

<b><u>MEETING</u></b> <b>POLICY AND RESOURCES COMMITTEE</b>
<b><u>DATE AND TIME</u></b> <b>TUESDAY 11TH DECEMBER, 2018</b> <b>AT 7.00 PM</b>
<b><u>VENUE</u></b> <b>HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ</b>

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	PUBLIC QUESTIONS AND COMMENTS (IF ANY)	3 - 76

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**POLICY AND RESOURCE COMMITTEE**  
**Tuesday 11 December**

**ITEM 5 – PUBLIC QUESTIONS AND COMMENTS**

**Note**

At the meeting a total of 30 minutes is available for public questions and comments. The questioner may ask one supplementary question at the meeting which will be answered without discussion. The supplementary question must be relevant to the original question put to the Chairman.

Public Comment - up to 3 minutes per comment

Agenda Item No	Public Comment Request
Item 7 – Review of Capita Contracts	Ms Barbara Jacobson
Item 7 – Review of Capita Contracts	Ms Jasmin Parsons
Item 7 – Review of Capita Contracts	Mr John Dix
Item 7 – Review of Capita Contracts	Mr Theresa Musgrove
Item 10 – Proposed Submission North London Waste Plan (Regulation 19)	Mr Stephen Brice
Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman
Item 14 – The Home Group Deed of Settlement	Mr Derek Dishman

AGENDA ITEM 5

**Written Comment from Mr Keith Martin – Item 7 – Review of Capita Contracts**

- 1 The Council officers faced a daunting task in adequately presenting a complete report to the Policy & Resources committee on 11 December. They are to be congratulated on providing recommendations and reasons for recommendations.
- 2 In so doing, their conclusions are sometimes CONTRARY TO DEMOCRATICALLY TAKEN DECISIONS of the Council, &/or CONTRARY TO THE LAW. It is these aspects that I shall concentrate on in my comments and questions.
- 3 **AVOIDING RESPONSIBLE SCRUTINY**  
There are close parallels between attitudes of the current majority party on Barnet Council, and their Conservative colleagues currently forming the national government at Westminster. This was highlighted on 4 December during the Commons debate which found the government in contempt of parliament for failing to publish in full the legal advice on Brexit.  
Sir Keir Starmer, the shadow Brexit secretary, said,  
“The prime minister can’t keep...avoiding responsible scrutiny”.
- 4 Herein lies the parallel with Barnet Council.  
Barnet Council has been eroding what used to be a format for democratic consultation and public participation, encapsulated in its motto “Putting the Community First”.  
This worthy mantra has been long forgotten. As in Orwell’s “Animal Farm”, it has degenerated into “Putting the Property Developers First.” This is especially in evidence at Council meetings, where the rules of Public Comments and Questions are skewed to censor as unacceptable comments deemed by the Chair to be out of order, when in fact it is these rules which should be changed to allow precisely these searching questions which are crying out to be asked and honestly answered.

**Written Comment from Mr Mr Stephen Brice (Chair of Pinkham Way Alliance) – Item 10 Proposed Submission North London Waste Plan (Regulation 19)**

Para 1.12 of the Committee Report is accurate in what it reports about other Councils having approved the draft NLWP. However, the committee should be aware that the report fails to mention that in Haringey, the planning authority for the site, the Regulatory Committee considered the plan on October 18<sup>th</sup>.

Members took into account written and spoken evidence from PWA, asked detailed questions of officers about the draft Reg 19 NLWP and the inclusion of the Pinkham Way site, and recommended to the Cabinet that the site be removed from the plan.

PWA asks the Policy and Resources Committee to approve the draft Reg 19 NLWP for consultation, with the proviso that the Pinkham Way site is removed.

We ask the Committee to take into account the following points.

The draft London Plan 2018 requires at Section 9.8.8 that :

***Land in Strategic Industrial Locations will provide the main opportunities for locating waste treatment facilities. Existing waste management sites should be clearly identified and safeguarded for waste use. Boroughs should also look to Locally Significant Industrial Sites and existing waste management sites? PWA notes that all sites offered by Barnet meet the LP criteria.***

PWA notes that all sites offered by the member councils, including Barnet, meet these criteria, except Pinkham Way, which is designated SINC Grade 1 and Employment Land. We make the following points:

- Not only does the site's employment designation not meet the London Plan criteria, but it has been roundly discredited locally, first by both Haringey's professional consultants, Atkins and GVA, and subsequently by the Inspector, who insisted on the site's removal from Haringey's SADPD as it served no purpose to meet employment needs, and drew the Council's attention to the NPPF guidance against continuing to designate a site for employment when there was no prospect of its use coming to fruition.
- Furthermore, in the 19 years since its first designation as employment land in 1999, Pinkham Way has never once come near to fulfilling its employment purpose. It is redundant.
- The NLWA has stated repeatedly – the last time at the EiP for Haringey's Site Allocations DPD in August 2016 – that it has no plans for the site.
- Recently, a senior NLWA officer went further, stating in a meeting with a member Council that the site ***'was not ideally suited for waste use'***.
- In contrast, the site has been fulfilling its planning designation as a Site for Nature Conservation for some 40 years (Local from 1979-98 and Borough from 1999 to date). It is one of the Priority Habitats identified in the London Biodiversity Action Plan.
- Natural England considers that it is now a SINC of Metropolitan Importance. The London Plan states that such sites are ***'the highest priority for protection'***
- Haringey identifies the site as a Green Space. The extant assessment of its Open Space value (Atkins 2003) identifies it as 'Private Recreational Open Space'.
- The All London Green Grid, to whose aims Barnet Council repeatedly commits itself in its Green Infrastructure SPD, marks the site as 'Private Open Space'.
- The site, having been reclaimed by nature, and, with ***'remains of its permanent / fixed surface structures having blended into the landscape in the process of time'***, is excluded from the London Plan and NPPF definitions of brownfield land / PDL.

The NLWP is a joint plan, and when adopted, will form part of the Local plan of all member Councils, with which it must comply. The inclusion of a SINC in the NLWP cuts directly across, and weakens by creation of a precedent, all Local Plan policies for protecting Nature Conservation and Open Space.

We refer the Committee to our request above.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
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1.	<b>Item 7 – Review of Capita Contracts</b>	Mr Roger Tichborne	<p>Specifically section 2.16 Key factors that would increase costs with a return to In House Services</p> <p>The report stats"Loss of the benefit of income guarantees, particularly on the RE contract" - Given that last week the Council agreed to exchange just such guarantees of over £20 million, in exchange for a one off payment of £4 million, can the Chair explain how any reasonable individual could possibly justify guarantees such as this as a reason for remaining with Capita?</p>	<p>The issues are set out in the Urgency Committee report of 30 November 2018 –</p> <p><a href="http://barnet.moderngov.co.uk/documents/s49973/21.11.2018%20Capita%20Commercial%20settlement%20-%20Urgency%20Committee%20Report.pdf">http://barnet.moderngov.co.uk/documents/s49973/21.11.2018%20Capita%20Commercial%20settlement%20-%20Urgency%20Committee%20Report.pdf</a></p> <p>The settlement does not specifically allocate costs. As the Urgency Committee Paper describes, the settlement position has been agreed by the Council’s legal advisors as representing good value for the Council.</p> <p>Alongside the £4.12m cash payment, the settlement agreement also includes:</p> <ul style="list-style-type: none"> <li>• the write off of c.£4m procurement and Mosaic invoices that Capita believed were due; and</li> <li>• avoids the council making c.£14m cash payments due over the next five years.</li> </ul> <p>In addition, the procurement service is required to deliver in line with the output specification. It should be noted that Capita’s contractual view was that contracts and plans were already in place to deliver c. two thirds of the c.£30m local authority guaranteed procurement savings</p>
2.	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	4.1 How can this recommendation be agreed when it states in 2,9 that ‘costs are presented as a mid-point of the range of estimates calculated so far in the analysis. It is recognised that the range ... is too large for robust decision taking on the options at this time.’	Detailed modelling of Finance and Strategic HR has taken place (please see 2.40 to 2.42 in the report) which has enabled a price reduction to be agreed for Finance and Strategic HR services.
<b>Qn No</b>	<b>Agenda Item No</b>	<b>Raised By</b>	<b>Question Raised</b>	<b>Answer</b>

3.	<b>Item 7 – Review of Capita Contracts</b>	Mr John Dix	<p>At para 3.3 the report states “The Committee could choose to request a full business case as originally agreed in July. However, this is not recommended as it is estimated that it would take a significant time to complete, during which time the council’s strategic aims would not be being met”. This appears to be a tacit acceptance that officers have ignored what was requested in July and five months later have presented you with a fait accompli of their solution saying it would take a long time to deliver what you specifically asked for back in July.</p> <p>Can you explain which officers took this decision, were they told to take this approach by the chair or other members of this committee acting outside the remit of this committee and when were all members of this committee informed that officers had chosen to ignore the committee’s explicit instructions.</p>	<p>Policy and Resources Committee in July directed officers to prepare a full business case, further to which a great deal of work has been undertaken to implement the recommendation, as set out in the report. Officers are now recommending to the committee that it takes a different approach, for the reasons set out in the report. It is for the Committee to decide whether or not to accept that recommendation.</p>
4.	<b>Item 7 – Review of Capita Contracts</b>	Mr Nicholas Dixon	<p>The review assumes that the Capita contract would have to be terminated by Barnet Council "at will", with penalties, rather than "by default". Is this the case? Why?</p>	<p>The RE and CSG contracts provide for termination, either in full or in part, where either party is in default or at the Council’s discretion (“at will”). Termination “for default” allows one party to end the contract, because of the other party’s material failure to meet its obligations. The term “default” is defined within the contracts. The contracts set out clear processes, which must be followed by both parties, for dealing with failures.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
5.	Item 7 – Review of Capita Contracts	Ms Emily Burnham	<p>Para 1.8 “Alongside development of the business case, work has also been carried out to resolve a number of commercial issues that have arisen between Capita and the council in the first five years of the contracts.”</p> <p>Questions on this paragraph:</p> <ol style="list-style-type: none"> <li>1. In respect of the massive data loss on the library IT system in 2016 due to failures of the back-up system, has this issue been included in the calculation of loss caused by Capita to the Council in the past five years?</li> <li>2. What was this loss calculated to be?</li> <li>3. If it was not taken into account in the £4.12m settlement, please explain why this is the case?</li> </ol>	<p>The libraries data loss was subject to commercial settlement in 2016. The libraries data loss was not taken into account in the £4.12m settlement as this was not an outstanding commercial issue.</p>

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6.	Item 14 – The Home Group – Deed of Settlement	Mr Derek Dishman	<p>Is 'The Home Group' as described in the report the company actually called 'Home Group Ltd' with a charity registration number of 22981R? (precision is important when it comes to corporate identity there being many companies with Home Group in their name). I note that the settlement relates to an Underwriting Agreement signed on 25 August 2005.</p> <p>Was that Agreement signed under seal?</p> <p>If it was there is a debt limitation period of 12 years, if there wasn't the period is 6 years. It is 13 years since that Agreement was signed. In both cases pursuit of the debt is time barred unless a payment has been made on account or the existence of an exact debt acknowledged, which looks unlikely.</p> <p>Has the Deputy Chief Executive or the Regeneration Manager taken legal advice as to whether or not the Deed of Settlement is time barred?</p> <p>If they haven't, shouldn't they do so now?</p>	<p>This is correct and has been fully stated in the Deed of Settlement which is attached to the exempt report.</p> <p>Yes</p> <p>The limitation period under a deed is 12 years from when the claim arises, which is not necessarily the date that the agreement was signed. We are operating within the limitation period.</p> <p>Legal advice has been received on all issues relating to the Deed of Settlement and this advice has been adhered to.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
7.	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>Why are Officers of the Authority offering Members of the Policy and Resources Committee a completely different treatment of risk (unrelated to the different financing) regarding Network Rail’s Implementation Agreement, between Schedule 1A and Schedule 1B?</p> <p>Does that fact mean the Authority is not complying with HM Government guidance documents: (a) “Audit and Risk Assurance Committee Handbook”; (b) “Managing Public Money”; (c) “Management of Risk: Principles and Concepts”; (d) <i>[possibly, but only later]</i> “Public Sector Internal Audit Standards”; and (e) “Regularity Propriety and Value for Money”, and that Officers are not complying with the seven Nolan Principles of Public Life?</p>	<p>The reason for proposing two schedules is to maintain programme while the full funding strategy is finalised. The main difference between the works in Schedule 1A and Schedule 1B is that Schedule 1B includes intrusive works to the railway, making the risks and costs of reinstatement much greater. Schedule 1A work comprises activities that have limited impact on the current Network Rail Infrastructure.</p>

