MEETING
CABINET RESOURCES COMMITTEE

DATE AND TIME
WEDNESDAY 20TH JUNE 2012
AT 8.00 PM
OR AT THE CONCLUSION OF THE CABINET MEETING, WHICHEVER IS LATER

VENUE
HENDON TOWN HALL, THE BURROUGHS, NW4 4BG

TO: MEMBERS OF CABINET RESOURCES COMMITTEE (Quorum 3)

Chairman: Councillor Daniel Thomas

Councillors

Richard Cornelius   Andrew Harper   Robert Rams
Tom Davey   Sachin Rajput

You are requested to attend the above meeting for which an agenda is attached.

Aysen Giritli – Head of Governance

Governance Services contact: Jeremy Williams 020 8359 2042

Media Relations contact: Sue Cocker 020 8359 7039

CORPORATE GOVERNANCE DIRECTORATE

ORDER OF BUSINESS

14.	RENEWAL OF HEYWOODS AXISE PENSION ADMINISTRATION SOFTWARE AND SERVICES CONTRACT	269 - 274
15.	PROVISION OF TEMPORARY AGENCY RESOURCES	275 - 280
	Report of the Cabinet Member for Adults and the Cabinet Member for Resources and Performance	
16.	FUTURE MANAGEMENT OF THE FLIGHTWAYS BUILDING	281 - 286
	Report of the Cabinet Member for Adults	
17.	RE-COMMISSIONING PREVENTATIVE PROVISION FOR PEOPLE WITH LEARNING DISABILITIES TO SUPPORT PERSONALISATION OF SOCIAL CARE AND HEALTH	287 - 298
18.	MOTION TO EXCLUDE THE PRESS AND PUBLIC That under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 9 of Part 1 of Schedule 12A of the Act (as amended): EXEMPT AGENDA Exemption Category	
X1.	PROVISION OF TEMPORARY AGENCY RESOURCES 3	X1 – X2
X2.	ANY OTHER EXEMPT ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT	

FACILITIES FOR PEOPLE WITH DISABILITIES
Hendon Town Hall has access for wheelchair users including lifts and toilets. If you wish to let us know in advance that you will be attending the meeting, please telephone Jeremy Williams on 020 8359 2042. People with hearing difficulties who have a text phone, may telephone our minicom number on 020 8203 8942. All of our Committee Rooms also have induction loops.

FIRE/EMERGENCY EVACUATION PROCEDURE

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by Committee staff or by uniformed custodians. It is vital you follow their instructions.

You should proceed calmly; do not run and do not use the lifts.

Do not stop to collect personal belongings

Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions.

Do not re-enter the building until told to do so.

BARNET
LONDON BOROUGH

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	**Public Health Shared Function**
Report of	Cabinet Member For Public Health
Summary	This report seeks approval of the outline business case to develop a shared specialist Public Health function service and Director of Public Health with the London Borough of Harrow.

Officer Contributors	Kate Kennally, Director of Adult Social Care and Health
	Rohan Wardena, Programme Lead Adult Social Care and Health
Status (public or exempt)	Public
Wards Affected	All
Key Decision	
Reason for urgency / exemption from call-in	Not applicable
Function of	Adult Social Care and Health
Enclosures	Outline Business Case and appendices
Contact for Further Information:	Rohan Wardena Email: Rohan.Wardena@barnet.gov.uk 020 8359 3877

1. RECOMMENDATIONS

Cabinet Resources Committee is asked to:

1.1 **Approve the outline business case for and agree in principle to the development of a shared Public Health service for the London Borough of Barnet and the London Borough of Harrow for a period of up to three years.**

1.2 **Approve the commitment of resources to develop joint Public Health transition plans to implement a shared Public Health target operating model and organisation structure and prepare for and manage the transfer of Public Health responsibilities from the NHS.**

1.3 **Instruct the relevant officers to develop and finalise in consultation with the Barnet Clinical Commissioning Group, the arrangements for the shared Public Health service into a proposed Inter Authority Agreement to be entered into by the London Boroughs of Barnet and Harrow.**

1.4 **Instruct the relevant officers to report back to this Committee on the finalised terms of the proposed Inter Authority Agreement and seek authorisation for its completion.**

2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

2.1 These proposals will ensure the delivery of a public health function that is fit for purpose and has the capacity and capability to support the Council's statutory public health responsibilities when these transfer from the NHS to the Council on the 1st April 2013.

2.2 The Public Health function will be responsible for overseeing the implementation of the Barnet Health and Wellbeing Strategy which supports the delivery of the Barnet Sustainable Community Strategy priority of 'Healthy and Independent Living'.

3. RISK MANAGEMENT ISSUES

3.1 Risks will be actively managed in line with the corporate risk management approach.

3.2 The key risks in respect of the establishment of a shared Public Health service and Director of Public Health are as follows:

Ref.	Risk	Mitigation
1.	A shared Director of Public Health (DPH) may be less accessible for Members and Officers in Barnet.	The DPH role would be evenly divided between both Boroughs and a combined Public Health function would enable the establishment of an enhanced leadership team and a Deputy Borough DPH role
2.	Unequal allocation of Public Health resources	Well specified Service Agreements and operating arrangements to ensure equal

2

Ref.	Risk	Mitigation
	and benefits of a shared Public Health function.	coverage and allocation of benefits to Local Authority partners.
3.	Physical access to Public Health staff may be affected by hosting arrangements.	Service agreements with identified Public Health contacts for each Borough and hot desk arrangements to support a regular physical presence in both Boroughs.
4.	Risk of a loss of local knowledge and lack of support from local NHS colleagues.	Local knowledge will be retained within a larger specialised Public Health team and staff engagement and retention plans will be implemented to minimise the loss of staff during the transition of Public Health to the Local Authority

4.   EQUALITIES AND DIVERSITY ISSUES

4.1   An Equalities Assessment (EQA) will be conducted for the proposed shared Public Health service and organisation structure so that due regard can be given by decision makers to the impact on local populations and staff.

4.2   Any equalities issues that are identified will be addressed through the EQA monitoring process and will form part of the reporting process.

5.   RESOURCE IMPLICATIONS

5.1   Financial Implications

5.1.1   The ring-fenced allocations that Local Authorities will receive in 2013/14 to fund their new Public Health responsibilities will not be confirmed until December 2012 at the latest. Local Authorities are being advised by the Department of Health that Public Health budgets will not be less than actual 2012/13 shadow Public Health budgets published in February 2012 by the Department of Health. There remains a substantial risk that the Public Health funding formula that is being developed by the Department of Health in conjunction with ACRA (Advisory Committee on Resource Allocation) will not address the errors in the initial Public Health baseline funding figures (2010/11 outturn) that have been notified to local authorities or the substantial variation in allocations between areas that have had severely financially challenged Primary Care Trusts and those that have been in surplus. The current position suggests that both Barnet and Harrow could have a worst case potential funding shortfall of £814,000 for Barnet and £438,000 for Harrow. As the Public Health baseline is updated to reflect the 2011/12 outturn, there may be a further impact on the Barnet allocation.

5.1.2   The following tables set out the profile of the annual historical spend for staffing and health improvement service commissioning costs and highlights that the majority of the expected Local Authority allocation will be committed to funding health improvement provider services which accounts for around 87% of the Public Health cost base.

LOCAL AUTHORITY PUBLIC HEALTH ALLOCATION BASELINE PROFILE - 2012/13				
Local Authority Public Health 2012/13 Shadow Baseline	**BARNET**		**HARROW**	
	Outturn Total £000s	Percentage Of Total Allocation	Outturn Total £000s	Percentage Of Total Allocation
Public Health Staffing Budgets	1,386	11.7%	1,056	13.4%
Health Improvement Service Budgets	10,410	88.3%	6,806	86.6%
LOCAL AUTHORITY ALLOCATION TOTAL	**11,796**	**100.0%**	**7,862**	**100.0%**

5.2 Procurement Implications

5.2.1 Both Barnet and Harrow with the other members of the West London Alliance (WLA) have committed to investing in a West London Alliance procurement hub to address expected gaps in Public Health procurement capacity. This will also open up opportunities for contract efficiency savings through harmonisation and joint procurements. The procurement hub will provide a managed procurement and contract management service.

5.2.2 There will be a need to define and manage through a joint agreement, the arrangements for the novation of Public Health provider contracts from the NHS to the accountable Local Authority to allow for the establishment of a shared procurement hub across West London for Public Health contracting and procurement. This will be defined and developed within the scope of a transition project.

5.4 Staffing Implications

5.4.1 This proposal currently assumes that there will be a designated host Local Authority for a shared Public Health function and staff will transfer from NHS Cluster PCT organisations to the agreed host Local Authority as part of the Public Health transition plans.

5.4.2 The detail regarding the approach to transferring Public Health staff from NHS organisations has yet to defined and agreed, but it is assumed that TUPE principles will be adopted.

5.4.3 All financial and statutory responsibilities formally pass to Local Authorities on 1st April 2013. This means that the shared Public Health function will need to go live on the same date. The proposed design and organisation of this new function within the context of the associated financial constraints are set out in this paper.

5.4.4 In scope staff and relevant recognised Trade Unions will be consulted about the design of the shared Public Health function via the representatives on the Public Health Transition Team. The current design proposal set out in Appendix 1, section 6, assumes that there will be a single Director of Public Health role who will be the accountable officer for Public Health across both Local Authorities. Consultation with staff and Trade Unions will also include any plans that may require the relocation of Public Health staff so that the host Borough can better

4

understand and consider any issues and appropriate mitigation. Staffing matters are a Council function and, where required, they will be referred to the General Functions Committee for decision.

6. LEGAL ISSUES

6.1 Pursuant to s30 of the Health and Social Care Act 2012, each Local Authority must appoint, jointly with the Secretary of State, a Director of Public Health who will have responsibility for the exercise by the authority of its functions relating to Public Health. The Director of Public Health will be required to prepare an annual report on the health of the people in the area of the Local Authority and the Local Authority will be required to publish that report. Section 300 and Schedules 22 and 23 of the Health and Social Care Act 2012 make provision for rights and liabilities with regard to property and staff respectively to be transferred between the relevant bodies (i.e. from the PCT to the Local Authority in this case). Regulations as to the exercise by Local Authorities of certain Public Health functions are yet to be issued by the Government.

6.2 This report makes reference to a designated host Local Authority for a shared Public Health function with a view to transferring staff from NHS Cluster PCT organisations to the agreed host Local Authority as part of the Public Health transition plan.

6.3 As the intention is for there to be a host Local Authority the relevant legal framework will be the same as that employed in the shared legal services model. The proposal would be effected by a delegation by one Local Authority of its executive functions (in this instance its Public Health functions) to the host Local Authority pursuant to section 101 of the Local Government Act 1972. The detail regarding this shared Public Health service proposal is yet to be defined and agreed and this will of course inform the terms of the arrangement. It is likely that TUPE principles will be applicable and in scope staff will transfer to the host Local Authority's employment and be made available to the transferring Authority pursuant to s113 of the Local Government Act 1972 which will enable each Council to delegate decisions to them as if they were their own staff.

6.4 The Committee has a fiduciary duty to council tax payers and must be satisfied when considering this proposal that it represents value for money and adequately protects the Council's position.

7. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

7.1 The Council's Constitution in Part 3 Responsibility for Functions, paragraph 3.6 states the terms of reference of the Cabinet Resources Committee including 'approval of schemes not in performance management plans but not outsider the Council's budget or policy framework.'

8. BACKGROUND INFORMATION

8.1 The outline business case proposes an agreement in principle between the London Borough of Barnet and the London of Borough of Harrow to develop and implement plans to establish a shared Public Health function to discharge the

5

statutory Public Health responsibilities that will transfer from the NHS to Local Authorities on the 1st April 2013.

8.2   Local Authorities will receive a ring-fenced budget for Public Health which is based on historical NHS spend for this activity. Past investment in Public Health both in Barnet and Harrow has been much lower than most of London because of the historically challenged financial position of the local NHS health economies in these locations. This is reflected in the low level of funding for Public Health that both Local Authorities expect to receive in 2013/14.

8.3   Barnet and Harrow Councils have an established strategic partnership and have developed plans for a shared legal service as well as already having a shared Emergency Duty Team for social care. The development of a shared Public Health function fits with the strategic intentions of both organisations and has the full support of both Chief Executives. It offers the best solution to address the challenges of establishing a Local Authority Public Health function which is affordable and has sufficient capacity and specialist expertise to respond to both organisations' ambitions for local health improvement and also meet all of their new statutory responsibilities. It will also ensure that there is a sufficient critical mass of specialist public health staff to provide a comprehensive core offer advice service to the Clinical Commissioning Groups in Barnet and Harrow which helps them to be effective commissioners.

8.4   Both parties recognise the opportunities of a shared Public Health function and are committed to pursuing this option, but they are also fully aware of the limitations and risks of over extending the Director of Public Health role. There is complete agreement that a shared Director of Public Health role covering two boroughs would be feasible if their time is allocated equally between the two boroughs and there is an appropriate enhanced Public Health leadership structure to support this arrangement. This might include Borough based Deputy Directors of Public Health. There is however broad agreement that a single Director of Public Health covering more than two Boroughs would not be viable.

8.5   The latest Borough health profiles (2011) identify that the population health and wellbeing challenges for the populations of both Barnet and Harrow are very similar and this is reflected in the achievement of similar levels of performance against key Public Health indictors when compared against both London and England averages.

8.6   The business case acknowledges that the NHS including the system of Public Health, is undergoing the biggest change to its governance, delivery and funding structures in the last sixty years and some aspects of the new system are still in the process of being defined. There are also outstanding issues including the inadequacy of the final Public Health funding allocation Local Authorities will receive from 2013/14 and the NHS approach to the transfer of Public Health contracts. These are currently being worked through and are unlikely to be resolved until later in the year. These factors are not expected to significantly affect the business case assumptions or the final design of a shared Public Health operating model and staffing structures. However, they may impact on the approach and pace of implementation plans to prepare for the transfer of Public Health functions and staff to a shared Local Authority Public Health operating model.

6

Outline Business Case

1. BACKGROUND

1.1   The statutory responsibilities for local health improvement and health protection will transfer from NHS Primary Care Trust Clusters to local authorities on the 01 April 2013. Local authorities will also have a statutory responsibility to provide a healthcare Public Health advice core offer service to local NHS Clinical Commissioning Groups (CCG) and their commissioning support organisations. Public Health England will be established as the new national body responsible for overseeing delivery of Public Health responsibilities and championing health and wellbeing priorities nationally. It will also be responsible for certain Public Health services such as immunisation and cancer screening which will be commissioned nationally or regionally via NHS Commissioning Boards.

1.2   Local authorities are tasked with developing a new local system of Public Health that will support delivery of statutory Public Health improvement, health protection and healthcare Public Health advice requirements. This will include the establishment and management of interfaces with Public Health England and the NHS Commissioning Board who will be responsible for commissioning some elements of the local Public Health system such as health visiting, immunisation and health screening. Local authorities will need to set up effective local governance and assurance arrangements to ensure any responsibilities which are being carried out on their behalf at national and regional level fulfil all their statutory obligations for health improvement and protection.

1.3   Both Barnet and Harrow Councils recognise the potential benefits of a shared Public Health leadership and operating model and their intention to explore this as a viable and enhanced alternative to a standalone model is already reflected in their respective Public Health transition plans. It is also clearly demonstrated in their active participation in the West London Alliance Public Health design group and commitment to invest in a shared Public Health contract management and procurement hub.

1.4   The existing local Public Health teams in Barnet and Harrow are relatively small compared with other teams in both the North West and North Central London areas. They are unlikely to be able to provide the full range and depth of Public Health coverage that will be required to support both existing and new Public Health requirements in a borough based standalone structure. Staff retention, talent management and opportunities for professional development are also likely to be problematic in an isolated standalone function. A shared model has more scope to address these issues and increase the capacity and capability of Local Authority Public Health teams in the future. It also opens up other opportunities for developing additional value adding Public Health products and services and increases the scope to be able to meet any CCG requirements for an enhanced Public Health commissioning advice service proposition.

2. STRATEGIC CASE FOR A SHARED PUBLIC HEALTH MODEL

2.1   Barnet and Harrow have a common ambition to place Public Health at the heart of local government policy, commissioning and service delivery, by establishing a leading edge Public Health leadership and service offer that has the capability

7

and capacity to achieve this. A shared Public Health leadership and specialist Public Health operating model may be the only affordable option for both local authorities to achieve this and meet their new statutory obligations within the expected ring-fenced funding allocations, particularly if the baseline assumptions prove to be substantially inadequate.

2.2 Both organisations have set out their ambitions for Public Health and its leading role in protecting and improving the health and wellbeing of their populations. These are captured in the following vision statements and intentions:

2.3 Barnet Council's Vision For Public Health

Public Health will lead the health and wellbeing agenda for Barnet, underpinned by a strong evidence based approach and the JSNA; supporting the NHS and the wider Council to play their part in improving the health and wellbeing of Barnet's residents, reducing health inequalities and delivering the Health and Wellbeing Strategy. Through a skilled multi-disciplinary workforce, the Public Health function will make sure that the risk of avoidable harm is reduced through promoting healthy lifestyle choices and protecting the health of the population.

2.4 Harrow Council's Intentions For Public Health

- *Harrow has established a community, health and wellbeing directorate to respond to the health and wellbeing agenda*

- *The 'refresh' of the JSNA and the emerging Health and Wellbeing strategy will direct activity across all partners to improve health and health care in Harrow*

- *The new national 'Public Health Outcomes framework' is being utilised to inform future planning and to understand how each Directorate of Harrow Council leads, and is accountable for, delivery of health improvement priorities*

- *The 'one council' approach to improving health and reducing health inequalities will require every directorate to consider its contribution to improve Public Health and wellbeing. A process is underway to refresh the existing Harrow 'Health Inequalities strategy' based on the 'Marmot' framework*

3. OPERATIONAL CASE FOR A SHARED PUBLIC HEALTH MODEL

3.1 The Public Health design options for consideration can be grouped into the following two categories:

- Standalone Borough Public Health Operating Model that supports the full range of Public Health functions delivered by a team of directly employed staff.

8

- <u>Shared Borough Public Health Operating Model</u> that shares all or certain functions with another borough

3.2   The main benefits and risks are set out below and can be grouped into the following themes:

- Public Health outcome achievement, quality and performance
- Leadership and governance
- Community engagement and relationships
- Organisational and people development
- Service development and operational resilience
- Financial
- Transition

3.3   <u>Transfer of NHS NCL Barnet Public Health Team To Barnet Council</u>

Options appraisal for a standalone borough Public Health function:

The following is a summary of the advantages and disadvantages of Public Health function over a shared borough model.

<u>Benefits</u>:

- Local Director of Public Health who is able to lead full time on the health and well-being agenda in Barnet
- Strong established relationships in place between local Public Health team and Barnet Clinical Commissioning Group
- Team physically located in Barnet Council so maybe more accessible
- Staff continuity with reduced risk to key relationships and loss of local knowledge

<u>Disadvantages</u>

- Insufficient resources and skills mix to support a viable standalone universal Public Health function and meet statutory Local Authority requirements
- Insufficient specialist Public Health resources to provide the necessary health improvement knowledge and leadership
- Very limited opportunities to deliver operational and contract efficiencies
- Limited professional development and career progression opportunities for Public Health staff in a small standalone team structure

3.4   <u>Shared Public Health Function With Another Local Authority</u>

Options appraisal for a shared borough Public Health function:

The following section sets out the advantages of a shared Public Health function over a standalone borough model.

Benefits
Public Health Outcome Achievement, Quality And Performance

9

Benefits

- Greater capacity to provide Public Health leadership across all aspects of Local Authority activity and influence the wider determinants of health and tackle health inequalities
- Opportunities to pool resources and deliver greater impact and progress in the achievement of good Public Health outcomes
- Increased capacity and opportunities to maximise the impact of health promotion activity and deliver greater efficiencies for reinvestment in future campaigns
- Increased opportunities for specialisation and to share specialist Public Health capacity and expertise to lead and improve specific population Public Health outcomes
- Greater opportunities to increase Public Health intelligence capacity, build knowledge collateral and share learning to improve outcomes

Leadership And Governance

- More capacity and opportunities to shape the development of health sustaining communities and influence regeneration policy

Community Engagement And Relationships

- Increased capacity for greater and more sustained community engagement

Organisational And People Development

- Greater flexibility and resilience from an increased Public Health team and specialist skills base
- Public Health in the Local Authority is more likely to attract and retain the most talented Public Health professionals through increased opportunities for career progression and professional development
- Greater opportunities to establish a pipeline of Public Health talent and training hubs to nurture this
- Increase opportunities to share learning, knowledge and experience gained from working in different locations and with different communities

Service Development And Operational Resilience

- Substantial opportunities to streamline and consolidate operational processes
- Opportunities to establish and increase Public Health specialist capability
- Increased capacity to support the new healthcare public advice core offer and an enhanced services for CCGs and NHS commissioners
- Greater opportunities to influence and shape the provider market through joint commissioning of integrated health and wellbeing early intervention and prevention pathways and services
- Increase resilience to business continuity and disaster recovery incidents
- Shared response to common Public Health issues
- Enable risk sharing and increase capacity to reduce outcome underachievement, operational and financial risk

Financial

- Increases the scope to identify solutions to address any immediate funding

10

Benefits
shortfalls in the borough Public Health funding allocations • Greater opportunities for operational and provider contract efficiencies • Increased savings potential through economies of scale • Pooled resources and opportunities for optimisation • Opportunities to minimise back office and infrastructure costs e.g. IT systems, licensing and data costs Transition Opportunities • Increased opportunities for local authorities to pool resources, reduce effort and risk share delivery of Public Health transition plans

3.4   Risks Associated With A Shared Public Health Function

The following section sets out the disadvantages and risks of a shared borough Public Health function over a standalone single borough model. All identified risks are assessed as low impact after mitigation.

Risk	Mitigation
Public Health Outcome Achievement, Quality And Performance • Loss of key relationships and ability to influence local providers and manage up outcome achievement and respond to Public Health priorities • Outcome benefits from pooled resources may not be evenly distributed	A shared function will provide greater capacity and flexibility to manage and protect local relationships and create opportunities to streamline contractual relationships and the number of provider contracts in the future. Clearly defined shared service agreements and governance arrangements will mitigate any risk of imbalances in focus, performance and benefit distribution.
Leadership And Governance • Differences in Local Authority political priorities for Public Health • Insufficient local control or ability to influence a shared Public Health function • Director of Public Health role overstretched and unable to develop the necessary key relationships with elected members, senior officers and local key stakeholders e.g. Clinical Commissioning Group,	The borough profiles and evidence base suggest that many of the challenges between both boroughs are similar. Clearly defined borough service level agreements for Public Health services. The DPH role will be evenly divided between both boroughs and the increased Public Health function would support the establishment of an enhanced leadership team and a deputy borough DPH role.

11

Risk	Mitigation
Commissioning Support Organisation • Imbalances in the ability of individual boroughs to influence the prioritisation and allocation of resources in a shared arrangement, particularly if it consists of more than two local authorities	The preferred option is for a two borough shared arrangement.
<u>Community Engagement And Relationships</u> • Loss of established local Public Health relationships with GP practices, community and acute providers, voluntary sector organisations and other key stakeholders that have been developed over time	A shared borough Public Health team would increase capacity and flexibility to protect local relationships.
<u>Organisational Development</u> • Location and hosting arrangements of a shared Public Health function may result in staff retention issues and loss of key staff • Loss of local knowledge and corporate memory within the established borough based Public Health teams	Staff would be consulted on hosting arrangements and both local authorities would seek to try and resolve individual issues. This is a risk for both shared and standalone options. Both borough transition plans seek to retain staff. A shared Public Health function would increase the opportunities for career progression, continuous professional development and the scope to create a larger community of interest for Public Health specialists within a Local Authority Public Health function.
<u>Service Development And Operational Resilience</u> • Insufficient Director of Public Health capacity to attend all statutory Board (e.g. Health and Wellbeing Board, Commissioning Support Service Organisation Board), Committee (Cabinet, Overview and Scrutiny) and corporate management meetings (Chief Executive and senior management meetings)	The intention is to enhance the Public Health leadership structure so there is greater coverage at borough level through establishment of deputy borough directors of Public Health.

12

Risk	Mitigation
Financial • Increased exposure to Public Health cost pressures within partner organisation	The opportunities for operational and contract efficiencies outweigh the potential risk cost pressure exposure.
Transition Risks • Increased complexity and risk of delivering Public Health transition plans with multiple borough and PCT Cluster stakeholders • Lack of clear accountability and increased scope for delay in decision making from an extended project governance structure which is dependent on multiple stakeholders	Many aspects of transition plans are common to all plans. A shared plan would increase the scope for combining and optimising Local Authority transition resources. A clearly defined and agreed joint programme delivery governance structure will be established if the decision is taken to proceed with a shared Public Health function.

4. FINANCIAL CASE

4.1 Funding Allocation Overview

The funding allocation that both local authorities are likely to receive is expected to be insufficient to operate an effective Public Health function that delivers all statutory Public Health responsibilities, maintains outcome performance and achieves local priorities. It is also unclear at this stage what the real cost implications are for providing a commissioning advice service for CCGs, meeting local health protection resilience and response requirements and managing the various interfaces within the new local and national Public Health system. These areas are not currently reflected in the shadow Public Health baseline budgets that have been notified to local authorities. The following table sets out the baseline funding assumptions that will inform the actual Public Health allocations that Barnet and Harrow could receive in 2013/14. ACRA are developing a funding formula for Public Health which may address some of the issues, but this is unlikely to take account of the new requirements which are not reflected in the baseline assumptions.

PUBLIC HEALTH SHADOW ALLOCATION 2012/13	2012/13 Shadow Public Health Budget Allocations	
	BARNET	HARROW
	£000	£000
Local Authority Allocation	11,796	7,862
NHS Commissioning Board Allocation	9,015	6,366
Public Health England Allocation		
TOTAL CONFIRMED PUBLIC HEALTH ALLOCATION	20,811	14,228

4.2 <u>Funding Shortfall</u>

The current expected funding allocations identify a worst case shortfall of £814,000 in Barnet and £438,000 in Harrow. In its calculations of the proposed funding allocations to Local Government the DH has acknowledged that they have removed too much money for the provision of Termination of Pregnancies (a function that will be delivered by Clinical Commissioning Boards in the future). DH has agreed that will rectify this error which will be in favour of both Barnet and Harrow Councils and will close the expected funding gap.

PUBLIC HEALTH SHADOW ALLOCATION 2012/13	2012/13 Shadow Public Health Budget Allocations	
	BARNET £000	HARROW £000
Local Authority Shadow Allocation	11,796	7,862
Local Authority Allocation Requirement	12,610	8,300
WORST CASE FUNDING ALLOCATION SHORTFALL	814	438

4.3 The main issue that is driving the funding shortfall for both boroughs is the additional funding requirement for NHS health checks. This will be a mandatory requirement for Local Authority Public Health investment which has been substantially underfunded in both Barnet and Harrow in the past.

4.4 All London authorities will be required to contribute a minimum 3% top slice to the London Health Improvement Board from their allocations which is not factored into the DH baseline assumptions at present. This is included in the Barnet funding shortfall calculation but not in the Harrow figure.

4.5 A number of Public Health commissioning, contract procurement and information functions are currently delivered by centralised teams and functions in the North Central London Cluster PCT. The costs associated with this activity are not included in the Barnet Local Authority baseline and this may also be the case for Harrow. The estimated impact for Barnet is £400,000 which is included in the worst case funding allocation.

4.6 <u>Historical Investment In Public Health</u>

Barnet and Harrow PCTs are both financially challenged and this has led to a history of underinvestment in Public Health in order to relieve cost pressures in other parts of the local health system. This is reflected in baseline budget assumptions which have been derived from historical actual full year outturn figures for 2010-12.

4.7 The notional baseline capitation funding allocations notified by the Department of Health for both Barnet (£32 per head of population) and Harrow (£33 per head of population) is substantially lower than other boroughs in London (London average - £57) and in other parts of the country (England average £40).

Department of Health Public Health Local Authority Allocation Spend Per Head Analysis				
Public Health Baseline Data 2010/11 Benchmarking	Local Authority 2010/11 Baseline £000	Population (1000s)	Allocated Spend Per Population Head	London Position
Barnet	11,236	348.2	£32	5th Lowest
Harrow	7,489	230.1	£33	6th Lowest
London Highest (Tower Hamlets)	27,756	237.9	£117	Highest out of 32 Locations
London Lowest (Bexley)	4,435	228.0	£19	Lowest out of 32 Locations
London Average			£57	
England Average			£40	

5. LOCAL PUBLIC HEALTH REQUIREMENTS

5.1 This section summarises the mandatory Public Health requirements that local authorities will be responsible for from the 1st April 2013 and which need to be addressed in the design of the Public Health target operating model.

5.2 Local Authority Statutory Responsibilities

Local authorities will have statutory responsibilities for the following key domains of Public Health and this target operating model has been developed as a shared response to these requirements:

- Health improvement
- Health protection
- Healthcare Public Health
- Improving the wider determinates of health

5.3 They will also be responsible for the commissioning of Public Health services and will have a mandatory responsibility to make provision for the following:

- Appropriate access to sexual health services
- Ensure there are plans in place and take steps to protect the health of the local population
- Provide NHS commissioners with commissioning advice
- National Child Measurement Programme
- NHS Health Check assessments

5.4 Commissioning priorities and allocation of resources will continue to be informed by the needs identified in the Joint Strategic Needs Assessment and guided by the Joint Health and Wellbeing Strategy and Public Health Outcomes Framework.

5.5 New National Public Health Outcomes Framework

The new National Public Health Outcomes Framework is intended to refocus the whole system around the achievement of positive health outcomes for the population and reducing health inequalities, rather than an emphasis on the delivery of process targets. Although there has been a stated commitment not to use outcome measures to performance manage local areas, there is a local expectation existing outcome achievement levels will be protected and maintained.

5.6   The framework is focused on the following two overarching health outcomes to be achieved across the Public Health system:

- Increased healthy life expectancy

- Reduced differences in life expectancy and healthy life expectancy between communities

5.7   The supporting Public Health indicators are grouped into four domains:

Domain 1 – Improving the wider determinates of health (e.g. tackling health inequalities - through housing, employment, environmental heath etc.)

Domain 2 – Health improvement (e.g. smoking cessation, screening, weight management)

Domain 3 – Health protection (e.g. immunisation, health emergency planning and resilience)

Domain 4 – Healthcare Public Health and preventing premature mortality (e.g. specialist local Public Health function that conducts local needs assessment, gap analysis, evidence appraisal to inform local decommissioning and recommissioning)

6. SHARED OPERATING MODEL PROPOSAL

6.1   The development of the proposed operating model has been informed by the published Department of Health policy on the Public Health roles, responsibilities and functions of Local Government and the options definition and analysis that has been conducted by the West London Alliance Public Health Design Group. A design process has been carried out to define in some detail the responsibilities that will transfer to local authorities and logical structure in which to group them.

6.2   Design Principles

The definition of the proposed target operating model outline has been developed using the following design principles:

a)   Structures are consistent with national guidance and the transfer of Public Health leadership from the NHS to Local Government

b)   The designated Director of Public Health is a statutory member of the Health & Well Being Board and the Local Authority's lead officer for health and championing health across all aspects of the authority's business. In the case of a shared service this will apply to both Health and Well Being Boards and will be the lead officer for both Local Authorities.

16

c) Effort required to operate each aspect of the system is minimised and there is no duplication

d) Makes the best use of available resources and specialist Public Health skills and knowledge

e) Is affordable and sustainable and provides the best return on investment in local Public Health

f) Demonstrates a focus on delivering health improvement for the population through a system that is driven by addressing local needs (identified in the JSNA) and the priorities local Health and Wellbeing strategies

g) Harnesses and builds on existing good practice, local experience and measureable achievement in each borough location

h) The new local Public Health system is fully Integrated with effective interfaces between Local Authorities, Clinical Commissioning Groups, Public Health England, the National Commissioning Board, HealthWatch, the voluntary sector and others Public Health key stakeholders

i) Integration with existing Local Authority leadership and operational functions so Public Health is embedded within the organisation e.g. environmental health services, licensing and trading standards; physical activity and leisure services; planning; housing; corporate policy.

j) Protects historical local Public Health outcome achievements and delivers improved performance and outcomes in line with the Public Health outcomes framework, based on local needs and priorities

k) Protects and builds on established and trusted local relationships with GP Clinical Commissioning Groups, Council Members, healthcare providers, voluntary sector organisations and other strategic partners and strengthens local community engagement

l) Creates the right skill mix, capacity and capability ensuring that a specialist Public Health team has a 'critical mass' to reduce threats to business continuity (recruitment and retention) and allow specialisation

m) Minimises the risk of destabilising the local system of care

6.3 Operating Model Description

This section provides an illustrative description of a proposed operating model structure and is intended to give an insight into the concept and structure of a shared Public Health operating model. This will need to be developed, costed and tested as part of any agreed implementation plan.

The proposed operating model structure has six functional domains and would be delivered by a single shared specialist Public Health team which would support both Barnet and Harrow boroughs. The team would be led by a Director of Public Health supported by a team of Public Health consultants with a portfolio of responsibilities which will be both individual borough and cross borough based. It is expected that certain functions and roles would be located in individual boroughs and others would include working across multiple sites. The shared Public Health team would include the following resource and skills mix.

17

- Director of Public Health
- Public Health Consultant
- Public Health Improvement Specialist
- Public Health Analyst
- Health Improvement Commissioning/Procurement/Contract Management
- Public Health Project Management
- Administration

1. Strategic Leadership And Governance

Overview	Outline Specification
Shared Public Health leadership team led by a single Director of Public Health. The time allocation will be divided equally between each borough.	- Local Authority health and wellbeing leadership and Public Health advocacy - Health strategy and policy development and strategic planning to address the wider determinants of health - Statutory membership of the Health and Wellbeing Board - Lead officer for Public Health and advisor to elected members and senior officers - Attendance at Portfolio holder meetings - Member of borough Chief Executive leadership team - CCG membership role - Production of Annual Public Health Report

2. Core Offer Commissioning Advice And Support

Overview	Outline Specification
Each borough would have an identified Consultant in Public Health to lead this activity and it is expected that they would be based with local borough clinical commissioners for the majority of their time. The Consultant would be supported by the Public Health analytical team and would call on other specialist support from the wider Public Health team as required. The extent of the support would be determined by the core offer specification and formal agreement with each CCG. It is expected that the ratio of specialist Public Health time would not exceed more than 1 WTE per a population size of 270,000.	New requirement to provide Public Health commission advice to CCGs and other NHS commissioners – Proposition will need to be defined in response to local requirements as part of the design but are likely to include Public Health support for the following: Strategic planning - Using and interpreting data to assess population health needs - Advice on commissioning to address health inequalities and variation - Advice and tools to support prioritisation Procuring services - Specialist advice on effectiveness of particular interventions - Service review methodology - Specialist input on pathway development Monitoring and evaluation

18

2. Core Offer Commissioning Advice And Support	
Overview	**Outline Specification**
	• Advice on monitoring and evaluation frameworks • Health equity audits and assessments

3. Health Improvement, Commissioning And Contract Management	
Overview	**Outline Specification**
Shared cross borough commissioning function for statutory and priority Public Health improvement commissioning. This would include strategy development and leadership for the key Public Health prevention themes. Procurement and contract management activity would be would be purchased from the WLA health improvement service Procurement Hub.	Public Health service planning, design, procurement, contract quality and performance management of Public Health services: • Sexual health • Health checks • Childhood measurement • School Nursing • Smoking cessation • Alcohol and substance misuse services • Others commissioned services to be confirmed

4. Local Health Protection, Emergency Preparedness And Resilience	
Overview	**Outline Specification**
Cross borough function led by a Public Health consultant.	• Public Health protection activities, e.g. emergency Public Health plans and resilience testing. • Monitoring of Serious Incidents (SI) • Management of key relationships with Public Health England, area Health Protection Units, NHS Commissioning Board, Clinical Commissioning Groups and acute and community healthcare providers

5. Public Health Intelligence	
Overview	**Outline Specification**
Shared cross borough knowledge and intelligence function	• Public Health informatics and analytics • Clinical pathway evaluation • Local insight development and knowledge management • Local health needs analysis including production of the Joint Strategic Needs Assessment (JSNA) • Public Health outcomes, quality and

19

5. Public Health Intelligence	
Overview	**Outline Specification**
	• performance evaluation and reporting • Demand management insight

6. Public Health Improvement Leadership	
Overview	**Outline Specification**
Shared cross borough function that provides Public Health consultant and specialist resources to lead and support local health improvement and prevention strategic initiatives.	• Public Health prevention project management and delivery • Public Health improvement campaign design and delivery • Health Impact Assessments and equalities audits • Provide Public Health knowledge and thought leadership Local Authority strategic initiatives, and business case development

7. PROPOSED NEXT STEPS

7.1 The proposed approach recognises that public health transition plans have already been developed and signed off by local project boards and between Local Authorities and NHS Clusters. These also include arrangements for shadow working during the transition year and are supported by locally agreed Memoranda of Understanding. The proposed approach suggests the following project delivery structure to realign and where possible combine existing plans and governance arrangements. It is expected that the detailed approach and plan delivery governance arrangements will be defined and agreed as part of the first stage of a joint Barnet and Harrow transition project.

Stage	Outputs And Outcomes
1. Alignment And Definition Stage **(MAY 12 to JUL 12)**	• Joint project governance arrangements defined • Joint Project Delivery Board set up • Shared Option Business Case approved by Barnet and Harrow Councils • Agreement on hosting arrangements • Staff transfer approach defined and agreed • Plan realignment impact and risk assessment conducted • Project definition document and plan produced and signed off • NHS Cluster MOUs revised to support a multi-cluster and borough Public Health transition • Plan delivery resources defined and secured
2. Development Stage	• Audit and definition of current Public Health functions and activities

20

Stage	Outputs And Outcomes
(JUL 12 to AUG 12)	- Mapping of existing Public Health relationships and stakeholder interfaces - Design specification for a shared specialist Public Health and single Director of Public Health target operating model - Design specification for a shared CCG Public Health advice core offer - Shared procurement hub service business case approved - Definition of operational interfaces with PHE, NHSCB, CCGs, Commissioning Support Services, Health Protection Unit - Organisation structure design and role specifications - Staff transfer approach defined and agreed - Equalities Impact Assessments
3. Delivery Stage **(SEP 12 to APR 13**	- Appointment of shared Director of Public Health - Build and testing of Public Health operating systems, processes and management reporting - Transfer of Public Health staff to the host Local Authority - Production and sign-off of Local Authority and CCG service agreements - Novation and transfer of Public Health improvement contracts to Local Authorities - Confirmation of Local Authority Public Health funding allocation - Launch of the new local system of Public Health - Regulatory compliance and quality assurance audits and reviews
4. Stabilisation Stage **(APR 13 to JUN 13)**	- Post-implementation review - Project completion and handover to delivery operations

8. Governance And Agreement

8.1   The proposal for a shared Public Health function would be undertaken in accordance with the relevant provisions in the Health and Social Care Act relating to local authorities responsibilities for Public Health and delegated authority. This will need to be defined as part of the implementation plan for a shared Public Health function and development of a target operating model.

8.2   The terms of an agreement for the hosting and delegation of authority to support the operation of a shared Public Health function will also include details of the following which will be defined as part of any plans to take this proposal forward:

- Core terms and service level requirements for each Local Authority from a shared Public Health function

- Staffing levels and core operating hours
- Overheads and set up costs
- Pension arrangements for staff transferring to the hosting organisation
- Cross charging and billing arrangements
- Treatment of any surpluses
- Local relationship management requirements and reporting

22

APPENDIX 1 – Public Health Requirements Specification

1. New Local Government Responsibilities

1.1   Local authorities will have responsibility for the following key domains of Public Health:

- Health improvement
- Health protection
- Healthcare Public Health
- Improving the wider determinates of health

1.2   The new Local Authority Public Health function will also include new statutory duties to protect the health of the local population and ensure that NHS commissioners (Clinical Commissioning Groups, NHS Commissioning Board) receive the Public Health advice they need to design and commission care pathways and services which deliver good local population health outcomes, reduce health inequalities and support the achievement of local health and wellbeing strategic priorities.

1.3   Local authorities will be responsible for the commissioning of Public Health services and will have a mandatory responsibility to make provision for the following:

- Appropriate access to sexual health services
- Ensure there are plans in place and take steps to protect the health of the local population
- Provide NHS commissioners with the advice that they need
- National Child Measurement Programme
- NHS Health Check assessments

1.4   The following tables set out the Public Health improvement activities that local authorities will be responsible for commissioning:

	Mandatory Public Health Commissioning Responsibilities
1	National Child Measurement Programme
2	NHS Health Check assessments
3	Comprehensive sexual health services (including testing and treatment for sexually transmitted infections (STI), contraception outside of the GP contract and sexual health promotion and disease prevention)
4	Local Authority role in dealing with health protection incidents, outbreaks and emergencies

	Other Public Health Commissioning Responsibilities
5	Tobacco control and smoking cessation services
6	Alcohol and drug misuse services
7	Public Health services for children and young people aged 5-19

	Other Public Health Commissioning Responsibilities
8	Interventions to tackle obesity
9	Locally led nutrition initiatives
10	Increasing levels of physical activity in the local population
11	Public mental health services
12	Dental Public Health services
13	Accidental injury prevention
14	Population level interventions to reduce and prevent birth defects
15	Behavioural and lifestyle campaigns to prevent cancer and long-term conditions
16	Local initiatives on workplace health
17	Support, review and challenge the delivery of Public Health funded and NHS delivered services such as immunisation and screening programmes
18	Local initiatives to reduce excess deaths as a result of seasonal mortality
19	Public Health aspects of promotion of community safety, violence prevention and response
20	Public Health aspects of local initiatives to tackle social exclusion
21	Local initiatives that reduce Public Health impacts of environmental risks

1.5   Commissioning priorities and allocation of resources will continue to be informed by the needs identified in the Joint Strategic Needs Assessment and guided by the Joint Health and Wellbeing Strategy and Public Health Outcomes Framework

2. National Public Health Outcomes Framework

2.2   The new National Public Health Outcomes Framework was published on the 23 January 2012 and sets out the vision and desired outcomes for Public Health and how these will be measured. The whole system will be refocused around the achievement of positive health outcomes for the population and reducing health inequalities, rather than an emphasis on the delivery of process targets and will not be used to performance manage local areas.

2.3   The framework is underpinned by a vision for Public Health and is focused on the following two overarching health outcomes to be achieved across the Public Health system:

Vision: *To improve and protect the nation's health and wellbeing and improve the health of the poorest fastest.*

- Increased healthy life expectancy
- Reduced differences in life expectancy and healthy life expectancy between communities

2.4 These key outcomes recognise the importance of not only how long people live, but on how well they live at all stages of their life. The second outcome is particularly focused on reducing health inequalities between people, communities and areas. The use of measures of both life expectancy and healthy life expectancy is expected to provide the most reliable information to better understand the nature of health inequalities both within a particular location and between areas.

2.5 The design of the outcomes framework acknowledges that substantial improvements in the two key Public Health outcome areas will take years or even decades to materialise. In order to track progress, a set of supporting Public Health indicators have been developed which are intended help to understand the pace and scale of improvement in the things that matter most to Public Health.

2.6 The supporting Public Health indicators are grouped into four domains:

Domain 1 – Improving the wider determinates of health (e.g. tackling health inequalities - through housing, employment, environmental heath etc.)

Domain 2 – Health improvement (e.g. smoking cessation, screening, weight management)

Domain 3 – Health protection (e.g. immunisation, health emergency planning and resilience)

Domain 4 – Healthcare Public Health and preventing premature mortality (e.g. specialist local Public Health function that conducts local needs assessment, gap analysis, evidence appraisal to inform local decommissioning and recommissioning)

2.7 The Department of Health intends to improve the range of information over the coming year with continued engagement and involvement of partners at local and national level.

