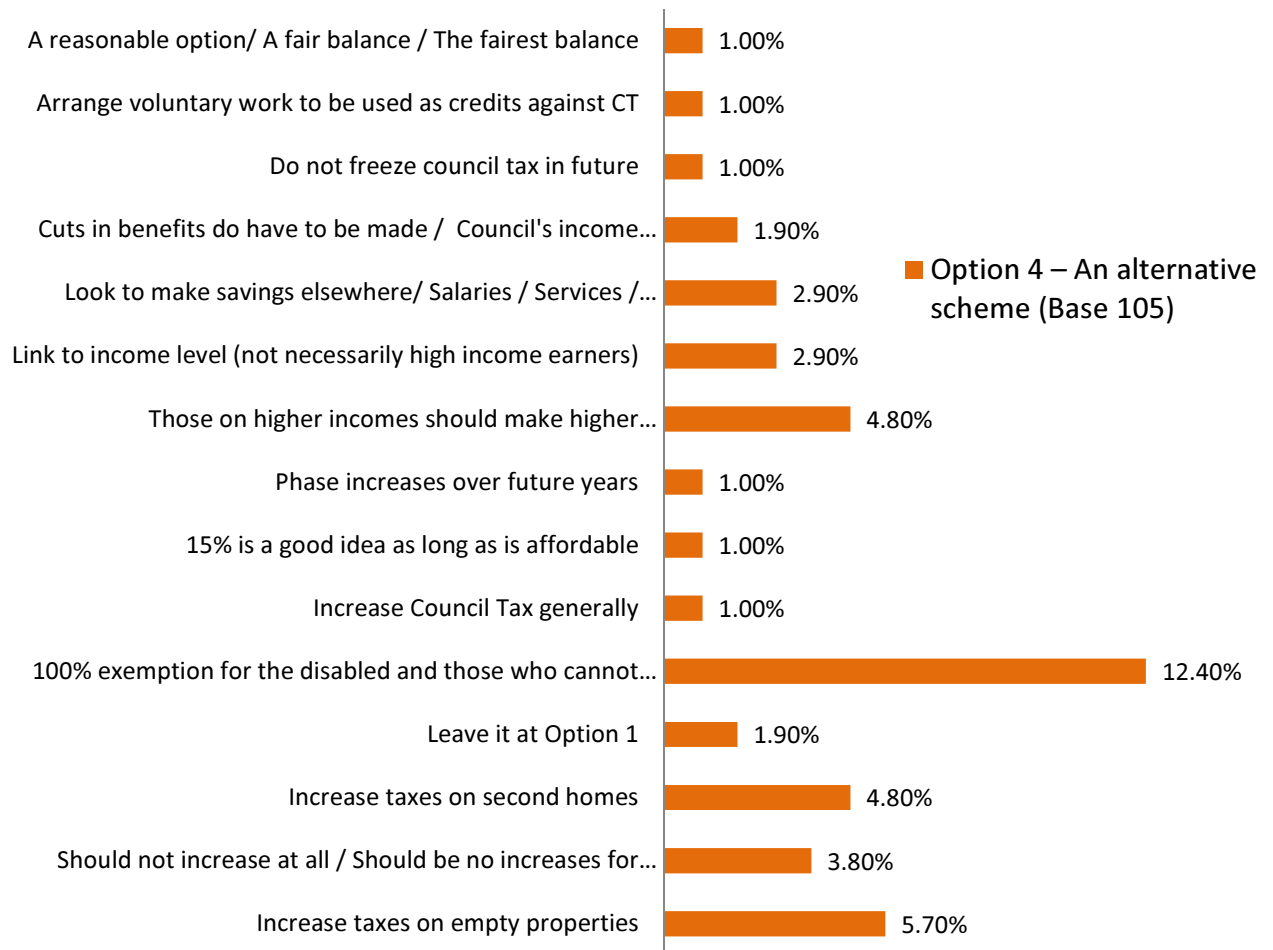
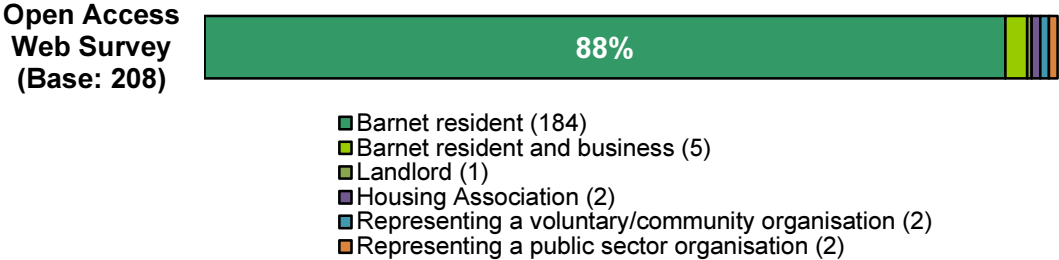
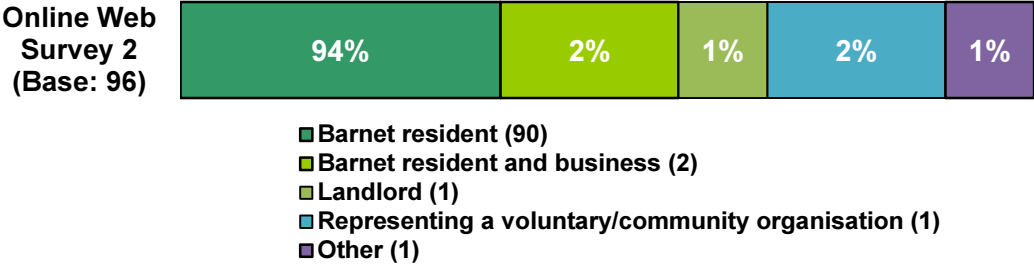


Chart 11 : Source of respondents to the Online Web Survey

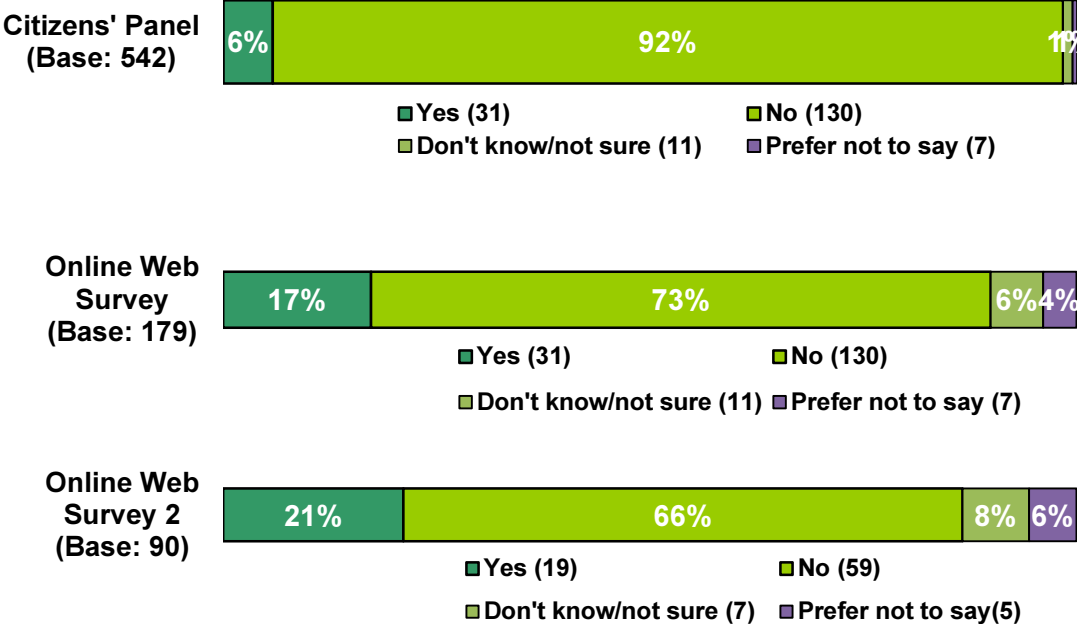


Of the first Online web survey, respondents that said they were Barnet Residents or resident and a business 142 out of 189 chose option 1, 9 chose option 2, and 13 chose option 3.



Of the second online web survey, respondents that said they were Barnet Residents or resident and a business 51 out of 92 chose option 1, 6 chose option 2, and 1 chose option 3. 30 respondents preferred an alternative option.

Chart 8: Have you been in arrears with your council tax during the last 12 months?



Most respondents, to Citizens' Panel and both online web surveys that said they had not been in arrears in the last 12 months.

3.13. Responses from protected groups

The respondents from both the Citizens' Panel and the online web surveys were equally from single households or couples without children, and families with one or more children.

From the first online web survey, 22% (30) responses came from households that include a disabled or severely mentally impaired person. This is a small sample, but the majority of this group (83 per cent) preferred option 1.

Although the number of respondents was very low a higher percentage of responses came from households with full or part-time workers in the Citizens' Panel (29 per cent) than in the online web survey (5 per cent). This would be as expected. Further an analysis of the online web survey results shows very low numbers stating a preference for option 1.

The majority of respondents with protected characteristics who would be affected by a revised scheme supported retaining the current scheme (option 1).

Appendix 2

Equality Impact Analysis (EqIA)

1. Details of function, policy, procedure or service:	
Title of what is being assessed: Revised Council Tax Support scheme	
Is it a new or revised function, policy, procedure or service? Revised policy	
Department and Section: Finance, Commissioning Group	
Date assessment completed: November 2014	
2. Names and roles of officers completing this assessment:	
Lead officer	Jonathan Wooldridge
Other groups	

3. How are the following equality strands affected? Please detail the effects on each equality strand, and any mitigating action you have taken / required. Please include any relevant data. If you do not have relevant data please explain why / plans to capture data			
Equality Strand	Affected?	Explain how affected	What action has been taken / or is planned to mitigate impact?
1. Age	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	<p>Working age claimants will be affected by the change in policy. The Government have protected Pension Credit Age claimants from any change, so will still receive the full support as if Council Tax benefit had remained. Working Age claimants could see an increase in the amount of council tax they are required to pay.</p> <p>The largest number of people affected by this feature fall in the age range 31 to 50 and are therefore more likely than other age groups to have families and dependent children. The additional burden of this feature may have a particular impact on those who are already financially stretched, leading to the possibility of hardship that</p>	<p>Through all of the Government's welfare reforms, it is intended that citizens will be better off in work than in receipt of benefits. Accordingly anyone affected by the additional contribution they have to make will be encouraged to seek employment to maximise their income wherever possible. Support to do this is available through the Job Centre Plus, Job Coaches from which work closely with the Revenues and Benefits staff.</p>

		impacts on their children. This may have a consequential impact on Children's Services.	
2. Disability	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	<p>No wider impact than previously impacted, but people with particular disabilities that prevent them from taking advantage of support to find work are more likely to be impacted by a range of welfare reforms.</p> <p>The extent of the impact by amending the scheme to 15 or 20% from 8.5% will increase the burden.</p> <p>The exact number of disabled claimants is not known but out of 29689 households receiving CTS there are around 414 receiving some form of disability benefit or premium with their Council Tax Support. This does not include claimants who are on a passported benefit. The number of disabled people receiving a passported benefit is not known as in most cases this information is not currently collected under the present scheme.</p>	<p>In order to mitigate against the increased impact, resources will continue to be available to support the most vulnerable and this may be met through a discretionary council tax support scheme.</p> <p>Disability benefits are currently disregarded when calculating income. It is proposed that this continues under all of the options proposed.</p>
3. Gender reassignment	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	There is no data to suggest that this group is affected.	Residents from any group can apply to council's Discretionary Funds
4. Pregnancy and maternity	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	People who are in advanced stages of pregnancy or receiving maternity allowance are affected for a temporary period because they will have a finite income and will be unable to increase this	In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through a discretionary council tax support scheme.

		income by working.	
5. Race / Ethnicity	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	<p>There is no data to suggest that this group is affected as we do not ask people's ethnicity as part of the CTS claim process. We know that in Barnet people from some ethnicities are more likely than others to have a low income or fall into arrears on priority debts. This includes Black Africans, Pakistanis and Bangladeshis.</p> <p>In the consultation over half of non-white groups chose to keep CTS at 8.5% whilst only a third of white groups did the same (Citizens Panel weighted survey).</p> <p>Whilst no distinction has been made on the grounds of race on contributions from working age claimants, the nature of the contribution is such that the larger the Council Tax liability, the larger the contribution. Thus larger families, who may live in larger and therefore higher banded properties, will be expected to contribute a larger monetary sum (but the same percentage) towards their Council Tax liability. Based on national data ⁶, families of Indian, Pakistani and Bangladeshi origin are on average significantly larger than others (2.5 - 3.5 children compared with an average of 2.1 for all other races) and are therefore likely to be asked to contribute more</p>	In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through a discretionary council tax support scheme.

⁶ LFS household data sets October-December 2004 to April-June 2008, weighted proportions

6. Religion or belief	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	<p>There is no data to suggest that this group is affected as we do not ask people's religion as part of the CTS claim process.</p> <p>The Citizens Panel consultation did not ask people their religion or belief. Whilst no distinction has been made on the grounds of religion or belief on contributions from working age claimants, the nature of the contribution is such that the larger the Council Tax liability, the larger the contribution. Data from elsewhere⁷ shows that households of Muslim, Hindu and Sikh families are significantly larger than average (3.2-3.7 people compared with an average of 2.3) and these families may be amongst those asked to contribute more.</p>	<p>In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through a discretionary council tax support scheme.</p>
7. Gender / sex	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	<p>A reduction in the maximum support would be applied to everyone receiving Council Tax Support but around 60% of the total number of people affected would be women in line with the current Council Tax claimant population. Furthermore 1/3 of households claiming Council Tax Support are lone parents of which 95% are women.</p> <p>There were no significant differences in the responses from different genders.</p>	<p>In order to mitigate against this, resources will continue to be available to support the most vulnerable and this may be met through a discretionary council tax support scheme.</p> <p>In relation to lone parents, the current scheme disregards child benefit as income. It is proposed that this continues in all the proposed options.</p>
8. Sexual orientation	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	<p>There is no data to suggest that this group is affected.</p>	<p>Residents from any group can apply to council's Discretionary</p>

⁷ 2001 Census, Manchester area; Manchester City Council

		The Citizens Panel consultation did not ask people their sexual orientation	Funds
9. Marital Status	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	<p>Not affected. The maximum contribution of 91.5, 85, or 80 per cent would apply to households whether single, married, civil partnered, or co-habiting. The maximum support would be applied to the council tax support award to all claimants. It may be assumed in some cases that single residents maybe more likely to be affected because they would only have one income. However where a single person is the only resident they receive a statutory 25% discount in their Council Tax liability which lowers the amount they would have to pay. Marital status however doesn't preclude residents from living alone or vice versa.</p> <p>The Citizens Panel consultation did not ask people if they were married</p>	Where a single person is the sole liable person for Council Tax they receive a statutory 25% discount in their liability which lowers the amount they would have to pay.
10. Other key groups?	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	Changes to Council Tax Support impact on low and fixed income groups as this one of the eligibility criteria. There are a number of groups who may be more likely to have a low or fixed income and are not able to increase their income through work and salary progression. This includes those with caring responsibilities or those that are prevented from working as a result of their health or disability.	For the most vulnerable, other support from discretionary council tax support will be available.

4. What measures and methods could be designed to monitor the impact of the new policy or service, the achievement of intended outcomes and the identification of any unintended or adverse impact? Include how frequently monitoring could be conducted and who will be made aware of the analysis and outcomes

This EIA will be reviewed when a decision has been made about which option will be implemented.

Housing Benefit collect data gender, age, information about disability benefit of head of household and their partner. We know who is currently receiving Council Tax Support and their characteristics as above. Housing Benefit do not collect data on the other protected characteristics as this is not considered essential for the purposes of making a claim. It is proposed that the Council Tax claimant cohort is monitored annually to understand whether the make up of this group has changed and whether any particular group has disproportionately fallen into arrears.

Statistics regarding collection rates are considered by a partnership welfare reform steering board and as part of other government returns.

5. Overall impact			
Positive Impact <input type="checkbox"/>	Negative Impact Impact Not Known ⁸ <input checked="" type="checkbox"/>	or	No Impact <input type="checkbox"/>
6. Scale of Impact			
Positive impact: Minimal <input type="checkbox"/> Significant <input type="checkbox"/>	Negative Impact Impact Not Known Minimal <input checked="" type="checkbox"/> Significant <input type="checkbox"/>	or	

7. Outcome			
No change to decision <input checked="" type="checkbox"/>	Adjustment needed to decision <input type="checkbox"/>	Continue with decision <i>(despite adverse impact / missed opportunity)</i> <input type="checkbox"/>	If significant negative impact - Stop / rethink <input type="checkbox"/>

8. Please give a full explanation for how the initial assessment and outcome was decided

⁸ 'Impact Not Known' – tick this box if there is no up-to-date data or information to show the effects or outcomes of the function, policy, procedure or service on all of the equality strands.

The scale of the impact is recorded as minimal. It is proposed to monitor the impact of the change and to revise this assessment according to the data.

The number of residents affected by the change is approx. 22,000 households. These have already been burdened when the support was reduced to 91.5%. This is being proposed to be reduced to 85% or 80%, so whilst the change is not insignificant, the overall average impact could amount to £1 to £2 per week. The impact on affected residents will be the same group of residents, but the percentage of the level of maximum support may change. We know this group have a low income, are working age, 60% of them are women and 1/3 are single parents. We don't collect full information on all the protected characteristics as this is not required to process a claim. We also know that the current CTS claimants were more likely to say that they favoured keeping the level of Council Tax Support at 8.5% (according to the Online web survey).

Section 13a (1) (C) of the Local Government Finance Act 1992 allows councils to reduce the amount of council tax payable for a liable household. It can be used for individual cases or to determine specific classes for a local discount.

Other welfare reforms are hitting some groups such as large families, low income families, lone parents and disabled people— and together with increases in cost of living this is having a cumulative impact on people's income. Therefore even small changes in contributions could 'tip the balance' in people's ability to pay. Therefore all three options are considered to have a minimal negative impact of groups with the protected characteristics.

Barnet Council Tax Support Scheme

Effective 1 April 2015



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Glossary

Capital	Savings and capital
Change of Circumstance	Any change of circumstances affecting entitlement to CTS, including but not limited to changes to income, liability, household members or residence that would affect entitlement to CTS
Council Tax payer	Person liable to pay Council Tax on the property
Council Tax Support (CTS)	the London Borough of Barnet's (Barnet) scheme
Default scheme	The default scheme contained in the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 SI 2886/2012
Dispute	Where the CTS recipient disagrees with the amount of CTS awarded or the refusal to award CTS applicant
Disregards	Deductions allowed against the income
Excess Income	The amount by which the taxpayers weekly income exceeds their applicable amount
Extended Reduction	An amount awarded for a period after the applicant or their partner has started work or increased their hours of work and is therefore no longer entitled to a qualifying benefit or qualifying contributory benefit
Income	Income from all sources not limited to earnings. Some income will be wholly or partly disregarded
Interim award	Maximum liability from which non-dependent charges and the taper have been subtracted
Maximum award	For working age claimants , the maximum award will be [insert value as agreed by committee] % of the interim award unless the claimant or their partner falls within a protected group

Maximum liability	The maximum liability is the maximum band after any Council Tax discounts or band reductions awarded under the Local Government Finance Act 1992. For example Single person discounts or band reductions due to disability
Overpayment	Any amount of CTS credited to which the recipient is not entitled
Pensionable Age	The age at which a person is eligible to claim State Pension Credit Please note the age is changing to reflect the equalisation of pension ages between men and woman and the planned increase in retirement age
Premium	An additional element forming part of the applicable amount relating to the individual or couple
Prescribed Requirements regulations	Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 SI 2885 2012
Protected group	Groups listed in Appendix B to which the maximum award does not apply
Taper	The rate at which CTS is withdrawn if the income including tariff income is greater than the applicable amount or living allowance
Tariff income	Income presumed to be generated by savings and capital between the lower and upper capital limit
War Pensions	War Pensions, War Widows pensions War Widowers Pensions, War Disablement Pensions and continuing payments from the armed forces compensation scheme,
Work	Employed or self employed
Working Age	The age below which a person or couple is eligible to claim State Pension Credit
1992 Act	Local Government Finance Act 1992

1 Introduction

The London Borough of Barnet's Council Tax Reduction Scheme is based on the default scheme and prescribed requirements regulations, except where the contrary is set out within the scheme. Definitions and detail from the regulations are not replicated in this document and the detail can be found by following the links below.

[Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) Regulations 2012 SI 2885/2012](#)

[Council Tax Reduction Schemes \(Default Scheme\) \(England\) Regulations 2012 SI 2886/2012](#)

[The Council Tax Reduction Schemes \(Prescribed Requirements and Default Scheme\) England\) \(Amendment\) Regulations 2012 SI 3085/2012](#)

[The Council Tax Reduction Scheme \(Prescribed Requirement\) \(England\) \(amendment\) Regulations 2013](#)

[The Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) \(Amendment\) Regulations 2014](#)

[The Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) \(Amendment\) \(No. 2\) Regulations 2014](#)

Barnet Councillors agreed to a clear set of principles offering incentives and protections to help deliver local priorities from which the draft scheme was constructed.

The principles are:

- A system based on fairness, with those with the ability to pay making a fair contribution
- The scheme should incentivise work
- Support for those in the most difficult circumstances
- The most vulnerable should benefit from a level of protection
- The scheme should be transparent and accessible.

The scheme for working age applicants has the following features

- It will incentivise work by retaining the system of earned income disregards and child care disregards set out in the default scheme
- Certain protected groups comprising those listed in Appendix B will not be affected by the maximum award restriction to 80%
- Disability Living Allowance, War Pensions and Child Benefit will continue to be disregarded in the calculation.
- Second Adult Rebate will be abolished and Nondependent deductions will be simplified to 3 levels.

For working age claims, the weekly liability will be reduced by the non – dependant deduction and then the income including any tariff income and after any disregards have been applied is compared to the applicable amount.

Where the income is less than or equal to the applicable amount no taper reduction is made. This is the interim award

Where the income is more than the applicable amount the eligible council tax is reduced by 20% of the difference between the income and applicable amount. This is the interim award

Once the interim award calculation has been made the maximum award is then adjusted to [insert value as agreed by committee]% of the interim award unless the claimant or partner is in a protected group. (Appendix B)

2 Classes of Persons

2.1 Classes of persons excluded from the scheme

Classes of persons to be excluded from the scheme are as set out in the prescribed requirements regulations, including persons treated as not in Great Britain and persons subject to immigration control.

2.2 Classes of person entitled to a reduction under this scheme

Pensioners

Classes A-C Pensioners who fall within any of classes A to C in the prescribed requirements regulations.

Working age persons

Class D -Persons who are not pensioners whose income is less than the applicable amount and not in a protected group. Persons who are not in a protected group and who fall within class D as set out in the default scheme,

Class E – Persons who are not pensioners whose income is greater than the applicable amount and not in a protected group. Persons who are not in a protected group and who fall within class E as set out in the default scheme.

Class F – Persons who are not pensioners whose income is less than the applicable amount and are in a protected group. Persons who are in a protected group and who fall within class D as set out in the default scheme.

Class G – Persons who are not pensioners whose income is greater than the applicable amount and are in a protected group. Persons who are in a protected group and who fall within class E as set out in the default scheme.

3 Applicable amount: persons who are not pensioners who have an award of universal credit.

Awards of Universal Credit will be treated as follows;

Out of work with an award of Universal Credit analogous to Income Support, Income Based Jobseekers Allowance, or Income Related Employment and Support Allowance. The income and capital will be treated as zero and the applicable amount calculated in accordance with the default scheme as though the person applying was not in receipt of universal credit. They will then fall into class D or F as appropriate.

In work and in receipt of Universal Credit analogous to a tax credit. The calculation of the applicable amount will be calculated in accordance with the default scheme as though the person applying was not in receipt of universal credit. The income and capital will be calculated in accordance with the Barnet scheme (See Income and capital where there is an award of Universal Credit). They will then fall into class D to G depending upon their total .

4 Maximum council tax reduction for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction

4.1 Maximum council tax reduction under this scheme: pensioners and persons who are not pensioners (class A to C,)

For classes A to C, the maximum council tax reduction is as set out in regulation 29 of the default scheme.

4.2 Maximum council tax reduction under this scheme: persons who are not pensioners and not in a protected group (class D and class E)

For classes D and E, the maximum council tax reduction is as set out in regulation 29 of the default scheme, save that the non-dependant deductions will be as set out in this scheme. Appendix C., The actual amount of the award will be calculated in accordance with the paragraph Amount of reduction under the scheme.

4.3 Maximum council tax reduction under this scheme: persons who are not pensioners and not in a protected group (class F and class G)

For classes F and G, the maximum council tax reduction is as set out in regulation 29 of the default scheme, save that the non-dependant deductions will be as set out in this scheme. Appendix C

4.4 All Classes Applicable amounts, premiums and income disregards

For classes A, B C applicable amounts, premiums and income disregards will be the same as the prescribed scheme as amended except that Barnet will disregard all of a war pension or war widow(-er)'s pension or any continuing payments from the armed forces compensation scheme.

For classes D,E,F,G applicable amounts premiums and disregards will be the same as the default scheme except where they differ as set out in Appendix D,(Applicable Amounts) Appendix E (Premiums) and Appendix F (Disregards)

5 Non-dependant deductions: pensioners and persons who are not pensioners

The non-dependant deductions for pensioners (classes A –C) are as set out in the prescribed requirements regulations

The non-dependant deductions for working age (classes D-G) from 1st April 2015 are as set out in the default scheme save that the deductions in respect of a day referred to above are as follows:

- (1) in respect of a non-dependant aged 18 or over with income greater than or equal to £189.00 p.w. unless they fall into category (3), £11.36 x 1/7;
- (2) in respect of a non-dependant aged 18 or over to whom sub-paragraph (1) or (3) does not apply, £5.00 x 1/7
- (3) zero if in receipt of Income related Jobseekers Allowance, Income Support or Income related Employment and Support Allowance or the Universal Credit where the award is calculated on the basis that the person does not have any earned income.

6 Amount of reduction under this scheme

6.1 Amount of reduction under this scheme: Classes A to G

An individual in receipt of income support, income-related jobseeker's allowance, income-related employment and support allowance or universal credit equivalent to one of the aforementioned benefits then they will have both income, earnings and capital counted as zero. This means that the individual's income will automatically be less than their applicable amount, and their Council Tax Support will be worked out as follows

6.2 Amount of reduction under this scheme:

The amount of reduction is as set out in the default scheme, save as follows:

6.3 Where a person is within class D, that amount is

- the actual liability for the Council Tax.
- Less any non-dependant deductions set out in appendix C
- The result is the interim award
- The actual award is [insert value as agreed by committee] % of the interim award

6.4 Where a person is within class E, that amount is

- the actual liability for the Council Tax
- Less any non-dependent deductions set out in appendix C
- Less the taper (currently Twenty per cent) of the difference between the income after disregards but including any tariff income and the applicable amount
- The result is the interim award
- The actual award is [insert value as agreed by committee] % of the interim award

7 Income and capital for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction

7.1 Income and Capital where there is an award of Universal Credit

The income rules for calculating eligibility for a reduction are as set out in the default scheme, save as set out below.

7.2 Income and capital where there is an award of universal credit

Calculation of income and capital: persons who are not pensioners who have an award of universal credit.

7.3 Out of work with an award of Universal Credit analogous to Income Support, Income Based Jobseekers Allowance, or Income Related Employment and Support Allowance.

The income and capital will be treated as zero so they will fall into class D or F as appropriate.

7.4 In work and in receipt of Universal Credit analogous to Tax Credits

If they receive the maximum universal credit, their income will be their income from universal credit for their living expenses. The Housing Element and Disability element of the Universal credit will be disregarded. Any income and capital will be disregarded

Where the individual is in work and not receiving the maximum universal credit because their income is too high, and where the individual elements cannot be identified they will be treated as receiving the income for their living expenses reduced in proportion to the overall reduction in the universal credit from the maximum. For example if the universal credit is 75% of the maximum award of universal credit for their circumstances. The income used will be 75% of the maximum living expenses element. All other income and capital apart from war pensions, war widow(ers) pensions and continuing payments under the armed forces compensation scheme will be taken into account except any income and capital disregarded in Schedules 7, 8 and 10 of the default scheme.

8 Capital

The capital rules for calculating eligibility for a reduction are as set out in the default scheme, save that the diminishing notional capital rule is abolished for classes D -F

9 Calculation of tariff income from capital: persons who are not pensioners

Where the capital of an applicant and partner if any who is not a pensioner exceeds the lower capital limit but does not exceed the upper capital limit as set out in Appendix A, it must be treated as generating an equivalent tariff income set out in Appendix A which must be added to the applicant's actual and notional income.

Where the capital .of the applicant and partner if any exceeds the upper capital limit set out in Appendix A then the applicant will not be entitled to Council Tax Support. Capital includes any income treated as capital as defined in the default scheme

10 Extended reductions and qualifying conditions for an extended reduction

Extended reductions and qualifying conditions for extended reductions for those of pensionable age and those of working age will be as set out in the default scheme

11 Procedural Matters

11.1 Applications

Anyone entitled to Council Tax Benefit on 31 March 2013 or having made an application for CTB which is still to be decided on 31 March 2013 will be assumed to have also made an application for CTS with the circumstances that applied on 31 March 2013.

11.2 Applications after 1 April 2013

All others must apply for CTS. Applications must be made in writing and received by Barnet Revenues and Benefits Service, or received electronically via Barnet's website or in some other format as Barnet may decide. If a request for CTS is received by the Revenues and Benefits Service by any means including one that is not in the correct format Barnet will invite the applicant to complete an appropriate application. If the applicant does so and it is received within one month of being asked to do so then the application date will be the date the original request was received.

If a claim is made for Housing Benefit and the person claiming is also liable for Council Tax at the same dwelling then the Housing Benefit claim will be treated as a claim for Council Tax Support unless within fourteen days of receipt of confirmation of the award from the Council, the customer advises the Council in writing that they do not wish to claim. .

For those of working age, where an application is defective or incomplete and the applicant or the person acting for them has not supplied the information requested or properly completed an application form within one month (or such longer period as Barnet considers reasonable) of being asked to do so then the council will decide that the applicant no longer wishes to apply for a reduction.

Where following a change of circumstance the person receiving a reduction is asked to supply evidence or information in support of their claim and fails to do so within one month (or such longer period as Barnet considers reasonable) then the CTS award will be amended based upon an adverse inference of the information held from the date the change of circumstances occurred. This could lead to any award being ended.

Where an application is made for Universal Credit, Income Support, Jobseekers Allowance (Income Based) or Income Related Employment and Support Allowance and the Department of Work and Pensions or the CTS applicant makes the Council aware of this fact within 4 weeks of them becoming entitled to one of the above

benefits then the date of application will be treated as made on date they become entitled to one of the above benefits.

Applications for CTS can be made up to 13 weeks in advance prior to an event that would entitle them to CTS

12 Effective date of a change of circumstance

For those of Pensionable age the effective date of a change of circumstance is as set out in the default scheme.

For those of working age the effective date of a change of circumstances is as set out Regulation 107 of the Default regulations except as set out here. Where an applicant is required to notify a change of circumstances and the following apply, the new decision on a reduction will take effect on the date of notification:

- 1 The change of circumstances is a change that is required by regulations to be notified;
- 2 The change has been notified more than one month or such longer time as the Council considers reasonable after the change occurred and it was reasonably practicable for the change to be notified within this period;
- 3 The new decision on the reduction is advantageous to the applicant.

13 Appeals

The appeals process is as set out in the default scheme.

14 Discretionary Reduction see Part 3 of Schedule 1 of the default scheme

An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act must be made—

- (a) in writing,
- (b) by means of an electronic communication (see part 4 of Schedule 1)
- (c) via Barnet's website

The applicant must state why the request is being made and supply such evidence and information as the Council may require in support of the request.

If for any reason the request is not in a form that Barnet can accept then the applicant will be supplied with a suitable form.

15 Time and manner of granting relief and recoveries / over-payments

Where the council tax payer is entitled to an increase or decrease in their reductions following a reported change of circumstance, Barnet can issue a substitute demand

notice taking into account the increase or decrease in liability.

Barnet Council will

- a. recover over-entitlement of council tax support – this effectively becomes underpayment of council tax;
- b. take recovery action according to the circumstances of the applicant;
- c. credit the council tax account with any underpayment of CTS.

16 Updates of the scheme

Each year Barnet Council can choose to freeze or increase any applicable amounts, premiums, disregards, or non-dependant deductions. Applicable amounts, premiums and disregards will usually be increased in line with the prescribed scheme. In future years if the Government does not publish new working age applicable amounts premiums and disregards, as part of the prescribed scheme then the applicable amounts premiums and disregards used in the Housing Benefit Regulations (2006) as amended can be used. These changes to applicable amounts, premiums, disregards and non-dependant deductions will not constitute a change to the scheme requiring consultation.

Effective from 1 April 2015

Appendix A Working Age Upper and Lower Capital Limits, Tariff Income, Taper, Maximum Award, Minimum Award Maximum Band

	Class D or Class E	Class F or Class G
Upper Capital Limit	£16,000	£16000
Lower Capital Limit	£6000	£6000
Tariff Income	£1 for each £250 or part thereof above the lower capital limit of £6000	£1 for each £250 or part thereof above the lower capital limit of £6000
Taper percentage,	20%	20%
Maximum award,	[insert value as agreed by committee] %	100%
Minimum award	zero	zero

Appendix B Protected Groups

Protected group
Where claimant or partner receives a war pension, or a war widow (-ers) pension, or a war disablement pension or a regular payment under the armed forces compensation scheme

Appendix C Non-Dependant deductions -April 2015 rates.

Description	Deduction
Gross income greater than or equal to £189.00 p.w. from any source unless the non-dependant is receiving an income in category 3)	£11.36 p.w
Gross income less than or equal to £188.99 p.w. unless the non-dependant is receiving an income in category 3)	£5.00 p.w.
In receipt of Income Support, Income based Jobseekers Allowance, Income related Employment and Support Allowance, State Pension Credit or	Nil

Universal Credit where the award is calculated on the basis that the recipient has no earned income	
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Appendix D Applicable Amounts Working Age - April 2015 rates

Weekly Personal Allowances	
Single	
18 to 24	£57.90
25 or over	£73.10
Any age – entitled to main phase rate ESA	£73.10
Lone parent 18 or over	£73.10
Any age – entitled to main phase rate ESA	£73.10
Couple	
One or both over 18	£114.85
Any age – entitled to main phase rate ESA	£114.85
Polygamous Marriages	
If the claimant is a member of a polygamous marriage and no members of the marriage have attained the age of 60	
For the claimant and the other party to the marriage	£114.85
For each additional spouse who is a member of the same household as the claimant	£41.75
Dependent children	
From birth to September following 16th birthday	£66.90
From September following 16th birthday to day before 20th birthday	£66.90

Appendix E Premiums Working Age -April 2015 rates

Family Premiums	Per week
Family Premium	£17.45
Family Premium (lone parent rate)	£22.20
Disability Premium	
Single	£32.25
Couple	£45.95
Enhanced Disability Premium	
Single rate	£15.75
Disabled child rate	£24.43
Couple rate	£22.60
Severe Disability Premium	
Single	£61.85
Couple – one qualifies	£61.85
Couple – both qualify	£123.70
Disabled Child Premium	£60.06
Carer Premium	£34.60
Components ESA(IR) and ESA (Contribution based)	
Work-related activity component	£29.05
Support component	£36.20

Appendix F Disregards Working Age -April 2015 rates

UK War pensions or equivalent	100% disregarded
Permitted work disregard	£104.00 per week

All other disregards are those as set out in the Default scheme or Prescribed scheme for those of working age

Appendix 4 – Excerpts of minutes of P & R of 21/7/2014

7. OPTIONS FOR COUNCIL TAX SUPPORT 2015/16

The Committee considered the report.

RESOLVED –


1. That the Committee considered the options for a revised CTS scheme set out in this paper and agreed to consult publicly on options 1, 2 and 3 before implementation.

The public consultation will run for a period of 12 weeks, starting in July, with the revised scheme implemented at the start of the 2015/16 Financial Year.

2. That the Committee agree proposals for a new Council Tax enforcement policy set out in Appendix 1 of this report.

3. That the Committee agree that the CTS scheme would remain the scheme until revised, and that future changes will be made as part of the budget cycle.

The Committee requested that the next report to the Committee on this matter include information on the number of residents in each band

	<p>AGENDA ITEM 11.2</p> <p style="text-align: center;">Full Council</p> <p style="text-align: center;">20 January 2015</p>
<p style="text-align: center;">Title</p>	<p style="text-align: center;">Report from Children, Education, Libraries and Safeguarding Committee – Referral to Council</p>
<p style="text-align: center;">Report of</p>	<p>Head of Governance</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Enclosures</p>	<p>Annex 1 – Education and Skills – Future Delivery of Services Appendix 1: Final Outline Business Case (including Appendix A – Financial Modelling Tables) Appendix 2: Consultation Report Appendix 2: Equalities Impact Assessments</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Andrew Charlwood, Head of Governance (Acting) andrew.charlwood@barnet.gov.uk 020 8359 2014</p>

<h2>Summary</h2>
<p>The recommendations in the report at Agenda Item 7 of the Children, Education, Libraries and Safeguarding Committee on 12 January 2015 were approved by the Committee, but have been referred up to Full Council by four members in accordance with the Constitution. The decision taken by the Committee is therefore recommended to Council.</p>

Recommendations

That Council approve the recommendations contained in agenda item 7 (Education and Skills Alternative Delivery Model) of the Children, Education, Libraries and Safeguarding Committee on 12 January 2015.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Constitution allows a certain number of members to refer a matter on which a Committee has taken a decision to its parent body. At the meeting of the Children, Education, Libraries and Safeguarding Committee held on 12 January 2015, the required number of members of the Committee referred the decision on Education and Skills Alternative Delivery Model up to the next meeting of Full Council. The reasons for the referral were given as follows:
- 1.2 The Children, Education, Libraries and Safeguarding Committee voted to approve the item. Immediately after the decision, four Members voted to refer the item to Full Council for consideration. Members of the Committee stated that officers should be instructed to develop an in house option and therefore requested a full business case and a Member Working Group to be established to include Committee Members, Union Representatives and appropriate Officers to provide a steer and report back to the Children, Education, Libraries and Safeguarding Committee on 9 March 2015.

2. REASONS FOR RECOMMENDATIONS

- 2.1 As set out in the substantive report.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 As set out in the substantive report.

4. POST DECISION IMPLEMENTATION

- 4.1 As set out in the substantive report.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 As set out in the substantive report.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 As set out in the substantive report.

5.3 Legal and Constitutional References

5.3.1 Constitution, Responsibility for Functions, Section 6 – paragraph 6.3 provides that “...a specified number of Members of a Committee or Sub-Committee may require that any decision of the Committee or Sub-Committee is referred up to the next practicable meeting of Full Council or the relevant Committee to which the Committee or Sub-Committee reports, by indicating immediately after the decision is taken that they require the decision to be referred up. The report to Full Council or the relevant Committee to which the Committee or Sub-Committee reports on the referral shall set out the reasons given for the referral.

5.3.2 Constitution, Responsibility for Functions, Section 6 – paragraph 6.4 states that where a decision taken by a Committee is referred up, the action the Committee had proposed to take is recommended to the Council.