8.	<b>Item 7 – Review of Capita Contracts</b>	Ms Theresa Musgrove	<p>2.53. <i>Through the detailed work that has been carried out in respect of the ongoing financial impact of returning the Finance and Strategic HR services to the council, it has become clear that carrying out the level of due diligence across all services that is needed to ensure that the council has a sufficiently robust understanding of the actual cost of delivering those services, would consume a considerable amount of resource and take significant time to complete.</i></p> <p>2.54. <i>It is not, therefore, considered feasible to set out a full business case that properly considers the future delivery arrangements for all services in one report, within a timeframe that adequately addresses the council’s strategic concerns with these contracts.</i></p> <p>2.55. <i>Instead, officers recommend that the most effective approach would be to continue to review the services provided under the CSG and RE contracts on a phased basis, and that the findings of each phase of analysis are reported to this Committee for decision.</i></p> <p>It would seem evident that this supposed phased approach to consideration of the current contracted out services extends the length of time in which Capita is able to retain its position and continue to benefit from the contractual arrangement at our expense. Yet again this works to their advantage, and to this disadvantage of residents who are living with deteriorating standards in service and paying the cost of the Tory members' folly in signing up for the deal in the first place. When and where did the idea of delaying consideration of each service originate, from senior officers, members, or Capita?</p>	<p>The decision to take this revised approach is one for this Committee to make, based on recommendations from officers – in this case the Chief Executive and the Deputy Chief Executive.</p> <p>It is officers’ assessment that far from introducing a delay, the revised approach enables some services – specifically HR and Finance – to be returned more quickly than would be the case if a full business case were prepared as originally envisaged.</p>
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9.	<b>Item 7 – Review of Capita Contracts</b>	Ms Tirza Waisel	<p><u>To Summary of Item 7 – Review of Capita Contracts, p. 11:</u></p> <p>Whilst I appreciate that doing a serious full business case review of every service, as agreed in this committee meeting of the 19th of July, takes more time than you – members of the committee – and the CEO realized when you agreed to this undertaking and was ‘too ambitious’ if to quote Cllr Thomas in our meeting with him last week, can you please explain the process by which employed officers have changed the decision of democratically elected councillors of this committee in between committee meetings?</p> <p>Where the cllrs of this committee consulted about it?</p> <p>Where other ways of complying with the committee’s decision considered (for instance – employing more officers for intensive work to complete the work in time)?</p>	Officers have not changed the decision of democratically elected councillors. The work undertaken to prepare the business case is set out in the report. The committee will decide whether to accept the recommendation to change the approach