3. Local Public Health Leadership

3.1 The Director of Public Health will have a key leadership role in enabling local authorities to carry out their new Public Health responsibilities and functions. There is also a requirement in the Health and Social Care Act 2012 that each authority must, acting jointly with the Secretary of State for Health, appoint a Director of Public Health who will have responsibility for its new Public Health functions and will be the lead officer for health and championing health across all aspects of the authority's business. It is also proposed that Directors of Public Health will be added to the list of statutory chief officers in the Local Government and Housing Act 1989 and there will be direct accountability between the Director of Public Health and the Local Authority Chief Executive for the undertaking the Local Authority's Public Health responsibilities.

3.2 The Director of Public Health will be responsible for the following:

- Local Authority's new Public Health functions
- Production of an annual report on the health of the population
- Statutory member of the local Health and Wellbeing Board

- As lead officer for health, provide advice to elected members and senior officers
- Ensure health and wellbeing services are integrated across the locality
- Delegated responsibility for the Public Health ring-fenced grant

3.4 The Department of Health's guidance for Public Health in local authorities suggests that resourcing of the Director of Public Health role could be shared with another Local Authority where that makes sense.

Meeting	**Cabinet Resources Committee**
Date	20 June 2012
Subject	**Implementation and Enhancement of the Partnership Safer Communities Strategy**
Report of	Cabinet Member for Safety and Resident Engagement
Summary	This report outlines the case for supporting the implementation of the current Partnership Safer Communities Strategy and how it could be enhanced.
Officer Contributors	Julie Taylor, Assistant Chief Executive Pam Wharfe, Interim Director for Planning, Environment and Regeneration Suzanne Hope, Project Manager
Status (public or exempt)	Public
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	Not applicable
Function of	Executive
Enclosures	Appendix One: Safer Communities Partnership Board summary of Implementation and Enhancement report Appendix Two: Implementation and Enhancement of the Partnership Safer Communities Strategy Appendix Three: Map of current delivery mechanisms Appendix Four: New Perspectives and Opportunities
Contact for Further Information:	Suzanne Hope, Project Manager, 020 8359 2684

1. RECOMMENDATIONS

1.1 That the committee approves the strategic outline case to support the delivery of the current Safer Communities Strategy;

1.2 That the committee approves the work to undertake an outline business case with options appraisal on the opportunities for strategy enhancement as set out in the Strategic Outline Case.

1.3 That the outline business case on strategy enhancement returns to Cabinet Resources Committee for approval prior to implementation.

2. RELEVANT PREVIOUS DECISIONS

2.1 Cabinet, 29 November 2010 (Decision item 6) – approved the One Barnet Framework and the funding strategy for its implementation.

2.2 Cabinet, 14 September 2011 (Decision item 5) – approved the Safer Communities Strategy.

2.3 Cabinet, 20 February 2012 (Decision item 6) – approved the Business Planning Report 2012/13 – 2014/15 which included within the report the five projects now being developed through strategic outline cases.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 The three priority outcomes set out in the 2012/13 Corporate Plan are:
- better services with less money
- sharing opportunities, sharing responsibilities
- a successful London suburb.

The three principles that underpin these priorities and the corporate change programme are:
- a new relationship with citizens;
- a one public sector approach; and
- a relentless drive for efficiency.

3.2 The recommendations in the strategic outline case fit within the corporate change principles. In line with these principles the implementation and enhancement of the strategy will:

A new relationship with citizens
- develop a new deal with citizens to reduce and change negative behaviours leading to criminal activity
- enable citizens to take an active role in safety of their local community
- support and re-engage citizens to ensure they play a positive role in society.

A one public sector approach
- provide support and clarity to community safety partners on role and requirements to drive improved multi-agency working
- develop opportunities with wider public and third sector partners to enhance the strategy.

A relentless drive for efficiency
- ensure resources across the partnership are used efficiently to minimise duplication of effort
- be innovative and take advantage of evolving technology, thinking and practice.

4. RISK MANAGEMENT ISSUES

4.1 Risks associated with the delivery of this project are managed and reported in accordance with corporate risk and project management processes and will also be reported through existing democratic processes.

4.2 Key risks associated with the implementation and enhancement of the strategy are included in Appendix One along with the respective mitigating actions. These risks will be updated in the options appraisal that will return to Cabinet Resources Committee later in the year.

5. EQUALITIES AND DIVERSITY ISSUES

5.1 The council continues to be committed to equalities and compliance of the public sector equality duty as set out in the Equality Act 2010.

5.2 Comprehensive Employee and Users equalities impact assessments will be carried out and revisited at each phase of the process and the results taken into account in arriving at a decision with respect to enhancement of the Safer Communities Strategy.

5.3 The possible enhancements of the Strategy must incorporate a well-designed insight, consultation and engagement programme, to identify and understand the varied needs of the diverse communities and user groups within the borough. Officers will ensure that consultation events and activities are established as required. In addition, the appropriate equality impact assessments will be completed and included in the decision-making process.

5.4 The effects of the proposals upon all groups, protected by equalities legislation, including the disabled and those from minority ethnic groups, will be evaluated and taken into account in arriving at any decisions about the provision of leisure services. It is essential that a comprehensive equalities impact assessment is completed with respect to all options presented by the

strategic review. The corporate plan sets out a commitment that major policies, functions and activities should be assessed for their equalities risks.

5.5 The council recognises that through reviewing current activity across the partnership and identifying the most appropriate location for activity this may have an impact upon staff. This impact and any staff changes will be managed by the Directorate and in accordance with council process monitored through an Employee Equalities Impact Assessment.

5.6 Throughout any period of change the corporate change programme will support the Directorate and act in accordance with the principles in the Council's Managing Organisational Change policy including:

- the employees concerned will be treated in a fair and equitable way

- advance notice of the impending change is given to the employee concerned as soon as possible including:
  - the rationale for change
  - the proposed change
  - the impact upon employees

- change will be brought about in line with the Inform & Consult policy

- management will consult with recognised trade unions and staff on issues as above
  - employees will be given an opportunity to discuss in a meeting the reasons for the change
  - appropriate information will be shared with employees and recognised trade unions

- Employee Support programmes will be provided where fitting.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1 The current estimated spend on community safety activity across the council is estimated at £3.5m.

6.2 The Medium Term Financial Strategy (MTFS) sets out agreed savings from the Community Protection Group as follows:
2012/13 £80,000
2013/14 £37,000

In 2013/14 there are savings in two further service areas that relate to community safety activities as set out below:
Youth Service £97,000
Drugs and Alcohol £10,000

6.3   As part of the implementation of the current strategy the project will map out the current spend and resources allocated to community protection activity across the partnership to identify opportunities for savings.

6.4   The options appraisal and outline business case will identify costs and savings across the partnership associated with the options to enhance the strategy. The options being considered are viewed as sensible approaches to reduce demand for services across the partnership in the long term and by doing so it is expected that savings can also be realised.

6.5   The costs to deliver an outline business case and support implementation of the Strategy, estimated to be £110,000, will be funded from the council's transformation reserve. This will be a one off cost against a reoccurring annual cost of £224,000.

6.6   The Council will continue to meet all of its statutory and contractual obligations in regard to change and its impact upon our staff. This process will be managed in compliance with the Councils Managing Organisational Change Procedure. The Council has recently implemented a Relocation Protocol which we would expect a new employer to adhere to. Where the change results in a TUPE transfer the Council will meet all of its statutory obligations provided by the Transfer of Undertakings (Protection of Employment) Regulations 2006, and, under the TUPE Transfer Commitments LBB implemented in the summer of 2011, all terms and conditions are protected for at least a year including pension provision.

7.   LEGAL ISSUES

7.1   In the event that any part of the service is to be externalised, the council must comply with its legal obligations under the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") with respect to the transfer of staff. Where they apply, the Regulations impose information and consultation obligations upon the council and the incoming contractor and operate to transfer the contracts of employment, of staff employed immediately before a transfer, to the new contractor at the point of transfer of the services.

7.2   Data Protection Act 1998 considerations in relation to Information sharing.

7.3   The Council will also need to consider and comply with its Contract Procedure Rules.

8.   Constitutional powers (Relevant section from the Constitution, Key/Non-Key Decision)

8.1   The council's constitution, in Part 3, Responsibility for Functions, paragraph 3.6 states the terms of reference of the Cabinet Resources Committee

including "approval of schemes not in performance management plans but not outside the council's budget or policy framework".

9. BACKGROUND INFORMATION

9.1   The Safer Communities Strategy was ratified by the Safer Communities Partnership Board (SCPB) in September and Council in November 2011 covering a three year period until 2014.

9.2   The current review has not focused on evaluating and considering changes to the existing strategy. Instead, it is focused on assessing the effectiveness of the work that is taking place to deliver the strategy, identifying where short and medium term changes to the work plan could contribute to the delivery of the agreed strategy and to consider how to extend the ambition of the strategy in the short and longer term.

9.3   The purpose of the project is to assist the Safer Communities Partnership in achieving the key outcome of the Strategy, a reduction in the level of crime and anti-social behaviour. However in working towards this outcome the project will also support the delivery of other outcomes:

- Through establishing a real partnership approach by identifying the points of contact for the public and improved integration between partners it can lead to an improved customer experience by ensuring a problem need only be reported once.
- Through delivery of an integrated offender management service with appropriate support from all key partners the partnership can provide support to offenders that become active and productive members of their community.
- The partnership will look to engage and involve local communities in tackling crime in a positive way to ensure they protect themselves and their properties against crime.
- By both tackling the behaviour of the offender and working with the community to protect themselves against criminal activity the partnership will work towards reducing the fear of becoming a victim of crime or anti-social behaviour.

9.4   The council believes that through an integrated approach not just with partners but other council services such as street environment and planning it is possible to achieve wider council and partnership outcomes. Through designing out opportunities for crime, providing a clean and green environment with well looked after leisure facilities coupled with the work of those implementing the Strategy it is possible to provide local communities with an area they want to live in and actively look after.

9.5   The current programme of work that falls from the strategy is being jointly delivered by partners through a combination of project work and improving

business as usual processes. However it is acknowledged that partner engagement and understanding of ownership is varied with work streams being delivered in isolation. Partners feel that the support and structure from the corporate change programme could resolve this and drive forward the strategy.

9.6   The review maps the current resource and spend of the council against community safety, whilst acknowledging that many functions relating to community safety have been devolved from the Community Protection Team into other service areas. In taking forward the project it will look to widen this activity across partners to identify opportunities to realise savings by removing any duplication of effort. This will also take into account the structural changes expected at both the council and with partners to ensure service delivery is maintained.

9.7   There a number of options to enhance the current strategy and build on the ambition in order to achieve better outcomes. These options focus on ensuring that the current strategy can be delivered to best effect as well as providing longer term ambition by learning from practice elsewhere in the UK and worldwide. These options cover four areas:

- A new deal with residents
- Commissioning and justice reinvestment
- Enhanced Integrated Offender Management
- Approaches to deal with alcohol related anti-social behaviour and domestic violence

9.8   The review was seen and approved by the Safer Communities Partnership Board on 20 April 2012. The proposed recommendations of the report were endorsed by this board.

9.9   The outline business case for strategy enhancements will engage with key stakeholders, local authorities and central government agencies to establish with greater accuracy the costs and benefits, both financial and non financial to the council, partners and residents.

10.   LIST OF BACKGROUND PAPERS

None

Legal – PD
Finance – JH

Appendix One
Barnet Safer Communities Partnership Board
20 April 2012

ITEM 3.1
Corporate change programme project: Implementation and Enhancement of the Partnership Safer Communities Strategy

1. Introduction and Purpose of Report

The Safer Communities Partnership Board at its meeting of 18 January 2012 received a report on a review of the delivery of the Safer Communities Strategy that had been commissioned as part of the corporate change programme. A Strategic Outline Case, which is a standard product of all corporate change projects, was being developed to establish the scope for this work. This has been informed by engagement with a variety of stakeholders.

A draft has been produced which is planned to be considered shortly by the Council's Cabinet Resources Committee. The full version is appended for reference. However this report highlights the key findings of the review and the desired outcomes in order to stimulate discussion at the Board.

Sections 2 and 3 summarise the outcomes sought from this review. Sections 4 and 5 highlight the key findings related to current delivery structures and the opportunities to review and improve these that can be implemented relatively swiftly. Sections 6 and 7 set out the findings from the review of where the partnership might develop its future strategic approach over the medium term and actions that might be taken as a result. Section 8 sets out the next stages in the review process.

2. Objectives of review

The Safer Communities Partnership has already made significant progress in collectively identifying its priorities for a new Strategy and delivering them to make a difference to the lives of residents. To recap, the Safer Communities review is not intended to review and change these strategic priorities, but it has two distinct remits. One is to analyse the effectiveness of the current and planned activity to deliver the strategy and the structures and delivery mechanisms that support this. The other is to set out some broader options that could be explored to extend the ambition of the current strategy and deliver additional benefits which lay a foundation for future strategies.

3. Project Outcomes

The purpose of this review is to assist the Partnership in achieving the outcomes in the Safer Communities Strategy. There are also a series of desired project outcomes that will help achieve this:

- An integrated partnership approach to delivering the current Strategy with clear strategic and operational ownership and responsibility
- A rationalised and more efficient approach to delivering current activities and meetings

- Opportunities for local communities to become more involved and engaged in community safety
- Opportunities to adapt in a Barnet partnership context any 'invest to save' crime reduction models that have proven successful elsewhere

The report also maps the current structure of the Council's Community Safety Team, although it acknowledges that a range of community safety related functions have been devolved to other units in the authority. Total Council spending has been mapped and is £3.5 million. If this project proceeds to the next stage, this analysis will be widened to encompass all partners, with a view to determining savings through reducing duplication.

4. Key Findings - Current Structures for delivering the Strategy

There is not yet a full enough awareness of the strategy, nor how it supports better outcomes; or clarity on what being a lead organisation entailed and how other partners needed to be brought in.

Some work, while effective, is not visible enough to the Board or partners. Core objectives need to be more effectively filtered up and down the partnership 'hierarchy'.

The work streams are being managed in isolation and there is no central delivery plan (although the action plans co-ordinated by Stacie Timms and being reviewed through the MAOG attempt to plug that gap) and there is a lack of clear accountability linked to work stream leads not necessarily understanding their role. There have been times where plans have not been delivered to maximum effect and without a partnership owned delivery plan there is a risk of slippage in some areas.

There is a gap in the consistency of the way that information is collected across the themes in the strategy, and used to help understand the dynamics, and not enough is being done to use the community as a data resource rather leading to over reliance on Police data.

Roles and responsibilities need to be clarified to ensure there is not duplication with other agencies services - e.g. Information Exchange Officer and ASB teams

Delivery mechanisms needs review and improvement - specifically the various boards duplicate activity and membership, do not have a sufficient strategic focus and lack sufficient clarity on sphere of influence, responsibilities and powers. Some of the priorities do not have a strategic group of their own and are only covered by the Fortnightly intelligence meeting, which it is felt has too wide a scope and is more an operational tasking group that should not focus on strategy.

The revised Multi Agency Operations Group (MAOG) was welcomed and should drive the partnership in future by tasking and empowering the owners of priorities to deliver, and linking the operational and strategic, advising the Partnership Board

5. Shorter Term Recommendations and Actions - Delivery Structures

The review highlights a number of current gaps and opportunities to rectify them. These are set out below and the Board are requested to comment.

GAPS	OPPORTUNITIES
There is currently no single plan for delivery of the Strategy for the SCPB to monitor progress against	Provide programme management support through the corporate change programme office to agree a delivery plan with the SCPB, co-ordinate it and provide support to priority owners. This would also provide senior managers and partners with reassurance of delivery of the strategy and identify clear owners, and a quarterly performance reporting system would be introduced into the new MAOG.
Council has recently lost its dedicated crime data analyst - post held vacant	Review with partners how resources can be shared to reduce duplication and make cost saving efficiencies
No partnership communications strategy in support of 'reducing fear of crime' priority	Delivery and ownership of communication strategy for the partnership to tackle fear of crime and perception of criminal and anti-social behaviour
Lack of visibility from strategic decision makers of operational activities	Review internal delivery mechanisms – i.e. the governance of all strategic and operational groups and how they interact with the Partnership Board and MAOG - to strip out any unnecessary duplication. Rationalising and streamlining reporting lines, develop a set of requirements for lead agency and setting performance driven expectations Map current resource and activity across all partners and maintain and update delivery mechanisms map. Better communication across and up and down the partnership.
Increasing consensus from the Police, community and elected members that alcohol related crime and anti-social behaviour is a bigger problem than the current strategy alludes to.	Alcohol Strategy and Action Plan required, supported by the collection of additional insight. Many perpetrators of crime and ASB have underlying alcohol problems and work streams within IOM, early intervention, reducing ASB and designing a communications plan could all play a part in reducing alcohol problems.
Other than domestic violence, no mention in the strategy of hate crime which is still perceived to be an area of concern which is significantly under reported.	Review of governance and delivery mechanisms gives opportunity to identify best location for reviewing and responding to hate crime.

36

If the Board agrees these should be taken forward, an action plan will be developed, including the analysis of resource and activity across the whole of the Partnership. The full Strategic Outline Case would go through the standard governance channels including Cabinet Briefing and Cabinet Resources Committee deciding what further work to commission.

6. Key Findings - future strategic approach to service delivery

The review identified opportunities for new and enhanced working in the longer term, based on good practice research from the UK and elsewhere:

A new deal with residents

There is a relationship between improving the quality of a local area - including parks and high streets - and supporting communities to take ownership of these areas which raises their perception as a clean and safe environment in which to live.

The regeneration projects in the Borough provide a particular opportunity to design out the opportunity for crime from private and public areas and provide an area people want to live in and look after. But under a new deal with residents, this is necessary but not sufficient. The Council and partners need to support people to change their behaviour, particularly those at risk of falling into criminal activity. Early intervention is needed to engage them and prevent a newly regenerated area from falling into disrepair owing to lack of care by residents.

Part of a new deal with social housing tenants would be to offer continued tenancies only on the basis of good behaviour as part of integrated offender management. This could be widened across the public sector with similar examples to reward pro-social behaviour and discourage crime and ASB.

Crime Prevention Delivery Model - Commissioning Model

The review of the Strategy suggested that too much activity is reactive and that a new approach is needed which both focuses on the fundamental issues which lead to crime and to tackle offending throughout the whole system.

A new crime prevention delivery model would:
- engage communities in the solutions and taking responsibility,
- take more of a strategic approach to address the causes of criminal behaviour e.g. family breakdown, lack of economic opportunity, drug and alcohol addiction etc,
- take a whole system approach, ranging from early intervention and preventative work which will deter people from committing crime or diverting them from progress through the criminal justice system, through to intervention and treatment, punishment, rehabilitation and integration,
- shift towards strategically commissioning and delivering services that will prevent crime in the long term as well as those that manage the more immediate impact.

The commissioning model would need to consider the current situation in which community safety resources are currently dispersed among several services and agencies rather than in one single 'pot'.

Enhanced Integrated Offender management.
The current work to develop a co-located team cover those not receiving statutory provision such as prisoners serving less than 12 months in prison, and developing peer mentoring and personalised work with offenders is welcomed. It provides a significant step forward and a basis for future expansion including one stop access to pathways out of crime and use of personalised budgets.

Alcohol
There should be more co-ordinated activity to address alcohol related crime including partnership with the community and public health bodies to change behaviours, use of brief intervention techniques, better data collection and how the proposed new CCTV system could be used more effectively to deter alcohol related crime and support enforcement.

7. Longer Term Recommendations and actions: Strategic approach and service delivery
As these recommendations would lead to significant change in commissioning, service delivery and system management, they would be subject to further development through an outline business case.

A new deal with residents

- Use the council housing allocation policy and tenancy agreements to ensure 'good behaviour' conditions are included and appropriate penalties in place for those who do not adhere to requirements.

- Review policies across the partnership to ensure they align in respect of good behaviour clauses and appropriate penalties to ensure compliance.

Crime Prevention Delivery- Commissioning model

- Establish a justice reinvestment multi-agency approach, linking informally to the MOJ / NOMS[1] pilots to gain support and learning

- Develop an outcomes based strategy to establish preventive early intervention approaches, both commissioning new services and enabling access by offenders to key mainstream services

- Develop a wider range of community sentences for offenders which punish, provide reparation to victims and communities and address causes of offending.

- Explore opportunities for local private businesses to engage with the approach.

- Explore how residents can report crime with confidence their concerns will be addressed as part of the council's customer services approach.

- Build on the existing community budget approach to provide a budget alignment and investment framework.

---

[1] Ministry of Justice and National Offender Management Service

- Ensure the model builds in the right separation of commissioning from delivery activities.

Enhanced Integrated Offender Management (IOM)
- Explore potential to expand the one stop approach with access to a wider range of services as part of a two phase approach to establishing enhanced IOM.

- Pilot the use of individual budgets on a risk assessed basis.

A community based approach to dealing with alcohol related Anti-Social Behaviour (ASB) and domestic violence

- Develop an alcohol action plan / strategy with partners, businesses and community and ensure development of existing resources such as CCTV are maximised to support this.

- Work with local businesses to promote active participation in reporting ASB.

- Work with licensees to develop a more robust enforcement regime.

- Train key officers in probation and the police in undertaking brief interventions to reduce alcohol intake of offenders.

- Improve data collection to identify alcohol related crime more effectively.

8. Next Steps
A plan will be developed to support immediate improvements that can be made to the delivery plan.

Subject to the views of the Board, the Strategic Outline Case will be considered internally including at Cabinet Briefing in May 2012 and at Cabinet Resources Committee in June 2012 for a decision on the extent to which it should be prioritised. In parallel an Outline Business Case which would develop the issues highlighted in more detail would be prepared by September 2012. This will also model costs and potential savings, both financial and in terms of better community safety outcomes. Reports will be submitted to each meeting of the Safer Communities Partnership Board until further notice.

Andrew Nathan
Strategic Policy Adviser
17 April 2012

Appendix Two

Project Brief including Strategic Outline Case (SOC): Implementation and Enhancement of the Partnership Safer Communities Strategy

Author:	Suzanne Hope
Date:	4 April 2012
Service / Dept:	Deputy Chief Executive
Version	1.1

Contents

1. Introduction

Executive summary

The Safer Communities Strategy review focused on three main areas:

1. Analysis of current activity underway to deliver the strategy.
2. Assessment of the effectiveness of the delivery mechanisms and governance put in place to deliver the strategy.
3. Exploration of opportunities for augmenting and enhancing the current strategy and identifying options that may deliver additional benefits.

The review highlights the fact that there is significant activity taking place within the Safer Communities Partnership (SCP) to deliver the strategy. Progress is being made against all of the key priorities and the SCP is making progress towards its strategic priorities.

However, much of this high quality activity is not fully visible to the partnership board or to other partners and consequently opportunities for joint-working, cooperation and innovation across the SCP are being missed.

The organisation and governance of this activity is also currently not working as well as it could be and there is a lack of measurement and monitoring of the work taking place that offers an opportunity for improvement in this area.

Finally, it is clear that the activity taking place could be enhanced and strengthened by learning from examples of good practice from elsewhere in the UK and beyond.

As a result this Strategic Outline Case (SOC) has made a number of recommendations which have been split into three sections as below:

- Current delivery plan

- Governance and delivery mechanisms

- Strategic approach and service delivery

The first two cover improvements that can be delivered in support of the work currently ongoing to deliver the strategy and should be of immediate benefit to all involved in the partnership. The third covers opportunities for the partnership to both enhance the current strategy and lay the foundations for future strategies.

It is recommended that work is carried out to support the governance, current delivery plan and mechanisms of the current strategy. Alongside this an outline business case is also produced to consider in greater detail the benefits, both financial and non financial, for the partnership and Barnet residents and businesses.

1.1 Aim of the Strategic Outline Case

This SOC addresses two issues. Firstly, it assesses the partnership's current plans, activities and enabling structures, to reveal the progress made in delivering the Safer Communities Strategy to date (this will also help to determine any further work required to ensure the successful delivery of the strategy). Secondly, this SOC looks beyond the present strategy, at what further work can be done to make communities safe and ensure Barnet remains safe in future. The review that informs this SOC undertook three core activities:

1. Analysis of activity, either planned or currently underway, to deliver the Safer Communities Strategy.

2. Assessment of the effectiveness of the delivery mechanisms and governance put in place to deliver the strategy.

3. Exploration of opportunities for augmenting and enhancing the current strategy and identifying potential options that may deliver short and longer term benefits to the council and residents.

This SOC also explores strategic options and outcomes that support the current Safer Communities Strategy and the three corporate change programme principles as follows:

- A new relationship with citizens
- A one public sector approach
- A relentless drive for efficiency.

1.2 Desired Project Outcomes

Should the recommendations in this report be approved the project will support the wider outcomes for safer communities as desired by the partnership:

- Overall reduction in crime, with improved detection and enforcement rates

- Reduction in severe crime as residents, businesses and voluntary groups help offenders break the cycle of crime

- Reduced victimisation, with people feeling confident and willing to intervene and challenge bad behaviour

- Reduced harm to victims and society as people are empowered to initiate local solutions to local problems

- Residents have an increased sense of personal and community safety

- Local residents have a sense of pride and ownership in their area and engage in ways to improve their neighbourhood rather than relying solely on agencies.

There are number of desired project outcomes for the implementation and extension of the Safer Communities Strategy as set out below.

1. An integrated partnership approach to delivering the current Safer Communities Strategy with clear strategic and operational ownership and responsibility.

2. A rationalised and more streamlined approach to delivering the current activities and meetings to provide both time and financial efficiencies.

3. Opportunities for residents and local community groups to become more involved and engaged in supporting activities in their area to make communities safer.

4. Opportunities for the council and partners to develop and implement proven methods of invest to save crime reduction models for the long term benefit of the borough.

1.3   Research and findings undertaken to support the SOC

The key project activities are shown below:

Activity area	Detail
Member engagement	- Discussion with the lead Cabinet Member responsible for the Safer Communities Review – Councillor David Longstaff - A Member Engagement Event held on 21 February to seek views on community safety in the borough.
Officer & partner engagement	- Consultation across all relevant Directorates with senior managers - Detailed consultation with operational officers in the Community Safety Team - Detailed consultation with operational officers in Children's, Adult Social Care & Health. - Consultation with partner organisations - the Metropolitan Police and Probation Service. - Operational workshop with core officers from the council and wider partners such as the Probation Service and Jobcentre Plus. - Consultation with managers of services with clear inter-dependencies such as Housing, Licensing, Noise and Policy teams.

Activity area	Detail
Research of best practice from other authorities & government agencies to highlight opportunities for learning	• Desk research of best practice examples of safer communities and community engagement. • Desk research and discussions with councils and other government agencies around current community safety pilot schemes. • Development and exploration of case studies to explore approaches to what makes a community safe seen around the country.
Gap analysis and identification of activities needed to resolve	• Development of opportunities to support (subject to approval) future changes to the current service delivery model and long term strategic delivery of safer communities.

Table 1, Initial activities

1.4   Key target dates

Subject to approval, the following key target dates are recommended, it should be noted that work to carry support the current delivery plan can take place concurrently with work on the outline business case:

- Strategic Outline Case reviewed by Safer Communities Partnership Board – 20 April 2012

- Strategic Outline Case reviewed by Programme Board – 1 May 2012

- Strategic Outline Case submitted to Cabinet Briefing – 23 May 2012

- Strategic Outline Case approved by Cabinet Resources Committee – 20 June 2012

- Plan prepared to support short to medium term developments to current delivery plan – June 2012

- Pre Outline Business Case work to assess spend across the partnership – June - July 2012

- Outline Business Case for strategic development of the Safer Communities Strategy, to achieve better outcomes within its lifetime, invest to save initiatives and community engagement – July - October 2012.

2.   Strategic context

2.1   Summary of the Safer Communities Strategy

The Safer Communities Strategy was ratified by the Safer Communities Partnership Board (SCPB) in September and Council in November 2011 covering a three year period until 2014. The SOC process is not focused on evaluating and considering

44

changes to the existing strategy. Instead, it is focused on assessing the effectiveness of the work that is taking place to tackle the priorities. Identifying where short and medium term changes to the work plan could contribute to the delivery of the agreed strategy and considering how to extend its ambition in the short and longer term.

The Safer Communities Strategy was developed using evidence from the Residents Perception Survey and the Barnet Crime Survey (2011). These surveys found that, in spite of the overall level of crime being relatively low in the borough, 29% of residents list crime as one of their top three concerns, second only to the condition of roads and pavements. Even though for most crime types the level of crime in Barnet is either stable or reducing, domestic burglary had risen to a 5 year high in 2011. This was reflected in the crime survey results, with 70% of residents stating that they were 'fairly' or 'very worried' about becoming a victim of domestic burglary. In response the partnership initiated two police operations in 2011 and 2012 to tackle burglary that are now seeing positive results.

The crime survey also showed that residents feel anti-social behaviour has increased in the previous year. Around 50% of respondents indicated that reduction of anti-social behaviour would be their top priority and that people being drunk and rowdy or young people in groups are the two highest causes of making people feel unsafe in the borough.

Of those who had been a victim of crime, over 50% had been a victim of violent crime two or more times, second only to verbal abuse. Over 50% also cited they were fairly or very worried about becoming a victim of one or more forms of violent crime[2].

Based on this analysis, the Safer Communities partnership identified the following priority crime areas in the Safer Communities Strategy:

- Property crime, with a focus on burglary
- Anti-social behaviour
- Violent crime with a focus on domestic violence.

The partnership has identified four priority methods which will form the focus of reducing crime which reflects the views of residents evidenced in the crime survey. This means focusing on enhanced partnership working to both change the behaviour of offenders to break the cycle of criminal activity and provide diversionary activities to potential offenders.

- Developing integrated offender management to ensure that all criminal justice agencies are working consistently and effectively with persistent offenders to reduce their re-offending,
- Broader more cost effective early intervention to divert potential offenders,
- Focus of joint resources on hot spots of most harmful crime,

---

[2] Residents Crime and Community Safety Survey 2011

- Supporting those who suffer repeat victimisation of anti-social behaviour or crime.

The final priority is identified as a need across the partnership:

- Effective communications to reassure the community and reduce the fear of crime.

It is expected that the council and its partners, including the Metropolitan Police, London Fire Brigade, NHS Barnet, Probation Service, Jobcentre Plus, CommUnity Barnet and the Crown Prosecution Service will work together to tackle the priorities through the priority methods above. Progress is reported to the Safer Communities Partnership Board chaired by the Cabinet Member for Safety and Resident Engagement.

2.2 Current service structure and costs

The current Community Safety team - composed of 30 officers - sit within the Environment, Regeneration and Planning Directorate (see structure diagram below). Their role is to co-ordinate the operational activities on behalf of the council that contribute to the delivery of the strategy.

```
                    Interim Assistant Director
                    Regulation and Community
                             Safety
                               |
                         Community
                      Protection Group
                          Manager
          _____|_____
         |                     |                     |
    CCTV Team          Enforcement and          IOM Project
     Leader            Investigations            Manager
         |               Manager
    CCTV Supervisors       |_____
         x2               |            |           |
         |           Priority      Information  Community Safety
    CCTV Operators   Intervention  Exchange     Officer
         x15           Team         Manager
                        x6
```
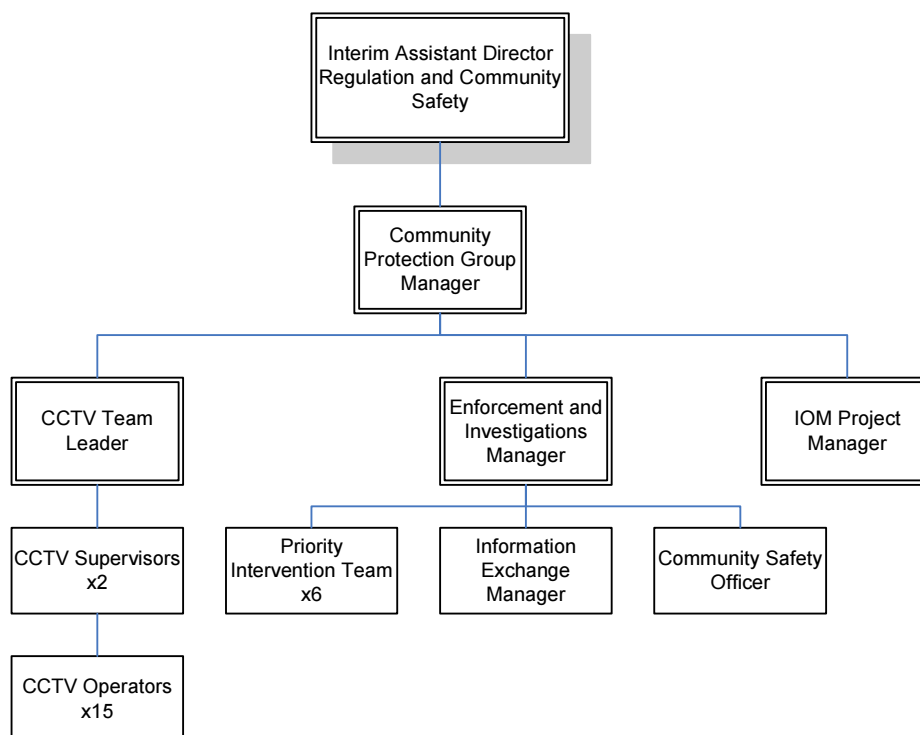
The work of the team covers:

- CCTV monitoring and system management
- Information gathering and intelligence analysis
- Investigation of anti-social behaviour complaints

- Co-ordination of operational partnership meetings
- Establish an Integrated Offender Management model.

Although this is the dedicated community safety team, many other aspects of community safety have been devolved to other council departments. Across the wider council services the following service areas also support and are engaged in delivery of the Safer Communities Strategy:

- Domestic Violence Team within Children's Service
- Youth Service and Youth Offending Team within Children's Service
- Family Focus service with Children's Service
- Drugs and alcohol services within Adult Social Care & Health
- Social Care, Mental Health services within Adult Social Care & Health
- Licensing service within Environment, Regeneration and Planning
- Housing service within Environment, Regeneration and Planning.

Teams across the council are responsible for both supporting victims and managing perpetrators of crime and anti-social behaviour. Council officers also carry out licensing enforcement action. It is currently estimated that across the council £3.5m is spent on community safety activities (including staffing costs). The table below illustrates the breakdown of this cost by service area.

It should be noted that the table represents council spend only and does not include that of our partners including Barnet Homes. Should approval be given to proceed with the recommendations to enhance the strategy as part of the pre outline business case, work would be undertaken to assess spend across the whole partnership. As part of this work we would look to identify opportunities for partnership savings by removing duplication of work (see table 4). It will also include gaining agreement by all partners as to how these savings are actually realised.

| Service Area | Safer Communities Strategy Priority Crime Area | | | Total |
	Property Crime	Anti-Social Behaviour	Domestic Violence	
Community Safety	195,511	791,280	1,052	987,843
Adult Social Care & Health	0	168,392	0	168,392
Trading Standards & Licensing	26,835	62,616	0	89,451
Domestic Violence	0	0	950,157	950,157
Children's Services	0	0	54,308	54,308
Youth Services	0	1,294,597	0	1,294,597
Total	**222,346**	**2,316,885**	**1,005,517**	**3,544,748**

Table 2, Council financial breakdown

2.3 Current delivery plan

There are a large number of positive activities currently underway across the partnership focused on delivering the strategy. In many cases there are multiple owners of these activities depending on the partners involved in each strand. Each priority has been allocated a lead agency or agencies however in practice those driving forward the work are not necessarily the allocated lead. The table below sets

out the strategy allocated lead and in practice the operational lead for each work stream.

Priorities	Strategy Allocated Lead	Actual Operational lead
Property Crime – with a focus on burglary	Metropolitan Police	Metropolitan Police
Anti-Social Behaviour	Barnet Council	Barnet Council
Violent Crime – with a focus on domestic violence	Metropolitan Police	Barnet Council and Metropolitan Police
Developing integrated offender management	Probation Service	Barnet Council supported by Probation Service and Metropolitan Police
Broader, cost-effective early intervention	Barnet Council	Barnet Council
Focus of joint resources on hot spots	Barnet Council and Metropolitan Police	Barnet Council and Metropolitan Police
Supporting those who suffer repeat victimisation	Metropolitan Police and Criminal Justice Agency	Barnet Council and Metropolitan Police
Reducing the fear of crime	Barnet Council and Metropolitan Police	Barnet Council and Metropolitan Police

Table 3, Priority leads

The table highlights that in practice the council is acting as a lead agency on seven of the eight priorities. The activity against the priorities can be broken down into both identifiable project work and business as usual activities, many of which follow a cyclical pattern. Both early intervention and integrated offender management priorities are being delivered by council led projects. The remaining six priorities can be classed as being delivered through activities set against priority specific plans or strategies.

Projects in place
There are two projects in place at the council to deliver against these priorities as follows:
- Integrated offender management
- Early intervention

The second of these is not solely a project within the community safety partnership. The council is in the process of establishing a wider, cross-cutting, multi-agency programme of work on early intervention looking across council services. It is key that the partnership is engaged in this project to ensure it supports the strategy. The potential for Community Safety contribution to this is set out in sections 4 and 5 of this report.

Integrated offender management (IOM) is a model that has been implemented in many other authorities so far to varying degrees of success. The partnership now has the benefit of being able to take advantage of these early adopters and learn

from them. Managed through the Community Safety Team the council already has a plan for the delivery of an integrated offender management service by the end of 2012 with resources being committed through existing sources so not incurring additional cost to any party. The current plan will allow for a functional offender management service involving core external partners such as Probation, Police and the Prison Service. However the council and Safer Communities Partnership has the opportunity to consider extending the delivery plan to deliver an enhanced IOM service which considers the use of personal budgets, peer mentoring schemes and engaging the work of community budgets in Barnet. The opportunities to deliver an enhanced IOM are set out in Sections 3 and 5 of this report.

Business as usual activities
Work is being delivered against the remaining six priorities listed below through embedding cyclical process activities into business as usual work across the partnership.

- Property crime
- Anti-social behaviour
- Violent crime
- Focus on hotspots
- Supporting repeat victims
- Reducing fear of crime.

Since the approval of the strategy a significant amount of work has already been undertaken to identify objectives for each priority and an initial assessment of what has been achieved against each objective was carried out in January 2012. This was presented to the newly revised Multi-Agency Operational Group (MAOG) and it is expected that this review of activities will be repeated on a quarterly basis.

The work that is currently being delivered against all priorities along with expected activity will be formalised in a project plan put together by the corporate change programme office.

Alongside the work in place to deliver the current strategy there is additional work underway to develop the delivery of CCTV in the borough. The funding for this work has been agreed and released by the council for the Community Safety Team to identify the most appropriate CCTV system to support community safety. The view of Members is currently that we need to ensure any development of CCTV includes strong communications to the public to assist in reducing fear of crime and tackling both property crime and anti-social behaviour. The opportunities for using CCTV and other technology have been considered in this report and are set out in Section 4.

Gaps and opportunities
The review identified gaps and opportunities within the current structure to be both addressed and exploited. Taking advantage of these opportunities will increase the probability of successful delivery against the priorities.

Gaps	Opportunities
Currently no single plan for delivery of the strategy exists for the SCPB to	Provide programme management support through the corporate change

Gaps	Opportunities
monitor progress against.	programme office to agree a delivery plan with the SCPB. This would also provide senior managers and partners with reassurance of delivery of the strategy and identify clear owners.
The council has recently lost a dedicated data analyst resource.	This offers the council the opportunity to review with partners how resources can be shared to reduce duplication and make cost saving efficiencies whilst taking into consideration upcoming changes to council and partner structures.
There is no partnership communications strategy in support of the 'Reducing the fear of crime' priority	The delivery and ownership of a communication strategy for the partnership.
There is a lack of visibility by CDG and SCPB of operational activities.	Rationalising and streamlining reporting lines and setting performance driven expectations.
Discussion with Members on 21 February highlighted that alcohol related crime and anti-social behaviour (ASB) is a bigger problem than the current strategy alludes to.	Data needs to be collected to provide additional insight on this issue. Many perpetrators of crime and ASB have underlying alcohol problems and as such work streams within IOM, early intervention, reducing ASB and designing a communications plan could all play a part in reducing alcohol problems.
There is no mention in the strategy of hate crime wider than domestic violence which is still perceived by officers to be an area of concern but significantly under reported.	In reviewing the current governance and delivery mechanisms there is an opportunity to identify the best approach to ensuring that any emerging priorities can be highlighted to the SCPB.

Table 4, Gaps and opportunities

2.4 The outcomes being achieved

2.4.1 Partnership outcomes

In considering the future implementation and development of the current strategy the partnership will be looking to ensure developments contribute to creating a safer place to live and work.

Through implementing the current strategy the partnership is looking to deliver a number of outcomes that will support the wider outcomes of the council. The key outcome of the strategy is a reduced level of crime and anti social behaviour in the borough but in working towards this outcome there are other outcomes that can be achieved:

- Through establishing a real partnership approach by identifying the points of contact for members of the public and improved integration between

partners it can lead to an improved customer experience by ensuring a problem need only be reported once.

- Through delivery of an integrated offender management service with appropriate support from all key partners the partnership can effectively manage offenders to becoming active and productive members of their community.
- The partnership will look to engage and involve local communities in tackling crime in a positive way to ensure they protect themselves and their properties against crime.
- By both tackling the behaviour of the offender and working with the community to protect themselves against criminal activity the partnership will work towards reducing the fear of becoming a victim of crime or anti-social behaviour.

In delivering these outcomes the partnership will deliver the wider outcome of creating a safer environment for residents and visitors to live and manage business.

2.4.2 Council wide outcomes
Through supporting communities in playing an active role in their own safety it aligns with a number of wider outcomes the council is looking to achieve. The work to deliver the Safer Communities Strategy is closely linked to leisure provision in the borough and the work of the street environment services.

- Through working with local communities to take ownership and pride in their local assets such as parks it could assist in improving the health of residents and reducing both the occurrence of and fear of anti-social behaviour and crime.
- Through working with leisure and green spaces services to ensure suitable provision of leisure activities it can provide diversionary sports activities for young people to reduce the risk of them becoming involved in anti social behaviour or for offenders to help in reducing the risk of re-offending.
- By reducing the fear of crime and anti-social behaviour in communal spaces such as parks and open spaces it could encourage more elderly residents to make use of them improving their health and reducing the support needed for health and social services.

By improving the quality of the place, for example parks or local high streets, and supporting communities to take ownership of their local areas it serves to raise the perception of an area as a clean and safe environment to live. The regeneration projects across the borough reflect this outcome of designing out the opportunity for crime from communal areas and providing an area that people want to live in and look after.

This offers the council an opportunity to consider through delivering a new relationship with residents how this can be delivered most effectively in regard to housing in areas of regeneration and beyond. In creating safer, cleaner environments to live through regeneration schemes it is not sufficient just to tackle the place and design out the opportunities to commit crime and anti-social behaviour. The council and partners need to support people to change their behaviour this is especially true of those individuals or families where they are considered to be on

the verge of falling into criminal activity. Early intervention with these groups could help to engage them in their local community and prevent a newly regenerated area from falling into disrepair due to lack of care by residents. With the appropriate level of support from the council and partners the regeneration areas have the opportunity to transform lives of those involved in criminal and anti-social activity and their families. The outcome is not only that regenerated areas are places people want to live but that the number of potential perpetrators of crime and anti-social behaviour is reduced through early intervention activities.

3.   Reasons for change

3.1 Key findings

In-depth interviews[3] and workshop activity with partners during the review identified a number of key opportunities to enhance and hasten the delivery of the strategy. The review's key findings were:

- There is agreement that the strategy is focused on the right priorities, although there is not yet a full enough awareness of the strategy or complete understanding of how this supports better outcomes.

- Some work is not always visible to the partnership board or the other partners within the Safer Communities structure.

- The work streams are being managed in isolation and there is no overall delivery plan as yet. By creating a partnership-owned delivery plan it is possible to achieve the greatest effect.

- There are some gaps in the way that information is collected and used to help understand the dynamics of crime and disorder in Barnet (see section 2.3 above) and more could be done to use residents and businesses as a data resource.

- There is duplication with other agencies' services (e.g. information officer role; anti-social behaviour (ASB) teams).