5.3.3 Constitution, Full Council Procedure Rules, Paragraphs 20 and 21 – Rules of Debate and Time for Debate

5.4 Risk Management

5.4.1 As set out in the substantive report.

5.5 Equalities and Diversity

5.5.1 As set out in the substantive report.

5.6 Consultation and Engagement

5.6.1 As set out in the substantive report.

6 BACKGROUND PAPERS

6.1 As set out in the substantive report.

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	<h2>Children, Education, Libraries and Safeguarding Committee</h2> <h3>12th January 2015</h3>
<p style="text-align: center;">Title</p>	<p>Education and Skills – Future Delivery of Services</p>
<p style="text-align: center;">Report of</p>	<p>Schools, Skills and Learning Lead Commissioner</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Enclosures</p>	<p>Appendix One: Final Outline Business Case (including Appendix A – Financial Modelling Tables) Appendix Two: Consultation Report Appendix Three: Equalities Impact Assessments</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Val White, Schools, Skills and Learning Lead Commissioner val.white@barnet.gov.uk 020 8359 7036</p> <p>Deborah Hinde, Project Lead, Commercial Services deborah.hinde@barnet.gov.uk 020 8359 2461</p>
<h3>Summary</h3>	
<p>At its meeting on 15th September 2014, the Children, Education, Libraries and Safeguarding Committee considered a draft outline business case, which set out proposals for developing a new way of delivering the Council’s Education and Skills service in order to:</p> <ul style="list-style-type: none"> • Maintain Barnet’s excellent education offer • Maintain an excellent relationship between the Council and schools • Achieve the budget savings target for the service up to 2020 <p>The draft outline business case set out a detailed options appraisal of six possible future models for the delivery of these services. The Committee gave approval to proceed to consultation on four of these options.</p> <p>Since that meeting, there has been a programme of consultation and engagement with key stakeholders, including:</p> <ul style="list-style-type: none"> • Schools • The market 	

- Employees and trades unions
- The public and service users

The outcomes of that consultation, along with the result of further work that has been carried out to confirm the commercial and financial viability of the four options that remain under consideration, are set out in the attached final outline business case and summarised in this report.

The outline business case concludes that the option for the future delivery of the Education and Skills service that is most likely to meet the project's overall objectives is a joint venture. It is considered that this option provides more certainty in meeting the Medium Term Financial Strategy targets, as well as being best placed to meet the strategic objectives of improving the service and maintaining an excellent education partnership in Barnet. It is proposed that the option of involving schools in the ownership of the joint venture should remain open at this point. The selection of a third party partner will require a competitive procurement exercise, which will be conducted in accordance with EU procurement regulations using the Competitive Dialogue approach. The Children, Education, Libraries and Safeguarding Committee is now requested to agree to proceed with the development of a full business case, including initiating the procurement phase, with a view to establishing a joint venture company. A further report setting out the full business case for implementation will be put before members of the Children, Education, Libraries and Safeguarding Committee in July 2015.

Recommendations

- 1. That the Children, Education, Libraries and Safeguarding Committee note the content of the report and the outline business case.**
- 2. That the Children, Education, Libraries and Safeguarding Committee agree the development of a full business case on the establishment of a joint venture company with a third party for the future delivery of the Education and Skills service.**
- 3. That the Children, Education, Libraries and Safeguarding Committee authorise the commencement of the procurement exercise to identify a third party partner to inform the development of the full business case.**
- 4. That the Children, Education, Libraries and Safeguarding Committee note that the outcome of the procurement exercise and a full business case for final approval will be considered by the Children, Education, Libraries and Safeguarding Committee in July 2015.**

1. WHY THIS REPORT IS NEEDED

Strategic Context and the Case for Change

- 1.1 On 15th September 2014, the Children, Education, Libraries and Safeguarding Committee considered an outline business case, which set out proposals for developing a new way of delivering the Council's Education and Skills service in order to:

- Maintain Barnet's excellent education offer;
- Maintain an excellent relationship between the Council and schools; and
- Achieve the budget savings target for the service up to 2020.

1.2 The evolving educational landscape, together with the financial constraints facing local authority services, create three compelling key drivers for reviewing the way education services are delivered:

- i. A **performance** driver to maintain Barnet's excellent education offer, contributing to the quality of life in the Borough. This driver recognises that, in recent years, Barnet schools have been among the best in the country. However, maintaining this performance is challenging and some recent Ofsted inspections have been disappointing – a potential early warning sign that we need to review and evolve to adapt our systems and services to better reflect the new educational environment in which our partnership with schools is operating. It also recognises that the vast majority of school improvement resource and expertise is now controlled and managed by schools themselves and that the effective involvement of schools is essential to delivering better educational outcomes for Barnet as a whole.
- ii. A **strategic direction** driver to maintain Barnet's excellent relationship with schools. This driver recognises the increasingly diverse range of school governance arrangements that are emerging, including academies and free schools, and the need to ensure that future service provision is of a high standard and that services are responsive to the needs of all schools. It also recognises that these changes in school leadership place schools in a strong position to play a much more central role in shaping and driving future service provision.
- iii. A **financial driver** to meet the Council's savings target, whilst maximising the opportunity to provide sustainable services into the future. This driver recognises that funding going to schools has been well protected, despite recent reforms. However, the ability of the local authority to fund services to meet its remaining statutory duties is less secure, being impacted by both the reduction in local government funding overall, and by a reduction in government grant as individual schools convert to academy status.

1.3 The draft outline business case, considered by the Children, Education, Libraries and Safeguarding Committee at its meeting on 15th September 2014, set out the results of preliminary work that had been carried out to assess the best way of delivering Education and Skills services given the three key drivers above. The draft outline business case also set out the results of initial consultation and engagement with schools that had been undertaken to seek early views from headteachers and governors about the opportunities for working in closer partnership to deliver services for schools.

- 1.4 As a result of the preliminary review, the Children, Education, Libraries and Safeguarding Committee agreed that four options should be the subject of detailed consultation and further analysis, the results of which are set out in the attached final outline business case and summarised in the remainder of this report.

Developing Future Delivery Options

- 1.5 The shift in responsibility and financial resources for managing and leading school improvement to schools is resulting in schools increasingly becoming drivers and designers of the services they need to support them. Developing a model of delivery based on the partnership with schools provides an opportunity to provide services that are responsive to the needs of schools and that are sustainable over time by allowing schools to commission and potentially co-deliver the services they need.
- 1.6 The final outline business case considers four options for the alternative delivery of the full range of services currently provided by the Council's Education and Skills Delivery Unit. The decision to include the full range of services in the options appraisal was reached after considering:
- i. The strategic context within which the local authority and schools are working to improve educational outcomes
 - ii. The need to provide a unified, integrated approach to service delivery for schools and others
 - iii. The ability to define a single brand for education services, with clear points of contact for schools and parents
 - iv. The start-up and/or procurement costs, as well as ongoing client-side management costs of moving to a new delivery model.
- 1.7 The following services are in scope:
- Strategic and financial management of the service
 - School improvement
 - Special educational needs (SEN)
 - Admissions and sufficiency of school places
 - School Attendance
 - Post 16 learning
 - Traded services within Education and Skills:
 - Catering service
 - Governor clerking service
 - School improvement traded service (Barnet Partnership for School Improvement)
 - Newly Qualified Teachers support
 - Educational psychology (part-traded)
 - Education Welfare Service (part-traded)
- 1.8 Any new model would deliver both statutory services for the Council as well as trading services to schools and educational establishments. Where the options involve the creation of a separate entity, for the Council's statutory

functions to be contracted out to that separate entity, the statutory duties or powers in question need to be either:

- i. included in the regulations made under the Deregulation and Contracting Out Act 1994; or
- ii. otherwise eligible to be contracted out as a matter of statutory interpretation of the legislation giving rise to the statutory function.

1.9 Some of the duties and powers cannot be contracted out, for example the duty around place planning and the power to prosecute for non-school attendance. However, this does not prevent the Council from contracting out delivery of services associated with these duties and powers, but the ultimate accountability and decision making would remain with the Council.

1.10 Within all of the options under consideration, the statutory post of Director of Children's Services will remain with the Council. The Director of Children's Services:

- i. has professional responsibility for the leadership, strategy and effectiveness of local authority children's services;
- ii. is responsible for the performance of local authority functions relating to education and social care of children and young people; and
- iii. is responsible for ensuring that effective systems are in place for discharging local authority functions, including where a local authority has commissioned any services from another provider rather than delivering them itself.

1.11 At its meeting on 15th September 2014, the Children, Education, Libraries and Safeguarding Committee agreed that the outsourcing and Local Authority Trading Company options should not be given further consideration. The final outline business case sets out full details of each of the four options that remain under consideration, including the potential benefits and risks associated with them. The options are:

In house – where the Council continues to provide the services through the Education and Skills Delivery Unit

Schools-led social enterprise – where a separate legal entity, jointly owned by the Council and Schools, would be established to provide the services.

Joint venture with schools having an ownership role (three-way joint venture) – where a separate legal entity, jointly owned by the Council, schools and a third party provider, would be established to provide the services.

Joint venture with schools having a commissioning role (two-way joint venture) – where a separate legal entity, jointly owned by the Council and a third party provider, would be established to provide the services.

Consultation and engagement

- 1.12 The report to the Children, Education, Libraries and Safeguarding Committee in September 2014 set out details of the consultation and engagement activity that had informed the development of the draft outline business case. The report also outlined the proposed consultation and engagement approach in respect of four key stakeholder groups: schools; the market; employees and trades unions; and residents and service users. Details of that approach and the key outcomes from consultation and engagement are set out below. The Council commissioned OPM, a market research organisation, to analysis the consultation results. Their summary report, setting out the findings from the survey, is appended to this report. Their full report is available at <http://engage.barnet.gov.uk/>.

Schools

- 1.13 As the main customer of the services under consideration, the views of schools are critical to the successful implementation of the selected model. Building on the consultation and engagement with headteachers and chairs of governors that took place up to the development of the draft outline business case, there has been a further programme of briefing and information provision throughout the autumn term, to enable headteachers and chairs of governors to reach an informed view on each of the options under consideration. This included presentations from two social enterprises that involve schools in their ownership. The approach has been steered through a representative Headteacher Reference Group.
- 1.14 The consultation sought feedback on:
- The services to be included in the delivery model
 - The evaluation criteria
 - The level of support for each of the models under consideration
 - The level of willingness to play an active role
 - The order of preference for the four models
- 1.15 In total, 98 responses were received, representing between 71 and 84 schools (14 respondents did not identify their school).
- 1.16 A summary of results and themes are shown below, with further detail in the final outline business case and Appendix Two to this report.
- 25% of respondents strongly agreed and 53% tended to agree with the education support services that have been selected to be included in the delivery model.
 - There were a number of comments about the appropriateness of some services being included, including SEN services and admissions. Concern appears to be around knowledge, accountability and the schools losing control.
 - All of the criteria were ranked as “very important” or “important” by over 50% of respondents, with the criteria for a strong partnership, building

trust, preserving and improving service delivery and customising services seen as most important.

- The majority of respondents are willing to consider or support all of the delivery options. However, no one option receives a majority in terms of active support. Support for the in-house, social enterprise and two-way joint venture models was very similar at 30%, 31% and 31% respectively. The two-way joint venture model had the lowest level of opposition, with 28% of respondents not supporting or strongly opposed to it. When asked to state a preference, the two-way joint venture (32%) is the first preference of slightly more respondents than the other models. In summary, the schools survey does not provide a clear finding about the favoured model.
- Overall, there was sufficient interest from schools to play an active role in any of the models, however there was a higher level of support for a strategic commissioning role as opposed to an ownership role.

The market

1.17 Following consideration of the draft outline business case, external support was commissioning to provide an independent assessment of the broad market, including the not for profit sector. iMPOWER conducted a soft market testing on behalf of the Council.

1.18 Six organisations participated in the soft market testing, by providing written responses to a questionnaire and attending a follow-up meeting with representatives from iMPOWER and the Council. These organisations represented a broad spectrum of providers, including not for profit, employee-owned and specialist education providers. Further details of the outcomes of the soft market testing exercise are included in the final outline business case, but the key points were:

- The market is generally positive about the opportunity, and the landscape provides some variety and choice for the Council to investigate further the options for the proposed structure. Alongside the traditional approach of one contract and one provider, primary contractor-subcontractor, specialist partnering and separate tendering were all put forward as suggestions from the market.
- 20-30% savings in the non-DSG budget through efficiency and growth are seen as achievable by the market. This would equate to approximately £2.4m - £3.6m per annum.
- The terms of any up-front investment required in a new vehicle would need to be explored further during competitive dialogue. Given the nature of the services and functions in scope, it is likely that proposals would include as a minimum the establishment of necessary commercial capacity and under-writing of the savings profile.
- Providers are generally more in favour of a Joint Venture, with schools having a governance but not ownership role, rather than a Joint Venture, with schools in an ownership role. However, providers would not rule the latter out and a number suggested it may be more appropriate to keep the option open during competitive dialogue.
- Pensions' liability was a clear concern for providers.

- Providers unanimously cited competitive dialogue as their preferred procurement route.
- A contract length of five or seven years, with extension options was considered by participants to be the minimum term required to invest substantially in the new venture, achieve the levels of efficiency required and secure a return on their investment.
- Options to expand the service cluster, either at the outset or after contract start were attractive to providers (as expected).

1.19 The overall conclusions from the soft market testing exercise are that there is a positive interest from the market in these services and that there are sufficient potential participants in the market to ensure a competitive procurement exercise, in the event that the Council pursues one of the joint venture options.

Employees and trades unions

1.20 It is recognised that all four of the options under consideration constitute a significant change that will have an impact on employees. There have been a number of briefing meetings with employees as the outline business case has developed. During November 2014, a further series of meetings was held to allow employees to explore the implications of the four remaining options and also to suggest potential opportunities for improvement.

1.21 The meetings were reasonably well attended by office-based staff, with fewer attendees from school-based staff within the catering service. Those that did attend engaged positively in discussion about the four options and also made some constructive suggestions for growing services and reducing costs, for example advice and training on the drafting of Education, Health and Care Plans and making better use of administration resources. These suggestions have been taken into account in the financial modelling of options, as outlined elsewhere in this report. There was a general recognition of the importance of the views of schools from attendees.

1.22 The main areas of concern that were raised by employees were:

- Any potential impact on terms and conditions of service, notably pay and pensions
- Any potential impact of changes to the TUPE regulations on the above
- The ability to maintain buy-back levels from schools
- Potential conflicts of interest or priorities of different partners
- The lack of flexibility and innovation in current arrangements

1.23 Additional meetings have also taken place with the recognised trades union representatives. Whilst representatives have been keen to support the retention of services in-house, they have also engaged positively in discussions about other models to ensure that issues that may affect their members' interests have been given proper consideration.

The public and service users

- 1.24 A public survey was available on www.engage.barnet.gov.uk for an eight week period from 7th October 2014 to 1st December 2014. The survey was publicised through the Council website, social media and information sent to parents through school communication channels. Overall, 123 responses were received by the closing date, which is consistent with response rates on similar consultations.
- 1.25 In addition to the survey, three focus groups were conducted with: parents of children with Special Educational Needs; parent governors; and parents generally.
- 1.26 The summary report at Appendix Two sets out the results from the consultation exercise. The highlight results and themes are set out below:
- High level of support for the overall vision and aims
 - Majority of respondents agreed with the services selected, with the highest level of support to SEN services and school improvement services.
 - There were comments on the rationale for particular services being included, particularly those for vulnerable pupils and the need to maintain service levels and quality of provision. The focus groups all raised an element of concern about the SEN and education welfare services being included, focusing on the need to ensure quality of service delivery and the risk of having a “business” person provide the services.
 - Results in respect of the evaluation criteria were broadly similar to the schools survey.
 - In survey, clear preference for the in-house model, with the two-way joint venture being the least favoured option.
 - Amongst the focus groups, there was a split in preferences. The Governors group preferred the in-house model, a small majority of the Parents’ group preferred the two-way joint venture model and the SEN group was divided between those who thought the in-house model was best and those who thought it was a model which already had problems.
 - There was a high level of concern about a third party being involved in service delivery. Issues were raised around business models being used in education, the potential quality of the services, and a lack of trust, accountability or responsibility.

Additional engagement activity

- 1.27 In addition to the detailed engagement and consultation activity that has been carried out with the four key target stakeholder groups, meetings have also been held with the Voluntary Sector Forum and the Youth Board, primarily to ensure that they are informed about the proposals, but also to alert them to the public survey as a means of submitting their views.

- 1.28 Members of the Youth Board acknowledged that there are budget constraints and that educational support services need to change. However the feeling that schools are pillars of the local community was strong and that any outside organisations delivering vital services must have a grasp of the local issues and that these must be evidenced during the procurement process.

Response to consultation comments

- 1.29 Responses to the key themes from consultation activity are set out in section 5 of this report.

Financial and commercial assessment

- 1.30 The report to Children, Education, Libraries and Safeguarding Committee in September 2014 identified the basic cost saving and income generating methods that are available to each model and provided a high level assessment of each model's ability to achieve the budget savings target set by the Council. The report also identified that independent external support had been commissioned to provide further analysis of the potential financial benefits from each model. The outcomes of that work are set out in detail in the final outline business case and summarised below.
- 1.31 In broad terms there are four methods of achieving budget savings targets:
- Improving efficiency, i.e. delivering the same outputs at lower cost
 - Increasing income by selling services to more customers
 - Increasing income by selling new services
 - Reducing service levels
- 1.32 Financial modelling has been carried out on the basis that the preference is to achieve budget targets through efficiency and income growth in order to maintain a high quality service offer to schools, with service reductions providing the balancing figure to make up any shortfall.
- 1.33 It should be recognised that, at this stage in the evaluation process, the financial and commercial assessment can only be an educated estimate, based on a series of assumptions about the services and the market. Certainty under any of the models will only come through the implementation process.
- 1.34 For the two joint venture models, the level of confidence in the potential financial benefits would increase through the procurement process, with complete certainty over the delivery of savings coming at the point when a contract is signed and the delivery risk is, in effect, passed to the third party partner.
- 1.35 For the in-house and social enterprise models, the delivery risk would remain with the Council and, potentially, schools. Whilst confidence in the potential financial benefits would increase through the process of

developing a detailed business plan, the subsequent delivery of those benefits cannot be guaranteed.

- 1.36 As a result of the financial and commercial modelling, along with the findings from the soft market testing, the following conclusions have been reached in respect of each of the models.

In-house model

- 1.37 Since the draft outline business case was considered by Committee in September 2014, an enhanced in-house model has been developed, assuming an investment from the Council equivalent to the cost of implementing a joint venture option, i.e. approximately £1.3m.
- 1.38 This investment would be used to bring in commercial and marketing expertise. Some of this investment could also be used to protect existing staffing and service levels to some extent whilst growth takes place. The introduction of commercial and marketing expertise would enable some growth and provide a more commercial impetus and rigour to the process of achieving efficiency savings.
- 1.39 It is less likely that the in-house model would grow income significantly by selling statutory/non-traded services to other local education authorities, as there is little evidence generally of councils buying services from other councils, other than under shared services arrangements or, in some instances, districts buying back-office services from counties.
- 1.40 It is anticipated that this model would have to rely to a greater degree on service reductions to meet the target. Modelling suggests this may be in the order of £700k. This is significantly less than would be anticipated without investment, i.e. with the unchanged in-house model that was considered in the draft outline business case.
- 1.41 Under this model, all surplus income arising from growth would come back to the Council.

Social enterprise model





- 1.42 This model would require investment from the Council and from schools to bring in commercial and marketing expertise. Some of this investment could also be used to protect existing staffing and service levels to some extent whilst growth takes place. The introduction of commercial and marketing expertise would enable some growth and provide a commercial impetus and rigour to the process of achieving efficiency savings. However, the absence of a broader commercial structure and established presence in other local authority areas would mean that growth would be slower and less extensive than under the joint venture models.
- 1.43 It is possible that a social enterprise could grow some income by selling statutory/non-traded services to other local education authorities, as it would be perceived as being separate from Barnet Council. However, its

ability to do this may be hampered by its lack of track record in providing these services to other bodies.

- 1.44 It is anticipated that this model would have to rely to some degree on service reductions to meet the target. Modelling suggests this may be in the order of £300k.
- 1.45 Under this model, it is likely that any surplus income arising from growth would be shared between the parties to the enterprise, i.e. the Council and schools. The detailed arrangements for this would be agreed as part of the process for establishing the enterprise.

Joint venture models

- 1.46 These models would bring investment from a third party, as well as access to an existing commercial and marketing structure. It is likely that investment would protect existing staffing and service levels in the short to medium term, whilst the business grows. Access to a broader commercial structure would enable faster growth than with the in-house and social enterprise models. It is also assumed that a commercial impetus would add rigour to the process of achieving efficiency savings. If the third party has an established presence in other local authority areas, that would also contribute to growth being achieved more quickly than under the other models.
- 1.47 It is more likely that a joint venture would have the resources and commercial expertise to invest in statutory/non-traded services and sell them to other local education authorities. A joint venture may be more attractive, as it would be perceived as being separate from Barnet Council and a third party is more likely to have a track record in providing a range of services to other local authorities.
- 1.48 It is considered less likely that there would be a need for service reductions under these models.
- 1.49 Under a joint venture model, it is assumed that any surplus income arising from growth would be shared between the parties to the joint venture. The detailed arrangements for this would be agreed as part of the procurement process.
- 1.50 The following table provides a high level summary of the outcomes of the financial and commercial assessment work, the detail of which is set out in the final outline business case.

Lever	Applied to	In-House	Social enterprise	Three-way joint venture	Two-way joint venture
Efficiency savings	Gross Exp	✓✓	✓✓	✓✓✓	✓✓✓
Increased income through growth (in Borough)	Income	✓✓	✓✓	✓✓✓	✓✓✓
Increased income through growth (out of Borough)	Income	✓	✓✓	✓✓✓	✓✓✓
Additional services	Net Budget	✓✓	✓✓✓	✓✓✓	✓✓✓
Service Reductions	Net Budget	✓✓✓	✓✓	✓	✓
Overall assessment		✓✓	✓✓	✓✓✓	✓✓✓
KEY to the level of savings likely to come from each lever: ✓✓✓ - high ✓✓ - medium ✓ - low					
ABILITY TO ACHIEVE MTFS TARGETS <u>WITHOUT</u> A NEGATIVE IMPACT ON SERVICE LEVELS/QUALITY		LOW 	MED 	HIGH 	HIGH 
ESTIMATE OF ANNUAL FINANCIAL BENEFIT AFTER 5 YEARS		£1.5M	£1.6M*	£2.5M*	£2.6M*

* Any surplus income, once MTFS targets have been delivered, would be the subject of a gain-share agreement between the parties to the venture.

1.51 In broad terms, it can be concluded that all four models are capable of achieving the budget savings target set by the Council. However, the in-house and social enterprise models are expected to have to rely on some service reductions to achieve this, as they would not be in a position to grow the business as quickly as a joint venture, or to provide sufficient investment to protect existing service levels in the short to medium term. The loss of capacity arising from these reductions is also likely to hamper the ability to develop services and grow the business. The in-house and social enterprise models also carry a higher degree of delivery risk, as savings cannot be guaranteed through contractual arrangements, as is the case with the joint venture models.

Evaluation of the options

- 1.52 The report to the Children, Education, Libraries and Safeguarding Committee in September 2014 outlined the scored assessment process that had been applied to evaluate the six models that were considered in the draft outline business case. That process involved consideration of 20 individual criteria, within four weighted categories. Based on the outcomes of initial consultation, the evaluation criteria have subsequently been rationalised and the assessment process simplified to recognise that the assessment process is a collective professional view based on experience and a balance of probabilities.
- 1.53 As identified in paragraph 1.1 above, the high level objectives of the delivery model are to:
- i. maintain Barnet's excellent education offer;
 - ii. maintain an excellent relationship between the Council and schools; and
 - iii. achieve the budget savings target for the service up to 2020.
- 1.54 The models under consideration have been evaluated against a common set of criteria, based on these high level objectives and the following table provides a rating for each option's overall likelihood of meeting each of the criteria. Those criteria that were rated as most important in the schools and public surveys are identified in bold.

	In-house	Social Enterprise	2-way JV	3-way JV
Helps to maintain a strong partnership between the Council and Barnet schools	✓✓	✓✓✓	✓✓	✓✓✓
Enables schools to take a stronger leadership role in the education system	✓✓	✓✓✓	✓✓	✓✓✓
Is able to attract new investment/funding and access commercial expertise to preserve and grow services	✓✓	✓✓	✓✓✓	✓✓✓
Has the freedom to be creative and the flexibility to develop new services quickly during times of change	✓	✓✓	✓✓✓	✓✓✓
Is able to engage with and build trust with all key stakeholders, including parents and the public	✓✓✓	✓✓✓	✓✓	✓✓
Preserves or improves service delivery in key service areas	✓	✓✓	✓✓✓	✓✓✓

	In-house	Social Enterprise	2-way JV	3-way JV
Is able to customise services to meet the needs of different types of school	✓✓	✓✓✓	✓✓✓	✓✓✓
Is able to achieve budget savings without reducing current service levels	✓	✓✓	✓✓✓	✓✓✓

Key:

✓	Low
✓✓	Medium
✓✓✓	High

1.55 The key assumptions that underpin this assessment are:

- Models that include schools in an ownership role are better placed to strengthen existing partnerships and enable stronger leadership from schools
- Models that include a third party provider deliver a greater opportunity for investment and expertise from outside the current system
- Models that attain greater commercial expertise from the outset are better able to grow services more quickly, thereby avoiding service reductions
- Models that are fully owned by the public sector are more likely to engender trust from parents and the public, as they are less likely to have different strategic drivers from the Council, for example the need to make a return on investment for shareholders.

Conclusion and recommendation

1.56 Based on this assessment, it is concluded that:

- The in-house option is less likely to meet the objectives set out above, as the need to make service reductions in order to meet budget targets is likely to hamper its capacity to meet the objective of maintaining Barnet's excellent education offer.
- The social enterprise option may meet the objectives. However, there is not sufficient interest amongst schools to rely on schools to invest their funds, alongside the Council, in establishing the required commercial and marketing expertise. There is more financial risk involved than the joint venture models and that risk would be retained by the Council and schools.
- The two-way joint venture option is likely to meet the objectives set out above by providing the investment and expertise that is necessary to maintain and grow high quality support services to schools, whilst delivering the requirements of the Council's Medium Term Financial Strategy.

- iv. The three-way joint venture option is most likely to meet the objectives set out above by providing the investment and expertise that is necessary to maintain and grow high quality support services to schools, whilst delivering the requirements of the Council's Medium Term Financial Strategy. Whilst the involvement of schools as owners would be expected to strengthen relationships with schools, the outcome of the school survey suggests that schools tend not to see this as necessary.

1.89 At this stage, there is no clear indication from schools that there is a strong appetite to enter into an ownership model, although there is an indication that schools would be willing to consider such a model. Therefore, the recommendation is to proceed with developing a full business case to establish a joint venture with a third party and, during this process, to establish the most appropriate way that schools can be actively involved in commissioning and shaping services, either in an ownership or in a commissioning capacity.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Council's commissioning approach requires consideration of the best model for delivering services to meet its priorities and outcomes. It is recommended that the Council should proceed with developing a full business case to establish a joint venture model for the future delivery of Education and Skills services. The most appropriate engagement of schools in the joint venture will be developed during the Competitive Dialogue process. The specific concerns from the public survey regarding the involvement of a third party, for example in relation to accountability and service quality, will be addressed as far as possible through the procurement process and by involving headteachers in that process.
- 2.2 This conclusion is based on the detailed evaluation of the four possible models set out above and taking into account the outcomes of consultation, including:
 - i. The school survey shows no clear preference for any of the models, although there is a marginal preference for the two-way joint venture
 - ii. Amongst those that responded to the public survey, there is a clear preference for the in-house option and a high level of concern about the potential involvement of a third party in the delivery of these services
 - iii. The preference of focus groups of parents was split between the in-house option and the two-way joint venture
 - iv. The in-house option, whilst carrying a degree of public support, is considered to be less likely to meet the overall objectives
 - v. The social enterprise option also carries a degree of risk in meeting the objectives and it did not receive the very high level of support from schools that would be required to mitigate that risk
 - vi. The two-way joint venture provides a good overall fit in terms of meeting the objectives and attracted a reasonable level of support from schools

- vii. The three-way joint venture provides the best overall fit in terms of meeting the objectives, but attracted less support from schools than the other models

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Six options were evaluated as part of the draft outline business case. As a result of that initial evaluation, the outsourcing and Local Authority Trading Company options were not taken forward for consultation. In addition to the original six options that were evaluated, one further option, a shared service, was identified, but not considered in any detail. The Council has a track record of using services shared with other organisations, where appropriate, but in this case informal discussions with neighbouring councils indicated that there was little appetite to participate in the development of a shared service at the current time. The preferred model does not preclude the possibility of future joint working with other councils.

4. POST DECISION IMPLEMENTATION

- 4.1 The selection of a third party provider will require a competitive procurement exercise, which will be conducted in accordance with EU procurement regulations using the Competitive Dialogue approach. It is anticipated that a decision on the selection of a preferred bidder will be sought from the Children, Education, Libraries and Safeguarding Committee, probably in July 2015, based on a full business case. At the same time, the Policy and Resources Committee will be asked to consider the final model and make a recommendation to full Council on the contracting out of functions and setting up of a separate entity. The final decision on setting up a separate entity and contracting out functions rests with full Council.
- 4.2 As part of the process of developing a full business case, due consideration will be given to addressing the concerns raised during the consultation process, as set out in section 5 of this report. This, together with feedback on the evaluation criteria will also inform the development of criteria for evaluating bids.
- 4.3 The overall project approach is set out in the outline business case. The key milestones are:

Key dates / milestones	Date
CELS Committee – approval of outline business case	12 th Jan 2015
Commence process to establish new model	13 th Jan 2015
Issue OJEU notice	Jan 2015
Bidders Day	Feb 2015
PQQ evaluation and moderation	Feb 2015

Key dates / milestones	Date
Dialogue	March – June 2015
P&R Committee – report	20 th July 2015 (TBC)
CELS Committee – approval of full business case	28 th July 2015 (TBC)
Commence formal TUPE consultation	29 th July 2015
Evaluation and moderation	August 2015
Preferred bidder selected	August 2015
Mobilisation	October 2015

5. IMPLICATIONS OF DECISION

Corporate Priorities and Performance

5.1 Barnet is a place of growth. The quality of the education offer is at the heart of Barnet's continuing success as a place where people want to live, work and study. It plays a crucial part in making Barnet a popular and desirable place with many families attracted to the area by the good reputation of Barnet's schools. Excellent educational outcomes and ensuring children and young people are equipped to meet the needs of employers are key to deliver the Council's strategic objectives set out in its Corporate Plan 2013-16 to:

- Promote responsible growth, development and success across the Borough
- Support families and individuals that need it – promoting independence, learning and well-being
- Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place

5.2 Developing a new approach to delivering education and skills services in partnership with schools, will enable the Council and schools to continue to support these priorities through jointly harnessing efforts and resources at a time of financial constraint and when the educational landscape is leading to a more diverse range of providers. Developing a delivery model that enables the services to be responsive to the needs of this increasingly diverse range of providers offers the opportunity to maintain and improve support services to schools so that Barnet's excellent educational offer can be maintained and improved.

Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.3 These services are currently provided at a total annual gross cost of £18.8m. This is funded by £2.9m from the Dedicated Schools Grant, which

is ring-fenced, and generation of income of £9.2m. This leaves a net budget of £6.8m.

- 5.4 Within the savings target set by the Policy and Resources Committee, the Education and Skills service is required to deliver savings of £850k between 2016/17 and 2019/20, in addition to savings of £695k that were agreed as part of the Medium Term Financial Strategy for 2015/16 in February 2014.
- 5.5 The cost of carrying out the options appraisal and developing proposals to this point is approximately £300k, which has been funded from the Transformation Reserve. Conducting a Competitive Dialogue and managing the transition to a new delivery vehicle is anticipated to take a minimum of nine months, to October 2015, and cost approximately £1.3m, the detail of which is set out in the final outline business case. Subject to approval, these costs will be met from the Transformation Reserve. The project team and specialist advisors required to carry out this work will be procured independently of the existing Customer and Support Group arrangements, to mitigate any potential conflict of interest.
- 5.6 Financial modelling has been carried out on the basis of a prudent, but realistic, assessment of achievable expectations with regard to potential growth and service efficiency. The model has been subjected to rigorous testing by the Council's independent commercial advisors and by the in-house finance team. The modelling indicates that all models are capable of delivering the required budget targets. However, it is anticipated that the in-house and social enterprise models are significantly more likely to require service reductions in order to achieve this. The joint venture options, whereby delivery risk is transferred to a third party, provide a much higher degree of certainty that budget targets can be met through income growth and service efficiencies. Financial modelling can only provide an indication of the likely outcomes. The assumptions on which it is based would need to be tested thoroughly through the procurement process.
- 5.7 The implications of staff transferring to a separate organisation will require careful consideration. The application of TUPE regulations and the London Living Wage in particular will be matters for discussion during Competitive Dialogue. It will be necessary for the Council to reach a view on its position in respect of these issues at the earliest opportunity.

Legal and Constitutional References

- 5.8 The Responsibility for Functions section of the Council's Constitution sets out how decisions of the Council can be made. If this proposal proceeds, there are a number of significant decisions to be made, which sit across Council committees and full Council.
- 5.9 Paragraph 1.6 of the Responsibility for Functions section confirms that decisions on policy matters and new proposals relating to significant

partnerships with external agencies and local authority companies are reserved to the full Council.

5.10 Annex A to the Responsibility for Functions section confirms the terms of reference for Council committees. Policy and Resources Committee has responsibility to determine the overall strategic direction of the Council, specifically in relation to internal transformation programmes, strategic partnerships and corporate procurement. The Children, Education, Libraries and Safeguarding Committee has responsibility for education functions, including discussion of transformation schemes within the Council's policy framework.

5.11 To ensure that this project is considered by the correct decision making bodies, the following reports will be presented:

September 2014	CELS	Consideration and agreement of draft outline business case and agreement to consultation on preferred options
December 2014	P&R	Agreement to continued consideration of alternative delivery model for education services Agreement of budget for project implementation
January 2015	CELS	Consideration of consultation responses and decision on preferred option and commencement of procurement, as required
July 2015	CELS	Decision on selection of bidder, as required
July 2015	P&R	Consideration of alternative delivery model and recommendation to full Council on contracting out of functions and setting up alternative delivery model, as required
July 2015	Full Council	Decision on whether to set up alternative delivery model and contracting out of functions

5.12 The Education and Skills service provides a combination of statutory and discretionary services, some of which are traded to schools. Many of the statutory services can be contracted out by virtue of regulations made under the Deregulation and Contracting Out Act 1994, although there are some exceptions and the Council will have to consider the most appropriate way for relevant services to be delivered as part of the overall business case.

5.13 The Education Act 2002 allows maintained schools to form or invest in companies to provide services for schools and exercise relevant local authority functions. In order to do so, the relevant local authority must give consent and there are restrictions on schools with suspended budgets following statutory intervention.

5.14 When making decisions around service delivery, the Council must consider its public law duties. This includes its public sector equality duties and consultation requirements as well as specific duties in relation to education services and services to children and families.

5.15 Due to the potential change to the provision of education services, detailed consultation has been carried out with schools, service users and the

general public, as well as current employees. Results from this consultation must be considered when deciding on the most appropriate way forward.

- 5.16 The Council must comply with the Public Contract Regulations 2006 when proposing to enter into contractual arrangements for certain services. Detailed legal support is being provided to ensure that the Council meets its public procurement obligations.

Risk Management

- 5.17 Project risks have been identified in the final outline business case, along with mitigation measures. These will be managed through the project governance arrangements, in accordance with the Council's project management standards.
- 5.18 The project itself is designed to mitigate against the risk of a decline in the performance of the educational system as a whole that could arise from making service reductions to meet Medium Term Financial Strategy targets.
- 5.19 The key risks associated with the delivery of the project relate to:
- i. The ability to meet the timescale for achieving budget savings, given the level of change required. This will require on-going monitoring.
 - ii. The ability to implement a new delivery model within the required operational timescales. Significant effort has been put into early, detailed planning of the procurement process and ensuring that the necessary resources are in place to support this. However, the procurement timescale is very ambitious and the need to meet this timescale will need to be balanced against the need to ensure the effective engagement with schools in the process and its outcomes.
- 5.20 The risks associated with the recommended model are:
- i. Ensuring an effective level of engagement with schools that secures support for the joint venture and willingness to buy-back the services it provides. This will be managed by ensuring the on-going involvement of schools in the procurement process and on-going development activity.
 - ii. The potential impact on competition of the market's perception of the Council's existing partnership arrangements. Measures have been put in place to minimise the involvement of personnel that are employed through existing partnership arrangements and to ensure that any involvement is restricted to data provision and technical support only.
 - iii. Ensuring that the Council secures the best possible outcome from the Competitive Dialogue process and that the resulting contract delivers what is expected and required. It will be necessary to ensure that appropriate legal, commercial, financial and HR advisors are secured at the earliest opportunity.

- iv. The ability to attract a suitable partner that is willing to provide an appropriate level of investment in growing the services. Other councils are known to be considering this option and putting this opportunity to the market early will make it more attractive to potential partners.
- 5.21 An initial assessment of Health and Safety Risks associated with the proposals has been carried out. This has identified that there are no additional Health and Safety risks beyond those normally associated with the delivery of these services and which are managed through established Health and Safety policies and procedures. In the event of a third party or separate organisation being established, there will need to be due consideration of Health and Safety matters in the commissioning process.

Equalities and Diversity

- 5.22 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
 - advance equality of opportunity between people from different groups
 - foster good relations between people from different groups
- 5.23 The broad purpose of this duty is to integrate considerations of equality into day to day business and to keep them under review in decision making, the design of policies and the delivery of services.
- 5.24 An Equality Impact Assessment has been carried out and is attached as Appendix Three. This covers potential impacts on residents and service users and on employees. The initial impact assessment for residents and service users identifies a minimal positive impact overall. The initial impact assessment for employees identifies a bigger impact on women than men. This is due to the fact that women make up 93% of the affected workforce.
- 5.25 It is recognised that the establishment of an alternative delivery model constitutes a significant change that will have an impact on employees and, in accordance with the Council's Managing Organisational Change Policy, it is essential that this change is managed in a way that reduces the disruptive effects of change. This will include ensuring that:
- the employees concerned will be treated in a fair and equitable way
 - advance notice of the impending change is given to the employees concerned as soon as possible
 - change will be brought about following consultation
 - the need for compulsory redundancy will be minimised but balanced against the Authority's need to retain employees with the skills and experience necessary to best meet future service requirements
 - redeployment opportunities will be maximised

- 5.26 Consultation will take place with the recognised trade unions and affected employees, as the proposals are developed further.
- 5.27 The Equality Impact Assessment will be kept under review and consultation responses will be incorporated into it to identify any potential adverse impacts and mitigating measures.

Consultation and Engagement

- 5.28 The outcomes of the consultation and engagement activity that has taken place are set out in the body of the report. Consultation has identified a number of key themes. These are set out below, along with initial responses. Further consideration will be given to points raised through consultation in developing the full business case.

Theme	Response
Model – there were mixed views about the preferred model, with schools and public respondents raising concern about the time commitment and financial risk to schools involved in the ownership models and some respondents requesting further information.	Whilst all models could provide the level of savings required, each carries different levels of risk and a different balance of service reductions and income growth. Bringing in a third party provider enables a provider with commercial expertise to support rapid development of the service, whilst the Council retains a key ownership role in the running of any new company. Whilst the option of school ownership can be kept open in the Competitive Dialogue stage, a number of respondents understand that a school role as commissioner can give them a sufficient role in the strategic direction of the proposed new company.
Services included – there were comments by schools and residents about the inclusion of some services, although residents supported SEN and school improvement services being included more than schools. Staff and trade unions also raised concern about conflict of interests between different partners.	The services to be included in the model include both statutory functions of the local authority and traded services. Provision of a unified and integrated approach for the delivery of education services is considered to be important for maintaining a quality education support function. Quality assurance and the need for specialist provision will be key aspects for discussion during the competitive dialogue process for all of the services concerned.
Third party expertise – there were some comments about the lack of expertise of any third party provider and the need for quality assurance.	The evaluation criteria will be designed to ensure that the right partner is chosen and the option of a joint venture delivery model ensures the Council continues to have a role in delivery of services. However, the Council will also need to ensure that its contract monitoring process is robust and the lead responsibility for quality assurance will sit with the statutory Director of Children’s Services.
Length of contract – there were comments from schools and the market about the length of contract, with the market expressing a desire for a longer contract term to enable certainty in return for investment and the schools commenting on the level	If schools are in a commissioning role, it is anticipated that they will be able to buy services on an annual basis and will not be tied into the entirety of the contract, although discounts may be offered for longer contractual arrangements. It will therefore be imperative for the owners of the company to meet the needs of their school

Theme	Response
of commitment.	customers to ensure continued purchase of services, as well as exploring new markets. Based on legal and commercial advice, the contract term is recommended to be seven years, with options to extend up to a further three years.
Conflict of interest/priority of different parties – employees raised concerns about conflict of interest between different parties. Residents also raised concern about the profit motives of a third party provider.	Potential conflicts of interest will be an important aspect to consider during the procurement process to ensure that any conflict of interest can be managed appropriately. Whilst a third party provider may be a profit making company, it may also be a not for profit organisation. It is important to ensure that the procurement process focuses on quality of provision and value for money, rather than the status of the provider. Profit making companies have been successfully involved in the delivering of statutory functions and public services for some time and can provide a level of expertise to ensure that resources are focused on service delivery.