Qn No	Agenda Item No	Raised By	Question Raised	Answer
10.	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Ms Erini Rodis	<p>In respect of items 21 and 292 (both referencing “libraries”) on the Annual Procurement Forward Plan 2019-20, please explain what these contracts are intended to deliver?</p> <p>Who is delivering these contracts?</p>	<p>Item 21 relates to the libraries estate and covers building works including repairs, maintenance or refurbishment that may be required during this period.</p> <p>Item 292 relates to contracts for multiple work streams to support delivery of library services including: Specialist Recruitment Librarians; Family History resource; Music Streaming, Film Streaming Service; Digital Screens; Online Telephone Renewals; PC and Wi-Fi booking and kiosk printing.</p> <p>The council is announcing its intention to go out to procure these contracts, which will determine who will deliver them.</p>
11.	<b>Item 7 – Review of Capita Contracts</b>	Mr Keith Martin	<p>WHY DOES THE REPORT ADVANCE QUESTIONABLE CONCLUSIONS AT ODDS WITH THE EXPRESSED VIEWS OF COUNCILLORS IN COMMITTEE on 18 July 2018, such as page 15, 1.6 lines 1/3 “The report therefore recommends changing the approach to reviewing the contracts, to consider groups of services in a phased programme of work.”</p> <p>Whose idea is this? Has the officer taken independent advice?</p>	<p>The decision to take a revised approach is one for this Committee to make, based on recommendations from Officers. The recommendations are in the name of the Chief Executive and the Deputy Chief Executive, who have taken advice from a range of sources</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
12.	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	5.5.1 The last sentence is a <i>non sequitur</i> . Why should there be flawed data or in complete data as a result of one’s understanding of the current contracts? Please state how many councillors who voted for the existing contracts read them thoroughly and understood them in detail.	Payments to Capita are made via a management fee which covers the cost of delivering the services within the output specification. The profile of fee payments was determined in the financial model at the outset of the contract. The actual cost to Capita of delivering the contract may therefore be different to what was envisaged in 2012. The council therefore needs to understand the current costs to Capita of delivering the services to inform decision-making. The decision to enter into the contracts was taken by a meeting of Council in the normal way.
13.	Item 7 – Review of Capita Contracts	Mr John Dix	The report notes that “alongside development of the business case, work has also been carried out to resolve a number of commercial issues that have arisen between Capita and the council in the first five years of the contracts”. In July I specifically warned this committee that senior officers were very busy in negotiations with Capita and that is why you should use external consultants. Why did this committee not monitor the progress of this project and identify that it would not be delivered on time sooner?	The council is mindful of the financial climate and has sought to use internal resources wherever possible. It is not clear that employing a large external consultancy would represent value for money at this point. The report provides the committee with an update on the progress of the project.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
14.	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	Is it really the case that, given the levels and breadth of poor performance, the contract cannot be ended by Barnet Council, " through default"?	The RE and CSG contracts provide for termination, either in full or in part, where either party is in default or at the Council’s discretion (“at will”). Termination “for default” allows one party to end the contract, because of the other party’s material failure to meet its obligations. The term “default” is defined within the contracts. The contracts set out clear processes, which must be followed by both parties, for dealing with failures.
15.	Item 7 – Review of Capita Contracts	Ms Emily Burnham	<p>Para 2.3 “Performance issues in respect of the contracts have centred on the finance, estates and human resources for CSG, as noted in performance and audit reports.”</p> <ol style="list-style-type: none"> <li>1. Has the failure to deliver the Tarling Road community hub within the original timescale been taken into account as a “performance issue” in respect of estates?</li> <li>2. If not, why not?</li> <li>3. Has the failure to achieve the target rental income for the commercial leasing of the library estate within the requisite timescale been taken into account as a “performance issue” in respect of estates?</li> <li>4. If not, why not?</li> <li>5. What changes are planned to the management of the library buildings and the Tarling Road community hub project given the concerns raised above?</li> </ol>	The level of rental income from libraries has been reduced due to the decision to use some library spaces to house council services. Development of the management structure for the Tarling Road Centre is being directly led by LBB and is in development. The current strategy is to have an on-site management organisation.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
16.	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>Are Officers suggesting that exactly the same risk arises in Network Rail’s Implementation Agreement between Schedule 1A and Schedule 1B, EXCEPT for the MONETARY risk?</p> <p>What are the worst-case monetary losses to the authority in Schedule 1A and Schedule 1B?</p> <p>If you say there are OTHER differences in risk between Schedule 1A and Schedule 1B, what are they?</p>	<p>The risks are different between Schedule 1A and 1B works, because Schedule 1A works will not interfere with the operation of the railway, whereas Schedule 1B works could.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
17	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>2.53. <i>Through the detailed work that has been carried out in respect of the ongoing financial impact of returning the Finance and Strategic HR services to the council, it has become clear that carrying out the level of due diligence across all services that is needed to ensure that the council has a sufficiently robust understanding of the actual cost of delivering those services, would consume a considerable amount of resource and take significant time to complete.</i></p> <p>2.54. <i>It is not, therefore, considered feasible to set out a full business case that properly considers the future delivery arrangements for all services in one report, within a timeframe that adequately addresses the council’s strategic concerns with these contracts.</i></p> <p>2.55. <i>Instead, officers recommend that the most effective approach would be to continue to review the services provided under the CSG and RE contracts on a phased basis, and that the findings of each phase of analysis are reported to this Committee for decision.</i></p> <p>What part has Capita played in the creation of this report? Was the final version presented to any senior executives at Capita before this meeting?</p>	<p>Capita have not been involved in the drafting of this report, which has been undertaken by council officers. Capita were provided with a final draft for information only.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
18	Item 7 – Review of Capita Contracts	Ms Tirza Waisel	<p><u>Officers Recommendation p. 12, paragraph 4:</u></p> <p>When do you anticipate the services which are recommended to be brought in house to be fully in-house and what's the time frame for recruiting the staff?</p> <p>2a. How will you recruit the workforce when you bring the services back in-house?</p>	<p>If agreed at Committee, and subject to consultation, Finance and Strategic HR would be brought in-house by or on 1 April 2019. TUPE would apply (i.e. staff would transfer) and so significant recruitment will not be required. Any recruitment into vacant posts will be carried out in line with normal council recruitment processes.</p>
19	Item 7 – Review of Capita Contracts	Mr Keith Martin	<p>WHY DOES THE REPORT ADVANCE QUESTIONABLE CONCLUSIONS AT ODDS WITH THE EXPRESSED VIEWS OF COUNCILLORS IN COMMITTEE on 18 July 2018, such as page 15, 1.6lines 1/3 “The report therefore recommends changing the approach to reviewing the contracts, to consider groups of services in a phased programme of work.”</p> <p>Whose idea is this?</p> <p>Has the officer taken independent advice?</p>	<p>It is for the Committee to decide whether to adopt the approach recommended by Officers. The recommendations are from the Chief Executive and Deputy Chief Executive.</p>
20	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	<p>When in February 2019 will the consultation finish? What is the likelihood of the consultation influencing the decision that is being assumed here?</p>	<p>It is intended that consultation will commence on 17 December 2018 and conclude on 15 February 2019. The consultation will inform the basis for assessing the future delivery arrangements for each service and the proposed prioritisation of services for review. Authority is sought to prepare strategic HR and Finance for in-sourcing, and the report notes that these efforts could be wasted if the approach is changed as a result of consultation. No other decisions are assumed.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
21	Item 7 – Review of Capita Contracts	Mr John Dix	How much of the £300,000 budget was spent on external consultants and what was the balance spent on?	<p>The majority of the £300k has been spent on project resource to develop a business case for options 1, 2 and 3 across all service areas, and the detailed analysis of Finance and Strategic HR.</p> <p>Wherever possible we have used in-house resource, and we estimate that use of external consultants would have cost significantly in excess of this to reach the same point. The council has taken the view that employing a large external consultancy would not represent value for money at this point. There have also been legal costs.</p>
22.	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	Were Councillors clear, before they signed this contract in 2013, about how far performance levels could fall before the contract could be ended " through default"?	Both contracts set out the required performance levels and the arrangements for dealing with any underperformance, including processes related to service provider default. These provisions were clear at the time the contracts were signed.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
23	Item 7 – Review of Capita Contracts	Ms Emily Burnham	<p>Para 2.10 “ The DRS and CSG contracts provide for termination, either in full or in part, where either party is in default or at the council’s discretion (“at will”). Exit costs vary significantly depending on whether termination is for default or at will. If the council were to decide to implement option 3 as matters currently stand, this would be a termination at will, and these are the costs that have been used in the assessment.”</p> <ol style="list-style-type: none"> <li>1. Did Capita pay £4.12m to the Council because they were in default under the contracts?</li> <li>2. Does the settlement of £4.12m include any agreement between Capita and the Council that the contracts can no longer be considered in default?</li> </ol>	<p>The payment of £4.12m from Capita to the council was in respect of a number of historic commercial issues, not due to default. The council did not give up its contractual rights to manage performance, as part of the £4.12m settlement.</p>
24	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	<p>Has the S151 officer approved every item on this list before it was put into the committee papers?</p>	<p>No, the section 151 has not approved every item on the list but he and his deputy have reviewed the report and appendix listing. Inclusion within the forward plan does not give consent to incur expenditure. A separate approval process will occur should the decision to procure take place.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
25	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>Regarding the Authority’s Network Rail’s Implementation Agreement Schedule 1B “go-or-no-go” decision, Officers say it will NOT go ahead if the Revised Funding Agreement exposes the Authority to “unacceptable risk”.</p> <p>For the benefit of Members on 11 December who are being asked to approve a ‘Noting’ recommendation (not an ‘Approving’ one) how do you define “unacceptable risk” and what factors determine that binary choice which Officers are offering Members of the Authority?</p> <p>How much will have been spent on Network Rail’s Implementation Agreement Schedule 1A by the time of “go-or-no-go” of Schedule 1B?</p>	<p>The Committee is asked to approve updated financial tests, which set the parameters for the future assessment of whether the financial risk is acceptable. The estimated commitment that the Council will enter for 1A will be £15m. This may not all be spent by the time the decision on whether to proceed with 1B is made.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
26	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>2.53. <i>Through the detailed work that has been carried out in respect of the ongoing financial impact of returning the Finance and Strategic HR services to the council, it has become clear that carrying out the level of due diligence across all services that is needed to ensure that the council has a sufficiently robust understanding of the actual cost of delivering those services, would consume a considerable amount of resource and take significant time to complete.</i></p> <p>2.54. <i>It is not, therefore, considered feasible to set out a full business case that properly considers the future delivery arrangements for all services in one report, within a timeframe that adequately addresses the council's strategic concerns with these contracts.</i></p> <p>2.55. <i>Instead, officers recommend that the most effective approach would be to continue to review the services provided under the CSG and RE contracts on a phased basis, and that the findings of each phase of analysis are reported to this Committee for decision.</i></p> <p>The Chief Executive of Capita visited Barnet in the last few weeks, and since then you have accepted a token £4 million from the company in lieu of certain contractual requirements, and called a halt to the immediate consideration of the future of the majority of contracted services. Was this discussed with the Chief Executive of Capita? Please supply the minutes of that meeting, as already asked at Audit, and in writing, a request to which no response has yet been made.</p>	<p>The commercial settlement of historic issues is separate from the contract review. The discussion with the Chief Executive of Capita focussed on the commercial settlement and on service performance issues. The request for minutes from that meeting is being dealt with in accordance with the requirements of the Freedom of Information Act.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
27	Item 7 – Review of Capita Contracts	Ms Tirza Waisel	<p>To Summary of Item 7 – Review of Capita Contracts, p. 12:</p> <p>How do you see the following two sentences sitting together, both in the Summary of this item:</p> <p>‘This approach does not preclude the return of all services to the council.’ [which I am very happy to read - TW] and</p> <p>‘(...) the council should continue to work collaboratively with Capita on the future of services’?</p>	<p>An approach whereby the council works with Capita to seek to reach a collaborative negotiated solution regarding the future of the contracts does not preclude the return of all services to the council through agreement, should that be a decision that Members make in the future.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
28	Item 7 – Review of Capita Contracts	Mr Keith Martin	<p>WHY IS OPTION 3 NOT FULLY COSTED, AS REQUIRED BY THE DECISION ON 18 Jul 2018?</p> <p>Page 23, Conclusion 2.3, lines 2/3 “further consideration of...costs will be required”.</p> <p>and page 23, 2.39, lines ½ “such an assessment would take too long” and page 26, 2.54 line 1 “it is not considered feasible.” and page 28, Alternative options, 3.2 lines 2/3 “ as the cost of doing so cannot be confidently assessed.” Especially page 28, 3.3 lines 1/3 “THE COMMITTEE COULD CHOOSE TO REQUEST A FULL BUSINESS CASE AS ORIGINALLY AGREED IN JULY. HOWEVER, THIS IS NOT RECOMMENDED AS IT IS ESTIMATED THAT IT WOULD TAKE A SIGNIFICANT TIME TO COMPLETE.” The committee DID choose to request a full business case. Where there is a will there is a way. As Question 19 shows, there would have been more time for research had parts of the report been written by outside experts in their field. In particular, Barnet Unison should have been asked to contribute statistics and costed forecasts which would have been invaluable. The failure to write a complete report was not only contrary to the intention of the July committee, it has influenced arguments for delaying decisions and surreptitiously taken Option 3 off the agenda when there was a clear wish for all three options to be compared on a level playing field (analogous to taking Remain off the agenda of a second referendum).</p>	<p>Officers have undertaken extensive work to prepare a business case as requested by the Committee, and recommend that more detailed analysis, on a service by service basis, is required to provide an appropriate level of certainty, particularly around the financial implications, before Members make any further decisions. It is for the Committee to decide whether to accept this recommendation.</p> <p>The report makes it clear that the proposed approach does not preclude all services being returned to the council.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
29	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	How can the claim be made that ‘comments are genuinely invited at the formative stage’ when this report is asking for the decision to be taken?	The report proposes a phased approach to the review of services. Consultation will inform the basis for assessing the future delivery arrangements for each service during that review and the proposed prioritisation of services for review. In relation to Strategic HR and Finance, the report notes that there is a risk of wasted work in undertaking preparations to in-source at the same time as undertaking consultation.
30	Item 7 – Review of Capita Contracts	Mr John Dix	Para 2.16 says that in house costs might be higher because of the potential need to buy-in expertise that RE and CSG staff currently access through the Capita Group. My understanding is that any additional expertise accessed by CSG or Re from the Capita Group has to be paid for. As such, can you clarify why this would be an additional cost for an in-house team only.	CSG and RE routinely rely on expertise from the wider Capita Group to deliver the outputs under the agreed specifications in the contracts. Under these circumstances there are no additional charges to the council.
31	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	The review talks about strengthening the Council's " strategic control of services." Why was this strategic control of services not sufficiently strong at the point the services were outsourced and from the very start of the contract?	As set out in paragraph 2.2 of the report and section A1.10 of Appendix A, the environment in which the council is operating has changed considerably since the contracts were let, so the requirements in respect of strategic control have changed.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
32	Item 7 – Review of Capita Contracts	Ms Emily Burnham	<p>Para 2.14 “The current ongoing running costs for these services are the management fees that are paid for the delivery of services under the two contracts, along with any revenue fees for special projects or additional services.”</p> <ol style="list-style-type: none"> <li>In respect of the project to delivery a community hub at Tarling Road, were any additional revenue fees agreed Capita as a “special project” or “additional service”.</li> <li>If so, how were these fees calculated (e.g. a fixed fee, a percentage of the overall budget for the project, actual staff time, etc)</li> <li>If so, did the revenue fees increase, stay the same or reduce when the project was not delivered in the original timescale?</li> </ol>	<ol style="list-style-type: none"> <li>CSG Corporate Programmes were commissioned to manage the construction of the Tarling Road centre, as a special project.</li> <li>Fees were calculated based on the amount of resource and specific activities required to deliver the project.</li> <li>All fees were fixed from the commencement of the project, other than the Corporate Programmes Project Manager (PM), who has been funded for the duration of the project at pre-agreed contractual rates as part of the Corporate Programmes resourcing model. This has resulted in a small increase in estimated PM fees as the project delivery programme elongated but other fees remained the same.</li> </ol>
33	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	<p>6 Retrospective Utility audit.</p> <p>What length of time does the contract value cover?</p> <p>Which utilities are to be audited?</p> <p>What bill payment period will be audited?</p> <p>How many invoices are to be audited?</p> <p>Have they all been signed off by a council officer or Capita or Re employee as valid to pay?</p> <p>Is there any reason to think that overpayments exceeding £619,000 have been made?</p> <p>Has any testing been done of paid invoices before deciding upon this procurement?</p> <p>Will it be possible to recover any funds from Capita if they are shown to be culpable?</p>	<p>The Retrospective Utility Audit is anticipated to take approximately 4 months. It would audit electricity, gas and water over the past 6 years, looking at c.25,000 invoices. The invoices would have been processed by a combination of council, Capita and school staff. At this stage the value of any savings is not known. The value noted in the Procurement Forward Plan represents a worst-case scenario based on industry standard invoicing errors. Based on past experience any savings are likely to be substantially lower. Audits of this nature are typically funded from savings identified.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
34	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>Given that Officers say that the Authority’s Network Rail’s Implementation Agreement Schedule 1B will not go ahead if the Revised Funding Agreement exposes the Authority to “unacceptable risk”, why are Officers not prepared to say the same thing over Schedule 1A?</p> <p>Isn’t the Authority making a distinction between Schedule 1A and Schedule 1B that is unsafe under English common law, since, likely to any judge, that “unacceptable risk” is the SAME?</p>	<p>Schedule 1A is being funded through the £97m Government Grant. Government have confirmed that this is an appropriate use of the grant and that they agree to the council using it for this purpose. The council is not therefore exposed to unacceptable risk.</p>
35.	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p><i>3.3. The Committee could choose to request a full business case as originally agreed in July. However, this is not recommended as it is estimated that it would take a significant time to complete, during which time the council’s strategic aims would not be being met.</i></p> <p>Does it not set a dangerous precedent that such a major decision made transparently at a committee meeting by elected members of the council can be undone in secret, and in defiance of due process, by officers?</p>	<p>Officers have not changed the decision of democratically elected councillors. The work undertaken to prepare the business case is set out in the report. The committee will decide whether to accept the recommendation to change the approach.</p>
36	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	<p>5.2.1, 5.2.2</p> <ul style="list-style-type: none"> <li>•As the Full Business Case as agreed on the 19 July has not been presented, how has the allotted £300k been spent?</li> <li>• If the CEO did not believe that £300k was sufficient to do the job described, why was this not raised at the time the sum was agreed?</li> <li>• Why should the committee agree to spend an additional £350k to do what they believed was going to have been done by now?</li> </ul>	<p>£300k has been spent on project resource developing the business case, and carrying out a detailed analysis of Finance and Strategic HR. Monies have also been spent on legal costs. It is proposed the £350k takes the project forward to the end of June 2019.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
37	Item 7 – Review of Capita Contracts	Mr John Dix	At Para 2.16 (d) the report identifies a key risk of an in house service as the “Loss of the benefit of income guarantees, particularly on the RE contract” yet in the Strategic Performance Report page 5 it notes that “the forecast for Re is an overspend of £1.451m. The variance primarily relates to a £1.160m adverse variance as a result of a shortfall in net income”. Can you clarify why this is a risk for an in-house service but not a risk for Re when they have demonstrably failed to achieve the income target.	The pressure on the budget relates to a financial classification issue, linked to the HRA. The council is receiving the full value of the income guarantee.
38	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	The review also talks about " taking stock of the partnership." What does this mean? Has the Council not had " stock" of the partnership up to now? Why has the Council not had " stock" of the partnership from the beginning?	“Take stock” means to make an appraisal, estimation, or assessment of something, in this case the contracts with Capita. This has occurred throughout the relationship with Capita, as evidenced by the quarterly performance reports to the Financial Performance and Contracts Committee and the contract reviews that were carried out in 2016 and 2017.
39	Item 7 – Review of Capita Contracts	Ms Emily Burnham	Para 2.16 (f) “...The potential need to buy-in expertise that RE and CSG staff currently access through the Capita Group.”  Have Capita/RE staff accessed expertise, and if so what expertise, through the Capita group for: <ul style="list-style-type: none"> <li>1. Tarling Road community hub</li> <li>2. Library reorganisation in 2016-17</li> <li>3. Strategic planning around management of the library estate</li> </ul>	<ul style="list-style-type: none"> <li>1. Yes. Technical Assurance roles and specialist surveyors, as necessary.</li> <li>2. Yes. Technical Assurance roles and specialist surveyors, as necessary.</li> <li>3. No.</li> </ul>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
40	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>46 Corporate Security contract</p> <p>Why has it been decided not to extend the current contract?</p> <p>Is any existing supplier barred from bidding?</p> <p>What length of time does the contract value cover?</p> <p>Which buildings will the security contract cover listed by type e.g., council offices, the library, empty properties etc</p>	<p>The extension option on the existing security contract has been exercised and so a new procurement is required. The new contract length is to be determined, likely to 3-5 year term with extension option, and it will cover security requirements across Barnet’s estate. The procurement will be conducted in line with the council's Contract Procedure Rules</p>
41	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>How could Members possibly approve a Prior Information Notice procurement process on 26 October 2018 without knowing definitively what the “station” actually means?</p> <p>Do Officers acknowledge essential provision of West London Orbital platforms in the “station” and therefore the OJEU process, given the support:</p> <ul style="list-style-type: none"> <li>• by the Mayor (in his Transport Strategy and his draft London Plan),</li> <li>• by the Authority’s Chief Executive (agreeing that such platforms had “equality of esteem” within the Authority at the meeting he attended of the ‘West London Economic Prosperity Board’ on 19 September 2018), and</li> <li>• by the Leader of the Council (increasingly expressed by him and minuted at West London Board meetings from 13 November 2015 to date, and in his letter stating his Authority’s policy published in the Barnet Times on 13 March 2018)?</li> </ul>	<p>The PIN notice was issued to gauge potential interest from the market in delivering the station platforms and bridge in accordance with the station GRIP 4 design, and to provide high level information to potential suppliers about the scheme and its background.</p> <p>The provision of West London Orbital platforms is not essential at this point, as the WLO project is in its very early stages. Nonetheless, Assets, Regeneration and Growth Committee has approved a design integration study to ensure that the GRIP 5 design process takes account of the potential future need to incorporate provision for the WLO into the station. This will be referenced in the procurement process.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
42	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p><i>2.24 Labour market impacts – a number of services delivered by Capita are delivered in locations with higher unemployment than in Barnet. Moving jobs from areas of high unemployment to places experiencing skills shortages can have a negative impact on communities and the economy. However, this effect is less pronounced than at the start of the contract, as unemployment rates in Belfast in particular have fallen markedly since 2013.</i></p> <p>Why would the committee worry in the slightest about the negative market impact on any area when this was not a consideration in regard to the impact on Barnet of outsourcing jobs from this borough?</p>	Paragraph 2.4 gives examples of non-financial impacts that the committee may wish to consider. It is for the committee to decide what weight to give to these issues.
43	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	5.2.3 How can you refer to the £4.1m Capita settlement as ‘enhancing’ the reserves when it was in fact to compensate for financial mistakes already made?	The £4.12m will be added to current reserves, therefore increasing those reserves