- There is room for improvement in the delivery mechanisms put in place to action the strategy. The groups and boards within the structure variously duplicate activity, do not have a sufficient strategic focus or sufficient clarity on their spheres of influence, responsibilities and powers.

Reasons for change will be articulated by:

1) Providing an analysis of the partnership's current delivery mechanisms and highlighting opportunities to improve these mechanisms (3.2).

---

[3] Community Safety Team, Policy & Performance, Housing, Licensing, Adult Social Care & Health, Children's & Youth Services, Domestic Violence, Jobcentre Plus, Probation and Metropolitan Police

2) Outlining alternative approaches which can help address gaps in the partnership's current delivery and equip the partnership for future challenges (3.3).

Following this analysis, specific recommendations focusing on how the identified issues and opportunities can be addressed will be outlined in Section 4.

3.2 Mechanisms currently in place to deliver the Safer Communities strategy

The mechanisms currently in place to deliver the strategy were mapped and validated through a number of interviews[4] and a resulting workshop with key stakeholders from the Safer Communities partnership. On the following page there is a high level diagram illustrating the reporting structure for the priorities. A more in depth map has been included in Appendix Two and circulated to stakeholders for their information and use.

The insight gained from this process can be split into four sections:

- The overall structure of the partnership (3.2.1)
- The strategic role of the various groups and boards that make up the partnership (3.2.2)
- Ownership across the partnership (3.2.3)
- Communication and information-sharing (3.2.4)

---

[4] Covering Community Safety, Policy & Performance, Housing, Licensing, Adult Social Care & Health, Children's & Youth Services, Domestic Violence, Jobcentre Plus, Probation and Met Police

One Barnet LSP Board

Safer Communities
Partnership Board

Multi Agency
Operations Group
(MAOG)

MAOG has just been re-launched, after a hiatus of almost a year, which had an impact on the partnership's effectiveness. The revised scope of the group should enhance partnership-working, and help to drive the strategy as long as information is collected and distributed across the partnership and priority lead organisations are empowered

Feedback suggests that the FIM has been overloaded with functions and may be better focusing on its primary function of task and finish rather than taking on additional strategic responsibilities

Fortnightly Intelligence Meeting (FIM)

The eight Safer Communities Strategy priorities

5. Early Intervention & Prevention

4. Integrated Offender Management

1. Property crime with a focus on Burglary

6. Focus on hotspots of most violent crime

8. Building reassurance to reduce the fear of crime

3a. Violent Crime

3b. With a focus on Domestic Violence

2. Anti-social behaviour

7. Repeat victimisation

These three priorities are the only Safer Communities Strategy priorities that have their own strategic groups with full partnership engagement

These priority areas do not have their own strategic groups. Instead, the FIM (a Police-lead, operational tasking group) provides strategic steer for these priorities

54

3.2.1 The overall structure of the partnership

- An understanding of the wider Safer Communities partnership structure was lacking for most stakeholders. Partners could explain their immediate remit and activities, but many have a limited understanding of the structure and activities of the wider Safer Communities partnership and how these activities could impact upon their work[5].

- Officers across the partnership agreed a consistent structure across priorities was not essential. Structure was not perceived as an issue as long as the balance was struck between strategic and operational activity.

- There was an acknowledgement that a review of the existing meetings and boards within the Community Safety structure should take place because:
  - Some groups now appear to be redundant and could be discontinued.
  - Many groups had insufficiently clear terms of reference leading to overlap in terms of what is covered in the meetings.
  - Duplication of membership of many meetings with the same colleagues attending meetings vertically (within priorities) and horizontally (across the partnership). A better structure would free officers to focus on implementation of the strategy.

3.2.2 The strategic role of the groups and boards that make up the Safer Communities partnership

- Existing structures within the partnership are insufficiently strategic and several of the Strategy priorities do not benefit from their own strategic group.
  - There was a perception that whilst the council was 'too strategic' with an insufficient focus on implementation the Metropolitan Police was seen as 'too operational' with insufficient focus on long term strategy.
  - A greater balance needs to be achieved within the partnership so each priority benefits from sufficient strategic development.

- The Fortnightly Intelligence Meeting (FIM) provides strategic direction for burglary, ASB, robbery, violence and repeat victimisation (i.e. four of eight priorities of the Strategy do not have specific strategic groups).
  - This 'vacuum' was flagged as a serious concern for interview and workshop participants.

- The consensus is that the FIM has too wide a scope and cannot provide strategic direction in addition to its core function (operational tasking).
  - Officer feedback was that the FIM is a reactive, operational, tasking and planning group and should be focussed on this.

---

[5] Consequently, the development of the delivery mechanisms map (as part of this exercise) was welcomed.

55

- The FIM is not an appropriate forum for longer term planning as its core 'Terms of Reference' relate to a fortnightly review and response of short-term trends.

- The revised Multi-Agency Operations Group (MAOG) - re-launched in January 2012[6] - was welcomed. There was agreement that the strategic vision had not been successfully communicated and driven during the period of hiatus (April 2011 - January 2012) and that this group's re-formation would help do this.
  - The MAOG must drive the partnership forward by empowering and tasking the owners of the priorities to deliver on activities (see 'Ownership').
  - The MAOG should be the conduit between priorities and the SCPB. The group must discuss the strategic and operational work of the specific priorities, place into a wider partnership context, identify cross-partnership opportunities and advise the SCPB accordingly.
  - There was some concern that the new MAOG's terms of reference may be too focused on monitoring. Priority owners should lead on monitoring (reporting back to the MAOG), freeing the MAOG to take a lead on tasking and the partnership-wide coordination of strategic and operational activity.

3.2.3 Ownership across the Safer Communities partnership

- There was a concern amongst officers that ownership across the partnership was not strong enough and that leadership of priorities was insufficiently proactive.

- Few key stakeholders knew which service was leading on each priority and there was little partnership-wide leadership from organisational leads.

- There is a perception that the lead services worked to fulfil their individual service's obligations but had failed to involve partners sufficiently with shared strategy and objectives.

- There is a lack of clarity about what being a 'lead' organisation for a priority required and entailed.

- If a broader range of officers attended operational meetings it would widen their partnership knowledge and help develop networks to assist day to day work.

3.2.4 Communication and information-sharing

- Whilst the SCPB takes a lead on shaping the strategy, it would be beneficial for this group to communicate its strategic vision more clearly to the rest of the partnership. Currently, the SCPB's activities and strategic vision are not filtering down to those charged with delivering the work.

---

[6] There was a hiatus of the MAOG due to concerns raised by the Police over the format and the gap at Assistant Director level within the council

- The new MAOG may ameliorate this problem but the SCPB would benefit from communicating core objectives more widely across the partnership.

- Senior partners report a lack of knowledge of what activities are being undertaken 'on the ground'. The new MAOG reporting structure, requiring quarterly updates, should improve upward information flow.

- There is a lack of visibility and understanding within each priority about ongoing activity in the other priorities across the partnership.

- Officers felt the Strategy needed to be championed more within the council in order to improve senior management understanding and profile of activities.

3.3 Strategic development and changes in service delivery

Research was undertaken to provide new perspectives and opportunities to develop the Strategy and enhance delivery in order to achieve better outcomes. Links to the council's strategies were explored, and ideas focused on ensuring that the current strategy can be delivered to best effect as well as providing longer term ambition, by enhancing this strategy, and learning from practice elsewhere in the UK and worldwide.

Insights for this section fall into four parts:

- A new deal with residents (3.3.1)
- Commissioning and whole system working (3.3.2)
- Integrated Offender Management (3.3.3)
- Approaches to deal with alcohol related anti-social behaviour and domestic violence (3.3.4)

3.3.1 A new deal with residents

Through working with Barnet Homes there is an opportunity to review council housing policy and tenancy agreements to reflect a new approach of the council and partners to tenants who are housed in regeneration areas. Part of a new deal with these tenants could be that their tenancy is subject to continued 'good behaviour'. Where tenancy is offered to offenders it would be part of a package of integrated offender management to ensure a managed reintegration process with the community. For those tenants identified to be on the cusp of falling into criminal or anti-social activity support would need to be linked in through an early intervention programme. Should this not deter individuals from either re-offending or becoming an offender then their accommodation would be at risk.

This approach would ensure that those housed in these regeneration areas exhibit positive behaviours and attitudes towards their home and local surroundings.

The opportunity to design policy to support the partnership in reducing crime and anti-social behaviour could extend further than housing policy and tenancy

57

agreements. A partnership approach to a new deal with residents could include reviewing partner policies to ensure they reward good behaviour and penalise those who in spite of being offered support continue to partake in criminal activity.

3.3.2 Commissioning and Justice Reinvestment

The Safer Communities Strategy provides a response to the key crime issues in Barnet. However, the evidence from the review of current services suggests that although it does embrace the ideas of early intervention and providing reassurance to the community, the delivery focus is on a mainly reactive approach to crime with enforcement measures which does not on its own lead to safer communities.

Opportunities to address the fundamental issues which lead to crime (such as drug abuse, alcohol abuse, family breakdown, lack of education and employment) and to tackle offending throughout the whole system have not yet been pursued. In order to contribute to the delivery of the existing Safer Communities Strategy and to extend the longer term ambition it is recommended that a new crime prevention delivery model is developed to encompass a clear and proactive focus across the whole criminal justice system on crime prevention in Barnet. This has the potential to align, connect, and consider related issues, policies, partners, and services from a local Barnet perspective. This model would influence the way crime is addressed at the local level and will help communities to successfully achieve their wider goals. The model would embrace delivery of the Safer Communities Strategy and would take the strategy further to enhance in terms of making communities in Barnet safer.

The key difference that a **crime prevention delivery model** highlights is the focus on prevention and early intervention which provides aspiration and vision to benefit residents and businesses in the longer term. Current practice is primarily focused on a reactive response to dealing with the consequences of crime, with less emphasis on a strategic approach to address causes of criminal behaviour and develop interventions to deter people from committing crime or diverting them from progress through the criminal justice system. An increased focus on crime prevention has the potential to increase community cohesion and social inclusion through a partnership approach to managing the whole system more effectively, and strategically commissioning and delivering services which will prevent crime in the long term as well as those that manage the more immediate impact.

Key components of a crime prevention model can be summarised as follows:

1) Recognising that communities are part of the solution rather than the problem

Crime prevention is about neighbours, businesses, and all levels of government in a community talking to each other and working together towards a common goal of preventing crime. This means developing holistic approaches to encourage:

- Residents taking individual responsibility for their lives, increasing independence, reducing dependence
- Community responsibility for quality of life, active engagement

- Partnership working across all agencies to ensure a consistent approach and best use of resources.

2) A commitment to tackling the causes of crime

Crime prevention involves responding to a small number of priority problems, using targeted multi-agency approaches. These approaches aim to address the causes of and opportunities for particular crime problems. For example, in Barnet, priority is given to tackling domestic burglary, domestic violence, and anti-social behaviour. Recently this has been evident in the successful multi-agency approach to anti-social behaviour issues in Bulwer Road involving the Safer Neighbourhood Team, local businesses and the council.

3) Whole system partnership work with offenders and those at risk of offending providing a continuum of interventions

- **Prevention** - promoting protective factors (e.g. employment, education, positive parenting, family relationships) and managing risk factors (e.g. mental illness, low school achievement, family history of offending).

- **Intervention and treatment** - Diversion from criminal justice into treatment, tailored programmes within the system, mentoring

- **Reparation to victims and communities** - Restorative Justice, Community Payback

- **Punishment** - Community Payback, prison, fines

- **Rehabilitation** - Pathways out of crime: housing, health, employment, family relationships, behaviour

- **Reintegration** - To law abiding residents, contributing to community well being.

4) Commissioned prevention activities

Primary (universal) prevention provides interventions to the general public or an entire target population (e.g. youth) to prevent the development of risk factors associated with offending.

Secondary (targeted) prevention provides interventions to individuals or specific subgroups of the population at higher risk of criminal involvement. In secondary prevention, enriched efforts are required to reach and support at-risk populations to reduce exposure to and the influence of risk factors associated with criminal or anti-social behaviour by building on strengths such as coping strategies and other life skills.

Tertiary (indicated) prevention targets high-risk individuals who have already offended in order to prevent re-offending behaviour.

An example of a crime prevention approach, known as the justice reinvestment scheme, which is currently operating in Greater Manchester is set out below on the next page.

Justice Reinvestment - Transforming Justice in Greater Manchester

This is a Ministry of Justice Payment by Results pilot started July 2011 where the focus is on local partners working together to reduce crime and re-offending and thus reduce demand on the justice services as well as local agencies. If demand reduces sufficiently, MOJ will provide a share of savings. It is expected that local agencies will also realise savings as a result of system changes and that these will be reinvested into services which will continue to reduce crime and re-offending. It involves a multi-agency delivery programme across 10 local authorities, police, probation, prisons, courts and voluntary sector. The approach is designed to deliver interventions and services at critical points of transition to deliver better outcomes.

The approach involves knitting together a range of existing related activities e.g. IOM, changed use of Attendance Centres, Mental health and problem solving courts, as well as re-commissioning of services such as health provision in police custody suites, and commissioning other services.

A community budgeting approach is being developed, linked to the Community Budget pilot. The aim is to set up a single investment pot with aligned and pooled budgets across agencies and potential for social investment

Although at early stages, there is a belief that this approach is achievable with strong partnership leadership and delivery support. Key benefits will be:

- Localism in action - bottom up solutions
- Innovation, with a more ambitious portfolio of interventions
- Flexibility and efficiency by focusing on priorities
- Wider benefits to all agencies to reinvest

Examples of whole system working are set out in Appendix Three.

There is an opportunity for Barnet to develop a Justice Reinvestment approach. Key features would include:

- Clear outcomes developed and co-produced with all agencies and community representatives.

- Opportunities for private business to engage with the system and play a part in addressing key crime issues; for example local security firms working with agencies to promote home security to reduce burglary, or collaboration amongst licensees to promote responsible sale of alcohol

- Empowerment of residents to report ASB using, for example, mobile phone technology and have confidence their concerns will be addressed

- Greater emphasis on prevention work with families and young people

- Early intervention to deter criminal activity including restorative justice for young people and adult first time entrants, conditional cautioning with access

to awareness courses and treatment for mental health, drug and alcohol services

- A wider range of community sentences, including credible alternatives to custody such as Community Payback projects identified by local community groups and intensive supervision with integrated offender management

- A Community Budget arrangement to facilitate joint commissioning of services and provide an algorithm to align resources and redistribute savings.

The benefits of the approach

- It could drive efficiencies in reducing commissioning and case management duplication across agencies

- It could enhance and unify partnership working alongside engaging communities in areas such as community payback empowering them with ownership of their locality

- Preventing offenders coming into the criminal justice system realising savings

- It builds on the Community Budgets work already established in Barnet

- Over time, it allows investment in more effective provision earlier in the continuum as savings are realised from consequent reduction in demand for services as crime reduces.

Implementation issues to consider

- This is a longer term approach

- It requires strong strategic leadership and commitment to design and implement such a system requiring a robust management and implementation approach

- Cashable benefits may take time to come through and there would be earlier benefits if investment was able to be made in preventive and early intervention services on an invest-to-save basis.

3.3.3 Integrated Offender Management (IOM)

There is already a plan to introduce an IOM service bringing together statutory partners of the Council, Probation and Police which will bring considerable benefits in the short to medium term. The short term focus is on creating a multi-agency team of statutory partners which is in a co-located base. However, there would be advantages in enhancing the work of a co-located team to develop a service with a wider range of agencies and providing specific services for prolific offenders who do not receive statutory provision such as prisoners serving less than 12 months in prison.

Evidence from existing IOM services suggests that effectiveness depends on:

- Multi-agency participation working with a single vision and aim, and to take a partnership rather than single agency view

- Co-location of officers creates a cohesive service and leads to simpler case management and information sharing

- Prison, youth offending teams and other local services, including voluntary and community sector and central government agencies enhances service delivery

- A designated lead professional - the right officer with the right skills - with a carrot and stick approach. It requires police to take on extended role as well as enforcement

- Key pathways out of crime to address are housing, health and employment so partnership needs to include relevant representation to address these.

A case study of an enhanced IOM service is set out below:

Enhanced Integrated Offender Management in Tameside - An initiative which allocated £45k (the cost of keeping an offender in prison for a year) for a pilot project to provide accommodation and floating support

This was used to provide a co-ordinator and to commission bespoke accommodation services for offenders. This overcame barriers of finding rent deposit and basic living requirements which often prevent offenders establishing a tenancy. In addition there was partnership working with a peer led recovery organisation to support offenders re-housed.

12 people had a personal budget of £1,000 of whom, six were subject to statutory supervision, and six were not; all had previously been in prison.

They all remained out of custody over the next 12 months

An enhanced IOM approach in Barnet could include the following key features:

- One-stop style access to a wider range of services which support pathways out of crime including Jobcentre Plus, work programme providers, housing, benefits services, primary health services as well as specialist services, general and specialist voluntary agencies and groups.

- A peer mentoring service for short sentenced prisoners released from the main local prison HMP Wormwood Scrubs, and/or commissioning a new service on a payment by results basis, possibly seeking private investment to do so.

- Closer engagement with Youth Offending Services to ensure access to appropriate interventions and to achieve consistency of emphasis on prevention over a whole lifetime, not just whilst receiving services.

- A more personalised approach to work with offenders to reduce the possibility of re-offending. There is potential to utilise individual budgets for those assessed as requiring less intensive intervention.

- Engagement with the community budget work in Barnet, recognising that many troubled families have relationships with offenders as family members or friends and associates.

The benefits of the approach

- It addresses the causes of criminal behaviour of individuals more holistically and enables access to the most appropriate services to resolve problems and support and manage offenders on the pathways out of crime.

- There is potential to increase the engagement of the local voluntary sector, including faith groups in work with offenders which has benefits for the community as well as offenders.

- A more effective and economic approach is adopted with short sentenced prisoners who are likely to be prolific offenders with chaotic lifestyles.

Implementation issues to consider

- These include the need to sequence the enhanced IOM service after the establishment of the core service which is due later in 2012; and the need to engage a wider range of agencies to support IOM.

- Personalised budgets could be introduced on a modest trial basis if funding e.g. £50K was made available to the IOM service to establish a pilot scheme for about 15 offenders in the first instance.

- A peer mentoring service would need to be commissioned and funding opportunities could be explored such as Social Finance or other private investors.

- Political support would be crucial coupled with appropriate communications to prevent it being viewed as rewarding criminal behaviour.

3.3.4 Approaches to deal with alcohol related Anti-Social Behaviour (ASB) and domestic violence

In addition to developing the strategic framework, and enhancing IOM, there are some specific initiatives which Barnet could pursue which would have the benefit of aligning with the broader preventive approach of the council and partners as well as having a shorter term impact in terms of effectiveness and efficiency.

The incidence of crimes, particularly violent crime and domestic violence committed under the influence of alcohol is rising steadily. The Home Office has stated (2010) that at national level, alcohol related violent crime, nuisance and disorder remains a serious problem in some areas in England and Wales. According to the British Crime Survey, half (50%) of all violent crime is alcohol related, and 21% of all violent crime occurs in or around pubs and clubs. Almost a quarter of the population (24%) considers drunk or rowdy behaviour to be a problem in their area. Whilst these figures are cause for concern, so too is the cost of alcohol related crime and disorder, estimated at £8-£13bn each year.

Alcohol-related crime has not been prioritised in Barnet's Safer Communities strategy and alcohol-specific data is not collated and analysed. The lack of focus on this issue as a specific priority is perhaps surprising given that it was identified as being important in the Strategic Needs Assessment and a number of partners continue to see alcohol-related crime and disorder as a cross-cutting issue that has an influence on a range of community safety areas as well as wider social issues.

A particular difficulty for the authorities in tackling alcohol-related crime is that alcohol is not a banned substance. Authorities and places selling alcohol have to watch for and manage the 'tipping point' where drinking behaviour becomes potentially dangerous. Some bars, restaurants and shops may be reluctant to take on this 'supervisory' role, hoping instead to push trouble on to the streets when it emerges. However, where they can be persuaded to work with the police, local government and other agencies, their involvement can substantially reduce the number of alcohol-fuelled violent incidents.

People who have had too much to drink are also more likely to be victims of crimes such as street robbery or violent attacks. Entertainment venues such as bars and clubs can therefore provide very useful support to the police in reducing victimisation. They can, for example, publicise the risks of excessive drinking, ensure good access to reputable taxis to get people home safely, or refuse to serve people who are already drunk.

The council will shortly begin a public consultation creating borough wide Designated Public Place Order and the outcome of this consultation will be factored into the options appraisal and outline business case on strategy enhancements to be reviewed by Cabinet Resources Committee later this year.

CCTV
In early 2012 the council commissioned the Community Safety Team to identify a new CCTV system. The outline business case for options to enhance the current strategy will be closely linked to this project as it is acknowledged that CCTV has a part to play in tackling alcohol related ASB and domestic violence as part of an integrated approach. Although the evidence on the effectiveness of CCTV is somewhat mixed, The Home Office (2007) suggests that CCTV can deter opportunistic crime, increases conviction rates and saves time and money by encouraging early guilty pleas. There are three main objectives:

- Reassure public and reduce fear of crime
- Deter, especially criminal damage, so long as people believe the system works
- Providing evidence - officer training to monitor right places at the right times is critical.

It is interesting to note that Members report there is scepticism amongst the general public about Barnet's CCTV system. It has been reported that the general public think that they are 'dummy cameras' and either don't have actual cameras in the housings or do not record the incidents which they view. This is demonstrably untrue but it is clear that in order for a CCTV system to be able to reassure the public, the public must first have confidence in its capabilities and application in the real world. The Home Office (2007) suggests that deterrence is strongest where publicity is used when new CCTV is installed and any deterrent or reassurance affect relies on the perception that CCTV works. There is an opportunity here to improve the public's awareness of the system's capabilities through publicity. This awareness-raising could also be achieved by including residents in decision-making around where to site cameras, thus improving confidence in their operational capabilities.

This project provides an opportunity to consider how a new system could provide opportunities to deter and support enforcement of a range of criminal activity, but it will have a particular role in dealing with alcohol related ASB.

Bespoke CCTV Control Room in Wakefield

The original facility was becoming too small and the system was old fashioned, mainly tape based, which was labour intensive to utilise. This gave an opportunity to move to another council building and replace the technology.

The service was tendered and the contract awarded to a large security group - the solution has third party integration capabilities in combination with a company that provides modular digital recording systems.

The new control room has 5 Synergy positions to control over 160 cameras in 8 towns plus other sites. There is a dedicated police constable in the control room. The operators access retail radios, with 25 audio help points and 4 phone help lines. Recording is real time, 24hrs a day allowing swift and appropriate response. There is capacity to monitor 3rd party sites to help offset costs to the council. Crime detection rates have improved.

Although highlighted as an issue contributing to priority crime of violent crime and anti-social behaviour in the Safer Communities Strategy, there is little co-ordinated activity to address alcohol related crime. The approach to licensing for sale of alcohol is currently very localised. An enhanced and more robust approach to

licensing with effective enforcement would impact on alcohol related ASB as well as domestic violence.

Reducing alcohol related crime in Bexley Heath

The evening economy of Bexley Heath changed rapidly between 1990 - 2005, becoming saturated with clubs and bars for the 18-30 age group. This was accompanied by an increasing trend of alcohol related crime and disorder across the borough and in the town centre.

Bexley's approach includes:
Robust licensing, alcohol control zones, dispersal areas and licensing saturation policies.

Management of the town centre at night has been enhanced through:
Improved CCTV, successful pub safe scheme, 'Street Pastors' - volunteers providing reassurance, Intelligence sharing between council and police and extensive engagement with the licensed trade and sharing good practice.

Specific initiatives include:
- Pub safe has invested in a radio for each premise and police to enable swift response to incidents. This reduces the burden on the council.

- Seminars have been held to promote responsible retail of alcohol.

- Residents are encouraged to engage in licensing process, using website and involving ward councillors.

- A-level students produced a DVD which was used in schools to promote awareness of dangers of drinking

---

Specifically in Barnet there is opportunity to develop a community based approach to tackle alcohol related ASB and domestic violence. Key features could include:

- High specification technology to support an integrated CCTV system jointly with the police. This will promote public confidence in its efficacy to protect them and deal with crime and deter ASB.

- Public engagement in the siting of CCTV cameras, working with residents and businesses to ensure that priority areas are covered and awareness is raised. Active engagement with the service encouraged through the use of radio and mobile phone to alert the control room and police of potential ASB problems.

- Engagement with licensees to develop a robust enforcement regime which recognises responsible retailing and deals effectively with transgressors.

- Empowerment of the public to report ASB using for example a single phone number, text messaging, web based reporting to accept and deal with messages of concern.

- Key officers, primarily in probation and police are trained in brief intervention techniques which are known to reduce alcohol intake, and this is offered to any offender with an alcohol problem regardless of offence.

- Improved data collection of alcohol related crime to better commission services, including immediate access to brief interventions or other appropriate services where alcohol features in a crime.

The benefits of the approach
- These measures would have an impact on the quality of life of residents and address issues which are important to them.

- It would develop a more proactive community approach rather than create dependency on statutory agencies to resolve the problem.

- There would be better understanding of the issue as data is more routinely recorded about alcohol use in criminal behaviour.

- Tackle the offender as well as the place to prevent the problem being moved from town centre to town centre.

Implementation issues to consider
- Consideration can be given to different delivery models such as using a specialist third party to provide the CCTV monitoring service, and engaging with the community in developing the service.

- Approach should generate savings as CCTV operator time is better spent using new technology.

- Local businesses take more responsibility for self regulation and mutual support to reduce ASB.

- A changed approach to licensing will need to be considered in the context of the outsourcing of Development and Regulatory Services.

- Some investment would be required to set up new reporting methods, but this could potentially be incorporated into the CCTV service.

- Investment would be required to train officers in brief interventions, but the benefits are likely to outweigh this over time if a whole system view is taken.

- As the project progresses consideration will need to be given to any developments within the Greater London Authority on the approach to take when dealing with alcohol related issues, such as compulsive sobriety schemes.

67

4. Opportunities and project definition

The recommendations for next steps have been separated into three sections.

- Current delivery plan
- Current governance and delivery mechanisms
- Strategic approach and service delivery

The first two cover recommendations that can be implemented in the short term to provide immediate benefits and the final set of recommendations looks to how Barnet can develop the strategy for the future.

4.1 Recommendations and actions: Current delivery plan

4.1.1 The corporate change programme office is engaged to coordinate the delivery of the current strategy and provide support to the priority owners.

4.1.2 In order to support the delivery of the strategy and ensure value for money an exercise to map current resource and activity across all partners and opportunities to realise savings should be carried out at the earliest opportunity. This piece of work with give reference to the changes expected in structures in both the council and partners such as the Metropolitan Police and future proof any changes to where and how activities are delivered.

4.1.3 Establish greater rigour to performance management by establishing quarterly setting of expectations for all priority owners which would:

- Provide appropriate highlight information to both MAOG and SCPB
- Provide reassurance both up and down the structure that activities underway are being managed in a coordinated way.

4.1.3 Produce a partnership communications plan to tackle fear of crime and the perception of criminal and anti-social behaviour.

4.2 Recommendations and actions: Governance and delivery mechanisms

These recommendations are split into four sections that match the analysis in 'Reasons for change' (Section 3):

4.2.1 The general structure of the partnership

4.2.1.1 Simultaneously review and amend each priority internal delivery mechanisms (i.e. the governance, scope, terms of reference and responsibilities of each constituent strategic and operational group within each priority area).

- Particular attention should be given to assessing whether sufficient strategic activity is going on within each of the Strategy's stated priority areas.

4.2.1.2 This review should also focus on how the different priority areas within the over-arching Safer Communities structure interact with each other and the current, senior strategic groups (SCPB and MAOG). This work should aim to clarify scope and responsibility and remove overlap and duplication of activity. It is expected that significant operational efficiencies can be made by 'trimming the fat' out of the current delivery mechanisms.

4.2.1.3 Maintain, update and circulate the 'delivery mechanisms map' (developed as part of this exercise) to improve partnership understanding of the Strategy delivery mechanisms.

4.2.2 The strategic role of the various groups and boards that make up the partnership

4.2.2.1 The SCPB must communicate strategic direction more vigorously to the partnership's priority areas. Currently there is no formal mechanism to ensure this communication happens.

4.2.2.2 Remove the 'strategic' function of the FIM (FIM should focus on operational matters alone) and empower priority lead organisations to set up new partnership-wide strategically focused groups, as required, to develop medium to long-term strategy (see 'Ownership' section).

4.2.2.3 Clarify MAOG Terms of Reference and communicate the group's scope to key partners. The recent re-casting of the MAOG provides an excellent opportunity to address issues around the communication of relevant information upwards to the SCPB as well as strategic direction downwards into the priorities.

4.2.3 Ownership across the partnership

4.2.3.1 A set of requirements should be developed to help partners understand what is expected of them as a 'lead agency'. This set of requirements must set out the common rights, responsibilities, obligations and powers that form the remit of a priority lead.

4.2.3.2 A toolkit should help empower lead organisations to put in place a more robust, partnership-wide structure to deliver the Strategy.

4.2.3.3 Include a broader range of officers in operational meetings to improve their knowledge and professional networks.

4.2.3.4 Future strategies should spend more time during development achieving buy-in from those organisations given 'lead' responsibility (and explaining what is expected as a 'lead organisation').

4.2.4 Communication and information-sharing across the partnership

4.2.4.1 Develop better communication practices to communicate 'down' the partnership and specifically, provide better information and steer to priority leads from the SCPB and MAOG.

4.2.4.2 More 'horizontal' communication across the priorities is required to improve understanding within the partnership and help the identification of cross-priority opportunities and synergies.

4.2.4.3 Any future activity should work closely with the new MAOG structure to ensure relevant updates.

4.3 Recommendations and actions: Strategic approach and service delivery

These recommendations are further split into four sections. As these recommendations would lead to significant change in commissioning, service delivery and system management, they would be subject to further development through an outline business case.

4.3.1 A new deal with residents

4.3.1.1 Review the council housing allocation policy and tenancy agreements to ensure 'good behaviour' conditions are included and appropriate penalties in place for those who do not adhere to requirements.

4.3.1.2 Review policies across the partnership to ensure they align in respect of good behaviour clauses and appropriate penalties to ensure compliance.

4.3.2 Commissioning model

4.3.2.1 Establish a justice reinvestment multi-agency approach, linking informally to the MOJ / NOMS[7] pilots to gain support and learning.

4.3.2.2 Develop an outcomes based strategy to establish preventive early intervention approaches, both commissioning new services and enabling access by offenders to key mainstream services.

4.3.2.3 Develop a wider range of community sentences for offenders which punish, provide reparation to victims and communities and address causes of offending.

4.3.2.4 Explore opportunities for local private businesses to engage with the approach.

4.3.2.5 Explore how residents can report crime with confidence their concerns will be addressed as part of the council's customer services approach.

4.3.2.6 Build on the existing community budget approach to provide a budget alignment and investment framework.

4.3.3 Enhanced Integrated Offender Management (IOM)

4.3.3.1 Explore potential to set up a one stop approach with access to a wider range of services as part of a two phase approach to establishing enhanced IOM.

---

[7] Ministry of Justice and National Offender Management Service

4.3.3.2 Commission a peer mentoring scheme for short sentenced prisoners released from HMP Wormwood Scrubs, exploring the potential to fund this through social investment.

4.3.3.3 Ensure that there is explicit engagement with the work with troubled families to include offenders.

4.3.3.4 Pilot the use of individual budgets on a risk assessed basis.

4.3.4 A community based approach to dealing with alcohol related Anti-Social Behaviour (ASB) and domestic violence

4.3.4.1 Work closely with the CCTV project to ensure it commissions high specification technology, and that this is undertaken in conjunction with the Police to ensure a joint commitment and approach.

4.3.4.2 Explore potential benefits of commissioning CCTV monitoring by a specialist third party.

4.3.4.3 Involve local residents in siting of CCTV cameras, and work with local businesses to promote active participation in reporting ASB.

4.3.4.4 Work with licensees to develop a more robust enforcement regime.

4.3.4.5 Train key officers in probation and the police in undertaking brief interventions to reduce alcohol intake of offenders.

4.3.4.6 Improve data collection to identify alcohol related crime more effectively.

Recommendations for this section have been summarised to show potential benefits:

Proposal	Change in ways of working and service delivery:			
	New Relationship with Citizens	One Public Sector Approach		Relentless Drive for Efficiency
	Partners and communities supporting crime prevention strategies	Improved range of services to deter crime, treat causal problems and enforce justice	Targeted intervention with offenders to reduce re-offending	Improved efficiency in service delivery
Justice Reinvestment model	• Restorative Justice • Engagement with local businesses • Resident empowerment • Community Budget	• Diversion to treatment • Conditional cautioning • Awareness courses as alternatives to prosecution	• Increased use of electronic monitoring, community payback • Personalised approach	Investment desirable in preventive services. Should realise savings over time to reinvest in sustainable services.
Enhanced Integrated Offender Management	• Community Payback to address local issues		• IOM • Increased use of electronic monitoring, community payback • Personalised approach	Investment in enhanced services e.g. peer mentoring, individual budgets, intensive alternatives to custody could yield savings. Potential to seek external funding.

Proposal	Change in ways of working and service delivery:			
ASB measures CCTV Robust licensing	• Engagement with businesses and residents	• Access to early interventions	• Access to targeted interventions	Commitment to replace existing CCTV. New enforcement approach may need additional resource. Officer training needs investment.

Table 5, Strategic enhancements

4.3.5 The costs and potential partnership savings for these proposals will be developed in the outline business case over the coming six months. Resources have been allocated from the transformation reserve to cover this work. An options appraisal and business case will return to CRC for authorisation for any further spend on this project.

5. Outline approach

Project management approach

The standard council approach to project management will be adopted for the controls of this project. As part of the corporate change programme, the project manager will ensure the appropriate performance framework documents are managed. The framework covers budget and resource plans, risk and issue management and benefits realisation all of which will feed a project highlight report.

It is proposed that the council carries out the recommendations set out in sections 4.1 and 4.2 whilst also carrying out further work on the three proposals considered to be of most benefit to the council as set out in section 4.3. This work would be to establish with greater accuracy the costs and benefits, both financial and non financial to the council, partners and residents.

Pre Outline Business Case Stage and service delivery improvements
April - June 2012
- Review and rationalisation of community safety structure across the partnership
- Establish baseline expenditure on community safety activities across the partnership
- Internal and external stakeholder and Member engagement to seek views on the enhancements for the strategy.

Outline Business Case for strategy enhancements (commissioning, enhanced IOM and community based approach for alcohol ASB and domestic violence)
May - September 2012
- Development of current state of financial baseline
- Consideration with key stakeholders
- Consideration of strategy enhancement options
- Inclusion of all anticipated costs and benefits across all options.
  - Development of cost benefit model for invest to save options

It is estimated that the officer costs to cover a six month period up until the submission of an options appraisal and outline business case to Cabinet Resources Committee is £110,000.

Approaches to be used to investigate options
The following approaches will be used to investigate the possible enhancements to the current strategy:

- Consultation with Members, council officers, partners, residents and local businesses
- Visits and discussions with other local authorities to review different approaches to crime and anti-social behaviour reduction
- Discussion with government agencies to investigate funding opportunities
- Development of best practice and alternative approaches to crime reduction
- Development of long term vision for how to make communities safer

6. Risks

Risk	Mitigating action
Partners may not be engaged fully due to other priorities or not being on site e.g. engaging the police in the work can be problematic and as such may not reflect their views fully.	Extended opportunities to meet to all partners and accommodated requests wherever possible. Where engagement has not been forthcoming sponsor and service director continue to be informed.
No clear structure of officers and partners involved in community safety work means there is a risk that some areas could be missed from the mapping exercise.	Have requested information on key officers and partners involved in community safety from the CS team. Where other officers have mentioned extra teams or partners these have been contacted to minimise risk.
Officer engagement with the review could be limited or inaccurate information due to fear of job security in current climate.	In all individual and group meetings involving community safety officers the project manager has set out purpose of the review to ensure open and transparent relationship.
Officers could have different expectations of the purpose of the review and expect more than it will potentially deliver at this stage.	Senior managers have been briefed on the expected outputs of the work and communicated this to all officers engaged in the review to set expectations.

Table 6, Risks

7.   Dependencies

Dependency	Impact
One of the five work streams in the strategy is broader early intervention. There is a separate project in progress to deliver early intervention across the council which this project will need to work closely with.	The operational community safety team and project team will be closely linked to the early intervention project. This will ensure resources are not duplicated, there is clear work stream ownership and the priority within the strategy is met.
Successful delivery of the strategy and recommendations will be reliant on strong partnership working.	This engagement will need to be driven at a strategic level. Without engagement of partners at both strategic and operational levels the success of the strategy, in particular IOM will be significantly compromised.

There are a number of dependencies across other council services and other projects:
    NSCSO – Customer services
    DRS – Licensing
    Early Intervention project
    Environmental Services
    Parking
    Policy & Performance
    Housing (including Barnet Homes)
    Adult Social Care & Health
    Children's Service
	Interface agreements may be required dependent on the current information flows. The information flows are being picked up with the Design Authority to ensure it is captured as part of the wider council design.

Table 7, Dependencies

8. Appendices

Appendix Three – Map of the current delivery mechanisms
Appendix Four – New opportunities and enhancements for the Safer Communities Strategy

Appendix Three – Map of current delivery mechanisms

Key

Color	Meaning
Yellow	No theme- specific group
Grey	Group discontinued
Peach	Group start pending
Green	Group called when needed

			One Barnet LSP Board					
			Barnet Safer Communities Partnership Board (BSCPB)					
		Criminal Justice Board	Multi-Agency Operations Group (MAOG)					

Fortnightly Intelligence Meeting (FIM) Police Lead Operational Group

Safer Communities Strategy priorities

	↑↓	↑↓	↑↓	↑↓	↑↓

Theme: Early intervention	Theme: Building Reassurance	Theme: Integrated Offender Management	Core objective: Violent crime and Domestic Violence	Core objective: Burglary	Core objective: Anti-Social Behaviour	Theme: Places where offences take place	Theme: Repeat Victimisation
Early intervention & Prevention Strategic Board	**Building Reassurance**	Integrated Offender Management Project Board	Domestic Violence Strategic Board	Burglary Group	**Anti-Social Behaviour Management Meeting**	**Places where offences take place: Hotspots**	**Repeat Victimisation**
Community Budgets Intensive Family Focus Steering Group	Community Safety Engagement Group	PPO Board	Domestic Violence Operations Board	Burglary and Robbery Tasking Group	Fortnightly LBB Briefing	**Informal meetings between Licensing Manager & Police**	Multi-Agency Safeguarding Adults Board
Youth Offending Service Management Board	Ward Panels- Resident Focus	IOM Project Team meeting	Domestic Violence Forum		**ASB Partnership Action Plan meetings**	Pubwatch Discontinued due to lack of resources	Multi-Agency Safeguarding Children's Board
Youth Services Steering Group for Positive Activities	Neighbourhood Policing meetings across the borough	Project Sponsors update meeting	**Task and Finishing Group**		Ward Panels- Resident Focus	CCTV Project Board (from Feb 2012)	Daily Police Briefings
	Monthly Security Review		**Multi-Agency Risk Assessment Conference**				**Vulnerable Adults Working Group**
			Homocide Review				

Cross-cutting groups

MAPPA (multi-agency public protection arrangements) meeting	Drugs and alcohol Strategic Commissioning Group (DASCG)	Safeguarding Adults Board	YP Substance Misuse Commissioning Group	Safeguarding Children's Board	Borough Crime Tasking Group (BCTG)	Fortnightly Intelligence Meeting (FIM)	Ward Panels- Resident Focus
Health and Wellbeing Board	Mental Health Partnership Board						

This page is intentionally left blank

New Perspectives and Opportunities for Barnet Community Safety Review
February 2012

Introduction

The following narrative and case studies provide some new perspectives to develop thinking about Community Safety in Barnet as part of Wave 2 of the One Barnet Programme. The aim is to stimulate thinking to support the delivery of the safer communities strategy in the short, medium and longer term. This document is supported by a slide presentation.

The examples in the case studies cover a range of relevant topics pertinent to the Review including:

- Innovation in work with offenders, including Integrated Offender Management
- Reducing alcohol related crime
- CCTV delivery models
- Innovation in commissioning and whole system working

Index of examples

Innovation in work with offenders, including Integrated Offender Management:

What works? Some general principles based on international evidence[1]:

Evidence suggests a strong case for a strategy which aims to integrate offenders back into communities.

The economic and social costs of crime are far greater than those costs which offenders place on public services. Focusing on rehabilitation could therefore generate significant benefits to society through having fewer victims of crime, less damage and destruction of property and more offenders becoming productive members of society. In addition, there could be cost savings to local agencies through reduction in demand for services, including the criminal justice system, Local Authority, NHS, Benefits agency, etc.

There is good evidence from the UK and internationally that cognitive/motivational programmes and sex offender treatment programmes can reduce reoffending; and there is promising evidence about the impact of drug treatment programmes, education, training and employment, and violence and anger management programmes. The evidence also highlights the importance of targeting and tailoring interventions to the characteristics of individual offenders, and the value to be gained of improving our knowledge on the best sequencing of interventions.

Research has also consistently identified the merits of skilled case management in improving the outcomes of offenders' sentences and suggests that the supervisory relationship plays an important role in securing compliance. The developing evidence base on desistance offers an improved understanding of how and why people stop offending and the role of practitioners in supporting this process.

For youth offenders there is evidence to suggest that family-based and parenting interventions may effect a positive change on the factors associated with offending (e.g. reductions in levels of anti-social behaviour, truancy, drug and alcohol problems, social and communication skills; self-esteem; and skills for coping with peer pressure) and reduce future reoffending.

Diversion out of or away from the criminal justice system (or into specialist provision within the system) can help offenders to address their problems and desist from offending. Problematic drug or alcohol use, and mental health issues, can all be related to offending behaviour; treatment through diversion schemes has been shown to have success. In particular, diversion of drug using offenders into treatment (in the United States and Canada) has been demonstrated to be effective.

For both adult and juvenile offenders, post-custody resettlement support has been shown to be effective in reducing future reoffending.

Currently, reparation to victims and society is mainly provided through financial penalties, out of court disposals or through unpaid work carried out in the community. Young offenders have more opportunity to provide reparation through their current disposals: reparation orders, referral orders and youth rehabilitation orders. However, for adult

---

[1] MOJ Green Paper Evidence Report

offenders, there is potential to make increased use of Community Payback and Restorative Justice as an integral part of a community sentence.

A wide range of restorative justice approaches are used at various stages of the criminal justice process in Australia, New Zealand, Canada, Germany and Northern Ireland. Evidence suggests that many of these approaches have a positive impact on victim satisfaction and have a positive impact on reducing reoffending in some circumstances. These impacts have also been demonstrated in pilots run in England.

Learning from Integrated Offender Management Pioneers and early adopters:

Integrated Offender Management (IOM), introduced in 2008/2009 was the most developed attempt to operationalise the concept of end to end offender management. An IOM approach aimed to co-ordinate all relevant agencies to deliver interventions for offenders identified as warranting intensive engagement, whatever their statutory status. At the core of IOM was the delivery of a managed set of interventions, sequenced and tailored to respond to the risks and needs of the individual. These interventions had the key aim of disrupting the offender's criminal activity and thereby reducing their re-offending. The Home Office (HO) and Ministry of Justice (MoJ) jointly issued guidance on how IOM could develop. However, definition of the approach was left to local discretion. The Government Policy Statement (Home Office, 2009) suggested:

- IOM was to be the strategic umbrella that brought together agencies across government to prioritise intervention with offenders causing crime in their locality;

- IOM was to build on and expanded current offender-focused and public protection approaches, such as Prolific and other Priority Offender (PPO), Drug Interventions Programme (DIP) and Multi-Agency Public Protection Arrangements (MAPPA); and

- IOM should relate to all agencies engaged in Community Safety Partnerships (CSPs) and Local Criminal Justice Boards (LCJBs) with direction and support in bringing together the management of repeat offenders into a more coherent structure.