6. BACKGROUND PAPERS

- 6.1 OPM'S report providing detailed analysis of the consultation results.
<http://engage.barnet.gov.uk/>
- 6.2 Council, 16th December 2014 – agreed that the Children, Education, Libraries and Safeguarding Committee should complete the detailed consideration of alternative delivery options, including agreeing to the commencement of procurement where relevant.
<http://barnet.moderngov.co.uk/documents/s19543/Business%20Planning%20201516-1920.pdf>
- 6.3 Children, Education, Libraries and Safeguarding Committee, 15th September 2014 – approved further consultation and engagement on four options for the future delivery of the Education and Skills service.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=7925&Ver=4>
- 6.4 Policy and Resources Committee, 10th June 2014 (Decision Item 6) – noted the updated Medium Term Financial Strategy up to 2020 and the Priorities and Spending Review report. The Committee agreed the Education and Skills project approach to consultation.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7856&Ver=4>
- 6.5 Cabinet, 25th February 2014 (Decision Item 7) – approved the Medium Term Financial Strategy.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=120&MId=7518&Ver=4>

Outline Business Case (OBC): Education and Skills Alternative Delivery Model

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Date:	28 th November 2014
Service / Dept:	Education and Skills

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1. Introduction and Strategic Context

On the 23rd June 2014, the Children, Education, Libraries and Safeguarding Committee noted the savings target allocated by the Policy and Resources Committee and agreed to complete a Commissioning Plan and savings proposals by December 2014. In setting savings targets up to 2020, the Policy and Resources Committee took account of findings from consultation with residents and other parties in which the quality of education in Barnet was consistently raised as a key attraction in making Barnet such a popular place to live and raise a family.

The Children, Education, Libraries and Safeguarding Committee's proposed Commissioning Plan sets out the key priorities for children and young people over the next five years, alongside the projected budget profile for services within its portfolio. Budget targets have been allocated to each service area through to 2019/20, including for Education and Skills.

In preparing its Commissioning Plan, the Children, Education, Libraries and Safeguarding Committee considered a number of national and local policy challenges at its meeting on the 29th July 2014, including those relating to the changing educational landscape within which Barnet schools and the Council are working. The Committee considered the ambition for educational outcomes that has been developed in consultation with Barnet schools which is for Barnet to be *'the most successful place for high quality education where excellent school standards result in all children achieving their best, being safe and happy and able to progress to become successful adults.'* This ambition is supported by three key aims that articulate how the partnership effort to deliver this ambition can be assessed:

- Every child attends a good or outstanding school, as judged by Ofsted
- The attainment and progress of children in Barnet schools is within the top 10% nationally
- The progress of the most disadvantaged and vulnerable pupils is accelerated in order to close the gap between them and their peers

At its meeting on 15th September 2014, the Children, Education, Libraries and Safeguarding Committee considered a draft outline business case that set out the results of work that had been undertaken to assess the best way of delivering Education and Skills services in the future, so that they can support the achievement of this ambition. The draft outline business case set out details of six options for the future delivery of services for consideration by the Committee.

The Committee decided to proceed to consultation on four of those options. This final outline business case sets out the results of that consultation, along with the outcomes of further work that has been undertaken to assess the commercial and financial viability of each of the options and recommends a preferred model for the future delivery of the Education and Skills service.

2. Rationale

Barnet's Education Strategy (approved by Cabinet in June 2013) sets out the changing educational landscape within which local authorities and schools are now operating, including:

- The increasing autonomy of schools – nationally, over 50% of secondary schools and 9% of primaries are now academies
- The increasing diversity of educational providers entering the educational arena, including academy trusts/sponsors and free school proposers
- Increasing delegation of school funding through the move towards a national funding formula

This changing landscape creates three key drivers for change in the service, which are described in full in the following paragraphs. These drivers combine to make a compelling case for change, which requires consideration of an alternative model for the delivery of services in the future.

Performance Driver

In recent years, Barnet schools have been among the best in the country. 90% of Barnet pupils are at schools which were graded good or better at their last Ofsted inspection and 90% of Barnet schools are graded good or better. Our aspiration is to be in the top 10% of authorities in the country and so far, we are succeeding.

However, maintaining this performance is challenging and some more recent Ofsted inspections have been disappointing – a potential early warning sign that we need to review and evolve to adapt our systems and services to better reflect the new educational environment in which our partnership with schools is operating. The following are areas of concern, which require a strategic response by the local authority and schools:

- Inspection of schools under the new OfSTED framework - Whilst Barnet remains in the top 10 percent of local authorities for schools that have been judged by OfSTED as good or outstanding, Barnet ranks much lower (close to the national average) in relation to inspections carried out under the new inspection framework introduced in 2012.
- Primary writing - In relation to pupil achievement and progression, there are significant concerns with Primary school results, particularly in relation to writing. However, the provisional 2014 results do indicate an improvement on 2013.
- The Free School Meals gap - At both Primary and Secondary level, the gap in attainment between pupils eligible for Free Schools Meals and their peers last year was well outside the top 10% of local authorities in England and well above the average gap for London. There has been an improvement in the Key Stage 2 figure in 2014, but at Key Stage 4 there is a larger attainment gap than nationally for pupils achieving 5 A*-C grades including Maths and English.

- Looked after children - In 2013 just 14% of looked after children in the Year 11 cohort achieved 5 A*-C GCSEs including English and Maths and the percentage making the expected level of progress in English and Maths between Key Stages 2 and 4 was just 12%.
- Primary attendance - Pupil attendance at primary schools in 2012/13 (the last available figures for a full school year) was below the national average and well below the London average.

These areas of concern raise a broader issue of whether the arrangements for school improvement in Barnet are appropriate to the challenges we face and both officers and headteachers have been reviewing our school improvement arrangements. A new Schools Standard Partnership Board has been established, chaired by the Director of Children's Services to bring focus and challenge to our arrangements.

Educational excellence is key to Barnet's ambition as a Borough to grow successfully and, in a series of consultations that have been conducted with Barnet residents, the quality of the education offer in Barnet has been identified as a priority issue, fundamental to maintaining quality of life in the Borough.

With the diversification of funding, structures and providers, maintaining this excellence going forward is going to require the Council and schools to consider how best to harness the resources within the system overall in order to sustain high standards in all our schools and to ensure that all children receive the very best standard of education in the Borough.

Strategic Direction Driver

As in most local authority areas, we are witnessing an increasingly diverse range of school governance arrangements emerging. 17 out of 24 of our secondary schools are academies and there are six primary academies. Of these, two secondary and three primary schools were opened as new academies (free schools). Based on current trends, the number of academies within the Borough is predicted to increase over the coming years.

The vast majority of school improvement resources and school improvement expertise is now controlled and managed by schools themselves. 95% of the Schools Budget (the Dedicated Schools Grant) is devolved to schools. Given the level of resources and expertise now within schools, together with the increasingly autonomous nature of school governance, greater ownership of education services, policies and strategies by schools is becoming an increasingly common feature of local education partnerships. The consideration of new delivery models is a response to that.

During the last year, the authority has also been consulting schools on a more flexible approach to how the school improvement system in Barnet should operate. There are significant potential benefits to be gained by establishing a more strategic longer-term approach to school improvement, with a greater focus on school-to-school support and drawing on the system leadership capability of many of the best headteachers and schools, including Barnet academies. Barnet schools and the

Education and Skills service are in a strong position to make a successful, timely transition to a new model of school improvement, through the development of school improvement partnerships, so that every school in Barnet is able to benefit from and contribute to system leadership and a self-improving school system.

The strategic driver behind the proposed move to a new delivery model reflects the Council's desire to maintain its strong relationship with schools. To achieve this, it is necessary to ensure that future service provision is shaped and driven by schools, that it is of a high standard, and that services are able to cope with increased demand. The proposed selection criteria for the new model include criteria based on these strategic factors.

Financial Driver

Funding going to schools has been well protected despite recent reforms and looks set to continue this way. However, the ability of the local authority to fund services to meet its remaining statutory duties is less secure, being impacted by both the reduction in local government funding overall, and by a reduction in government grant as individual schools convert to academy status.

The Council has faced and continues to face significant budget pressures. It is expected that there will have been a 50% reduction in central government grant between 2010 and 2020 (63% adjusted for inflation), including a reduction in the Education Services Grant paid to local authorities for the provision of central education services. The Council expects to have made savings of £73.5 million between 2010 and 2015 and to have to make further savings of £73 million between 2016 and 2020. By 2020 the Council will have lost 44% of its spending power.

The budgets for schools and for some central education services are funded from the ring-fenced Dedicated Schools Grant (DSG). Any under-spending of DSG (the Schools Budget) has to be re-allocated within the Schools Budget, so cannot contribute to the Council's budget savings. The remaining, non-DSG funded, central education budget, which currently stands at £6.8m is set to reduce by over £2m between now and 2019/20, including savings of £0.5m in SEN Transport. It should be noted that more than half of this budget relates to the provision of transport for children with Special Educational Needs.

Savings on this scale will have a significant impact on the Council's ability to provide a strategic and distinct Education and Skills service and will mean the non-DSG-funded services would be reduced to a statutory minimum with the risk that, if the service is not delivered in a fundamentally different way, even key statutory functions may not be carried out adequately.

3. Project Definition

The aim of the project is to implement a future delivery model for Education and Skills services that will realise the objectives of:

- Maintaining Barnet's excellent education offer;
- Maintaining an excellent relationship between the Council and schools; and
- Achieving the budget savings target for the service up to 2020.

Scope

In determining the most appropriate scope for the future delivery model, the following factors have been taken into account:

- The strategic context
- The need to provide a unified, integrated approach to service delivery
- The ability to define a single brand for education services, with clear points of contact for schools and parents
- Start-up and/or procurement costs, as well as ongoing client-side management costs

It is proposed that all remaining local education authority services, as currently provided by the Council's Education and Skills Delivery Unit, should be included in the scope for consideration of a new delivery model. This does not currently include the brokerage or provision of transport for children with Special Educational Needs, but these may be included subject to the outcome of a separate Council project that is reviewing the Passenger Transport Service.

The services in scope are:

Strategic and financial management of the service

- Strategic oversight of the Education and Skills service
- Strategic support and advice to the Schools Forum
- Management of the Dedicated Schools Budget and the distribution of funding to schools (including SEN place-funding and top-up funding)

School improvement

- Statutory local authority services, such as monitoring, supporting and challenging schools, and intervening in maintained schools where necessary
- Narrowing the gap service (DSG funded)

Special educational needs (including changes implemented from 1st September 2014)

- SEN placements & performance team
- SEN Early Support Programme
- SEN Transport – commissioning and assessment

- Educational psychology team (part traded)
- SEN placements (DSG funded)
- SEN specialist support service (DSG funded)

Admissions and sufficiency of school places

- Pupil place planning
- Admissions Service (DSG funded)

Vulnerable pupils

- Education welfare service (part traded)

Post 16 learning

- 14 - 19 service to ensure sufficiency and breadth of supply
- Monitoring, tracking and supporting participation

Traded services

- Catering service
- Governor clerking service
- Barnet Partnership for School Improvement (BPSI)
- Newly Qualified Teachers support
- Educational psychology (part)
- Education Welfare Service (part)
- North London Schools International Network (NLSIN)

Any new model would deliver statutory services for the Council, as well as providing traded services to schools. For the Council's statutory functions to be contracted out to a separate entity, the statutory duties or powers in question need to be either:

- i. included in the regulations made under the Deregulation and Contracting Out Act 1994; or
- ii. otherwise eligible to be contracted out as a matter of statutory interpretation of the legislation giving rise to the statutory function.

Some of the duties and powers cannot be contracted out, for example the duty around place planning and the power to prosecute for non-school attendance. This does not prevent the Council from contracting out delivery of services associated with these duties and powers, but the ultimate accountability and decision making would remain with the Council.

Within all of the options under consideration, the statutory post of Director of Children's Services will remain with the Council. The Director of Children's Services:

- has professional responsibility for the leadership, strategy and effectiveness of the local authority children's services;
- is responsible for the performance of local authority functions relating to education and social care of children and young people; and

- is responsible for ensuring that effective systems are in place for discharging local authority functions, including where a local authority has commissioned any services from another provider rather than delivering them itself.

Services that are provided to schools from elsewhere within the organisation, notably through the Customer and Support Group, are not included in scope.

Current Financial Position

As part of the Priority and Spending Review process it was identified that the Council has a savings target of £72m to achieve a balanced budget between 2016 and 2020. This is explained in more detail in the *Business Planning Report – Medium Term Financial Strategy 2015/16 to 2019/20* paper presented to Policy and Resources Committee on 2nd December 2014, which revised the gap to £73.5m. Within this paper a savings requirement of £9.875m was allocated to Children, Education, Libraries and Safeguarding Committee.

In response, the Children, Education, Libraries and Safeguarding Committee has developed a five year commissioning plan. This plan sets out the key priorities for children and young people over the next five years, alongside the projected budget profile for services within its portfolio to meet the Council's Medium Term Financial Strategy. For the Education and Skills service, the proposed commissioning plan requires the following budget reductions through to 2019/20:

2015/16	695,000
2016/17	85,000
2017/18	160,000
2018/19	255,000
2019/20	350,000
Total budget reduction	1,545,000

The current gross budgets for the services included in this business case are £18.8m. This is funded by £2.9m from the Dedicated School Grant, which is ring fenced. Income generation accounts for £9.2m of the remainder. This leaves a net non-DSG revenue budget of £6.8m. Further detail is provided in the table below.

	Gross Expenditure	Funded by:		Net Council Funding
		Income	DSG Funding	
Non-DSG services excluding SEN Transport				
14 - 19 Team	695,190	-85,450		609,740
Barnet Partnership for School Improvement (BPSI)	727,730	-761,070		-33,340
Catering	6,943,500	-7,133,970		-190,470
Ed Psych Team	860,130	-286,780	-120,770	452,580

Education Welfare Service	343,335	-118,580		224,755
Foreign Language Assistants	151,640	-165,020		-13,380
Governors' Clerking & Support	319,950	-295,430		24,520
Learning Network Inspectors NDSG	439,520	0		439,520
Management Team	345,650	-22,630		323,020
Newly Qualified Teachers	235,801	-135,260	-86,191	14,350
North London Schools International Network (NLSIN)	48,480	-56,000		-7,520
SEN Early Support Programme	30,700	0		30,700
SEN placements & performance team	592,284	0		592,284
Shared Services (admin, data etc.)	383,937	0	-70,887	313,050
Sub-total	12,117,847	-9,060,190	-277,848	2,779,809
DSG-funded services				
SEN Specialist Teams	1,467,056		-1,467,056	0
School Admissions	361,200	0	-361,200	0
SLA for SEN Early Years services	449,040	0	-449,040	0
Sub-total	2,277,296	0	-2,277,296	0
SEN Transport				
SEN Transport	4,387,984	0	-400,000	3,987,984
Sub-total	4,387,984	0	-400,000	3,987,984
GRAND TOTAL	18,783,127	-9,060,190	-2,955,144	6,767,793

4. Options

The draft outline business case that was presented to the Children, Education, Libraries and Safeguarding Committee on 15th September 2014 outlined six options for the future delivery of Education and Skills services. Based on an initial evaluation of those options, the Committee agreed to proceed to consultation on four of the options. A detailed description of the remaining options is set out below.

Option 1: in-house

Description

This model would involve the Council continuing to manage the education support services provided by the Education and Skills Delivery Unit directly. The Council would continue to be responsible for appointing and managing staff. The Council would have strategic oversight of services and would continue to consult with schools on service provision and strategic direction.

With this model, the Council would not incur procurement costs. If the Council decided to invest an equivalent sum in the in-house service, it could be used to employ a small commercial/marketing team to develop and market traded services. Over time, this investment could lead to growth in traded services that would generate a surplus that could be used to reduce the impact of the Council's budget reductions in the longer term. In the short term, the service would have to make substantial savings, which would require service reductions. This would be likely to hamper the ability of this model to grow.

The Council would need to carry out a comprehensive programme of process review and improvement to maximise efficiency and give careful consideration to those elements of the service that it would continue to fund and those that would need to be moved to traded status.

The scale of the budget reductions over the next five years might mean that a separate Education and Skills Delivery Unit would not be viable.

This model would enable consideration of different delivery models for the larger individual traded services, such as catering and BPSI, which could potentially operate as viable businesses in their own right, either independently or in partnership with others.

How it meets the objectives

Initial budget savings would be achieved through service reductions, but it may be possible to offset job losses and service reductions in the longer term by increasing traded income for existing services, primarily by promoting and selling more services to Barnet schools.

The reduced service level that would be required to meet budget targets and the loss of a distinctive focus on education by merging the service with another delivery unit

could undermine the ability of the Education and Skills service to support better educational outcomes for Barnet.

Schools would continue to be strategic partners, but would not have direct ownership or an enhanced commissioning role under this model. This may limit their ability to influence service direction or have an enhanced role in quality and performance management.

Advantages and disadvantages

The main advantage of this model is that there is limited change from current arrangements and, therefore, limited disruption associated with that change.

A key disadvantage of this model is that it does not bring any external investment to support the growth of the business. Nor does it provide access to an established commercial and marketing structure that would support the development of new products and markets. This may hamper the ability of the business to grow its income sufficiently or quickly enough to offset any of the savings required by the Council.

The potential advantages and disadvantages of this model are summarised below.

Potential advantages	Potential disadvantages
<ul style="list-style-type: none"> • All additional income would be retained by the Council • Limited change, therefore limited impact of change • Opportunity for the service to work more closely with other Council services, such as children’s and adults’ social care and public health • Focus remains on Barnet and Barnet schools 	<ul style="list-style-type: none"> ▪ Does not have ready access to an established commercial and marketing structure to develop new products and markets quickly ▪ Without considerable new income, services would be reduced over time, with a potential detriment to schools and to children and young people ▪ Lack of ownership by schools could reduce the effectiveness of the partnership between the Council and schools over time

Option 2: schools-led social enterprise

Description

This model would involve the schools and the Council jointly owning a company that would deliver the services (the delivery company). The investment required to establish the new entity and develop the services would come from the schools and the Council. For the Council, there would be savings on the procurement costs associated with other options.

As an alternative to the schools directly owning the delivery company, it would be possible for the schools to first form a school company entirely owned by the schools. This would, in effect, act as a governance vehicle bringing schools together in one body (the governance company) that would then join with the Council to establish the separate company that delivers the services.

The delivery company's constitutional documents (principally articles of association and a shareholders' agreement) would also set out clear social objectives (hence the term "social enterprise"). The schools and the Council would need to agree on how any surplus/profit would be used – either for reinvestment in services, to reduce future charges or to be distributed by dividends (the latter would be unlikely, at least in the short to medium term).

All Barnet schools would have the opportunity to participate in the ownership of the delivery company, either via a governance company or by becoming a shareholder directly. Shareholders would appoint a board of directors to oversee the running of the delivery company on their behalf. The board of directors would appoint a chief executive and management team (primarily through TUPE transfer of existing staff) to manage the day to day operation of the business.

There would need to be additional arrangements put in place to actively engage all schools in the development of services and oversight of performance, probably through a customer forum or steering group (like the current BPSI model) that would meet termly. The Council would commit to commissioning the services it requires from the company, at a cost that reflects the Council's budget. As well as seeking efficiencies, the company would need to grow the business to fill the gap between the current budget for services and the price that the Council pays. This could be achieved by:

- Selling more services to existing school customers
- Selling services to new school customers, either within the borough or elsewhere
- Selling services to other councils
- Developing new services to sell to schools and councils

Procurement case law (known as the Teckal exemption) means that, provided the delivery company was structured in the appropriate way, the participating schools and the Council could contract with the delivery company without going through a competitive procurement exercise. A key requirement for meeting the Teckal test is that the owners (i.e. the Council and the participating schools) exercise decisive influence over strategic and significant decisions and that trade with customers other than the participating schools and the Council must be limited to less than 20% of the delivery company's total turnover.

This model assumes there will be a commitment to service development by schools and thus that schools will be willing to invest in the company. It is also assumed the Council will offer some matching investment, funded by savings on procurement costs.

This could mean, for example, that schools invest £750,000, with the Council investing a sum equivalent to the cost of procuring a third party partner. This would be used in part to develop and market the services offered on a trading basis by paying for a commercial/marketing team, plus advertising and event costs, as well as some secondments (which may be part-time) of school staff to promote services in

and beyond Barnet. In this example, schools' investment would represent, say, 100 schools paying £7,500 each. Alternatively, there may be differential amounts (e.g. £5k primary and £10k secondary) according to school phase or pro-rata to pupil numbers.

As well as funding the commercial/marketing team and activities, it is assumed that the balance of this investment would be used to enable service levels to be protected for a year or two while the new commercial team develops and markets the services. However, there would still need to be some service reductions, with more to follow if there is insufficient growth in traded income. There would also need to be a comprehensive programme of process review and improvement to maximise efficiency and the Council would need to give careful consideration to those elements of the service that it would continue to fund and those that would need to be moved to traded status.

How it meets the objectives

This model builds significantly on the existing good relationships with schools and provides enhanced ownership of the education system by schools.

Service levels would need to be maintained through investment from schools and the Council, to enable growth of services and the addition of new services, with savings being delivered to the Council through contractual arrangements.

Better educational outcomes for Barnet and an adaptation to the new education landscape could be achieved through greater schools' ownership of services and strategies.

Advantages and disadvantages

The main advantage of this model is that schools and the local authority jointly own the vehicle that delivers the services. This should result in:

- More active involvement of schools in identifying and responding to emerging service needs
- Schools acting as advocates for the service, to other schools in the borough and elsewhere

Another major advantage of this model is that creating a body that is separate from the Council will allow it to have more freedom to trade and more freedom over its internal operations and decision-making processes, subject to the oversight of the board of directors. This would give greater flexibility to respond to emerging opportunities and actively pursue other markets. However, the ability to grow the business beyond the Council and the schools that participate in ownership would be limited to about 20% of total turnover, unless new customers become joint owners of the company, or a competitive process is run to contract with the social enterprise in the future.

A disadvantage of this model is that it does not bring any external investment to support the growth of the business. Any investment would need to come instead from the shareholders, i.e. the Council and schools. Nor does it provide access to

an established commercial and marketing structure that is more likely to have capacity to vigorously pursue new products and markets. This may hamper the ability of the business to grow its income sufficiently or quickly enough to offset any of the savings required by the Council. There is also the possibility that schools might face conflicts of interest if they own a share of the social enterprise at the same time as being customers of traded services and, potentially, on the receiving end of statutory processes delivered via the company.

The potential advantages and disadvantages of this model are summarised below.

Potential advantages	Potential disadvantages
<ul style="list-style-type: none"> ▪ More freedom to sell services and generate new income and potential to bid for grant funding opportunities ▪ Allows for greater opportunity to be innovative and for schools to be directly involved in the development and strategic direction of the social enterprise ▪ Any surplus income would be retained by the Council and schools ▪ Schools' loyalty to buy services is enhanced as they have ownership in the company ▪ Builds on the existing partnership between the Council and schools ▪ Focus remains on Barnet and Barnet schools ▪ With new income, services could be developed over time, with benefits experienced by schools and by children and young people 	<ul style="list-style-type: none"> ▪ Does not have ready access to an established commercial and marketing structure to develop new products and markets quickly ▪ Requires investment from schools and the Council to maintain service levels ▪ As part-owners, schools would share in the company's risks, albeit limited to the value of their shares. However, directors have specific legal duties, laid down by Company Law, and can be held liable if they fail to uphold these ▪ Reliance on Teckal exemption would limit overall ability to grow the business ▪ If there is a complex decision making system, this might weaken the ability of the enterprise to act decisively and respond quickly to new opportunities ▪ There may not be the capacity within schools to participate effectively in the development and direction of the enterprise ▪ There are potential conflicts of interest from being both an owner and a customer ▪ Potential cost and impact of change

Option 3: joint venture, with schools in ownership role (3-way joint venture)

Description

This model is a joint venture between schools, the Council and a third party provider.

This would involve establishing a schools-owned company, probably limited by guarantee, which would operate as a governance company, bringing the schools together in one vehicle, which would then enter into a joint venture with the Council and a third party provider.

The third party provider would be selected through a procurement process. The joint venture would probably take the form of a company limited by shares, with the schools' company being one of the three shareholders. The level of shareholding

that the schools had would need to be proportionate to the value they were contributing to the joint venture, when compared to the third party provider and the Council. This would be an important point to be negotiated as part of the procurement process.

The joint venture company (the delivery company) would have a profit making motive, but its constitutional documents (principally articles of association and a shareholders' agreement) would also set out clear social objectives and details of how profits would be shared between the three owners of the company.

All schools would have the opportunity to participate in the ownership of the governance company, by becoming a member. It would be for the participating schools to determine the governance arrangements for the governance company, such as percentage of shares held by different schools, who appoints the directors, what discretion the governance company board has to exercise rights in respect of the delivery company etc.

There would need to be additional arrangements put in place to actively engage all schools in the development of services and oversight of performance, probably through a customer forum that would meet termly. As part of the procurement process to appoint the third party provider the Council would commit to commissioning the services it requires from the delivery company, at a cost that reflects the Council's budget. As well as seeking efficiencies, the company would need to grow the business to fill the gap between the current budget for services and the price that the Council pays. This could be achieved by:

- Selling more services to existing school customers
- Selling services to new school customers, either within the borough or elsewhere
- Selling services to other councils
- Developing new services to sell to schools and councils

As the delivery company would be set up as a trading company with a view to expanding its customer base and the third party provider would be selected through a procurement process, there would be no legal limitation on the company's ability to grow its business with non-owners.

The funding that would be needed to get the business up and running and to grow it would come primarily from the third party provider. A key issue for any third party provider would be the level of investment they would be willing to make against the level of control they would have over the company.

It is believed that this would be a new approach to delivering this range of services, as no other such partnership, involving both schools and a third party provider working in this way with a council to deliver both traded and statutory services, has been identified.

How it meets the objectives

School ownership builds significantly on the current relationship between the Council and schools, potentially creating a stronger education partnership between schools and the local authority.

A joint venture enables an injection of funding and commercial expertise from a third party provider to build capacity and grow services. Transformation drawing upon commercial expertise may also deliver more efficient processes.

As part owners of the organisation, the Council and schools have the potential to benefit from a return on any growth and the ability to influence strategic direction.

Service levels are contractually assured and, through growth in services and targeting services to customer needs, the organisation is able to support improved educational outcomes in Barnet.

Advantages and disadvantages

The main advantages of this model are that:

1. Participating schools are part owners, along with the Council and a third party provider, of the vehicle that delivers the services;
2. It would bring external investment and access to an established commercial and marketing structure, that would improve the ability of the business to grow its income sufficiently and quickly enough to fill the gap caused by the reduction in income from the Council; and
3. The risk of any investment is transferred to a third party, as delivery of the savings would be guaranteed within the contract.

Another major advantage of this model is that creating a body that is separate from the Council will allow it to have more freedom to trade and more freedom over its internal operations and decision-making processes, subject to the oversight of the board of directors. This would give greater flexibility to respond to emerging opportunities and actively pursue other markets.

A major disadvantage of this model is the complexity that comes from having the schools, the Council and a third party provider involved in the ownership of the delivery vehicle. This could affect the willingness of potential providers to bid, slow down strategic decision-making in the delivery company and/or reduce the level of influence that individual schools would have on that decision-making. There is also the possibility that schools might face conflicts of interest if they own a share of the joint venture at the same time as being customers of traded services and, potentially, on the receiving end of statutory processes delivered via the company.

The potential advantages and disadvantages of this model are summarised below.

Potential advantages	Potential disadvantages
<ul style="list-style-type: none"> ▪ Freedom to trade and generate income and secure additional investment ▪ Schools have a formal stake in the joint 	<ul style="list-style-type: none"> ▪ There is a risk that the Council is unable to attract a third party organisation that is willing to provide an appropriate level of

Potential advantages	Potential disadvantages
<p>venture, increasing the opportunity for them to shape services that are designed to meet their needs and have a stronger influence in the development and strategic direction of the joint venture</p> <ul style="list-style-type: none"> ▪ Builds on the existing partnership between the Council and schools ▪ A third party organisation is likely to provide upfront investment and have an established commercial and marketing structure, so new products and markets can be developed quickly ▪ With new income, services could be developed over time, with benefits experienced by schools and by children and young people ▪ Risk of delivering savings is transferred to third party ▪ Schools' loyalty to buy services is enhanced as they have ownership in the company 	<p>investment</p> <ul style="list-style-type: none"> ▪ A third party organisation is less likely to take on full responsibility for outcomes if they do not have a controlling stake ▪ As part-owners, schools would share in the company's risks, albeit limited to the value of their shares. However, directors have specific legal duties, laid down by Company Law, and can be held liable if they fail to uphold these ▪ If there is a complex decision making system, this might weaken the ability of the joint venture to act decisively and respond quickly to new opportunities ▪ There may not be the capacity within schools to participate effectively in the development and direction of the joint venture ▪ There are potential conflicts of interest from being both an owner and a customer ▪ Loss of focus on Barnet, if the aim is to increase the number of customers ▪ A portion of any surplus income would be retained by the third party organisation ▪ Potential cost and impact of change

Option 4: joint venture, with schools in commissioning role (2-way joint venture)

Description

This model would not require the establishment of a company involving schools. Instead, the Council would procure a third party provider, with whom it would create a joint venture company, probably limited by shares, to deliver the services. The joint venture company would have a profit making motive, but its constitutional documents (principally articles of association and a shareholders' agreement) would also set out clear social objectives and details of how profits would be shared between the Council and the third party provider.

Schools would not be involved in the ownership of the company or the appointment of directors. However, the contract would set out arrangements for engaging schools fully in the process of commissioning services. Schools will have a role, along with the Council, in both service level commissioning and strategic commissioning, but would not take an ownership role. It is anticipated that schools would be represented at different levels, so they are able to play a key role in service direction and in performance monitoring of services to schools. For example, that might include a strategic stakeholder board, as well as a customer forum or steering group.

The Council would commit to commissioning the services it requires from the joint venture company, at a cost that reflects the Council's budget. As well as seeking efficiencies, the company would need to grow the business to fill the gap between the current budget for services and the price that the Council pays. This could be achieved by:

- Selling more services to existing school customers
- Selling services to new school customers, either within the borough or elsewhere
- Selling services to other councils
- Developing new services to sell to schools and councils

As the delivery company would be set up as a trading company with a view to expanding its customer base and the third party provider would be selected through a procurement process, there would be no legal limitation on the company's ability to grow its business with non-owners.

The funding that would be needed to get the business up and running and to grow it would come primarily from the third party provider.

How it meets the objectives

A joint venture enables an injection of funding and commercial expertise from a third party provider to build capacity and grow services. Transformation drawing upon commercial expertise may also deliver more efficient processes.

The Council remains a part owner in the organisation, benefiting from a return on any growth and the ability to influence strategic direction.

The relationship with schools is built through the commissioning role at both strategic and service level.

Service levels are contractually assured and, through growth in services and targeting services to customer needs, the organisation is able to support improved educational outcomes in Barnet.

Advantages and disadvantages

The main advantage of this model is that it would bring external investment and access to an established commercial and marketing structure, which would improve the ability of the business to grow its income sufficiently and quickly enough to fill the gap caused by the reduction in income from the Council. The greater simplicity of the model (compared to the joint venture involving potentially 100 schools) is likely to make it more attractive to third party providers, enabling a better deal to be reached and making it more manageable to operate.

Another major advantage of this model is that creating a body that is separate from the Council will allow it to have more freedom to trade and more freedom over its internal operations and decision-making processes, subject to the oversight of the board of directors. This would give greater flexibility to respond to emerging opportunities and actively pursue other markets. In addition, this model would avoid

some of the potential conflicts of interest that schools might face if they own a share of the joint venture at the same time as being customers of traded services and, potentially, on the receiving end of statutory processes delivered via the company.

A potential disadvantage of this model is that not involving schools in ownership could reduce the effectiveness of the partnership between the Council and schools over time. This may also reduce the loyalty that schools feel towards buying services from the joint venture company. On the other hand, a contract that incorporates a key role for schools in both service level commissioning and strategic commissioning, as well as performance monitoring, could build on the existing strong partnership between schools and the Council.

The potential advantages and disadvantages of this model are summarised below.

Potential advantages	Potential disadvantages
<ul style="list-style-type: none"> ▪ Freedom to trade and generate income and secure additional investment ▪ Builds on the existing partnership between schools and the Council, by ensuring schools have a key role in both service level commissioning and strategic commissioning ▪ Schools can avoid the potential conflicts of interest that may arise from having formal ownership ▪ A third party organisation is likely to provide upfront investment and have an established commercial and marketing structure, so new products and markets can be developed quickly ▪ With new income, services could be developed over time, with benefits experienced by schools and by children and young people ▪ Likely to be more attractive to third party providers than more complicated joint venture options ▪ Risk of delivering savings is transferred to third party 	<ul style="list-style-type: none"> ▪ There is a risk that the Council is unable to attract a third party organisation that is willing to provide an appropriate level of investment ▪ Lack of ownership by schools could reduce the effectiveness of the partnership between the Council and schools over time ▪ If schools do not 'own' the organisation, they may be less likely to be loyal customers for traded services ▪ Loss of focus on Barnet, if the aim is to increase the number of customers ▪ A portion of any surplus income would be retained by the third party organisation ▪ Potential cost and impact of change

Consultation and engagement

The report to the Children, Education, Libraries and Safeguarding Committee in September 2014 set out details of the consultation and engagement activity that had informed the development of the draft outline business case. The report also outlined the proposed consultation and engagement approach in respect of four key stakeholder groups: schools; the market; employees and trades unions; and residents and service users. Details of that approach and the key outcomes from consultation and engagement are set out below.

Schools

As the main customer of the services under consideration, the views of schools are critical to the successful implementation of the selected model. Following on from the initial round of consultation and engagement, there has been a further programme of briefing and information provision throughout the autumn term of 2014, to enable headteachers and chairs of governors to reach an informed view on each of the options under consideration. This included two presentations from social enterprises that involve schools in their ownership. The approach has been steered through a representative Headteacher Reference Group.

A detailed information pack, setting out a description of each of the models and outlining the implications for individual schools, was published in October 2014. This was followed by a series of briefing sessions, to which all headteachers and chairs of governors were invited. The sessions were well attended and there was a high level of engagement in the key issues. Based on the specific issues raised at the briefing sessions, a further document setting out “frequently asked questions” was distributed to all schools.

The survey of schools was initially open from 10th November 2014 to 30th November 2014. In order to maximise the number of responses, the closing date was subsequently extended to 2nd December 2014. Headteachers and chairs of governors were asked to submit a joint response wherever possible, but the option of providing separate responses was also provided. Telephone and e-mail support to answer any further questions from schools was offered during the survey period, but there was limited take-up of this facility.

The survey sought feedback on:

- The services to be included in the delivery model
- The evaluation criteria
- The level of support for each of the models under consideration
- The level of willingness to play an active role
- The order of preference for the four models

The Council commissioned OPM, an independent market research organisation, to carry out the detailed analysis of responses. Their summary report, setting out the findings from the survey, is appended to the Committee report.

In total, 98 responses were received, representing between 71 and 84 schools (14 respondents did not identify their school). 53 of the responses were identified as being a joint response from the head teacher and chair of governors. Respondents were not required to answer every question and for each question, typically between 25 and 30 respondents chose not to answer it. In analysing the results, all percentages are of the total number of respondents that chose to answer that question.

Overall, 25% of respondents strongly agreed and 53% tended to agree with the education support services that have been selected to be included in the delivery model.

Despite the high level of agreement, there were a number of comments about the services chosen to be put into any new operating model, with 10 respondents making comments about the appropriateness of SEN services being dealt with outside of the local authority, since these are core services requiring knowledge and accountability. A further nine comments were made about the appropriateness of school admissions being passed to a delivery model which might have third party involvement or put admissions outside the control of the school.

Respondents were asked their views on the criteria for determining the most appropriate delivery model. All of the criteria were ranked as “very important” or “important” by over 50% of respondents.

The following criteria were ranked as “very important” or “important” by more than 90% of respondents:

- Helps to maintain a strong partnership between the Council and Barnet schools
- Is able to engage and build trust with all key stakeholders, including parents and the public
- Preserves or improves service delivery in key service areas
- Is able to customise services to meet the needs of different types of school

The ability to attract new investment/funding and access commercial expertise to preserve and grow services was ranked as “very important” or “important” by 57% of respondents. The ability to achieve budget savings without reducing current service levels was ranked as “very important” or “important” by 78% of respondents.

In respect of the four models under consideration, the views of those that responded to these questions were:

	Strongly support	Tend to support	Willing to consider	Do not support	Strongly opposed	Don't know/not sure
In-house	11.1% (8)	19.4% (14)	33.3% (24)	27.8% (20)	4.2% (3)	4.2% (3)
Social enterprise	12.7% (9)	18.3% (13)	33.8% (24)	29.6% (21)	4.2% (3)	1.4% (1)
3-way joint venture	5.7% (4)	12.9% (9)	41.4% (29)	31.4% (22)	4.3% (3)	4.3% (3)
2-way joint venture	14.5% (10)	17.4% (12)	31.9% (22)	26.1% (18)	1.5% (1)	8.7% (6)

NB Figures in brackets are the number of responses

In respect of the social enterprise model, respondents were asked what the likelihood would be that they would recommend to their governing body that their

school should invest between £5,000 and £10,000. 71 respondents answered this question and their responses were as follows:

Very likely	8.5% (6)
Quite likely	36.6% (26)
Not very likely	21.1% (15)
Not at all likely	21.1% (15)
Don't know/not sure	12.7% (9)

Respondents were also asked to rank the options in order of preference:

	1	2	3	4	Average ranking
In-house	25.8% (17)	25.8% (17)	12.1% (8)	36.4% (24)	2.41
Social enterprise	28.8% (19)	28.8% (19)	24.2% (16)	18.2% (12)	2.68
3-way joint venture	13.6% (9)	33.3% (22)	37.9% (25)	15.2% (10)	2.45
2-way joint venture	31.8% (21)	12.1% (8)	25.8% (17)	30.3% (20)	2.45

The average ranking is derived by allocating four points for first preference, three points for second preference, two points for third preference and one point for fourth preference.

It should be noted from these responses that 42% of respondents have ranked one of the two school ownership options as their first preference, which suggests that a significant number of schools do want to be involved in the new model. However, it should also be noted that there was very little support for, or willingness to be involved in, ownership models from secondary schools. 45% of respondents have ranked one of the two joint venture options as their first preference, which suggests that there is an appetite for involving a third party.

Respondents were asked to indicate their likely willingness to play an active role in the various models, either as a director or on a strategic commissioning group. For all of the models, there were sufficient headteachers and chairs of governors that indicated they would be willing to play an active role to suggest the model would be viable from a governance point of view. Overall, more respondents indicated a willingness to participate as a member of a strategic commissioning group (15 respondents) than as a director (10-12 respondents, depending on model).