Qn No	Agenda Item No	Raised By	Question Raised	Answer
44	Item 7 – Review of Capita Contracts	Mr John Dix	When considering the factors that would decrease on-going running costs through in-sourcing why did you not include factors such as reducing staff turnover through better employment packages, the reduction in project delays enabled by a more settled, local and consistent workforce, the reduction of failed project implementation, the opportunity cost of senior management time no longer tied up sorting out Capita related problems, the ability to be more agile and respond more quickly to changes in circumstances to name but a few. Can you explain why these factors were not included in the assessment given the financial impact they have could be significant.	<p>The financial options have been developed assessing each service in relation to any applicable exit costs, one off transition costs and all running costs.</p> <p>The analysis took into account a reduction in clienting costs in options 2 and 3.</p> <p>Flexibility was considered in section 2.22 in the non-financial costs and benefits section.</p> <p>These factors are difficult to measure being unique to the service. The service to service review will consider all these factors.</p>
45	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	The review states that " significant improvements have been made in the Planning / Enforcement service. Could you please state 4 such significant improvements?	<p>Improvements include:</p> <ol style="list-style-type: none"> <li>1. Better processes between Planning Enforcement and Legal ensuring that the most difficult cases get to court quicker.</li> <li>2. Better recording of reasons where it is not appropriate to take action.</li> <li>3. Better reporting to Ward Councillors so that they understand what is happening in their wards, and can highlight particularly sensitive breaches or those causing particular harm.</li> <li>4. Better communication with residents reporting suspected breaches.</li> </ol>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
46	Item 7 – Review of Capita Contracts	Ms Emily Burnham	<p>Para 2.17 (c) “Reductions in the direct cost of service delivery arising from not paying Capita overheads and profit.”</p> <ol style="list-style-type: none"> <li>1. What profit has been paid to Capita since the contract began?</li> <li>2. What percentage of the contract is paid as profit to Capita?</li> </ol>	<p>Capita’s profit is defined as commercially sensitive material under Schedule 23 of the CSG contract and Schedule 21 of the DRS contract.</p> <p>All payments to Capita under the CSG and DRS (RE) contracts can be found on <a href="https://open.barnet.gov.uk/">https://open.barnet.gov.uk/</a></p>
47	Item 13 – Annual Porvcument Forward Plan [APFP] 2019-2020	Mr Derek Dishman	<p>51 Office Furniture</p> <p>What length of time does the contract value cover?</p> <p>Is all of the furniture for the new Colindale offices? If not, which other offices will be supplied from this £1m?</p> <p>How many items of furniture are planned to be relocated from existing offices to the new ones at Colindale?</p> <p>What will we get for £1m? (please answer in general terms e.g. 700 desks, 700 chairs, 1000 filing cabinets etc)</p>	<p>The contract value covers 1 year, plus 5 years supply of replacement items. It is related to Colindale office requirements. It is the council's intention to re-use existing furniture where possible, particularly where staff currently have a workplace assessment for special equipment. The quantity of goods required depends on their nature, and all quantities are subject to revision based on finalisation of floor plans and completion of a furniture reuse strategy.</p>
48	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>Has the Authority issued a ‘pre-OJEU’ Prior Information Notice for the “station”?</p> <p>If so, how is it worded on the station matters mentioned in the last question (and in your answer to that question) given that it adds risk to both the client and the contractor, if not adequately documented?</p>	<p>Please refer to answer to question 41</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
49	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>2.59 Highways</p> <p>You claim Highways will be prioritised as a service considered for return in house, and refer to Regeneration, but fail to see the greater problem posed by Capita's conflict of interest in regard to its role in planning and regeneration, (and in regard to the regeneration of North Finchley, a further conflict posed by the role of Capita owned G L Hearn). The regenerations continue while you are taking your time to remove functions from Capita, and you have no immediate plans to review planning and enforcement: how can it possibly be in the best interests of residents to leave this service, with massive income generation for Capita, still in place until at least Year 7?</p>	<p>The phasing of the review of individual services will be informed by the outcome of consultation. Throughout the review process, the council will continue to manage performance in services that are scheduled for later review. Income generated by these services comes to the council and is guaranteed by Capita.</p>
50	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	<p>There are further risks associated with the uncertainty created by the review process, which may lead to the loss of key personnel.' To what extent could that risk have been avoided by having complied with the Committee's request of 19 July? To what extent can the risk be mitigated by speeding up Phases 2–4?</p>	<p>Officers have prepared a business case covering options 1, 2 and 3, as requested by the Committee. It is officers' recommendation that more detailed analysis, on a service by service basis, is required to provide an appropriate level of certainty, particularly around the financial implications, before Members make any final decisions. If Members accept the recommendations before them, the pace of future phases will be balanced against the need to provide sufficient certainty to enable sound decisions to be made. Recommendation 7 includes a reference to completing the review as rapidly as possible.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
51	Item 7 – Review of Capita Contracts	Mr John Dix	At para 2.18 the report talks about the loss of guaranteed income yet last week you were happy to write off £30m of guaranteed income because you said it might be achieved anyway. Can you explain why this unbalanced assumption was used?	<p>The ceasing of procurement guarantee and gainshare arrangements was set out in the Urgency Committee report of 30 November 2018 - <a href="http://barnet.moderngov.co.uk/documents/s49973/21.11.2018%20Capita%20Commercial%20settlement%20-%20Urgency%20Committee%20Report.pdf">http://barnet.moderngov.co.uk/documents/s49973/21.11.2018%20Capita%20Commercial%20settlement%20-%20Urgency%20Committee%20Report.pdf</a></p> <p>As the Urgency Committee Paper describes, the settlement position has been agreed by the Council's legal advisors as representing a good value for the Council.</p> <p>Alongside the £4.12m cash payment, the settlement agreement also includes:</p> <ul style="list-style-type: none"> <li>• the write off of c.£4m procurement and Mosaic invoices that Capita believed were due; and</li> <li>• avoids the council making c.£14m cash payments due over the next five years in respect of procurement gainshare.</li> </ul> <p>In addition, the procurement service is required to deliver in line with the output specification. It should be noted that Capita's contractual view was that contracts and plans were already in place to deliver c. two thirds of the c.£30m local authority guaranteed procurement savings.</p>
52	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	In the proposed phased review of services, Planning / Enforcement is in the final tranche. Please could you explain why this is, when during the Public Consultation, Planning / Enforcement presented the most concerns for residents, as declared by the Chair of that review when he summed up?	The phasing of the review of individual services will be informed by the outcome of consultation. Throughout the review process, the council will continue to manage performance in services that are scheduled for later review. There have been significant improvements in the performance of the Planning Enforcement service since the Re contract review.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
53	Item 7 – Review of Capita Contracts	Ms Emily Burnham	<p>Para 2.19 (c ) council client leads’ view of other service-specific costs to run the service (e.g. specialist IT, contracts) using the financial model as a starting point;</p> <ol style="list-style-type: none"> <li>1. Under the recommended proposal contained in this review, who will be managing the introduction of the new library service IT system expected in 2019/20?</li> <li>2. What risks assessments have been done to ensure that the introduction of the system is not subject to problems such as that experienced by the library service in 2016 and Adult Social Care in 2018?</li> </ol>	The review did not consider these questions.
54	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	<p>52 Office stationery</p> <p>What length of time does the contract value cover?</p> <p>Please itemise in as much detail as existed in order to come up with the estimate of £240,000 what items will be obtained for this colossal sum.</p>	The length of contract is up to 4 years based on circa £60,000 spend per annum totalling £240,000 contract value. This does not mean that the council is committed to this spend, just that it is an upper limit. The items covered are office stationery/consumables including pens, pencils, staplers, pads, flip charts, markers, envelopes, ink cartridges, etc. as well as aids required for computer work such as lumber supports that are required by law.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
55	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>Given matters in the two previous questions (including your answers to those questions) does the Authority acknowledge that the OJEU procurement process must be delayed, since a EU/OJEU compliant route to market is not currently possible, and that any such decision taken by Members of the Authority on the recommendation of Officers, before the results of the Authority’s additional £50,000 technical study are known, would be unsafe?</p> <p>To paraphrase, you cannot lawfully issue a settled Invitation to Tender for a “station”, because you cannot currently say what the “station” is.</p> <p>You will not be able to do so until after the £50,000 station study reports back, and ALL its alternatives at this formative stage publicly considered (even if there is ONE recommended option). Will you publish the £50,000 station study terms-of-reference? Does it mention an OJEU?</p>	<p>The draft scope of the study has already been issued to Mr Cox.</p> <p>As stated previously there is no current certainty in this early stage of WLO development that that proposal will proceed to construction. Please refer to answer to Question 41.</p> <p>The proposed design integration study will be sufficient at this stage to ensure that passive provision can be provided to ensure that any future WLO station arrangements can be safeguarded in the design of the BXW station.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
56	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>2.65. <i>Where services are to remain under the existing contracts the council will continue to apply a robust approach to managing performance under the contracts, to ensure that service delivery meets expectations and that any issues are dealt with promptly.</i></p> <p>It is frankly outrageous that you state that the council will 'continue to apply a robust approach to managing performance', when it is because of your catastrophic failure to do exactly that has led to the current crisis: what evidence is there that this statement is true, after five years of blundering performance, continued failures by Capita?</p>	<p>As noted in the Annual Internal Audit Opinion 2017/18, shortcomings in contract management were noted in the 2016/17 Annual Internal Audit Opinion. In 2017/18, the council has implemented a refreshed contract management framework and governance structure for strategic contracts, and it is apparent that contractual levers are being used where performance is not at the required standard.</p> <p><a href="http://barnet.moderngov.co.uk/documents/s47416/Appendix%20-%20Annual%20Internal%20Audit%20Opinion%202017-18.pdf">http://barnet.moderngov.co.uk/documents/s47416/Appendix%20-%20Annual%20Internal%20Audit%20Opinion%202017-18.pdf</a></p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
57	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	<p>1.6 Does ‘Information gathering and analysis has been undertaken at a high level’ mean this task has been done by the most senior officers? If not, what does ‘high level’ refer to?</p> <p>1.6 ‘One of the key ... at this point’: in plain English this means that the detailed work was essential on all services in order for members to make a sound decision. Since this was the view expressed at the meeting of this committee on 19 July and was the reason for members unanimously agreeing for a full business case on all services,</p> <ul style="list-style-type: none"> <li>• when was it decided to provide detail on only the two services identified and by whom?</li> <li>• was the reason for providing the necessary detail on only two rather than all services because the work could not be completed in the available time, why was that the case and why was that not assessed in advance and explained to councillors on 19 July or 23 October? If that was not the reason, what was?</li> </ul>	<p>High level refers to the fact that the analysis has been carried out at a summary level, across the entirety of the two contracts, as opposed to a detailed, line-by-line analysis.</p> <p>Where detailed analysis has been undertaken it is presented to the Committee. Strategic HR and Finance were the services considered first for the reasons set out in the report.</p> <p>The report also sets out that detailed analysis on all services will take considerable time, hence recommending to this Committee that a different approach is adopted.</p>
58	Item 7 – Review of Capita Contracts	Mr John Dix	<p>At para 2.19 the report states that the methodology for assessing the costs of delivering in-house services has been based on the views of client side staff. What if they are wrong and why didn’t you use external advisors who may have a broader perspective on costs and structure?</p>	<p>The council is mindful of the financial climate and has sought to use internal resources wherever possible to manage spend. Using internal resource has the added benefit that staff have an understanding of current operations that external consultants would not. Several client leads have recently worked in other authorities, directly managing operations, and have also brought this knowledge to their initial assessments. As the report notes, high-level modelling of options 2 and 3 is a work in progress.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
59	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	<p>If Planning/ Enforcement is to be reviewed as late as year seven, what action has the Council taken to ensure that residents' SAFEGUARDS will be strictly followed FROM NOW ON, to ensure a safe, responsible Planning/ Enforcement system? By residents SAFEGUARDS, I mean: the requirement of due diligence, strict adherence to the Council's umbrella Fraud Policy, strict adherence to the Officers' Code of Conduct, strict adherence to Professional Codes of Conduct, proper adherence to the Consultation Process, accurate Officer reports, thorough maintenance of case files, etc.</p>	<p>The phasing of the review of individual services will be informed by the outcome of consultation. Throughout the review process, the council will continue to manage performance in services that are scheduled for later review.</p>
60	Item 7 – Review of Capita Contracts	Ms Emily Burnham	<p>Para 2.40 “It is, therefore, proposed that a phased approach be adopted, whereby services are examined in detail on a phased basis, with recommendations regarding the future delivery arrangements for each group of services being brought to this Committee upon the conclusion of each phase of work. This approach does not preclude all services being returned to the council at any time, should it be so decided.”</p> <ol style="list-style-type: none"> <li>1. When will the case regarding the future delivery arrangements for the estates department be examined?</li> <li>2. What committee will it report to?</li> </ol>	<p>The phasing of the review of individual services will be informed by the outcome of consultation. The outcome of those reviews will be reported to the Policy and Resources Committee.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
61	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	<p>53 Travel management Contract</p> <p>What length of time does the contract value cover?</p> <p>What services are to be provided i.e. is this for booking travel of staff or is it to provide travel management plans for schools, council offices etc and please specify which in as much detail as exists because someone hopefully didn't just pluck the figure of £320,000 out of the air?</p> <p>If it is for booking travel, which categories of staff mostly use this service and couldn't they simply book their own travel within set parameters?</p>	<p>The length of the contract is up to 4 years based on spend of c.£80,000 per annum. The purpose of the contract is to provide travel management services for staff booking travel/hotel accommodation whilst on council business such as visiting clients, and in addition provides travel/hotel services to support emergency ad hoc provision for clients in crisis.</p> <p>Bookings cannot be made without prior authorisation of the manager and the budget holder authorises travel booking payments. A corporate solution helps to support better value for money.</p>
62	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	Will you provide Members with draft wording of your OJEU, and with enough time to comment on it before sign-off and publication?	The OJEU process and regular updates will be reported to the Assets, Regeneration and Growth Committee as part of the Brent Cross Cricklewood quarterly report. The final decision on procurement strategy and contract award will be made by that Committee.
63	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>3.3. <i>The Committee could choose to request a full business case as originally agreed in July. However, this is not recommended as it is estimated that it would take a significant time to complete, during which time the council's strategic aims would not be being met.</i></p> <p>Why did the Chief Executive imply at the last Audit meeting that the decision made in July was being complied with, and that the only difference was that of 'semantics' when we now read a stark admission that a decision not to provide business cases had been made?</p>	It is not the case that “a decision not to provide business cases has been made”. The work undertaken to prepare the business case is set out in the report. The committee will decide whether to accept the recommendation to change the approach.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
64	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	‘The Committee could choose to request a full business case as originally agreed in July. However, this is not recommended as it is estimated that it would take a significant time to complete ...’ How long is that time estimated to be, and could this have been done if the work on it were started after the 19 July meeting?	Work on the business case started immediately after the 19 <sup>th</sup> July meeting. Based on the detailed work carried out to date on the Finance and Strategic HR services, it is estimated that completing the detailed assessment of all services could take up to 18 months.
65	Item 7 – Review of Capita Contracts	Mr John Dix	At para 2.21 please can you clarify what assumptions were made on the current operating costs and the level of procurement savings?	Procurement gainshare and savings guarantee were not included in the modelling of any options as this arrangement has now ceased. The current operating costs were calculated, using the contractual financial model for the procurement service excluding gainshare.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
66	Item 7 – Review of Capita Contracts	Mr Nicholas Dixon	<p>Mr Hooton and Councillor Cornelius stepped down from the Board of Directors of Re a couple of months ago, for reasons of " conflict of interest" because the contracts with Capita were to be reviewed. Why was there not conflict of interest for them, prior to the announcement that the contracts were to be reviewed?</p> <p>Has the Council appointed two more people to the Board of Re, to replace Councillor Cornelius and Mr Hooton?</p> <p>Can we rely on those new people to represent and guard the interests of Barnet Council and Barnet residents, on that Board?</p>	<p>Membership of the RE Board of Directors was the subject of a report to Constitution and General Purposes Committee on 24<sup>th</sup> July.</p> <p>That report noted that it is the individual persons that are appointed as Directors and that, when acting as a Director, those persons much act in the best interests of the company and not as representatives of the organisation that has appointed them. This can, on occasion, create a conflict of interest for those individuals. In the normal course of business, this can be resolved by the individual declaring that interest and recusing themselves from any discussion or vote on the matter, as happens when individual Members declare a conflict of interest in a Council or Committee matter. The report went on to state that, in light of the report on the Review of Capita Contracts that was to be considered by the Policy and Resources Committee on 19<sup>th</sup> July 2018, Councillor Cornelius and Mr Hooton considered their positions as Directors of RE and concluded that the potential conflict of interest created by this Review would be such that they should resign their positions as Directors of the Company so that they could focus solely on the interests of the council.</p> <p>The council has subsequently appointed Dawn Wakeling and Cllr John Marshall as directors.</p>