Avon and Somerset, Lancashire, Nottinghamshire, West Midlands and West Yorkshire were pioneer sites. Evaluation[2] was undertaken in these sites[3], with some relevant themes emerging:

The effective delivery of IOM was dependent on multi-agency participation and a willingness to resolve sometimes conflicting inter- and intra-agency agendas. Stakeholders reported this was achieved through close links between strategy and operation and clarifying agency roles. It was reported that co-locating staff facilitated cultural change, case management processes, knowledge transfer and information sharing.

Prison, Youth Offending Teams (YOTs) and other local and central government agencies including voluntary and community sector (VCS) agencies were integral to, and had enhanced, IOM delivery at some sites.

---

[2] Sheffield Hallam 2011

[3] IOM was also piloted in the 'Diamond Districts' in London which were separately evaluated

The approach to Offender Management comprised designating a 'lead professional' (the right officer with the right skills) from probation, police or VCS, a 'carrot and stick' approach offering support, intervention and disruption, (of potential further offending), managing compliance, and flexible intensity of engagement. A critical element was the extended role of the police in intelligence gathering, pathway support, disruption and enforcement. Many police participants viewed this positively although it produced some tensions with their force colleagues due to their shift away from enforcement activities.

Other sites such as Greater Manchester were early adopters and some consistent themes are echoed in evaluation of these.

General learning themes for introducing IOM:

Strong multi-agency leadership is required to ensure imaginative use of partnership resources, especially in a climate of financial uncertainty. The ability to have a partnership perspective beyond the single agency view is considered crucial. This promotes effective communication and information sharing as well as a flexible approach to roles and responsibilities in the team.

A project management approach to establish the service has been beneficial.

Engagement with the Youth Offending Services has been valuable, particularly in supporting family focused work

Of the pathways out of crime, access to housing, health services and employment are considered most critical for IOM services to tackle before the others. The IOM and wider partnership can benefit from extending membership to include housing, health and Job Centre + / DWP representatives.

The Home Office has reviewed good practice and recommended that locally agencies could:

- Establish shared leadership and governance with LCJBs and CSPs. CSPs could take responsibility for local strategy, operational delivery and local resourcing of IOM;

- Establish joint matrices and processes for the selection and de-selection of offenders and sequencing of IOM interventions responsive to changing needs and priorities;

- Establish co-location, where possible building on existing arrangements;

- Establish inter- and intra-agency training to embed learning, cultural and

- Operational change; and

- Invest in IOM to deliver at an optimal level and realign resources to sustain delivery.

Case Study One:

Innovation in work with offenders, including Integrated Offender Management in Tameside:

Background:

Tameside Strategic Partnership has piloted IOM, known locally as Spotlight, since June 2009. It has adopted a holistic approach featuring partnerships with the voluntary sector as well as statutory agencies, and piloting of a personalised budget approach. Cambridge University is evaluating the pilot, and though their report is due to be published in March 2012, some key messages are emerging, supported by local information which has been made available.

Approach:

Spotlight employs a carrot-and-stick policy. Because the approach is integrated, with police and probation staff sharing information on a daily and even hourly basis, offenders know they will be quickly dealt with if they step out of line. If they co-operate, they can expect a vast amount of support.

This is a multi-agency venture in which drugs and alcohol agencies, the police and the probation and prison services work with accommodation-providers in a joined-up manner. The main statutory agencies are located alongside IT, and wherever possible use is made of third-sector providers including social enterprises. Offenders are worked with in a holistic manner to move them away from offending lifestyles.

The Spotlight team has made it a priority to work with offenders who get prison sentences of 12 months or less. These offenders would not have received any form of supervision after release and represent the highest rate of reoffending. The Local Authority provided funding to employ a co-ordinator and staff to work with this group as well as an enhanced risk centred home visiting service. During the 12 months from June 2009, the Tameside Spotlight team managed 197 offenders, of which 37 were non-statutory. Offenders were selected who were deemed to represent the highest risk of serious violent offending as well as those who represented the highest risk of committing further serious acquisitive crime.

Along with support with accommodation, assistance is given with registering for benefits, and there is provision of onward referral to agencies which assist with training and employment. The intention is to tackle the factors which lead to reoffending and a consequent return to prison. A peer mentoring scheme and restorative justice were developed as part of the package.

Because IOM in Tameside makes it a point to think family, and so much of its activity is conducted in offenders' homes, it has provided a genuine opportunity to engage with some of the dynamics which can make a significant difference in terms of managing risk to

children. The team is very well placed to assess and implement interventions which might impact on inter-generational risk.

The Tameside model has particularly valued the contributions of third-sector organisations. Opportunities for volunteering and the support from peer mentors have featured keenly in our programmes with offenders. It has provided access to services not specifically focused on offenders such as sports organisations, The Princes Trust.

Key emerging issues:

- Prioritisation of public safety and protection is paramount.

- Benefits of real-time information sharing are great, allowing for swift and appropriate responses.

- A reduction of the seriousness of their offending might have to be the first goal for some offenders.

- Offending is sometimes inter-generational.

- Socially excluded groups may need re-prioritisation for mainstream services. This is challenging for service commissioners and providers as offenders are generally not a popular group.

Case example:

MH – Cost savings: £28,082.
This man was recalled to prison during a burglary spike before Christmas 2009. Prison inreach was carried out with him while serving his sentence and he came out to a job with Greenscape at St Peter's Partnerships, Ashton-under-Lyne. He became very compliant, returned to his mother's home and tested negatively for drugs.

Impact of first 12 months:

- Serious violent reduced by 34%

- Serious acquisitive crime reduced by 32%

- 37.1% reduction in reoffending

- Equates to savings of £638,762 –Home office study "Economic and social cost of crime against individuals and households 2004/2005

The Personalised Budgets pilot:
A pivotal feature of Tameside's work in the integrated offender management scheme has been the development of a bespoke accommodation project. This was particularly the case with the non-statutory offender group for whom housing was often the stabilising cornerstone around which to lay the bricks for a change in behaviour. Funding was provided by the Home Office Vigilance Fund, and £45,000 was used to support and individual budgets pilot. This is the same amount of funding needed to accommodate a basic regime prisoner for 12 months, and the Tameside scheme was able to achieve:

- Referral and assessment of 32 offenders with housing need.

- 22 actively assisted with housing need.

- 10 in custody who received help three months before release.

- 16 people were assisted into suitable housing and 11 of these received a full package of help with provision of private rental accommodation. This included securing of tenancy, rent deposit bond, basic furniture and food parcel, and up to three months' tenancy-support management. (The welfare package was made possible by a local voluntary group - U Choose It recovery group).

Opportunities:

• Establishment of IOM could embrace key features of best practice highlighted above as it is developed and rolled out in Barnet.

• Potential to interface with the Community Budgets pilot to work with families which contain offenders.

Case Study Two:

Innovation in work with offenders, including Integrated Offender Management in Lancashire:

Background:

In Lancashire IOM is known locally as Revolution and has sought to incorporate a range of programmes in a single overarching brand, with a more integrated delivery pattern.

The basic ethos of the programme was to reduce re-offending by assessing risk and implementing appropriate responses or interventions to minimise that risk. These were centred on reducing re-offending pathways but were underpinned by enforcement.

Revolution focused on serious acquisitive crime, although IOM methodology was used in other areas of business. Revolution involved the allocation of sufficient multi-agency resources to deliver on the agreed interventions for each nominal IOM, involving police, probation, YOTs, PPO tactical groups, drug treatment services, etc.

Approach: Co-location

Revolution has moved into the Town Hall to provide a greater efficiency in its delivery. It also established new links and opened up new avenues for greater co-working with other agencies as Benefits, housing and children's services are all located in this building.

Dedicated police officers, staff, probation officers and drug treatment workers are amongst a number of specialists working together to resolve problems surrounding accommodation, education, employment, physical and mental health, finance and substance misuse which may be at the root of an offender's criminal behaviour.

By taking a multi agency approach, Revolution is able to offer a tailored response to local problems.Agencies working together are able to recognise diversity and embrace local knowledge to implement effective ways of reducing reoffending and help create a safer community for people in Blackburn.

The move to the Town Hall reduces the overheads of running the project and at the same time the co-location of the multi-agency team alongside the community safety team and other partners within the Town Hall expands the capabilities of the project.

The accommodation of the project by the council represents an acknowledgement of the huge contribution the Revolution project has made to reducing reoffending in Blackburn with Darwen.

Over the last 12 months the reoffending rate by these offenders has dropped by 71 per cent. The figures also show a greater compliance rate amongst these offenders and a reduction in the cost of their management

Approach: Pooling of substance misuse budgets

Under the Lancashire IOM arrangements, the pooling of budgets for substance misuse services was agreed upon to enable the more effective arrangement and provision of services. These were to be delivered with regard to existing needs assessments, and utilising the service level agreements in place with providers.

This arrangement was governed by a partnership agreement which outlined clearly the expectations of each of the partners, clearly setting out risk management approaches, financial and budgetary control requirements, as well as commissioning and governance arrangements. These were developed to enable economies of scale, responsiveness to local needs across a diverse geographic area and maintaining of standards in service provision.

This approach has encouraged a greater degree of collaborative work to develop between partnerships providing similar services to local users. The aim of this was to ensure that pooled budgets changed organisational behaviour, increased levels of trust between agencies, and secured broader efficiencies through a more effective allocation of services for example through reduction in duplicative referral and commissioning processes, and reduction in screening and assessments requirements.

Approach: Mentoring service for short sentenced prisoners released from HMP Preston from April 2011

An informal mentoring service for offenders based at HMP Preston returning to the Lancashire area has been commissioned by Lancashire County Council on behalf of the Safer Lancashire Board, and started in April 2011. It is focusing on offenders from Lancashire that are currently serving short custodial sentences; the aim is to reduce the likelihood of short sentence offenders reoffending. The pilot supports non-statutory offenders, currently monitored by Revolution, as this group is the most susceptible to a quick return to prison.

The objective of the Pilot is to reconfigure existing resources to better meet the need of this group, in addition to sourcing additional resources to deliver value added service provision. The pilot aims to:
•Reduce reoffending amongst short sentenced prisoners
•Reduce the number of victims
•Preserve any existing protective factors such as family, housing and employment
•Sign post to support on release
•Provide ongoing support in the community

Mentors are referred to as 'Change Champions', with a Change Champion Coordinator planning their itinerary in conjunction with partners and in line with sentence planning priorities. The coordinator is employed by the service provider, and the mentors are volunteers from a variety of backgrounds (including ex-offenders) to suit the reoffending pathway needs of the offenders.

Mentoring is being seen as an increasingly effective relationship in enabling offenders to reintegrate after leaving custody. One study by The St Giles Trust estimates that that there is a tenfold return on investment in mentoring of prisoners on release. The pilot has been advised by In Control, an organisation with expertise in personalisation in social care services, with a view to learning from experience in developing a more tailored services for prisoners on release, potentially with a personal budget.

Opportunities in Barnet:

• Establishment of IOM could learn from the experience of co-located services highlighted above, especially in engagement with a wider range of partners as it is developed and rolled out in Barnet.

• If pathways out of crime can be more effectively addressed through IOM, there is the potential to be strategically positioned as part of the early intervention work of the council, especially if Youth Offending Services can be integrated with IOM and for example, the number of NEETS, homeless young people, and substance misusers are reduced.

• Consideration could be given to reviewing substance misuse commissioning arrangements with a view to securing greater efficiency and other benefits, ensuring these issues are addressed in the emerging Drug and Alcohol Strategy

• Consideration could be given to developing a mentoring scheme for short sentenced prisoners released from HMP Wormwood Scrubs as the main local jail returning prisoners to Barnet. Investment would be required to start up, but savings would potentially be achieved in the longer term

Reducing Alcohol Related Crime

Background context

According to the Home Office, the incidence of crimes committed under the influence of alcohol is rising steadily. Some estimates suggest almost half of all violent crimes were thought to have involved alcohol. Additionally, just under 40 percent of all domestic violence was attributed to drunkenness. Additionally, research by the British Medical Association suggests that between 60 and 70 percent of all murders were committed by those under the influence of alcohol.

From an international perspective alcohol is a significant contributory factor to violent street crime. However, some European countries, including the UK experience more difficulties with alcohol related violence than others. In the UK, the misuse of alcohol among young British citizens is a growing problem. The majority of those involved in violent street crime fuelled by alcohol tend to be young men, with excessive drinking by under age individuals and young women also becoming increasingly serious problems. A particular difficulty for the authorities in tackling alcohol related crime is that alcohol is not a banned substance. Authorities and places selling alcohol have to watch for and manage the 'tipping point' where drinking behaviour becomes potentially dangerous. Some bars, restaurants and shops may be reluctant to take on this 'supervisory' role, hoping instead to push trouble on to the streets when it emerges. However, where they can be persuaded to work with the police, local government and other agencies, their involvement can substantially reduce the number of alcohol-fuelled violent incidents. People who have had too much to drink are also more likely to be victims of crimes such as street robbery or violent attacks. Entertainment venues such as bars and clubs can therefore provide very useful support to the police in reducing victimisation. They can, for example, publicise the risks of excessive drinking, ensure good access to reputable taxis to get people home safely, or refuse to serve people who are already drunk.

Case Study Three:

Reducing Alcohol Related Crime in Bexley Heath

The evening economy of Bexleyheath changed rapidly between 1990-2005, becoming saturated with clubs and bars for the 18-30 age group. This was accompanied by an increasing trend of alcohol related crime and disorder across the borough and in the town centre.

Bexley's approach includes:

A strong enforcement ethic. This included robust licensing - Bexley is reputedly the most robust licensing authority in England and Wales in revoking licences, and this has played an important role in bringing about a reduction in crime and disorder. In addition other mechanisms were used such as alcohol control zones and dispersal areas

Management of the town centre at night has been enhanced through improved CCTV communication; a successful pub safe scheme; town centre 'Street Pastors' volunteers providing reassurance to the public; excellent intelligence sharing between council and police and extensive engagement with licensed trade and sharing good practice

Some examples:

Pub-Safe are confident in their ability to make a difference within the town centre. They have invested in a radio for each premise and the police, who keep the radio on their patrol vehicle. This enables everyone, including the CCTV control centre, to respond quickly to any incidents which arise. This self regulation and partnership working reduces the burden placed on the Council, therefore freeing up resources to work on other priorities.

Seminars were held on promoting the responsible retail of alcohol, attended by 224 local and regional representatives of the licensed trade across the borough, including Bexleyheath, in 2007 - 2008. Feedback from these events was used to shape the overall vision.

Street pastors have operated in the Borough since January 2007. This sees volunteers from churches going out into Bexleyheath town centres at night, offering reassurance and assistance to anyone visiting the town centre. The scheme works closely with the police, providing them with a different insight into activity in the Broadway during the evening. They have been extremely effective in diffusing potential flash points and have a direct contact to the police should a situation arise that is beyond their capabilities. In a12 month period they helped to diffuse more than 50 potentially violent situations.

Local residents are encouraged to engage in the licensing process. All licence applications are featured on the Council's website and published in the weekly Bexley Bulletin, which is circulated to a wide range of people as well as being available on the internet. The council

also make local Councillors aware of licence applications within their wards and hence encourage resident participation in the licensing process.

In July 2007, Council Members endorsed a DVD about the dangers of drinking and drugs produced by A-level Media Studies students and decided to use this tool for further engagement with young people. As a result copies of the DVD were distributed to students in the borough's schools as part of the personal health and social education curriculum to promote awareness of dangers of drinking.

Impact 2006/8

- Violent crime down by 26%, equivalent to 1100 fewer assaults

- Street drinking fell by 50%

- Increase in 25-45 yr old professionals returning to socialise in the area

- **The approach has had success due to:**

- Strong leadership with clear and achievable vision

- Effective resource management, identifying efficiencies on the way

- Ability to track performance overtime and respond to problem areas

- Proactive approach using education and promotion of good practice

- Strong enforcement ethic, using a range of mechanisms to bring about change

Opportunities in Barnet:

Consideration can be given as to whether such an approach desirable and feasible in Barnet, given the priority status in the Safer Communities Strategy and potential benefits in terms of crime reduction and consequent cost savings across agencies.

If so, can this be enabled in part through the changes in licensing services?

Could other services, such as the council PIT team support an enhanced approach to licensing enforcement?

Case Study Four:

Reducing alcohol related crime in Wigan - the Probation contribution

Background:

In the context of Wigan having a multi-agency alcohol strategy which addresses the issues of alcohol related harm, the local delivery unit of Greater Manchester Probation Trust plays a key role in tackling alcohol related crime which is worth noting.

In Wigan the rates of alcohol related crime were below the regional average but increasing, with issues such as

- 17% of weekend crime was alcohol related, mostly at night

- The most common offence was less serious wounding - 76%

- 41% of alcohol related crime was on the street; 39% in a house

- Between 2006/2007 and 2007/2008, the Youth Offending Team completed 791 assessments of young offenders aged 16 to 18 years. Of these, over half highlighted recent alcohol use.

Probation approaches:
- All offender managers trained to provide alcohol brief interventions, (once delivered by the PCT and then more recently by the DAAT).

- The Restriction on Bail officer at court provides an alcohol intervention when an offender arrives at court with alcohol issues

- There is a single point of contact for the council alcohol team dealing with Probation Alcohol Treatment Requirements

- Representation at MARAC meetings is from both Probation and alcohol treatment so any domestic violent offending linked to alcohol is tackled on a multi agency level, and cases managed from both a victim and perpetrator perspective.

- A specific programme to tackle violent angry drinkers (COVAID) has been commissioned by Probation

- There is a short duration alcohol programme available as part of community order or by referral from an offender manager

- Probation is a full partner in the multi-agency partnership to deliver Alcohol Strategy

Opportunities in Barnet:

Consideration could be given to maximising the role of the Probation Trust in addressing alcohol related crime, particularly the usage of brief interventions, which is known to be effective and can link to the wider prevention and early intervention strategy.

Case Study Five:

Reducing alcohol related crime in Manchester

Background:

Manchester is a densely populated city with issues of alcohol related crime in residential areas as well as the city centre. The scale of the problem is set out in their multi-agency alcohol strategy which covers issues of prevention, treatment, young people as well as crime and disorder:

- 10% of alcohol related crime was criminal damage
- 76% of alcohol related crime was serious or less serious wounding
- 27% alcohol related crime was related to domestic violence

- **Approaches include:**
- Conditional cautioning and alcohol arrest referral pilot - the use of compulsion has increased attendance to 90%
- License revocation is enforced for underage sales
- Alcohol designated areas, residents are positive about these
- Voluntary domestic violence perpetrators programme covers alcohol education
- Alcohol education is provided by public health in the prison
- Public health deliver accredited responsible alcohol retail training
- Youth Offending Teams undertake substance misuse assessment to ensure that young people receive the most appropriate service
- The Manchester Safeguarding Children's Board(MSCB)receives notice of every application for a licence and risk assesses these in relation to the section of the licensing act that aims to protect children from harm. The Board can request clarification or ask for conditions to be included in the licence if there are concerns. MCSB also contributes to reviews of off-licences if there are issues such as underage sales

Impact:

- A reduction in failed test purchases to minors

- A significant decrease in number of assaults

- Improved partnership working and info sharing

Opportunities in Barnet:

There is potential to consider conditional cautioning and alcohol arrest as a means of ensuring more offenders access treatment.

There is potential to consider licensing issues as part of the licensing service developments

Consideration could be given as to whether the role of the Safeguarding Children's Board is currently optimised in licensing.

Use of CCTV to reduce crime

Background context

CCTV is an environmental crime prevention tool. Commentators have described its possible effects as including:

- Providing a surveillance function that may work to deter people from committing crimes in the area in which it is used

- Signifying to the public that an area with CCTV is a safe place and the increased use of the space means that crime is less likely to happen as there are more potential witnesses

- The presence of CCTV may act as a prompt to remind people to take other security measures such as locking their car.

Is CCTV useful as a crime prevention tool?

Evaluations indicate that CCTV is useful in certain circumstances. Its use may reduce theft of motor vehicles and some other forms of acquisitive crime. There is also evidence that it works best in small enclosed areas, and in some circumstances eg car parks, in conjunction with improved. Police commitment to involvement in monitoring and using the evidence it can provide will contribute to success.

What is the cost of CCTV?

CCTV has both a set up cost and an ongoing recurrent operating cost. These costs can make it expensive to implement and maintain. Furthermore technology is constantly improving requiring ongoing decision making as to whether the equipment being used will need to be upgraded. There are a wide range of costs associated with CCTV systems, with the most expensive involving many cameras, 24 hour monitoring and 'active' monitoring. However, research undertaken by the Public CCTV Manager's Association indicated that taking overall costs into account in relation to the number of incidents recorded which led to further action, it does provide value for money.

Key features as part of a crime reduction strategy

It is believed that CCTV deters opportunistic crime, increases conviction rates and saves time and money by encouraging early guilty pleas. There are three main objectives:

- Reassure public and reduce fear of crime

- Deter, especially criminal damage, so long as people believe the system works

- Providing evidence - staff training to monitor right places at the right times is critical

  It is only one element in an integrated approach to community safety

Case Study Six:

Use of CCTV to reduce crime in Wakefield - Bespoke CCTV Control Facility

Background

The original control facility was located in the centre of Wakefield in a building the Council's monitoring operation had begun to outgrow after ten years in residence. Advancements in CCTV technology were highlighting the need for change. Still over 60% tape-based, the recording facility was proving to be labour intensive, absorbing more of the Control Room operators' valuable time as system camera coverage was expanded. The council wanted to consolidate into fewer but larger premises and it was decided in 2007 that a move to an existing council building to set up a bespoke facility would provide a practical solution and a timely opportunity to rethink the technical operational solutions required within the Control Room.

Approach

The service was tendered and the contract awarded to Quadrant Security Group. The timescales were tight - it took 9 months from tender to commissioning the new resource, with the new workstations in old control room 6 months before the move to new premises.

The new control room has 5 Synergy positions to control over 160 cameras in 8 towns plus other sites. The operators access retail radios, 25 audio help points and 4 phone helplines. Recording is real time, 24hrs a day allowing swift and appropriate response to incidents recorded. There is capacity to monitor third party sites to help offset the costs to the council
There is a dedicated police constable in the control room as a key team member.

Synectics' integration abilities have been key to the success of the technological transition from the old Control Room to the all-encompassing new facility. Harnessing the power of this technology, in assistance to the camera network, operators can access retail radios, 25 audio Help Points throughout the network and four telephone Helplines situated at the remote rail stations monitored.

Impact and learning

Wider skills and professional judgement are required by staff. For example, there needs to be sensitivity to particular locations. An incident at one site requiring further investigation may be an everyday occurrence at another. Different times of day also require an adjusted skill set. For example, town centre incidents, usually focusing on the popular nightspots in each area during the evening, are different to those during the day that are usually targeted on the retail areas

The new system allows better use of operators time with a single, intuitive interface.

Detection rates have improved; there are now 3-4 arrests a day attributable to CCTV operators

Opportunities in Barnet

There may be the opportunity to acquire an integrated system through the CCTV review. This would make best use of operators' time and realise efficiencies.

Case Study Seven:

Use of CCTV to reduce crime in Corby

Background and approach:

Corby Borough Council's CCTV system was established in 1994 with four rented analogue cameras; the system now has 86 cameras with high technical specification, which are monitored 24/7. They can be used proactively or left to run on 360° patterns. The monitoring of the system is contracted out to a private security company - Remploy Management Services.

Two cameras are mobile, deployed in high crime areas as short to medium term solutions to crime problems identified by council and police

Two cameras have Automatic Number Plate Recognition linked to DVLA and police national computer. These have been successfully used to identify travelling criminals driving without tax, insurance, MOT

Impact and learning:

Partnership working with the police

The CCTV staff work closely with the police, providing intelligence used in the detection and prevention of crime and disorder, helping to inform and direct officers on the ground and providing video evidence usable in court. The close working relationships between the police and CCTV staff has led to many police surveillance operations carried out within the CCTV control room and has led to numerous arrests; 50 per month on average.

Partnership working with retailers and licensees

Close working between CBC CCTV and shops in the Borough through the shop watch radio scheme forms part of the Corby Retail and Business Initiative Against Crime (CORBIAC). CCTV operators play a vital role in making the town shopping areas more secure by warning security and shop staff when known offenders enter the area, by enforcing the Retail Exclusion Scheme and by detecting crime. In addition, CCTV plays an integral role in the Corby Pubwatch scheme by identifying potential problems and using the radios to communicate with and warn security staff and licensees about known alcohol related violent offenders near their premises and providing direct liaison with the police control room staff when public disorder incidents occur.

Opportunities in Barnet

To consider use of ANPR through the CCTV review as a means of tackling burglary. To develop stronger relationships with retailers and licensees to promote greater self regulation and community responsibility.

Case study Eight:

Use of CCTV to reduce crime in Hackney

Approach

220 CCTV cameras are continuously monitored by trained, police vetted staff with a control room which is operational 24/7 Public privacy is respected, with visible signs indicating camera positions, and information gathered is secure.

There is strong partnership working with the Police, Business Watch groups, community action groups etc.The Police control room can access cameras and police radio in CCTV control room

The system has excellent technical specification with remotely operated linked cameras, clear images even from pitch black darkness, and motion detection sensors. This means that incidents such as robbery, road traffic offences, theft, fly tipping, drug related incidents and any other anti social behaviour or suspicious activities are captured on CCTV.

A Day in the life of a CCTV operator in Hackney....

15:17 – a break-in thwarted

At 15:17 an operator spots a female acting suspiciously outside a property. We use the cameras to gather potential evidence and to monitor the situation. The female is seen to enter the premises via a window. We notify the Police, who attend the scene and arrest the female.

15:55 – drugs seized

At 15:55 we are alerted of an incident via the Police radio. A male has been stopped by the Police. We focus the cameras on the incident, where the male is searched and found to be in possession of crack cocaine. On further inspection he is also found to have skipped bail. He is arrested at the scene.

17:00 – muggers caught

At 17:00 we hear a call via the Police radio that a female has been robbed. We are given a description of the suspects, which we use to search the vicinity with the cameras.
Two males are spotted on camera. We direct the Police to the location of the males and they are arrested at the scene.

19:00 – vandals stopped in their tracks

At 19:00 an operator spots an unruly group of males, who appear to be vandalising and attempting to break into a parked car.
The Police are alerted and attend the scene. The group of males then disperse; we use several cameras within the area to help Police to identify the males involved. Two arrests are made.

20:40 – card fraud prevented

At 20:40 we receive information from the Police about stolen credit cards being used in the Stamford Hill area.
During standard monitoring an operator notices a male at an ATM using several different credit cards and withdrawing large amounts of cash. The Police are alerted and search the male's vehicle, where more cash is found. He is arrested at the scene.

The end of the day

Throughout the day, many incidents have been recorded which will bring a number of Police Officers into the control room to collect evidence gathered from the CCTV cameras. We will write statements and reproduce the recorded images for the Police; they will then will be used as evidence.

As a result of joint CCTV and Police operations during November 2011,230 arrests were made and £23,000 worth of stolen vehicles recovered.

Opportunities in Barnet

To consider the technical specification of the equipment to maximise effectiveness and usage of CCTV in the CCTV review

Innovation in Commissioning and Whole Systems Thinking to promote safer communities:

Some General Principles:
There is evidence to inform how the aims of the criminal justice system might be delivered more efficiently and effectively. This includes:

- the potential for greater gains through prevention, early intervention,
- diversion and resettlement;
- ensuring that interventions are targeted and tailored to match the
- characteristics of individual offenders, and improving knowledge on the best
- sequencing of interventions;
- using the developing evidence base on desistance, to improve
- understanding of how and why people stop offending and the role of
- practitioners in supporting this process; and
- making greater use of restorative justice and other approaches which
- enable greater reparation to the victim or community.

In addition, there is recognition that communities will be safer where there are certain features which promote community respect and resilience, economic and social well-being more generally. In relation to crime, a multi-faceted systemic approach which addresses prevention, intervention to tackle offending and reoffending, enforcement, and rehabilitation within a strategic framework will be more effective than any single approach. This requires a strong commitment, continued investment, and shared vision on the part of statutory agencies, stakeholders, communities, and individual citizens.

There are new models of commissioning to consider which may be required. These include:

Justice Reinvestment
The focus is on local partners working together to reduce crime and reoffending and thus reduce demand on the justice services as well as local agencies. If demand reduces it is expected that local agencies will realise savings as a result of system changes and that these will be reinvested into services which will continue to reduce crime and reoffending

Outcome based commissioning
This will include specification of outcomes required of providers and an outcomes based approach aims to shift the emphasis from what services a provider will offer to what outcomes they will achieve. The approach can be applied to directly provided services as well as externally commissioned services.

Community Budgeting
A Community Budget gives local public service partners the freedom to work together to redesign services around the needs of citizens, improving outcomes, reducing duplication and waste and and so saving significant sums of public money.

Payment by Results

The aim is to pay independent providers to achieve outcomes such as reduce reoffending, paid for by the savings this new approach will generate across the system. MOJ/NOMS has launched several pilots and there are examples in other fields such as employment support, and drug treatment.

Case Study Nine:

Innovation in Commissioning and Whole Systems Thinking: Transforming Justice in Greater Manchester - a justice reinvestment approach

Background:
This is a Ministry of Justice Payment by Results pilot started July 2011 where the focus is on local partners working together to reduce crime and reoffending and thus reduce demand on the justice services as well as local agencies. If demand reduces sufficiently, over a two year period, MOJ will provide a share of savings. It is expected that local agencies will also realise savings as a result of system changes and that these will be reinvested into services which will continue to reduce crime and reoffending

Approach:
The objectives of the Transforming Justice Programme are to:

- Reduce crime, reoffending and the wider impact of crime and dependency on society.
- Reduce the number of victims of crime
- Improve working across criminal justice and partners to streamline delivery, reduce duplication and deliver sequenced, integrated interventions.
- Reduce overall demand and cost to the criminal justice system.

Further integration of existing services is key to delivery and underpinning this they have identified the following priorities.
1. **Shared outcomes** around reducing demand and using the most appropriate intervention, public protection and confidence, and taking consideration of victims' and communities' needs.
2. **Single core assessment** process reducing duplication and promoting the most cost effective and comprehensive responses.
3. **Prioritisation** to enable cases to be given priority to allow the effective sequencing of interventions.
4. **Single plan** for offenders and their families where required ensuring interventions are appropriate and properly sequenced
5. **Single point of contact** and co-ordination for each plan provided by a lead professional promoting accountability and consistency.
6. **Shared saving** to incentivise and fund improvements in outcomes

A multi-agency delivery programme across 10 Local Authorities, police, probation, prisons, courts and voluntary sector has been devised. This is designed to deliver interventions and services at critical points of transition to deliver better outcomes
- Between youth and adult services
- At point of arrest and referral
- At point of sentence
- At point of release from prison

There are two main strands to the work. One examines current demands on the Criminal Justice System (CJS) and considers how they could alter this to reduce the volumes of people passing through the court system and receiving custodial and community punishments. This is primarily considering processes and is seeking more efficient ways to deliver appropriate justice outcomes through the better use of out of court disposals by the Police and CPS in particular. The people affected by this work would tend to be primarily first time offenders or those presenting lower risks of harm and reoffending. They are the largest volume offenders.

The other work stream focuses on groups of offenders who they feel they could work with more effectively to reduce their reoffending rates and thereby have a positive impact on their local communities and reduce demand on the CJS.   This is more focussed on offenders already engaged in the CJS and in reoffending outcomes. This involves knitting together a range of existing related activities eg IOM, changed use of Attendance Centres, Mental health and problem solving courts, recommissioning of health services in police custody suites, work with short sentenced prisoners on release etc

A community budgeting approach is being developed to align resources and manage reinvestment, though this is in early stages of development. The principle is that it will be linked to the Greater Manchester Community Budget pilot. It will aim to set up a single investment pot, with aligned and pooled budgets across agencies and the potential for social investment

The benefits:
It is too early to know if the pilot is successful, but the range of benefits which are sought are:

- Localism in action, bottom up solutions to challenging public service problems

- Innovation, a more ambitious portfolio of interventions and services

- Flexibility and efficiency by focusing on priorities which matter most

- Wider benefits eg to DWP, NHS, Housing, children's and adults services, police, probation etc which can be reinvested and create virtuous circle of sustainable funding

Learning so far - Success depends on:
- Engagement of partners to a genuinely reforming agenda and strong strategic leadership
- High quality data analysis and scenario modelling to determine where to focus effort and investment, with ongoing cost benefit analysis to inform this
- Managing tension between desire to achieve reward and actually reducing crime and reoffending - demand can be reduced by doing the wrong things as well as the right things
- Recognising the complexity of the landscape, allowing time for work to be done and applying a rigorous approach to governance and delivery mechanisms

Opportunities in Barnet:

- Whilst it is not possible to join the national MOJ pilot, does Barnet could take the opportunity to develop a local justice reinvestment approach, linked to the community budget pilot already underway. This would be supported informally by NOMS

- Could such an approach also interface with work on prevention and early intervention?

Case Study Ten:

Innovation in Commissioning and Whole Systems Thinking: Outcomes based commissioning in NOMS

NOMS has developed a commissioning model for offender services based on commissioning good practice in terms of commissioning process and in the context of an outcomes framework.

- **Strategic level outcomes** - the ultimate goals - protecting the public, reducing reoffending and delivering sentence of the court

- **Service level outcomes** - desired impact from commissioned services. Can be directly related to strategic outcomes, or intermediate outcomes

- **Service beneficiary level outcomes** - the impact on individuals, victims and offenders

For example:

REDUCE AMOUNT OF CRIME AS A RESULT OF REOFFENDING			
STRATEGIC LEVEL OUTCOMES	Frequency of offending is reduced	Seriousness of offending is reduced	Victims and communities understand how reoffending is being tackled
SERVICE LEVEL OUTCOMES	•Seriousness, frequency and volume of offending is reduced •crime is detected and deterred •Life skills of offenders developed •Offenders lead lawful constructive lives in community		

REDUCE AMOUNT OF CRIME AS A RESULT OF REOFFENDING

SERVICE BENEFICIARY LEVEL OUTCOMES	•Victims have opportunity to support rehabilitation activity •Offenders have equitable access to specialist and mainstream services which support rehabilitation •Offenders feel motivated to change

Opportunities in Barnet:

Barnet could develop a joint commissioning framework for the Safer Communities Partnership to promote shared vision and maximise focus on outcomes for individuals and communities

Case Study Eleven:

Innovation in Commissioning and Whole Systems Thinking: Intelligent Outcomes Based Commissioning of Domestic Violence Services in Brighton

Background:

Brighton and Hove council has developed a new commissioning approach aimed at delivering better outcomes for residents through innovation and partnership. For DV it will deliver shared outcomes to achieve a more co-ordinated response to prevent and reduce domestic violence. They estimate that over 25,000 women and 2,000 men experience repeat domestic violence as adults in the borough. Since 2007 they have had 4 domestic violence related homicides, estimated to cost over £4m to public services

Approach:

Four strategic outcomes have been agreed

- An increase in the safety of survivors, through an approach that maximises safe choices available and reduces the harm caused

- A reduction in the risk of harm from perpetrators through deterrence,

- Holding them to account and bringing them to justice where appropriate.

- A decrease in the social tolerance of domestic violence through awareness raising and challenging inaction by individuals, communities and organisations.

- An increase in the knowledge and skills of children, young people and adults about forming healthy relationships through prevention education and learning. This will mean that they are better equipped to form relationships based on equality and respect, mutual understanding, shared power and a commitment to non-violence.

Service level outcomes agreed across 3 types of activity

Underneath the strategic outcomes the steering group has also developed a set of service level outcomes for key stakeholders across three types of service activity-prevention, early intervention and provision of ongoing support. These capture the required shift in emphasis to:

- embed the prevention and reduction of domestic violence as core business for all city services and partnerships.
- improve workforce skills and improve accessibility and responsiveness of services.
- redesign services to also focus on prevention and early intervention as well as responding to high risk cases, whilst maintaining the city's specialist domestic violence services and the Co-ordinated Community Response Model.

Opportunities in Barnet:

Such an approach could provide an opportunity to interface with work on prevention and early intervention in Barnet.

Case study Twelve:

Innovation in Commissioning and Whole Systems Thinking: Community Budgets in Tameside

Background:
Tameside was an original Community Budgets site, and has adopted a Local Integrated Services model whereby partners jointly commission a provider to deliver to targeted group of residents. One site is focused on offenders in St Peters ward. The scheme is funded jointly by the, LA £50K, and probation services, staff and in kind support. Services are delivered through St Peters Partnership, a community led organisation which runs social enterprises

Aims of the pilot:
- Reduce re-offending in ward by 5%
- Identify savings through early intervention and remove duplication of services
- Secure employment for offenders 20% have jobs at start, 40% at completion
- Provide volunteering opportunities for offenders
- Improve health and social outcomes eg registration with GP
- Gain community support

Approach:

A single generic worker is allocated to work with the offender, based on risk assessment. The group includes males 16-25, and all women offenders, with a maximum of 60 in one year.

An activity based costing model has been designed to assess use of reactive services and enhanced services and data on outcomes to demonstrate costs and benefits.

Learning:

Formal evaluation has been commissioned, but it is too early for results.

The approach has wide corporate support and is underpinned by these principles:
- Early intervention and prevention
- Investing in interventions which have a cashable benefit because they are shown to make a difference
- Pushing a Common Assessment Framework for families
- Thinking differently about worklessness and health outcomes
- Reviewing the levers and sanctions we have in place to engage the most complex families and individuals e.g. a sentence of the Court or engaging private sector tenants
- Proactively reaching out to those who do not traditionally engage with the right services.

Opportunities in Barnet:

Barnet could consider whether there is sufficient community capacity to develop partnerships with the voluntary and community sector and adopt a Local Integrated Service model in part of the Borough

Case Study Thirteen:

Innovation in Commissioning and Whole Systems Thinking: Leicestershire and Rutland Probation Trust supporting community budgets

Background:

While prison and probation services do not directly extend to families of offenders, Leicestershire and Rutland Probation Trust is taking one of the pilots as a cue to a more radical approach to service design. Work with offenders has overlap with lack of work, poor health, education, and alcohol and drug abuse

Some offender's families are involved with more than 20 professionals and agencies, and there are clear overlap with families with complex needs being addressed in the Local Authority led Community Budget pilot.

Approach:

The new probation service offer includes mentoring for offenders on release from prison, parenting education and pooled drug treatment budgets.

There is robust joint commissioning across 3 LAs, 2 PCTs and and the Probation Trust

The Probation Trust is at design stage with new models of service delivery linked to the Family Intervention Programme.

They are exploring the potential to use the Early Intervention Grant in different ways, eg alcohol abuse prevention

It is recognised that most mainstream budgets are fully committed so co-location and budget alignment across agencies is more realistic in short term than wholesale re-procurement.

Opportunities in Barnet:

This approach could provide opportunity for probation to have greater engagement with the Community Budget approach in Barnet.

Case Study Fourteen:

Innovation in Commissioning and Whole Systems Thinking: Payment by Results in HMP Doncaster

Some Key Principles of PBR

- **Outcomes –** this work is about a shift towards a focus on outcomes rather than process. Investment is usually for long term gains.
- **Risk** – the aim is to transfer risk away from commissioners and pay for what works.
- **Innovation** – both encouraging greater discretion by amending performance arrangements and developing diverse delivery chains
- **Scale** – need to commission large enough volumes to ensure payment is for change.
- **Measurement** – Clear outcome measures are required to trigger payment. There are different ways of measuring reoffending; e.g HMP Doncaster is a binary measure (yes/no) but a frequency measure can be used as well as distance travelled measures.
- **Partnership** – driving efficiencies out of existing budgets as well as working more closely with other partners and doing things differently.

Some issues:

- Outcomes focused on reducing reoffending are hard to understand and measure as they are negative rather than demonstrable.
- Service provision is complex and no single provider will be able to achieve outcomes on their own, so a partnership approach is required
- Binary measure - whether an offence is committed or not - is problematic, as 'failures' could end up with less support earlier on. Providers need to find ways to deal with this
- Desistence is a long journey for prolific offenders, but providers are looking for short term returns
- It is not yet clear that the provider market will diversify

HMP Doncaster & Serco

Pilot commenced in October 2011. This is how it works:

1. 10% of annual contract value is put at risk against a reoffending target – although the full payment is received

2. From October 2011 the reoffending of offenders released will be measured – there will be an offender cohort for each year of the 4-year pilot

Core budget

Potential value payment

10 % at risk

5. If the 5% reduction is exceeded the at risk portion is retained by the provider AND additional payments are made for every extra % point achieved, capped at 10%

4. If reoffending is NOT reduced by 5 % points from the 2009 baseline the 'at risk' portion returns to the MoJ

3. If reoffending is reduced within a cohort by 5 % points from the 2009 baseline, the 'at risk' portion is retained by the provider

RESTRICTED

Opportunities in Barnet:

Consideration can be given to commissioning some local services on a PBR basis to achieve efficiencies, more effective services and encourage a more diverse provider market, potentially with new partnerships including the voluntary sector forming a supply chain.

Case Study Fifteen:

Innovation in Commissioning and Whole Systems Thinking: Crime Prevention Approaches - a Summary

Background:

There are some interesting approaches developed to address the wider issues of crime prevention as well as crime reduction. These have a more strategic perspective, and emphasise the key role that communities have to play in preventing crime, as well as the priority which needs to be placed on ensuring that the life chances of children are optimised to promote resilience and protective factors and reduce the risk of criminal behaviour.

Examples used for this study include the Crime Prevention Framework in Alberta, Canada; Making South Africa Safe, a Community Based Crime Prevention approach and the report of Baroness Newlove - Our Vision for Safe and Active Communities which provides details of the research she undertook across a range of communities in England. Rather than itemise these separately, the key learning from these approaches is summarised.

The Approach in summary:
Key components of a crime prevention framework:
Crime prevention in this context includes any action, initiative, or policy that reduces or eliminates offending, victimization, and reoffending. This definition recognises the connection between crime prevention with crime reduction
A focus on strategic outcomes such as:
- Overall crime is reduced, with improved detection and enforcement rates
- Severity of crime is reduced as the community helps offenders break the cycle of crime
- Victimisation is reduced, with people feeling confident and willing to intervene and challenge bad behaviour
- Harm to victims and society is reduced as local people are empowered to initiate local solutions to local problems
- Residents have an increased sense of personal and community safety
- The community has a sense of pride and ownership in their area and are looking at how they can improve the neighbourhood rather than relying solely on agencies

A recognition that communities are part of the solution rather than the problem:
Research indicates that an important factor influencing a community's crime rate is neighbours' willingness to act for one another's benefit and one another's children. Crime prevention is about neighbours, businesses, and all levels of government in a community talking to each other and working together towards a common goal of preventing crime. This means developing holistic approaches to encourage:
- Citizens taking individual responsibility for their lives, increasing independence, reducing dependence
- Community responsibility for quality of life, active engagement

- Partnership working across all agencies to ensure a consistent approach and best use of resources.

A commitment to tackling the causes of crime:
Most residents are law abiding citizens, with only a small proportion of the population committing the majority of crimes. Also, a small number of victims experience a large proportion of all incidents of victimization. Crime prevention involves responding to a few priority problems, using targeted multi-agency approaches. These approaches aim to address the causes of and opportunities for particular crime problems. For example, in Barnet, priority is given to tackling domestic burglary, domestic violence, and anti-social behaviour. They should also enforce laws, ensure that order is maintained in the day to day activities of the community and reduce public fear of crime.

Whole system partnership work with offenders and those at risk of offending providing a continuum of interventions:
- **Prevention** - **promoting protective factors** (eg employment, education, positive parenting, family relationships etc etc) and **managing risk factors** (eg mental illness, low school achievement, family history of offending etc etc) Target groups include Children, youth, and families at risk of becoming engaged in criminal behaviour as well as the small portion of the population who commit the majority of crimes
- **Intervention and treatment** - Diversion from criminal justice into treatment, tailored programmes within the system, mentoring etc etc
- **Reparation to victims and communities** - Restorative Justice, Community Payback etc
- **Punishment -** Community payback, prison, fines etc
- **Rehabilitation** - through the pathways out of crime; Housing, health, employment, family relationships, thinking and behaviour, etc
- **Reintegration** - to law abiding citizenship, contributing to community well being.