Overall, the majority of respondents are willing to consider or support all of the options. However, no one option receives a majority in terms of active support. Support for the in-house, social enterprise and two-way joint venture models was very similar at 30%, 31% and 31% respectively. The two-way joint venture model had the lowest level of opposition, with 28% of respondents not supporting or strongly opposed to it. When asked to state a preference, the two-way joint venture (32%) is the first preference of slightly more respondents than the other models.

In summary, the schools survey does not provide a clear finding about the favoured model.

Engagement with the market

In developing the draft outline business case, initial market research was carried out involving three industry representative companies. Whilst this initial research provided useful information for the draft outline business case, the report to Children, Education, Libraries and Safeguarding in September 2014 recognised the restricted scope of the initial research and identified that external support had been commissioned through a competitive tendering exercise to provide an independent assessment of the broader market, including the not for profit sector, as well as the commercial opportunities that may exist for these services. As part of this work, iMPOWER conducted a soft market testing on behalf of the Council.

A range of providers from different sections of the market were engaged with as part of this exercise. As per Cabinet Office guidelines, the purpose of this activity was to engage with the market, pre-procurement, to establish the feasibility, capability, maturity and capacity of the market as a whole.

Participants were invited to submit written responses to a questionnaire, which covered areas such as relevant experience, capacity, possible challenges and model preferences. The answers were then followed-up in more detail with respondents as part of face-to-face discussions. In total, five organisations participated, with one further organisation submitting a written response to the questionnaire. The aim was to strike a healthy balance in terms of scale, expertise, experience and commerciality.

Whilst the exercise was mentioned in the recently issued Prior Information Notice (PIN), it does not constitute any commitment by the Council to undertake any procurement exercise in the future. The exercise included no element of supplier selection or evaluation, and no parties were prejudiced by any response or failure to respond to the invitation. The exercise did not constitute a call for competition to procure anything, and the Council is not bound by any proposals or solutions offered as a result.

As alluded to above, six organisations submitted written responses. These were:

- Cambridge Education – Mott MacDonald
- Capita
- Carillion
- CfBT
- EES (Essex County Council)
- Prospects

The response from EES (Essex County Council) was submitted too late for them to take part in the soft market testing day itself. However, their response has been considered in this assessment of the market.

Assessment of market appetite & capability

Four of the participants were positive about the opportunity to take on the whole of the proposed cluster of services, whilst the other two were keener to work in a partnership where they would only take on some of the services. It was clear from both the written responses and discussions that there are a number of different options available to the Council, especially in relation to the two Joint Venture models.

Alongside the traditional approach of a single partner to take on all the services, participants put forward a number of suggested options including a primary contractor-subcontractor arrangement, collaboration between providers with one provider taking the role of specialist partner, and separate tenders for different sub-clusters. Whilst not all of the proposed options will be suitable for the Council, it does demonstrate clear interest from the market and flexibility to enable the success of the chosen model.

With this in mind, it is iMPower's assessment that there is sufficient interest and capability within the market to deliver the service cluster, should the Council choose to pursue this route.

Informal exploration that iMPower have undertaken with neighbouring authorities, and pan-London, indicate that a purchasing market also exists. The scale of the efficiency requirements facing the sector is forcing councils to think about new ways of delivering services. The range of services under consideration appears to be of interest, including non-traded statutory services.

Key commercial opportunities

There was a general consensus amongst participants that efficiencies and growth potential of 20-30% was reasonable. In some cases, this estimate was based on experience. Other participants commented on the strategies they would employ in order to generate savings. All participants stressed the importance of balancing growth with quality and ensuring a reputation based on high quality provision as a key part of attracting schools to purchase services from the new vehicle.

Taking a conservative estimate, at current relevant gross non-DSG expenditure (around £12m per year, excluding SEN transport), a 20% saving would equate to approximately £2.4m, which exceeds the MTFs requirement of £1.55m, and would suggest that the financial case for either Joint Venture option would meet the Council's requirements. A 30% saving would equate to approximately £3.6m.

Understandably, there was some reticence in relation to the size, type and terms of any up-front investment required. Providers were confident about investing additional time and expertise in the initial stages of a new venture, but were more hesitant about the potential of an initial financial investment, beyond the funding required to manage cash flow over the period of the contract, at least without a clear business case for return on investment. This was especially true for the non-private sector participants. Addressing this will need to form a key part of the procurement strategy underpinning any competitive dialogue process.

Preferred model for delivery vehicle

Participants generally appeared to be more positive about the traditional Joint Venture option than the Joint Venture with Schools or Social Enterprise options. Whilst the importance was acknowledged of getting schools' buy-in for the new vehicle, participants saw a number of significant challenges in relation to governance, investment and capability associated with a school-ownership model.

Alternative models of school involvement were suggested, with examples from elsewhere, whereby schools could be involved in governance but not ownership.

Attractiveness of opportunity to the market

In order to identify means through which the Council could secure the best possible outcome, ways in which the opportunity could be made as attractive as possible to the market were explored with participants.

As to be expected, a point of interest for participants was the scope to expand the service cluster to include services that are currently not in scope. They were keen to explore whether this could be done either through inclusion of these services during the initial tender, or through additional services being incorporated at a later date. Particular interest was expressed in relation to Early Years and Children's Centres. The point was also made that including some back-office services would facilitate the achievement of further economies of scale, although it was made clear that this is an unlikely scenario given the Council's current strategic partnership arrangements.

In terms of procurement processes, participants were clearly in favour of competitive dialogue as the preferred route, and expressed the need for assurance that the Council's existing partnership arrangements would not compromise their chances of a successful submission.

Contract length was also discussed, and there was agreement amongst participants that a minimum contract term of 5 or 7 years was necessary to enable the levels of investment that are likely to be required. Extension options after 5 years would also make the offer more attractive to potential bidders.

Pensions' liability was raised by all participants, with a clear expectation that this would need to be explored through dialogue.

Summary of findings from soft market testing

There is sufficiently strong market interest to generate a healthy and competitive procurement. The market is generally positive about the opportunity and appears to offer more than one option in relation to the final structure of the new venture. The clear preference from providers for is for a swift and transparent procurement, structured around competitive dialogue. This suggests a willingness to invest time and effort to examine the potential options and arrive at the best solution for all parties.

Market commentary was not consistent or conclusive in relation to upfront investment, and the procurement strategy would need to be designed to ensure that

the Council's interests are optimised, and that a healthy competitive tension remains throughout.

The estimated savings of 20-30% is in keeping with previous expectations and, as it is in part based on evidence, adds robustness to the financial case. Overall, there does appear to be an acceptable level of interest from the market in this opportunity and potential providers have at least some experience in delivering these kinds of services.

Employees and trades unions

It is recognised that all four of the options under consideration constitute a significant change that will have an impact on employees. There have been a number of briefing meetings with employees as the outline business case has developed. During November 2014, a further series of meetings was held to allow employees to explore the implications of the four remaining options and also to suggest potential opportunities for improvement.

The meetings were reasonably well attended by office-based staff, with fewer attendees from school-based staff within the catering service. Those that did attend engaged positively in discussion about the four options and also made some constructive suggestions for growing services and reducing costs. These suggestions have been taken into account in the financial modelling of options, as outlined elsewhere in this final outline business case. There was a general recognition of the importance of the views of schools from attendees.

The main areas of concern that were raised by employees were:

- The potential impact on terms and conditions of service, notably pay and pensions
- The potential impact of changes to the TUPE regulations on the above
- The ability to maintain buy-back levels from schools
- Potential conflicts of interest or priorities of different partners
- The lack of flexibility and innovation in current arrangements

Additional meetings have also taken place with the recognised trades union representatives. Whilst representatives have been keen to support the retention of services in-house, they have also engaged positively in discussions about other models to ensure that issues that may affect their members' interests have been given proper consideration.

Members of the management team of the Education and Skills service have been engaged throughout the consultation and engagement phase and have contributed to the financial modelling of the in-house option and the options appraisal of all options.

The public and service users

A public survey was available on www.engage.barnet.gov for an eight week period from 7th October 2014 to 1st December 2014. The survey was publicised widely through press releases, the Council website and information sent to schools. Overall, 123 responses were received by the closing date, which is consistent with response rates on similar consultations.

In addition to the survey, three focus groups were conducted with: parents of children with Special Educational Needs; parent governors; and parents generally. In addition to analysing the results of the school survey, OPM were also commissioned to both conduct the focus groups and analyse the public survey returns. Their summary report is appended to the Committee report.

Respondents to the public survey showed a high level of support for the overall vision and aims for education in Barnet, with 92% “strongly agreeing” or “tending to agree” with the vision and 86% “strongly agreeing or “tending to agree” that overall the stated aims should be the main ones.

Overall, 43% of respondents strongly agreed and 40% tended to agree with the education support services that have been selected to be included in the delivery model, with the highest level of support to SEN services and school improvement services being included. Up to three respondents commented on the rationale for particular services being included, raising concerns about the risk of cut-backs in certain services, particularly those for vulnerable pupils, and the need to maintain quality. Across all three focus groups, there was an element of concern about the SEN and education welfare services being in the new delivery model. These concerns centred around how quality of service delivery could be maintained if a “business” person provided the service and about who would monitor the quality.

Results in respect of the evaluation criteria were broadly similar to the schools survey, with:

- The same four criteria being rated as “very important” or “important” by most respondents;
- All criteria being rated as important by the majority of respondents; and
- The same two criteria being rated as “very important” or “important” by fewer respondents.

In respect of the four models under consideration, the views of the respondents to the public survey were:

	Strongly support	Tend to support	Willing to consider	Do not support	Strongly opposed	Don't know/not sure
In-house	50.0% (42)	25.0% (21)	14.3% (12)	4.8% (4)	2.4% (2)	3.6% (3)
Social enterprise	26.2% (22)	22.6% (19)	14.3% (12)	13.1% (11)	16.7% (14)	7.1% (6)

	Strongly support	Tend to support	Willing to consider	Do not support	Strongly opposed	Don't know/not sure
3-way joint venture	14.3% (12)	19.1% (16)	22.6% (19)	15.5% (13)	22.6% (19)	6.0% (5)
2-way joint venture	8.3% (7)	14.3% (12)	19.1% (16)	25.0% (21)	25.0% (21)	8.3% (7)

This shows a clear preference amongst respondents for the in-house model, with the two-way joint venture being the least favoured option, albeit with 42% of respondents willing to consider it.

Amongst the focus groups, there was a split in preferences. The Governors group preferred the in-house model, a small majority of the Parents' group preferred the two-way joint venture model and the SEN group was divided between those who thought the in-house model was best and those who thought it was a model which already had problems.

The public survey sought views on how important it is that schools are involved in the running of these services. Of those that responded, 58% thought it was very important and 22% thought that it was important.

Views were also sought on whether there would be any concerns if a third party organisation is involved in the delivery of these services. 23% of those that responded expressed slight concern, with 57% being very concerned. 26 respondents provided open answers about the reasons for their concern, highlighting issues around business models being used in education, the potential quality of the services, and a lack of trust, accountability or responsibility.

Additional engagement activity

In addition to the detailed engagement and consultation activity that has been carried out with the four key target stakeholder groups, meetings have also been held with the Voluntary Sector Forum and the Youth Board, primarily to ensure that they are informed about the proposals, but also to alert them to the public survey as a means of submitting their views.

Members of the Youth Board acknowledged that there are budget constraints and that educational support services need to change. However the feeling that schools are pillars of the local community was strong and that any outside organisations delivering vital services must have a grasp of the local issues and that these must be evidenced during the procurement process.

Response to consultation comments

Responses to the key themes from consultation activity are set out in the Committee report.

Financial and commercial assessment

The report to Children, Education, Libraries and Safeguarding Committee in September 2014 identified the basic cost saving and income generating methods that are available to each model and provided a high level assessment of each model's ability to achieve the budget savings target set by the Council. The report also identified that independent external support had been commissioned to provide further analysis of the potential financial benefits from each model.

Financial modelling has been carried out by iMPower on the basis that the preference is to achieve budget targets through efficiency and income growth, with service reductions providing the balancing figure to make up any shortfall.

It should be recognised that, at this stage in the evaluation process, the financial and commercial assessment can only be an educated estimate, based on a series of assumptions about the services and the market. Modelling has been carried out at a level that is appropriate to enable a comparison of the different models' ability, relative to each other, to generate efficiency savings and additional income and to confirm their ability to meet the MTFs savings targets.

It is not intended that the modelling should provide the greater level of certainty that one would expect with a detailed business plan. Certainty under any of the models will only come through the implementation process.

For the two joint venture models, the level of confidence in the potential financial benefits would increase through the procurement process, with complete certainty over the delivery of savings coming at the point when a contract is signed and the delivery risk is, in effect, passed to the third party partner.

For the in-house and social enterprise models, the delivery risk would remain with the Council and, potentially, schools. Whilst confidence in the potential financial benefits would increase through the process of developing a detailed business plan, the subsequent delivery of those benefits cannot be guaranteed.

Approach

In broad terms, there are four methods of achieving budget savings targets:

- Improving efficiency, ie. delivering the same outputs at lower cost
- Increasing income by selling services to more customers, either within the Borough or beyond the Borough
- Increasing income by selling new services
- Reducing service levels

Initial modelling was undertaken by applying the levers set out above to the group of services in their totality. Recognising that different market conditions may apply to different services, services were subsequently clustered as follows:

- Catering (fully traded)

- School Improvement traded (BPSI and NQT service – both fully traded)
- Other traded services (some part-traded, thus includes an element of non-traded activity)
- Non-traded services

The following assumptions apply in respect of these service clusters:

- Service reductions would not apply to traded activity, as the resulting loss of income would bring no financial benefit in meeting budget targets
- The market for traded services is predominantly schools, although the catering service has a broader potential customer base
- The market for non-traded services is predominantly other local authorities

In addition, there are some budgets that could not be traded and are not, therefore, included in the growth modelling. An assessment has, however, been made of the efficiencies that could be delivered on these budgets.

Initial modelling was based on the assumption of there being no investment available to support the development of the in-house model. This assumption has been revised to provide for an initial investment from the Council equivalent to the cost of implementing a joint venture option, i.e. £1.3m.

There was no particular assumption made in initial modelling regarding investment in the social enterprise model. This has been revised to provide for an initial investment from schools of approximately £750k, which it is anticipated would be matched by Council, giving a total investment of £1.5m.

Initial modelling was also based on ambitious expectations regarding the growth that could be achieved by the market, particularly in trade outside the Borough. This would have the effect of doubling the size of the business over a five-year period. It is the advice of iMPower that this is an achievable expectation and a valid means of modelling that is widely used in the commercial sector. This would need to be tested through the procurement process, so the view has been taken that, for the purposes of comparison, a more prudent approach should be applied to modelling potential trade outside the Borough. This approach recognises that the potential for growth within the Borough is limited by the finite number of schools and the existing high level of market penetration by these services. However, growth beyond the Borough's boundaries does not have these limitations. By way of example, there are five other boroughs that border Barnet, with a total of 256 primary schools based within them. Securing 5% of those schools would, in broad terms, represent a 10% increase on current levels of trade.

In terms of efficiency savings, similar mechanisms are available to all models and would include:

- Improved processes, achieved through a structured approach to business process reengineering

- Procurement savings, achieved through improvements in specification, contract control and competition
- Better use of technology

A copy of the detailed tables that were used in the financial modelling is appended to this final outline business case, along with a more detailed commentary on the assumptions behind the modelling.

In-house model

Since the draft outline business case was considered by Committee in September 2014, an enhanced in-house model has been developed, assuming an investment from the Council equivalent to the cost of implementing a joint venture option, i.e. approximately £1.3m.

The introduction of commercial and marketing expertise would enable some growth and provide a more commercial impetus and rigour to the process of achieving efficiency savings. Some of this investment could also be used to protect existing staffing and service levels to some extent whilst growth takes place.

The introduction of commercial and marketing expertise would enable some growth, as well as providing a more commercial impetus and rigour to the process of achieving efficiency savings. However, the absence of a broader commercial structure and established presence in other local authority areas would mean that growth would be slower and less extensive than under the joint venture models.

It would be reasonable to expect that the in-house model could grow some income by increasing its customer base of schools and developing new services. However, experience suggests that academies and secondary schools in particular are less likely to buy services from the local education authority, for example, Barnet Partnership for School Improvement is predominantly purchased by primary schools. The scale of growth is likely, therefore, to be less than under models that would establish an entity that is perceived to be more independent of the local education authority. For the purposes of modelling, it has been assumed that growth of between 2% and 8% is feasible for traded services, depending on the cluster of services. These percentages have been explored with service managers and they have indicated that these are the levels that they believe are achievable.

It is less likely that the in-house model would grow income significantly by selling statutory/non-traded services to other local education authorities, as there is little evidence generally of councils buying services from other councils, other than under shared services arrangements or, in some instances, districts buying back-office services from counties. For the purposes of modelling, 5% growth has been assumed, based on the ability to sell particular, specialised services (for example advice and training on drafting of Education, Health and Care Plans) to other councils.

Service managers have indicated that they would expect to be able to make efficiency savings of approximately 3%, primarily through streamlining processes.

Based on the modelling of income and efficiencies, it is anticipated that this model will have to rely to a greater degree on service reductions to meet the target. However, it is expected that the initial investment would enable the management of cash flow over a period of five years, so that only the overall shortfall over that period would need to be met from service reductions. On this basis, modelling suggests that approximately £700k of the overall total would need to come from service reductions.

Under this model, all surplus income from growth would come back to the Council.

Summary of modelling for in-house model		
	£000	% of total
Efficiencies	473	31%
Income growth	385	25%
Service reductions	691	44%
Total	1,549	

Social enterprise model

This model would require investment from the Council and from schools to bring in commercial and marketing expertise. Some of this investment could also be used to protect existing staffing and service levels to some extent whilst growth takes place.

The introduction of commercial and marketing expertise would enable some growth as well as providing a more commercial impetus and rigour to the process of achieving efficiency savings. However, the absence of a broader commercial structure and established presence in other local authority areas would mean that growth would be slower and less extensive than under the joint venture models.

It would be reasonable to expect that the social enterprise could grow income by increasing its customer base of schools both within Barnet and beyond Barnet's boundaries, as well as by developing new services. It is anticipated that a social enterprise would benefit from being perceived as more independent from the local education authority, as well as from having schools directly involved in the development of services. For this reason, modelling has assumed a higher percentage growth from trading to more schools than the in-house model.

It is possible that a social enterprise could grow some income by selling statutory/non-traded services to other local education authorities, as it would be perceived as being separate from Barnet Council. For this reason, modelling has assumed a higher percentage growth from trading to other local authorities than the in-house model. However, its ability to do this may be hampered by its lack of track record in providing these services to other bodies.

It is anticipated that the flexibility that comes from being an independent body would enable efficiency savings of around 4% across all services.

Based on the modelling of income and efficiencies, it is anticipated that this model will have to rely to some degree on service reductions to meet the target. It is expected that the initial investment would enable the management of cash flow over a period of five years, so that only the overall shortfall over that period would need to be met from service reductions. On this basis, modelling suggests that approximately £300k of the overall total would need to come from service reductions.

The treatment of surplus income arising from growth would need to be agreed between the Council and schools.

Summary of modelling for social enterprise model		
	£000	% of total
Efficiencies	621	40%
Income growth	638	41%
Service reductions	306	19%
Total	1,565	

Joint venture models

These models would bring investment from a third party, as well as access to an existing commercial and marketing structure. It is likely that investment would protect existing service levels in the short to medium term, whilst the business grows. Access to a broader commercial structure would enable faster growth than with the in-house and social enterprise models. It is also assumed that a commercial impetus would add rigour to the process of achieving efficiency savings. If the third party has an established presence in other local authority areas, that would also contribute to growth being achieved more quickly than under the other models. For this reason, modelling has assumed a higher percentage growth, particularly from increased trade beyond the Borough, than for the in-house or social enterprise models.

It would be reasonable to expect that either of the joint venture models could grow income by increasing their customer base of schools both within Barnet and beyond Barnet's boundaries, as well as by developing new services. It is anticipated that a joint venture would benefit from being perceived as more independent from the local education authority, as well as from having schools directly involved in the development of services, either as commissioners or owners.

It is more likely that a joint venture would have the resources and commercial expertise to invest in statutory/non-traded services and sell them to other local education authorities. A joint venture may be more attractive, as it would be perceived as being separate from Barnet Council and a third party provider is more likely to have a track record in providing a range of services to other local authorities. This is a further reason for trade outside the Borough being modelled at a higher rate for this model.

The one difference between the two joint venture models is the assumption that income from outside the borough would be greater for the two-way model on the grounds that:

- The market has expressed a preference for this model, so is more likely to invest more in rapid growth
- The decision-making will be simpler with the two-way model and faster decisions are likely to mean faster growth

On this basis, it is anticipated that the two-way joint venture is likely to generate more income per annum than the three-way joint venture.

It is anticipated that the flexibility that comes from being an independent body, together with the commercial rigour that would come from a third party partner, would enable efficiency savings of around 5% across all services. This is also likely to include some economies of scale on management and administration costs.

Based on the modelling of income and efficiencies, it is considered less likely that there would be a need for service reductions under these models.





Any surplus income arising from growth would be shared between the parties to the joint venture. The details of how that share would operate would be the subject of discussions during a Competitive Dialogue process.

Summary of modelling for joint venture models		
	£000	% of total
Efficiencies	769	29%
Income growth	1,847	71%
Service reductions	-	-
Total	2,616	

* approximately £100k less in 3-way JV model

This is consistent with the more cautious estimates provided by potential providers during the soft market testing exercise.

The following table provides a high level summary of the outcomes of the financial and commercial assessment work.

Lever	Applied to	In-House	Social enterprise	Three-way joint venture	Two-way joint venture
Efficiency savings	Gross Exp	✓✓	✓✓	✓✓✓	✓✓✓
Increased income through growth (in Borough)	Income	✓✓	✓✓	✓✓✓	✓✓✓
Increased income through growth (out of Borough)	Income	✓	✓✓	✓✓✓	✓✓✓
Additional services	Net Budget	✓✓	✓✓✓	✓✓✓	✓✓✓
Service Reductions	Net Budget	✓✓✓	✓✓	✓	✓
Overall assessment		✓✓	✓✓	✓✓✓	✓✓✓
KEY to the level of savings likely to come from each lever: ✓✓✓ - high ✓✓ - medium ✓ - low					
ABILITY TO ACHIEVE MTFS TARGETS <u>WITHOUT</u> A NEGATIVE IMPACT ON SERVICE LEVELS/QUALITY		LOW 	MED 	HIGH 	HIGH 
ESTIMATE OF ANNUAL FINANCIAL BENEFIT AFTER 5 YEARS		£1.5m	£1.6m*	£2.5m*	£2.6m*

* Any surplus income, once MTFS targets have been delivered, would be the subject of a gain-share agreement between the parties to the venture

In broad terms, it can be concluded that all four models are capable of achieving the MTFS savings target set by the Council. However, the in-house and social enterprise models are significantly more likely to have to rely to some extent on service reductions to achieve this, as they would not be in a position to grow the business as quickly as a joint venture, or to provide sufficient investment to protect existing service levels in the short to medium term. The loss of capacity arising from these reductions is also likely to hamper the ability to develop services and grow the business. The in-house and social enterprise models also carry a higher degree of delivery risk, as savings cannot be guaranteed through contractual arrangements, as is the case with the joint venture models.

Evaluation of the options

The report to the Children, Education, Libraries and Safeguarding Committee in September 2014 outlined the scored assessment process that had been applied to evaluate the six models that were considered in the draft outline business case. That process involved consideration of 20 individual criteria, within four weighted categories. Based on the outcomes of initial consultation, the evaluation criteria have subsequently been rationalised and the assessment process simplified to recognise that the assessment process is a collective professional view based on experience and a balance of probabilities.

As identified above, the high level objectives of the delivery model are to:

- i. Maintain Barnet's excellent education offer;
- ii. Maintain an excellent relationship between the Council and schools; and
- iii. Achieve the budget savings target for the service up to 2020.

The models under consideration have been evaluated against a common set of criteria, based on these high level objectives. These criteria were developed in consultation with the Headteacher Steering Group that has been meeting throughout the options assessment phase and were subsequently tested as part of the wider consultation with schools and with residents. The following table provides a rating for each option's overall likelihood of meeting each of the criteria. Those criteria that were rated as most important in the schools and public surveys are identified in bold.

	In-house	Social Enterprise	2-way JV	3-way JV
Helps to maintain a strong partnership between the Council and Barnet schools	✓✓	✓✓✓	✓✓	✓✓✓
Enables schools to take a stronger leadership role in the education system	✓✓	✓✓✓	✓✓	✓✓✓
Is able to attract new investment/funding and access commercial expertise to preserve and grow services	✓✓	✓✓	✓✓✓	✓✓✓
Has the freedom to be creative and the flexibility to develop new services quickly during times of change	✓	✓✓	✓✓✓	✓✓✓
Is able to engage with and build trust with all key stakeholders, including parents and the public	✓✓✓	✓✓✓	✓✓	✓✓
Preserves or improves service delivery in key service areas	✓	✓✓	✓✓✓	✓✓✓
Is able to customise services to meet the needs of different types of school	✓✓	✓✓✓	✓✓✓	✓✓✓
Is able to achieve budget savings without reducing current service levels	✓	✓✓	✓✓✓	✓✓✓

Key:

✓	Low
✓✓	Medium
✓✓✓	High

The key assumptions that underpin this assessment are:

	Key assumptions	Evidence to support the assumptions or counter-evidence
Helps to maintain a strong partnership between the Council and Barnet schools	Models that include schools in an ownership role are better placed to strengthen existing partnership through more active joint working.	Evidence from successful models in other local authorities, mainly where school traded services have transferred to a schools-led organisation. The model assumes a commitment of money
Enables schools to take a stronger leadership role in the education system	Models that include schools in an ownership role are better placed to enable stronger leadership from schools through greater direct involvement in the shaping of services.	(for the social enterprise) and time (social enterprise and 3-way JV). On the other hand the survey results indicate reticence among a large proportion of school respondents and virtually all secondary school respondents to become actively engaged through investment or by serving on the Board of the new organisation.
Is able to attract new investment/funding and access commercial expertise to preserve and grow services	Models that include a third party provider deliver a greater opportunity for investment and expertise from outside the current system.	Soft market testing has indicated a willingness by prospective third party organisations to invest to grow the services. Only a minority of schools have indicated they would be willing to invest in the Social Enterprise mode.
Is able to engage with and build trust with all key stakeholders, including parents and the public	Models that are fully owned by the public sector are more likely to engender trust from parents and the public, as they are less likely to have different strategic drivers from the Council, for example the need to make a return on investment for shareholders.	Evidence from survey of residents.
Has the freedom to be creative and the flexibility to develop new services quickly during times of change	Models that have a degree of independence from the Council are more likely to have internal management arrangements that support flexibility in the deployment of resources and are therefore better placed to respond quickly to emerging needs. Models that have access to a broader commercial network would also enable speedier identification of needs	Soft market testing indicates a clear expectation by third parties that they can achieve faster growth and greater efficiency than an in-house service due to having greater freedom to develop flexibly and grow. Feedback from staff and in particular senior managers in the Education and Skills service indicates a widespread belief that council decision-making structures, procurement rules etc. reduce the capacity to secure growth and efficiencies.

Preserves or improves service delivery in key service areas	Models that attain greater commercial expertise from the outset are better able to grow services more quickly, thereby avoiding service reductions and consequent impact on service delivery.	
Is able to customise services to meet the needs of different types of school	Models that have a degree of independence from the Council are more likely to have internal management arrangements that support flexibility in the deployment of resources and are therefore better to customise services. Independence is also likely to improve the ability to attract a broader base of school customers.	
Is able to achieve budget savings without reducing current service levels	Models that are able to achieve growth more quickly are better placed to protect existing service levels.	Financial modelling supports this.

Based on this assessment, it is concluded that:

- The in-house option is less likely to meet the objectives set out above, as the need to make service reductions in order to meet budget targets is likely to hamper its capacity to meet the objective of maintaining Barnet's excellent education offer.
- The social enterprise option may meet the objectives. However, there is not sufficient interest amongst schools to rely on schools to invest their funds, alongside the Council, in establishing the required commercial and marketing expertise. There is more financial risk involved than the joint venture models and that risk would be retained by the Council and schools.
- The two-way joint venture option is likely to meet the objectives set out above by providing the investment and expertise that is necessary to maintain and grow high quality support services to schools, whilst delivering the requirements of the Council's Medium Term Financial Strategy.
- The three-way joint venture option is most likely to meet the objectives set out above by providing the investment and expertise that is necessary to maintain and grow high quality support services to schools, whilst delivering the requirements of the Council's Medium Term Financial Strategy. Whilst the involvement of schools as owners would be expected to strengthen relationships with schools, the outcome of the school survey suggests that schools tend not to see this as necessary.

At this stage, there is no clear indication from schools that there is a strong appetite to enter into an ownership model, although there is an indication that schools would be willing to consider such a model. Therefore, the recommendation is to proceed with developing a full business case to establish a joint venture with a third party and, during this process, to establish the most appropriate way that schools can be

actively involved in commissioning and shaping services, either in an ownership or in a commissioning capacity.

Preferred option

The Council's commissioning approach requires consideration of the best model for delivering services to meet its priorities and outcomes. It is recommended that the Council should proceed with developing a final business case to establish a joint venture model for the future delivery of Education and Skills services. The most appropriate engagement of schools in the joint venture will be developed during the competitive dialogue process. The specific concerns regarding the involvement of a third party, for example in relation to accountability and service quality, will be addressed as far as possible through the procurement process and by involving headteachers in that process.

This conclusion is based on the detailed evaluation of the four possible models set out above and taking into account the outcomes of consultation, including:

- The school survey shows no clear preference for any of the models, although there is a marginal preference for the two-way joint venture
- Amongst those that responded to the public survey, there is a clear preference for the in-house option and a high level of concern about the potential involvement of a third party in the delivery of these services
- The preference of focus groups of parents was split between the in-house option and the two-way joint venture
- The in-house option, whilst carrying a degree of public support, is considered to be more unlikely to meet the overall objectives
- The social enterprise option also carries a degree of risk in meeting the objectives and it did not receive the very high level of support from schools that would be required to mitigate that risk
- The three-way joint venture provides the best overall fit in terms of meeting the objectives, but attracted less support from schools than the other models
- The two-way joint venture provides a good overall fit in terms of meeting the objectives and attracted a reasonable level of support from schools

5. Expected Benefits

Benefit Type	Description of the benefit	Who will benefit	Expected benefit value	Financial year that the benefit will be realised	Benefit Owner	How will the benefit be measured	Baseline value (£, % etc) and date
Financial benefit – cashable	Delivery of MTFS savings through cashflow management	Schools, Service users, Residents, Staff	£2.4m	From 2015/16	Commissioning Director Children and Young People	As set out in contract	2014/15 budget
Financial benefit – non-cashable	Contribution of marketing and commercial expertise to grow business	Schools, Service users, Residents, Staff	£0.5-£1m	From 2015/16	Commissioning Director Children and Young People Val White	As set out in contract	2014/15 budget
Non-financial benefit	Maintenance of current service levels	Schools, Service users, Residents, Staff	N/A	From 2015/16	Commissioning Director Children and Young People	As set out in contract	N/A
Non-financial benefit	Ability to respond quickly to emerging customer needs	Schools, Service users, Residents, Staff	N/A	From 2015/16	Commissioning Director Children and Young People	As set out in contract	N/A

6. Key Risks

Risk	Impact	Likelihood	Mitigating actions
Ability to implement the new delivery model within the required operational timescales to deliver savings required for 2015/16	High	High	Early, detailed planning of the procurement process and ensuring that the necessary resources are in place. Robust management of the process. The procurement timescale is challenging and the need to meet this timescale will need to be balanced against the need to ensure the effective engagement with schools in the process and its outcomes
Insufficient bidders to provide effective competition	High	Medium	Procurement strategy designed to attract as many bidders as possible, through positive engagement with the market. Maintenance of Ethical Wall and Conflict of Interest protocols and the provision of comprehensive information on the opportunity
The Council does not secure the best possible outcome from the Competitive Dialogue process and the resulting contract does not deliver what is expected and required	Medium	High	Securing appropriate legal, commercial, financial and HR advisors at the earliest opportunity.
Schools do not purchase services through the resulting contract	High	Medium	Maintain a comprehensive programme of engagement activity to ensure that the views of schools are taken into account in the selection process, in formulating the contract and developing the service offer

7. Financial Appraisal

The cost of carrying out the options appraisal and developing proposals to this point is approximately £300k, which has been funded from the Transformation Reserve. Conducting a Competitive Dialogue and managing the transition to a new delivery vehicle is anticipated to take a minimum of nine months, to October 2015, and cost up to £1.3m, as follows:

Project team	£500k
Legal advice	£125k
Commercial advisors	£275k
HR, finance and procurement advisors	£150k
Subject matter advisors	£50k
Contingency/transition costs	£200k

Subject to approval, these costs will be met from the Transformation Reserve. The project team and specialist advisors will be procured independently of the existing Customer and Support Group arrangements, to mitigate any potential conflict of interest.

It is anticipated that revenue savings will be delivered as follows:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Annual savings	£155k	£596k	£777k	£438k	£427k	£2,393k
Cumulative savings	£155k	£751k	£1,528k	£1,965k	£2,392k	£6,791k

8. Project Approach

The recommended model will be considered by the Children, Education, Libraries and Safeguarding Committee on 12th January 2015. If the recommendation is agreed, an OJEU notice will be published on 21st January 2015, seeking expressions of interest.

A competitive dialogue approach will be used, to allow the Council and bidders to explore different and innovative ways of delivering the services in scope, as well as ensuring that the most appropriate way of engaging schools in the new delivery model can be given proper consideration. A comprehensive procurement strategy and implementation plan will explore this in more detail.

The table below sets out the key dates and milestones for the project:

Key dates / milestones	Date
CELS Committee – approval of outline business case	12 th Jan 2015
Commence process to establish new model	13 th Jan 2015
Issue OJEU	Jan 2015
Bidders Day	Feb 2015
PQQ evaluation and moderation	Feb 2015
Dialogue	March – June 2015
P&R Committee – report	20 th July 2015 (TBC)
CELS Committee – approval of full business case	28 th July 2015 (TBC)
Commence formal TUPE consultation	29 th July 2015
Evaluation and moderation	August 2015
Preferred bidder selected	August 2015
Mobilisation	October 2015

The immediate next steps for the project will include securing commercial advisors and other specialist support, as set out above, and setting up a data room containing all the information bidders will need to be able to submit bids. The information will comprise of HR, financials, service specifications, asset registers and all information associated with the delivery of the services in scope.

Customer and Support Group involvement ceased in the concept phase of the project cycle and the development of options, assessment of financial benefit and engagement with schools has been managed directly by the Council and independent suppliers. The project will continue to be managed directly by the Council from this point forward, with all technical advice and input that relates to the development of the business case, commercial position and all procurement activities operating outside of any input from the Customer and Support Group and

the wider Capita organisation. This ring-fence will remain throughout the duration of the project. As with any commercially sensitive project, the management of information is of paramount importance, with restricted access in place.

There will be continued engagement with key stakeholders, in particular schools, staff and trade unions throughout the process. The consultation has shown a strong indication that schools should be involved in the procurement process and have a strong role in the governance of any future delivery model. In order to achieve this, the Headteacher Reference Group will continue to be involved in the process, in order to ensure that the outcomes of the procurement process meet the needs of schools.

9. Project Assurance

Overall decision making rests with the Children, Education, Libraries and Safeguarding Committee. Detailed work to develop the project and its implementation is carried out by officers, reporting to the Council's Strategic Commissioning Board, which also signs off key deliverables. Within this process, project assurance is provided principally through the Project Board, which has membership as follows:

Commissioning Director Children and Young People (Acting)	Val White (Chair)
Education and Skills Director	Ian Harrison
Commercial and Customer Services Director	Claire Symonds
Project Lead	Deborah Hinde
Head of Programmes and Resources (project assurance)	Tom Pike
Head of Education Partnership and Commercial Services	Alison Dawes
Head of Finance	Ruth Hodson
Service Manager/Principal Lawyer (HB Public Law)	Sarah Wilson

The Project Board meets fortnightly and has oversight of all project activity, including:

- Approval of project plans
- Monitoring of progress
- Contribution of relevant professional expertise to development of products and deliverables
- Approval of products and deliverables

The project was the subject of an internal audit against the Council's project management standards during an earlier phase. Further audits and gateways reviews will be conducted at relevant points as the project proceeds.

Deliverable / Product	Quality Criteria	Acceptor
Procurement Strategy	Provides clear description of how the procurement process will achieve overall objectives	Project Board
Overall project plan, including engagement and consultation plan	Compliant with LBB project management standards and overall timescales	Project Board
Procurement plan	Compliant with EU requirements and overall timescales	Project Board
OJEU notice and Pre-qualification questionnaire	Compliant with EU requirements, overall timescales and project objectives	Project Board
Evaluation criteria	Compliant with EU requirements and project objectives	Project Board
Service specifications	Provide clear description of outputs and outcomes required and in accordance with product description	Project Board
Date Room contents	In accordance with product description	Project Board

10. Dependencies

There are no direct dependencies, although the outcome of the Unified Reward project may have an impact on bidders' responses, if it results in an increase in the current cost of the service.

Appendix A – financial modelling summary

The in-house model

An enhanced in-house service, based on additional investment to grow services has been developed. In doing so, account has been taken of the views from staff, engagement with trade unions and examples from other local authorities

It has now been assumed that the budget saving of £1.3m arising from not having to procure an external partner could be used to support a small marketing team and that a more commercial approach would thus lead to some growth in services.

As a result it is now assumed that, instead of having to secure a £1.55m budget saving largely through service reductions, it may be possible to hold the service reductions down to about £0.7m.

This is largely as a result of assuming growth in income amounting to approximately £1.9m over 5 years, mainly by selling more services to schools, including schools that currently do not buy services both within and outside the Borough. This represents an increase in income of over 20%. It is assumed that this would involve increased expenditure of about £1.5m on providing the additional services, thus producing a surplus of some £0.4m that would contribute towards the savings.

It is assumed that the balance of savings can be achieved through efficiency measures, with savings equating to 2.5% of gross expenditure, or about £470,000, over 5 years.

It is assumed that service growth would develop over time and that this approach would require substantial use of the procurement saving to meet the shortfall in the budget savings in the first two years.

The service reductions and efficiency savings required would still amount to a significant proportion of the non-Dedicated Schools Grant (DSG) budget. The net non-DSG budget, excluding SEN Transport (as savings in this area have already been factored in centrally) would still have to reduce by about £1.17m from £2.77m to £1.6m, a reduction of over 40%, with service reductions expected to be £0.7m or 25% of the net budget.

The social enterprise model

A similar approach has been taken to the development of the social enterprise model. In this case it has been assumed that investment of £1.5m will be available, £750,000 from schools and matched funding from the council. Some of this funding would be used to support a marketing team and a more commercial approach that would thus lead to some growth in services.

As a result it is now assumed that, instead of having to secure a £1.55m budget saving largely through service reductions, it may be possible to hold the service reductions down to about £0.3m.

This is largely as a result of assuming growth in income amounting to approximately £3.2m over 5 years, mainly by selling more services to schools, including schools that currently do not buy services both within and outside the Borough. It is assumed that schools' commitment to investing in the service would be reflected in a commitment among many schools to buy more services and to encourage other schools inside and outside Barnet to

Appendix A – financial modelling summary

do the same. The growths represents an increase in income of over 33%. It is assumed that this would involve increased expenditure of about £2.6m on providing the additional services, thus producing a surplus of some £0.6m that would contribute towards the savings.

It is assumed that the balance of savings can be achieved through efficiency measures, with savings equating to 3.3% of gross expenditure, or about £620,000, over 5 years. The figure is slightly higher than for the in-house model because it is assumed that there will be more scope for efficiencies in an organisation that is separate from the council.