67	<b>Item 7 – Review of Capita Contracts</b>	Ms Emily Burnham	<p>Para 2.43 “Through a process of negotiation, agreement has been reached that the reduction in the management fee will be based on the current actual cost of delivering the services.”</p> <ol style="list-style-type: none"> <li>1. Is the current actual cost of delivering the services lower or higher than the cost set out in the original contracts?</li> <li>2. How is the management fee calculated, i.e. is it a percentage?</li> </ol>	<p>The management fee and actual costs are defined as commercially sensitive material under Schedule 23 of the CSG contract and Schedule 21 of the DRS contract.</p> <p>The management fees cover the full cost of delivering services under the output specification, and were determined when the CSG and RE contracts were awarded and the actual cost of delivering the services does not change what the council pays in management fee.</p>
68	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>54 Learning and development</p> <p>What length of time does the contract value cover?</p> <p>Whose learning and development is this for? please provide a breakdown by category of staff e.g. councillors, social workers, commissioning staff etc</p>	<p>Learning and Development is for council staff training in line with individual development plans. The contract value covers 4 years.</p>
69	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>How will Members to guided to accurately assess the Officers’ reassurance that the Authority is capable of satisfying the Chartered Institute of Public Finance and Accountancy’s prudential code, under Part 1 of the Local Government Act 2003?</p>	<p>This is set out in the Committee report under the Update on the Financial Tests set by the Committee in July 2014 (paragraphs 1.22 onwards).</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
70	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>5.2.1. On 19th July 2018, Policy and Resources Committee agreed resources of £300k for the development of the Full Business Case. As set out in this report, significant work has been undertaken, especially around Finance and Strategic HR. However, the scale of the work to be completed is considerable.</p> <p>As you have not undertaken the work agreed and approved by elected members in July, where has the money been spent? Please provide a breakdown.</p>	<p>The majority of the £300k has been spent on project resource to develop a business case for options 1, 2 and 3 across all service areas, and the detailed analysis of Finance and Strategic HR. There have also been legal costs.</p>
71	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	<p>2.61, 4.3 'Due course' is too vague a schedule for such important proceedings: what is the actual proposed timetable for this report to be given to the committee? What would be the proposed schedule for returning those services to the council?</p>	<p>The timetable for bringing this report back to the Committee will be considered as part of the detailed planning for phase 2.</p>
72	Item 7 – Review of Capita Contracts	Mr John Dix	<p>At the Urgency Committee last week the commercial director stated that in Capita's opinion they largely have met the guaranteed savings for the remaining five years of the contract. Given that these savings are allegedly already secured and will be in place whoever runs the service for the remaining five years of the contract, have these savings been recognised and credited in Option 3 costs and if not why not?</p>	<p>Savings from procurement activity are recognised in service area budgets and this will continue to be the case.</p> <p>Procurement gainshare and savings guarantee were not included in the modelling of any options as this arrangement has now ceased.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
73	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>55 Office removal/relocation service</p> <p>What length of time does the contract value cover?</p> <p>Which office moves does this cover please giving the old and new locations?</p> <p>This contract value exceeds the OJEU threshold. How will the council manage to procure this in a compliant fashion by 1/1/19?</p> <p>Has the procurement process already started?</p> <p>What will the council do if it doesn't have a compliant contract in place by 1/1/19?</p>	<p>An office removal/relocation service is required to support current construction programmes including school builds, libraries and council office relocation as well as ad hoc removal/relocation requirements during the period of the contract. It covers 4 years.</p> <p>1/1/2019 references the procurement procedure start date; the contract is envisaged for 1/4/2019. Office/relocation services are available through frameworks which reduces the procurement delivery time.</p>
74	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>Does the Authority currently believe that its Officers' description of 'Brent Cross North' in the Committee report will need changing, given that Hammerson has said in Building trade magazine that it is currently "reconfiguring" its proposals, outside its current planning consents?</p> <p>For instance, what effect will there be on the Authority's business plans if commercial and retail is significantly scaled back permanently?</p> <p>(Hammerson made its comments to a Building journalist, in response to an analysis the previous week that "any architect specialising in new three-tier retail shopping centre space in the UK ought to seriously think about retiring".)</p>	<p>The revised delivery strategy approved by Assets, Regeneration and Growth Committee, and the revised funding strategy being developed, mitigate the uncertainty associated with the shopping centre development.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
75	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>5.4.2. Detailed legal support is being provided to ensure that the council meets its legal obligations, for example in relation to public procurement regulations.</p> <p>Who is providing this legal support, and how much has it cost so far?</p>	The council's legal support is commissioned through Harrow and Barnet Public Law. The costs are included within the £300k budget allocated by the committee to the programme thus far.
76	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.62 What is the proposed timetable for considering Phase 3 and what would be the likely schedule for returning those services to the council?	The timetable for considering phase 3 will be determined during phase 2.
77	Item 7 – Review of Capita Contracts	Mr John Dix	Given that Re is a joint venture, that most staff are based in Barnet and that a number of staff have joint employment contracts, can you clarify why the difference in cost between Option 1 and Option 3 is so large given that the staff who would be generating additional revenue for Re would be the same staff who could generate additional revenue for an in-house service?	<p>Option 1 costs are based on a set contractual price regardless of Re's actual operating costs.</p> <p>Option 3 costs include the following factors:</p> <ul style="list-style-type: none"> <li>• Current actual costs being higher than those anticipated in the financial model that underpins the management fee;</li> <li>• Additional pension costs for staff who acquire the right to join the Local Government Pension Scheme, when they enter council employment (potentially an additional 20% on top of salary costs); and</li> <li>• Loss of the benefit of income guarantees on the RE contract.</li> </ul>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
78	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>56 Off-site storage contract</p> <p>What length of time does the contract value cover?</p> <p>What items need to be stored and for how long?</p> <p>Given the debacle that was storage by Ad-hoc which led to the loss of much historic memorabilia and a compensation claim /insurance pay-out, what steps will the council take to ensure it doesn't entrust important material to a firm of shysters?</p>	<p>The contract value covers up to three years and is for off-site paper storage. The files to be held are diverse, including records the council needs to keep for legislative or business reasons. The files have storage times from as little as 6 months to over 40+ years. Holding these records off-site means that we can reduce the amount of more expensive on-site storage we require. The contract will be awarded in line with the Contract Procedure Rules, and monitored on an ongoing basis.</p>
79	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>Does the Authority currently believe its Officers' description of 'Brent Cross Thameslink' is accurate, given that slippage to incorporate the results of the Authority's £50,000 station study cannot be avoided, if decisions are required to be safe?</p>	<p>Yes. The description of Brent Cross Thameslink is consistent with the S73 planning permission and the Full Regeneration Business Case approved by HM Government, and as previously reported to this Committee. GRIP5 detailed design will reflect the findings of the design integration study. This is not expected to lead to slippage.</p>
80	<b>Item 7 – Review of Capita Contracts</b>	Ms Theresa Musgrove	<p>5.5.5. Comprehensive programme governance arrangements have been established. As part of these arrangements, a detailed risk register has been prepared and this is reviewed and updated on a regular basis.</p> <p>Has this risk register been published, and if not, please provide this now - and have all members of the committee been provided with copies?</p>	<p>The risk register has not been published, nor have Members of this Committee been provided with copies, as it is summarised in the report at section 5.5. The request to provide it to the public will be considered in accordance with the requirements of the Freedom of Information Act.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
81	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.63 Phase 4 ‘considered alongside the Year 7 review’ indicates that will not be for another two years. Why should it wait this long? Why cannot Phases 3 and 4 occur in successive quarters, so that all business cases, and perhaps the return of many services, can be completed within 2019?	If Members accept the recommendations before them, the pace of future phases will be balanced against the need to provide sufficient certainty to enable sound decisions to be made. Recommendation 7 includes a reference to completing the review as rapidly as possible.
82	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	60 Winter service operations  What length of time does the contract value cover?  Please provide a breakdown of the items which make up the £500,000? because as phrased I have no idea what you plan to spend half a million pounds on.	The contract value is £250,000 per annum for a 2 year period. This contract provision will include the purchase of any related plant and equipment for winter service operations.
83	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	Does the Authority currently believe its Officers’ description of ‘Brent Cross South’ is accurate, given the nature of any housing - station interdependence has changed since it was first asserted?	Yes, the description of Brent Cross South remains consistent as previously reported.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
84	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	<p>5.8.4. As stated above, the recommendation in respect of the return of Finance and strategic HR is subject to the outcome of consultation. It is proposed that the Chief Executive be authorised, in consultation with the Chairman of the Committee, to consider the responses to the consultation and proceed with implementing the proposal, if appropriate.</p> <p>Does this mean the final decision, after 'consultation', whether or not to return Finance and strategic HR, will be made by the Chief Executive, rather than elected members?</p>	<p>If this recommendation is agreed by the Committee, a decision to proceed with the implementation of the in-sourcing of Finance and Strategic HR would be taken by the Chief Executive, in consultation with the Chairman of the Committee.</p> <p>Delegations to officers are subject to caveats, such as the political sensitivity of the decision. So, if the outcome of consultation results is one that would be considered to be very politically sensitive or significant, the Chief Executive would provide a further report to the Committee. This is referred to in Article 9 of the Constitution:</p> <p>“Discretion to Refer Matters to Members: Where a Chief Officer believes that a matter that is within their delegated authority is significant or sensitive they have the discretion to refer it to Members for decision”</p>
85	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.62, 2.63 Why can Social Care and Customer Service not be considered in Phase 1 or 2, as they impact residents directly?	The phasing of the review of individual services will be informed by the outcome of consultation. Throughout the review process, the council will continue to manage performance in services that are scheduled for later review. The rationale for prioritising the services proposed as phases 1 and 2, is set out in paragraphs 2.41 and 2.59.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
86	<b>Item 7 – Review of Capita Contracts</b>	Mr John Dix	The report mentions the year 7 review. In the CSG contract, clause 10.4, it is quite clear that the contract review is in year 6 not year 7. Typically planning the work for the review would commence in the next three months as it did for the three year review. Given that the CSG services covered under the year 6 review include Revenues & Benefits, Customer Services, IT and HR transactions services, why aren't they being considered at an earlier phase of the project.	The phasing of the review of individual services will be informed by the outcome of consultation. Throughout the review process, the council will continue to manage performance in services that are scheduled for later review. The rationale for prioritising the services proposed as phases 1 and 2, is set out in paragraphs 2.41 and 2.59.
87	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	61 Salt barn  Where is this salt barn to be erected? Does the council expect to lose the use of either the Harrow salt barn or the Highways Agency salt barn in the foreseeable future. Does the council already have a written estimate for the salt barn and if it does how much is it for?	The Council does not yet have an identified site on which to locate the salt barn. There is no immediate concern reading the loss of either the Harrow or Highways England sites. However, these arrangements were only intended to be temporary and so the Council is looking for a location within the borough for the salt barn. The Council currently has the original Mill Hill depot salt barn structure in storage with the original supplier and intend to have it re-erected when a new site is found.
88	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	Given the proven success of local economies around new and long-established orbital rail and tram stations in London (which do of course interchange with radial routes) what has been the conclusion from the Authority's modelling of opening a West London Orbital station to meet the needs of any early modest Brent Cross build-out, with the Thameslink station moved back to its original 2010 consent timescale?  (You HAVE modelled that, to make your decisions safe, haven't you?)	The WLO scheme is still in the outline development stage (GRIP 1 stage). An acceptable business case including modelling will be developed in due course by TfL.  If it goes ahead, it will fall outside of the timescales of the BXC TL construction contract. Waiting for the WLO to be delivered would therefore delay the delivery of new homes by a number of years.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
89	Item 7 – Review of Capita Contracts	Ms Theresa Musgrove	2.63 states that Pensions Administration is one of the services that will not be considered for return until Year 7. How can a service of this importance, already demonstrably not being provided with any acceptable standard of competence, be left in the hands of the current providers for any continued period, putting members' benefits - and access to information about those benefits - at such critical risk?	The phasing of the review of individual services will be informed by the outcome of consultation. Throughout the review process, the council will continue to manage performance in services that are scheduled for later review.
90	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.1 Given the unanimous demand of the Committee, why were the five business case elements not applied to all the services? Why was it not made clear to the councillors at the 23 October meeting that this version of the Treasury's model would be used instead of the council's project-management model?	Officers undertaken extensive work to prepare a business case as requested by the Committee. On the basis of that work, it is officers' recommendation that more detailed analysis, on a service by service basis, is required to provide an appropriate level of certainty, particularly around the financial implications, before Members make any further decisions. The business case model is a method for organising the information, and the choice of model does not affect the council's ability to take a decision once the detailed analysis of options is complete.
91	Item 7 – Review of Capita Contracts	Mr John Dix	At para 5.5.2 the report asks for another £350,000 for further project work. What monitoring and reporting controls are you going to put in place to ensure that in 6 months time we don't get another request for more money and more time?	The £350k requested is to cover project and legal resource up to June 2019. The budget is monitored via the Programme Team and reported to the Chief Executive and Deputy Chief Executive. Some subsequent phases of work will coincide with the reviews that would take place in year 7 in any case and require resourcing.
92	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	62 Highways DLO depot Where is this depot to be built?	The Council is investigating potential sites that may be suitable for this service, but does not a confirmed location yet.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
93	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>Why is the Brent Cross project “at a critical stage”?</p> <p>Are Officers saying to Policy and Resources Committee Members that their implementation of the Authority’s current Supplementary Planning Guidance (which estimates an extra 29.000 car journeys daily in the area) and where the Authority banned note-taking at its 18/19 November 2009, seven-and-a-half-hour Brent Cross planning committee meetings (because Margaret Thatcher’s 1960 back bench bill to allow council meeting public access forgot to mention the right to take notes like ‘the press’) is under some sort of threat?</p>	<p>As reported to the Assets, Regeneration and Growth Committee on 27 November and within the Policy and Resources Committee report, Brent Cross Thameslink (BXT) is ready to commence delivery to achieve the station opening in May 2022.</p> <p>Brent Cross South is also working to starting on site in 2019 and deliver new homes from 2022 onwards.</p> <p>This is a key milestone. Commencement on site will kickstart the comprehensive regeneration of the area in line with the Council’s corporate strategy.</p>
94	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	<p>1.8 What is the full list of issues that needed to be resolved and the cost of each, and how does the total compare to the £4.1m paid by Capita?</p>	<p>The issues are set out in the Urgency Committee report of 30 November 2018 - <a href="http://barnet.moderngov.co.uk/documents/s49973/21.11.2018%20Capita%20Commercial%20settlement%20-%20Urgency%20Committee%20Report.pdf">http://barnet.moderngov.co.uk/documents/s49973/21.11.2018%20Capita%20Commercial%20settlement%20-%20Urgency%20Committee%20Report.pdf</a></p> <p>The settlement does not specifically allocate costs. As the Urgency Committee Paper describes, the settlement position has been agreed by the Council’s legal advisors as representing a good value for the Council.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
95	Item 7 – Review of Capita Contracts	Mr John Dix	At para 5.4.3 the report notes the duty to consult and in particular states that “a consultation can only be considered as proper consultation if comments are genuinely invited at the formative stage”. Given that we are five months and £300,000 into this project, that a strategy appears to have been decided by choosing not to bring forward the business cases requested and unanimously agreed in July, the project is significantly beyond the formative stage. Can you explain why such a delay has occurred, and whether this exposes the council to the risk of judicial review?	The validity of a consultation exercise is about the extent to which the public have a genuine opportunity to influence proposals. The public will have a genuine opportunity to influence the future delivery of services through their responses to this consultation. No decisions have been made on the future delivery of services so this is a formative stage in the process.