A model for crime prevention activities:
Primary (universal) prevention provides interventions to the general public or an entire target population (e.g., youth) to prevent the development of risk factors associated with offending. Activities often associated with universal prevention include school based initiatives that focus on developing resilience, pro-social behaviours, and parenting programmes. One example would be the Place2Be programme operating in several schools across the country. They estimate that for £2m spend; total lifetime savings for the 112 children in the services would be £15m, with initial costs repaid after 5 years.
Secondary (targeted) prevention provides interventions to individuals or specific subgroups of the population at higher risk of criminal involvement. In secondary prevention, enriched efforts are required to reach and support at-risk populations to reduce exposure to and the influence of risk factors associated with criminal behaviour by building on strengths such as coping strategies and other life skills. To prevent crime in the neighbourhood, outreach to those who would not otherwise access mainstream services is required. An example could include providing mentors for young people to encourage school attendance, building on the current YOS Services; parenting supports for at-risk families, especially those covered by the family focus service, early access to mental health and addiction services for at-risk individuals and their families, extended use of the Community Coaches service in Barnet.

Tertiary (indicated) prevention targets high-risk individuals who have already offended in order to prevent reoffending behaviour. Examples of tertiary prevention include accredited offender programmes, diversion approaches such as conditional cautioning to access drug and alcohol treatment and specialised courts processes such as problem solving courts.

Opportunities in Barnet: These are set out in the Safer Communities in Barnet proposals paper.

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	**Arrangements for commissioning a new school at Mill Hill East**
Report of	Cabinet Member for Education, Children and Families
Summary	This sets out the proposed arrangement for commissioning a new school to meet the needs of a new community at Mill Hill East and seeks Members' agreement to this.

Officer Contributors	Elaine Tuck, Strategy and Planning Manager, Children's Service; Val White, Assistant Director, Policy, Planning and Performance
Status (public or exempt)	Public
Wards Affected	All
Key Decision	No
Reason for urgency / exemption from call-in	n/a
Function of	Executive
Enclosures	None
Contact for Further Information:	Elaine Tuck, Strategy and Planning Manager, Children's Service, elaine.tuck@barnet.gov.uk

1. RECOMMENDATIONS

1.1 That Cabinet Resources Committee agree the requirements and factors to be considered when commissioning a new primary school within the Mill Hill East regeneration area as set out in the body of this report.

2. RELEVANT PREVIOUS DECISIONS

2.1 Cabinet Report, 3 November 2011, 'Proposed phasing of primary school expansions and investment strategy to meet demand for secondary school places' set out the new schools proposed as part of regeneration, including a primary school at Mill Hill East. It agreed a Council contribution towards a new school at Mill Hill East, and the commissioning of a new primary school at Mill Hill East through the Strategic Partnering Agreement with Kier London, subject to the demonstration of value for money.

2.2 Cabinet report, 20 June 2012, 'Arrangements for commissioning new schools' set out the implications of new legislation for commissioning new schools and sought Members' approval for a Barnet approach to commissioning new schools.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 Barnet schools are among the best in the country; 91% are rated good or outstanding by Ofsted and are highly valued by residents. 'Ensuring every school is a good school for every child and targeting support at young people at risk of not fulfilling their potential' is a strategic objective in the Corporate Plan 2012 - 2013, under the corporate priority 'sharing opportunities, sharing responsibilities'. This is also a key priority in the partnership Barnet Children and Young People Plan 2010-2013. It is important that the educational vision for new schools supports high standards and that new schools help to meet the educational needs of their local communities.

3.2 Supporting regeneration through the commissioning of new educational provision, including at Mill Hill East, contributes towards the strategic objective 'sustain Barnet as a successful place through regeneration, and promoting enterprise and employment' in the Corporate Plan 2012-2013.

3.3 Government is enabling schools to become more autonomous, especially if they choose to become academies or set up as free schools. Barnet is supportive of schools that wish to convert to academy status, and of the establishment of free schools to meet local requirements where there is evidence of demand, a robust business case and available property.

4. RISK MANAGEMENT ISSUES

4.1 As any new school must now, in the first instance, be a free school or academy the Council will need to grant a long lease to the sponsor chosen by the Department for Education. As such, all land and assets would transfer to

the school. The Mill Hill East Area Action Plan specifies that: 'The primary school will include multi-purpose spaces for use by the community. Appropriate uses may include adult education classes, local meeting space and crèche facilities. High quality sports pitches are proposed to support the school in line with DCSF (now Department for Education) and Sport England standards. These should also be made available for community group use and will contribute to recreational provision.' To ensure that the proposed new school at Mill Hill East makes its facilities available for community use in line with the Mill Hill East Area Action Plan this requirement will be made clear to new school proposers and highlighted to the Department for Education when proposals are being considered.

4.2   There is a risk that the new school will not support the aims of the Mill Hill East Action Plan in relation to meeting the educational needs of the new development. The Area Action Plan states that 'a preliminary assessment of education impacts indicates that the proposed new development would generate the need for the provision of a new primary school on site and additional secondary school places.' It is not yet known the demographic characteristics of families that may chose to move into the new development. There is no reason to suggest that these will not reflect the overall Barnet population. As such, the new primary school will need to be accessible to all children within the new housing development. This requirement will be made clear to new school proposers and highlighted to the Department for Education when proposals are being considered. A risk remains that school places at Mill Hill East might not serve the needs of the new community, as the Department for Education makes the final decision about which proposer can set up a new academy or free school.

4.3   The Mill Hill East Area Action Plan also specifies that 'Sustainable transport modes including walking, cycling and public transport must be encouraged and suitable routes/ facilities designed into the development in order to meet the overarching policy objectives of creating a sustainable and successful 21st Century suburb.' This requirement will also be made clear to new school proposers and highlighted to the Department for Education when proposals are being considered.

4.4   The Department for Education has issued advice stating that in the case of lead-in and setup costs, the Department will discuss with the Local Authority on a case by case basis and agree how to meet these. The Department expects Local Authorities will make some contribution to these costs until longer term funding arrangements are made. Due to proposed changes to the schools funding formula, there is a risk that this might require non schools Local Authority funding. Clarification is being sought from the Department for Education as to the extent of Local Authority funding expected and whether it would be provided via the Dedicated Schools Grant or non schools funding. Any revenue commitment that falls to the Council would be set out in the report to Cabinet Resources Committee (see 9.6).

5.   EQUALITIES AND DIVERSITY ISSUES

5.1 The new school needs to meet the educational needs of the new community and the demographics of families that choose to move into the new development at Mill Hill East are not yet known. The current ethnicity of Barnet's under 20 population includes 56.9% White, 10.2% Other, 9.0% Black African, and 8.2% Indian. The 2001 Census data shows that 42.2% of Barnet's under 16 population were Christian, 24.8% no religion/religion not stated, 15.7% Jewish, 8.7% Muslim, and 6.5% Hindu. Given the current diversity of Barnet's child population, it is important that the new school at Mill Hill East is inclusive, and proposers will need to demonstrate how they will serve this new community.

5.2 Proposers will also need to demonstrate how they will ensure inclusive practices and provision for pupils with differing needs, for example children with special educational needs. 2% of children in Barnet schools have statements of Special Educational Need.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

Procurement and Value for Money

6.1 As part of the regeneration of Mill Hill East, agreement has been reached with the development partners for funding for a new primary school with associated playing fields through section 106 contributions of £9m. As set out in 2.1, Cabinet on 3 November 2011 agreed a Council contribution towards a school at Mill Hill East, and the commissioning of the new primary school at Mill Hill East through the Strategic Partnering Agreement with Kier London, subject to the demonstration of value for money.

Finance

6.2 There are no financial implications from the proposed process set out in this report for commissioning a new school at Mill Hill East. Any additional administrative cost will be met from within existing Children's Service budgets. Potential financial risks are covered in section 4.4.

Property

6.3 The assets and land associated with the new primary school at Mill Hill East would transfer to the academy trust or free school proposers. This would normally take place via a long lease, with the freehold retained by the Local Authority.

6.4 Subject to timescales, the chosen new school proposer would be involved in the design of the building to help ensure that it supports their educational vision. The Local Authority would have the final say on the design to ensure that it is in budget and facilitates community use.

Staffing

6.5 New school proposers would be responsible for staffing the school.

7. LEGAL ISSUES

7.1 Schedule 11 of the Education Act 2011, Establishment of New Schools, which came into force on 1 February 2012, stipulates that 'if a local authority in England think a new school needs to be established in their area, they must seek proposals for the establishment of an Academy'. The Local Authority must stipulate a date for receipt of submission of proposals.

7.2 Barnet Council has a statutory duty under section 14 of the Education Act 1996 to ensure that sufficient schools for providing primary and secondary education are available in the area.

7.3 Section 14(3A) of the Education Act 1996 provides that a Local Authority shall exercise their functions under section 14 "with a view to (a) securing diversity in the provision of schools; and (b) increasing opportunities for parental choice.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

8.1 Part 3, responsibility for Functions, 3.2 Cabinet Members.
- To lead on budget and policy formulation and implementation in relation to regeneration including economic and strategic development is delegated to the Leader of the Council.
- To lead on budget and policy formulation and implementation in relation to investment in educational infrastructure in schools and libraries is delegated to the Cabinet Member for Education, Children and Families.

8.2 Although commissioning a new school at Mill Hill East involves significant expenditure funding has already been committed to this project, and so the arrangements for commissioning a new school at Mill Hill East are not a key decision.

9. BACKGROUND INFORMATION

9.1 Barnet has a number of regeneration and development schemes that will require new educational provision over the coming years, including Mill Hill East. The Mill Hill East Area Action Plan provides for a new primary school.

9.2 As of 1 February 2012 Schedule 11 of the Education Act 2011 came into force followed by non-statutory guidance, published on 29 May 2012, on establishing a new school. Where a Local Authority proposes that a new school is needed, the Local Authority must first invite proposals for the establishment of an Academy or free school. The Local Authorities should be clear about the type of academy/Free School they wish to see established and should take steps to ensure that the Department for Education and groups or organisations that might be interested in establishing the new school are aware of the opportunity. Local Authorities should assess the proposals they

receive and may state a preference, which the Secretary of State will take into consideration when deciding whether or not to enter into a Funding Agreement with any of the proposers. A local process to commission new schools, in line with the non statutory guidance, is being considered by Cabinet (as set out in the 20 June 2012 Cabinet report – see 2.2).

9.3   The identified school site at Mill Hill East lies within the heart of the new housing development and is primarily funded through developer contributions to meet the educational needs of the new community. As set out in 4.2 and 5.1, the demographics of families that chose to move into the new development at Mill Hill East are not yet known. Given the current diversity of Barnet's child population, it is important that the new school makes educational provision accessible to all children within the new development. There are two further requirements set out in the Mill Hill East Area Action Plan (see 4.1 and 4.3): the new primary school must deliver community provision and must support sustainable modes of transport.

9.4   To ensure that the proposed new school at Mill Hill East supports the requirements of the Mill Hill East Action Plan for the new community it is proposed that when Barnet Council invites expressions of interest from new school sponsors it outlines the following requirements, which will be highlighted to the Department for Education when an application is being considered:
- Size of school: 2 to 3 forms of entry (FE) primary school taking 60 to 90 Reception children each year
- Nursery: 39 place nursery
- Age range: 4 to 11 (plus nursery)
- Type of school: mixed-sex academy or free school offering an inclusive curriculum accessible to all children within the new housing development
- Proposed opening date: as early as academic year 2013/14
- Community facilities: multi-purpose spaces and sports facilities must be made available for community group use
- Other: must support sustainable modes of transport

9.5   When inviting expressions of interest, the Council will clearly outline the requirements (set out in 9.4 above) and the factors which Barnet will take into account when choosing a preferred proposer. The factors to be considered in relation to Mill Hill East will include:
- Ability to deliver the stated requirements specifically in relation to size and type of school
- The recent track record, including on education and finance, of applicants who run existing schools
- Understanding and experience of the primary and nursery phases
- Strength of education vision and education plan (including admissions policy and sustainable transport)
- Inclusive practices and provision for pupils with differing abilities
- Commitment to community provision in line with the Mill Hill East Area Action Plan
- Educational and financial capability and capacity

9.6   Following approval of this report, expressions of interest will be invited and scrutinised in line with the proposed local process. Prior to submission to the Department for Education for final decision, the Cabinet Member for Education Children and Families will present a report on the preferred proposer for the new primary school at Mill Hill East to Cabinet Resources Committee.

10.   LIST OF BACKGROUND PAPERS

10.1   None

Cleared by Finance (Officer's initials)	MC
Cleared by Legal (Officer's initials)	HP

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	Early Intervention and Prevention Services
Report of	Cabinet Member for Education, Children and Families

| Summary | EIP contracts for the period 1 April 2011 to 31 March 2012: Community Barnet Parenting Consortium and 2) Relate were allowed additional expenditure to exceed 10% of original contract values.

Cabinet Resources Committee is requested to note the action taken by the Children's Services Director to allow waiver of Contract Procedure Rules 5.6 |

Officer Contributors	Stav Yiannou, Divisional Manager, Early Intervention & Prevention Team Zahid Parvez, Business Manager, Early Intervention & Prevention Team Usha Chadha, Grant Monitoring and Evaluation Officer, Early Intervention & Prevention Team
Status (public or exempt)	Public
Wards Affected	N/A
Key Decision	No
Reason for urgency / exemption from call-in	Cabinet Resources Committee
Function of	Executive
Enclosures	None
Contact for Further Information:	Usha Chadha, Grant Monitoring and Evaluation Officer, 020 8359 6267 usha.chadha@barnet.gov.uk

1.   RECOMMENDATIONS

1.1   That the Committee note the action of the Children's Services Director under Delegated Powers to extend the Community Barnet contract and the Relate contract for more than 10% of their original value in accordance with Contract Procedure Rules 5.6 and 5.7

- Community Barnet contract (1 November 2011 – 31 March 2012)
  Original value - £64,220   Total Contract Value Incl Extended value - £84,220

- Relate contract (1 November 2011 – 31 March 2012)
  Original value - £5,000   Total Contract Value Incl Extended value - £6,000

2.   RELEVANT PREVIOUS DECISIONS

2.1   Cabinet Resources Committee - 27 September 2011 – Decision item 8 – Report of the Cabinet Member for Education, Children and Families, 'Early Intervention and Prevention Commissioned Contracts'

2.2   Delegated Powers Report no 1625 – 30 March 2012 – decision taken by the Children's Services Director.

3.   CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1   The services for consideration will contribute towards the key priorities and objectives of the Council's 2012-2013 Corporate Plan:

- Better services with less money;
- Sharing opportunities, sharing responsibilities and
- A successful London suburb.

Services will also contribute to the priorities outlined in the Children and Young People's Plan 2011-2014:

- intervene early to strengthen families;
- ensure the early identification of children and families to enable appropriate preventative interventions through the Common Assessment Framework (CAF);
- ensure every child has a good start to life by providing access to high quality early years provision and support;
- refocus work around early years standards to ensure appropriate support, training and challenge, helping to narrow attainment gaps;
- promote access for all children and young people to positive activities;
- reduce economic disadvantage through tackling child poverty:
  a) Ensuring access to affordable and suitable childcare;
  b) Supporting parents to build confidence and skills;
  c) Addressing health, including mental health, both as a cause and consequence of poverty.

4.   RISK MANAGEMENT ISSUES

4.1   The increased funding of the contracts will not carry additional risk to the Council; as the terms and conditions of the contracts will remain the same, but delivery volume shall increase.

4.2   Relate and Community Barnet currently provide services for the Early Intervention and Prevention Division

4.3   All contracts are in accordance with the Contract Procedure Rules set out in the Council's Constitution. Details are provided in section 7 (Constitutional Powers).

4.4   In accordance with Contract Procedure Rules and to ensure value for money all contracts will continue to be performance managed throughout the term of the contract using a robust monitoring system.

5.   EQUALITIES AND DIVERSITY ISSUES

5.1   The Equality Act 2010 requires a public body in the exercise of their functions must have due regard to the need to: (a) eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act; (b) advance equality of opportunity between different groups; and (c) foster good relations between different groups. The Council in award of the contracts and in the proposal for extension of the contracts has considered the potential impact on the protected groups, pursuant to the Equality Act 2010 and is of the view that extended funding will facilitate better services for a larger number of Barnet residents.

5.2   Service users will be able to access services, irrespective of their ethnicity, religion, disability, age, gender, or other differences. This will be checked during regular performance monitoring of contracts which measures service-user profile. Where monitoring data identifies hard-to-reach communities are not being sufficiently supported, plans to refocus delivery will be implemented with providers.

6.   USE OF RESOURCES and IMPLICATIONS

6.1   The value of the current Community Barnet contract is £64,220 over the period 1 November 2011 to 31 March 2013. The extended value is a further £20,000. This will allow for set up costs already incurred increasing the number of Strengthening Families Strengthening Communities facilitators for the period up to 31 March 2012.

6.2   The value of the current Relate contract is £5,000 over the period 1 November 2011 to 31 March 2013. The extended value is a further £1,000 to be allocated for further training to counsellors as part of the Safer Families project for the period up to 31 March 2012.

6.3   Funding for the two contracts has been identified from other early intervention and prevention contracts who have underperformed and subsequently underspent; the council will re-use this funding to fund the increased contract values.

6.4 A competitive tender process was carried out using the 'open procedure' to ensure compliance with the relevant Treaty principles before the contracts were awarded to Relate and Community Barnet Parenting Consortium.

6.5 The variation of the contracts will be made in accordance with the terms and conditions of the main contract and the Council's Contract Procedure Rules

7. LEGAL ISSUES

7.1 With reference to the full European procurement rules, the EIP contracts fall within Category B of Schedule 3 to the Public Contracts Regulations 2006. Although procurement of the services under this contract does not trigger the application of the full EU procurement rule the EU treaty principles of non-discrimination, equal treatment, transparency, proportionality and mutual recognition do apply and paragraph 6.4 confirms that a competitive tender process was undertaken.

8. CONSTITUTIONAL POWERS

8.1 Council Constitution, Part 3, Responsibility for Functions, Section 6, Powers Delegated to Officers – provides that Chief Officers can take decisions without consultation with the Cabinet Member concerned where it is a decision authorised to be taken by the Chief Officer under the Contract Procedure Rules

8.2 The Acceptance parameters for contract additions, extensions and variations are set out in Section 5.6 of the Council Constitution Contract Procedure Rules and contract variations are also subject to the Council notifying and agreeing the variation in writing with the contractor; and on the basis that any additional expenditure necessarily incurred does not exceed 10% of the initial contract.

8.3 Council Constitution, Contract Procedure Rules – Table 5-2,sets out the thresholds for contract extensions and variations and provides that Director/Head of Services may authorise and accept contract of a value of £156,441 or less.

8.4 Contract Procedure Rules 5.7 authorises the Directors/Heads of Service to take decisions on urgent or emergency matters as set out in the Leader's Scheme of Delegation providing they report afterwards to the relevant decision making body setting out the reasons for the urgency where this is justified on the basis of urgency and, that the nature of the market for the works to be carried out or the supplies or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of Contract Procedure Rules is justifiable; or that the contract is for works, supplies or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or that the circumstances of the proposed contract are covered by legislative exemptions (whether under EU or English Law); or that there are other circumstances which are genuinely exceptional

9. BACKGROUND INFORMATION

9.1 The Early Intervention and Prevention division in Children's Services awarded a series of contracts for the period 1 November 2011 to 31 March 2013. All contracts were awarded as a result of open and competitive tendering.

9.2 Contracts have been robustly monitored against delivery and financial targets and rated red, amber or green depending on their level of performance. Some contracts did not achieve contractual targets and this resulted in a small amount of under spend. This subsequent underspend will be re-used to fund increased contract values for Community Barnet's Parenting Consortium contract and Relate's Counselling contract.

9.3 Community Barnet's Parenting Consortium contract provides parenting programmes for hard-to-reach communities delivered in community languages. The increased funding will be allocated to set up costs used to increase the number of trained facilitators available to deliver Strengthening Families Strengthening Communities accredited programmes to traveller communities. The set up costs have already been spent in 2011/12 to meet an emerging need in the borough and a waiver of Contract Procedure Rules is required in order for the extra funding to be used within 2011/12.

9.4 Relate delivers counselling sessions to women at risk of escalating domestic violence through access to the Safer Families project. The funding will be allocated to set-up costs used to improve the availability of qualified counsellors. There is currently a waiting list of clients waiting to receive counselling sessions; this funding is required to secure extra sessions for 2011/12 to help meet demand.

9.5 The Children's Service Director agreed an urgent waiver by DPR as under spend was identified in February 2012 and was required to be allocated before close of financial year 2011/12. Failure to allocate the funds in time would have implied loss of opportunity to reach more families.

9.6 Contract terms, already agreed in both existing contracts will remain unchanged.

9.7 Contract values and targets will increase to reflect increased contract values and increased volume of delivery.

10. LIST OF BACKGROUND PAPERS

None

Cleared by Finance (Officer's initials)	MC
Cleared by Legal (Officer's initials)	PD

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	**Final Outturn and Performance Report 2011/12**
Report of	Cabinet Member for Resources and Performance
Summary	To consider the Final Outturn and Performance Report for 2011/12 and instruct officers to take appropriate action.
Officer Contributors	Maria G. Christofi – Assistant Director, Financial Services Catherine Peters – Head of Finance, Closing & Monitoring Antony Russell – Finance Manager, Closing & Monitoring
Status (public or exempt)	Public
Wards affected	Not applicable
Enclosures	Appendix A – Performance Report Appendix B – 2011/12 Revenue Outturn Position Appendix C – 2011/12 Capital Outturn Position Appendix D – Capital Adjustments 2011/12 and 2012/13 Appendix E – Special Parking Account Appendix F – Virements
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in	Not applicable

Contact for further information: Antony Russell, Finance Manager, Closing & Monitoring, 020 8359 7862

1. RECOMMENDATIONS

1.1 That the 2011/12 Performance Report, Revenue Budget and Capital Outturn position be noted.

1.2 That the Capital approvals and slippage of £9.257m as outlined in tables 9 and 10 be approved.

1.3 That Directors take appropriate action to improve performance against those corporate performance, Human Resources (HR), project and risk measures where Q4 performance remains a challenge (Sections 9.3, 9.4, 9.10 and Appendix A).

1.4 That the Earmarked Reserves and Provisions contained in table 7 be approved.

1.5 That Provision for Bad Debt position contained in table 14 be approved.

1.6 That the Final Special Parking Account be noted in Appendix E.

1.7 That the Barnet Homes leaseholder contributions in table 13 be noted.

1.8 That the Agency Staff costs for the financial year 2011/12 in table 15 be noted.

1.9 That the proposed 2011/12 capital additions and deletions totalling £0.031m as set out in Appendix D and the related funding implications in 2011/12 as set out in table 11 be approved.

1.10 That the proposed 2012/13 capital additions totalling £0.533m as set out in Appendix D and the related funding implications in 2012/13 as set out in table 12 be approved.

1.11 That the following on-going virements in 2012/13 be approved:
- £2.765m is requested within the Commercial Directorate to re-align the budgets within Information Systems. There is a nil impact on the service budgets. (paragraph 9.15.1)
- £16.506m is requested within the Housing service to realign the budget to reflect the transfer of Housing Needs & Resources to The Barnet Group. There is a nil impact on the service budgets. (paragraph 9.15.1)
- £25.037m is requested within the Special Parking Account to realign the budget to reflect the transfer of Parking Services to an External Service Provider (NSL). There is a nil impact on the service budgets. (paragraph 9.15.1)
- £0.195m is requested within the Hendon Cemetery and Crematorium service to realign the budget to reflect the restructure of the service team and consequent increased income opportunities. (paragraph 9.15.1)

1.12 That the following on-going virement in 2012/13 be approved as part of the One Barnet programme:
- £0.220m is requested from services listed in Appendix F to Adult Social Care & Health to consolidate budgets in respect of payments to be made to Your Choice Barnet. (paragraph 9.15.1)

- **£0.537m is requested as part of the customer services transformation programme for 2012/13 (£0.657 full year effect for 2013/14 onwards). As part of this programme a number of functions are transferring from service departments below into the customer services team:**
  - **£0.171m Parking in 2012/13 (full year effect of £0.187m for 2013/14 onwards).**
  - **£0.050m Youth in 2012/13 (full year effect to be confirmed for 2013/14 onwards).**
  - **£0.316m Adults in 2012/13 (full year effect of £0.470m for 2013/14 onwards).**

  The budgets associated with these functions need to be transferred into the customer services team. (paragraph 9.15.1)

1.12 **That the following contingency transfers for 2012/13 and on-going be approved:**
- **£0.500m from contingency for 2012/13 and on-going be approved to fund the Leisure budget pressure that has arisen pending the implementation of the Leisure Review. (paragraph 9.16.1)**
- **£0.210m from contingency for 2012/13 and on-going be approved for Environment Planning & Regeneration to fund the additional duties the Flood Risk Regulations 2009 (FRR 2009) and the Flood and Water Management Acts 2010 (FWMA 2010) have put on the Council. The Department for Environment, Food and Rural Affairs (DEFRA) have allocated additional funding to enable the discharging of these duties. (paragraph 9.16.1)**

1.13 **That the proposed draw down of £6.453m from the Transformation Reserve as set out in section 9.17 and table 16 are approved.**

2. RELEVANT PREVIOUS DECISIONS

2.1 Council, 1 March 2011 (Decision item 8) – approved item 5.1.2 of the report of Cabinet 14 February 2011 - Council Budget and Council Tax 2011/12.

2.2 Cabinet Resources Committee, 29 June 2011 (Decision item 5) – approved the Outturn 2010/11.

2.3 Cabinet Resources Committee, 28 July 2011 (Decision item 5) – approved Month 2 Monitoring 2011/12.

2.4 Cabinet Resources Committee, 27 September 2011 (Decision item 9) – approved Quarter 1 Monitoring 2011/12.

2.5 Cabinet Resources Committee, 14 December 2011 (Decision item 9) – approved Quarter 2 Monitoring 2011/12.

2.6 Cabinet Resources Committee, 28 February 2012 (Decision item 6) – approved Quarter 3 Monitoring 2011/12.

2.7 Council, 6 March 2012 (Decision item 4.1.1) – approved the Council Budget and Council Tax 2012/2013.

2.8 Cabinet Resources Committee, 04 April 2012 (Decision item 13) – approved the Provisional Outturn Report 2011/12.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 Robust budget and performance monitoring are essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximised.

3.2 'Ensure our support services effectively serve the organisation through high quality, high value services' and 'Manage resources and assets effectively and sustainably' represent two of the seven key objectives underlying the corporate priority 'Better services with less money' and the strategic objectives.

3.3 Relevant Council strategies and policies include the following:
- Corporate Plan 2011-13;
- Medium Term Financial Strategy;
- Treasury Management Strategy;
- Debt Management Strategy;
- Insurance Strategy;
- Risk Management Strategy; and
- Capital, Assets and Property Strategy.

4. RISK MANAGEMENT ISSUES

4.1 The revised forecast level of balances needs to be considered in light of the risks identified in 4.2 below.

4.2 Various projects within the Council's revenue budget and capital programme are supported by time-limited grants. Where there are delays to the implementation of these projects, there is the risk the associated grants will be lost. If this occurs either the projects will be aborted or a decision to divert resources from other Council priorities will be required.

5. EQUALITIES AND DIVERSITY ISSUES

5.1 Financial monitoring is important in ensuring resources are used to deliver equitable services to all members of the community.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance and Value for Money, Staffing, ICT, Property, Sustainability)

6.1 Robust budget and performance monitoring plays an essential part in enabling an organisation to deliver its objectives efficiently and effectively.

6.2 Use of Resources implications are covered within Section 9 of the body of the report and in the attached appendices.

6.3 The final outturn of £283.689m has resulted in no change to the General Fund balances of £15.780m. The General Fund balance therefore remains above the recommended target level of £15m.

7. LEGAL ISSUES

7.1 Section 151 of the Local Government Act 1972 states that "every local authority shall

make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs".

7.2 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council to monitor during the financial year its income and expenditure against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation.

7.3 Under the Equality Act 2010, the council and all other organisations exercising public functions on its behalf must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation.   With respect to a) the 'protected characteristics' also include marriage and civil partnership.

8.   CONSTITUTIONAL POWERS

8.1 The Council's Constitution, in Part 3, Responsibility for Functions, sets out in paragraph 3.6 the functions of the Cabinet Resources Committee including:
(a) Monitor the trading position of appropriate Council services, carry out debt analysis and look at income sources and charging policies;
(b) To write off debt;
(c) To determine external or cross-boundary trading limit; and
(d) Approval of schemes not in performance management plans but not outside the Council's budget or policy framework.

8.2 The Council's Constitution, Part 4, Financial Regulations Part 1 section 4.17 states the Chief Finance Officer will report in detail to Cabinet Resources Committee at least four times a year on the revenue and capital budgets and wider financial standing in addition to two summary reports at the beginning and end of the financial year.

9.   BACKGROUND INFORMATION

9.1   2011/12 Revenue Monitoring

9.1.1 The final outturn summary of 2011/12 is reflected in table 1 below. This provides a comparison of the final outturn position in comparison with the revised budget position. A breakdown of revenue monitoring by each service directorate is set out in Appendix B.

Table 1: 2011/12 Revenue Outturn Analysis – Summary

Description	Revised Budget £'000	Final Outturn 2011/12 £'000	Final Outturn Variation £'000	Provisional Outturn Variation £'000	Change £'000	Final Outturn 2010/11 £'000
Adult Social Care	98,897	98,896	(1)	-	(1)	95,819
Central Expenses	59,345	59,345	-	-	-	51,081
Chief Executive	11,047	10,819	(228)	(295)	67	11,620
Childrens Services (incl. DSG)	54,595	54,512	(83)	(549)	466	47,020
Commercial Services	15,958	15,851	(107)	238	(345)	15,786
Corporate Governance	5,873	5,678	(195)	(129)	(66)	5,706
Deputy Chief Executive	13,096	12,987	(109)	(31)	(78)	12,573
Environment, Planning & Regeneration	25,514	25,601	87	568	(481)	27,985
2011/12 General Fund Outturn	**284,325**	**283,689**	**(636)**	**(198)**	**(438)**	**267,590**
Housing Revenue Account	4	-	(4)	-	(4)	-
Total 2011/12 Outturn	**284,329**	**283,689**	**(640)**	**(198)**	**(442)**	**267,590**
Non Specific Grant	(99,505)	(99,505)	-	-	0	(20,492)
Aggregate External Finance	(35,905)	(35,837)	68	-	68	(94,556)
Collection Fund Surplus	-	-	-	-	-	(1,998)
Council Tax (Collection Fund Transfers	(155,466)	(155,466)	-	-	-	(153,005)
Reserves	6,547	7,119	572	-	572	2461
Use of Balances	-	-	-	**(198)**	**198**	-
General Fund Balances as at 01/04/11	**(15,780)**	**(15,780)**	-			
General Fund Balances as at 31/03/12	**(15,780)**	**(15,780)**	-			

9.1.2 The Council has a balanced position at the end of 2011/12. This has meant that Council's level of balances is able to remain the same as last year at £15.780m which is in excess of the target level of general fund balances of £15m.

Table 2: General Fund Balances

	£'000
General Fund Balances b/fwd 1 April 2011	(15,780)
Budgeted Use of Balances	-
Outturn Variation	-
General Fund Balances 31st March 2012	(15,780)

Within the overall position there is an overspend in Environment Planning & Regeneration of £0.087m. This is made up of overspends on Highway Inspections & Maintenance of £1.968m and lower than expected income on the Special Parking Account of £0.326m. This is reduced by underspends across the directorate.

There are underspends or nil variances across the other services. The largest underspends being in the Chief Executive service (£0.228m) which is primarily due to part year vacancies and reduced staffing costs and in Corporate Governance (£0.195m) where the recovery of court costs has been greater and the Members allowances lower than anticipated.

9.2   Variance from Provisional Outturn Report

The table 3 below compares the Provisional Outturn position and the Final Outturn positions. Comments are provided where there are variances between the positions.

Table 3: Details of changes since Provisional Outturn Report

Service	Final Outturn 2011/12 Variance £'000	Provisional Outturn 2011/12 Variance £'000	Change £'000	Comment
Adult Social Care	(1)	-	(1)	
Central Expenses	-	-	-	
Chief Executive	(228)	(295)	67	Underspend on supplies and services and staffing less than previously projected
Children's Services (excl. DSG)	(83)	-	(83)	Additional income received relating to non-recurrent schools support services
Dedicated Schools Grant	-	(549)	549	DSG underspend transferred to earmarked reserve in order to carry forward to 2012/13
Commercial Services	(107)	238	(345)	Vaulation Office agreed to refund business rate charges at Hendon Town Hall, due to incorrect assessment. Along with additional unanticipated rental income
Corporate Governance	(195)	(129)	(66)	Lower court costs in March than anticipated in Legal.
Deputy Chief Executive	(109)	(31)	(78)	Savings on Staffing
Environment Planning and Regenera	87	568	(481)	Favourable movement from Provisional Outturn due to a higher than expected surplus on PSL activity, higher than forecast March income within Building Control and Parking and recovery of consultants costs from developers.
Total	**(636)**	**(198)**	**(438)**	

9.3   Year End Performance Against the 2011/12 Corporate Plan Targets

9.3.1   Between quarters 1 and 4, good progress was made in delivering the 2011/12 Corporate Plan, with two key trends being particularly positive: Firstly, the organisation has met the majority of its targets, with 65% met by quarter 4 compared with 54.6% in quarter 1. Secondly, a higher percentage of targets had a positive direction of travel at the end of the year than at the beginning, with 72% of targets in quarter 4 showing a positive direction of travel compared with 61% in quarter 1.

9.3.2   **Emerging or escalating challenges:** There has been an increase in the number of homelessness acceptances over the quarter, with the final figure for the year representing an increase of 45% from quarter 3. The rate of increase of acceptances has accelerated in each quarter of the year. There has also been a 17% increase in the take up of nightly temporary accommodation, which is now 14% above the target. In addition, user satisfaction with planning services (46.2%) is substantially below target (63%).

9.3.3   In Customer Services there has been a significant (9%) deterioration in the overall satisfaction with the quality of all customer interactions, with an overall outturn of 62% satisfaction against a target of 85%.

9.3.4   Three Adult Social Care indicators: avoidable readmissions, mortality from cardiovascular disease, and mortality from all types of cancer, have reduced.

9.3.5 **Established challenges:** In addition to the emerging issues outlined above, there are a number of ongoing performance challenges in quarter 4:

- Child protection planning: Whilst there has been a steady reduction in the number of children who are subject of a child protection plan, the quarter 4 figure is significantly above the year start baseline.
- Attainment gap: We remain below target for the children's targets relating to the attainment gap between those receiving free school meals and their peers and KS 2 and KS4.
- Call centre performance: The overall performance of the council's call centres remains off target, with 63% of calls answered within 20 seconds against a corporate target of 75%. This level of performance does however reflect an improvement from quarter 1 (which was 48.3%).
- Freedom of information: Performance remains off target. While there has been slight improvement during the course of 2011/12, there has been deterioration from the quarter 3 position of 77.2%, with 75.3% of requests answered in 20 working days against the target of 90%.
- Pledgebank: Only four services, Adult Social Care and Health, Chief Executive's, Environment, Planning and Regeneration, and Deputy Chief Executive's have met the target of every service to support at least three Pledgebank initiatives.
- Regeneration: The completed number of dwellings on regeneration estates is below the end of year target of 431 homes, with 297 completions over the previous 12 months.

9.3.6 **Successes:** There are a number of areas where performance has been notably strong in quarter four. These include potholes, with over 94% of "intervention level" potholes now repaired within 48 hours. In Adult Social Care and Health there was a 50% increase in the number of carers assessments completed and a high proportion of older people still at home within 91 days of being discharged. The target for Right to Control was also met. In Children's Services there was a significant (29%) improvement in the number of children placed in out of borough or residential placements. These areas of performance improvement have resulted in more efficient services to residents (e.g. pothole repairs) and to specific customer groups. Finally, although the end of year target for overall **value for money** was missed, our level of performance of 72.3% of council services rated as being relatively low cost and high performance is the highest outturn of any London council.

9.4 Performance on HR/People Measures

9.4.1 Although there remain significant challenges, there has been improvement over the year for HR-related measures between quarter 1 and quarter 4. A higher proportion of performance reviews were completed during the year, absence reporting has increased to 91.9%, and in quarter 4 absence levels have reduced.

9.5 Housing Revenue Account

9.5.1 The Housing Revenue Account (HRA) has reported an underspend of £3.576m in 2011/12. This surplus is transferred to HRA balances and has resulted in a balance at 31 March 2012 of £7.806m

Table 4: Housing Revenue Account – 2011/12 Outturn Analysis

	Provisional outturn £'000	Movement £'000	Final Outturn £'000
2011/12 Housing Revenue Account Outturn	(1,802)	(1,774)	(3,576)
Allocations agreed from HRA balances	-	-	-
HRA balance as at 01/04/2011	(4,230)	-	(4,230)
Projected balances at 31/03/2012	**(6,032)**	**(1,774)**	**(7,806)**

9.6 School Balances

9.6.1 The balances held by schools, net of outstanding loans to the General Fund have increased by £0.361m to £15.089m as at 31 March 2012.

Table 5: Balances held by Schools

Balances held by Schools under delegated schemes	As at 31/03/2011 £'000	As at 31/03/2012 £'000	Increase/ (Decrease) £'000
Nursery	540	474	(66)
Primary	8,674	10,793	2,119
Secondary	5,121	3,375	(1,746)
Special	609	891	282
Total	**14,944**	**15,533**	**589**
Less outstanding General Fund advances to Schools	(216)	(444)	(228)
Net Position	**14,728**	**15,089**	**361**

9.7 Dedicated Schools Grant

9.7.1 The Dedicated Schools Grant Outturn position for 2011/12 shows that there was no variation.

Table 6: Dedicated Schools Grant

Description	Revised Budget £'000	Final Outturn 2011/12 £'000	Final Outturn Variation £'000	Provisional Outturn Variation £'000	Change £'000
Dedicated Schools Grant	(1,911)	(1,911)	-	(549)	549

9.8   Table 7: Provisions and Earmarked Reserves

	B/fwd 01 April 2011 £'000	In year related expenditure £'000	Written back in year £'000	Additions approved £'000	C/fwd 31 March 12 £'000
Provisions	19,108	(10,313)	(505)	2,011	10,301

	B/fwd 01 April 2011 £'000	In year related expenditure £'000	Written back in year £'000	Additions approved £'000	C/fwd 31 March 12 £'000
Central - Capital	0	0	0	1,000	1,000
Central - Financing	0	(302)	0	3,138	2,836
Central - Infrastructure	0	0	0	1,518	1,518
Central - Risk	13,220	(526)	0	4,406	17,100
Central - Service Development	0	0	0	5,100	5,100
Central - Transformation	9,396	(4,398)	0	10,000	14,998
Service - DSG	2,350	(2,350)	0	2,109	2,109
Service - Housing Benefits	4,568	(660)	0	241	4,149
Service - NLSR	1,440	(193)	0	2,020	3,267
Service - Other	5,562	(3,652)	(359)	5,732	7,283
Service - PFI	3,568	(333)	0	0	3,235
Service - Street Lighting	0	0	0	2,101	2,101
Special Parking Account	409	0	0	0	409
Total	40,513	(12,414)	(359)	37,365	65,105

9.9   2011/12 Capital Programme Outturn Summary

9.9.1   The total expenditure during 2011/12 on the Council's Capital programme was £57.806m, most of which was spent on Schools and other Children related projects (£19.942m) and the Housing Revenue Account (£21.663m). This compares to a total spend of £84.353m in 2010/11. Table 8 summarises the expenditure by each service.

Table 8: Capital Programme Position

Service	£'000
Adult Social Care	838
Central Expenses	410
Chief Executive	990
Children's Service	19,942
Commercial Services	1,193
Corporate Governance	2
Deputy Chief Executive	37
Environment Planning & Regeneration	12,731
Non-HRA Total	**36,143**
Housing (HRA)	21,663
Grand Total	**57,806**

9.9.2   A summary of slippage for which approval is sought (Recommendation 1.2) is shown in tables 9 and 10, with a detailed breakdown shown in Appendix C.

9.9.3   Subject to approval, slippage will be rolled forward to 2012/13 in order to fund the continuation of programmes.

Table 9: Capital Programme approvals

Capital Programme Description	Total Slippage £'000
Adult Social Care & Health	
Mental Health and Adults Personal Social Services Allocations	(8)
Central Expenses	
Capitalised Redundancies	(590)
Chief Executive Services	
Chief Executive Services	(330)
Childrens Services	
Schools Access Initiatives	(25)
Schools Modernisation & Access Improvement Programmes	(1,559)
Temporary Expansions - Allocated	(443)
Other Temporary Expansions	(1,351)
Broadfields	(8)
Other Permanent Expansions - Allocated	(68)
Surestart Programme	(153)
Major School Rebuild Total	(2)
Primary Schools Capital Investment Programme	53
East Barnet Schools Rebuild	(615)
Other Schemes	(868)
Capital Schemes Managed by Schools	
Capital Schemes Managed by Schools	798
Commercial Services	
Commercial Services	(585)
Corporate Governance	
Corporate Governance Projects	-
Deputy Chief Executive Services	
Deputy Chief Executive Services	(510)
Environment, Planning & Regernation	
Closed Circuit Television	-
Greenspaces & Leisure	194
Highways - TfL	(1,787)
Highways - non-TfL	(600)
Parking	(210)
Waste	(14)
Housing Association Programme	-
General Fund Regeneration	(327)
Disabled Facilities Projects	(300)
Housing Management System	-
Other Projects	(32)
Housing - HRA	-
Total HRA	83
Total Capital Programme	(9,257)

9.9.4 In addition to approval sought within this report for slippage, approval has already been granted by the Cabinet Resources Committee throughout the year to reschedule expenditure on various capital projects into 2012/13. By considering these approvals

alongside the approvals sought within this report, an assessment of the overall picture of capital programme performance during 2011/12 can be made.

Table 10: Capital Programme Slippage

Service Area	Original Budget (including prior years slippage)	In-year Slippage	In-year Additions / Deletions	Current Budget	Actual Spend	Outturn Slippage	Total Slippage (In-year plus Outturn)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Social Care	1,137	(1,033)	742	846	838	(8)	(1,041)
Central Expenses	5,088	(4,088)	-	1,000	410	(590)	(4,678)
Chief Executive Services	1,373	(53)	-	1,320	990	(330)	(383)
Children's Service	49,399	(33,141)	5,359	21,617	16,576	(5,041)	(38,182)
Capital Schemes Managed by Schools	2,568	-	-	2,568	3,366	798	798
Commercial Services	9,233	(7,480)	24	1,777	1,193	(584)	(8,064)
Corporate Governance	31	(29)	-	2	2	-	(29)
Deputy Chief Executive Services	512	-	35	547	37	(510)	(510)
Environment, Planning & Regeneration	29,441	(15,712)	2,077	15,806	12,731	(3,075)	(18,787)
General Fund Programme	**98,782**	**(61,536)**	**8,237**	**45,483**	**36,143**	**(9,340)**	**(70,876)**
HRA Capital	21,936	(1,801)	1,445	21,580	21,663	83	(1,718)
Total Capital Programme	**120,718**	**(63,337)**	**9,682**	**67,063**	**57,806**	**(9,257)**	**(72,594)**

9.9.5 Cabinet Resources Committee are asked to approve the proposed capital additions totalling £0.031m in 2011/12 (recommendation 1.9). Appendix D details the proposed additions to the capital programme with the related funding implications shown in table 11 below.