It is assumed that service growth would develop over time and that this approach would require substantial use of the procurement saving to meet the shortfall in the budget savings in the first two years.

The service reductions and efficiency savings required would still amount to a significant proportion of the non-DSG budget. The net non-DSG budget, excluding SEN Transport (as savings in this area have already been factored in centrally) would still have to reduce by about £0.93m £1.17m from £2.77m to £1.84m, a reduction of over 33%, with service reductions expected to be £0.3m or 11% of the net budget.

The joint venture models

With the joint venture models, the underlying assumption is that a third party would invest in the new model in order to grow and sell more services in order to make a return on their investment over the lifetime of the contract. It is therefore assumed that no actual service reductions will be required.

Much more ambitious growth figures are assumed because of the commercial and marketing infrastructure the third party will bring to the partnership and because of their experience and track record in selling services to schools and/or local authorities across a number of council areas.

It is thus assumed that income growth will increase by £9m over 5 years (for the 2-way joint venture, about £0.5m less for the 3-way JV). This would be achieved through a combination of selling more services to schools, including schools that currently do not buy services both within and outside the Borough, and from selling services, including statutory services, to other local authorities. The growth represents a doubling of income. It is assumed that this would involve increased expenditure of about £7.2m on providing the additional services, thus producing a surplus of some £1.8m, with some of this contributing towards the savings and the rest to some form of gain-share agreement between the parties to the partnership.

It is also assumed that some savings can be achieved through efficiency measures, with savings equating to at least 4% of gross expenditure, or about £770,000, over 5 years. The figure is higher than for the social enterprise model because it is assumed that the third party will bring commercial expertise that will deliver a greater level of transformation and efficiency.

It is assumed that service growth would develop over time and that this approach would require management of its own investment and cashflow by the third party to cover any savings shortfall in the first year.

Appendix A - financial modelling tables

Summary of financial benefits

	In-house	Social Enterprise	Three-way JV	Two-way JV
Service reductions				
Catering	£0	£0	£0	£0
School Improvement	£0	£0	£0	£0
Other Traded	£296,533	£148,266	£0	£0
Non-Traded	£394,373	£157,749	£0	£0
Total	£690,906	£306,015		
Efficiencies				
Catering	£208,305	£277,740	£347,175	£347,175
School Improvement	£26,320	£35,094	£43,867	£43,867
Other Traded	£74,698	£99,597	£124,496	£124,496
Non-Traded	£48,004	£64,005	£80,006	£80,006
Other services*	£115,704	£144,630	£173,556	£173,556
Total	£473,031	£621,066	£769,100	£769,100
Increased trade to schools				
Catering	£57,072	£57,072	£85,608	£85,608
School Improvement	£28,682	£43,024	£62,743	£62,743
Other Traded	£16,117	£30,218	£40,291	£40,291
Non-Traded	£0	£0	£0	£0
Total	£101,871	£130,314	£188,642	£188,642
Trade - outside the borough				
Catering	£142,679	£321,029	£963,086	£963,086
School Improvement	£33,612	£53,780	£129,072	£145,205
Other Traded	£50,363	£54,392	£181,307	£226,634
Non-Traded	£56,004	£67,205	£246,419	£280,021
Total	£282,658	£496,406	£1,519,884	£1,614,946
Trade - Additional Services				
Catering	£0	£9,524	£28,571	£28,571
School Improvement	£0	£0	£0	£0
Other Traded	£0	£1,226	£12,260	£12,260
Non-Traded	£0	£718	£2,870	£2,870
Total	£0	£11,468	£43,701	£43,701
Total from income	£384,529	£638,188	£1,752,227	£1,847,289
TOTALs	£1,548,466	£1,565,269	£2,521,327	£2,616,389

Summary by service cluster

Catering	£408,056	£665,365	£1,424,440	£1,424,440
School Improvement	£88,614	£131,898	£235,682	£251,815
Other Traded	£437,711	£333,699	£358,354	£403,681
Non-Traded	£498,381	£289,677	£329,295	£362,897
Other services*	£115,704	£144,630	£173,556	£173,556
Total	£1,548,466	£1,565,269	£2,521,327	£2,616,389

*DSG-funded services and SEN transport

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Catering

Levers applied to catering

Range Individual % within range

	Lever	Effect	%	Margin	Applied to	In-house	Social Enterprise	Joint Venture	Joint Venture with Schools	Notes/assumptions
1	Service reductions	Cost reduction x%	0.0%		Net Budget	0.0%	0.0%	0.0%	0.0%	
2	Efficient processes	Cost reduction x%	5-10%		Gross Exp	3.0%	4.0%	5.0%	5.0%	Reduction in costs through more efficient processes, particularly around ordering and stock management, and generating a similar level of income. Some potential for procurement efficiencies.
3	Ability to trade freely beyond the borough	Income increase x% per year	2-15%	20.0%	Income	2.0%	5.0%	15.0%	15.0%	Assumes that income-related expenditure increases by 80% of new income. Growth potential through broader market than schools, due to nature of service.
4	Increased trade to current schools	Increased income by x%	2.0%	20.0%	Income	2.0%	2.0%	3.0%	3.0%	Assumes that income-related expenditure increases by 80% of new income. Limited scope for increasing trade of basic service to existing customers, but some scope for increasing trade in specialist advice and event catering.
5	Trading to more schools within the borough	Increased income by x%	1-3%	20.0%	Income	2.0%	2.0%	3.0%	3.0%	Assumes that income-related expenditure increases by 80% of new income. Limited scope for increasing customer base due to current high buy-back levels, but some scope for increasing customer base beyond schools and for specialist advice and event catering.
6	Ability to add services	Income increase x % per year greater control of new service costs increases the margin on this income	0-15%		Net Budget	0.0%	5.0%	15.0%	15.0%	Assumes that income-related expenditure increases by 70% of new income. Potential for increasing specialist catering services.

Catering detailed modelling

Model: In House							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile	Total	50%	50%	0%	0%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	208,305	20,831	62,492	83,322	20,831	20,831	208,305
Profile	Total	10%	30%	40%	10%	10%	100%
Percentage of budget		0.3%	0.9%	1.2%	0.3%	0.3%	3.0%
Trade outside the borough	28,536	28,536	28,536	28,536	28,536	28,536	142,679
Profile	Year on Year	100%	100%	100%	100%	100%	500%
Percentage of budget		0.4%	0.4%	0.4%	0.4%	0.4%	2.0%
Increased trade to current schools customers	28,536	2,854	5,707	8,561	11,414	-	28,536
Profile	Total	10%	20%	30%	40%	0%	100%
Percentage of budget		0.04%	0.1%	0.1%	0.2%	0.0%	0.4%
Trading to more schools within the borough	28,536	-	2,854	5,707	8,561	11,414	28,536
Profile	Total	0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.0%	0.1%	0.1%	0.2%	0.4%
Additional Services	0	-	-	-	-	-	-
Profile	Total	0%	50%	50%	0%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	293,913	52,220	99,588	126,126	69,341	60,781	408,056
Cumulative effect		52,220	151,808	277,934	347,275	408,056	

Model: Social enterprise							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile	Total	0%	0%	0%	0%	0%	0%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	277,740	27,774	55,548	83,322	55,548	55,548	277,740
Profile	Total	10%	20%	30%	20%	20%	100%
Percentage of budget		0.4%	0.8%	1.2%	0.8%	0.8%	4.0%
Trade outside the borough	71,340	35,670	71,340	71,340	71,340	71,340	321,029
Profile	Year on Year	50%	100%	100%	100%	100%	450%
Percentage of budget		0.50%	1.0%	1.0%	1.0%	1.0%	4.50%
Increased trade to current schools customers	28,536	2,854	5,707	8,561	11,414	-	28,536
Profile	Total	10%	20%	30%	40%	0%	100%
Percentage of budget		0.0%	0.1%	0.1%	0.2%	0.0%	0.4%
Trading to more schools within the borough	28,536	-	2,854	5,707	8,561	11,414	28,536
Profile	Total	0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.0%	0.1%	0.1%	0.2%	0.4%
Additional Services	9,524	-	952	1,905	2,857	3,809	9,524
Profile	Total	0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.5%	1.0%	1.5%	2.0%	5.0%
Total	415,675	66,297	136,401	170,834	149,720	142,111	665,364
Cumulative effect		66,297	202,698	373,533	523,252	665,364	

Model: Joint Venture							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile		0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	347,175	34,718	104,153	138,870	34,718	34,718	347,175
Profile		10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	214,019	107,010	214,019	214,019	214,019	214,019	963,086
Profile		50%	100%	100%	100%	100%	450%
Percentage of budget		1.5%	3.0%	3.0%	3.0%	3.0%	13.5%
Increased trade to current schools customers	42,804	4,280	8,561	12,841	17,122	-	42,804
Profile		10%	20%	30%	40%	0%	100%
Percentage of budget		0.1%	0.1%	0.2%	0.2%	0.0%	0.6%
Trading to more schools within the borough	42,804	-	4,280	8,561	12,841	17,122	42,804
Profile			10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.1%	0.1%	0.2%	0.2%	0.6%
Additional Services	28,571	-	2,857	5,714	8,571	11,428	28,571
Profile		0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	1.5%	3.0%	4.5%	6.0%	15.0%
Total	675,372	146,007	333,870	380,005	287,270	277,286	1,424,439
Cumulative effect		146,007	479,877	859,882	1,147,153	1,424,439	

Model: Joint Venture with Schools							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile		0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	347,175	34,718	104,153	138,870	34,718	34,718	347,175
Profile		10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	214,019	107,010	214,019	214,019	214,019	214,019	963,086
Profile		50%	100%	100%	100%	100%	450%
Percentage of budget		1.5%	3.0%	3.0%	3.0%	3.0%	13.5%
Increased trade to current schools customers	42,804	4,280	8,561	12,841	17,122	-	42,804
Profile		10%	20%	30%	40%	0%	100%
Percentage of budget		0.1%	0.1%	0.2%	0.2%	0.0%	0.6%
Trading to more schools within the borough	42,804	-	4,280	8,561	12,841	17,122	42,804
Profile			10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.1%	0.1%	0.2%	0.2%	0.6%
Additional Services	28,571	-	2,857	5,714	8,571	11,428	28,571
Profile		0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	1.5%	3.0%	4.5%	6.0%	15.0%
Total	675,372	146,007	333,870	380,005	287,270	277,286	1,424,439
Cumulative effect		146,007	479,877	859,882	1,147,153	1,424,439	

School Improvement

Levers applied to school improvement

Range

Individual % within range

Lever	Effect	%	Margin	Applied to	In-house	Social Enterprise	Joint Venture	Joint Venture with Schools	Notes/assumptions
1	Service reductions	0.0%		Net Budget	0.0%	0.0%	0.0%	0.0%	
2	Efficient processes	3-10%		Gross Exp	3.0%	4.0%	5.0%	5.0%	Reduction in costs through efficient processes and generating a similar level of income. Potential for improved use of ICT and better use of administrative resources.
3	Ability to trade freely beyond the borough	1-8%	20.0%	Income	5.0%	8.0%	18.0%	16.0%	Assumes that income-related expenditure increases by 80% of new income. BPSI is well-regarded with current customer base and in-house/social enterprise models should be in a position to build on this.
4	Increased trade to current schools	6-12%	20.0%	Income	8.0%	12.0%	15.0%	15.0%	Assumes that income-related expenditure increases by 80% of new income. BPSI is well-regarded with current customer base and in-house/social enterprise models should be in a position to build on this.
5	Trading to more schools within the borough	4-15%	20.0%	Income	8.0%	12.0%	20.0%	20.0%	Assumes that income-related expenditure increases by 80% of new income. BPSI is well-regarded with current customer base and in-house/social enterprise models should be in a position to build on this.
6	Ability to add services	0-30%		Net Budget	0.0%	10.0%	30.0%	30.0%	Assumes that income-related expenditure increases by 70% of new income. Good base from which to build new services.

Total savings	63,966	92,459	138,878	135,293
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School Improvement detailed modelling

Model: In House	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Lever	0	-	-	-	-	-	-
Service Reductions							
Profile		50%	50%		0%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	26,320	2,632	5,264	5,264	6,580	6,580	26,320
Profile		10%	20%	20%	25%	25%	100%
Percentage of budget		0.3%	0.6%	0.6%	0.8%	0.8%	3.0%
Trade outside the borough	8,963	2,241	4,482	8,963	8,963	8,963	33,612
Profile		25%	50%	100%	100%	100%	375%
Percentage of budget		0.3%	0.5%	1.0%	1.0%	1.0%	3.8%
Increased trade to current schools customers	14,341	717	2,151	2,868	4,302	4,302	14,341
Profile		5%	15%	20%	30%	30%	100%
Percentage of budget		0.080%	0.240%	0.320%	0.480%	0.480%	1.600%
Trading to more schools within the borough	14,341	-	1,434	2,868	4,302	5,737	14,341
Profile		0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.16%	0.32%	0.48%	0.64%	1.60%
Additional Services	0	-	-	-	-	-	-
Profile		0%	50%	50%	0%	0%	100%
Percentage of budget							
Total	63,966	5,590	13,331	19,964	24,148	25,582	88,615
Cumulative effect		5,590	18,921	38,885	63,033	88,615	

Model: Social enterprise	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Lever	0	-	-	-	-	-	-
Service Reductions							
Profile		0%	0%	0%	0%	0%	0%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	35,094	3,509	7,019	8,773	8,773	7,019	35,094
Profile		10%	20%	25%	25%	20%	100%
Percentage of budget		0.4%	0.8%	1.0%	1.0%	0.8%	4.0%
Trade outside the borough	14,341	3,585	7,171	14,341	14,341	14,341	53,780
Profile		25%	50%	100%	100%	100%	375%
Percentage of budget		0.4%	0.8%	1.6%	1.6%	1.6%	6.0%
Increased trade to current schools customers	21,512	1,076	2,151	4,302	6,454	7,529	21,512
Profile		5%	10%	20%	30%	35%	100%
Percentage of budget		0.1%	0.2%	0.5%	0.7%	0.8%	2.4%
Trading to more schools within the borough	21,512	-	2,151	4,302	6,454	8,605	21,512
Profile		0.0%	10%	20%	30%	40%	100%
Percentage of budget			0.2%	0.5%	0.7%	1.0%	2.4%
Additional Services	0	-	-	-	-	-	-
Profile			10%	20%	30%	40%	100%
Percentage of budget							
Total	92,459	8,170	18,492	31,719	36,022	37,494	131,897
Cumulative effect		8,170	26,662	58,381	94,403	131,897	

Model: Joint Venture							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile		0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	43,867	4,387	13,160	17,547	4,387	4,387	43,867
Profile		10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	32,268	16,134	32,268	32,268	32,268	32,268	145,205
Profile		50%	100%	100%	100%	100%	450%
Percentage of budget		1.8%	3.6%	3.6%	3.6%	3.6%	16.2%
Increased trade to current schools customers	26,890	2,689	5,378	8,067	10,756	-	26,890
Profile		10%	20%	30%	40%	0%	100%
Percentage of budget		0.3%	0.6%	0.9%	1.2%	0.0%	3.0%
Trading to more schools within the borough	35,853	-	3,585	7,171	10,756	14,341	35,853
Profile			10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.4%	0.8%	1.2%	1.6%	4.0%
Additional Services	0	-	-	-	-	-	-
Profile		0%	10%	20%	30%	40%	100%
Percentage of budget							
Total	138,878	23,210	54,391	65,052	58,167	50,996	251,816
Cumulative effect		23,210	77,601	142,663	200,820	251,816	

Model: Joint Venture with Schools							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile		0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	43,867	4,387	13,160	17,547	4,387	4,387	43,867
Profile		10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	28,683	14,341	28,683	28,683	28,683	28,683	129,072
Profile		50%	100%	100%	100%	100%	450%
Percentage of budget		1.6%	3.2%	3.2%	3.2%	3.2%	14.4%
Increased trade to current schools customers	26,890	2,689	5,378	8,067	10,756	-	26,890
Profile		10%	20%	30%	40%	0%	100%
Percentage of budget		0.3%	0.6%	0.9%	1.2%	0.0%	3.0%
Trading to more schools within the borough	35,853	-	3,585	7,171	10,756	14,341	35,853
Profile		0.0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.4%	0.8%	1.2%	1.6%	4.0%
Additional Services	0	-	-	-	-	-	-
Profile		0%	10%	20%	30%	40%	100%
Percentage of budget							
Total	135,293	21,417	50,806	61,467	54,581	47,411	235,682
Cumulative effect		21,417	72,223	133,690	188,271	235,682	

Other Traded Services

Levers applied to other traded services

Range Individual % within range

Lever	Effect	%	Margin	Applied to	In-house	Social Enterprise	Joint Venture	Joint Venture with Schools	Notes/assumptions
1	Service reductions	0 - 15%		Net Budget	20.0%	10.0%	0.0%	0.0%	
2	Efficient processes	3 - 10%		Gross Exp	3.0%	4.0%	5.0%	5.0%	Reduction in costs through more efficient processes and generating a similar level of income. Potential for improved use of ICT.
3	Ability to trade freely beyond the borough	5 - 25%	20.0%	Income	5.0%	6.0%	25.0%	20.0%	Assumes that income related expenditure increases by 80% of new income. JV would be in better position to sell beyond the borough, but some scope for trading by other models.
4	Increased trade to current schools	3 - 5%	20.0%	Income	3.0%	5.0%	5.0%	5.0%	Assumes that income-related expenditure increases by 80% of new income. Generally limited scope to increase provision of services to existing customers.
5	Trading to more schools within the borough	5 - 15%	20.0%	Income	5.0%	10.0%	15.0%	15.0%	Assumes that income-related expenditure increases by 80% of new income. Reasonable scope for increasing customer base within the borough. Perceived independence from LBB expected to be a factor.
6	Ability to add services	0 - 50%		Net Budget	0.0%	5.0%	50.0%	50.0%	Assumes that income-related expenditure increases by 70% of new income. Substantial scope for development of new services across spectrum of services currently provided. JV assumed to be in substantially better position to do this, due to broader customer base.

Other traded services detailed modelling

Model: In House							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	296,533	29,653	59,307	74,133	74,133	59,307	296,533
Profile		10%	20%	25%	25%	20%	100%
Percentage of budget		2.0%	4.0%	5.0%	5.0%	4.0%	20.0%
Transformation - Efficient processes	74,698	7,470	14,940	22,409	14,940	14,940	74,698
Profile		10%	20%	30%	20%	20%	100%
Percentage of budget		0.3%	0.6%	0.9%	0.6%	0.6%	3.0%
Trade outside the borough	10,073	10,073	10,073	10,073	10,073	10,073	50,363
Profile		100%	100%	100%	100%	100%	500%
Percentage of budget		1.0%	1.0%	1.0%	1.0%	1.0%	5.0%
Increased trade to current schools customers	6,044	604	1,209	1,813	2,417	-	6,044
Profile		10%	20%	30%	40%	0%	100%
Percentage of budget		0.1%	0.1%	0.2%	0.2%	0.0%	0.6%
Trading to more schools within the borough	10,073	-	1,007	2,015	3,022	4,029	10,073
Profile		0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.1%	0.2%	0.3%	0.4%	1.0%
Additional Services	0	-	-	-	-	-	-
Profile		0%	50%	50%	0%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	397,419	47,800	86,535	110,443	104,585	88,348	437,710
Cumulative effect		47,800	134,335	244,777	349,362	437,710	

Model: Social Enterprise							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	148,266	14,827	29,653	44,480	29,653	29,653	148,266
Profile		10%	20%	30%	20%	20%	100%
Percentage of budget		1.0%	2.0%	3.0%	2.0%	2.0%	10.0%
Transformation - Efficient processes	99,597	9,960	29,879	39,839	9,960	9,960	99,597
Profile		10%	30%	40%	10%	10%	100%
Percentage of budget		0.4%	1.2%	1.6%	0.4%	0.4%	4.0%
Trade outside the borough	12,087	6,044	12,087	12,087	12,087	12,087	54,392
Profile		50%	100%	100%	100%	100%	450%
Percentage of budget		0.6%	1.2%	1.2%	1.2%	1.2%	5.4%
Increased trade to current schools customers	10,073	1,007	2,015	3,022	4,029	-	10,073
Profile		10%	20%	30%	40%	0%	100%
Percentage of budget		0.1%	0.2%	0.3%	0.4%	0.0%	1.0%
Trading to more schools within the borough	20,145	-	2,015	4,029	6,044	8,058	20,145
Profile		0.0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.2%	0.4%	0.6%	0.8%	2.0%
Additional Services	1,226	-	123	245	368	490	1,226
Profile		0.0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.5%	1.0%	1.5%	2.0%	5.0%
Total	291,394	31,837	75,771	103,702	62,140	60,249	333,699
Cumulative effect		31,837	107,608	211,310	273,451	333,699	

Model: Joint Venture							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile	Total	0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	124,496	12,450	37,349	49,798	12,450	12,450	124,496
Profile	Total	10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	50,363	25,182	50,363	50,363	50,363	50,363	226,634
Profile	Year on Year	50%	100%	100%	100%	100%	450%
Percentage of budget		2.5%	5.0%	5.0%	5.0%	5.0%	22.5%
Increased trade to current schools customers	10,073	1,007	2,015	3,022	4,029	-	10,073
Profile	Total	10%	20%	30%	40%	0%	100%
Percentage of budget		0.1%	0.2%	0.3%	0.4%	0.0%	1.0%
Trading to more schools within the borough	30,218	-	3,022	6,044	9,065	12,087	30,218
Profile	Total		10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.3%	0.6%	0.9%	1.2%	3.0%
Additional Services	12,260	-	1,226	2,452	3,678	4,904	12,260
Profile	Total	0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	5.0%	10.0%	15.0%	20.0%	50.0%
Total	227,410	38,638	93,974	111,679	79,585	79,804	403,680
Cumulative effect		38,638	132,613	244,291	323,876	403,680	

Model: Joint Venture with Schools							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile	Total	0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	124,496	12,450	37,349	49,798	12,450	12,450	124,496
Profile	Total	10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	40,290	20,145	40,290	40,290	40,290	40,290	181,307
Profile	Year on Year	50%	100%	100%	100%	100%	450%
Percentage of budget		2.0%	4.0%	4.0%	4.0%	4.0%	18.0%
Increased trade to current schools customers	10,073	1,007	2,015	3,022	4,029	-	10,073
Profile	Total	10%	20%	30%	40%	0%	100%
Percentage of budget		0.1%	0.2%	0.3%	0.4%	0.0%	1.0%
Trading to more schools within the borough	30,218	-	3,022	6,044	9,065	12,087	30,218
Profile	Total		10%	20%	30%	40%	100%
Percentage of budget		0.0%	0.3%	0.6%	0.9%	1.2%	3.0%
Additional Services	12,260	-	1,226	2,452	3,678	4,904	12,260
Profile	Total	0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	5.0%	10.0%	15.0%	20.0%	50.0%
Total	217,337	33,602	83,902	101,606	69,512	69,731	358,353
Cumulative effect		33,602	117,504	219,110	288,622	358,353	

Non-traded Services

Levers applied to non-traded services

Range Individual % within range

	Lever	Effect	%	Margin	Applied to	In-house	Social Enterprise	Joint Venture	Joint Venture with Schools	Notes/assumptions
1	Service Reductions	Cost reduction x%	0 - 20%		Net Budget	25.0%	10.0%	0.0%	0.0%	
2	Efficient processes	Cost reduction x%	7.5 - 10%		Gross Exp	3.0%	4.0%	5.0%	5.0%	Reduction in costs through more efficient processes
3	Ability to trade freely beyond the borough	Income increase x% per year	5 - 25%	20.0%	Gross Exp	5.0%	6.0%	25.0%	22.0%	Assumes that Gross Exp used at an 80% margin. JV would be in a better position to sell these services to other LAs, which other models are less likely to be in a position to do
4	Increased trade to current schools	increased income by x%	0.0%	20.0%	Income	0.0%	0.0%	0.0%	0.0%	These services are not sold to schools
5	Trading to more schools within the borough	increased income by x%	0.0%	20.0%	Income	0.0%	0.0%	0.0%	0.0%	These services are not sold to schools
6	Ability to Add services easily.	Income increase x % per year greater control of new service costs increases the margin on this income	0 - 20%		Net Budget	0.0%	5.0%	20.0%	20.0%	Assumes that income-related expenditure increases by 70% of new income. Broader commercial network would enable JVs to identify and develop new services.

Non-traded services detailed modelling

Model: In House									
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total		
Service Reductions	394,373	39,437	78,875	78,875	98,593	98,593	394,373		
Profile		10%	20%	20%	25%	25%	100%		
Percentage of budget		2.5%	5.0%	5.0%	6.3%	6.3%	25.0%		
Transformation - Efficient processes	48,004	4,800	9,601	14,401	9,601	9,601	48,004		
Profile		10%	20%	30%	20%	20%	100%		
Percentage of budget		0.3%	0.6%	0.9%	0.6%	0.6%	3.0%		
Trade outside the borough	16,001	-	8,001	16,001	16,001	16,001	56,004		
Profile		0%	50%	100%	100%	100%	350%		
Percentage of budget		0.0%	0.5%	1.0%	1.0%	1.0%	3.5%		
Increased trade to current schools customers	0	-	-	-	-	-	-		
Profile		10%	20%	30%	40%	0%	100%		
Percentage of budget									
Trading to more schools within the borough	0	-	-	-	-	-	-		
Profile		0%	10%	20%	30%	40%	100%		
Percentage of budget									
Additional Services	0	-	-	-	-	-	-		
Profile		0%	50%	50%	0%	0%	100%		
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Total	458,378	44,238	96,476	109,277	124,195	124,195	498,381		
Cumulative effect		44,238	140,714	249,991	374,186	498,381			

Model: Social Enterprise									
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total		
Service Reductions	157,749	15,775	31,550	31,550	39,437	39,437	157,749		
Profile		10%	20%	20%	25%	25%	100%		
Percentage of budget		1.0%	2.0%	2.0%	2.5%	2.5%	10.0%		
Transformation - Efficient processes	64,005	6,400	12,801	19,201	12,801	12,801	64,005		
Profile		10%	20%	30%	20%	20%	100%		
Percentage of budget		0.4%	0.8%	1.2%	0.8%	0.8%	4.0%		
Trade outside the borough	19,201	-	9,601	19,201	19,201	19,201	67,205		
Profile		0%	50%	100%	100%	100%	350%		
Percentage of budget		0.00%	0.60%	1.20%	1.20%	1.20%	4.20%		
Increased trade to current schools customers	0	-	-	-	-	-	-		
Profile		10%	20%	30%	40%	0%	100%		
Percentage of budget									
Trading to more schools within the borough	0	-	-	-	-	-	-		
Profile			10%	20%	30%	40%	100%		
Percentage of budget									
Additional Services	718	-	72	144	215	287	718		
Profile			10%	20%	30%	40%	100%		
Percentage of budget		0.0%	0.5%	1.0%	1.5%	2.0%	5.0%		
Total	241,673	22,175	54,023	70,096	71,655	71,727	289,677		
Cumulative effect		22,175	76,199	146,295	217,950	289,677			

Model: Joint Venture							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile	Total	0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	80,006	8,001	24,002	32,002	8,001	8,001	80,006
Profile	Total	10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	80,006	-	40,003	80,006	80,006	80,006	280,021
Profile	Year on Year	0%	50%	100%	100%	100%	350%
Percentage of budget		0.0%	2.5%	5.0%	5.0%	5.0%	17.5%
Increased trade to current schools customers	0	-	-	-	-	-	-
Profile	Total	10%	20%	30%	40%	0%	100%
Percentage of budget							
Trading to more schools within the borough	0	-	-	-	-	-	-
Profile	Total		10%	20%	30%	40%	100%
Percentage of budget							
Additional Services	2,870	-	287	574	861	1,148	2,870
Profile	Total	0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	2.0%	4.0%	6.0%	8.0%	20.0%
Total	162,882	8,001	64,292	112,583	88,868	89,155	362,898
Cumulative effect		8,001	72,293	184,875	273,743	362,898	

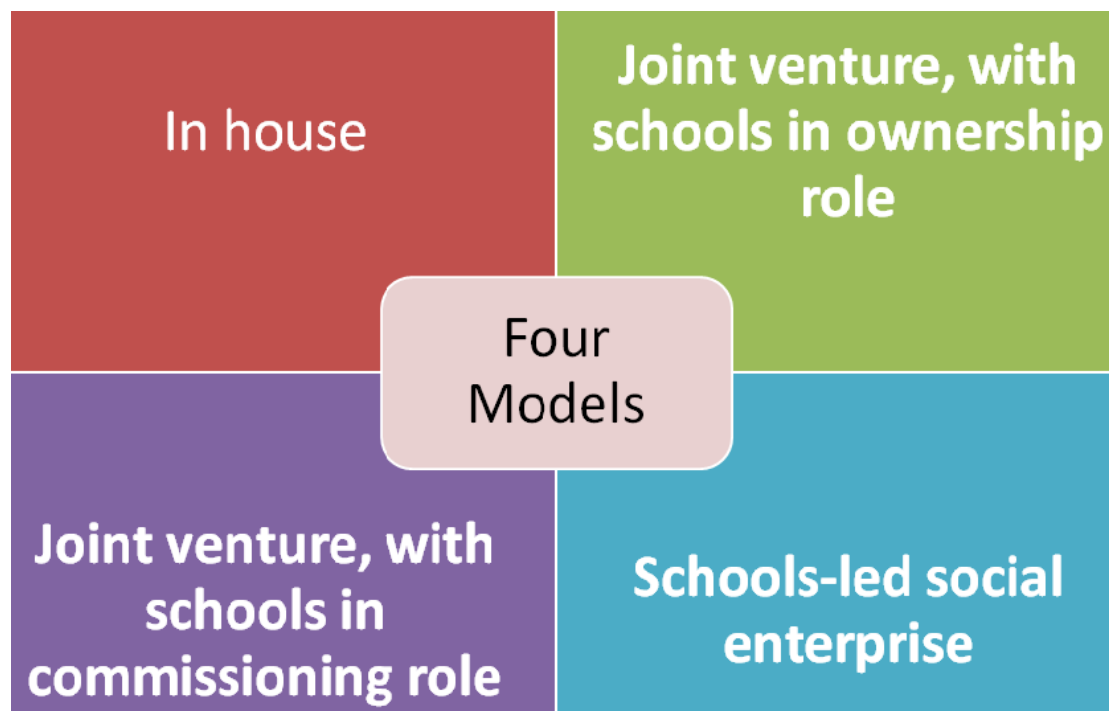
Model: Joint Venture with Schools							
Lever	Full effect	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Service Reductions	0	-	-	-	-	-	-
Profile	Total	0%	25%	50%	25%	0%	100%
Percentage of budget		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transformation - Efficient processes	80,006	8,001	24,002	32,002	8,001	8,001	80,006
Profile	Total	10%	30%	40%	10%	10%	100%
Percentage of budget		0.5%	1.5%	2.0%	0.5%	0.5%	5.0%
Trade outside the borough	70,405	-	35,203	70,405	70,405	70,405	246,419
Profile	Year on Year	0%	50%	100%	100%	100%	350%
Percentage of budget		0.0%	2.2%	4.4%	4.4%	4.4%	15.4%
Increased trade to current schools customers	0	-	-	-	-	-	-
Profile	Total	10%	20%	30%	40%	0%	100%
Percentage of budget							
Trading to more schools within the borough	0	-	-	-	-	-	-
Profile	Total		10%	20%	30%	40%	100%
Percentage of budget							
Additional Services	2,870	-	287	574	861	1,148	2,870
Profile	Total	0%	10%	20%	30%	40%	100%
Percentage of budget		0.0%	2.0%	4.0%	6.0%	8.0%	20.0%
Total	153,282	8,001	59,492	102,982	79,267	79,554	329,295
Cumulative effect		8,001	67,492	170,474	249,741	329,295	

CELS Appendix 2 - OPM Consultation report - overview 19.12.14

New delivery model consultation

London Borough of Barnet

19 December 2014



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Executive Summary

Background

In mid-2014, Barnet Council began a discussion and consultation with schools, staff, and other stakeholders about the challenges facing education support services and the potential ways of addressing these challenges. These include a shift towards academies and free schools, the need for budgetary savings.

Barnet has proposed that all remaining local education authority services, as currently provided by the council's Education and Skills Delivery Unit, should be included in the scope for consideration of a new delivery model. Any new model would deliver statutory services for the council and be commissioned by the council to provide certain services back to it, as well as providing traded services to schools.

The four models which have been proposed are:

1. In-house
2. Schools-led social enterprise
3. Joint venture, with schools in ownership role
4. Joint venture, with schools in commissioning role

The models under consideration will be evaluated by the project board against a common set of criteria to inform their recommendation to the Children, Education, Libraries and Safeguarding Committee in January 2015. The criteria and their relative weightings will be finalised based on the outcomes of consultation with schools and the public. This report details the findings of that consultation.

Two surveys and three focus groups were used to consult schools, parents, residents and parent-governors about the four models, services in scope and the evaluation criteria to be used to select the final model

Methodology

Three focus groups were held with different stakeholders in education and skills services: parents (8 participants), parents of children with special educational needs (10 participants), and parent-governors (8 participants). Each focus group ran for 90 minutes, covering:

- How important the participants thought each evaluation criteria was and why;
- Which model they favoured, why and what were their concerns;
- Whether participants felt the selected services were the appropriate ones to be in scope and why.

The process plan was designed in conjunction with the Residents' Survey to ensure the results could be compared.

The Residents' Survey was designed by Barnet council with input from OPM. The survey was open to all Barnet residents and ran for 8 weeks from the 7th October to 1st December 2014. In total, 123 people responded to the survey.

The Schools' Survey was designed by Barnet council. The survey was for Head teachers and Chairs of Governors of Barnet schools and was open from 10th November until the 2nd December 2014. The survey was available online and in a paper format. In total, there were 98 responses, 53 of which were joint responses from head teachers and the chair of governors, 26 were head teachers and 9 were chair of governors for the school.

Both surveys contained a mix of closed and open ended questions. The closed questions were analysed quantitatively using excel. The open questions were analysed by coding them thematically. Answers could receive multiple codes if appropriate.

Key findings

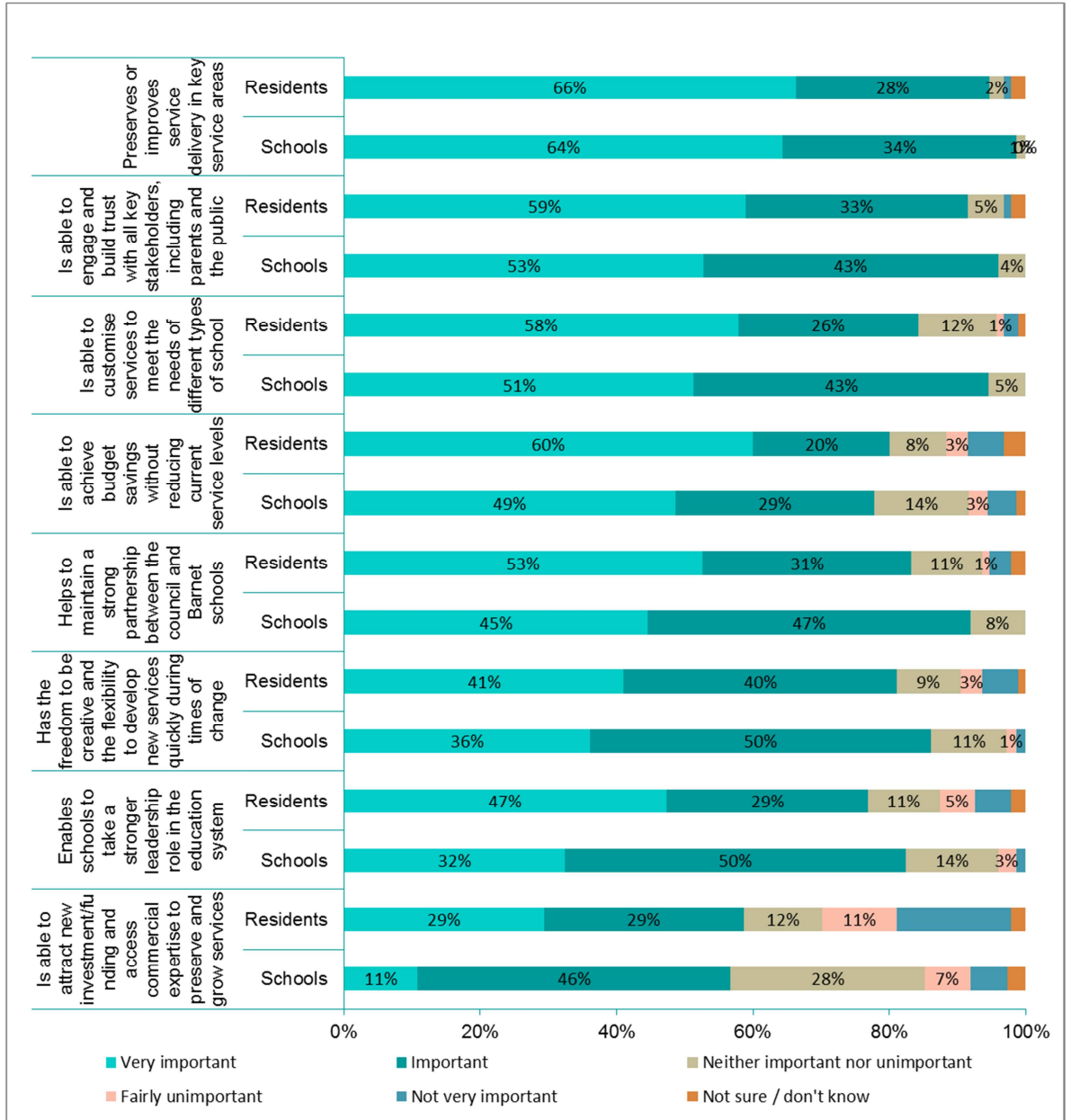
Evaluation criteria

There appeared to be a lot of similarities across the two surveys and the focus groups regarding the importance of each evaluation criterion. Across all strands of the consultation a majority of people thought that all of the criteria were very important or important. However, some criteria were rated as more important than others. The most important criteria appeared to be:

- *Preserves or improves service delivery in key service areas* (Residents 94% and Schools 98% saying important or very important)
- *Is able to engage with and build trust with all key stakeholders, including parents and the public* (Residents 92% and Schools 96% saying important or very important)
- *Helps to maintain a strong partnership between the council and Barnet schools.* (Residents 84% and Schools 92% saying important or very important)

Most of the rest of the criteria had similar levels of reported importance, which made them difficult to order, although the criterion which had the least respondents saying it was important/very important was clearly:

- *Is able to attract new investment/funding and access commercial expertise to preserve and grow services* (Residents 58% and Schools 57%)



The surveys asked whether respondents felt there were additional criteria which should be considered. Throughout the focus group discussions a few themes came up which corresponded to some of the additional criteria comments from the surveys. These were:

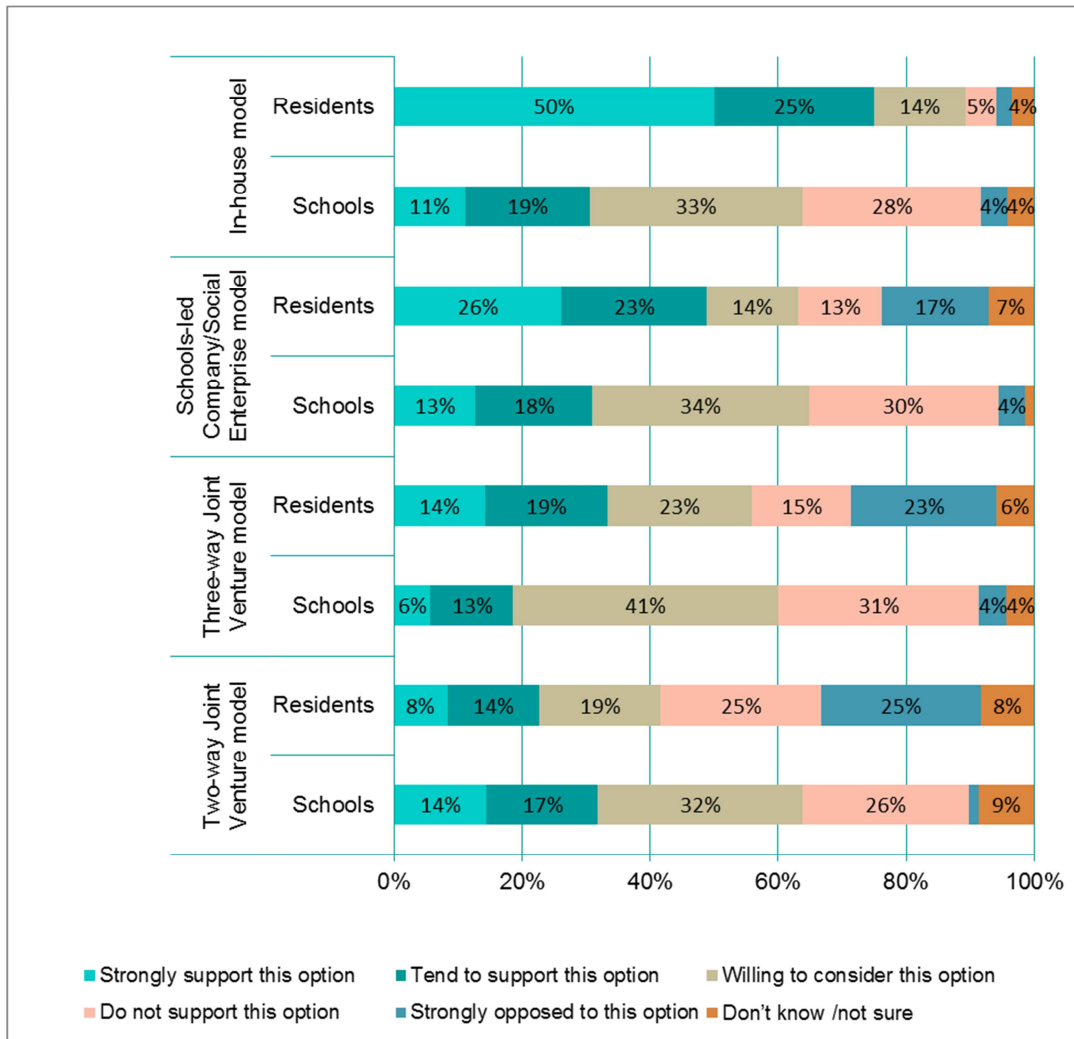
- *Schools' capacity to focus on delivering education should not be affected by their need to commission and manage service delivery through the chosen model.*
- *Schools should not be placed in financial risk by the delivery model.*
- *The decision should be made in favour of all schools equally.*

Models

Across the different consultation strands there was no clear consensus about the preferred model, with a range of responses from the different groups and the two surveys. Indeed, some of the conflicting findings from the same set of respondents meant there was no overall clear preference.