<p>96</p>	<p><b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b></p>	<p>Mr Derek Dishman</p>	<p>70 Highway advertising</p> <p>What length of time does the contract value cover? Please set out what the five contracts cover whether types of advertising or geographical area? Does the council envisage erecting 48 or 96 sheet hoardings? Will any of those hoardings be illuminated? Has the council set a minimum distance from a residential property within which no hoarding will be erected? Are more pavement obstructing JC Decaux type advertisement vehicles like the one pictured below anticipated to be installed on the pavement? and if so how many?</p>  <p>Are further French style rotunda structures, image below, anticipated to be installed across the borough? and if so how many?</p>	<p>This will potentially cover up to five advertising contracts. The contract value indicated is an estimate of income potential based on current market rates achieved for other Councils. The detail of the numbers of different forms of advertising is currently unknown as it depends on the market interest and this will be evident once bids have been received. It is envisaged that contract terms may vary between 4 years and 15 years depending on the type of advert proposed. It is also envisaged that there will be a mix of different types of advertising including those that currently exist in the borough and also a small number of larger digital (illuminated) displays which will in the main replace the existing billboard sites. The Council is mindful of the impact of these displays and in particular in respect to the positioning of them in appropriate locations.</p>
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			 <p>Apart from billboards and the two structures identified above has the council identified other types of advertising which contribute to the £1.5m? Please provide a breakdown in as much detail as was available when the £1.5m was decided upon, of how it was calculated?</p>	
97	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>If the project is “at a critical stage”, why cannot the Authority acknowledge that a 2022 station is impossible (and take the unavoidable hit) but that, after the Authority’s £50,000 station study report, the sunny uplands of a 2023 station are possible, and would be widely welcomed?</p> <p>That is, will the Authority admit its mistakes? Or does it believe it has never made any?</p>	The station opening in May 2022 is achievable provided main work starts in January 2019.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
98	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	1.8 Who initiated the pay-off, how was the sum arrived at and by whom?	The process of resolving the historic issues was initiated by the council, through the normal contract management arrangements. The sum was arrived at through a process of assessment and negotiation, with the final sum being agreed by the Urgency Committee on 30 <sup>th</sup> November.
99	<b>Item 8 - Corporate Plan 2019-24, Business Planning - Medium Term Financial Strategy 2019/24 and Draft Budget for 2019/20</b>	Mr John Dix	In September I attended a Barnet 2024 event at the Bull Theatre where the leader told us about the £62m budget shortfall over the next 5 years. In the latest MTFs that budget shortfall appears to have plummeted to just £5.2 million. Can you explain the dramatic improvement in finances in the last three months?	The budget shortfall originally discussed in the period to 2024 was the size of the challenge estimated to be facing the council prior to any action. Throughout November, Theme Committees have considered savings proposals totalling £68m which comes close to bridging the prevailing gap.
100	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	71 Skips enforcement  What length of time does the contract value cover? Will any penalty be levied upon the skip hire company or the resident? How much will the penalty be for a skip on the highway without a licence? How much will the penalty be for a skip on the highway with an expired licence? Will there be an Appeal process? Does any other London borough collect penalties at the rate calculated within this plan?	The contract value covers £40,000 per annum for a three year + two year extension option. With regard to this potential area of enforcement activity, the Council does not currently have any plans to progress with this contract or enforcement however has highlighted on the plan to provide transparency to market should activity be taken forward in the future.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
101	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>Is it not true that the first quantum of housing at Brent Cross can be perfectly adequately handled by current buses, tubes and railway stations (that is, housing construction can still go ahead)?</p> <p>That happens with most developments all over London.</p> <p>If not, where is the Authority's evidence in asserting otherwise?</p>	The importance of the station to delivering homes at Brent Cross was set out in the Full Business Case.
102	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	1.8 Why was the pay-off by Capita such an urgent issue that it could not be delayed little over one week until this meeting or considered by a special meeting of another theme committee, such as Audit or Financial Performance & Monitoring, and heard in the evening when members of the public could attend? Did Capita demand a decision by a particular date? Was there a threat of rescinding the offer if the schedule was not met?	The decision on timing of the Urgency Committee was entirely the council's, to enable rapid finalisation of the settlement.
103	<b>Item 8 - Corporate Plan 2019-24, Business Planning - Medium Term Financial Strategy 2019/24 and Draft Budget for 2019/20</b>	Mr John Dix	Achieving the MTFS is highly dependent on making major cuts to services. Given that it has proved hard to deliver savings in the past, what contingencies are in place if the savings are not delivered?	The council has a finite amount of contingency in each year which can be seen on the face of the MTFS. Additionally, the council maintains a minimum level of general fund balance and reserves in order to mitigate any shocks or adverse financial results as a one off. Strong governance and reporting processes are being implemented to reflect the continued importance of services balancing their budgets.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
104	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>82 PCN rebranding</p> <p>What length of time does the contract value cover?</p> <p>What rebranding is the council thinking of?</p> <p>Is it advertising on the PCN?</p> <p>If not, does the current contract for traffic PCNs not state that the contractor is responsible for the content of the PCN subject to the approval of the council? (as the former one did)</p> <p>Why is rebranding necessary?</p>	<p>The contract value covers one year. This item should read PCN rebanding. The Council may seek specialist legal advice in regard to making an application to London Councils to revise the banding of PCNs from the current mix of Band A and B to become consistent at Band A across the borough.</p> <p>Rebanding of PCNs may be necessary to influence driver behaviour in Barnet in order to support our Road Safety and Air Quality objectives.</p>
105	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>Why does the Authority welcome in its Committee report rising house prices at Brent Cross, if provided with good public transport?</p> <p>That is, why does the Authority insist on treating housing primarily as a financial asset, if it wants to end a housing crisis based on affordability?</p>	<p>A range of housing tenures will be provided within Brent Cross South as set out in the Business Plan approved by the Assets, Regeneration and Growth Committee on 24 July 2017 (section 14 of the Business Plan Executive Summary appended to the report).</p>
106	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	<p>2.7 a Will there be redundancy costs if staff are transferred back to the council? What leases are involved, and would there be costs for them if the contracts are broken because of breaches, etc.?</p>	<p>There are no planned redundancies of the return of Finance and Strategic HR. In Option 2 and 3 redundancy costs are factored into the transition costs. These primarily relate to staff where TUPE is unlikely to be possible e.g. staff based outside the borough.</p> <p>There are no leases involved with the return of Finance and Strategic HR. In Options 2 and 3 lease break costs are factored into the exit costs. These primarily relate to buildings operating outside of Barnet.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
107	<b>Item 8 - Corporate Plan 2019-24, Business Planning - Medium Term Financial Strategy 2019/24 and Draft Budget for 2019/20</b>	Mr John Dix	What reassurances have you had from Government that New Homes Bonus will continue beyond 2020.	The council has had no confirmation that this funding will either cease or continue. The MTFS assumes it will continue which is in-line with the approach taken by most Local Authorities.
108	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	83 Traffic Review Commission  What length of time does the contract value cover? Please tell me who the members of this commission are? What are the duties of this commission? What does it plan to review for £150,000?	The contract value covers one year. This item referred to potential plans to conduct a traffic review. There are currently no plans to commission this work and progress this initiative any further, but this position is subject to change depending on business need and therefore authorisation to procure via the annual procurement forward plan has been sought.
109	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	Why has the Authority taken the approach of adding elements to the capital programme at the point where they are commissioned? What alternatives were considered, and what is a grid of positive and negatives for each of them?  Is that decision ever under review?	The section 151 officer has confirmed that this is the appropriate approach to managing the capital programme.
110	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	2.2d What are the elements of the ‘rapidly changing environment’ and to what period does this refer?	As set out in paragraph A1.10 of Appendix A, the key elements are prolonged austerity and the change in the outsourcing market over time. These apply to the period since the contracts were let in 2012.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
111	Item 8 - Corporate Plan 2019-24, Business Planning - Medium Term Financial Strategy 2019/24 and Draft Budget for 2019/20	Mr John Dix	The new charges for Building Control are significant. What risk assessment has been undertaken to test whether these new charges might lead to building works being undertaken without building control input and which in turn may prove potentially dangerous for building tenants?	<p>In terms of value, no category of work has increased beyond 3.57% when compared to the baseline plus inflation. In terms of volume, the new categories of work simply replicate what chargeable functions the service currently delivers. It's a model neighbouring London boroughs and private sector competition alike adopt.</p> <p>No risk assessment has been undertaken to review what impact the 2019 charging scheme would have on the number of unauthorised works as there is no previous evidence to suggest that a correlation exists between these factors. In the circumstance that unauthorised works did put building tenants at risk this would be investigated by Building Control on a cost-recovery basis and not the conventional chargeable scheme proposed.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
112	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>84 CPZ Expansion and footway parking review</p> <p>What length of time does the contract value cover?</p> <p>A review of footway parking was carried out recently, why is it necessary to carry out another one?</p> <p>Please provide a breakdown in as much detail went into the setting of a figure of £1m as is available, of the £1m.</p>	<p>The contract value covers up to 3 years.</p> <p>New CPZs have been implemented in 2018 however there are requests for new or adjusted restrictions arising from developments, local petition, member requests etc. There also exist locations where it would be typical to conduct a review of in place controls.</p> <p>The footway work does not cover the whole Borough and in not all locations is this at the detailed design phase. It is highly desirable to ensure footway parking only takes place in a controlled fashion and the intention is to seek to finalise arrangements Borough-wide.</p> <p>Work has not begun on appraising such a scheme and so no breakdown of the estimated budget is available. The item is included on the Annual Procurement Forward Plan as an indication of the intent to procure during the next financial year.</p>
113	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>How does the Authority know it would spend £4-million for “reinstatement”?</p> <p>What if the schemes were merely delayed? At what point do you cut your losses?</p> <p>What is that expenditure made up of? Would the Treasury ultimately be paying for that?</p>	<p>The £4 million would only be related to Schedule 1A if the project does not proceed, the value of reinstatement is an assessed value based on professional judgment of the items required to make good, once Schedule 1A works are complete.</p> <p>If the scheme was delayed, then the council would assess the situation and proceed accordingly.</p> <p>As stated in report, these costs are within the existing HM Government grant funding.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
114	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	2.10 Why would the exit be ‘at will’ when there have been breaches of contract and failure to achieve KPIs?	The RE and CSG contracts provide for termination, either in full or in part, where either party is in default or at the Council’s discretion (“at will”). Termination “for default” allows one party to end the contract, because of the other party’s failure to meet its obligations. The term “default” is defined within the contracts and is different from “breach”. The contracts set out clear processes, which must be followed by both parties, for dealing with failures.
115	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Dix	How can you confirm the council’s continuing commitment to the delivery of BXT on 18 December 2018 if you will not have finalised the funding solution with MHCLG, GLA and Homes England until 11 February 2019 without creating a massive financial risk for the council?	The project is currently funded within the existing HM Government grant funding as set out in the report. The Revised Funding Agreement will be reported the Committee on 20 February 2019 for consideration against the financial test. No further commitment will be made until the Revised Funding Agreement is in place.
116	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	86 Road use pricing initiative consultancy  What length of time does the contract value cover? What road user pricing scheme is contemplated? please provide as much detail as is available. Why has there been no publicity about this plan?	The contract value covers up to 3 years. No decision about road user pricing has yet been made, and any such proposals would be subject to detailed analysis and agreement. This item is included so as to allow for detailed assessment if initial scoping finds that a road user pricing initiative may be of benefit to achieving air quality and traffic management aims.
117	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	You are focussing on “three challenges”. However, in such a complex scheme the Authority is faced with many. Why are these three considered to be ‘winners’? Do you have a ‘long-list’? What is fourth, fifth and sixth?	This is directly related to the financial risks associated with the Revised Funding Strategy.  The risks section within the report summarises key risks within the project.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
118	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.12 Is the legal service shared with Harrow run by Capita? Without revealing the numbers, what are the aspects of transition that attract costs?	No, the legal services shared with Harrow are not run by Capita.  The aspects of transition that would attract costs are set out in Appendix B, Financial Model Assumptions, of the Policy & Resources Committee report
119	Item 11 - Q2 2018/19 Strategic Performance Report	Mr John Dix	Yet again HB Law is overspent, this time by £1.1 million. This has been a recurring theme and raised at a number of performance committees since the contract was outsourced. When is someone going to get this budget under control?	Mitigations that had previously been assumed have been removed as it has not been possible to reduce activity whilst sufficiently balancing the protection of the council's legal interests.  The budget variance has been addressed in the Business Planning paper which provides additional funding towards the service in future years.
120	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	87 Emissions air quality congestion strategy  What length of time does the contract value cover? What air quality congestion strategy is contemplated? e.g. a congestion charge zone as is currently implemented in central London? please provide as much detail as is available. Why has there been no publicity about this plan?	The contract value is for up to 1 year. This relates to improving emissions and air quality and to take forward investigations that have been undertaken in the past. Work is at scoping stage, including on assessing whether a procurement is required. Scoping, consultation and stakeholder engagement will inform the strategy actions to be implemented.
121	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	Is the late-arriving MHCLG letter an additional document that will be publicly placed in the Committee agenda pack on-line?	The Revised Funding Agreement and associated documentation will be reported to the Committee in due course.
122	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.18 Has the Re income guarantee been negated by the acceptance of the £4.1m Capita pay-off?	No, it has not.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
123	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr John Dix	Given the size of the procurement programme and the numerous financial pressures on the council what reassurance can you provide that all of the procurement items can be met from within the current budget?	<p>The Annual Procurement Forward Plan is an indication of intent to procure, it is not a commitment to spend monies. The spend covers full contract value over several years.</p> <p>Procurement exercises cannot proceed without confirmation of budget and contract award is dependent on confirmation of budget in line with the Contract Procedure Rules.</p>
124	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	<p>88 Workplace levy implementation</p> <p>What length of time does the contract value cover?</p> <p>On what date and by which person was it decided that a workplace levy would apply in Barnet?</p> <p>What area is included within this, if not the whole borough?</p> <p>Why has there been no publicity about this plan?</p>	<p>The contract value is for up to 3 years. No decision has been made about a workplace levy as yet. This item is included so as to allow forward financial planning of a potential cost, if it is found that a workplace parking levy would be of benefit to achieving air quality and traffic management aims, arising from the review at section 87. If this is not recommended then this will not be taken forward.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
125	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>Is the “critical infrastructure” (£55-million) always the same value and the same description:</p> <ul style="list-style-type: none"> <li>- whether or not BXN is built (and under its current consent),</li> <li>- whether or not BXT is built (does it depend on the design of the station), and</li> <li>- whether or not BXS is built (at its promised scale)?</li> </ul> <p>For the benefit of Members, can you provide a simple itemised breakdown of the £55-million?</p> <p>Are there unexpected problems with the interaction of new slip roads with the foundations of the existing A406 flyover? Is the Living Bridge constructible, given Transport for London’s current demands?</p>	The council agreed in 2015 to provide £55m grant funding towards critical infrastructure works to secure comprehensive development. This grant is directed towards land assembly, road improvements and utilities. This remains the case.
126	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	2.19a What do ‘clienting the contracts’ and ‘client-side HR and Finance’ mean?	Client-side refers to council officers who work with the Capita service area leads and hold Capita to account through contract management processes
127	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr John Dix	Given the financial cuts facing frontline services who has reviewed the procurement programme to identify which items are: Mandatory, essential, preferred or desired and if this hasn’t been done, why not.	The Annual Procurement Forward Plan is not a commitment to spend monies, but seeks authority for the indicative procurement activity that the council intends to undertake. Service areas are responsible for adding proposed procurements to the Annual Procurement Forward Plan and ensuring they have sufficient budget. Not all procurements on the forward plan go ahead.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
128	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	92 Parking transformation consultancy  What length of time does the contract value cover? Which areas of parking management need to be transformed? Do they not have the intellectual capacity to transform themselves?	The contract value is for up to 1 year. The Parking Service has the skills and capability, however, spare capacity for one off transformation programmes does not exist, so it is appropriate to commission this review.
129	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	Have you modelled the effect of Bank of England-studied (as opposed to predicted) house-price falls of 30%, and of various intensities and lengths of UK recessions?	A scheme of this scale will inevitably go through a number of economic cycles, and delivery arrangements have been developed with that in mind.
130	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.24 Since there is a huge reliance on agency staff at great cost under the Capita management, how can it be argued that the outsourcer has ‘a greater ability to handle peaks and flows’?	There is no evidence to suggest that Capita’s use of agency staff is any greater or lesser than the council’s. As they have access to a larger pool of resources, they should be in a better position to handle the peaks and flows. This factor will be considered in more detail as part of the proposed service by service review process.
131	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	94 Moving traffic sites  What length of time does the contract value cover? Which are the extra locations at which the council anticipates installing cameras?	The contract value is for up to 3 years. Sites will be appraised once survey work has been commissioned