Table 11: 2011/12 Capital Funding Changes

Service	Grant	S106/ Other	Capital Receipts	Revenue	Borrowing	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Childrens Services	7	-	-	-	-	7
Commercial Services	-	-	151	-	-	151
Deputy Chief Executive Services	-	-	(510)	-	-	(510)
Environment, Planning & Regernation	276	-	0	45	-	321
Total General Fund Programme	**283**	**-**	**(359)**	**45**	**-**	**(31)**

9.9.6 Cabinet Resources Committee are asked to approve the proposed capital additions totalling £0.533m in 2012/13 for Environmental, Planning and Regeneration (recommendation 1.10). Appendix D details the proposed additions to the capital programme with the related funding implications shown in table 12 below.

Table 12: 2012/13 Capital Funding Changes

Service	Grant	S106/ Other	Capital Receipts	Revenue	Borrowing	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Environment, Planning & Regernation	25	508	-	-	-	533
General Fund Porogramme	**25**	**508**	**-**	**-**	**-**	**533**

9.10   Performance on Key Projects, including those in the One Barnet Programme
9.10.1 Further details of the key projects can be found in Appendix A.

9.11   Barnet Homes Leaseholder Contributions
9.11.1 Barnet Homes collects Leaseholder contributions towards the cost of improvements and major works in the council's social housing stock. The fall in major works debt overall is due to a reduction in the value of projects being undertaken post-Decent Homes, leading

to lower start of works invoice values (start of works invoices are generally but not exclusively billed at 90% of the total estimated works value) compared to the previous financial year which was particularly impacted by start of works invoicing for the Granville Road Tower Blocks programme.

9.11.2 This scheme is largely responsible for the increase in debt over 1 year old. Due to the exceptionally high values involved in this project (£23k per unit, estimated total leaseholder value £899k) the Leaseholder Services team have been working closely with the leaseholders to explore the most viable and sustainable payment options and will continue to do so once the interim accounts are billed now that works have completed on site. Collection rates for major works projects generally continue to be high and are continuously improving.

Table 13: Leaseholder – Major Works Debt Comparison

Age of Debt	As at 31/03/11 £'000	As at 31/03/12 £'000
Under 6 months	1,820	382
Between 6 months and 1 year	468	58
Over 1 year	904	1,900
Total	**3,192**	**2,340**

9.12 Provision for Bad Debt

9.12.1 The Bad Debt provision as at 31 March 2012 is £24.591m. This reflects the estimated proportion of all short-term debt which, based on historical loss experience, will not be recovered. A breakdown of this figure is shown in table 14 below.

Table 14: Provision for Bad Debt

Service	2010/11 Provision required balance B/FWD £'000	2011/12 Provision required balance C/FWD £'000	Movement £'000	Write offs / special adjustments £'000	Variance %
Adult Social Care	740	889	149	(378)	20%
Childrens Services	127	111	(16)	(16)	-13%
Corporate	102	50	(52)	(141)	-51%
E&O	269	189	(80)	(111)	-30%
Hous GF	4,150	4,417	267	(248)	6%
Planning	97	23	(74)	(17)	-76%
Parking	-	249	249	-	-
General Fund Total	**5,485**	**5,928**	**443**	**(911)**	**8%**
HRA	1,822	1,758	(64)	-	-4%
Collection Fund	14,106	13,254	(852)	-	-6%
Grand Total	**21,413**	**20,940**	**(473)**	**(911)**	**-2%**

9.13 Agency Staff

9.13.1 Table 15 shows a service breakdown of all Agency Staff expenditure in the financial year 2011/12.

Table 15: Agency Staff Costs

Directorate	2010/11 Total Agency & Consultants expenditure £'000	Quarter 1 2011/12 *** Total Agency & Consultants expenditure £'000	Quarter 2 2011/12 *** Total Agency & Consultants expenditure £'000	Quarter 3 2011/12 *** Total Agency & Consultants expenditure £'000	Quarter 4 Agency Spend £'000	Quarter 4 Consultants Spend £'000	Quarter 4 Total Agency and Consultants Expenditure* £'000
Adult Social Care	2,218	200	512	451	579	238	817
Chief Executive' Service	1,025	134	262	355	647	486	1,133
Childrens' Services	8,241	455	3,196	3,193	1,103	2,595	3,698
Commercial **	3,273	309	768	807	717	1,693	2,410
Corporate Governance	234	72	50	81	210	9	219
Deputy Chief Executive	2,867	584	880	648	431	4	435
Environment, Planning & Regeneration	5,244	2,200	1,106	735	588	794	1,382
Totals	23,102	3,954	6,774	6,270	4,275	5,819	10,094

* Data as at 31st March 2012 includes revenue (£5.255m) and capital spend (£4.839m)
** Commercial includes "One Barnet" project expenditure £0.182m (Agency) and £1.628m (Consultants).
*** Qtr's 1, 2, and 3 have been adjusted to account for previous year outstanding commitments and after date manual changes in year.

9.15 Virements

In accordance with the financial regulations the following virements require member approval (recommendation 1.11) and are detailed further in Appendix F.

9.15.1 There are a number of virements, they are detailed below :-

- £2.765m is requested within the Commercial Directorate to re-align the budgets within Information systems. There is a nil impact on the service budgets.
- £16.506m is requested within the Housing service to realign the budget to reflect the transfer of Housing Needs and Resources to The Barnet Group. There is a nil impact on the service budgets
- £25.037m is requested within the Special Parking Account to realign the budget to reflect the transfer of Parking Services to an External Service Provider (NSL). There is a nil impact on the service budgets.
- £0.195 is requested within the Hendon Cemetery and Crematorium service to realign the budget to reflect the restructure of the service team and consequent increased income opportunities. There is a nil impact on the service budgets.
- A recurrent virement is requested for £0.220m in 2012/13 from the following services listed below to Adult Social Care & Health to consolidate budgets in respect of payments to be made to Your Choice Barnet:
  - Payroll (£0.030m)
  - Information Systems (£0.110m)
  - Human Resources (£0.010m)
  - Finance (£0.070m)
- £0.537m is requested as part of the customer services transformation programme for 2012/13 (£0.657 full year effect for 2013/14 onwards). As part of this programme a number of functions are transferring from service departments below into the customer services team:

- o £0.171m Parking in 2012/13 (full year effect of £0.187m for 2013/14 onwards).
- o £0.050m Youth in 2012/13 (full year effect to be confirmed for 2013/14 onwards).
- o £0.316m Adults in 2012/13 (full year effect of £0.470m for 2013/14 onwards).

The budgets associated with these functions need to be transferred into the customer services team.

9.16 Movements to and from contingency

9.16.1 Approval is requested for the following contingency transfers for 2012/13 and on-going:

- £0.500m from contingency for 2012/13 and on-going be approved to fund the Leisure budget pressure that has arisen pending the implementation of the Leisure Review.

- £0.210m from contingency for 2012/13 and on-going be approved for Environment Planning & Regeneration to fund the additional duties the Flood Risk Regulations 2009 (FRR 2009) and the Flood and Water Management Acts 2010 (FWMA 2010) have put on the Council. The Department for Environment, Food and Rural Affairs (DEFRA) have allocated additional funding to enable the discharging of these duties.

9.17 Drawdown from Reserves

9.17.1 The One Barnet programme has created capacity within the Council to run a significant programme of change. As was stated in the Business Plan for 2012/13 to 2014/15 (approved by Cabinet on 20 February 2012), this corporate change programme is forecast to deliver over £16m in base budget savings by 2014/15. This will have been achieved through significant changes to the way in which public services are delivered in Barnet, such as the creation of a Local Authority Trading Company.

9.17.2 At Cabinet on 20 February 2012, the extension of this corporate change programme to include 5 new major projects was approved. These are forecast to deliver £11.7m in base budget savings by 2014/15.

9.17.3 The five new projects are focussed on:

- Community Safety,
- Early Intervention,
- Health Integration and Demand Management,
- Strategic Review of Leisure and
- Street Scene.

The first iteration of business cases for each of these five projects is now being developed. These 'Strategic Outline Cases' have been developed with input from elected members, the public, Council staff and those of partner organisations. They explore how we can effectively manage demand for public services through the promotion of healthy and safe individuals and communities, people taking responsibility for their own actions, local involvement in - and tailoring of - support, and a well designed public realm.

9.17.4 This management of demand is an essential element of delivering significant savings within the Council's future business plans, which are likely to be set against the backdrop of an even more challenging spending review for 2014/15 onwards. Approval at this stage is requested for funding to develop business cases for these projects, further funding will be contingent on the approval of these subsequent business cases.

9.17.5 In addition to the five new projects, it is proposed that three 'enabling' projects are also run. The first is the implementation of the Information Management Strategy, which will ensure that information management policy is implemented so that it consistently reflects best practice and complies with relevant legislation. The second is the extended improvements to our Customer Services, which includes the centralisation of customer services functions in services as diverse as Adult Social Care and Health and Revenue and Benefits.

9.17.6 The third project is the reorganisation of the Council's staffing structure. The restructuring was approved at General Functions in April 2012. It delivers significant revenue savings by reducing the number of senior posts in the organisation and strengthens the Councils contracting and delivery arrangements. Further details are contained in the General Functions Report.

9.17.7 These projects will, together, ensure that the Council is operating in the business-like and effectively managed manner required to ensure that we realise the ongoing financial and non-financial benefits of the One Barnet programme and that we can deliver the improvements identified in the new projects' business cases. Supporting all of the above is the continued running of the Council's programme management office.

9.17.8 9.17.8 To ensure the adequate funding of this enhanced programme of change, £10m is being added to the Transformation Reserve. Cabinet Resources Committee are asked to approve the expenditure of £6.140m of this within 2012/13, to fund the initiatives described above. The table below provides a breakdown of the predicted use of this money. The requested sum includes the totality of funding required for the three enabling projects and the Health Integration and Demand Management project. It also includes the funding for the development of Outline Business Cases for the other projects, and the funding of the programme management office through the year.

Table 16: Drawdown from Reserves

Project	Forecast Funding Required (2012-15) £m	Specific amount to be approved by CRC on 20/06/2012 £m
Early Intervention	£1.1	£0.0
Health and Social Care Integration	£1.1	£1.1
Community Safety	£1.0	£0.149
Street Scene	£2.1	£0.191
Programme Management Office	£2.2	£1.8
Corporate Restructure	£0.9	£0.9
Customer Services Transformation	£1.4	£1.4
Information Management Strategy	£0.6	£0.6
Contingency	£0.6	£0.0
Total	£11.000	£6.140

10. LIST OF BACKGROUND PAPERS

10.1 None.

Cleared by Finance (Officer's initials)	**MC**
Cleared by Legal (Officer's initials)	**SCS**

This page is intentionally left blank

Performance Report, Quarter Four, 2011-12

Contents of tables

147

A. Corporate performance overview

1. Corporate performance dashboard

The methodology for calculating these health ratings is explained in appendix 15 of this report.

Directorate	Corporate Plan performance	Revenue budget actual variance £'000	Capital actual variance £'000	HR/People	Key project rating
Adult Social Care and Health	3.5	(1)	(8)	-1.5	-1
Children's Service	2	(83)	(5,041)	-3	n/a
Environment, Planning & Regeneration	6	87	(3,075)	-3	-2
Commercial Services	-1.5	(107)	(584)	2.5	6.5
Deputy Chief Executive's Service	-2.5	(109)	(510)	-1	5.5
Chief Executive's Service (incl. Customer Services & Libraries)	-1	(228)	(330)	-3.5	-1
Corporate Governance	0.5	(195)	-	0.5	n/a
Central Expenses	n/a	-	(590)	n/a	n/a
Totals[1]	0.5	(636)	(10,138)[2]	-3	-0.5

[1] Organisational totals are based on a simple sum of overall RAG ratings for each service, where each colour is given a number e.g. green equals 1, red equals -1 as set out in appendix 15.
[2] Excluding capital schemes managed by schools.

2: Corporate Plan performance - corporate overview

Directorate	Total no. of Corp Plan indicators	RAG ratings				Positive/ neutral DoT	Negative DoT	No. of indicators expected to report data in Q4
		Green	Green amber	Red amber	Red			
Adult Social Care and Health	15	6	3	0	4	9	2	15*
Children's Services	15	3	4	2	2	9	2	13**
Environment , Planning & Regeneration	15	10	0	0	4	10	1	15**
Commercial Service	5	1	0	1	2	2	2	4
Deputy Chief Executive	3	0	0	1	2	2	0	3
Chief Executive's Service	14	4	0	0	5	7	2	10*
Corporate Governance	3	1	1	0	1	2	1	3
Total	70	25 (44%)	8 (14%)	4 (7%)	20 (35%)	41	10	63

* A CPI has no target so has no RAG rating so has not been included in the statistics
** A CPI due to be reported is still awaiting data and has not been included in the statistics

3: Corporate risks

The following is the 5 X 5 impact and probability 'heat map' highlighting the number of risks and their ratings:

The risk profile of the Council has changed from quarter 3 to 4, primarily due to some of the risk ratings reducing over this time, Procurement, development and infrastructure, waste and increased treasury risk still remain highly rated risks. The Street Lighting PFI risk has reduced and changed with a more sustainable solution being worked through. There were no escalation of risks from the Directorate to the Corporate Risk Register, however it is proposed to close the risk relating to the Revenue and Benefit system conversion to the Directorate Risk Register as there are no longer any risks pertaining to corporate objectives.

Short-term risks are considered procurement and business continuity, we would expect these to be mitigated by quarter 2 of 2012-13. Risks are monitored by senior management teams and considered monthly by Statutory Officers.

		IMPACT				
	Score:	1 Negligible	2 Minor	3 Moderate	4 Major	5 Catastrophic
PROBABILITY	5 Almost Certain	0	0	0	0	0
	4 Likely	0	0	0	4	0
	3 Possible	0	0	4	5	1
	2 Unlikely	0	0	0	0	0
	1 Rare	0	0	0	0	0

Those rated as 12 and above on the above 'heat map' are listed below:

Risk	Current Assessment Impact Probability Rating		Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating	
ORG0006 – Reputational/Financial Procurement- failure to deliver value for money, uncommercial contracts with suppliers.	Major 4	Likely 4 / High 16	Consolidate procurement activity within the Commercial Directorate *In progress* Develop and implement an up to date procurement strategy *In progress* Deliver actions as set out in Procurement Controls and Monitoring Action Plan. Audit to take place w/c 26 March 2012. *In progress*	Treat	30/06/2012 On-going On-going	Moderate 3 / Unlikely 2	Medium Low 6

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
ORG0010 – Reputational/Strategic Development and infrastructure – Development within the Borough through the medium-term is planned to deliver 8,800 new homes and an increase in population of 20,000 by 2015. There is a risk that funding and delivery mechanisms will not be in place to deliver the necessary physical, green and social infrastructure to accommodate the requirements of an increased population.	Major 4	Likely 4	High 16	Consider opportunities around TIF, particularly for BX/CR TIF Board established, external consultant appointed to consider options, development partners providing necessary information on infrastructure costs. *In Progress*		On-going	Moderate 3	Possible 3	Medium High 9
				Adopt a Community Infrastructure Levy (CIL) charging schedule for Barnet Draft tariff estimated Report to Regeneration Board July 2011 Adoption by June 2012 *In Progress*	Treat	30/06/2012			
				Develop a corporate approach to infrastructure delivery and securing of funding *In Progress*		On-going			
				Develop a robust Infrastructure Delivery Plan and funding delivery matrix *In Progress* Development of CIL tariff for Barnet anticipated introduction Summer 2012 *In Progress*		On-going			
ORG0011 – Compliance/Strategic Waste management and sustainability – The cost of waste disposal will increase significantly in the medium-term due to landfill tax increases and the procurement of new waste disposal facilities by the NLWA. The loss of £258.4m PFI credits presents further risk to the affordability and progress of the procurement. Waste minimisation, collection and recycling arrangements will significantly impact on cost and the amount of waste sent for disposal. In addition, the carbon reduction scheme will impose financial penalties in respect of wider sustainability	Major 4	Likely 4	High 16	NWLA Procurement risk register maintained and updated including review at Waste Project Board meetings. Ongoing *In Progress*		31/03/2012 (Normal)	Major 4	Likely 4	High 16
				Make progress at NLWA meetings, critical review of NLWA papers, with additional support from specialist consultant Ongoing *In Progress*	Treat	31/03/2012 (Normal)			
				Develop, implement and review Waste Action Plan Ongoing *In Progress*		31/03/2012 (Normal)			
				Annual communications plan to include more targeted communications based on the intelligence available. *In Progress*		15/05/2012 (Normal)			

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
issues. Government likely to further increase penalties/incentives. Risk – increased waste sent for disposal at significantly increased cost. Lack of progress on wider sustainability agenda attracting additional carbon commitment penalties.			(red)	Establish & Embed Carbon Reduction Commitment Steering Group to strengthen management focus on Carbon Reduction commitment Work in progress Review in Progress following 2011 reporting *In Progress* / Prepare business case for members' decision on future waste collections *In Progress* / Prepare business case for members' decision on future involvement with NLWA, including decision on Inter Authority Agreement. *In Progress*		03/04/2012 (Normal) / 15/05/2012 (Normal) / 15/05/2012 (Normal)			(red)
ORG0015 - Financial There is an enhanced risk around treasury in respect of creditworthiness of banks across the globe as a result of the current Eurozone crisis. The potential break up of the Euro and associated defaults could leave banks around the world exposed to bad debts. The Council therefore needs to review its treasury strategy continuously to ensure that the most prudent course of action is taken in respect of Council funding.	Major 4	Likely 4	High 16	Continual monitoring of deposits *In Progress*	Treat	On-going	Major 4	Possible 3	Medium High 12
ORG0019 - Financial Street Lighting PFI Contract. Contractor has struggled to deliver the required standards and as a consequence has suffered large financial adjustments. Contractor has indicated this is not sustainable and has threatened to withdraw from contract. The financial implications could be up to 50% increase annually potentially	Catastrophic 5	Possible 3	High 15	Working on proposed amendments to contract to improve sustainability - general service provision alterations Process has stalled pending resolution of issues preventing progress with the CMs installation on which other changes are dependent. Process has now re-commenced and the Waiver Funds have now been deposited. Works Order to be raised to commence work on CMS installation April/May.	Treat	31/05/2012 (Normal)	Catastrophic 5	Unlikely 2	MediumHigh 10

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		

equating to £2.25m annually.

In Progress
Working on proposed amendments to contract to improve sustainability - Invest a Safe Programme Agreements
05/01/2013 (Normal)

In Progress
A report has been drafted providing detailed explanation analysis of risks & options to reduce some of the risks This report may require consideration at CDG to progress to action.
20/05/2012 (Normal)

Due to the additional issues arising this Paper has been up-dated and submitted to the Directorate with a subsequent request to provide further information on cost impact for each option.

In Progress
Now gained agreement with all parties including Banks to proceed with the Energy Savings programme and this will have a positive impact on sustainability of the contract. Therefore there is still a possibility of the contractor walking away at the point at which the financial liability is reduced to the minimum point. This is expected to be May 2012. Hence the next review will be in 2012.
31/05/2012 (Normal)

ORG0001 – Reputational/Strategic
Transformation – The Council's strategic agenda is defined by the One Barnet programme which is designed to transform public services to Barnet citizens, working with our partners and the community, in the context of severe resource constraint. Risk – failure to deliver One Barnet effectively, with declining service performance and citizen satisfaction. Leading to sub-optimal commercial arrangements

Current Assessment: Major 4 / Possible 3 / Medium High 12

In Progress
Ensure effective governance arrangements with both Cabinet Members and senior management engaged. Ensure clear understanding of programme deliverables.

Treat
31/03/2011 (Normal)

Target Assessment: Minor 2 / Possible 3 / Medium Low 6

In Progress
Benefits Realisation Framework Business Case Framework in place with estimated programme costs and benefits. Framework for benefits to be completed in new year.
27/01/2012 (Normal)

Work continuing on mapping of benefits. 09/01 Workshops are commencing with project managers in order to populate

Risk	Current Assessment Impact	Probability	Rating	Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact	Probability	Rating
with third parties.				benefit profiles and to agree a mechanism for the management and tracking of benefits. *In Progress*					
ORG0002 – Financial Central government support has been cut and our response has been agreed by Cabinet. Given the slow recovery of the economy there is a risk that the government will make further cuts to local government funding. Risk – given the scale of the savings there will be key concerns in delivering those savings over the next 4 years and managing to deliver services in times of such uncertainty.	Major 4	Possible 3	Medium High 12	Risk assessment of savings plans Services to work through savings plans *In Progress*	Treat	On-going	Moderate 3	Possible 3	Medium High 9
ORG0004 – Reputational/Internal Control Governance – The Council faces a period of major change with potential impact on core governance systems and processes. Risk – breakdown in core governance systems leading to financial loss or reputational damage.	Major 4	Possible 3	Medium High 12	Comprehensive performance management reporting process including key risks at Directorate and Corporate level. Ongoing action *Implemented*	Treat	30/06/2012 (Normal)	Moderate 3	Unlikely 2	Medium Low 6
ORG0014 - Financial ORG0014 - Financial RISK: new revenues and benefits systems went live February however with process inefficiencies, data conversion issues and batch processes running slowly. In addition, due to the downtime from December to February, the main billing exercise took two weeks to process compared to 3/4 days initially specified. Significant backlog of workload is required to be processed. When the Council	Major 4	Possible 3	Medium High 12	Legal advice ongoing *In Progress* Constant monitoring and reporting of risks, issues and progress through the various departments and companies involved. ongoing *In Progress* Source better solution with Civica for hosting *In Progress*	Treat	31/08/2011 (Normal) 01/09/2011 (Normal) 31/08/2011 (Normal)	Moderate 3	Possible 3	Medium High 9

154

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
needs to submit its grant subsidy claim for March 2012 the risk will be that the LA error will not be in the tolerable ranges which would result in the threshold being lost circa £1.2m. As at the end of June 2011 the threshold is currently at £500k. LA error is intervening period between receipt and assessment of the claim - with a backlog situation this will always be the case.									
ORG0018 - Business Continuity Momentum is growing towards the London 2012 Games, and the level of involvement and responsibility Barnet is required to take to support activities and events is increasing. The Council has a number of responsibilities to fulfil, which require resourcing. In addition there is a risk that robust business continuity plan may not be in place throughout the period of the Olympics to take account of: managing community events, ensuring emergency planning procedures are in place and maintaining business as usual.	Major 4	Possible 3	Medium High 12	Review Action Plan on a monthly basis with Team *In Progress*	Treat	27/07/2012 (Normal)	Moderate 3	Unlikely 2	Medium Low 6

Proposed closure of risks to the Directorate Risk Register:

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
ORG0014 - Financial ORG0014 - Financial RISK: new revenues and benefits systems went live February however with process inefficiencies, data conversion	Major 4	Possible 3	Medium High 12	Legal advice ongoing *In Progress* Constant monitoring and reporting of risks, issues and progress through the various departments and companies involved. ongoing	Treat	31/08/2011 (Normal) 01/09/2011 (Normal)	Moderate 3	Possible 3	Medium High 9

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
issues and batch processes running slowly. In addition, due to the downtime from December to February, the main billing exercise took two weeks to process compared to 3/4 days initially specified. Significant backlog of workload is required to be processed. When the Council needs to submit its grant subsidy claim for March 2012 the risk will be that the LA error will not be in the tolerable ranges which would result in the threshold being lost circa £1.2m. As at the end of June 2011 the threshold is currently at £500k. LA error is intervening period between receipt and assessment of the claim - with a backlog situation this will always be the case.				*In Progress* Source better solution with Civica for hosting *In Progress*		31/08/2011 (Normal)			

B. Whole council summary tables

4: Key finance indicators

Indicator		2011/12 (Position at 31/03/12)	2010/11 (Position at 31/03/11)	Achieved /Trend
1 Revenue Expenditure				
(a) Balances and Reserves:				
(i) General Fund Balance	£'m	15.78	15.78	🟩
(ii) HRA Balances	£'m	7.81	4.23	
(iii) School Balances	£'m	15.09	14.73	🟩
(b) Performance against Budget: Variations:				
(i) Overspends	£'m	9.39	13.77	
(ii) Underspends	£'m	10.03	13.37	🟩
2 Capital Expenditure				
(i) Total Slippage	£'m	72.59	49.71	🟥
3 Debt Management				
(i) Total Debt Outstanding over 30 days	£'m	4.97	5.46	🟩
(i) Total Debt Outstanding over 12 months	£'m	1.54	1.58	
(iii) Council Tax - % paid	%	96	95.6	
4 Creditor Payment Performance				
(i) % of Creditors paid within 30 days	%	98.5	98.17	🟩

5: Revenue budget – see table 1 of main report

6: Capital budget – see tables 8 and 10 of main report

7: Human Resource/People performance - corporate overview

Key corporate HR targets and indicators

Attendance

Performance Indicator	Period covered	Target	Amber criteria	Q4 Actual (No.)	Q4 Actual % of total	Q4 (numerator/denominator)	Target Variance	Q4 DoT	Benchmarking
Average number of absence days per employee (Rolling year)	April 11 – March 12	6	6 - 6.5	7.7	N/A	20939.8/2735.3	-28.3%	0.0%	10.1 days (CIPFA, All Members & other Unitary Authorities 2011)
Average number of absence days per employee this quarter (target is seasonally adjusted)	Jan 12 – March 12	1.51	1.5 - 1.7	1.9	N/A	5133.5/2690.4	-25.8%	▲ 5%	2.25 days (CIPFA, All Members & other Unitary Authorities 2011)
% managers submitting a monthly absence return	Jan 12 – March 12	100%	>90%	419	91.9%	419/456	8.1%	▲ 24%	N/A : measure applicable to LBB only
% objectives set for eligible staff only	Jan 12 – March 12	100%	>90%	Next reported in Quarter 1 2012/2013					N/A
% mid year performance reviews undertaken for eligible staff only	Jan 12 – March 12	100%	>90%	Next reported in Quarter 3 2012/2013					N/A

Cost

Performance Indicator	Period covered	Target	Amber criteria	Q4 Actual (No.)	Q4 Actual % of total	Q4 (numerator/denominator)	Target Variance	Q4 DoT	Benchmarking
Variance of total paybill to budget	Jan 12 – March 12	£32,731,645	+/-5%	£32,824,580	0.3%	32824580/32731645	0.3%	▲ 94.1%	N/A : measure applicable to LBB only

13

Appendix A

	Period covered	Q4 Actual (No.)	Q4 Actual % of total	Q4 (numerator/ denominator)	DoT Q4 %	Benchmarking
Percentage of top 5% earners that are female	As at 31 March 2012	78	51.3%	76/152	▲ 1.4%	Women in leadership posts 49.9% (CIPFA, All Members & other Unitary Authorities 2011)
Number of BME employees as % of total employees	As at 31 March 2012	911	32.7%	911/2789	0.0%	Black and Minority Ethnic local population 33.1% (State of the Borough June 2011)
Number of declared disabled staff as % of total employees	As at 31 March 2012	78	2.7%	78/2929	0.0%	2.33% (CIPFA, All Members & other Unitary Authorities 2011)

Employee Relations

	Period covered	Q4 Actual (No.)	Q4 Actual % of total	Q4 (numerator/ denominator)	DoT Q4 %	Benchmarking
High Risk - Employee Relations cases as % of total cases	As at 31 March 2012	6	6.9%	6/87	▼ 22.5%	N/A : measure applicable to LBB only

Staff numbers by service area

	ESTABLISHMENT				OCCUPANCY					OTHER	
	Permanent	Fixed Term	Vacant	TOTAL	Permanent	Fixed Term	Agency / Interim	TOTAL	Variance	Consultants	Casual
Adult Social Care	259.38	20.79	116.21	396.38	264.90	21.59	70	356.49	-39.89	5	10
Children's Service	663.87	124.90	128.34	917.11	676.72	141.95	100	918.67	1.56	2	330
Chief Executives Service	302.86	36.83	52.34	392.03	305.17	36.94	35	377.11	-14.92	0	4
Commercial Service	110.91	26.00	24.17	161.08	113.31	22.00	41	176.31	15.23	2	0

14

Corporate Governance	63.59	9.50	15.49	88.58	63.87	11.50	19	94.37	5.79	1	2
Deputy Chief Executive Service	131.45	36.91	30.47	198.83	135.45	43.02	38	216.47	17.64	3	8
Environment Planning and Regeneration	748.30	52.22	140.63	941.15	759.79	59.39	162	981.18	40.03	18	85

8: Key projects – corporate overview

The table gives an overview of all active key projects and their status. The status of the reported projects is based on progress against key milestones for the quarter. Where there are no key milestones for Quarter 4 the project is reported the same as the previous quarter unless evidence of change/progress has been provided to the Project Assurance team. In addition, this table also includes those projects that have been asked for a highlight report but not submitted one (see Nil Return column)

Service Area	Red Status	Amber Status	Green Status	Nil Return/Not enough information provided
Adult Social Services	1			
Chief Executive's Office	1			
Children's Services				
Commercial Services	3	1	10	
Deputy Chief Executive including One Barnet		3	7	
Environment, Planning & Regeneration	5		4	1
Totals	**10**	**4**	**21**	**1**

C. Methodology for traffic light ratings

1.1 Thresholds for awarding directorate-level health rating traffic lights

	Green	Green Amber	Red Amber	Red
	Good performance	**Good, with some concerns**	**Some concerns**	**Serious concerns**
Revenue & capital budget mgt - variance % (above and below)	0%	< 0.5%	0.5 - 1%	More than 1%
Corporate Plan & HR performance scores	More than 2	0.5 to 2	-1 to 0.	Less than -1

1.2 Method for producing the Corporate Plan, HR/People and Project health ratings

Each individual performance indicator is traffic lighted according to the same four point traffic light scale: Green, Green Amber, Red Amber and Red. Points for each are awarded, as shown in the table below, and then added together to produce the overall health rating score for each directorate.

	Points for each indicator
Green	1
Green Amber	0.5
Red Amber	-0.5
Red	-1

For example, if there were four indicators in a particular directorate and each achieved one of the four traffic lights, the net result would be a score of 0 and this would produce a Red Amber overall health rating, based on the table above in paragraph 1.2.

1.3 Method for producing individual performance indicator traffic light ratings

Any target that is met achieves a Green traffic light. Targets that have not been met, but where 80% or more of the targeted improvement has been achieved, will be given a Green Amber traffic light.

Traffic Light	% of targeted improvement achieved	Description
Green	100% or more	Meeting or exceeding target
Green Amber	>80% <100%	Near target with some concerns
Red Amber	>65% <80%	Problematic
Red	<65%	Serious concerns

If the targeted improvement is below 80% but above 65% the indicator will get a Red Amber rating.

For example, if the baseline is 80 people and the target is 100 people, the targeted improvement is 20. 80% of 20 is 16, so the outturn would need to be at least 96 people to achieve Green Amber and at least 93 people to achieve a Red Amber.

Whilst initial traffic lights will be based on this objective criteria, they may subsequently be changed through discussion between Directorates and the Performance team, based on the individual circumstances and prospects for each target. Where this has occurred it will be clearly stated in the report with the reasons given.

The criteria for red and amber traffic lights for HR/People measures differs for each indicator; the amber criteria for each is shown alongside the indicator in the individual data tables.

In addition to the above criteria, Any performance indicator that is less than 10% off target and has a positive direction of travel will automatically qualify to be amber rated. Both of the following criteria need to be met if a service is to have a red-rated performance indicator amended to either a green-amber or a red-amber:

For an indicator to be rated as Green amber:
1.   No more than 5% off target, and;
2.   A positive direction of travel

For an indicator to be rated as Red amber:
1.   Between >5% and no more than 10% off target, and;
2.   Positive direction of travel or negative direction of travel not in excess of 2.5% (if the service has a clear story and improvement activity in place)

16

Adults

Description	Variations				Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
	£000	£000	£000	£000	
Care Services - Learning Disabilities	34,596	34,769	35,485	716	Continuing pressure on purchasing budgets linked to people with very complex levels of need.
Care Services - Mental Health	6,766	6,726	6,478	(248)	Work is ongoing to move clients on from Residential Care to Supported Living and other Community support. Risks in this area include increase in Autism diagnosis and continuing health care placements.
Care Services - Older Adults - Physical Disabilities	43,513	44,209	44,504	295	Outturn represents an overall improvement on the PSI overall overspend on purchasing. Cost pressures directly stem from a result of lack of appropriate wheelchair accessible housing.
Transformation & Resources	2,984	3,492	3,355	(137)	Savings for 2012/13 being achieved early. Underspend created by staff vacancies being held this year to offset overspend in Care Services
Strategic Commissioning & Supply Management	11,069	9,762	9,158	(604)	Non recurrent underspend against supporting people budgets whilst service is remodelled.
Government Grant Income	(61)	(61)	(84)	(23)	
Total	**98,867**	**98,897**	**98,896**	**(1)**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
   a)   32 cost centres over £100,000
   b)   39 cost centres over £50,000 where the cost centre's gross budget is less than £1m

Central Expenses

Description	Variations				Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
	£000	£000	£000	£000	
Corporate Subscriptions	314	314	314	-	
Levies	27,926	27,926	27,926	-	
Central Contingency	9,199	230	230	-	
Rate Relief	433	433	433	-	
Capital Financing	17,219	17,219	17,219	-	
Early Retirement costs	7,004	7,004	7,004	-	
FRS17 Adjustment	-	5,692	5,692	-	
Car Leasing	2	2	2	-	
Corporate Fees & Charges	799	799	799	-	
Miscellaneous Finance	16	(274)	(274)	-	
CDC DRM	-	-	-	-	
Total	**62,912**	**59,345**	**59,345**	**-**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
   a)   0 cost centres over £100,000
   b)   0 cost centres over £50,000 where the cost centre's gross budget is less than £1m

Chief Executive

Description	Variations				Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
	£000	£000	£000	£000	
Strategic Directors	652	589	564	(25)	Underspend on Supplies and Services
Assistant Chief Executive Service	2,015	2,232	2,139	(93)	Saving against Supplies and Services budgets plus staffing saving due to part year vacancies
Grants	840	821	818	(3)	
Library Services	5,738	5,580	5,558	(22)	Saving on premises costs
Customer Services & Registration	1,314	1,825	1,740	(85)	Underspend due to reduced staff costs and telephone rental savings.
Total	**10,559**	**11,047**	**10,819**	**(228)**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
   a)   3 cost centres over £100,000
   b)   3 cost centres over £50,000 where the cost centre's gross budget is less than £1m

Childrens' Services

Description	Variations				Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
CHILDREN'S SERVICE - GENERAL FUND	**£000**	**£000**	**£000**	**£000**	
Management Team	793	1,011	1,262	251	Non-recurrent costs incurred in this financial year. This figures includes additional legal and court costs associated with children's social care.
Social Care Division					
Social Care Management	2,784	2,362	2,071	(291)	Savings on staff costs held to offset overspend in Children in Care.
Children In Care	19,880	20,020	20,485	465	Overspend on adoption and fostering mainly due to increase in residential orders and special guardianship orders. Pressure on external placements including unaccompanied assylum seeker placements.
Children In Need	4,189	4,070	4,122	52	Overspend on salary due to agency staff.
Schools & Learning	2,423	1,979	1,730	(249)	Vacant post held to offset overspends in other areas. Additional income received relating to non recurrent school support services
Safeguarding, Partnerships & Prevention					
Safeguarding	1,086	1,081	1,210	129	Overspend linked to demographic growth and increased case load in year.
Early Intervention & Prevention (BRSI)	10,453	9,038	8,700	(338)	Non-recurrent savings of staff costs as recruitment for Family Focus service took longer than projected. Underspend also reflects one off savings due to re-profiling of contract implementation.
Integrated Youth & Play Services	3,887	4,835	4,686	(149)	Savings on staff and planned savings for next year achieved early.
Access to Learning & Complex Needs	10,107	10,313	10,367	54	Combination of over and under spends on staffing, commissioning and legal costs.
Other Children's Service Budgets (including PPP & Schools Funding)	1,975	1,797	1,790	(7)	
Schools Direct Management	-	-	-	-	
Total	**57,577**	**56,506**	**56,423**	**(83)**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
 a)   12 cost centres over £100,000
 b)   21 cost centres over £50,000 where the cost centre's gross budget is less than £1m

Commercial Services

Description	Variations				Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
	£000	**£000**	**£000**	**£000**	
Corporate Programmes & Consultancy	86	730	749	19	Agency costs due to mantaining a flexible workforce.
Property Services & Asset Management	7,075	7,954	7,823	(131)	Underspend due to additional rental income.
Corporate Procurement	413	246	538	292	Additional costs incurred in the reorganisation of the council's procurement capability.
Information Systems	7,059	7,028	6,741	(287)	Saving on IT services together with increased income.
One Barnet Programme	-	-	-	-	
Total	**14,633**	**15,958**	**15,851**	**(107)**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
 a)   5 cost centres over £100,000
 b)   6 cost centres over £50,000 where the cost centre's gross budget is less than £1m

164

Corporate Governance

Description	Variations				Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
	£000	£000	£000	£000	
Legal Services	1,850	1,856	1,754	(102)	Net underspend due to recovery of more court costs (additional income) than expected.
Democratic Services	884	945	954	9	
Members	1,591	1,559	1,425	(134)	Underspend on Members Allowances and Members Development, and a part-year vacant post.
Corporate Anti Fraud Team	733	692	732	40	Overspend due to court costs arising from fraud investigations and to lower than anticipated recharge income.
Elections	423	399	446	47	Overspend on canvassing costs (increasing the electoral register across the Borough)
Civil Protection	177	172	132	(40)	No major incidents in 2011-12, therefore underspent.
Corporate Governance Directors	279	258	262	4	
Leaders Office	10	10	3	(7)	
Insurance	(8)	(18)	(30)	(12)	
Total	**5,939**	**5,873**	**5,678**	**(195)**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
   a)   1 cost centres over £100,000
   b)   1 cost centres over £50,000 where the cost centre's gross budget is less than £1m

Deputy Chief Executive

Description	Variations				Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
	£000	£000	£000	£000	
Finance	3,917	3,862	3,858	(4)	
Human Resources	2,091	2,122	2,121	(1)	
Revenues and Benefits	7,287	7,112	7,008	(104)	Savings on Staffing
Total	**13,295**	**13,096**	**12,987**	**(109)**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
   a)   0 cost centres over £100,000
   b)   1 cost centre over £50,000 where the cost centre's gross budget is less than £1m

165

Environment, Planning & Regeneration					
		Variations			
Description	**Original Budget**	**Budget V1**	**Final Outturn 2011/12**	**Variation**	**Comments**
	£000	**£000**	**£000**	**£000**	
Land Charges	(960)	(910)	(904)	6	Underspend on staff and running cost off setting small income shortfall.
Environmental Health/ Cem & Crem	1,199	1,107	1,333	226	Overspend at Hendon Cemetery & Crematorium due to lower than expected number of cremations and burials due to less severe winter and inability to maintain weekend services leading to reduction in business compared to previous years. This is being addressed for 2012/13 through a staff restructure.
Planning	471	547	746	199	Overspend due to establishment pressures and higher than budgeted running costs including legal expenditure for anticipated planning appeal cases.
Strategy (Planning & Housing)	580	728	734	6	Shortfall in external funding drawn down from development partners to support posts due to slower progress than expected on Brent Cross Cricklewood.
Building Control	(320)	(110)	(362)	(252)	Underspend due to staff savings, a review of the bad debt provision and also higher than expected income.
Housing	1,613	4,109	3,655	(454)	Underspend due higher than expected PSL income and lower PSL running costs. In addition there was an underspend on Homelessness Grant.
Regeneration Service	16	29	(251)	(280)	Higher than anticipated income received on regeneration buybacks plus some underspend on consultant costs where most of the expenditure incurred can be recovered from development partners.
Management and performance	73	1,343	1,205	(138)	Savings on directorate-wide running costs.
Highways Inspection/Maintenance	2,155	1,286	2,984	1,698	Overspend relates to reduced professional fee income from capital schemes. Further pressure resulted from additional responsive works, lower crossover fees resulting from fewer footway relay schemes in the capital programme and additional costs arising from the February snowfalls.
Highways income budgets incl. NRSWA	(589)	(912)	(1,011)	(99)	Staffing underspends
Greenspaces	4,229	5,061	5,084	23	Small overspend due to repairs and grounds maintenance costs
Cleansing	4,486	4,494	4,348	(146)	Underspend driven by better management of use of agency staff and efficiencies obtained from rationalisation of fleet.
Refuse (domestic and trade waste)	3,558	3,545	3,239	(306)	Underspend driven by efficiencies obtained from rationalisation of fleet and higher sales income from Trade Waste arising from fees and new business.
Parking	(1,164)	(1,412)	(1,386)	26	The overspend relates to a shortfall in off street (car park) income due to economic climate. This was partially offset due to an underspend in parking design due to increased rechargeable activity.
Transport	(66)	(16)	(206)	(190)	Underspend in Transport due to savings in the central leasing cost budget and additional income including grant income received from DfT for Bus Operators.
Recycling	3,373	3,501	3,204	(297)	Higher levels of income received within the recycling contract due to better market prices and Biodegradable Incentive Payment from the NWLA.
Street Lighting	5,320	6,015	6,039	24	Small running cost overspend
Community Safety	388	358	225	(133)	Savings in Safer Communities funding.
Community Protection	1,223	1,218	1,081	(137)	Savings in CCTV and increase in Licensing Income.
Leisure	1,053	1,567	1,552	(15)	Budget saving on Copthall Stadium, pending outcome of leisure review.
WOM	-	-	-	-	
Environment, Planning & Regeneration	**26,638**	**31,548**	**31,309**	**(239)**	
Special Parking Account	(5,923)	(6,034)	(5,708)	326	As reported during monthly monitoring the income target for permits proved to be a pressure. Increased staff costs due to the need for additional agency staff to deal with a backlog in parking processing. Additional costs also associated with IT systems in the run up to the parking service outsource added further pressure.
Environment, Planning & Regeneration Total (inc SPA)	**20,715**	**25,514**	**25,601**	**87**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
- a) 11 cost centres over £100,000
- b) 9 cost centres over £50,000 where the cost centre's gross budget is less than £1m

166

Dedicated Schools' Grant

Description		Variations			Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
CHILDREN'S SERVICE - DSG	**£000**	**£000**	**£000**	**£000**	
Centrally Retained	20,938	19,460	19,969	509	This variance is offset by underspend in ISB for funding in SEN in acadamies. This leaves a £330k underpend which represents a reduction in out of borough placements and savings on procurement of therapies.
ISB	253,663	208,808	207,964	(844)	This variance is offset by overspend in centrally retained for funding for SEN in acadamies.
DSG & LSC Grant	(274,768)	(230,179)	(231,953)	(1,774)	DSG income anticipated to be recouped in year due to academy conversions but did not materialise in 2011/12.
Underspend 2011/12			2,109	2,109	DSG underspend transferred to earmarked reserve in order to carry forward to 2012/13.
Total	**(167)**	**(1,911)**	**(1,911)**	**-**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
    a)   12 cost centres over £100,000
    b)   12 cost centres over £50,000 where the cost centre's gross budget is less than £1m

Housing Revenue Account

Description		Variations			Comments
	Original Budget	Budget V1	Final Outturn 2011/12	Variation	
Housing Revenue Account	**£000**	**£000**	**£000**	**£000**	
LBB Retained	1,632	1,581	1,573	(8)	Staff cost underspend.
HRA Regeneration	1,091	1,074	365	(709)	Higher than anticipated recovery of consultants costs from developers.
HRA Other Income and Expenditure (net)	(5,118)	(5,045)	(6,151)	(1,106)	Favourable variance due to additional rental income from a lower than budgeted void rate and lower than anticipated level of stock reduction. Additionally, lower than budgeted interest payable on HRA debt as a result of a lower than budgeted rate of interest.
Support Service recharges	576	576	726	150	Support service recharges higher than budgeted.
Interest on Balances	(40)	(40)	(89)	(49)	Favourable variance due to higher than budgeted cash balances.
HRA Surplus/Deficit for the year	1,859	1,858	3,576	1,718	Total HRA surplus to be transferred to balance sheet.
Total	**-**	**4**	**-**	**(4)**	

Within the revenue monitoring above, the number of cost centres that have net overspends or underspends are:
    a)   8 cost centres over £100,000
    b)   3 cost centres over £50,000 where the cost centre's gross budget is less than £1m