The focus groups found a split in preferences. The parent governors' group preferred the in-house model, a small majority of the parents' focus group preferred the two-way joint venture with commissioning model, and the SEN group was divided between those who thought in-house was best and those who thought it was a model which already had problems.

In the school survey respondents suggested that they would be willing to consider or support all of the options. Support for the in-house, schools –led enterprise and two-way joint venture model was very similar, 30%, 31% and 31% respectively. In contrast, the resident survey revealed a clear preference for the in-house model (51% strong support) with the two-way joint venture with commissioning being the least favoured option (6% strong support). This pattern was the same when 'tend to support' answers were included.



Concerns about the in-house model were primarily around whether this was a viable model given the lack of budget for education available to the council. From the school survey 12 comments concerned the viability of the model and another four the possibility of under-investment. These concerns were shared by the parents’ focus group, who felt something new needed to be done to increase educational standards. There were some concerns across both surveys and the focus groups about whether the other models would place demands on schools which could take the focus away from delivering education. The school survey had 10 comments about the capacity of schools to implement the schools-led model. Resident survey comments revealed concerns about the cost of having third parties involved in the delivery model and their motivations for being involved.

Services in scope

The services in scope questions suggested a level of consensus between the surveys and focus groups, with the majority of services being agreed with being in scope.

Across all three focus groups, there were concerns about the SEN and welfare services being in a new delivery model. These concerns centred around how the quality of service delivery could be maintained if a 'business' person provided the service and about who would monitor the quality. In many of the discussions it appeared that participants tended to polarise their thoughts between the service staying in house and having a commercial third party involved in delivering the service.

With the exception of post 16 learning, the schools' survey showed a majority of respondents strongly agreed or tended to agree that the identified services should in scope for the planned changes. A majority of the school respondents strongly agreed with special educational needs (63%), school improvement (62%), vulnerable pupils (56%) and admissions (54%) being within scope for the new delivery model. There was a lower level of support for traded services (38% strongly agree and 83% net agree) and catering being in scope (27% strongly agree and 58% net agree).

The residents' survey showed a net agreement for all the services being in scope, with admissions (86% net agree), educational welfare (85%), educational psychology (88%), SEN (93%), schools improvement (90%) and post 16 learning (84%) having high levels of agreement. Only catering (42% strongly agree) and governor clerking (42% strongly agree) had minority levels of strong agreement with being in scope.

However, despite the high levels of agreement, there were concerns raised in both surveys around SEN, educational psychology and welfare services. The schools' survey contained 10 comments about the appropriateness of SEN and vulnerable pupils being dealt with outside of the local authority, since these are core services requiring knowledge and accountability. A further nine comments were made about the appropriateness of school admissions being passed to a delivery model which might have third party involvement or put admissions outside the control of the school.

Introduction to the report

Rationale for the research

In mid-2014, Barnet Council began a discussion and consultation with schools, staff, and other stakeholders about the challenges facing education support services and the potential ways of addressing these challenges.

Barnet has enjoyed a very successful schools system. Whilst it wants this success to continue, there are a number of challenges that need to be addressed.

Firstly, whilst overall the proportion of good and outstanding schools remains high and among the top 10% in the country, the proportion of good or outstanding schools has fallen for those schools inspected under the new Ofsted framework. This is a pattern mirrored in local authorities across the country, and in Barnet's case the proportion has fallen to just over 70%, a performance in line with the England average.

Secondly, the educational landscape is changing. Over 70% of Barnet's secondary schools are now academies or Free Schools and at least 15% of primaries will be academies or Free Schools by 2016. These changes give individual schools even greater independence from the local authority than maintained schools, which have also gained increasing autonomy over recent years. Barnet needs to look at how it maintains a strong partnership that includes all schools in the borough and how services can be more responsive to the different needs of these different types of school.

Finally, the council's funding from central government will reduce significantly over the next five to six years, both as a result of on-going austerity measures and as more funding goes directly into schools, rather than to the council. This is why Barnet needs to review what services it can provide and look at opportunities to grow alternative sources of funding, in order to maintain strong and effective support services to schools.

Barnet has proposed that all remaining local education authority services, as currently provided by the council's Education and Skills Delivery Unit, should be included in the scope for consideration of a new delivery model. Any new model would deliver statutory services for the council and be commissioned by the council to provide certain services back to it, as well as providing traded services to schools.

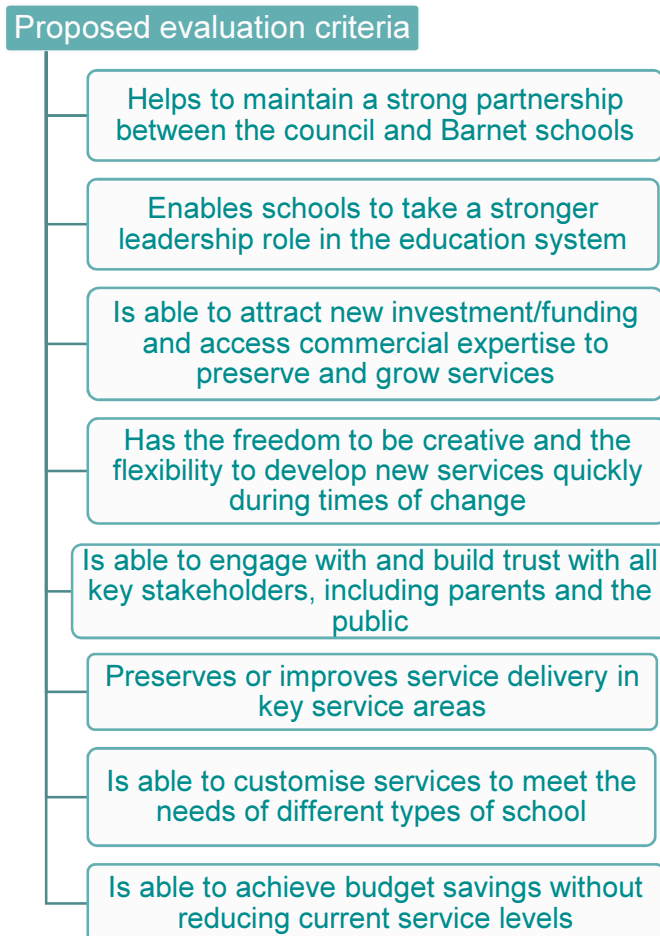
The four models which have been proposed are:

1. In-house
2. Schools-led social enterprise
3. Joint venture, with schools in ownership role
4. Joint venture, with schools in commissioning role

The services in scope are:

- School improvement
- Post-16 participation and skills
- Special Educational Needs (SEN)
- Educational psychology team
- Education welfare service
- Admissions and school place planning
- Governor clerking service
- Catering service

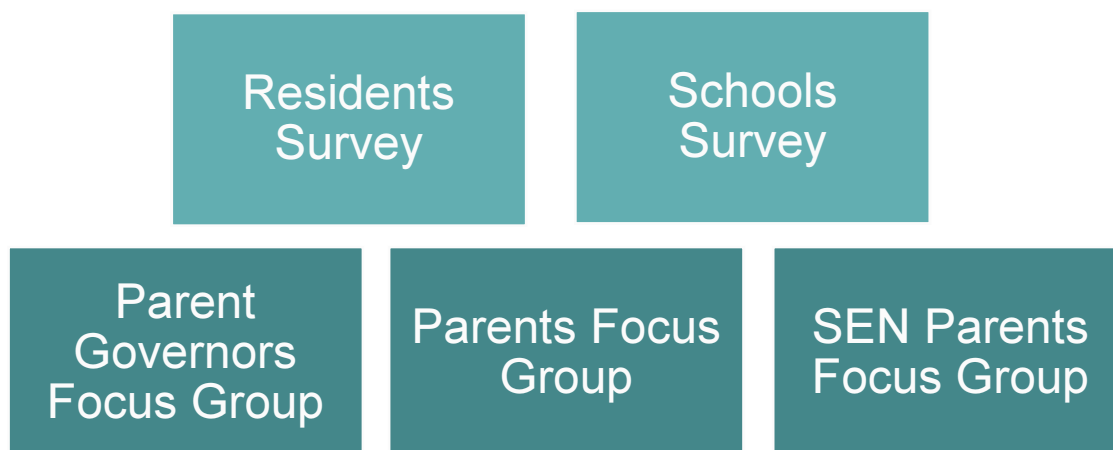
The models under consideration will be evaluated by the project board against a common set of criteria to inform their recommendation to the Children, Education, Libraries and Safeguarding Committee in January 2015. The criteria and their relative weightings will be finalised based on the outcomes of consultation with schools and the public. This report details the findings of that consultation. Two surveys and three focus groups were used to consult schools, parents, residents and parent-governors about the four models, services in scope and the evaluation criteria to be used to select the final model. The proposed evaluation criteria discussed in the consultation are:



How to read this report

This report contains an overall analysis of all the methodological elements used in the survey, providing an overview of the results for the evaluation criteria, services in scope and models. Other questions covered by the surveys have not been discussed in depth.

Methodology



Residents' and Schools' Surveys

The Residents' Survey was designed by Barnet council with input from OPM. The survey was open to all Barnet residents and ran for 8 weeks from the 7th October to 1st December 2014. The survey was available online on the engage Barnet website (http://engage.barnet.gov.uk/consultation-team/future-education-skills/consult_view) and in other formats including paper versions or easy read documents. The survey was publicised through a variety of channels including the front page of the council's website, social media and through school newsletters. In total, 123 people responded to the survey. A further survey response was received after the closing date and when the analysis was completed. Since the answers were broadly in line with the overall findings from the survey and therefore we have not re-calculated the results to include this one response. It should be noted that the findings of the survey cannot be seen to be statistically representative of the residents of Barnet as a whole.

The Schools' Survey was designed by Barnet council. The survey was for Head teachers and Chairs of Governors of Barnet schools and was open from 10th November until the 30th November 2014. In order to maximise the number of responses, the closing date was subsequently extended to 2nd December 2014. The survey was available online and in a paper format.

In total, there were 98 responses, 53 of which were joint responses from head teachers and the chair of governors, 26 were head teachers and 9 were chair of governors for the school.

Both surveys contained a mix of closed and open ended questions. The closed questions were analysed quantitatively using excel. The open questions were analysed by coding them thematically. Answers could receive multiple codes if appropriate. Not all questions were answered by all respondents, therefore percentages are of the number answering each question not the respondents overall.

Focus groups

Three focus groups were held with different stakeholders in education and skills services: parents, parents of children with special educational needs, and parent-governors. Each focus group ran for 90 minutes, covering:

- How important the participants thought each evaluation criteria was and why;
- Which model they favoured, why and what were their concerns;
- Whether participants felt the selected services were the appropriate ones to be in scope and why.

The process plan was designed in conjunction with the Residents' Survey to ensure the results could be compared. The process plan is in Appendix 1. This was a lot of information to cover within the 90 minutes, and discussions around each element had to be kept brief to ensure everything was covered.

Recruitment of the focus groups

The focus groups were recruited in three ways. The parents' focus group was recruited by a specialised recruitment company, Plus Four, in line with a quota developed and agreed with Barnet Council. The quota was designed to try to include as many different voices in the group as possible. The recruitment was conducted on-street. Eight parents attended the evening focus group. The recruitment quota is in Appendix 2.

The parent-governor focus group was recruited by email. An email was sent by Barnet Council to their list of parent-governors, who were asked to respond to OPM directly – thus ensuring participants remained anonymous to the council. A total of 23 parent-governors responded. Twelve were invited to attend the evening focus group, with eight attending. The twelve were selected to represent a mix of primary and secondary schools across Barnet.

The parents of children with special educational needs (which we shall call the SEN focus group throughout the report) were recruited through a Barnet-based support group, pp4danBarnet. The parents covered a mix of school levels and need types. Ten parents of children with special educational needs attended the daytime focus group.

Materials and facilitation

Focus group participants were provided with the detailed document available to survey respondents written by Barnet Council which explained the rationale for change, the evaluation criteria and services in scope. Additionally it explained the proposed models, their pros and cons, and provided comparisons of key elements of the four models. Participants were asked to read the document in advance since there was not time available in the session to read the materials in full.

Additionally, Barnet Council provided OPM with some FAQs and further information so the facilitators could answer some of the participants' questions. OPM debated with Barnet Council whether an expert should attend the focus groups to answer questions. The decision was taken not to have an expert available, to ensure independence of the sessions, protect participant anonymity and reduce the potential to lose the session to Q&As. This meant a trade-off between independence and having someone available to answer questions in depth. Because of this participants did have some questions which the facilitators did not have enough in depth knowledge to answer fully.

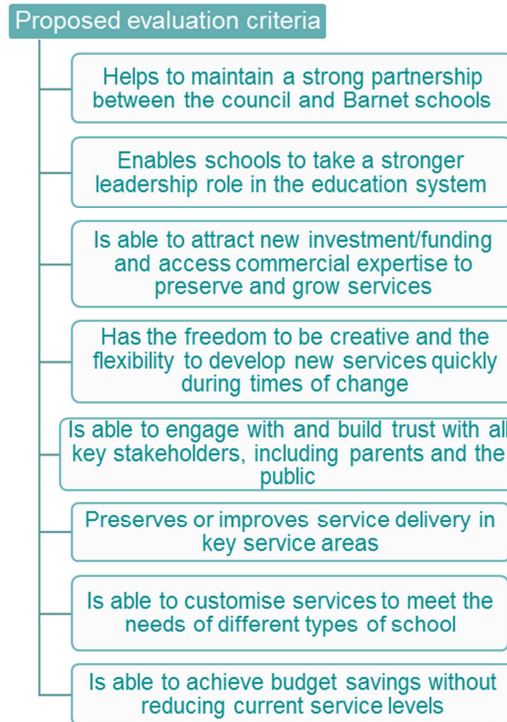
The materials used in the focus group were taken from the consultation document and aligned to the Residents' Survey. This ensured the consultation process was not contaminated with information which had not been provided by Barnet Council and increased the ability of the separate elements of the methodology to be compared.

Analysis

The focus groups were recorded and transcribed. Facilitators then analysed the transcripts for key findings from each focus group before collating findings across the groups. Separately, the transcripts were coded in line with the themes identified in the surveys' open questions to highlight common concerns and recognised benefits around the evaluation criteria and models.

Part 1: Overall findings

Evaluation criteria



Introduction

The survey respondents and focus group participants were asked to rate how important they felt each of the evaluation criteria to be. Additionally, they were asked if they had any other criteria which they felt should be considered. In coding the responses, some common themes arose across the different methodologies which related to whether the evaluation criteria were missing any important factors.

Summary of findings

There appeared to be a lot of similarities across the two surveys and the focus groups regarding the importance of each evaluation criterion. Across all strands of the consultation a majority of people thought that all of the criteria were very important or important. However, some criteria were rated as more important than others. The most important criteria appeared to be:

- *Preserves or improves service delivery in key service areas* (Residents 94% and Schools 98% saying important or very important)

- *Is able to engage with and build trust with all key stakeholders, including parents and the public (Residents 92% and Schools 96% saying important or very important)*
- *Helps to maintain a strong partnership between the council and Barnet schools. (Residents 84% and Schools 92% saying important or very important)*

Most of the rest of the criteria had similar levels of reported importance, which made them difficult to order, although the criterion which had the least respondents saying it was important/very important was clearly:

- *Is able to attract new investment/funding and access commercial expertise to preserve and grow services (Residents 58% and Schools 57%)*

However, there was some variance across the focus groups about the importance of this criterion, with the Parents focus group viewing it as a valuable criterion, and the other focus groups being concerned about what strings may be attached to the funding.

Similarly, whilst '*achieving budget savings without reducing the level of service*' was seen as being an important criterion, the focus groups were concerned about whether this could be achieved in a way which did not place pressure on staff.

The surveys asked whether respondents felt there were additional criteria which should be considered. Throughout the focus group discussions a few themes came up which corresponded to some of the additional criteria comments from the surveys. These were:

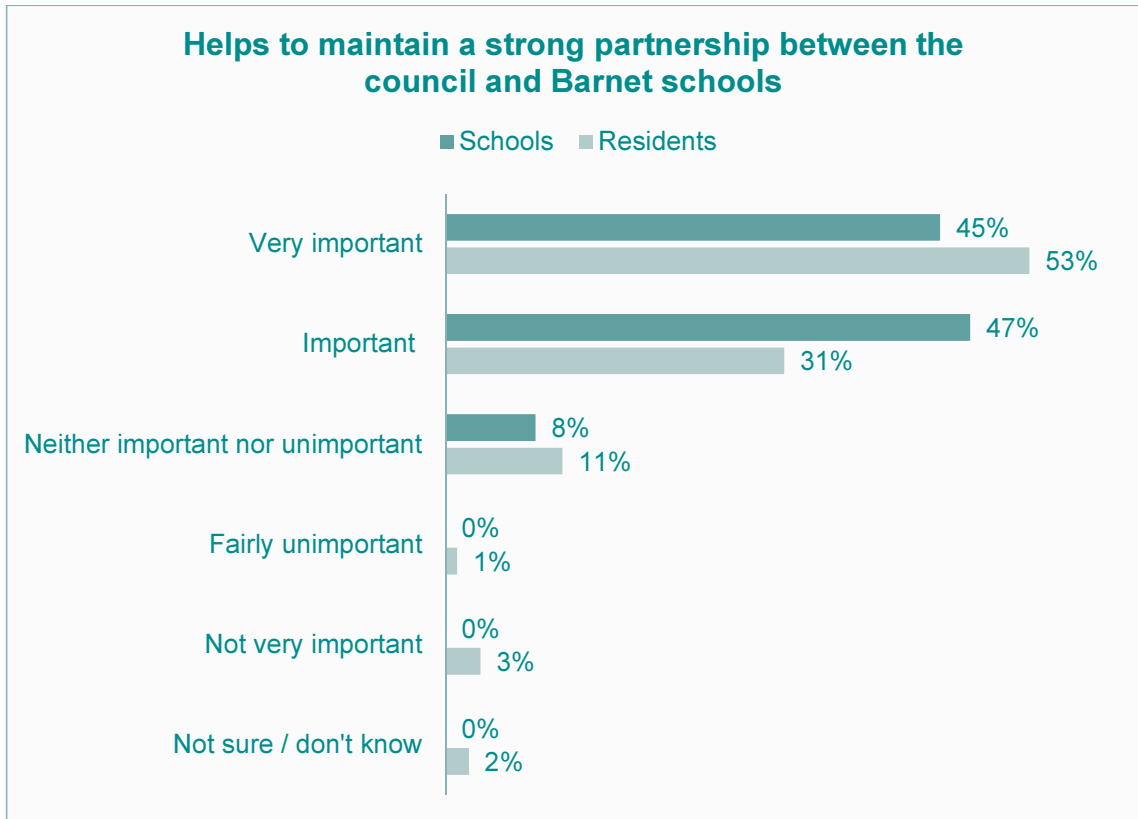
- *Schools' capacity to focus on delivering education should not be affected by their need to commission and manage service delivery through the chosen model.*
- *Schools should not be placed in financial risk by the delivery model.*
- *The decision should be made in favour of all schools equally.*

Additionally, two areas of concern were highlighted across the surveys and focus groups:

- *Whether the information provided about the evaluation criteria was balanced and in enough depth to allow respondents to make an informed decision.*
- *The ethics and implications of involving commercial interests in the delivery of educational services.*

Findings by criterion

1. Helps to maintain a strong partnership between the council and Barnet schools

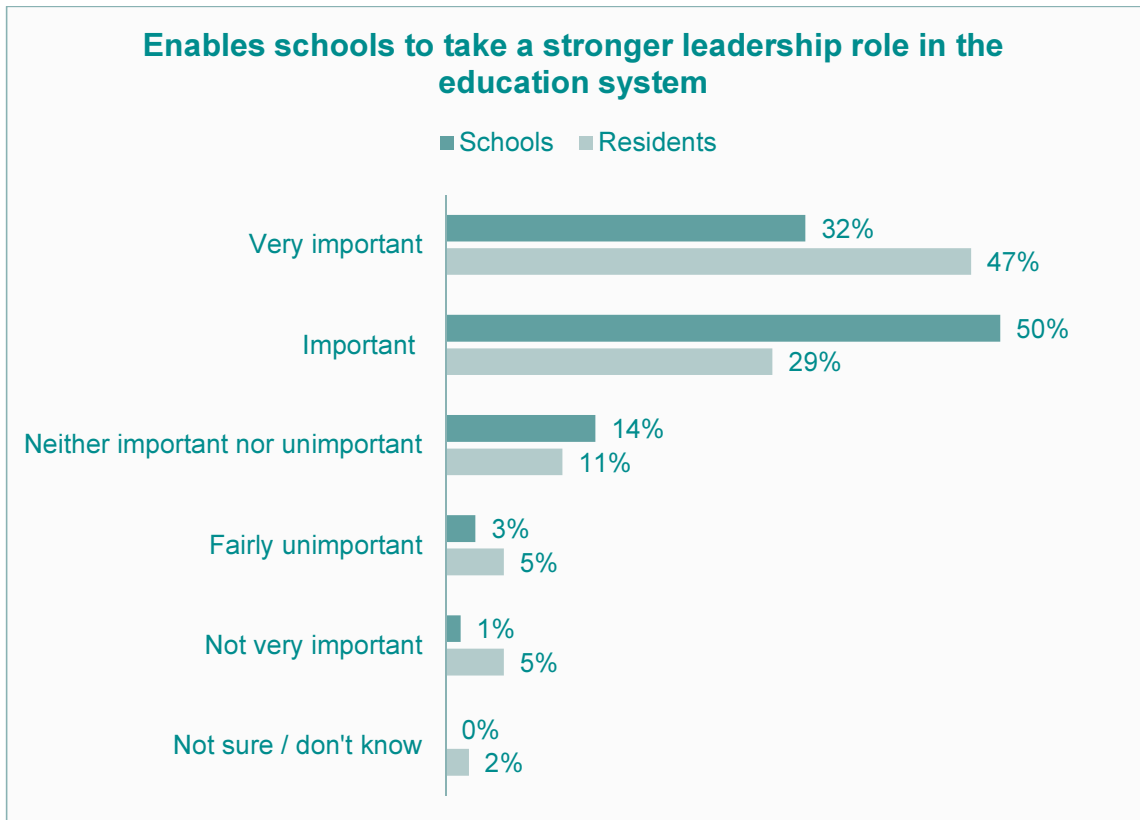


Across the three elements of the consultation, this appeared to be one of the most important criteria. 92% school respondents said this criterion was either important or very important and 84% of the resident respondents.

All three focus groups felt this was an important criterion. This was because having the partnership in place had the following benefits

- supports accountability and oversight of education provision;
- the experience and expertise of schools and the council is put to good use;
- reduces the potential for a fragmentation of education provision.

2. Enables schools to take a stronger leadership role in the education system

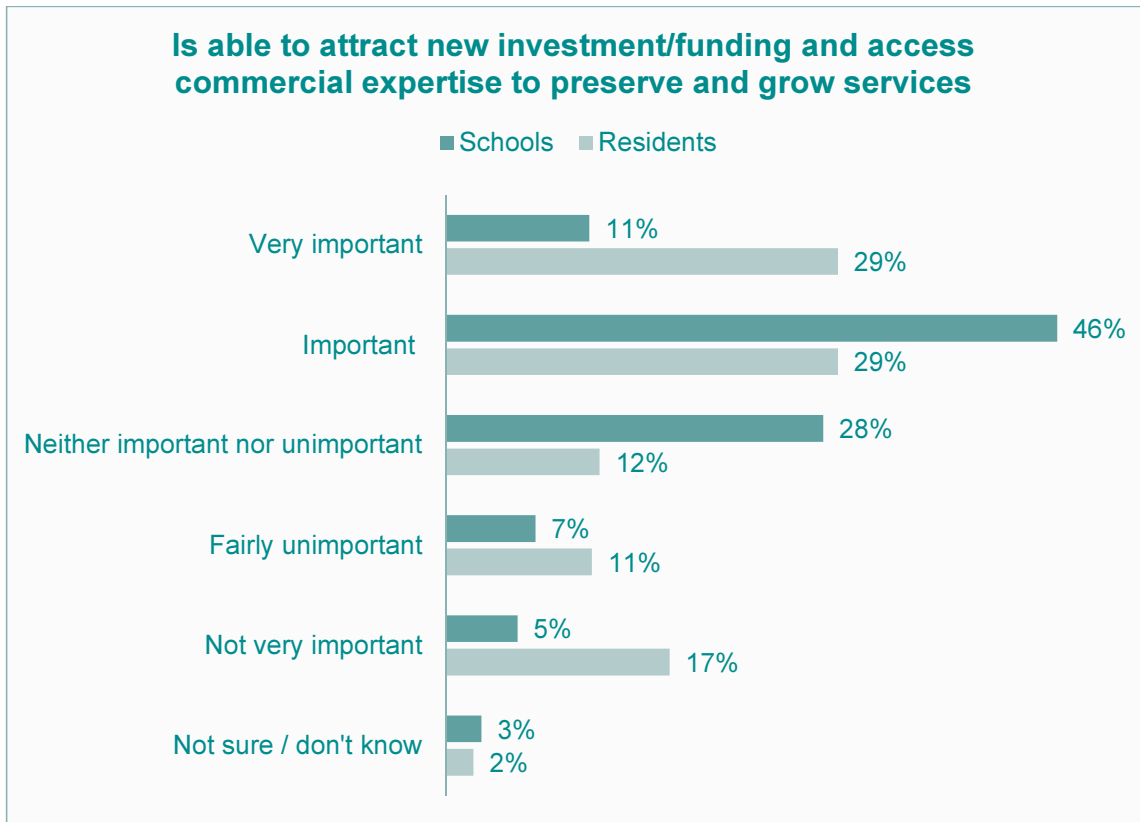


Whilst not rated as one of the most important criteria, 82% school respondents and 76% resident respondents felt this was either an important or very important criterion.

Most of the participants in all three focus groups felt this was an important criterion. SEN parents in particular supported any model which gave school leaders greater influence and voice and which allowed them to focus on delivering the best possible education service to families.

Across the three focus groups there were concerns that school leaders might be diverting their focus from delivering education towards running a business. Some also highlighted the fact that schools in the borough might engage with the new model to different degrees.

3. Is able to attract new investment/funding and access commercial expertise to preserve and grow services

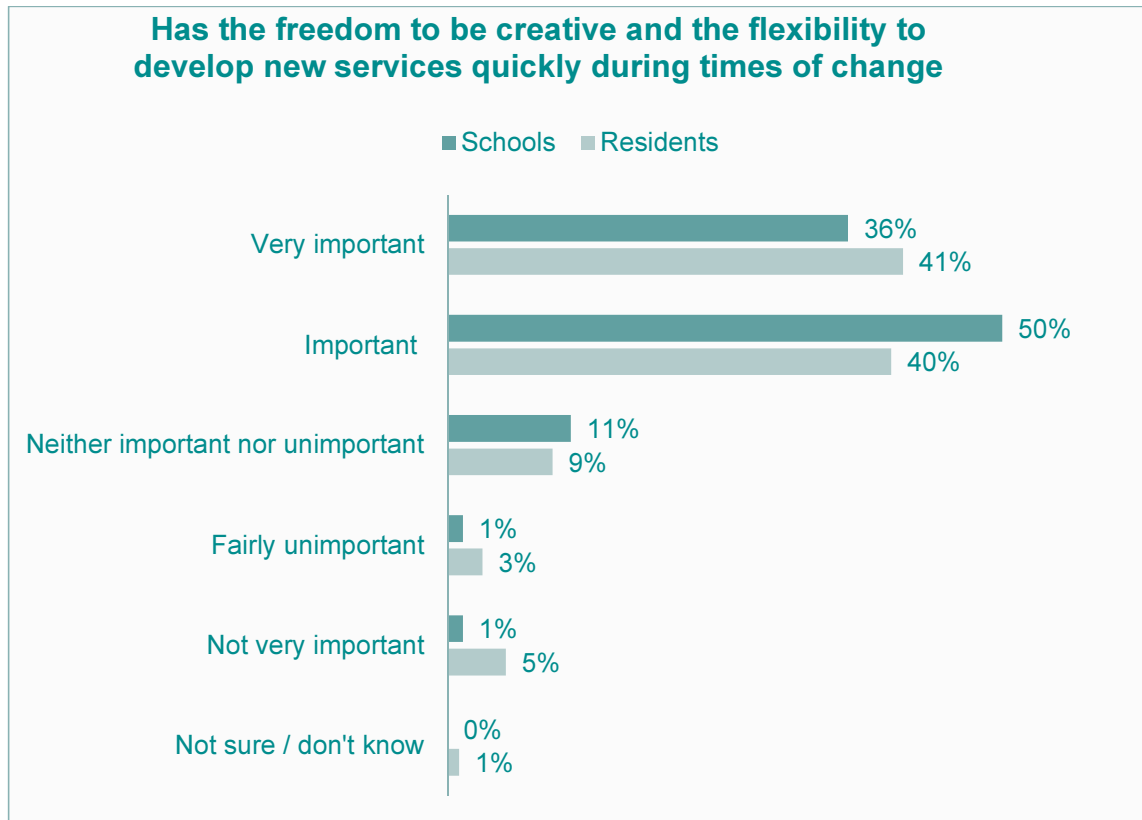


This was the most disputed of all the criteria. Whilst it still had a majority of respondents from both surveys stating they thought it was very/important (57% schools and 58% residents), only 11% of school respondents said it was 'very important'.

There was no consensus across the focus groups on this criterion. The parent groups thought this was a valuable criterion and were interested to know what kinds of new skills and expertise would be brought to the table by having these new providers involved.

The SEN parents group did not think this was a suitable criterion because of concerns about there being 'strings attached' to external funding and because people with business backgrounds might have the wrong kinds of values and motivations. The Parent Governors group also raised concerns about this criterion, including the fact that commercial expertise presented an inherent bias toward selecting particular models.

4. Has the freedom to be creative and the flexibility to develop new services quickly during times of change

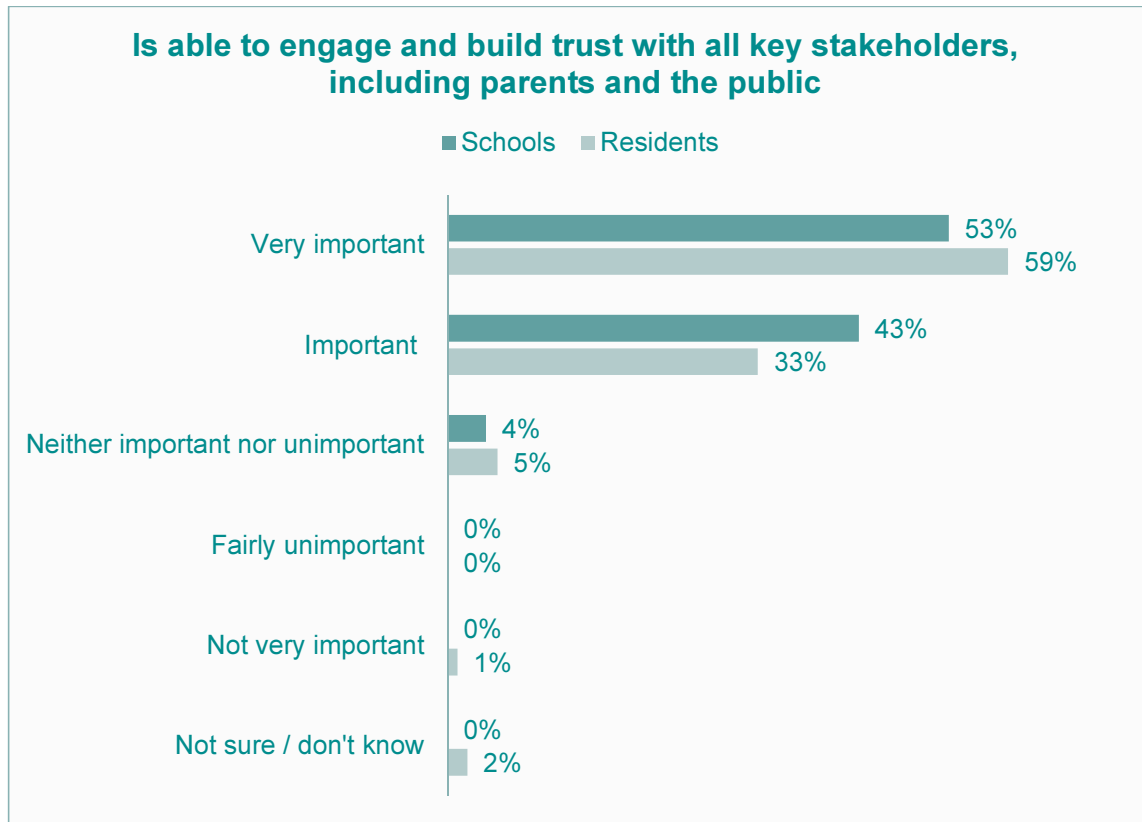


Whilst rated as being slightly less important than other evaluation criteria, this criterion was still viewed as very/important by 86% school respondents and 81% resident respondents.

There was some agreement in the Parent focus group that this criterion was important because schools can be hampered by councils in their ability to be dynamic and flexible during times of change. Some also welcomed the opportunity for a third party to introduce creativity and new ways of working.

In the other two focus groups, participants were more ambivalent about this criterion and they raised concerns and risks about the possible implications about what these freedoms might make possible. Both also felt that the wording was too vague to reach a firm position.

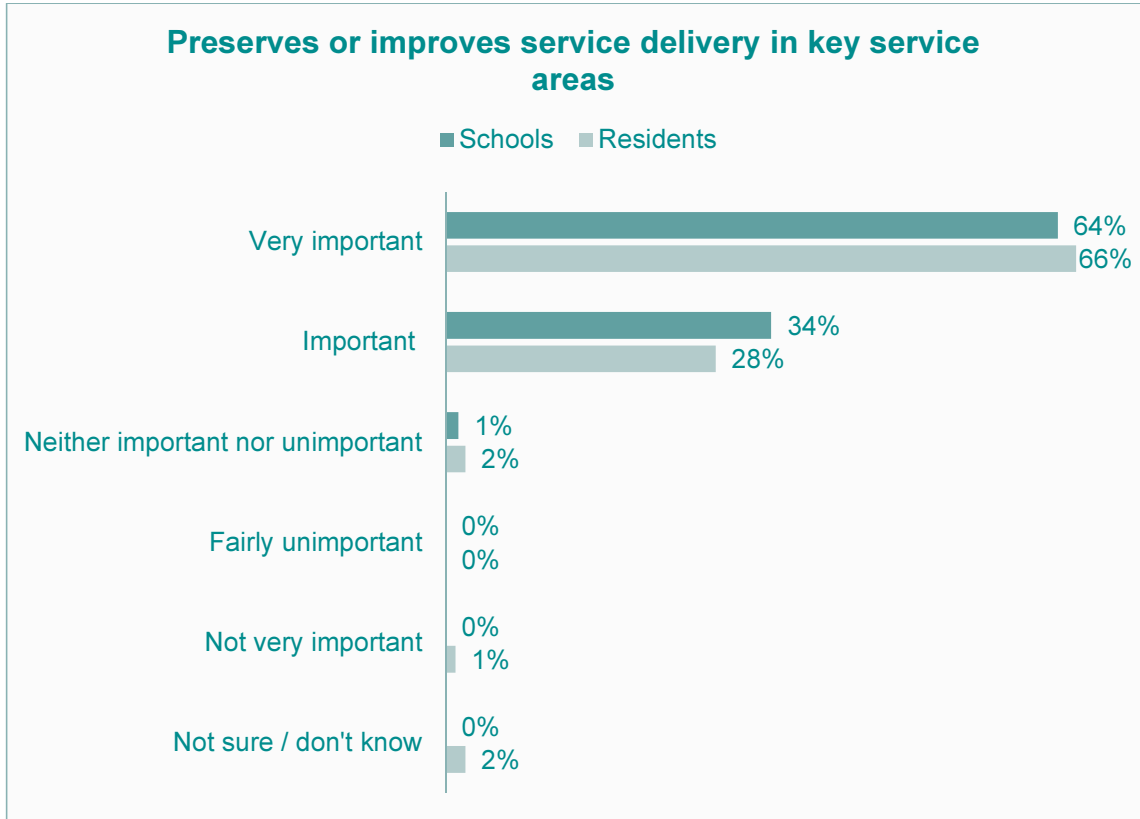
5. Is able to engage with and build trust with all key stakeholders, including parents and the public



Across the three elements of the consultation, this appeared to be one of the most important criteria. 86% schools respondents said this criterion was either important or very important and 92% of the resident respondents.

All of the focus groups agreed this was a very important criterion. This criterion was felt to capture the principles of inclusion and transparency which were felt to be key to the delivery model. A number of participants across the group felt that parents and the public were particularly important sets of stakeholders to engage throughout the process.