Qn No	Agenda Item No	Raised By	Question Raised	Answer
132	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>How is your business rate model affected by the risk of developments still eventually happening but greatly scaled down, and with less intensive use of land?</p> <p>How would it be affected by unrealistic “detailed designs”, or unrealisable “net internal area calculations”, or fanciful “delivery sequences” or crashing “leasing strategies” for non-residential uses?</p>	Sensitivity analysis has been undertaken to model the scenarios as referred to in the Committee report.
133	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	2.24 Why have you not included the benefits to residents, e.g. speaking to people who have local knowledge, the possibility of face-to-face meetings, and similar benefits to staff?	Paragraph 2.22 notes that further work is required to identify non-financial benefits associated with the different options.
134	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>95 Blue badge process review</p> <p>What length of time does the contract value cover?</p> <p>What particular aspects on the process need to be reviewed?</p> <p>Why can't existing management review them and save £150,000?</p>	<p>The contract value covers up to 3 years.</p> <p>We have not identified any particular aspects of the process to review, but it is good practice for such processes to be periodically reviewed. The Department for Transport (DfT) has proposed changes to the Blue Badge eligibility criteria and IT systems which the Council will need to implement. No decision has been made as to whether external advice or support would be required for this at the present time.</p> <p>The Parking Service has the skills and capability, however, spare capacity for one off programmes does not exist, so it is appropriate to commission reviews such as this. The scope of this review will be led by the nature of the DfT changes and the value is placed at the higher level to ensure capacity for a procurement if the level of change is significant.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
135	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>In your business rate model, what specific values of “cautious rental growth and hence forecast rateable values” do you consider?</p> <p>Are you worried by current over-valuations of real estate investment trusts like Hammerson? Although difficult to quantify because of so few trades, the twice-collapsed purchase of rival Intu (the first attempt by Hammerson) illustrates the risk of fire sales of large retail assets over coming years, as the market fails to stabilise, does it not?</p> <p>Could Hammerson be a long-term reliable partner ever again?</p>	<p>The council has prudent approach. This is based on two scenarios 1) Brent Cross South only and 2) Brent Cross South and Brent Cross North.</p> <p>The Revised Funding Agreement with HM Government is likely to be based on Brent Cross South only.</p>
136	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	2.29 How much greater or lesser (in percentages) are the exit costs compared to the profit element/management fees paid to Capita?	<p>The level of exit costs is likely to be subject to negotiation between the council and Capita. Capita’s profit is defined as commercially sensitive material under Schedule 23 of the CSG contract and Schedule 21 of the DRS contract.</p> <p>Exit costs and Capita profit have been included in the financial modelling.</p>
137	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>96 Delivery of recycling and waste strategy</p> <p>What length of time does the contract value cover?</p> <p>Is this item really necessary given that the Mayor of London has offered a free food waste consultancy via WRAP, won't he offer the same for green waste or couldn't management pick up enough skill to work it out for themselves?</p>	<p>This relates to the Recycling and Waste Strategy, not just that related to food waste. The contract(s) would be for 1 year, with two potential extensions of 1 year. The annual contract(s) value is estimated at up to £200,000.</p> <p>No decision has been made to procure this work at this time, however having this item on the Procurement Forward Plan allows this work to be progressed in a timely manner, should the decision be made to do so.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
138	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>Whatever ‘refinements’ you claim, why specifically is the risk of a 40% reduction in total business rate expansion considered to be “much reduced”?</p> <p>Why is merely a “substantial cost increase, 10% reduction in business rate income, and a six-month delay in project delivery” defined to be the “worst case”? Aren’t there worse than that?</p>	<p>As set out in the report, the figure of 40% was a reflection of the fact that detailed scheme design and rental strategies were not known at the time the model was created. Much more detail is now known and has been factored in. While this risk has reduced, the risk of cost overrun has emerged as a much more likely risk.</p> <p>In this regard, a number of sensitivity tests have been run to reflect cost increases, reduction in income and delays to the project. This have been run separately and combined.</p> <p>This will be outlined further in the February report in when considering the Revised Funding Strategy.</p>
139	<b>Item 7 – Review of Capita Contracts</b>	Ms Barbara Jacobson	2.37 Why is it implied that Option 3 requires all services to be brought back simultaneously, when all it asks for is a commitment to bring them back?	Paragraph 2.37 is not based on any assumption regarding whether services are brought back simultaneously or on a phased basis. In either scenario, the process of returning all services would be more complex to manage than returning some services.
140	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>98 Outlet for household garden waste</p> <p>What length of time does the contract value cover?</p> <p>What exactly is this for as the description is not adequate?</p>	<p>This is the procurement of an outlet for the garden waste collected from households in Barnet. The contract would be for 3 years, with a potential extension of 1 year. The annual contract value is estimated at £750,000, giving a total contract value of £3.0 million.</p> <p>No decision has been made to procure this work at this time, however having this item on the Procurement Forward Plan allows this work to be progressed in a timely manner, should the decision be made to do so.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
141	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	Are Officers really saying to Members that the “40% reduction” financial test should be totally abandoned, and replaced by a completely different one, of “15% Network Rail cost increases”?  And that you have a “finance team”?	Please refer to answer to question 138.
142	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.46 What are the transactional services provided from Darlington, and why are they and the payroll and pensions administration excluded, particularly when Capita is being criticized nationally for its bad handling of pension administration for the NHS?	The transactional services provided from Darlington are primarily the processing and payment of invoices. The phasing of the review of individual services will be informed by the outcome of consultation. Throughout the review process, the council will continue to manage performance in services that are scheduled for later review.
143	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	127 Play  What length of time does the contract value cover? What exactly is this for as the description is not adequate? Is it reasonable to expect councillors to agree a £4million spend based solely upon the single word 'play'?	The contract is anticipated to run for a period of 3 years with the option to extend for an additional year, this is subject to budget and performance. Delivery of the contract will include investment into Barnet’s parks to ensure that infrastructure and equipment is maintained, providing safe opportunities for play and recreation.
144	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	What is the relationship your Officers’ report is attempting to explain between an interest rate cap of “no more than 4.5%” and the current financial model’s rate of 3%?	That the likely interest rate for borrowing at this current time is 3%, which is within the parameters set by the Financial Tests agreed by the Committee.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
145	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	2.47 What is meant by ‘a self-service HR culture’?	A self-service HR culture is one whereby managers and staff carry out as much of the HR process themselves as is feasible, for example by directly entering information onto the HR/payroll system, rather than submitting a form to be processed by a member of the HR team, or by accessing information and guidance on-line, rather than contacting a member of the HR team as the first port of call.
146	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	139 Crowd funding platform partner  What length of time does the contract value cover? What exactly will the duties of the partner be? Aren't there free platforms available? How much does the council expect will be raised in crowd funding during the contract period?	The proposal is to procure a crowdfunding provider for a period of two years with a possible one-year extension.  The main duties of the partner are to provide a dedicated online platform, to promote the initiative and to provide support to community members seeking to develop projects.  There are free platforms available but they do not come with dedicated project support and nor do they generally enable project leads to raise funds from other organisations.  We do not know how much will be raised. To date, over £180,000 has been raised using the Council's existing crowdfunding platform.
147	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	How is any “point of no return” verified? How is an “independent assessor” chosen, and how is that assessment financed? Will the methodology and the conclusion details become publicly available?	This related to the original funding strategy based on Brent Cross North only. The Revised Funding Agreement recognises the deferral of the Shopping Centre and the test is therefore no longer relevant.  The RFA will be considered against the financial tests as explained within the Committee Report.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
148	Item 7 – Review of Capita Contracts	Ms Barbara Jacobson	5.51 There is a very high risk that decisions may be based on incomplete or flawed data, leading to the council taking on services that it does not understand and/or cannot afford to operate	This is an extract from the report and the reason why further detailed work is required, with the exception of Finance and Strategic HR where detailed modelling has taken place.
149	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	140 Residents' perception survey  What length of time does the contract value cover? Is this a cost that the council can really afford when budgets are under so much strain? Doesn't the council already know what residents think of services based upon complaints received i.e. the council already knows that residents think the rubbish collection service is rubbish as they are getting thousands of complaints about missed bins?	The length of the contract is 2 years, up to £36,000 per annum. It has been placed on the Annual Procurement Forward Plan to enable procurement to proceed subject to confirmation of budget. This is not committed spend, but an estimate based on previous approach to resident insight. Any contract would be procured to attain best value.
150	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	Regarding “the point of no return”, what does “meeting the purpose of the test” mean?  Is it identical with “meeting the test”?  Will Officers explain any differences to Committee Members?	Please refer to answer to Question 147.
151	Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020	Mr Derek Dishman	146 Strategic interims  What length of time does the contract value cover? What exactly is a 'strategic interim'? Why does the council need so many of them?	Interims are senior-level experts that are needed to make an immediate impact. They are typically used to provide specialist or executive level expertise and can cover extended absences, requirements for short term expertise, or to provide additional capacity pending organisational change. The length of the contract is 4 years and spend has been based on current spend.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
152	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	Will Officers define and explain the relationship between “fixed price variant”, “target cost contract” and “emerging cost contract”, and their interaction with any OJEU process?	Target cost is more suited for Construction schemes where outline design is complete and the Contractor prices on a not to exceed target basis which provides an incentive for the costs to come within the target with any monies that are saved are then shared between the Contractor and Client. The contracting strategy will be reported to the Assets, Regeneration and Growth Committee in due course and identified within the OJEU process.
153	<b>Item 13 – Annual Procurement Forward Plan [APFP] 2019-2020</b>	Mr Derek Dishman	<p>165 Burnt Oak Mural</p> <p>Much as I love a mural isn't this a cost which should be paid for by a local sponsor rather than out of the public purse?</p> <p>What benefit would a resident of High Barnet gain from his council tax being spent on a mural in Burnt Oak which he/she never visits?</p> <p>The council is £millions short on its budget. Doesn't it bring the council into disrepute or make them look a bit profligate if it spends £50,000 on a mural when it can't, for example, manage to staff its libraries during the entire week?</p> <p>Had the council provided more detail with the plan many of these question would not have been necessary.</p>	This is covering multiple single requirements which total £50,000. This has been identified in support of community benefit and subject to receipt of grant funding.