This page is intentionally left blank

Capital Programme Description	Sub-Description	Current 2011/12 Budget (incl. Slippage and Substitutions)	2011/12 Actual Expenditure (incl. Accruals)	Variance from Current 2011/12 Budget	Explanation if variance over £50,000
		£000	£000	£000	
Adult Social Care & Health					
Improving the Care Environments for Older People		16	16	-	
Barnet Independent Living Service- Repair Works		19	19	-	-
LEZ Compliant Vehicle		742	742	-	
SWIFT		69	61	(8)	
Mental Health and Adults Personal Social Services Allocations		**846**	**838**	**(8)**	
Total - Adult Social Care & Health		**846**	**838**	**(8)**	
Central Expenses					
Capitalised Redundancies		1,000	410	(590)	Lower spend due to number of staff being made redundant was less than anticipated and only statutory costs could be capitalised
Capitalised Redundancies		**1,000**	**410**	**(590)**	
Total - Central Expenses		**1,000**	**410**	**(590)**	
Childrens Services					
	2010/11 Programme	41	16	(25)	
Schools Access Initiatives		**41**	**16**	**(25)**	
Modernisation - Primary & Secondary	Modernisation Prim & Sec 2008/09	262	108	(154)	Programme consists of several projects at varying stages of completion. Monies will be slipped into 2012/13 to complete modernisation works identified as a priority
	Modernisation Prim & Sec 2009/10	75	17	(58)	Programme consists of several projects at varying stages of completion. Monies will be slipped into 2012/13 to complete modernisation works identified as a priority
	Modernisation Prim & Sec 2010/11	805	26	(779)	Programme consists of several projects at varying stages of completion. Monies will be slipped into 2012/13 to complete modernisation works identified as a priority
	Modernisation Prim & Sec	3,218	2,650	(568)	Programme consists of several projects at varying stages of completion. Monies will be slipped into 2012/13 to complete modernisation works identified as a priority
Schools Modernisation & Access Improvement Programmes		**4,360**	**2,801**	**(1,559)**	
Urgent Primary Places 09/10	Temp Expansions Commencing 09/10	6		(6)	
	Dollis School (Temp Expansion)	115	4	(111)	Works due to take place in 2012/13
	Monkrith School (Temp Expansion)	41	14	(27)	
	Wessex Gardens (Temp Expansion)	55	48	(7)	
	Woodridge Primary School (Temp Expansion)	253	259	6	

Capital Programme Description	Sub-Description	Current 2011/12 Budget (incl. Slippage and Substitutions)	2011/12 Actual Expenditure (incl. Accruals)	Variance from Current 2011/12 Budget	Explanation if variance over £50,000
		£000	£000	£000	
Urgent Primary Places - Temp	Manorside - Additional Class	-31	-	31	
	Beis Yakoov	150	150	-	
	Blessed Dominic	150	150	-	
	Martin Primary	120	163	43	
	Deansbrook Juniors - Demountables	120	28	(92)	Remaining works to take place in 2012/13
	Danegrove Junior - Demountables	200	-	(200)	Works due to take place in 2012/13
	Moss Hall Juniors - Demountables	16	16	-	
	Manorside - Refurb	76	45	(31)	
	Brunswick Park - demountables	252	244	(8)	
	Barnfield	100	61	(39)	
	Claremont	30	43	13	
	Edgware Infants	15	-	(15)	
	Temporary Expansions	1,359	8	(1,351)	Temporary Expansion is part of a larger children's service programme to address pupil places pressure. Money will be slipped into 2012/13 and spent as part of larger programme.
Urgent Primary Places - Perm	Broadfields (Perm)	1,840	1,831	(9)	
	Permanent Expansions	1,386	1,318	(68)	Permanent Expansions is part of a larger children's service programme to address pupil places pressure. Money will be slipped into 2012/13 and spent as part of larger programme.
Urgent Primary Places		**6,253**	**4,382**	**(1,871)**	
Surestart	Phase 3	194	41	(153)	Monies to be slipped into 2012/13 to complete projects currently underway.
Surestart Programme		**194**	**41**	**(153)**	
Major School Rebuild	Hyde School Rebuild & Childrens Centre	173	171	(2)	
Major School Rebuild	Parkfield School	121	121	-	
Major School Rebuild Total		**294**	**292**	**(2)**	
Primary Schools Capital Investment Programme (PSCIP)	Wave 1 - Whitings Hill	316	193	(123)	Monies to be slipped into 2012/13 to pay for retentions.
	Wave 1 - Broadfields	157	163	6	
	Wave 1 - Northway/Fairway	500	669	169	Projects have come to an end. Costs will be met from within the children's service programme
Primary Schools Capital Investment Programme		**973**	**1,025**	**52**	
East Barnet & Project Faraday		1,033	418	(615)	Monies to be slipped into 2012/13 to pay for retentions.
East Barnet Schools Rebuild		**1,033**	**418**	**(615)**	
Youth Capital Funding		-	3	3	
Primary Capital Programme (DfES Primary Pathfinder)		4,556	4,794	238	Projects have come to an end. Costs will be met from within the children's service programme

Capital Programme Description	Sub-Description	Current 2011/12 Budget (incl. Slippage and Substitutions)	2011/12 Actual Expenditure (incl. Accruals)	Variance from Current 2011/12 Budget	Explanation if variance over £50,000
		£000	£000	£000	
Extended Schools		209	11	(198)	Monies to be slipped into 2012/13
Targeted Capital 14-19 SEN		1,505	1,273	(232)	Unallocated monies that will be utilised in 2012/13.
Aiming High for Disabled Children		230	5	(225)	Plans are being compiled to achieve maximum value for money with this non-recurrent capital allocation
TCF - Kitchen & Dining		1,523	1,120	(403)	Replacement kitchen project is ongoing and monies will be slipped into 2012/13 to pay for remaining works
Building Schools for the Future		-	4	4	
Play Builders		375	391	16	
Outstanding commitments on completed schemes		71	-	(71)	Contingency monies that did not need to be deployed in 2011/12.
Other Schemes		**8,469**	**7,601**	**(868)**	
Total - Childrens Services		**21,617**	**16,576**	**(5,041)**	
Capital Schemes Managed by Schools					
DFC - Including pupil referral unit		1,059	3,366	2,307	Any shortfall in the Devolved Formula Capital delegated to schools is met from the School's capital balances or
Locally Controlled Voluntarily Aided Programme	Pass ported budget - hence any spend is notional	3,860	-	(3,860)	Passported budget - spend is notional
Capital Schemes Managed by Schools		**2,568**	**3,366**	**798**	
Total - Capital Schemes Managed by Schools		**2,568**	**3,366**	**798**	
Chief Executive Services	**Chief Executive Services**				
Land & Assets Programme	Plantech Implementation programme	11	11	-	
	GIS	11	8	(3)	
Libraries Strategy	Libraries Strategy	35	1	(34)	
Customer Relationship Management (CRM)		48	25	(23)	
Custome Services Transformation		1,215	945	(270)	Slippage within the project
Chief Executive Services		**1,320**	**990**	**(330)**	
Total Chief Executive Services		**1,320**	**990**	**(330)**	

Capital Programme Description	Sub-Description	Current 2011/12 Budget (incl. Slippage and Substitutions)	2011/12 Actual Expenditure (incl. Accruals)	Variance from Current 2011/12 Budget	Explanation if variance over £50,000
		£000	£000	£000	
Commercial Services					
Arts Depot Lift		-	41	41	
NLBP - relocation of staff		39	27	(12)	
Corporate IM Platform		677	78	(599)	Slippage due to project being on hold whilst corporate Information Strategy was commissioned / delivered during second half of 11/12. Revised expenditure forecasts are: 2012/13 forecast: £200k - Wisdom phase 1 issues resolution 2013/14 forecast remainder - Enterprise Content Management solution
Business System Disaster Recovery		32	-	(32)	
Shared Service Centre		85	-	(85)	Project is now closed and underspend will be used to fund other projects
SWIFT		-	4	4	
Education Management Information System		44	-	(44)	
Energy Efficiency Measures		11	4	(7)	
Accommodation Strategy	HTH Committee room refurbishment	5	-	(5)	
	Office consolidation	465	397	(68)	Work on a planned Barnet House response unit has not yet begun.
Friary House		-	15	15	
Modernising the Way We Work		218	208	(10)	
Project & Programme Management Software		10	10	-	
Air Conditioning: Resources Centre - Bldg 4		102	95	(7)	
Depot relocation		89	116	27	
IS Refresh		-	198	198	Replacement of Servers. Telephony upgrade to support telephone systems.
Commercial Services		**1,777**	**1,193**	**(584)**	
Total Commercial Services		**1,777**	**1,193**	**(584)**	
Corporate Governance					
Emergency Response Command Centre		2	2	-	
Corporate Governance Projects		**2**	**2**	**-**	
Total - Corporate Governance		**2**	**2**	**-**	

Capital Programme Description	Sub-Description	Current 2011/12 Budget (incl. Slippage and Substitutions)	2011/12 Actual Expenditure (incl. Accruals)	Variance from Current 2011/12 Budget	Explanation if variance over £50,000
		£000	£000	£000	
Deputy Chief Executive Services					
Pericles		547	37	(510)	Project is now closed and underspend will be used to fund other projects
Deputy Chief Executive Services		**547**	**37**	**(510)**	
Total Deputy Chief Executive Services		**547**	**37**	**(510)**	
Environment, Planning & Regenration					
CCTV Installation		(175)	-	175	
	CCTV installation	175	-	(175)	
Closed Circuit Television		**-**	**-**	**-**	
Walk London	Walk London	379	425	46	
	Improvements to six of the Borough's Park	10	1	(9)	
Park Infrastructure		-	157	157	Late addition to the capital programme & so budget not yet reflected in the current budget totals for Environment, Planning & Regeneration. Once incorporated into the totals, there will be no overall variance as spend has been to the project budget
Greenspaces & Leisure		**389**	**583**	**194**	
Structural Maintenance of Bridges	2010/11 allocation	5	4	(1)	
Cycling	Cycling Non LCN Schemes 2009/10	(8)	-	8	
	Cycling LCN Schemes	8	-	(8)	
Congestion Reduction Methods	Congestion Reduction Methods	1	-	(1)	
Local Implementation Plan	Road Maintenance	74	4	(70)	TfL re-allocations not yet reflected in the capital programme. Current budgets totals to be updated once finalised on TFL portal.
	Corridors	1,354	1,276	(78)	TfL re-allocations not yet reflected in the capital programme. Current budgets totals to be updated once finalised on TFL portal.
	Cycling on Greenways	30	26	(4)	
	Local Transport Funding	100	98	(2)	
	Enabling Works	19	1	(18)	
	Enabling Works 2011-12	5	-	(5)	
	Schools programme	9	-	(9)	

Capital Programme Description	Sub-Description	Current 2011/12 Budget (incl. Slippage and Substitutions)	2011/12 Actual Expenditure (incl. Accruals)	Variance from Current 2011/12 Budget	Explanation if variance over £50,000
		£000	£000	£000	
	Principle road maintenance	653	647	(6)	
	Corridors, Neighbourhoods and Supporting Measures	3,948	2,355	(1,593)	Underspend due to late approval of the 2011 TfL programme. Spend reprofiled & to be completeted in 12/13
Highways - TfL		**6,198**	**4,411**	**(1,787)**	
Footway Reconstruction	2009/10 allocation	203	165	(38)	
	2010/11 allocation	16	-	(16)	
Traffic Management	2007-8 Pursley Road Allocation	69	61	(8)	
Colindale Development Area	Reconstruction of Railway Bridges	70	180	110	Lower than anticipated slippage
	A41 Aerodrome Road junction improvement works	44	41	(3)	
	Controlled Parking Zones	7	3	(4)	
	Aerodrome Road - additional pedestrial facilities	21	-	(21)	
	Colindale Station interchange	29	-	(29)	
	New scheme to be approved (Public Transportation Improvements)	10	-	(10)	
	Colindale CPZ Parking Review Feasibility Study- Colindale Hospital	2	-	(2)	
	CDA- Colindale Hospital	7	6	(1)	
GAF 3 Funding of Transport Projects	GAF 3 Funding of Transport Projects	262	41	(221)	Feasibility studies undertaken in 11/12 & spend now profiled for 12/13
Highways Investment	2010/11 HIP Programme	365	56	(309)	Predominantly s106 funding that was anticipated to be spent in 11/12 however other work priorities resulted in these
Carriageway and Footways	Annual Programme	72	-	(72)	Projects targeted for spend in 12/13
	Capitalisation of planned maintenance	985	987	2	
Travel Plan Implementation		44	-	(44)	
Pothole Elimination Programme		395	395	-	
Outstanding Transport Commitments on completed schemes		5	-	(5)	
	Carriageway and Footway	1,750	1,822	72	Accelerated Spend
Highways - non-TfL		**4,356**	**3,757**	**(599)**	
Road Traffic Act - Controlled Parking Zones	2010/11 Programme	185	133	(52)	S106 Funding that was anticapated to be spent in 11/12 however other work priorities resulted in these projects not being completed. The funding is S106 and is still available to spend in 12/13
Road Traffic Act - Controlled Parking Zones	2011/12 Programme	17	-	(17)	

Capital Programme Description	Sub-Description	Current 2011/12 Budget (incl. Slippage and Substitutions)	2011/12 Actual Expenditure (incl. Accruals)	Variance from Current 2011/12 Budget	Explanation if variance over £50,000
		£000	£000	£000	
Parking	Parking	840	699	(141)	Remaining removal & reinstatement works to take place in 12/13
Parking		**1,042**	**832**	**(210)**	
Recycling Schemes		56	-	(56)	
Purchase of Green Bins		-56	-	56	
Waste	Waste	151	137	(14)	
Waste		**151**	**137**	**(14)**	
Total Environment		**12,136**	**9,720**	**(2,416)**	
Housing - General Fund					
Mill Hill East		815	706	(109)	Slippage due to Project delays
Outer London Fund		299	81	(218)	Slippage due to Project delays
General Fund Regeneration		**1,114**	**787**	**(327)**	
Disabled Facilities Grant	Mandatory	2,330	2,044	(286)	Slippage due to lack of demand near year end
	Discretionary	119	105	(14)	
Disabled Facilities Projects		**2,449**	**2,149**	**(300)**	
Hendon Cemetry & Crematorium Enhancement		67	35	(32)	
Environmental Officer - capitalisation of salary		40	40	-	
Other Projects		**107**	**75**	**(32)**	
Total Housing - General Fund		**3,670**	**3,011**	**(659)**	
Environment,Planning and Regeneration		**15,806**	**12,731**	**(3,075)**	**-**
Total Capital Programme (Excluding HRA)		**45,483**	**36,143**	**(9,340)**	**0**
Housing - HRA					
Cash Incentives		399	399	-	
Major Works (excl Granv Rd)		4,990	4,314	(676)	Variance due to HRA Project Realignment
Granville Road		8,286	7,838	(448)	Variance due to HRA Project Realignment
Regeneration		1,263	1,196	(67)	Variance due to HRA Project Realignment
Misc - Repairs		1,990	2,185	195	Variance due to HRA Project Realignment
M&E/ GAS		2,423	2,673	250	Variance due to HRA Project Realignment
Voids and Lettings		2,029	2,897	868	Variance due to HRA Project Realignment
GF Hostels		100	14	(86)	Variance due to HRA Project Realignment
Procurement and mobilisation		100	147	47	
Total HRA		**21,580**	**21,663**	**83**	
Total Capital Programme		**67,063**	**57,806**	**(9,257)**	

This page is intentionally left blank

Capital Outturn Position

2011/12 Capital Programme Financing - Actual

Service	Grants £'000	S106 £'000	Capital Receipts £'000	Revenue / MRA £'000	Borrowing £'000	Total £'000
				Financing Source		
Adults Services	838	-	-	-	-	838
Central Expenses	-	-	410	-	-	410
Chief Executive	-	-	510	-	480	990
Children's Service	11,443	4,636	2,298	301	1,264	19,942
Commercial Services	23	-	538	-	632	1,193
Corporate Governance	-	-	2	-	-	2
Deputy Chief Executive	-	-	37	-	-	37
Environment,Planning, & Regeneration	6,275	541	1,697	613	3,605	12,731
Non-HRA Total	**18,579**	**5,177**	**5,492**	**914**	**5,981**	**36,143**
Housing (HRA)	5,870	399	14	15,380	-	21,663
Grand Total	**24,449**	**5,576**	**5,506**	**16,294**	**5,981**	**57,806**

This page is intentionally left blank

In year additions and deletions 2011/12

Directorate	Year	Capital Programme	Funding Type	Amount £'000
Childrens Services	2011/12	Youth Capital Funding	Grant	3
Childrens Services	2011/12	TCF - Kitchen & Dining	Grant	(16)
Childrens Services	2011/12	Building Schools for the Future	Grant	4
Childrens Services	2011/12	Play Builders	Grant	16
Childrens Services Total				**7**
Commercial Services	2011/12	Arts Depot Lift	Capital Receipts	41
Commercial Services	2011/12	Shared Service Centre	Capital Receipts	(85)
Commercial Services	2011/12	SWIFT	Capital Receipts	4
Commercial Services	2011/12	Education Management Information System	Capital Receipts	(44)
Commercial Services	2011/12	Accommodation Strategy	Capital Receipts	(5)
Commercial Services	2011/12	Friary House	Capital Receipts	16
Commercial Services	2011/12	Depot relocation	Capital Receipts	26
Commercial Services	2011/12	IS Refresh	Capital Receipts	198
Commercial Services Total				**151**
Deputy Chief Executive Services	2011/12	Pericles	Capital Receipts	(510)
Deputy Chief Executive Services Total				**(510)**
Environment, Planning & Regernation	2011/12	Walk London	Revenue	45
Environment, Planning & Regernation	2011/12	Park Infrastructure	Grant	157
Environment, Planning & Regernation	2011/12	Cycling	Grant	8
Environment, Planning & Regernation	2011/12	Cycling-Cycling LCN Schemes	Grant	(8)
Environment, Planning & Regernation	2011/12	Congestion Reduction Methods	Grant	(1)
Environment, Planning & Regernation	2011/12	Footway Reconstruction	s106	(3)
Environment, Planning & Regernation	2011/12	Highways Investment	s106	3
Environment, Planning & Regernation	2011/12	Recycling Schemes	Capital Receipts	(56)
Environment, Planning & Regernation	2011/12	Purchase of Green Bins	Capital Receipts	56
Environment, Planning & Regernation	2011/12	Disabled Facilities Grant	Grant	120
Environment, Planning & Regernation Total				**321**
		Total		**(31)**

In year additions and deletions 2012/13

Directorate	Year	Capital Programme	Funding Type	Amount £'000
Environment,Planning and Regeneration	2012/13	Road Traffic Act - Controlled Parking Zones-2012/13 Programme	s106	2
Environment,Planning and Regeneration	2012/13	Road Traffic Act - Controlled Parking Zones-2012/13 Programme	s106	5
Environment,Planning and Regeneration	2012/13	Road Traffic Act - Controlled Parking Zones-2012/13 Programme	s106	10
Environment,Planning and Regeneration	2012/13	Road Traffic Act - Controlled Parking Zones-2012/13 Programme	s106	2
Environment,Planning and Regeneration	2012/13	Road Traffic Act - Controlled Parking Zones-2012/13 Programme	s106	2
Environment,Planning and Regeneration	2012/13	Road Traffic Act - Controlled Parking Zones-2012/13 Programme	s106	2
Environment,Planning and Regeneration	2012/13	Road Traffic Act - Controlled Parking Zones-2012/13 Programme	s106	5
Environment,Planning and Regeneration	2012/13	Traffic Management	s106	37
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	26
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	8
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	20
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	45
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	20
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	45
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	70
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	102
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	51
Environment,Planning and Regeneration	2012/13	HIP Programme	s106	20
Environment,Planning and Regeneration	2012/13	Travel Plan Implementation	s106	5
Environment,Planning and Regeneration	2012/13	Travel Plan Implementation	s106	16
Environment,Planning and Regeneration	2012/13	Travel Plan Implementation	s106	5
Environment,Planning and Regeneration	2012/13	Travel Plan Implementation	s106	5
Environment,Planning and Regeneration	2012/13	Travel Plan Implementation	s106	5
Environment,Planning and Regeneration	2012/13	Enabling Works	Grant	25
		TOTAL		**533**

180

Revenue Budget 2011-12

Special Parking Account

	2010/11 Actual £	2011/12 Original Estimate £	2011/12 Current Estimate £	2011/12 Actual £
Income				
Penalty Charge Notices	(3,970,934)	(6,132,500)	(6,135,270)	(6,492,115)
Permits	(1,179,924)	(2,942,000)	(2,540,240)	(2,068,269)
Pay & Display	(2,109,547)	(2,416,510)	(2,815,500)	(2,980,090)
CCTV Bus lanes	(1,099,820)	(900,000)	(900,000)	(735,537)
Total Income	(8,360,225)	(12,391,010)	(12,391,010)	(12,276,011)
Operating Expenditure	6,271,885	6,068,290	6,357,040	6,567,971
Net Operating Surplus	(2,088,340)	(6,322,720)	(6,033,970)	(5,708,039)
Add Capital Expenditure / Debt Charge		400,000		
Net Expenditure in Year	(2,088,340)	(5,922,720)	(6,033,970)	(5,708,039)
Balance brought forward	(408,500)	-	-	(408,500)
Appropriation to General Fund	2,088,340	5,922,720	6,033,970	5,708,039
Balance Carried Forward	(408,500)	-	-	(408,500)

Special Parking Account	**£000**
Balance brought forward 1st April 2011	(409)
Net Revenue Surplus for the Year	(5,708)
Capital Funding	-
Transfer to General Fund	5,708
Balance at 31 March 2011	(409)

This page is intentionally left blank

Virements requiring member approval.

A virement for £2.765m is requested within the Commercial Directorate, in order to carry out budget realignment within Information Systems. There is a nil impact on the service budgets.

Cost Centre	Description	Account Group	Amount £'000
11197	Core Systems Improvement & Control	Support and Services	(896.5)
11197	Core Systems Improvement & Control	Employee Related	(515.3)
11001	IT Strategy	Support and Services	(200.9)
10599	Swift	Employee Related	(131.6)
11197	Core Systems Improvement & Control	Support and Services	(107.2)
11001	IT Strategy	Support and Services	(100.0)
11020	System Support	Support and Services	(94.2)
11022	Business Systems & Partnerships	Income	(84.9)
11020	System Support	Support and Services	(83.9)
11020	System Support	Employee Related	(74.3)
11021	Infrastructure	Support and Services	(51.9)
11022	Business Systems & Partnerships	Support and Services	(49.5)
11001	IT Strategy	Support and Services	(49.3)
11020	System Support	Employee Related	(47.7)
11022	Business Systems & Partnerships	Real Recharges	(46.3)
10342	Electronic Information Service	Support and Services	(45.8)
11020	System Support	Real Recharges	(35.1)
11021	Infrastructure	Support and Services	(32.4)
10413	Non Recoverable Costs from non GF Accounts	Income	(25.0)
11022	Business Systems & Partnerships	Real Recharges	(22.5)
11022	Business Systems & Partnerships	Income	(13.3)
11001	IT Strategy	Support and Services	(9.7)
11020	System Support	Support and Services	(8.7)
11199	Service Desk	Real Recharges	(6.3)
11021	Infrastructure	Support and Services	(5.1)
11197	Core Systems Improvement & Control	Support and Services	(4.5)
11197	Core Systems Improvement & Control	Support and Services	(4.0)
11020	System Support	Transport	(3.9)
11022	Business Systems & Partnerships	Support and Services	(3.4)
11199	Service Desk	Support and Services	(2.2)
11019	Shared Service Centre	Employee Related	(2.0)
11021	Infrastructure	Transport	(2.0)
10342	Electronic Information Service	Transport	(1.4)
11197	Core Systems Improvement & Control	Transport	(1.0)
10342	Electronic Information Service	Transport	(0.7)
10599	Swift	Employee Related	(0.7)
10599	Swift	Support and Services	(0.6)
11199	Service Desk	Support and Services	(0.4)
10599	Swift	Support and Services	(0.3)
10599	Swift	Support and Services	(0.3)
11001	IT Strategy	Support and Services	(0.3)
10599	Swift	Support and Services	(0.1)
11020	System Support	Employee Related	(0.1)
11021	Infrastructure	Employee Related	0.0
11021	Infrastructure	Support and Services	0.0
11199	Service Desk	Transport	0.1

Cost Centre	Description	Account Group	Amount £'000
11199	Service Desk	Support and Services	0.1
10342	Electronic Information Service	Support and Services	0.1
11020	System Support	Support and Services	0.1
11022	Business Systems & Partnerships	Support and Services	0.1
11001	IT Strategy	Transport	0.1
11022	Business Systems & Partnerships	Support and Services	0.1
11199	Service Desk	Employee Related	0.2
11021	Infrastructure	Real Recharges	0.2
10342	Electronic Information Service	Employee Related	0.2
11020	System Support	Support and Services	0.3
11022	Business Systems & Partnerships	Support and Services	0.3
11021	Infrastructure	Support and Services	0.3
11022	Business Systems & Partnerships	Employee Related	0.3
11020	System Support	Employee Related	0.4
11001	IT Strategy	Employee Related	0.5
11022	Business Systems & Partnerships	Support and Services	0.5
11001	IT Strategy	Support and Services	0.5
11199	Service Desk	Support and Services	0.6
11022	Business Systems & Partnerships	Transport	0.6
10342	Electronic Information Service	Support and Services	0.7
11001	IT Strategy	Support and Services	0.9
11021	Infrastructure	Transport	0.9
11199	Service Desk	Employee Related	1.0
11022	Business Systems & Partnerships	Support and Services	1.1
11022	Business Systems & Partnerships	Employee Related	1.1
11020	System Support	Support and Services	1.5
11020	System Support	Income	1.5
11001	IT Strategy	Support and Services	1.6
11022	Business Systems & Partnerships	Support and Services	1.6
11020	System Support	Support and Services	1.8
11021	Infrastructure	Transport	1.9
11001	IT Strategy	Employee Related	2.7
10599	Swift	Real Recharges	2.8
11001	IT Strategy	Employee Related	2.8
11020	System Support	Support and Services	3.5
11020	System Support	Support and Services	3.7
11021	Infrastructure	Employee Related	3.8
11020	System Support	Transport	4.8
10413	Non Recoverable Costs from non GF Accounts	Employee Related	5.0
10413	Non Recoverable Costs from non GF Accounts	Support and Services	5.0
11022	Business Systems & Partnerships	Real Recharges	5.1
10342	Electronic Information Service	Support and Services	5.5
11001	IT Strategy	Real Recharges	5.9
11021	Infrastructure	Support and Services	6.9
11199	Service Desk	Support and Services	8.6
10342	Electronic Information Service	Employee Related	9.9
10342	Electronic Information Service	Support and Services	11.9
10342	Electronic Information Service	Support and Services	13.2
10413	Non Recoverable Costs from non GF Accounts	Support and Services	15.0
11020	System Support	Support and Services	20.0
11021	Infrastructure	Real Recharges	33.9
11197	Core Systems Improvement & Control	Income	34.8
11001	IT Strategy	Support and Services	44.1
11022	Business Systems & Partnerships	Employee Related	49.5
11021	Infrastructure	Support and Services	51.9
11021	Infrastructure	Support and Services	62.2
11197	Core Systems Improvement & Control	Real Recharges	68.2
11021	Infrastructure	Support and Services	76.7
11197	Core Systems Improvement & Control	Income	101.7
11199	Service Desk	Employee Related	140.4
11020	System Support	Support and Services	155.1
11001	IT Strategy	Employee Related	219.2
11022	Business Systems & Partnerships	Employee Related	348.0
11022	Business Systems & Partnerships	Support and Services	1222.2
Grand Total			**-**

A virement of £16.506m is requested within the Housing service to realign the budget to reflect the transfer of Housing Needs and Resources to The Barnet Group

Profit Centre	Description	Account Group	Amount £'000
10020	Housing & Development	Income	(6,200.6)
10030	Temp Accomm	Third Party Payments	(2,409.8)
10883	Private Sector Leasg	Third Party Payments	(2,272.9)
11268	Housing Needs	Employee Related Pay	(994.9)
10992	BLH	Premises	(701.4)
10033	Homelessness Grant	Supplies & Services	(387.4)
10992	BLH	Supplies & Services	(386.5)
10030	Temp Accomm	Employee Related Pay	(327.3)
10033	Homelessness Grant	Employee Related Pay	(202.1)
11268	Housing Needs	Supplies & Services	(163.6)
10281	Rent Deposit Scheme	Third Party Payments	(158.9)
10030	Temp Accomm	Premises	(157.1)
10883	Private Sector Leasg	Employee Related Pay	(152.5)
10027	Hsg Grant Payt	Third Party Payments	(134.8)
10992	BLH	Employee Related Pay	(108.7)
11151	Accom & Lettings	Supplies & Services	(89.7)
10030	Temp Accomm	Supplies & Services	(83.4)
10991	Complaints & Sys Imp	Employee Related Pay	(76.2)
10991	Complaints & Sys Imp	Supplies & Services	(42.9)
10027	Hsg Grant Payt	Supplies & Services	(39.0)
11151	Accom & Lettings	Employee Related Pay	(24.8)
10883	Private Sector Leasg	Supplies & Services	(19.9)
10032	Hsg Resources	Employee Related Pay	(18.0)
11268	Housing Needs	Transport Charges	(16.2)
10035	Commty Centre	Third Party Payments	(12.7)
10030	Temp Accomm	Transport Charges	(9.7)
10035	Commty Centre	Premises	(3.2)
11151	Accom & Lettings	Third Party Payments	(3.1)
11268	Housing Needs	Premises	(1.2)
10032	Hsg Resources	Supplies & Services	(1.1)
11151	Accom & Lettings	Transport Charges	(0.7)
10032	Hsg Resources	Transport Charges	(0.3)
10035	Commty Centre	Income	12.6
11268	Housing Needs	Income	78.1
10992	BLH	Income	820.2
10883	Private Sector Leasg	Income	2,485.9
10030	Temp Accomm	Income	2,757.8
10020	Housing & Development	Supplies & Services	4,053.9
10020	Housing & Development	Third Party Payments	4,992.4
GF Total			**-**
11262	HRA - Housing Needs	Employee Related Pay	(639.1)
11152	HRA Accom & Lettings	Employee Related Pay	(219.2)
11065	HRA-HNR Temp Accom	Employee Related Pay	(214.8)
11262	HRA - Housing Needs	Supplies & Services	(59.3)
11101	HRA Complnts/Improv	Employee Related Pay	(50.6)
11063	HRA-HNR Housing Res	Employee Related Pay	(47.8)
11063	HRA-HNR Housing Res	Supplies & Services	(18.9)
11262	HRA - Housing Needs	Transfer Payments	(13.2)
11152	HRA Accom & Lettings	Supplies & Services	(11.4)
11065	HRA-HNR Temp Accom	Supplies & Services	(11.2)
11063	HRA-HNR Housing Res	Transfer Payments	(7.9)
11152	HRA Accom & Lettings	Transfer Payments	(3.1)
11065	HRA-HNR Temp Accom	Transfer Payments	(2.7)
11262	HRA - Housing Needs	Transport Charges	(2.7)
11063	HRA-HNR Housing Res	Transport Charges	(1.3)
11101	HRA Complnts/Improv	Supplies & Services	(0.8)
11065	HRA-HNR Temp Accom	Transport Charges	(0.5)
11152	HRA Accom & Lettings	Transport Charges	(0.4)
10921	HRA-Supervision & Management	Supplies & Services	1,304.9
HRA Total			**-**
Grand Total			**-**

A virement of £25.037m is requested within the Special Parking Account to realign the budget to reflect the transfer of Parking Services to an External Service Provider (NSL)

Profit Centre	Description	Account Group	Amount £'000
11352	SPA Management	Income	(12,481.0)
10647	Parking Processing & Overheads	Capital Charges	(6,896.0)
10646	Parking Enforcement (Inc. CCTV)	Employee Related	(2,148.2)
10647	Parking Processing & Overheads	Recharges	(1,689.8)
10647	Parking Processing & Overheads	Employee Related	(771.8)
10646	Parking Enforcement (Inc. CCTV)	Supplies and Services	(514.0)
10647	Parking Processing & Overheads	Supplies and Services	(191.8)
10646	Parking Enforcement (Inc. CCTV)	Recharges	(161.3)
10645	Parking Maintenance & Permits	Employee Related	(57.8)
10646	Parking Enforcement (Inc. CCTV)	Transport Related	(46.3)
10645	Parking Maintenance & Permits	Recharges	(36.2)
10645	Parking Maintenance & Permits	Supplies and Services	(25.6)
10646	Parking Enforcement (Inc. CCTV)	Premises Related	(13.9)
10647	Parking Processing & Overheads	Transport Related	(2.9)
10645	Parking Maintenance & Permits	Transport Related	(0.5)
11352	SPA Management	Transport Related	10.0
11352	SPA Management	Employee Related	557.4
11352	SPA Management	Recharges	730.6
10647	Parking Processing & Overheads	Income	2,540.2
10645	Parking Maintenance & Permits	Income	2,815.5
11352	SPA Management	Supplies and Services	4,287.0
11352	SPA Management	Capital Charges	6,896.0
10646	Parking Enforcement (Inc. CCTV)	Income	7,200.3
Grand Total			-

186

A virement is requested within the Hendon Cemetery and Crematorium service to realign the budget to reflect the restructure of the service team and consequent increased income opportunities.

Profit Centre	Description	Account Group	Amount £'000
10819	Cem&Crem Management	Employee Related	28
10819	Cem&Crem Management	Income	(7)
10818	Hendon Crematorium	Employee Related	24
10818	Hendon Crematorium	Premises Related	(2)
10818	Hendon Crematorium	Income	(26)
10661	Hendon Cemetery	Employee Related	143
10661	Hendon Cemetery	Premises Related	(43)
10661	Hendon Cemetery	Income	(117)
Total			-

A recurrent virement for £0.220m in 2012/13 from services listed below to Adult Social Care & Health to consolidate budgets in respect of payments to be made to Your Choice Barnet.

Profit Centre	Description	Account Group	Amount £'000
11210	Pay and data	Fees	(30)
10413	Recoverable costs from non-GF accounts	Fees	(110)
11211	HR Customer Services	Employee related	(10)
11263	Streategic and Technical team	Employee related	(70)
10488	External day care LD	Other agencies - TPP	220
Grand Total			-

As part of the customer services transformation programme, a number of functions are transferring from service departments into the customer services team. The budgets associated with these functions need to be transferred into the customer services team. These are as follows:

Profit Centre	Description	Account Group	2012/13 Amount (part year) £'000	2013/14 onwards (full year) £'000
11352	Parking permits	Supplies and Services	171	187
10585	Youth - Integrated Youth Service	Employee Related	50	tbc
10217	EWO	Employee Related	14	17
10444	Adults - SCD	Employee Related	266	397
10468	Adults - Learning Disabilities	Employee Related	4	6
11108	Adults - Brokerage	Employee Related	23	35
10428	Adults - Financial Assessment	Employee Related	3	5
10886	Adults - Direct Payments	Employee Related	5	8
11067	Adults - Mental Health	Employee Related	1	2
Total			537	657

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20th June 2012
Subject	**Treasury Management Outturn for year ended 31 March 2012**
Report of	Cabinet Member for Resources and Performance
Summary	To report on Treasury Management activity for year ended 31 March 2012.
Officer Contributors	John Hooton - Assistant Director of Strategic Finance
	Iain Millar – Head of Treasury and Pensions
Status (public or exempt)	Public
Wards affected	Not applicable
Enclosures	Appendix A – Money Market and PWLB Rates
	Appendix B – Deposits as at 31 March 2012 with Credit Ratings
	Appendix C – Compliance with Prudential Indicators
	Appendix D – List of School Banking Institutions
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Iain Millar, Head of Treasury and Pensions, 020 8359 7126.

1.   RECOMMENDATIONS

1.1   That the Treasury Management activity and position for the year ended March 2012 be noted.

1. 2   That the Committee notes the Council's response to continuing market uncertainty which is set out in sections 9.1.4 and 9.9.

1.3   That the Committee consider any areas on which it would like to receive further information

2.   RELEVANT PREVIOUS DECISIONS

2.1   Council, 1 March 2011 (Decision item 10) – Treasury Management Strategy 2011/12.

2.2   Cabinet Resources Committee 29 June 2011 (Decision item 6) - Treasury Management Outturn for the year ended 31 March 2011

2.3   Cabinet Resources Committee 27 September 2011 (Decision item 17) - Treasury Management Outturn for the quarter ended 30 June 2011.

2.4   Cabinet Resources Committee 14 December 2011 (Decision item 14) - Treasury Management Outturn for the quarter ended 30 September 2011

2.5   Cabinet Resources Committee 28 February 2012 (Decision item 10) Treasury Management Outturn for the quarter ended 31 December 2011

2.6   Council 6 March 2012, (Decision item 10) – Treasury Management Strategy 2012/13.

3.   CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1   The Treasury Management Strategy (TMS) ensures effective treasury management supports the achievement of the Council's corporate priority for 2011-2013, 'Better services with less money', through the strategic objective "manage resources and assets effectively and sustainably across the public sector in Barnet". The TMS is committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

4.   RISK MANAGEMENT ISSUES

4.1   Borrowing and deposit rates are determined by the market and can be volatile at times. Officers mitigate this volatility by monitoring the interest rate market in conjunction with treasury advisors and brokers, and by actively managing the debt and deposit portfolios.

5.   EQUALITIES AND DIVERSITY ISSUES

5.1   Under the Equality Act 2010, the council must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to

are: age; disability; gender reassignment; pregnancy and maternity, race, religion or belief; sex; sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.

5.2 The management of the Council's cash flow ensures the availability of adequate monies to pay for the delivery of the authority's public duties.
.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance and Value for Money, Staffing, IT, Property, Sustainability)

6.1.1 The purpose of the treasury function is to maximise the Council's budget for investment return and minimise interest costs in accordance with the risk strategy set out in the TMS.

6.1.2 The total value of existing long term treasury loans as at 31 March 2011 was £202.50m and for the year ended 31 March 2012 was £201.50m. The average cost of borrowing for the 2011-12 was at 4.10%. New borrowing of £102.58 m was taken on 28th March 2012 to finance the Council Housing reform settlement at an average cost of 3.36%.

6.1.3 At 31 March 2011, deposits outstanding amounted to £165.096m (including £3.144m of Icelandic impairments), achieving an average rate of return of 0.53% (adjusted for Icelandic deposits) against a benchmark of 0.52%. A list of deposits outstanding and counterparty credit ratings as at year end 31 March 2012 is attached as Appendix B. The Council's budgeted investment income for the year had been estimated at £1.291m. And interest earned was £1.245m.

6.2 In response to market uncertainty the Council has further restricted its investment criteria which impacted on investment performance as short term money market rates remained at low levels through out the year.

6.3 The wider financial implications for the Council are dealt with in section 9 of this report.

7. LEGAL ISSUES

7.1 These are addressed in the body of this report and, in particular, in sections 5.1, 9.4 and 9.6.

8. CONSTITUTIONAL POWERS

8.1 Financial Regulations (Part 1, Section 7) within the Council Constitution state:
(1) This organisation adopts the key recommendations of CIPFA's Treasury Management in the Public Services Code of Practice (the Code), as described in Section 4 of that Code.
(2) Cabinet Resources Committee will create and maintain a Treasury Management Policy Statement, stating the policies and objectives of its treasury management activities.
(3) The Chief Finance Officer will create and maintain suitable Treasury Management Practices (TMP's) setting out the manner in which the Authority will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
(4) The content of the policy statement and TMP's will predominantly follow the recommendations contained in Section 6 and 7 of the Code, subject only to

amendment where necessary to reflect the particular circumstances of the organisation. Such amendments will not result in the authority materially deviating from the Code's key recommendations.

(5) Cabinet Resources Committee will receive reports on its treasury management policies, practices and activities, including an annual strategy and plan in advance of the year, and an annual report after its close in the form prescribed in the TMP's. These reports will incorporate the prudential borrowing limits and performance indicators.

8.2   Constitution - Responsibilities for Functions, Section 3.6 states that a function of the Cabinet Resources Committee is to "consider reports on Treasury Management Strategy and activity, including creating and maintaining a Treasury Management Policy Statement."

9.   BACKGROUND INFORMATION

9.1   Treasury Management Strategy

9.1.1 The Council's amended Treasury Management Strategy 2010/11 was approved at Cabinet Resources Committee on 30 November 2010. The TMS 2010/11 reflected the Council Budget 2010-2011 Financial Forward Plan and Capital Programme and set out the timeframes and credit criteria for placing cash deposits and the parameters for undertaking any further borrowing.

9.1.2 The key changes introduced by the amended TMS 2010/2011 were:
(i) The extension of the maximum permissible duration of investments from 92 days to 364 days to bring the strategy in line with that of other local authorities and to enable a higher rate of return on investments.
(ii) The adoption of the Arlingclose (the Council's treasury advisors) counterparty list which includes the Debt Management Account Deposit Facility, T-Bills, UK local authorities, UK and non-UK banks and AAA-rated Money Market Funds.

9.1.3 The TMS 2011/12 was approved by Council on the 1st of March 2011 and incorporated the key changes set out in 9.1.2. above.

9.1.4 The TMS 2012/13 was approved by Council on 6 March 2012.

9.1.5 The TMS is under constant review to reflect market conditions and the financing requirements of the Council. The Council's treasury advisers Arlingclose are not recommending we adjust or tighten the current strategy. Arlingclose have recommended reducing maximum duration for new investments from 365 days to 3 months for approved Australian, Canadian and US banks and no new investment In European banks.

i)   However given current market uncertainty, officers have followed an even more cautious strategy than has been recommended by Arlingclose for new investments. The Council's investments are temporarily restricted to 14 days duration. Any investment proposed beyond 14 days must be approved by the Deputy Chief Executive.

ii)   Tightening counterparty criteria. Treasury Officers are restricted to investing only with UK, Canadian and Australian institutions who meet the required minimum credit rating in accordance with the treasury management strategy.

iii)   Since October 2011, Money Market Funds(MMF) have been opened to diversify cash investments in highly liquid financial instruments with the highest credit rating Arlingclose have recommended that MMF investments are restricted to 10% of the Council's total cash (previously 15%), in any one MMF. Investments must be diversified between a minimum of two funds and exposure limited to 0.5% of each MMF's total funds under management. The Council is currently investing in two MMF's with less than 10% of total cash in these accounts.

iv)   Use of the Debt Management Office because of market uncertainty and counterparty restrictions set out above.

9.1.6 European banking uncertainty has resulted in further down grading of the credit rating of some of the major UK institutions:- RBS, Bank of Scotland, Lloyds TSB, National Westminster Bank and Clydesdale Bank which ceased to meet met the minimum lending criteria set out in the Treasury Management Strategy and new investments with these banks was temporarily suspended. In practice this means that there were only a limited number of counterparties left with the required credit rating.

9.1.7 Changes set out in the 2012-2013 TMS amended the counterparty criteria to allow investment with banks which have systemic importance to the global banking system. This allows new investment with the main UK clearing banks which have been removed from the current counterparty list. Investment continues to be subject to an operational overlay to manage credit risk. There would be limits to investment duration and the counterparty list would be restricted to the key UK banks and subject to regular review.

9.1.8 Restrictions on duration of investment and exclusions from the counterparty list are expected to be a temporary measure. This report therefore asks the Committee to note the cautious approach to investment during the year.

9.2   Icelandic Bank Deposits
9.2.1 In December 2011, the Supreme Court of Iceland upheld the District Court judgment for the test cases that local authorities' claims are deposits that qualify in full for priority in the bank administrations. Securing priority creditor status means that authorities with deposits in Glitnir are set to recover 100 per cent of their money, whilst those with deposits in Landisbanki are estimated to recover 98 per cent. These decisions are now final and there is no further right of appeal.

9.2.2.   Sufficient cash has already been realised in the winding up, to repay the entire principal due from the Glitnir deposits. In March 2012 approximately 82% was recovered in a mixture of sterling, Euro and US dollar payments with conversion a spot rate into sterling. The remaining 18% is held in an escrow account in Icelandic Krona.