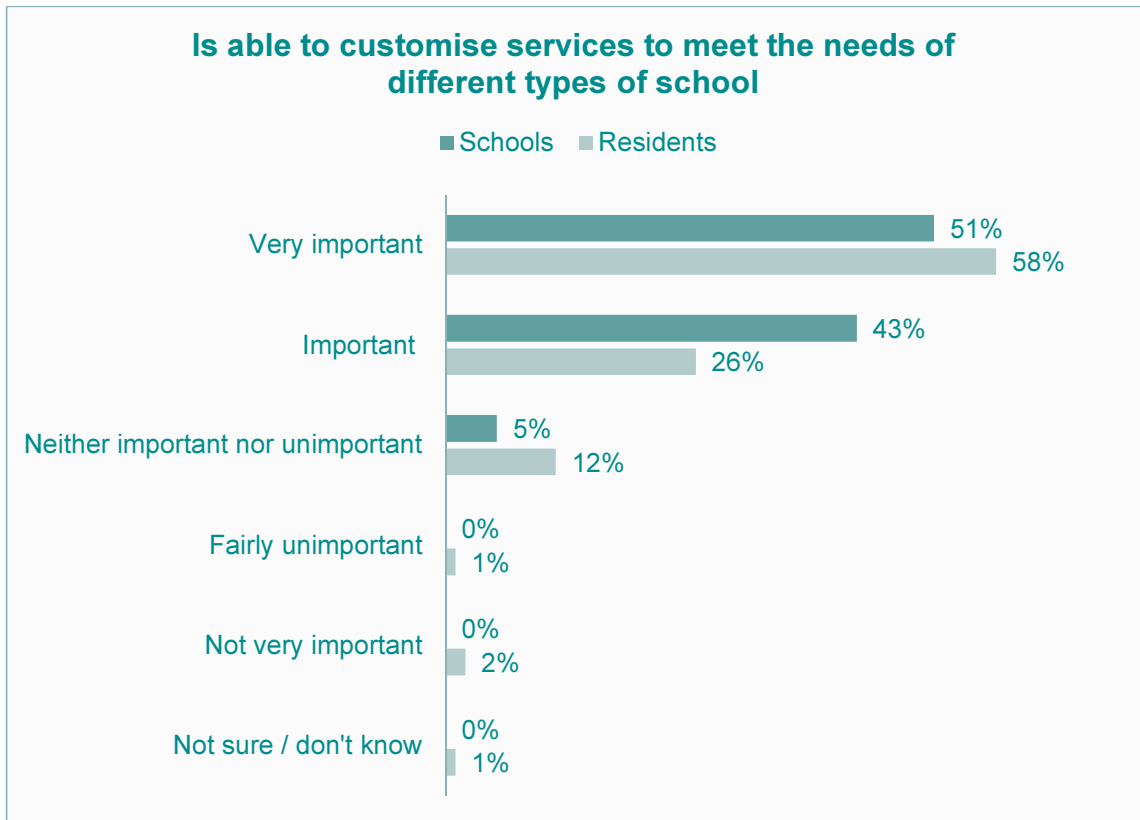
6. Preserves or improves service delivery in key service areas



Across the three elements of the consultation, this appeared to be one of the most important criteria. 98% school respondents said this criterion was either important or very important and 94% of the resident respondents.

All of the focus groups felt this criterion was vital and that the change to a new delivery model would only be valid if it achieved this. The Parents focus group felt that 'improves' was more important than 'preserves' and they questioned what was included under the definition of key service. The SEN Parents wanted to know how any model would achieve this criterion and they sought reassurance that it would not have negative implications further down the line.

7. Is able to customise services to meet the needs of different types of school

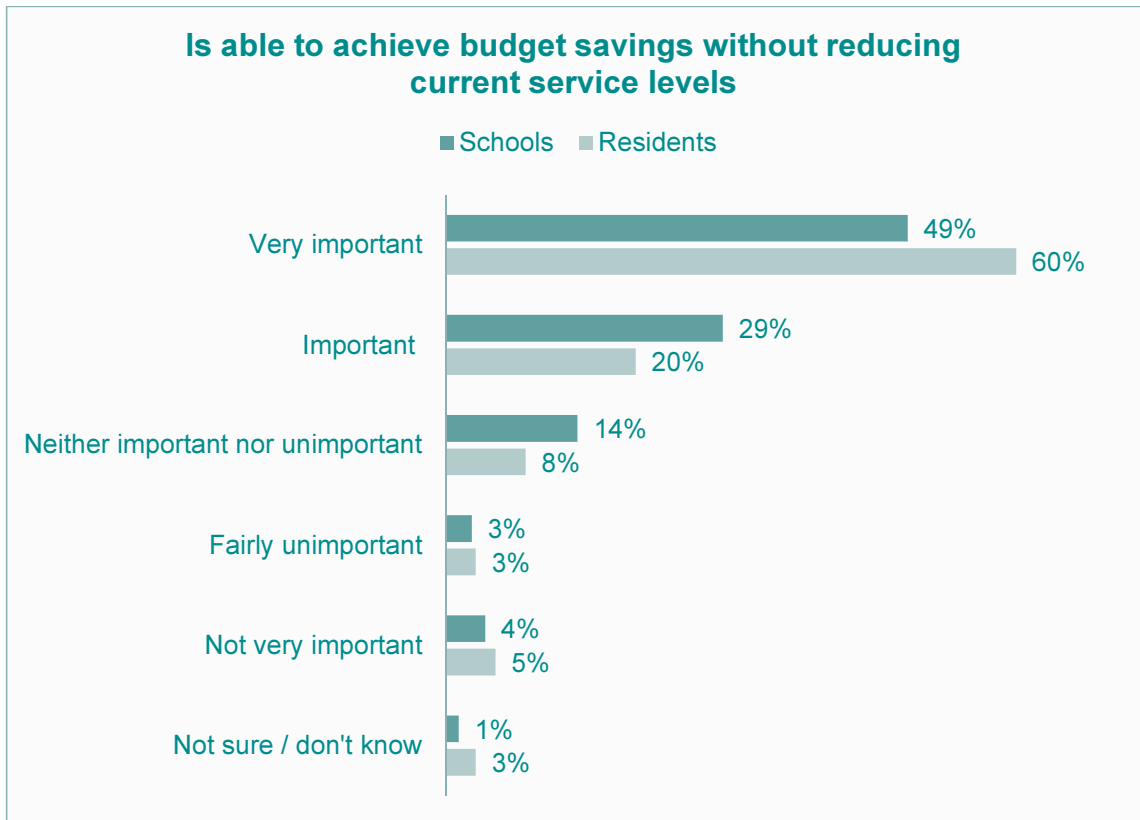


This was an important criterion for the school respondents with 94% saying it was either important or very important. The residents' survey respondents viewed it as being slightly less important, although it was still highly rated at 84% net important.

Two focus groups (SEN parents and parent-governors) thought this was an important criterion, with the SEN Parents in particular focussed on the fact that schools vary greatly across the borough and they have to deliver personalised services to their students and families.

In contrast, the Parents Group thought this criterion was a bit less important than some of the others, but still necessary to delivering quality services.

8. Is able to achieve budget savings without reducing current service levels



This was a somewhat disputed criterion. There was strong support for the criterion, with 78% schools and 80% residents responding that this was either important or very important.

All of the focus groups thought this was, in principle, an important criterion. Indeed, several participants suggested that this was the whole point of the exercise, so it was self-evidently an important criterion. However, two of the groups (Parent Governors and SEN) questioned whether it was attainable without putting undue stress on the staff responsible for delivering services. Because of this, some in the Parent Governor group felt this was the worst criterion on the list.

Models

Introduction

The survey respondents and focus group participants were asked to state how much they supported each delivery model option. Additionally, the schools survey asked respondents how willing they would be to consider investing in each option.

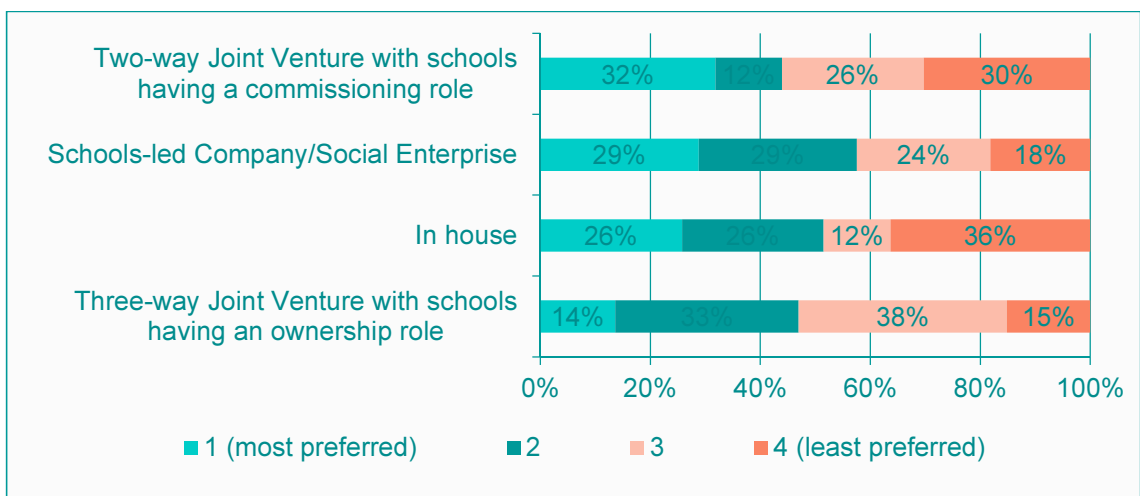
The school survey, as a survey of key stakeholders, asked for detailed comments about each option. The resident survey asked for overall comments on the options, with the focus groups providing in depth probing of each model to understand key user groups' views. Because of this, it has proved difficult to separate out residents survey comments about the involvement of third parties in the two joint venture options.

Summary

Across the different consultation strands there was no clear consensus about the preferred model, with a range of responses from the different groups and the two surveys. Indeed, some of the answers from the same set of respondents proved to lack an overall clear preference.

School survey

In the school survey respondents suggested that they would be willing to consider or support all of the options. Support for the in-house, schools –led enterprise and two-way joint venture model was very similar, 30%, 31% and 31% respectively. When asked to state a preference, the two-way joint venture (32%) is the first preference of slightly more respondents than the other models.



However, when second preferences are taken into consideration the two-way joint venture model becomes the least preferred (44%) with the schools-led social enterprise becoming the most favoured (58%), with the in-house model being next (52%). This changes again when third preferences are taken into account, whereby the in house model becomes the least favourite. In short, the school survey did not reveal a clear finding about the favoured model.

Resident survey

In contrast, the resident survey revealed a clear preference for the in-house model (51% strong support) with the two-way joint venture with commissioning being the least favoured option (6% strong support). This pattern was the same when 'tend to support' answers were included.

Focus groups

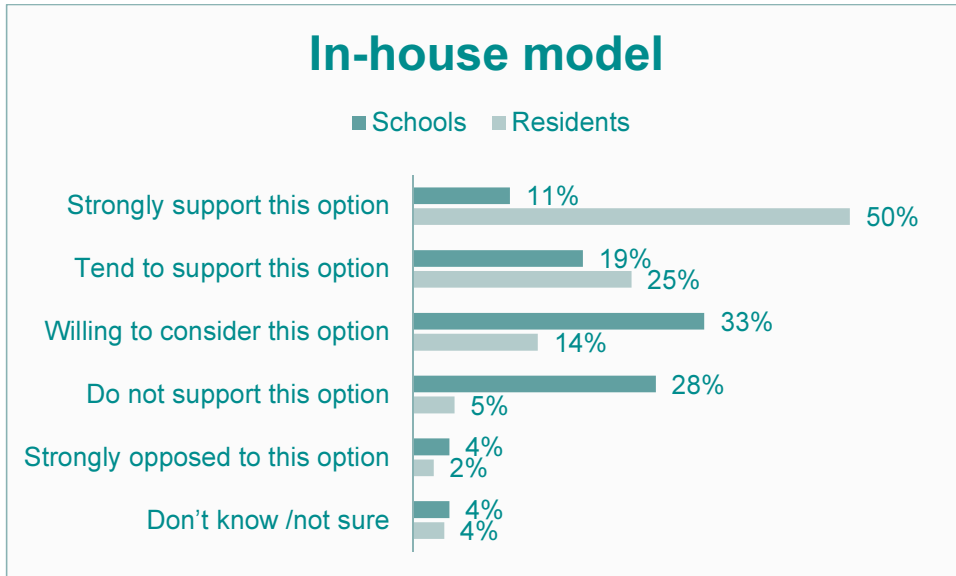
The focus groups also found a split in preferences. The parent governors' group preferred the in-house model, a small majority of the parents' focus group preferred the two-way joint venture with commissioning model, and the SEN group was divided between those who thought in-house was best and those who thought it was a model which already had problems.

Concerns about the in-house model were primarily around whether this was a viable model given the lack of budget for education available to the council. From the school survey 12 comments concerned the viability of the model and another four the possibility of under-investment. These concerns were shared by the parents' focus group, who felt something new needed to be done to increase educational standards. There were some concerns across both surveys and the focus groups about whether the other models would place demands on schools which could take the focus away from delivering education. The school survey had 10 comments about the capacity of schools to implement the schools-led model. Resident survey comments revealed concerns about the cost of having third parties involved in the delivery model and their motivations for being involved.

It is important to say that the focus groups and some survey respondents highlighted the need for more information to make fully informed decisions.

Model specific findings

In-house model



The chart above reveals a stark difference between the opinions of the school and resident survey respondents. Half of the residents responding strongly supported the in-house model as opposed to only 11% of the schools respondents. The difference may be explained by the comments the school respondents made, with concerns about the in-house model being primarily around whether this was a viable model given the lack of budget for education available to the council. From the school survey 12 comments concerned the viability of the model and another four the possibility of under-investment.

“Unsure about the commitment or capacity for in-house model to work”

“This model is not sustainable and would leave the local authority and therefore schools in a vulnerable position. Barnet already seem to be behind other local authorities in transforming school improvement and education service and now is the time for change.”

In contrast, five of the resident survey respondents suggested keeping things as they are.

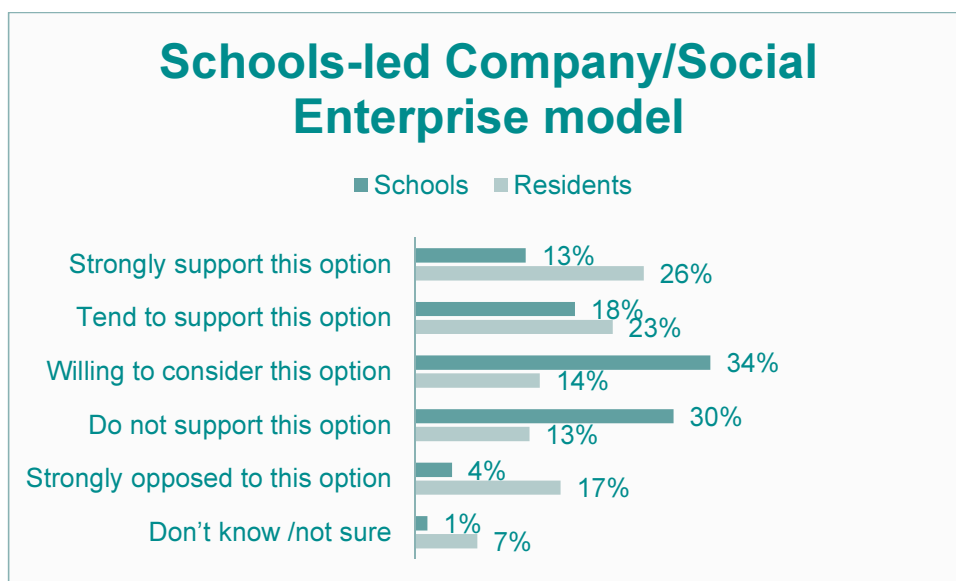
“Why not look at improving the current model instead of giving it a new overhaul which will cost money anyway? Hence more money will be spent on consultants and outside companies and not the actual services themselves.”

When asked about their preferred model, 26% of the school survey respondents listed it as their preferred option, whereas as 36% said it was their least preferred option.

The parent governors' focus group had a preference for the in-house model. Their primary reason was because under the other models school staff would have to divert

their attention and energy away from delivering education and towards commissioning and or running an education and skills business. The parents' focus group seemed to be least in favour of the in-house model because they felt something new needed to be done to increase educational standards. The SEN group was split between those who preferred the in-house model because it was based on a relationship with councils rather than business, and those who felt this model had serious failings currently.

Schools-led company/social enterprise



The school survey respondents strongly/tend to support this model as much as the two-way joint venture model, with a net score of 31% (the in-house model had a net score of 30%, a difference which is not statistically significant for this number of respondents). When first and second preferences were analysed, this model was the preference; although again, the differences have no statistical significance. The open comments reveal the primary concern of respondents to be the demands placed on schools which could take the focus away from delivering education. The school survey had 10 comments about the capacity of schools to implement the schools-led model.

“I think this would take up too much time and keep staff away from the core purpose of being in a school.”

“Head teachers already have an enormous work load. A commitment such as this may have an adverse impact on schools.”

However, five school survey respondents highlighted the benefits which could be gained from the schools-led company, including the potential for schools to combine their experience.

‘This is potentially an exciting model which could maximise the sharing of expertise in schools in Barnet’

The resident survey respondents had a net support score of 59%. This made the schools led social enterprise the second most favoured model for the respondents. Whilst the comments from the residents survey highlighted concerns about the capacity of schools to be engaged in models without losing focus on education, only one respondent made a model-specific comment.

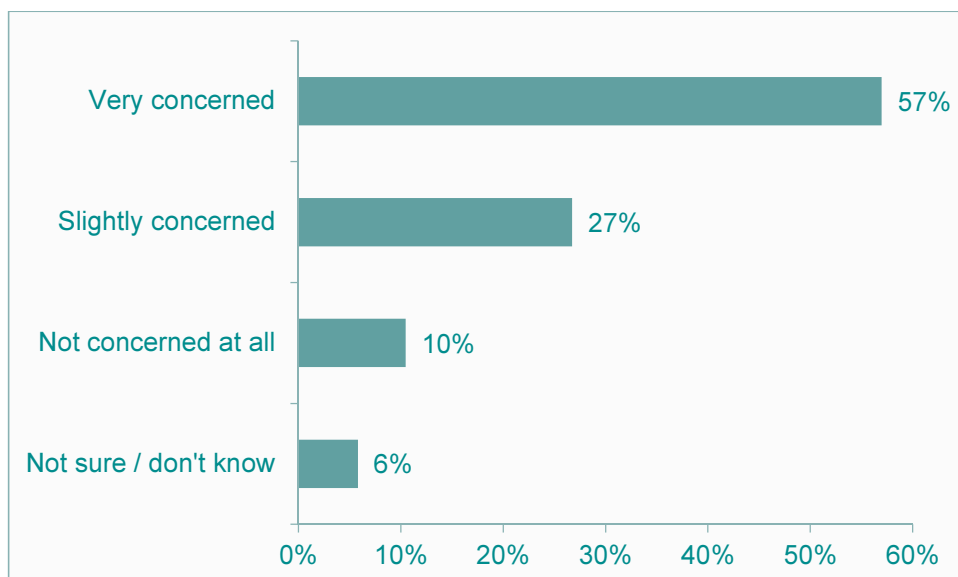
“Danger, if entirely school led, it will be those schools who are able to shout the loudest who drive the agenda and get the most resources. There needs to be checks and balances, which is why if the services are in-house or run by a joint enterprise, this may be a safer option in relation to ensuring all children, including the most vulnerable, receive what they need.”

The SEN parents’ focus group saw a number of benefits in both the in-house model and the schools-led social enterprise. The parents’ focus group felt that forming a new company could reduce ‘red tape’ and allow for greater freedom; this was seen as a positive by several in the group. The group liked the fact that under this model schools would be more involved in leading and influencing the new services, but pointed out that it would not benefit from commercial awareness.

Third party involvement

Much of the discussion in the focus groups and many of the resident survey comments talk about ‘third party involvement’ rather than a particular model. Therefore, those comments are covered here.

Responses to the resident survey question: ‘As long as the quality of the service is good, would you have any concerns if a third party organisation is involved in the delivery of these education support services, either as a partner to the council or as a partner to both the council and the schools?’ revealed high levels of concern.



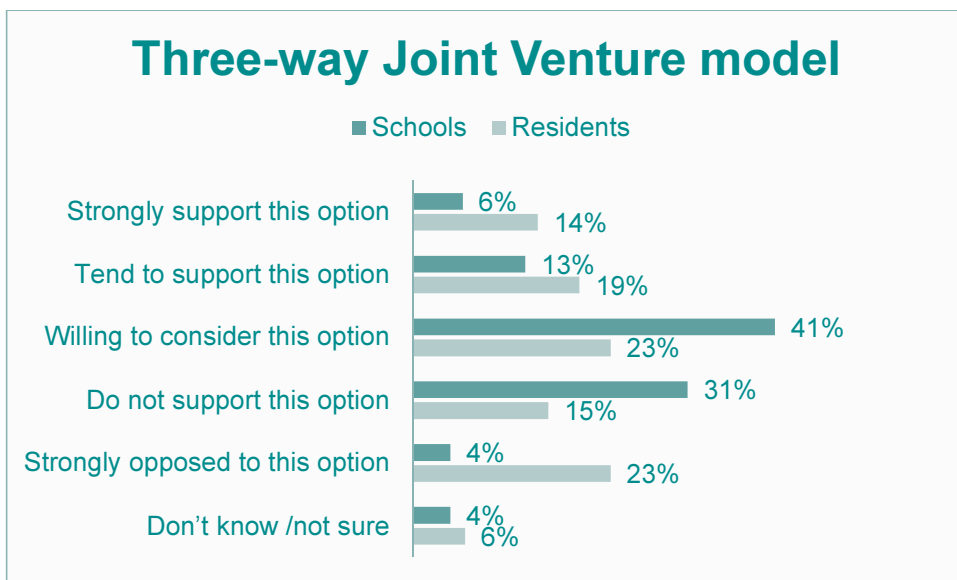
57% respondents said they would be very concerned and a further 27% said they would be slightly concerned. 26 respondents provided open answers about the reasons for their concern, highlighting issues around business models being used in education, the potential quality of the services, and a lack of trust, accountability or responsibility.

“If that third party went into administration where does the burden then lie to pick up the pieces? Will the pressure be then put upon schools and teachers where they already have a demanding time keeping up with the changes in the educational landscape, with minimal time and not always support that should be provided.”

“Any involvement of parties other than schools and the Council in the running of the Borough's education services will only lead to monies for education being siphoned off from the system to pay for new payroll costs or to provide profits to investors.”

The parents’ focus group felt that third party involvement could bring experience and much needed investment. In contrast, many in the SEN focus group pointed to risks and downsides associated with a model which involved a third party provider, such as: there could be a conflict between making good business decisions versus decisions that would benefit the quality and level of education services and services could become less accountable to the families who use them.

Three-way joint venture with ownership



The three way joint venture model with schools having an ownership role was the least supported option for the respondents to the school survey and the third most supported option for the residents survey respondents (net 36%, with another 21% saying they were willing to consider this model). Only 14% of school survey respondents placed this model as their most preferred. However, when first and second preferences were

counted it was slightly ahead of the two-way joint venture model, albeit that this is not a statistically significant finding.

Answers from the school survey had three positive comments about the model.

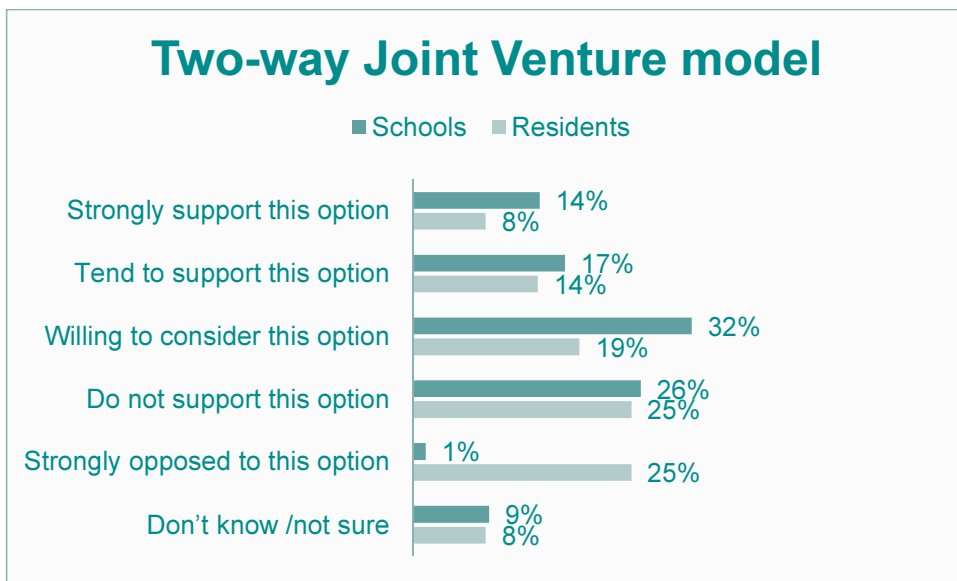
“This is our preferred option as it provides schools with a voice, but it also brings commercial expertise in. Our preference would be to see a not-for-profit organisation as the partner, but we realise that the final choice would be by competitive tender.”

Negative comments were predominantly about having insufficient information to understand the implications of the model (6) and the importance of choosing the right partner (4).

“I don't feel I have sufficient information to fully understand the implications of this model. I understand that this may attract extra funds / investment - but I cannot see what the benefits would be for a third party other than taking money from the system. This is a completely new model, so no way of knowing what may happen.’

Reflecting on this model, the parents’ focus group posed a number of questions relating to profits: would all parties benefit from the profits? What slice of profits would the company keep? How would the slicing of the cake be done? It was felt to be important under this model that the procurement process was very fair and transparent. It would also be important to avoid any conflict of interests, as without transparency people would not trust the organisation. The group felt the model would require a significant proportion of schools coming into the company so that the third party does not dominate.

Two-way joint venture with commissioning



Whilst the two way joint venture model with commissioning received the greatest number of school survey respondents saying this was their preferred preference (32%), when the second place preference was taken into account it was marginally the least favoured model. It received the lowest number of schools respondents saying it was their least favoured model (15%). It received roughly the same number of school respondents saying they strongly/tend to support this model as the schools-led enterprise and in-house models. In contrast it was the least supported model for the resident survey respondents (19% net support).

Open comments from the schools survey showed 4 respondents recognised benefits from the model.

“This seems to be the most workable model, and the least risky one for schools.”

The concerns raised in the open comments were primarily about the third party provider, with 5 comments highlighting concerns and another 3 suggesting they needed more information about the third party and their motivations.

“Hard to understand how commercial partnership can enhance provision and pass value-for-money test. Again, we are unclear how this would work in practice.”

“After the Capita fiasco it is hard to trust the borough's decision making abilities. Will the company plough any profits back into the schools?”

On balance, the majority of participants in the parents' focus group found the joint venture with schools in a commissioning model to be the most attractive model. Compared with the other focus groups they were more comfortable with third party providers and could identify the benefits of having them involved, with the conditions that the right values and levels of transparency were in place. Questions were raised about how much profit the third party would get and it was felt to be a central question and key to being transparent. Some in the parents' focus group felt that if this was spelled out and was deemed to be reasonable then it would be acceptable for the company to generate some profit. Some liked the idea of this model because “it keeps schools here and businesses here and the council in the middle”.

Services in scope

Introduction

The survey respondents and focus group participants were asked whether they agreed with each service being in scope for the new delivery model and if they had any comments about particular services.

Summary

The services in scope questions suggested a level of consensus between the surveys and focus groups. However, it is important to note that when reading the findings the schools' survey asks about services in a different way to the residents' survey when it comes to vulnerable pupils and welfare services, and around traded services.

With the exception of post-16 learning, the schools' survey showed a majority of respondents strongly agreed or tended to agree that the identified services should in scope for the planned changes. There were no comments to help understand why post-16 learning was less supported by the respondents. A majority of the school respondents strongly agreed with special educational needs (63%), school improvement (62%), vulnerable pupils (56%) and admissions (54%) being within scope for the new delivery model. There was a lower level of support for traded services (38% strongly agree and 83% net agree) and catering being in scope (27% strongly agree and 58% net agree).

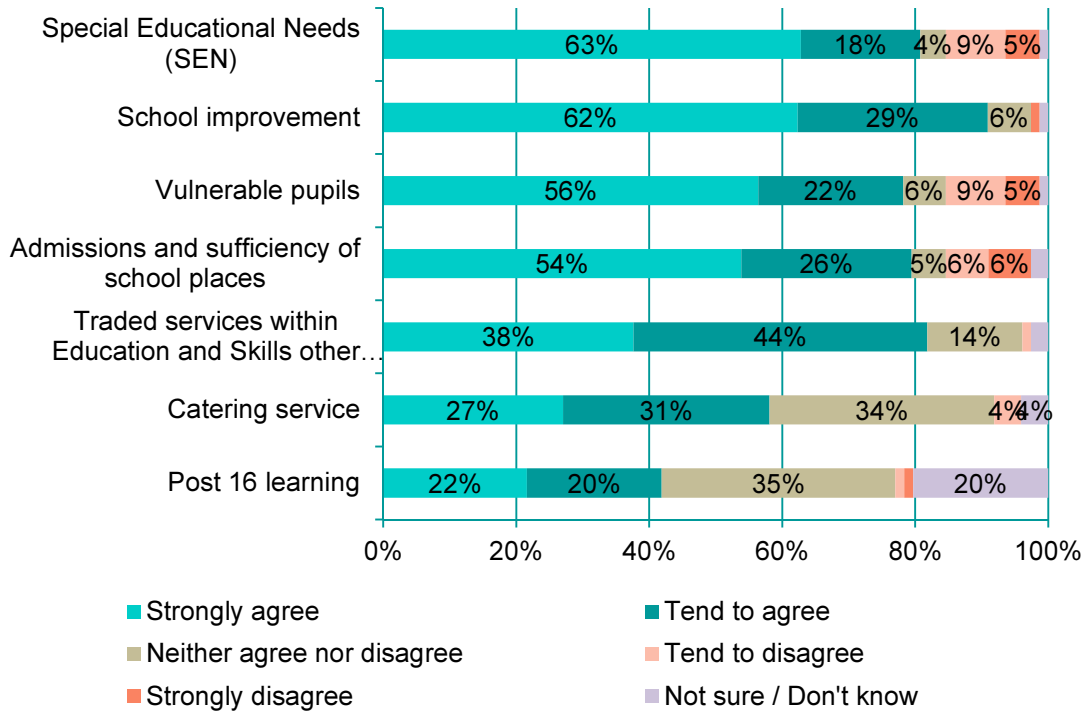
The residents' survey responses showed a net agreement for all the services being in scope, with admissions (86% net agree), educational welfare (85%), educational psychology (88%), SEN (93%), schools improvement (90%) and post 16 learning (84%) having high levels of agreement. Only catering (42% strongly agree) and governor clerking (42% strongly agree) had minority levels of strong agreement with being in scope.

However, despite the high levels of agreement, there were concerns raised in both surveys around SEN, educational psychology and welfare services. The schools' survey contained 10 comments about the appropriateness of SEN and vulnerable pupils being dealt with outside of the local authority, since these are core services requiring knowledge and accountability. A further nine comments were made about the appropriateness of school admissions being passed to a delivery model which might have third party involvement or put admissions outside the control of the school.

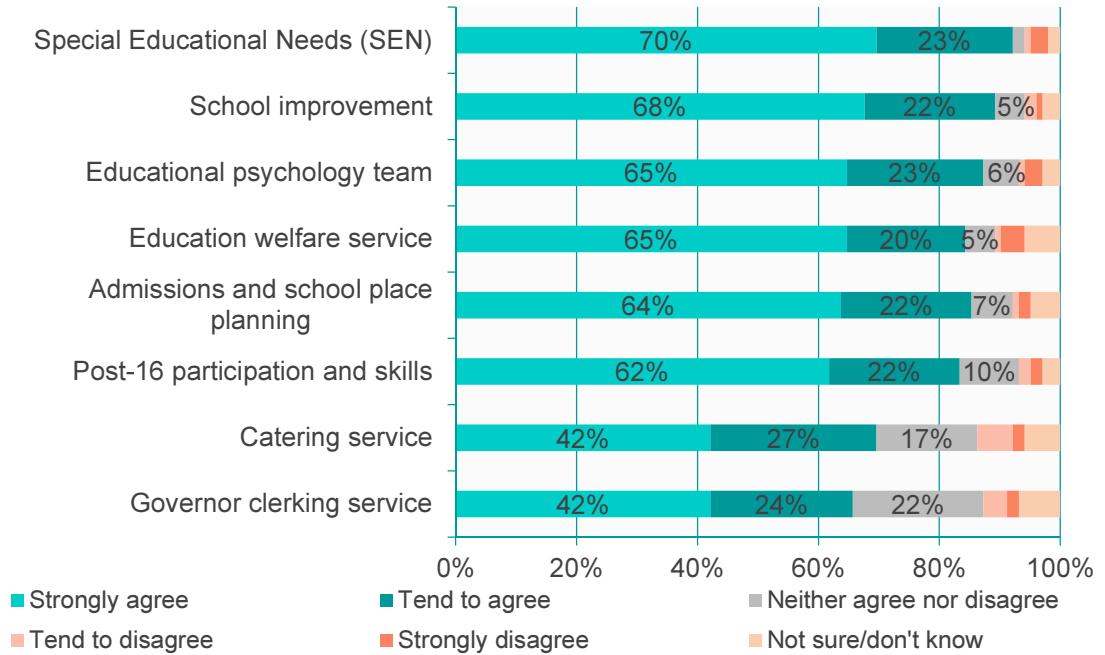
There was a limited number of comments around each of the services in scope from the residents' survey.

Across all three focus groups, there were concerns about the SEN and welfare services being in a new delivery model. These concerns centred around how the quality of service delivery could be maintained if a 'business' person provided the service and about who would monitor the quality. In many of the discussions it appeared that participants tended to polarise their thoughts between the service staying in house and having a commercial third party involved in delivering the service.

Findings by service



Schools' Survey: To what extent do you agree or disagree that these services should be included in the new delivery model?



Residents' Survey: To what extent do you agree or disagree that these services should be included in the new delivery model?

SEN, Vulnerable pupils, Educational psychology and Educational welfare

Both surveys revealed support for these services being in scope. For SEN, 81% of school respondents and 93% of resident respondents agreed or strongly agreed with the service being in scope. 78% of school respondents strongly/agreed with vulnerable pupil services being in scope, while 88% and 85% of resident respondents respectively strongly/agreed with psychology and welfare services being in scope.

Whilst the surveys suggested the majority of people agreed with these services being in scope, they also attracted the highest numbers of concerns amongst respondents. Ten school respondents disagreed with the inclusion of Special Education Needs (SEN) and vulnerable pupils. Several respondents highlighted that SEN is a statutory provisions and should therefore remain within the remit of the council so as to maintain greater accountability for delivery. Similarly, others pointed out that services for SEN and vulnerable pupils concern Barnet's most vulnerable children and felt that this was incompatible with a third party delivery model. Others questioned how far a new delivery model would provide effective and efficient quality assurance in these areas.

Two residents' survey respondents disagreed with the inclusion of Special Education Needs (SEN), with one warning that vulnerable pupils may fall through the net and become lost. One also said that SEN services should include qualified assessors. Three resident survey respondents disagreed with the inclusion of educational psychology teams. One said it should be a priority of the council to maintain and ensure the quality of these services, with another highlighting the effect of cutbacks.

Two resident survey respondents disagreed with the inclusion of educational welfare, commenting that welfare services should be run by the council to maintain quality.

Some in the parents focus group felt that moving educational welfare out of the council and into a new organisation could expand the range of services on offer. However, others were more dubious about this. One person questioned whether the SEN services being delivered by a new model could result in speeding up the assessment and planning service. Another parent felt that bringing in another external body could complicate things further. Hence some parents believed that this service should stay with the council. Others were undecided

The parent governor focus group expressed general concerns about SEN services and welfare services being part of the new model. It was felt that regardless of the model these services needed to work as effectively as possible. Similarly, the SEN focus group was concerned that any delivery model would need to guarantee the monitoring and quality of service for education psychology and speech/language therapy.

Admissions

For Admissions, 80% schools respondents and 86% resident respondents agreed or strongly agreed with this service being in scope.

Nine school respondents disagreed with the inclusion of admissions and sufficiency of school places. Their comments reflected more general opposition to the involvement of a third party in the delivery of this service, along with others

One residents' survey respondent criticised the council's running of school admissions, saying that it should be easier to allocate places to preferred schools

Some of the parents' focus group felt admissions should stay with the council because it is so complex, contentious and competitive. The group agreed that the council are doing a good job of admissions: "don't fix something that isn't broken" and "the council fixed the admissions system so leave it alone".

Catering

For catering, 58% of school respondents and 71% of resident respondents agreed or strongly agreed with the service being in scope

Four school respondents disagreed with the inclusion of catering services. Some questioned why catering has been included when it seems separate from the other services in scope. Indeed one person commented that this service should be separate from the model. An alternative suggestion was for catering to be provided through a social enterprise, with one respondent arguing that this would instil more confidence than a joint venture.

Three resident survey respondents disagreed with the inclusion of catering services. They thought the catering service should remain under the control of the schools, with one respondent suggesting that there should be a bidding service with overall school

control whereby if the catering service was poor, the school would have the power to take appropriate action

The SEN focus group discussed whether the quality of school meals would be maintained and monitored if the service was delivered through a different service model. The key point being that the food would still have to be healthy and meet guidelines and that junk food could not be served. Neither of the other two focus groups raised any concerns about the catering being moved to a new model.

Post-16 learning

For post-16 learning, 42% schools respondents and 84% residents respondents agreed or strongly agreed with the service being in scope

Three school respondents disagreed with the inclusion of post-16 learning, although no comments were made directly in relation to this service.

The parents' focus group suggested that new models might be able to do more for children who are post -16; for example, apprenticeship and employment opportunities could be improved under models involving a third party provider. None of the other focus groups raised any concerns about post-16 learning being moved to a new model.

School improvement

For school improvement, 91% of school respondents and 90% of resident respondents agreed or strongly agreed with the service being in scope.

One school respondent disagreed with including school improvement. They felt that school improvement would be more effectively addressed through existing and new school partnerships.

Two resident survey respondents disagreed with the inclusion of school improvement. One thought it was unnecessary spending whilst the other commented that the service has already been cut so significantly that it cannot deliver effectively to the needs of all schools.

None of the focus groups raised any concerns about school improvement being moved to a new delivery model.

Other traded services

62% of school survey respondents agreed or strongly agreed with other traded services being in scope. 66% of resident survey respondents strongly/agreed with governor clerking services being in scope.

One schools respondent disagreed with including traded services within education and skills other than catering, arguing that ***“all traded services can be sought elsewhere and can be separated from the model.”***

Two resident survey respondents disagreed with the inclusion of governor clerking. One preferred the service to be done by individual schools, whereas the other thought the service should remain separate from schools.

None of the focus groups raised any concerns about clerking being moved to a new model.