Qn No	Agenda Item No	Raised By	Question Raised	Answer
154	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>How exact does the “nil net” effect have to be, in the Authority’s finances? Would a very tiny negative effect be okay?</p> <p>What would the sources be of a possible “positive impact” on the general fund?</p> <p>Does the general fund only have to be “in a sustainable position” at the “point of decision”? Does that not make the “point of decision” manipulatable, merely and cynically to choose exactly the right moment?</p>	<p>The requirement is the funding strategy to have nil or positive impact on the Council’s finances. It will be for the committee to decide whether there is a ‘de minimis’ level of downside that it is comfortable to accept. Positive impacts on the council’s general fund would be from increased council tax, New Homes Bonus, or rental streams from sites it owns prior to development,</p>
155	<b>Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report</b>	Mr John Cox	<p>What alternatives to the “asset life annuity method” have been studied, and what is a grid of positives and negatives for each of them?</p> <p>Do you assume “economic benefits” would increase at a particular rate?</p>	<p>The only alternative to the annuity method which is considered within the council’s Accounting Policies is the straight-line method. Given that the benefits of the asset are not fully realised immediately the annuity method is most appropriate for this particular project.</p> <p>The annuity method does not assume any particular assumption in profiling of benefits as the calculation is fixed.</p>

Qn No	Agenda Item No	Raised By	Question Raised	Answer
156	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>How will Officers define to Members at full council the Authority being “sufficiently” protected against risks, in a way that informed and meaningful debate and clarification from Officers is possible there?</p> <p>By what date is an “approach” to handling cost overruns “needed”?</p> <p>Is that the same thing as a “process” for handling cost overruns “agreed”? Or does that have a later date? If so, what is it?</p> <p>Is there a risk that Members at full council will require exact knowledge of the process from Officers, there and then?</p>	Please refer to answer provided above and paragraphs 1.14 – 1.39 and 5.5.5-5.57 of the Committee report
157	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>Are Officers saying that an OJEU bidder would only be chosen if they are “used to working on Network Rail infrastructure”?</p> <p>Isn’t that restriction anti-competitive and unlawful?</p>	Any party working on Network Rail Infrastructure will need to have Principal Contractors Licence or equivalent. The bidder can also apply for the licence or alternatively work with a party that has the licence. If it does not meet this criteria, the bidder is not able to work on Network Rail infrastructure.
158	Item 9 – Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Cox	<p>What is the danger of having the SAME assurance team on the two interacting projects, where it is unlikely it would blame itself for management monitoring errors in the other project?</p> <p>What protocol will be used and made known for whistle-blowers?</p>	<p>Assurance process will be implemented ensuring clear roles of what is required by both parties. Network Rail will provide first line assurance of the contractor for Schedule 1A and 1B.</p> <p>All necessary statutory protocols will be in place.</p>

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