Appendix 1: Barnet Education and Skills Process Plan

Time	Duration	Topic	Facilitator notes
6.30	5	<p><u>Introduction</u></p> <p>Introduce OPM and the topic under discussion:</p> <p>This focus group is part of the consultation on the options for future delivery of the council's Education and Skills service - to help the council understand underlying principles and concerns, not to agree the final model.</p> <p>What we'll be discussing this evening:</p> <ul style="list-style-type: none"> • Evaluation criteria • The models • The services <p>This is one part of a consultation with schools, staff and stakeholders, the process started at the end of the last school year and will continue until end of November.</p> <p>Explain there is lots to get through in a short amount of time. There is also an online survey as well as these focus groups – Runs from 7 Oct 2014 to 1 Dec 2014</p> <p>Ask everyone else to introduce themselves, age and school of child, and any education services they use</p> <p>Explain we will be recording the group so we can transcribe and analyse it.</p>	<p>Note details of age, school etc.</p>

		<p>Comments will be anonymous. Ask for permission to record.</p> <p>Introduce the usual ground rules (no talking over other people, respect opinions etc)</p>	
6.35	5	<p><u>Introduction to the vision and the context</u></p> <ul style="list-style-type: none"> • Explain Barnet's vision for the future of education and the context within which changes to services will be taking place • Introduce the aims and the rationale - and check for initial thoughts • Answer any questions 	See separate information sheet on myth busting
6.40	10	<p><u>Diagram of the process and all the stimulus cards</u></p> <p>Lay out the cards in the order:</p> <p>7 service cards to the left, 4 models in the middle, 8 evaluation criteria to the right. Hand out individual sheets with a copy of this diagram.</p> <ul style="list-style-type: none"> • Explain how these services are being proposed to be delivered by one of the four models, which will be chosen based on the agreed evaluation criteria • Explain we will be working through each of the three aspects in turn over the course of the evening. • Open for questions and ensure people understand what is being proposed and why 	<p>See separate information sheet (big sheets + handouts)</p> <p>Try to maintain this as a question and answer session, explaining the detailed discussions will be had in the next sessions. However, allow spontaneous responses</p>

6.50	25	<p><u>Discussion of the evaluation criteria</u></p> <p>Place the A2 sheet on the table..</p> <p>Work through each of the criteria cards in turn probing:</p> <ul style="list-style-type: none"> • Are these the right criteria • Why • Any underlying concerns • Whether this is generally agreed or what the key differences in opinion are • Are there any criteria you think are missing <p>(prompt for any service specific concerns)</p>	Follow up on individual views to see if the group generally agrees/disagrees
7.20	25	<p><u>Discussion of the models</u></p> <p>Provide the participants with the stimulus cards showing the 4 different models. Allow them a few minutes to read the descriptions, advantages and disadvantages for all 4 models.</p> <p>Ask if the participants understand what is meant by the different descriptions of the models and answer any questions.</p> <p>Task here is not to choose a model, council wants to understand concerns.</p> <ul style="list-style-type: none"> • Which of the models they support most and least 	Follow up on individual views to see if the group generally agrees/disagrees

		<ul style="list-style-type: none"> • Why that is • General levels of agreement • Underlying positives / concerns about specific delivery models <p>(prompt for any service specific concerns)</p>	
7.40	15	<p><u>Discussion of the services</u></p> <p>Place the service description cards on the table.</p> <p>Ask the participants if they understand what each of the services covers</p> <ul style="list-style-type: none"> • How do they feel about these services being delivered by the new delivery model in general • Do they have particular positives/concerns about any of the specific services and if so, why • Do they have any concerns about particular services being delivered by any of the specific delivery models • Are there any of the services which they think should be excluded from the scope and if so, why • Does it matter whether the service is provided by a third party org as long as the quality continues (as per question in the resident survey). 	<p>Follow up on all individual views to see if the group generally agrees/disagrees</p> <p>For the last bullet point - if people do have concerns about another party delivering services, it would be helpful to know why.</p>
7.55	5	Thank you and evaluation forms	Incentives!

Appendix 1: Parents focus group recruitment quota

Parent	Ethnicity	Religion	Socio-economic group	Area of Barnet	Household make-up	Disability
All must be parents of children at school in Barnet 6 primary school 6 secondary school	Mix of ethnicities	3 Jewish (20% of population of Barnet is Jewish) Mix of other religions	3 AB 6 C1C2 3 DE	Mix of areas across Barnet	Mix of single parents and married/cohabiting	At least 2 participants to have self-declared disabilities

Updated Employees Equality Impact Assessment

Project: Education and Skills Alternative Delivery Model

[This document remains live with information being added at each critical milestone]

Project Owner:	Schools, Skills and Learning Lead Commissioner
Date process started:	9 December 2013
Date process ended:	TBC

This EIA is being undertaken because it is:	<input type="checkbox"/> outlined within the equality scheme relevance assessment table <input checked="" type="checkbox"/> part of a project proposal submission to the programme management board <input type="checkbox"/> a result of organisation change <input type="checkbox"/> other – please specify:
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EIA Contents

- 1 Introduction
2. Any Anticipated Equalities Issues at each milestone and identified mitigation
3. Monitoring Summary
4. Project Milestone Outcomes, Analysis and Actions
5. Briefing, Sharing and Learning

1. Introduction

- 1.1 It is recognised that a significant transformation of services is likely to have an impact upon staff. This impact will be monitored through the completion of an Employee Equalities Impact Assessment; this is a “live” document and will be updated at key milestones throughout the lifespan of the project. The employee data contained within this report remains relevant at this time; however the data will be updated at the next milestone.

As part of the public sector Equality Duty, section 149 of the Equality Act 2010, the Authority is required to give due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out activities.

This EIA will be used to understand the impacts on groups of staff over the period of the Education & Skills project as well as being used as a baseline for any future decision making.

1.2 Aims and objectives of the Education and Skills Alternative Delivery Model

A project has been commissioned to assess the best way of delivering Education and Skills services in the future. This must take into account significant savings pressures, maintain the strength of our relationship with schools and maintain or improve the excellent education offer in Barnet.

In order to fully explore available options the project has examined ways in which schools can take control or ownership of part or all of the system and has also considered any benefits of working with a third party provider.

The aim of the project is to implement a revised delivery model for Education and Skills services that will realise the objectives of:

- Achieving the budget savings target set by the Council
- Maintaining Barnet’s excellent education offer
- Maintaining an excellent relationship between the Council and schools

The approach through the assessment phase is:

- **To assess potential delivery models against criteria**, incorporating feedback from consultation in order to identify a recommended model.
- **To develop any procurement documentation** required to deliver the recommended model.
- **To deliver an Outline Business Case (OBC)** which provides detailed analysis and appraisal of potential models, including recommendations.
- **To deliver a final Outline Business Case (OBC)** providing detailed analysis and an appraisal of the preferred option.
- **To develop the recommended model to Full Business Case (FBC)** including complete financial case and implementation plan.

The services in the project scope are:

School improvement

- *Statutory local authority duties to monitor, support and challenge schools*

- *Narrow the gap service (DSG funded)*

Special educational needs (subject to changes being implemented by the Children and Families Act 2014 from 1st September 2014)

- *SEN placements & performance team*
- *SEN Early Support Programme*
- *SEN Transport – commissioning and assessment*
- *Educational psychology team (part traded)*
- *SEN placements (DSG funded)*
- *SEN specialist support service (DSG funded)*

Admissions and sufficiency of school places

- *Pupil place planning*
- *Admissions Service (DSG funded)*

Vulnerable pupils

- *Education welfare service (part traded)*

Post 16 learning

- *14 - 19 service to ensure sufficiency and breadth of supply*
- *Monitoring, tracking and supporting participation*

Traded services within Education and Skills

- *Catering service*
- *Governor clerking service*
- *Barnet Partnership for School Improvement*
- *Newly Qualified Teachers*
- *Educational psychology (part)*
- *Education Welfare Service (part)*
- *North London Schools International Network (NLSIN)*

Draft Outline Business Case – CELS Committee – September 2014.

An initial Employees Equality Impact Assessment was presented alongside the Draft Outline Business Case to CELS committee in September 2014.

The following options were considered and evaluated in the Draft Outline Business Case:

- Model A: In-house
- Model B: Outsource
- Model C: Local Authority Trading Company (LATC)
- Model D: Schools-led social enterprise
- Model E: Joint venture with schools having a commissioning role
- Model F: Joint venture with schools having an ownership role

The project team recommended to CELS Committee in September that the three partnership options (social enterprise, joint venture with schools taking an ownership role and joint venture with schools taking a commissioning role) could potentially meet the project objectives and have attracted a reasonable degree of support from schools. The committee decided that the following four models should be considered in the next stage.

- Model: In-house
- Model: Schools-led social enterprise
- Model: Joint venture with schools having a commissioning role
- Model: Joint venture with schools having an ownership role

Updated Outline Business Case – CELS Committee – January 2015.

Further work has been undertaken and the four models (In-house, Schools-led social enterprise, Joint venture with schools having a commissioning role and Joint venture with schools having an ownership role) have been reviewed and evaluated in the Updated Outline Business Case which will be presented to CELS committee in January 2015.

The outline business contains the results of consultation with residents, schools and the market together with financial modelling of the options. It recommends that the council pursue a Joint Venture model as the best model to meet the project objectives.

The Joint Venture model focuses on the growth of services which would limit the possibility of staffing reductions, staff will be protected by TUPE and is likely to have a positive impact with regards to increase in training opportunities and employee development alongside the development of services. However, it is clear that any workforce changes could have both a positive or negative impact, especially on the female workforce. Overall, the impact is expected to be positive however it cannot be known with any certainty at this stage. There will be greater clarity on the actual impacts on employees through the procurement process at the stage of contract award, following competitive dialogue. The development of a Full Business Case (FBC) will enable a full assessment of the impact and identification of any mitigating actions required.

1.2 Description of the critical milestones**Key milestones for the project**

Key dates / milestones	Date
CELS Committee – Approval of OBC	12 th Jan 2015
Commence process to establish new model	13 th Jan 2015
Issue OJEU	Jan 2015
Bidders Day	Feb 2015
PQQ evaluation and moderation	Feb 2015
Dialogue	March – June 2015
P&R Committee - report	20 th July 2015 (TBC)
CELS Committee – Approval of FBC	28 th July 2015 (TBC)
Commence formal TUPE consultation	29 th July 2015
Evaluation and moderation	August 2015
Preferred bidder selected	August 2015
Mobilisation	October 2015

1.3 Key Stakeholders

Key Stakeholders:

Members of the Children, Education, Libraries and Safeguarding Committee
 Lead Commissioner for Schools, Skills and Learning (Sponsor)
 Director for Education and Skills (Senior Supplier)
 Education and Skills Management team
 Strategic Commissioning Board
 BPSI Steering Group (Heads)
 Headteachers/schools
 Education and Skills Staff
 Trade Unions
 Residents/Parents

The project has followed a consultation and engagement plan in developing the outline business case.

Staff and Trade Unions have been communicated with, predominantly in the form of information sharing, briefings, updates, questions and answer sessions and follow up documentation.

Once the delivery model is decided upon the appropriate legislation will be followed which will include consultation under the councils collective agreement with the trade unions and supporting staff briefings.

2. Any Anticipated Equalities Issues at each milestone and identified mitigation

2.1 Milestone 1: Draft OBC to CELS committee September 2014:

For the current stage of project scoping and democratic process, no staff will be affected and there is no known detriment to any group.
 A full EIA will be produced at Full Business Case stage. Staff will be consulted as part of the process and equality issues/risks will be considered as part of this. As the proposals develop any impact will become clear and mitigating actions will be put in place.

2.2 Milestone 2: Updated OBC to CELS committee January 2015:

At this stage of project, with regards to the preferred option of a Joint Venture model, it is viewed that overall the impact would be positive (see section 4 for further detail).

This EIA will be updated in the next project phase (at Full Business Case stage). Staff will be consulted as part of the process and equality issues/risks will be considered as part of this. As the proposals develop any impact will become clear and mitigating actions will be put in place.

3. Monitoring Summary

3.1 Table 1- Employee EIA Profile of the Project

(This profile is in accordance with the requirements of the Equality Act 2010 and the Council will collect this information so far as we hold it)

All numbers replaced by an 'X' have been aggregated to protect personal identification

Critical Milestones

	Total LBB Data	Project Initiation	Name Milesto	Name Milestone	Name Mileston
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				Milestone 1 E&S Data		ne 2 E&S Data		3 E&S Data		e 4 E&S Data	
		No.	% of LBB	No.	% of service	No.	% change	No.	% change	No.	% change
Number of employees		2010		336							
Gender	Female	1320	65.7	311	93.0						
	Male	687	34.2	25	7.0						
	Unknown	3	0.2								
Date of Birth (age)											
	1993-1986	200	10.0	14	0.4						
	1985-1976	435	21.6	44	13.0						
	1975-1966	535	26.6	87	25.8						
	1965-1951	738	36.7	174	51.7						
	1950-1941	96	5.0	17	5.0						
	1940 and earlier	4	0.2	0	0						
Unknown	2	0.1									
Ethnic Group											
	White			178	52.9						
	British	861	42.8								
	Irish	56	2.8								
	Other White	205	10.2								
	Mixed			x	x						
	White and Black Caribbean	103	5.1								
	White and Black African	0	0								
	White and Asian	16	0.8								
	Other Mixed	0	0								
Asian and Asian British			31	9.2							
Indian	106	5.3									
Pakistani	14	0.7									
Bangladeshi	16	0.8									
Other Asian	22	1.1									
Black or Black British			73	21.7							
Caribbean	0	0									
African	185	9.2									
Other Black	24	1.2									
Chinese or Other Ethnic Group			x	x							
Chinese	13	0.7									
Other Ethnic Group	39	1.9									
Disability											
	Physical co-ordination (such as manual dexterity, muscular control, cerebral palsy)	0	0								
	Hearing (such as:	5	0.3								

	deaf, partially deaf or hard of hearing)										
	Vision (such as blind or fractional/partial sight. Does not include people whose visual problems can be corrected by glasses/contact lenses)	2	0.1								
	Speech (such as impairments that can cause communication problems)	0	0								
	Reduced physical capacity (such as inability to lift, carry or otherwise move everyday objects, debilitating pain and lack of strength, breath, energy or stamina, asthma, angina or diabetes)	7	0.4	x	x						
	Severe disfigurement	0	0								
	Learning difficulties (such as dyslexia)	3	0.2	x	x						
	Mental illness (substantial and lasting more than a year)	5	0.3								
	Mobility (such as wheelchair user, artificial lower limb(s), walking aids, rheumatism or arthritis)	5	0.3								
	Other Disability	27	1.34	x	x						
	No Disability	168	84.0								
	Not Stated	8	13.3								
		268									
Gender Identity	Transsexual/Transgender (people whose gender identity is different from the gender they were assigned at birth)										
Pregnancy and Maternity	Pregnant										
	Maternity Leave (current)										
	Maternity Leave (in last 12 months)										
Religion or Belief	Christian	851	42.3	163							
	Buddhist	9	0.5	x							
	Hindu	89	4.4	22							
	Jain	4	0.2								
	Jewish	51	2.5	10							
	Muslim	65	3.2	15							

	Sikh	6	0.3	x							
	Other religions	66	3.3	24							
	No religion	298	14.8	49							
	Not stated	165	8.2	51							
	No form returned	30	1.5								
	Atheist	36	1.8								
	Agnostic	25	1.2								
	Humanist	0	0								
	Not Assigned	315	15.7								
Sexual Orientation											
	Heterosexual	124	61.7	191	48.5						
	Bisexual	8	0.4								
	Lesbian or Gay	27	1.3	x	X						
	Prefer not to say	345	17.2	x	X						
Not assigned	389	19.4									
Marriage and civil partnership											
	Married	491	24.4	117	34.8						
	Single	409	20.4	50	14.9						
	Widowed	0	0								
	Divorced	35	1.7	x	x						
	In Civil partnership	0	0								
	Cohabiting	21	1.0								
	Separated	0	0								
Unknown	105	52.4									
Not Assigned	4										
Relevant and related grievances											
	Formal										
	Upheld										
Dismissed											

3.2 Evidence

3.3 List below available data and research that will be used to determine impact on different equality groups

HR data provided from CORE HR (August 2014).
Staff/Stakeholder feedback.

The employee data contained within this report remains relevant at this time; however the data will be updated at the next milestone. For the Full Business Case we shall work with HR to ensure that the equalities data is enhanced.

3.4 Evidence gaps

Maternity Leave is not held centrally and will be shared from local records where necessary and as the process continues.

The project is still in the assessment stage, once a final delivery model is confirmed and further work is completed, the evidence gaps will become clearer.

3.5 Solution, please explain how you will fill any evidence gaps?

An update to this 'live' EIA will be completed at the key milestones, the next iteration is required after a delivery model has been decided; this will then establish whether further evidence should be gathered.

4. Project Milestone Outcomes, Analysis and Actions

4.1 Summary of the outcomes at each milestone

Milestone 1: Draft OBC to CELS committee September 2014:

This is an initial analysis of the EIA for the Education and Skills ADM project and provides baseline figures. As the project develops the EIA will need to be re-assessed.

A Service Users EIA profile has also been completed.

The equality data above is the information available which details the protected characteristics of staff within the Education and Skills cohort, including Barnet staff who are employed in the schools meals service.

As the proposals include the Barnet schools meals service and Special Educational Needs, additional consideration needs to be made as to how these services will operate and whether this will impact on, for example, the take-up of free school meals.

Children's, Education, Libraries and Safeguarding Committee will determine which options the council should explore and at this stage a detailed EIA will be undertaken on the staffing implications of the following services; School improvement, Special educational needs, Admissions and sufficiency of school places, Vulnerable pupils, Post 16 learning and Traded services within Education and Skills.

The councils overall workforce is;

- 66.17% female
- 42.64% of both female and male are over 50 years of age.
- 74.43% of the workforce are white, black and black British

Initial analysis of the Education and Skills equality data indicates;

- 93% of the workforce is female
- 55% of females only are over 50 years of age
- 75% of the workforce is white, black and black British

Given the current make-up of the workforce, whichever option is chosen, the change will have a bigger impact on women than men. The statistics show that 93% of the workforce is female and due regard will be paid to the requirements of the Public Sector Equality Duty. It cannot though be avoided that any changes will affect the female workforce whether this be a positive or negative impact. Mitigation for such effects will be drawn up at a later stage when more detail on the proposals are known and a decision is made to progress from the OBC.

There is no data available on maternity or sexual orientation transgender.

It is essential that the Managing Change Policy is followed and in a legally compliant manner, including with consideration of all aspects of the Equality Act 2010 and other relevant legislation.

Overall, at this stage of the project the new Delivery Model is not known and therefore it is not possible to fully assess the impact (in line with the LBB processes this cannot be completed until the Full Business Case is developed when the new model is known).

Milestone 2: Updated OBC to CELS committee January 2015:

As noted in milestone 1 above, given the current make-up of the workforce, whichever option is chosen, the change will have a bigger impact on women than men, whether positive or negative. The statistics show that 93% of the Education and Skills Delivery Unit workforce is female and due regard will be paid to the requirements of the Public Sector Equality Duty. Mitigation includes the continued involvement of staff and TUs during the next stage. Further mitigation will be drawn up at a later stage when more detail on the proposals are known and a decision is made to progress from the OBC to FBC.

In order to assist decision making, a summary of the expected high level employee outcomes / impacts of the four models can be seen in the table below.

Consultation and Engagement has taken place with the four key stakeholder groups: schools; the market; employees and trades unions; and residents and service users.

It is recognised that all four of the options under consideration constitute a significant change that will have an impact on employees. There have been a number of briefing meetings with employees as the outline business case has developed. During November 2014, a further series of meetings were held to allow employees to explore the implications of the four remaining options and also to suggest potential opportunities for improvement. Additional meetings have also taken place with the recognised trades union representatives. Whilst representatives have been keen to support the retention of services in-house, they have also engaged positively in discussions about other models to ensure that issues that may affect their members' interests have been given proper consideration.

Overall it can be seen that there are potential impacts from all four models. The project board are recommending to the CELS Committee that a Joint Venture model is the best model to meet the project objectives and has attracted a reasonable degree of support from schools. As can be seen in the table below, the Joint Venture model focuses on the growth of services which would limit the possibility of staffing reductions, staff will be protected by TUPE and is likely to have a positive impact with regards to increase in training opportunities and employee development alongside the development of services. However, it is clear that any workforce changes could have both a positive or negative impact, especially on the female workforce.

Overall, the impact is expected to be positive however it cannot be known with any certainty at this stage. There will be greater clarity on the actual impacts on employees through the procurement process at the stage of contract award, following competitive dialogue. The development of a Full Business Case (FBC) will enable a full assessment of the impact and identification of any mitigating actions required.

MODEL	SUMMARY OF POTENTIAL KEY OUTCOMES / IMPACTS
Model A: In house	<ul style="list-style-type: none"> • Staff would remain as local authority employees and be subject to the council's terms and conditions. • Staff would go through a major transformation programme including cultural step-change, performance management and business improvement. • Potential reduction in staffing requirement through the transformation process, either through efficiencies or service reductions. There is also the potential for an increase in staffing in some service areas as the service would aim to grow services and increase income
Model B: Schools-led social enterprise	<ul style="list-style-type: none"> • Staff would be transferred to the 'new' company', employees would transfer on their terms and conditions under the TUPE. • Opportunity for investment in upskilling, employee development, asset and systems update. • Potential reduction in staffing requirement through the transformation process however there is also the potential for an increase in staffing in some service areas as the enterprise would aim to grow services and increase income

Model C: Joint venture with schools having a commissioning role	<ul style="list-style-type: none"> • Staff would be transferred to the 'new' company', employees would transfer on their terms and conditions under the TUPE. • Opportunity for investment in upskilling, employee development, asset and systems update. • It is envisaged that there would be no reduction to overall staffing levels and there could be a potential for an increase in staffing as the aim of the model would be to grow services and increase income. However there could be a potential change in service structure and jobs through the transformation process.
Model D: Joint venture with schools having an ownership role	<ul style="list-style-type: none"> • Staff would be transferred to the 'new' company', employees would transfer on their terms and conditions under the TUPE. • Opportunity for investment in upskilling, employee development, asset and systems update. • It is envisaged that there would be no reduction to overall staffing levels and there could be a potential for an increase in staffing as the aim of the model would be to grow services and increase income. However there could be a potential change in service structure and jobs through the transformation process

4.1.1 Milestone 1: Draft OBC to CELS committee September 2014

An updated Employee EIA will accompany the final OBC on detailed options in January 2015 to the CELS Committee.

4.1.2 Milestone 2: Updated OBC to CELS committee January 2015

The initial employee EIA has been updated since the first draft OBC and initial employee EIA was approved at CELS Committee in September 2014.

An updated Employee EIA will be produced in the next stage and will accompany the Business Case in July 2015 to the CELS Committee with specific detail on the impact on employees.

4.2 Actions proposed

4.2.1 Milestone 1: Draft OBC to CELS committee September 2014

Equalities should form a key component of any specifications for the alternative delivery model and will form a component of any evaluation process. Post OBC a more detailed equalities analysis will be produced.

4.2.2 Milestone 2: Updated OBC to CELS committee January 2015

Post the updated OBC to CELS committee in January 2015, a more detailed equalities analysis will be produced and will be used to inform project decisions and the procurement process.

Sections 5 and 6 have been removed from the EIA as they are not appropriate at this stage of the project. If these sections are appropriate in the next stage of the project then they will be completed.

Updated Initial Residents and Service Users Equality Impact Assessment

1. Details of function, policy, procedure or service:	
Title of what is being assessed: Outline Business Case (OBC): Education and Skills Alternative Delivery Model	
Is it a new or revised function, policy, procedure or service? The aim of the project is to implement a revised delivery model for Education and Skills services that will realise the objectives of:	
<ul style="list-style-type: none"> • Achieving the budget savings target set by the Council • Maintaining Barnet's excellent education offer • Maintaining an excellent relationship between the Council and schools 	
Department and Section: Education and Skills	
Date assessment completed: 16 June 2014. Reviewed and updated August 2014 (appendix to draft OBC – CELS Committee Sept 2014). Reviewed and updated December 2014 (appendix to final OBC – CELS Committee January 2015).	
2. Names and roles of officers completing this assessment:	
Lead officer	Val White, Lead Commissioner
Other groups	

3. How are the following equality strands affected? Please detail the effects on each equality strand, and any mitigating action you have taken / required. Please include any relevant data. If you do not have relevant data please explain why / plans to capture data			
Equality Strand	Affected?	Explain how affected	What action has been taken / or is planned to mitigate impact?
1. Age	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<p>Data for children and young people shows:</p> <p>Age group 5 -10 years 28,881</p> <p>Age group 11- 16 years 25,416</p> <p>There are more primary school aged children in Barnet than secondary school age children</p> <p>The total 5 – 16 year old children and young people both male and female is 54,297.</p> <p>Source GLA 2013 Round Demographic Projections, 2014</p>	The key mitigation is the involvement of head teachers in procurement process to ensure that needs of all pupils are addressed and consultation with schools, governors and parents to ensure that key concerns

			are identified and considered.
2. Disability	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<p>Data for children and young people shows:</p> <p>Disability:</p> <ul style="list-style-type: none"> •The national averages indicate that in Barnet the 5 to 9 and 10 to 14 age cohorts have the highest number of disabled children, followed by the 15 to 19 age cohort. Whilst the 0 to 4 age cohort has the least number of disabled children. •This corresponds with Barnet’s Disabled Children’s Register where 32% are aged 5-9, 29% are aged 10-14, 27% are aged 15-19 and only 12% are aged 4 and under. •There are approximately three times more males than females on Barnet Disabled Children’s Register. •The most frequently occurring needs on the Disabled Children’s Register are speech, language and communication needs affecting 33% of all registered children. The other most frequently occurring disabilities are autistic spectrum disorders (affecting 23%), moderate learning difficulties (affecting 18%) and severe learning difficulties (affecting 17%). <p>Source: Source: GLA 2012 Round Demographic Projections</p> <p>SEN:</p> <p>In the School Census completed in January 2013 a total of 52,824 pupils were on Barnet’s school rolls. Of these, 11,471 children were classed as have Special Educational Needs (SEN). This represents approximately 22% of the total school roll population. Disabled pupils are most likely classified as SEN within schools (Special Educational Needs and Disability).</p> <ul style="list-style-type: none"> •There are more boys than girls with SEN across all age cohorts and SEN type. Overall, 61% of children with SEN are male. •There are more children aged 5-9 and 10-14 with SEN in comparison to the younger and older age cohorts. Of all children with SEN on the schools roll, 39% are aged 5-9 and 40% are aged 10-14. •Girls are less likely to have statements of SEN and more likely to receive School Action support. Of the 4,499 girls with SEN, 9% are statemented 	<p>The key mitigation is;</p> <ul style="list-style-type: none"> • Involvement of head teachers in procurement process to ensure that needs of all pupils are addressed. • Rigorous approach to development of service specifications and KPIs to ensure that the needs of pupils with SEN are addressed • Consultation with parents of children with SEN to understand their concerns and how this can be addressed in any procurement process.

		<p>and 63% receive School Action support. In comparison, 15% of boys with SEN are statemented and 54% receive School Action support.</p> <ul style="list-style-type: none"> •Children with statements of SEN attending out of borough schools tend to be in the older age cohorts - 45% are aged 15-19 and 37% are aged 10-14. •Within Barnet, the highest numbers of children on the school rolls with SEN are concentrated within the Burnt Oak, Colindale and Underhill wards <p>Source: Schools Census, February 2013</p> <p>The Children and Families Act 2014 introduces a new requirement for councils to develop a coordinated assessment process to develop Education, Health and Care plans for eligible children with special educational needs aged 0-25. Current arrangements to assess and deliver services to support eligible children require cooperation across social care, local authority education services, schools, health and other organisations. Developing an alternative delivery model for education services including SEN services may add to this complexity. However, the current arrangements are managed through agreed processes and decision making arrangements between organisations and services these will continue to apply.</p>	
<p>3. Gender</p>	<p>Yes <input type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p>	<p>Data for children and young people shows:</p> <p>Female:</p> <ul style="list-style-type: none"> •Age group 5 -10 years 14,013 •Age group 11- 16 years 12,315 <p>Male:</p> <ul style="list-style-type: none"> •Age group 5 -10 years 14,868 •Age group 11- 16 years 13,101 <p>Source GLA 2013 Round Demographic Projections, 2014</p> <p>There are more boys than girls with SEN across all age cohorts and SEN type. Overall, 61% of children with SEN are male.</p>	<p>There is no evidence to suggest that one gender group will be more affected than the other, however there is a differential in pupils with SEN based on gender.</p> <p>The views of parents with children with SEN have been sought and will be considered as part of the decision making process and any</p>

		<p>Girls are less likely to have statements of SEN and more likely to receive School Action support. Of the 4,499 girls with SEN, 9% are statemented and 63% receive School Action support. In comparison, 15% of boys with SEN are statemented and 54% receive School Action support.</p> <p>Source: Schools Census, February 2013</p>	<p>procurement process.</p>																				
<p>4. Religion</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	<p>Christianity is the most common religion in Barnet at 38.7%, although this is proportionately lower than London at 51%. The second highest group are those who have no religion at 21.3% which is comparatively less than London and England. Barnet has the largest Jewish population in London (16.6% compared to 2.1% in London).</p> <p>The proportion of Barnet’s secondary school religious affiliation is broken down:</p> <table border="1" data-bbox="488 987 1214 1234"> <thead> <tr> <th colspan="2">Religious Affiliation - Secondary Schools</th> </tr> </thead> <tbody> <tr> <td>None</td> <td>69.6%</td> </tr> <tr> <td>Jewish</td> <td>8.7%</td> </tr> <tr> <td>Church of England</td> <td>4.3%</td> </tr> <tr> <td>Catholic</td> <td>17.4%</td> </tr> </tbody> </table> <p>The proportion of Barnet’s primary school religious affiliation is broken down:</p> <table border="1" data-bbox="512 1368 1177 1615"> <thead> <tr> <th colspan="2">Religious Affiliation - Primary Schools</th> </tr> </thead> <tbody> <tr> <td>None</td> <td>57.6%</td> </tr> <tr> <td>Jewish</td> <td>14.1%</td> </tr> <tr> <td>Church of England</td> <td>16.3%</td> </tr> <tr> <td>Catholic</td> <td>12.0%</td> </tr> </tbody> </table> <p>Source Profile of children and young people in Barnet April 2014.</p> <p>The breakdown of religion in school does not accord with the breakdown of religion in the wider Barnet population, however this may be due to data collection reasons. There is no evidence to show that the proposal will adversely impact on a particular religious group more than any other or those without a stated religion.</p>	Religious Affiliation - Secondary Schools		None	69.6%	Jewish	8.7%	Church of England	4.3%	Catholic	17.4%	Religious Affiliation - Primary Schools		None	57.6%	Jewish	14.1%	Church of England	16.3%	Catholic	12.0%	
Religious Affiliation - Secondary Schools																							
None	69.6%																						
Jewish	8.7%																						
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Religious Affiliation - Primary Schools																							
None	57.6%																						
Jewish	14.1%																						
Church of England	16.3%																						
Catholic	12.0%																						
<p>5. Sexual</p>	<p>Yes <input type="checkbox"/> /</p>	<p>Data is unavailable at this point. There is no</p>																					

orientation	No <input checked="" type="checkbox"/>	evidence to show that the proposals will adversely impact on people based on their sexual orientation.	
6. Gender reassignment	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	Data is unavailable at this point. There is no evidence to show that the proposals will adversely impact on people based on gender reassignment.	
7. Marital Status	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	As the services mainly support children and young people, marital status is less likely to be of relevance. The services include education welfare services, which support and take enforcement action against parents whose children are not attending school. Information on the family background, including lone parents, is taken into account when making decisions on appropriate action. Decisions to prosecute parents will remain the responsibility of the local authority.	Rigorous approach to development of service specifications and KPIs to ensure that the needs of parents are taken into account when determining any enforcement action.
8. Other key groups?	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>		

1. What measures and methods could be designed to monitor the impact of the new policy or service, the achievement of intended outcomes and the identification of any unintended or adverse impact? Include how frequently monitoring could be conducted and who will be made aware of the analysis and outcomes

This Equalities Impact Assessment has been reviewed and updated for this stage (updated Outline Business Case). The completion of a more detailed Equalities Impact Assessment will be a fundamental component of the project's decision-making in the next phase in accordance with the LBB Policy and processes.

Equalities should form a key component of any specifications for the alternative delivery model to ensure that those with protected characteristics are protected through the process and this should form a component of any evaluation process.

In addition, a clear set of measurable outcomes and key performance indicators will be developed to ensure outcomes are achieved. Risks are also being reviewed on a regular basis and action taken to mitigate these risks and potential impacts.

Initial Assessment

2. Overall impact		
Positive Impact <input checked="" type="checkbox"/>	Negative Impact or Impact Not Known ¹ <input type="checkbox"/>	No Impact <input type="checkbox"/>
3. Scale of Impact		
Positive impact: Minimal <input checked="" type="checkbox"/> Significant <input type="checkbox"/>	Negative Impact or Impact Not Known Minimal <input type="checkbox"/> Significant <input type="checkbox"/>	

The recommended model of a joint venture is likely to maintain and improve levels of service delivery through its capacity and potential to grow services for schools and others to purchase. Through attracting commercial expertise and infrastructure, it is anticipated that sufficient growth could be achieved without the need for service reductions.

The development of a Full Business Case at the next stage will enable a full assessment of the impact. Mitigating action to address any resident concern in relation to the quality of non-traded services will form part of the procurement and contractual negotiations.

4. Outcome			
No change to decision <input checked="" type="checkbox"/>	Adjustment needed to decision <input type="checkbox"/>	Continue with decision <i>(despite adverse impact / missed opportunity)</i> <input type="checkbox"/>	If significant negative impact - Stop / rethink <input type="checkbox"/>

5. Please give a full explanation for how the initial assessment and outcome was decided
In seeking to identify and implement an Alternative Delivery Model for the Education and Skills Delivery Unit the Council is seeking to reduce the cost of delivering services and also improve outcomes and performance of the services.
<u>Milestone 1: Draft OBC – September 2014 CELS Committee</u>
At this stage of the project (early Assessment phase) the new Delivery Model is not known and

¹ 'Impact Not Known' – tick this box if there is no up-to-date data or information to show the effects or outcomes of the function, policy, procedure or service on all of the equality strands.

therefore it is not possible to fully assess the impact (in line with the LBB processes this cannot be completed until the new model is known). Given what is known at the moment and the objectives of the project any impact is anticipated to be positive due to the desire to improve the performance of services, which given the nature of these services such as Special Educational Needs would have a positive impact on those with Disabilities (and due to the over representation in the cohort males).

There is anticipated to be no negative impact on any protected characteristics due to there being no anticipated reduction in service nor any anticipated fundamental change in the mechanism of service delivery and therefore it is anticipated that all those who currently access/receive services will still do so under the alternative delivery model.

Milestone 2: Updated OBC – January 2015 CELS Committee

CELS committee in September 2014 decided to further develop the options appraisal on four potential delivery models - In-house, Schools-led social enterprise, Joint venture with schools having a commissioning role and Joint venture with schools having an ownership role.


Alongside consultation with schools, a resident consultation and three focus groups (including a group of parents of children with SEN) have been undertaken in order to gain the views of residents and service users. Their views have been taken into consideration in the analysis and options appraisal which can be seen in the updated OBC. As part of the decision making process the council will fully consider and give due regard to the responses to the consultations and this Equalities Impact Assessment. The consultation noted that there is an appetite to improve services however there are some concerns all of the models (excluding the in-house option) could put more pressure on schools and possible impact on quality, alongside the worry around the motivation of a third party provider and the possible impact on service provision. In addition there were queries raised on the appropriateness of services for SEN and vulnerable pupils being offered by an organisation other than the council, since these are core services requiring knowledge and accountability. These concerns have been taken into consideration during the decision making for the preferred option.

The Initial Residents and Service Users Equality Impact Assessment has been reviewed and updated to take into account the further analysis and development of the potential models which has taken place. A summary of the potential impact for all four models is noted below.

MODEL	SUMMARY OF POTENTIAL KEY OUTCOMES / IMPACTS
Model A: In house	It is anticipated that although there would be some potential growth and changes in services, it is highly likely that there will need to be service reductions in order to deliver the required service savings.
Model B: Schools-led social enterprise	It is anticipated that there would be some growth and changes in services however depending on the ability of the business to grow its income sufficiently or quickly enough to offset any of the savings required by the council, it is likely that there would need to be some service reduction.
Model C: Joint venture with schools having a commissioning role	It is anticipated that through growth in services and attracting income, this model would maintain and improve service delivery. It is not anticipated that service reductions would be required.
Model D: Joint venture with	It is anticipated that through growth in services and attracting income, this model would maintain and improve service delivery. It is not anticipated that service

<p>schools having an ownership role</p>	<p>reductions would be required</p>
<p>It is anticipated that for the preferred Joint Venture model any impact would be positive due to the desire to improve the performance of services. There is anticipated to be no negative impact on any protected characteristics due to there being no anticipated reduction in service and therefore it is anticipated that those who currently access/receive services will still do so under the alternative delivery model. However until the next stage when the Business Case is produced, the procurement process is underway and the detailed service specifications are agreed, the impact is not certain.</p>	
<p>This EIA will be updated in the next project phase (Business Case stage). The procurement process during the next stage will enable a full assessment of the impact and identification of any mitigating actions required.</p>	

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	<p>Council</p> <p>20 January 2015</p>
<p>Title</p>	<p>Interim Statutory Chief Financial Officer Designation (Section 151 Officer)</p>
<p>Report of</p>	<p>Chief Executive (Head of Paid Service)</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>None</p>
<p>Officer Contact Details</p>	<p>Andrew Travers, Chief Executive, andrew.travers@barnet.gov.uk, 020 8359 7850</p>

<p>Summary</p>
<p>Following the resignation of the Council’s Chief Operating Officer to take up alternative employment, the Council is required to designate an officer as the Chief Financial Officer (Section 151) pending the appointment to the vacancy.</p>

Recommendation

That Council designate Mr. John Hooton, the Council's Deputy Chief Operating Officer (Deputy Section 151 Officer), as the Council's Chief Financial Officer (Section 151) as required by the Local Government Act 1972 pending the appointment of a Chief Operating Officer.

Alternatives considered

The Council must designate one of its officers as the statutory Chief Financial Officer as set out in the Local Government Act 1972. The individual must meet criteria set out within the section 6 of the Local Government and Housing Act 1989 in order to be eligible for this role.

The Head of Paid Service has considered the appointment of an interim external candidate to the position of Chief Operating Officer and the Council's designated Section 151 Officer, but has decided that there is sufficient knowledge and confidence in the existing deputy Section 152 Officer (Deputy Chief Operating Officer) to assign the statutory duties to him.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council is required to designate one of its' officers as the Chief Financial Officer under Section 151 of the Local Government Act 1972.

2. REASONS FOR RECOMMENDATIONS

- 2.1 It is recommended to designate the current Deputy Section 151 Officer as the Council's Section 151 Officer pending the recruitment and appointment to the vacancy of Chief Operating Officer.
- 2.2 The Council is required by legislation to have a designated Chief Financial Officer.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 An alternative to this recommendation would be to appoint an external, interim Section 151 Officer, most likely at additional cost to the current budget.
- 3.2 The Council could seek to designate an officer from another Local Authority as a Section 151 Officer.
- 3.3 Both options have been considered and determined by the Chief Executive not to be required as the Council already has an officer in-house who is capable of fulfilling the requirements of the role in the interim period.

4. POST DECISION IMPLEMENTATION

Following the departure of the current officer designated as the Section 151 Officer, the interim arrangements will apply from 1 February 2015, until a permanent appointment is made.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The duties fulfil the statutory requirements for the Council's financial management and governance.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 The duties fulfil the statutory requirements for the Council's financial management and governance within existing budgets.

5.3 Legal and Constitutional References

5.3.1 The interim arrangements apply to the delegation of functions to the Council's Chief Operating Officer as set out in the Article 9 (Chief Officers) and Responsibility for Functions Annex B (Scheme of Delegated Authority to Officers).

5.3.2 The Remuneration Committee will seek to advertise and appoint a permanent Chief Operating Officer, who is expected to be the Council's designated Chief Financial Officer (Section 151).

5.3.3 Under the Local Government and Housing Act 1989, the Council's Chief Financial Officer must be a qualified member of a specified body as set out in Part 1, Section 6 of the Act. The designated officer has provided documentation to the Director for Human Resources to demonstrate he has met the criteria.

5.4 Risk Management

5.4.1 The designation of a Section 151 Officer from within the existing officer structures ensures the continuity and understanding of the Council's financial plans and strategies.

5.5 Equalities and Diversity

5.5.1 There are no considerations pertinent to this decision.

5.6 Consultation and Engagement

5.6.1 No further consultation is required for these proposals.

6. BACKGROUND PAPERS

- 6.1 General Functions Committee, Commissioning Restructure and Associated Senior Management Position, 13 October 2014:
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=174&MId=7800&Ver=4>