9.2.3. In February 2012, 30% was recovered from Landisbanki in a mixture of sterling, Euro, Norwegian Krona and US dollar payments with conversion a spot rate into sterling. The remaining 2% is held in an escrow account in Icelandic Krona. Regular annual payments are expected to pay the outstanding balance until December 2018.

9.2.4 The Council has reduced impairment in its accounts against Icelandic Bank losses to £3.144 million. The latest indications are that the Council will recover almost the entire principal and a proportion of the interest due on maturity. Most of the recoverable deposits and interest due will be paid from escrow accounts in Icelandic and Norwegian Kroner, Euros, and US Dollars. Fluctuations in currency rates against sterling since 2009

are likely to result in a potential shortfall on the deposits and interest expected to be returned to the Council. The potential shortfall can be met from within the existing risk reserve.

9.3   Economic Background

9.3.1   The 2011-12 Treasury Management Strategy forecast slow recovery and uneven recovery from the recession. Inflation measured by the Consumer Price Index (CPI) was above 3%, Unemployment was expected to rise from 2.5 million and there was a high degree of uncertainty surrounding Euro zone sovereign debt uncertainty.

..

Inflation: During 2011-12 inflation remained high. Annual CPI rose to 5.2% due to rising utility prices and the impact of the increase in VAT to 20% in January 2011. By February 2012, CPI had fallen to 3.4%. Inflation fell due to the combined effect of reduced transport costs and food prices .But low wage growth meant that the UK had the biggest drop in disposable income in more than three decades.

9.3.2   **Growth, Employment / Consumer Confidence**: Unemployment rose to 2.68 million and youth unemployment reached 1 million. Growth was forecast to be 1% in 2011 and 2012 but annual GDP was only 0.5% to December 2011. Real wages (i.e. after inflation) have been negative for over three years resulting in lower disposable income. Housing prices struggled to show sustained growth and consumer confidence remained fragile.

9.3.3   **Monetary Policy**. Central bankers' policies were driven by the feeble growth outlook rather than the upward trend in inflation.   The slowdown in the global economy, a deterioration in the economic outlook, the severe strains in the bank funding markets and a continued lack of supply of credit were the reasons given by the Monetary Policy Committee's decision at its meeting in October to increase asset purchases (QE) by £75bn and another £50 billion in February 2012 to a cumulative total of £325 billion, whilst maintaining the Bank Rate at 0.5%. The European Central Bank also opted for unconventional monetary policy by substantially increasing its refinancing operations. The ECB reintroduced year-long loans for banks and its main refinancing programme would be made available until at least July 2012, both of which are intended to provide much-needed liquidity for its banking sector.

9.3.4   **Gilt yields and money market rates** The very poor outlook for global 5-year growth has pushed back expectations for a rise in the UK bank rate to 2014/2015. Gilts once again benefited from their safe haven status and yields, which had already fallen to lows in the previous quarter, fell further in the fourth quarter of 2011. Public Works Boards Loans Board (PWLB) loan rates fell commensurately

9.3.5   **March 2012 Budget.** The monetary policy measures in the March 2012 budget statement were judged to be neutral as the government maintained its austerity plans to rebalance the economy. The Office for Budget Responsibility identified oil price shocks and further deterioration in Europe as the main risks to the outlook for growth and in meeting the fiscal target.

9.3.6   **Europe.** The political impasse in the Euro zone threatened to derail peripheral nations and it was not surprising that the rating agencies' warnings became more strident. Moody's said that it would review the ratings of all European Union sovereigns in the first quarter of 2012 after December's summit failed to produce decisive policy measures. Fitch placed the ratings of several sovereigns including Italy, Spain, Belgium and Ireland on rating watch negative based on its view that a comprehensive solution to the crisis was technically and politically beyond reach. In Europe sovereign debt problems for some countries became critical. Two bail-out packages were required for Greece, and

one for Portugal and the sovereign bonds of Spain and Italy came under increased stress. The markets took the view that Long Term re-financing Operations delayed resolution rather than addressed the sovereign debt crises in Europe

9.3.7 **Credit.** The deterioration in prospects for real growth had implications for earnings and profit growth and banks' creditworthiness. The slow down in debt and equity capital market activity also had implications for banks' funding and liquidity .These principal factors as well as re-assessment by the ratings agencies of future sovereign support for banks resulted in down grades to the long-term ratings of several UK and non UK financial institutions in autumn 2011.

9.3.8 The TMS will be kept under review specifically in terms of market conditions, benchmarks and yields**.**

9.4   Debt Management and the Reform of Council Housing Finance

9.4.1 The Localism Act passed into law in November 2011 which enabled the reform of council housing finance. The Housing Revenue Account subsidy system has now been abolished and replaced with self-financing whereby authorities support their own housing stock from their own income. This reform required a readjustment of each authority's housing-related debt based on a valuation of its council housing stock. Settlement date for the Self Financing transaction was Wednesday 28th March 2012.

9.4.2 As the Council's debt level generated by the housing reform model was higher than the Subsidy Capital Financing Requirement (SCFR), the Council was required to pay the CLG the difference between the two, which was £102.58m. This required the Council to fund the settlement primarily through borrowing. A preferential set of PWLB rates at 13bps above the equivalent gilt yield were available for this transaction on 26th March only, for settlement on 28th March. Given the one-off nature of the PWLB funding window and the advantages offered in terms of rate, loan structure and administration, the Council took the decision to fund through new borrowing from the PWLB.

9.4.3   Loan structures and maturities were discussed and analysed with the Council's Treasury Advisors to fit in with the Council's HRA business plan and strategy, funding costs, as well as the Council's existing treasury management position and risk profile. The Council will henceforth adopt a two pool approach in relation to the allocation of debt between the General Fund and HRA.

9.4.2 The total value of long term loans as at 31 March 2011 was £202.50m and for the year ended 31 March was £201.50m. The average cost of borrowing for the year to March 2012 was 4.10%. (Excluding Housing Finance Settlement borrowing) .There was no other borrowing in the year

9.4.3 Given the significant cuts to local government funding putting pressure on Council finances, the decision was taken to minimise debt interest payments without compromising the longer-term stability of the portfolio. The differential between the cost of new longer-term debt and the return generated on the Council's temporary investment returns was significant (just over 3%). The use of internal resources in lieu of borrowing was judged to be the most cost effective means of funding capital expenditure. This has, for the time being, lowered overall treasury risk by reducing both external debt and temporary investments. There is no benefit from taking new long term debt while borrowing costs are forecast to remain at current levels.

9.4.4 The Council's long term debt position to the end of the quarter ended 31 December 2011 was as follows:

	31 March 2012		31 March 2011	
	Principal	Average Rate	Principal	Average Rate
PWLB	£139.00m	4.19%	£140.00m	4.19%
Market	£ 62.50m	3.91%	£ 62.50m	3.91%
Total	£201.50m	4.10%	£202.50m	4.10%
PWLB HRA self-financing	£102.58m	3.36%	-	
Total	£304.08m			

9.4.5 The Council's long-term debt portfolio is a mixture of PWLB and market loans in the form of Lender's Option Borrower's Option, (LOBO's) loans that are at a fixed interest rate for an initial period, following which the lender can change the interest rate but the borrower has the option to repay the loan if the rate is changed and not considered value for money.

9.4.6 In order to comply with accounting standards for financial instruments, some of the market loans in the debt portfolio have been recalculated on an effective interest rate basis as opposed to being calculated on an amortised cost basis. The total value of loans in question before re-measurement was £9.5m; an additional charge of £0.36m was added to the carrying value of these loans.

9.4.7 Money Market data and PWLB rates are attached at Appendix A.

9.4.8 PWLB Borrowing: Despite the issue of Circular 147 in October 2010, where new borrowing rates for fixed loans increased by approximately 0.87% across all maturities, the PWLB remains the preferred source of borrowing for the Council as it offers flexibility and control.

9.5   Investment Performance

9.5.1 The DCLG's revised Investment Guidance came into effect on 1 April 2010 and reiterated the need to focus on security and liquidity, rather than yield. Security of capital remained the Authority's main investment objective. This was maintained by following and complying with the counterparty policy as out in the TMS 2010/11.

9.5.2 Counterparty credit quality was assessed and monitored with reference to credit ratings (Council's minimum long-term counterparty rating of A+ across all three rating agencies, Fitch, S&P and Moody's); credit default swaps; Gross Domestic Product (GDP) of the country in which the institution operates; the country's net debt as a percentage of GDP; any potential support mechanisms and share price.

9.5.3   The Deposits are managed internally. At 31 March 2012, deposits outstanding amounted to £165.096 million (£3.144m being Icelandic impairments)), achieving an average rate of return of 0.53% (adjusted for Icelandic deposits) against a benchmark of 0.52%. A list of deposits outstanding and counterparty credit ratings as at quarter end 31 December 2011 is attached as Appendix B.

9.5.4 The benchmark, the average 7-day LIBID rate, is provided by the authority's treasury advisors Arlingclose. The LIBID rate or London Interbank Bid Rate is the rate that a Euromarket bank is willing to pay to attract a deposit from another Euromarket bank in London.

9.6 Prudential Indicators

9.6.1 The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of its indebted status. This is a statutory limit which should not be breached. The Council's Authorised Limit (also known as the Affordable Borrowing Limit) was set and approved at £463.818 million.

9.6.2 The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included with the Authorised Limit. The Council's Operational Boundary for 2011/2012 was set and approved at £448.818million

9.6.3 During the year to 31 March 2012 there were no breaches of the Authorised Limit and the Operational Boundary.

9.6.4 Further details of compliance with prudential indicators are contained in Appendix C.

9.7 Compliance

9.7.1 The current 2011/2012 TMS was approved by Council on 1 March 2011. The TMS demands regular compliance reporting to this Committee to include an analysis of deposits made during the review period. This also reflects good practice and will serve to reassure this Committee that all current deposits for investment are in line with agreed principles as contained within the corporate TMS.

9.7.3 All Deposits placed during the year ended 31 March 2012 were compliant with the TMS as approved on 1 March 2011, and the revised TMS approved on 6 March 2012.

9.7.4 Treasury management procedures are monitored and reviewed in light of CIFPA guidance and current market conditions.

9.7.5 Update on schools banking - current position. The Department of Education changed their guidance on schools banking arrangements. The new guidance requires schools to bank with institutions that meet the requirements of approved counterparties as identified in the TMS. Appendix D contains a list of schools that currently bank with institutions that fall outside the TMS. Work is underway to transfer bank accounts to the approved list of banks and close bank accounts with those banks not on the approved list. Four schools were in discussion to transfer funds from Allied Irish Bank. Three of the schools have now transferred surplus funds from Allied Irish Bank. Accounts for two schools have also been opened with the Co-operative Bank. Work is in progress to open accounts and transfer accounts for the remaining school.

10. Summary

In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary report of the treasury management activity during the financial year 2011/12. None of the Prudential Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

11.   LIST OF BACKGROUND PAPERS

11.1   None.

Legal – SCS
CFO – MC/JH

Appendix A

The average, low and high rates correspond to the rates during the financial year and rather than those in the tables below

Table 1: Bank Rate, Money Market Rates

Date		Bank Rate		O/N LIBID	7-day LIBID	1-month LIBID	3-month LIBID	6-month LIBID	12-month LIBID	2-yr SWAP Bid	3-yr SWAP Bid	5-yr SWAP Bid
01/04/2011		0.50		0.40	0.54	0.54	0.69	1.12	1.59	1.89	2.36	3.00
30/04/2011		0.50		0.50	0.40	0.49	0.69	1.05	1.52	1.62	2.07	2.74
31/05/2011		0.50		0.40	0.40	0.52	0.69	1.08	1.56	1.53	1.89	2.54
30/06/2011		0.50		0.50	0.40	0.50	0.77	1.06	1.54	1.44	1.82	1.50
31/07/2011		0.50		0.40	0.40	0.50	0.78	1.07	1.55	1.29	1.53	2.09
31/08/2011		0.50		0.40	0.40	0.56	0.86	1.15	1.63	1.27	1.43	1.92
30/09/2011		0.50		0.60	0.60	0.54	0.92	1.21	1.69	1.25	1.38	1.75
31/10/2011		0.50		0.63	0.55	0.56	0.96	1.25	1.74	1.30	1.42	1.81
30/11/2011		0.50		0.65	0.58	0.64	1.01	1.31	1.80	1.41	1.49	1.76
31/12/2011		0.50		0.50	0.65	0.67	1.05	1.35	1.84	1.31	1.34	1.54
31/01/2012		0.50		0.50	0.70	0.68	1.06	1.38	1.87	1.20	1.23	1.46
29/02/2012		0.50		0.50	0.75	0.67	1.05	1.37	1.87	1.22	1.29	1.54
31/03/2012		0.50		0.55	0.55	0.61	1.00	1.33	1.84	1.22	1.30	1.59
Minimum		0.50		0.10	0.35	0.49	0.68	1.01	1.40	1.08	1.23	1.46
Average		**0.50**		0.47	0.52	0.58	0.89	1.21	1.69	1.36	1.55	1.98
Maximum		0.50		0.65	0.95	0.68	1.06	1.38	1.87	1.95	2.42	3.07
Spread		--		0.55	0.60	0.19	0.38	0.37	0.47	0.87	1.19	1.60

Table 2 : PWLB Borrowing Rates - Fixed Rate, Maturity Loans

Change Date	Notice No	1 year	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2011	128/11	1.93	3.66	4.81	5.33	5.35	5.31	5.28
30/04/2011	162/11	1.73	3.45	4.61	5.18	5.21	5.17	5.14
28/05/2011	202/11	1.64	3.21	4.43	5.08	5.12	5.09	5.07
30/06/2011	246/11	1.61	3.09	4.42	5.17	5.21	5.20	5.18
30/07/2011	288/11	1.52	2.75	4.06	4.97	5.07	5.06	5.04
31/08/2011	332/11	1.48	2.50	3.71	4.66	4.84	4.87	4.85
30/09/2011	376/11	1.51	2.41	3.47	4.35	4.61	4.69	4.69
29/10/2011	418/11	1.45	2.42	3.56	4.29	4.46	4.47	4.44
30/11/2011	462/11	1.32	2.14	3.21	3.84	4.02	4.03	3.98
31/12/2011	501/11	1.21	1.99	3.04	3.86	4.09	4.12	4.08
31/01/2012	042/12	1.29	1.99	3.08	3.89	4.11	4.15	4.12
29/02/2012	084/12	1.31	1.96	3.11	4.04	4.25	4.26	4.21
30/03/2012	128/12	1.28	2.05	3.21	4.17	4.38	4.41	4.36
	Low	1.19	1.93	2.98	3.77	3.98	4.02	3.98
	Average	1.47	2.53	3.70	4.50	4.65	4.67	4.64
	High	1.97	3.73	4.89	5.41	5.42	5.39	5.35

Appendix B – Deposits as at 31 March 2012 with Credit Ratings

DEPOSITS OUTSTANDING AS AT 31 MARCH 2012 FOR LONDON BOROUGH OF BARNET

Deal Number	Counter Party	Start Date	Maturity Date	Rate of Interest %	Principal Outstanding	Fitch Rating				Moody's Rating			S&P Ratings	
						L Term	S Term	Indiv	Support	L Term	S Term	Fin Stgth	L Term	S Term
	UK Banks & Building Societies													
2000010341	BANK OF SCOTLAND	09-Sep-09	CALL A/C	0.75	25,000,000	A	F1	bbb	1	A1	P-1	D+	A	A-1
2000010527	BARCLAYS COMMERCIAL BANK	11-Feb-10	CALL A/C	0.45	25,000,000	A	F1+	A	1	Aa3	P-1	C	A+	A-1
2000011145	ROYAL BANK OF SCOTLAND	22-Jun-11	20-Jun-12	1.48	1,700,000	A	F1	bbb	1	A2	P-1	C	A	A-1
	CO-OPERATIVE Bank	29-Mar-12	overnight reserve	0.56	8,100,500	A-	F2	a-		A3	P-2	C-		
					59,800,500									
	Money Market Funds													
2000011238	**PRIME RATE CAPITAL AL MANAGEMENT**	08-Dec-11	on call	0.99	5,000,000	AAA				Aaa			AAA	
2000011251	AVIVA INVESTORS	09-Nov-11	on call	0.82	17,000,000	AAA				Aaa			AAA	
2000011284	GOLDMAN SACHS ASSET MANAGEMENT	09-Dec-11	on call	0.78	18,000,000	AAA				Aaa			AAA	
					40,000,000									
	Non UK Banks & UK Building Societies													
2000011305	CANADIAN IMPERIAL BANK OF COMMERCE	05-Jan-12	05-Apr-12	0.55	10,000,000	AA	F1+	aa-		1 A2	P-1	B-	A+	A-1
2000011308	BANK OF NOVA SCOTIA	09-Jan-12	10-Apr-12	0.53	15,600,000	AA-	F1+	aa-		1 Aa1	P-1	B	AA-	A-1+
2000011309	AUSTRALIA & NEW ZEALAND BANKING GRP LTD	09-Jan-12	05-Apr-12	0.94	9,500,000	AA-	F1+	aa-		1 Aa2	P-1	B-	AA-	A-1+
2000011311	BANK OF NOVA SCOTIA	10-Jan-12	11-Apr-12	0.53	9,400,000	AA-	F1+	aa-		1 Aa1	P-1	B	AA-	A-1+
2000011313	COMMONWEALTH BANK OF AUSTRALIA	10-Jan-12	10-Apr-12	0.65	12,500,000	AA	F1+	aa-		1 Aa2	P-1	B-	AA-	A-1+
					57,000,000									
			Average rate of return	**0.75**										
	Investments outside TMS													
	Icelandic Banks													
	GLITNER BANK (ICELAND)		frozen		2,496,904									
	LANDISBANKI ISLANDS H.F.		frozen		8,942,819									
					11,439,723									

TOTAL VALUE OF INVESTMENTS AS AT 31 MARCH 2012	168,240,223
LESS ICELANDIC IMPAIRMENT AS AT 31 MARCH 2012	-3,144,410
	165,095,813

This page is intentionally left blank

Appendix C: Prudential Indicator Compliance

Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.
- The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

	Limits for 2011/12 %
Upper Limit for Fixed Rate Exposure	100
Compliance with Limits:	Yes
Upper Limit for Variable Rate Exposure	40
Compliance with Limits:	Yes

Maturity Structure of Fixed Rate Borrowing

- This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

Maturity Structure of Fixed Rate Borrowing	Upper Limit %	Lower Limit %	Actual Fixed Rate Borrowing as at 31/3/12	% Fixed Rate Borrowing as at 31/12/12	Compliance with Set Limits?
Under 12 months	0	50		0	N/A
12 months and within 24 months	0	50	0	0	N/A
24 months and within 5 years	0	75		0	N/A
5 years and within 10 years	0	75	0	0%	N/A
10 years and above	0	100	304,080,000	100%	Yes

This page is intentionally left blank

Appendix D: List of Schools Banking Institutions

School	Banking
Bishop Douglass	Co-Operative
Finchley Catholic High	Co-Operative
St James' Catholic High	Nat West
St Michaels Cath Gram	Allied Irish
Osidge JMI	Barclays
Mill Hill High	Barclays
Akiva	Barclays
All Saints NW2	Co-Operative
All Saints N20	Co-Operative
Annunciation Inf	Co-Operative
Annunciation Jun	Co-Operative
Barnfield	Co-Operative
Beis Yaakov	Co-Operative
Bell Lane	Co-Operative
Blessed Dominic	Co-Operative
Broadfields Primary	Co-Operative
Brookland Inf	Co-Operative
Brookland Jun	Co-Operative
Brunswick Park	Co-Operative
Chalgrove	Co-Operative
Childs Hill	Co-Operative
Christchurch JMI	Co-Operative
Church Hill	Co-Operative
Claremont Primary	Co-Operative
Colindale	Co-Operative
Coppetts Wood	Co-Operative
Courtland	Co-Operative
Cromer Road	Co-Operative
Deansbrook Inf	Co-Operative
Deansbrook Jun	Co-Operative
Dollis Inf	Co-Operative
Edgware Inf	Co-Operative
Edgware Jewish Primary	Co-Operative
Edgware Jun	Co-Operative
Fairway	Co-Operative
Foulds	Co-Operative
Frith Manor	Co-Operative
Garden Suburb Inf	Co-Operative
Garden Suburb Jnr	Co-Operative
Goldbeaters	Co-Operative
Grasvenor Avenue Inf	Co-Operative
Hasmonean Primary	Co-Operative
Hollickwood	Co-Operative
Holly Park	Co-Operative
Holy Trinity	Co-Operative
Hyde	Co-Operative
Independent Jewish	Co-Operative
Livingstone	Co-Operative
Manorside	Co-Operative
Martin Primary School	Co-Operative
Menorah Primary	Co-Operative
Monken Hadley CE	Co-Operative
Monkfrith	Co-Operative
Moss Hall Inf	Co-Operative
Moss Hall Jun	Co-Operative
Northside	Co-Operative
Orion	Co-Operative
Our Lady of Lourdes	Co-Operative
Pardes House	Co-Operative
Parkfield	Co-Operative
Queenswell Inf	Co-Operative
Queenswell Jun	Co-Operative
Rosh Pinah	Co-Operative
Sacred Heart	Co-Operative
St Agnes RC	Co-Operative
St Andrews CE	Co-Operative
St Catherines RC	Co-Operative
St Johns CE N11	Co-Operative
St Johns CE N20	Co-Operative
St Josephs RC Inf	Co-Operative
St Josephs RC Jun	Co-Operative
St Mary's & St Johns Primary	Co-Operative
St Marys CE N3	Co-Operative
St Marys CE EB	Co-Operative
St Pauls CE N11	Co-Operative
St Theresas RC	Co-Operative
St Vincents RC	Co-Operative
Summerside	Co-Operative
Sunnyfields	Co-Operative
Trent	Co-Operative
Tudor	Co-Operative
Underhill Inf	Co-Operative
Underhill Jun	Co-Operative
Wessex Gardens	Co-Operative
Whitings Hill	Co-Operative
Woodcroft Primary	Co-Operative
Woodridge	Co-Operative
Christs College Finchley	Co-Operative
Copthall	Co-Operative
Friern Barnet	Co-Operative
Hasmonean High	Co-Operative
Henrietta Barnett	Co-Operative
JCoSS	Co-Operative
Ravenscroft	Co-Operative
Whitefield	Co-Operative
Mapledown	Co-Operative
Northway	Co-Operative
Oak Lodge	Co-Operative
Oakleigh	Co-Operative
BrookHill Nursery	Co-Operative
Hampden Way Nursery	Co-Operative
Moss Hall Nursery	Co-Operative
St Margaret's Nursery	Co-Operative
Menorah Foundation	HSBC
Danegrove	Lloyds TSB
Dollis Junior	Lloyds TSB
Mathilda Marks Kennedy	Lloyds TSB
St Pauls CE NW7	Lloyds TSB
Hendon	Nat West
Queen Elizabeth's Girls'	Nat West
St Mary's C E High	Nat West

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20th June 2012
Subject	**Corporate Risk Management Policy Statement and Strategy**
Report of	Cabinet Member for Resources and Performance
Summary	This report seeks approval from the Cabinet Resources Committee of the changes to the Risk Management Policy Statement and Strategy

Officer Contributors	Maryellen Salter, Assistant Director of Finance – Audit and Risk Management
Status (public or exempt)	Public
Wards Affected	None
Key Decision	No
Reason for urgency / exemption from call-in	N/A
Function of	Council
Enclosures	Appendix A: Risk Management Policy Statement and Strategy

1. **RECOMMENDATIONS**

1.1 **That the revised Risk Management Policy Statement and Strategy be approved as the policy and procedure by which the Authority will identify, manage, monitor and report risks.**

2. **RELEVANT PREVIOUS DECISIONS**

2.1 The risk management policy statement and strategy was last approved at Audit Committee in March 2011 as the policy and procedure by which the Authority will continue to manage and monitor risks.

2.2 The risk management policy statement and strategy was noted by the Audit Committee as the policy and procedure by which the Authority will identify, manage, monitor and report risks in its meeting on the 26th April 2012.

3. **CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

3.1 The presence of strong risk management policies and procedures is paramount to the authority achieving all of its corporate priorities.

3.2 The requirement of a Risk Management Strategy and strong risk management processes and procedures underpins a strong internal control environment.

4. **RISK MANAGEMENT ISSUES**

4.1 Without consistent guidelines surrounding the application of risk management appropriate mitigation strategies to minimise risk may not be used, exposing the Council to loss, damage or injury.

4.2 Without a risk management strategy decisions could be made without due consideration to the risks involved to the various option proposed.

4.3 Policy and procedures require updating to ensure practice does not deviate from the approach approved by Members.

5. **EQUALITIES AND DIVERSITY ISSUES**

5.1 The council's revised Risk Management Strategy will support the council's approach to managing equalities and further demonstrate that a consistent approach is used to embed equalities and diversity in service delivery, where that risk has been identified within a service.

6. **USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

6.1 When used appropriately risk management strategies can ensure that resources are used effectively within the organisation and effective decision making can take place. In addition, coupled with a rigorous assurance process to test the controls identified within the individual risk registers it can foster a positive control environment that can assist the Council to self-

regulate. Given the move away nationally from external inspection this is particularly important.

6.2 The management of risk should consider all use of resources implications for that particular risk to ensure the level of mitigating action is appropriate to the resource implications.

7. LEGAL ISSUES

7.1 None in the context of this report.

8. CONSTITUTIONAL POWERS

8.1 Constitution part 3 responsibility for functions, section 2 responsibility for Council functions, details the terms of reference for the Audit Committee to provide independent assurance of the adequacy of the risk management framework.

9 BACKGROUND INFORMATION

9.1 The Council faces a changing profile of risks in future years due mostly to the decline in central government funding.

9.2 The Assistant Director of Finance – Audit and Risk Management instigated a research exercise to consider how the existing risk management policies and procedures are currently viewed and implemented. The research took the form of an online survey for Audit Committee members and for senior officers within the Council, and was carried out during February 2012. The survey highlighted a number of strengths and weaknesses regarding risk management at the present time.

9.3 The most significant weaknesses were 1) a lack of consensus regarding who has the primary responsibility for managing risk and discussing risk, and 2) an indication that in some areas risk management is not fully embedded in decision-making processes.

9.4 The strengths identified were 1) a clear appetite for further training on risk management, and 2) good levels of engagement amongst senior officers in using JCAD, the Council's online risk management tool.

9.5 The changing risk profile of the Council precipitated the need for the existing policy to be updated with a particular reference to commissioning services. In addition, the findings of the survey have led to some additional modifications.

9.6 The most significant change to the policy is the inclusion of Section 5 of the risk management strategy titled 'risk management when commissioning services' that specifically addresses the risk management processes that need considering when modifying the delivery of a service. The section of the policy is intended to provide guidance to those involved with commissioning

and subsequent contract management for outsourced services. It includes guidelines on identifying new risks, understanding which risks will continue to be retained by the Council and provides officers with a checklist.

9.7   Regarding the findings of the survey roles and responsibilities have largely not been revised. However a new section of the report sets out the duties of all relevant parties and Committees with regards to risk management to ensure better clarity.

9.8   The correct procedure for involving Council members in decisions regarding the response to risk have been expanded as part of more detailed guidance on the process for escalating risks.

9.9   The definition of a 'serious incident' in terms of risk has been clarified; this reflects the need for measurable standards that can be consistently applied across the Council and any delivery partners.

9.10   The Strategy and guidelines are available to all officers and management through the intranet, in addition the risk management system is a 'live' system called JCAD that can be updated at any time.

9.11   Based on the acceptance by Cabinet Resources Committee (CRC) of the revised Risk Management Strategy a programme of activity focussed on further embedding risk management across the Authority will ensure compliance. This will be supported by the Annual Audit Plan which is focused on giving assurances to the Audit Committee on those areas identified as high risk across the Council.

10   LIST OF BACKGROUND PAPERS

None.

Cleared by Finance (Officer's initials)	PJ
Cleared by Legal (Officer's initials)	**MGC and JH**

Corporate Risk Management

LB Barnet – Risk Management Policy Statement and Strategy

Document Prepared for:	Corporate Directors Group/Cabinet Resources Committee/Audit Committee

Author: Maryellen Salter – Assistant Director of Finance, Audit & Risk Management

Document Control

Document Description	To define the approach to managing risks across the Council		
Reference	LB Barnet – Risk Management Policy & Strategy		
Version	V3		
Date Created	21 March 2012		
Status	Draft Version		
Filename	Held on "T" drive as; t\RD-Corporate Risk\ Strategy & Guidelines		
Authorisation	Name	Signature	Date
Prepared By:	Maryellen Salter		28/3/12
Checked By			
Distribution To	Name		Date Distributed

Version Control

Version number	Date	Author	Reason for New Version
Version 1	21/03/12	Maryellen Salter/Matthew Chandler	1st Draft document - revised to set out how risk will be managed with external delivery partners, and to reflect feedback obtained
Version 2	28/03/12	Maryellen Salter	Updated after CDG comments
Version 3	2/04/12	Maryellen Salter	Minor update after consultation with Lead Member

Table of Contents

1 Introduction

Risk is defined as anything that may have an impact on the Council's ability to achieve its objectives. Risk management refers to the culture, processes and structures inherent within the Council that are directed towards the effective management of potential opportunities and threats.

The Council's Risk Management policy is to proactively identify, understand and manage both positive and negative risks inherent in the delivery of our services and associated with our plans and strategies, so as to encourage responsible, informed risk taking.

The Council supports managers to being risk aware when making management decisions, not risk averse.

Risk Management is a fundamental part of best management practice for Directors, Assistant Directors, Heads of Service and other managers when planning, setting objectives, assessing adequate controls (both financial and service delivery) and monitoring performance.

Risk Management is a key way in which the Council manages its business. It is essential that risk management is embedded into corporate processes including:
- Strategic planning
- Financial planning
- Service delivery
- Policy making and review
- Project management
- Performance management
- Change management/transformation
- Business continuity planning

2   Risk Management Framework

2.1   Aims and Objectives

Our overarching aim is to improve the Council's ability to deliver its strategic priorities by managing threats and opportunities, and creating an environment that adds value to ongoing operational activities. This strategy supports the overall vision for Barnet's residents:

"Delivering high quality public services in the public sector is only possible through a partnership between Barnet's citizens and the wider public sector. We want to sustain Barnet's strengths as a suburb contributing to London's resilience in this time of uncertainty, and to London's prosperity when better economic conditions return. Access to public services must be easy and our citizens should have a favourable experience of public services."

The risk management strategy, once embedded, will contribute to the three corporate priorities:

- Better services with less money;
- Sharing opportunities and sharing responsibilities
- A successful London suburb

Risk Management Team objectives are:

No.	Objective	Workstreams:
1.	Risk Management is aligned with corporate and directorate business planning and service delivery.	• The Risk Management Team (RMT) will undertake health checks of the risk management processes, through internal audit reviews, to ensure there is a golden thread from corporate priorities to recognition of risks to delivery of those priorities. • Quarterly performance reports to include risks that have been challenged through the Risk and Fraud forum.
2.	To achieve better outcomes for the Council by being able to anticipate and respond to changing social, economic, environmental and legislative conditions to manage risk and maximise opportunities.	• Inclusion of cross cutting and emerging issues within the Risk and Fraud Forum agenda. • Ensuring that risks are appropriately reviewed by the Audit Committee and scrutinised on a quarterly basis through the inclusion of risks within the quarterly Internal Audit and Risk Management progress report.

No.	Objective	Workstreams:
3.	Provide assurances to stakeholders that risk management is being used to improve decision making. Ensure stakeholders receive adequate assurances over the controls identified by management and officers to mitigate risks.	• Quarterly updates to the Statutory Officer Group updating on the risk maturity of the organisation. • Quarterly reports to the Audit Committee providing oversight of corporate risks and the level of mitigating action taken by officers. • Inclusion of risk management issues on any committee papers. • Ensuring the internal audit plan is based on the risks of the Council and key controls are reviewed.
4.	Ensure that risks are regularly monitored and reviewed to ensure the risk treatment by officers and management is effective, including those risks managed by third parties.	• Quarterly Risk Management and Fraud forums that challenge risks registers from directorates.
5.	Ensure there is effective communication and consultation in the risk identification, analysis and evaluation stages of day to day risk management, including any services delivered by partners.	• Outline an appropriate risk management framework, providing training and support as and when requested. • Develop JCAD (risk management system) to ensure it is aligned with the risk management strategy and allows for better reporting and analysis.
6.	To develop a risk aware culture.	• Develop a common language of risk through the revision of the policy statement and strategy • Use risk champions within each directorate to disseminate information. • Consult with members regarding their risk management needs. • Standard item on the Risk and Fraud Forum will be to learn from instances where risk has not been effectively mitigated.
7.	Ensure resources are appropriate to carry out effective risk management.	• Determine the training needs of directorates on an annual basis through risk management champions at the Risk and Fraud Forum.
8.	Ensure that the risk management framework continues to be fit for purpose	• Participation in regular benchmarking of the service, external and internal audit reviews, and revision of the risk

No.	Objective	Workstreams:
	and remains relevant.	management policy statement and strategy on an annual basis. • Put in place a model for risk management when commissioning services from third parties.
9.	To implement an effective risk management framework that forms a key part of effective corporate governance, including annual reporting through the Annual Governance Statement.	• Revise the Risk Management Policy and Strategy Statement and ensure it is cascaded to performance leads and senior management teams through the Risk and Fraud Forum.
10.	Raise awareness of the need for risk management by all those connected with the delivery of services (including partners, providers and suppliers) and in particular surrounding the transformation programme. Risk management to be embedded within the process of commissioning services.	• Revision of the Risk Management Policy and Strategy Statement for programmes, projects and partners. • Ongoing work with programmes such as One Barnet to embed risk management, including separate challenge sessions.

2.2   Risk response

Officers within the Council are committed to leading the organisation forward to continue to deliver quality services and to meet governance standards.

There is a need to create an assurance framework for the development of the Council's risk management systems and processes through the creation of an active learning culture in which people can learn from, and respond positively to, incidents and identified weaknesses. The Council has a risk management and fraud forum to ensure that this culture is embedded.

Our intention is to identify risks and proactively assess whether to treat, tolerate, transfer or terminate. The aim is to reduce the risk to the Council, where practicable, and to manage residual risk in such a way to support the achievement of the Council's objectives. This risk control/mitigation (risk appetite) is undertaken at four levels:

Tolerate
The exposure of risk may be tolerable without any further action being taken. In risks that are not tolerable, ability to do anything about them may be limited, or the cost of action may be disproportionate to the potential benefit gained.

Treat
Most risks will be treated by a mitigating action plan that is tailored to the identified risk and undertaken to control the risk to within an acceptable level.

Transfer
For some risks the best response is to transfer them. This may be done by conventional insurance or by paying a third party to take the risk in another way. When commissioning services it is necessary to assess which risks are being transferred, which risks are retained and identify whether any new risks arise. Part B of this policy considers this in more depth

Terminate
Some risks will only be treatable or containable to acceptable levels, by the termination of the activity.

2.3   Roles and Responsibilities
This section sets out the key responsibilities for risk management within the Council.

2.3.1 Maintenance of the Risk Management Policy
- At the highest level within the Council, the **Cabinet** will approve any major changes to the Risk Management approach.
- The Council's **Corporate Director's Group (CDG)** is responsible for approving this risk management strategy at an officer level and for ensuring that this is reviewed and updated on a regular basis.

2.3.2 Identifying and recording risks
It is everyone's job to identify risks and report them to their manager/ director. **Managers at all levels** are responsible for the collation and management of risks within their area, using risk registers compiled on the Council's **risk management system (JCAD).**

The prime purpose of risk management is to aid management in the delivery of value for money services. The mechanics of risk management are not to simply identify risks but to identify and implement effective controls to mitigate those risks – commensurate and balanced to the rating of the risk with the associated costs of implementation and affect on the priorities of the Council. Concise risk management is built around clear **ownership of risks** and the identification of nominated officers to implement the mitigating actions, followed up by a monitoring process to ensure that those officers take the actions agreed.

Supporting the further embedding of the risk management strategy is the **Risk Management and Fraud Forum.** The Forum consists of the **Risk Champions** - representatives from each Directorate, Corporate Anti-Fraud Team (CAFT), Service Areas, major programmes and associated risk management disciplines such as Health & Safety, Information Governance and Business Continuity. The Champions typically work at a senior management level striving to further embed risk management in their own area. The role of this Forum is to challenge the process for identifying and escalating risk from the directorates and the various risk disciplines and the efficacy of steps being taken to manage it, analyse cross cutting risks, emerging "hot spots", common risks, and potential clashes of risk.

2.3.3   Summary of responsibilities

Within the Council various groups and individuals have responsibilities regarding the risk management process. Some of these are defined by the Terms of Reference set out in the Council Constitution (identified in *italics*); the remainder are based on the established practise of the Council and are formalised by means of this policy.

The Council
Full Council is responsible for ensuring that the risk management strategy covers bodies working in partnership with the Council.

The Cabinet/Cabinet Resources Committee
The Cabinet has responsibility for reviewing and approving the Risk Management Strategy and Policy document annually.

Audit Committee
The Audit Committee's remit is to provide independent assurance of the adequacy of the risk management framework and the associated control environment. This includes monitoring the effective development and operation of risk management and corporate governance in the Council.

The Audit committee will proactively fulfil its duty by receiving quarterly reports on risk management within the Internal Audit and Risk Management progress reports. The Audit Committee will also review updates to the Risk Management Strategy and Policy.

Deputy leader of the Council – Resources and Performance
To lead on budget and policy formulation and implementation in relation to risk management
The Deputy Leader is the Lead Member on Risk Management for the Council. Periodic review meetings occur with key officers in order to maintain oversight of risk management within the Council.

Corporate Directors Group (CDG)
CDG is responsible for approving the risk management strategy at an officer level and for ensuring that this is reviewed and updated on a regular basis. It is also responsible for reviewing the corporate risks of the Council, and overseeing the management of directorate risks against performance on a quarterly basis.

Statutory Officers Group (SOG)

The Statutory Officer Group receives reports from Internal Audit and Risk Management regarding the adequacy of the risk management arrangements on a quarterly basis. In addition, on a monthly basis it receives reports from Internal Audit on perceived risks resulting from internal audit reviews and the status of any action plans to mitigate any perceived risks.

Risk Management and Fraud Forum

Meets Quarterly to:
- Provide a sense check on risks across the Council, ensuring consistency of approach
- Consider risks that cut across teams or directorates
- Consider risk conflicts
- Review the escalation of risks with scores of 12 or more
- Respond to any serious incidents

Risk Champions

Attend the Risk Management and Fraud Forum. Take a lead role in embedding risk management processes and policies within their directorate. Champions take a super user role in terms of the JCAD risk management system.

Service Directors and Managers

Monitor Directorate level risks and ensure an appropriate response has been implemented. Review risks against performance on a quarterly basis for reporting to CDG and include on the monthly performance monitor. Have oversight of risk management within the directorate. Seek the involvement of their Lead Council Member in determining the risk appetite for the directorate in general and for specific risks with a score of 12 or more.

All staff

All staff should have active involvement in the process of identifying and evaluating risks within their team and projects annually. Staff are required to implement actions allocated to them on JCAD, and to exercise their responsibilities for executing control activities relevant to their role.

Risk Management and Internal Audit

Risk Management Team is responsible for updating the policy, providing training and support to teams dealing with risks. The risk management team will form part of the Risk Management and Fraud Forum to provide specialist insight. They will support CDG and Audit Committee monitor risks in the Council through using JCAD reports and any other information available, for example from Internal Audit reviews.

Internal Audit will deliver the annual audit plan reviewing controls within the Council using a risk-based approach. For each review a report will be issued giving a level of assurance and/or making any recommendations for improvement. Reports will be presented in summary format to Audit Committee with a focus on those reports issued with limited or no assurance. Internal Audit will review the adequacy of risk management arrangements on an annual basis. The Chief Internal Auditor will issue an annual opinion on internal controls for inclusion within the Annual Governance Statement (AGS).
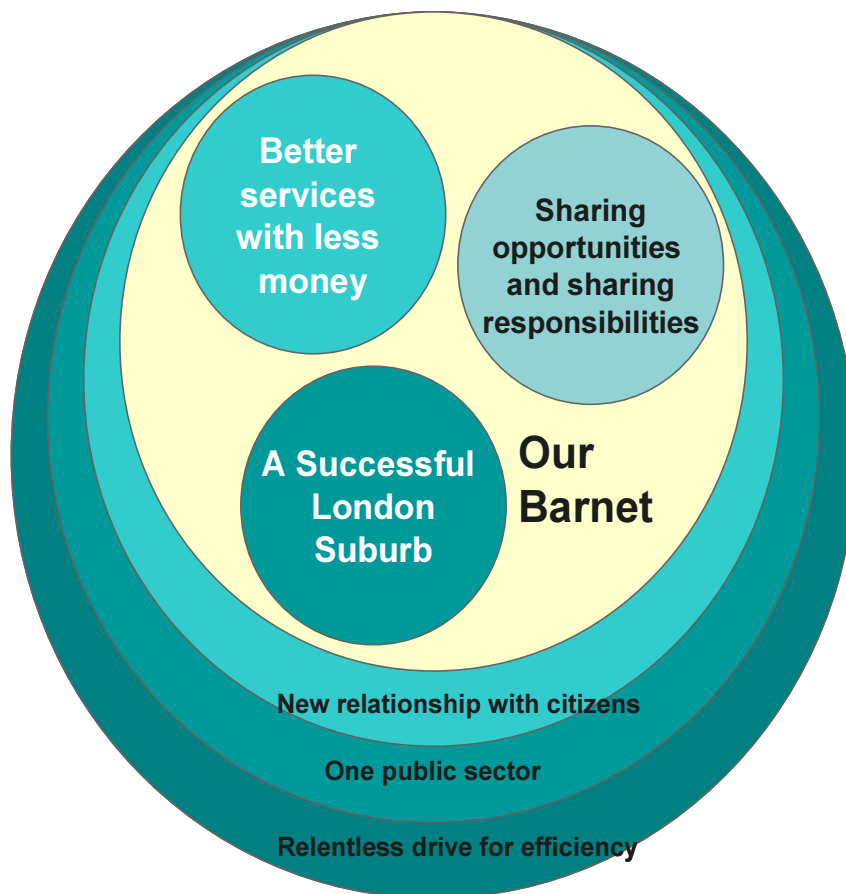
2.4   One Barnet, programme and project management

One Barnet represents a transformation programme for the Council, which because of the one off nature of the programme, will be high risk to the Council. This will be because:

1.   the organisation has limited experience of undertaking the work before; and

2.   the impact cannot always be predicted from the outset.

Diagram 1: Corporate Plan 2010-13

Programme level risks – are those risks which affect the intended benefits of a programme. There are two main types of programme level risks:

    a)   those risks which affect all or a number of projects within the programme; and

    b)   those risks which so substantially affect the benefits of a key project that they put the programme benefits at risk

Project level risks are those risks which affect the intended outputs or benefits of the project.

Project Managers are responsible for the development and maintenance of a **Project Risk Register** for each of the projects which they manage. The registers will normally sit alongside the associated issues log and be normally stored within JCAD. This is to facilitate the identification of actions which can be directly input to the appropriate project plan. The registers will typically be compiled by holding workshops with the key stakeholders. The initial risk register will be signed off by the appropriate **Project Board** and then reported to them an exceptional basis via the normal project highlight reports. The highlight report would typically include:

- Progress on mitigating the highest scoring risks
- Any changes to the rating of the risks
- New risks identified.

The Project Board will then consider what risks if any, need to be escalated to the **Programme Risk Register**. The criteria for escalation would normally be:

- Highest scoring existing and new risks which need agreement as to the appropriate action to be taken to mitigate the risks
- Lower rated risks which are likely to be common across a number of projects, which will require attention by the Programme Board and are likely to be dependencies for other projects
- The risks affect the overall objectives of the programme (subjective)

The **Programme Manager** is responsible for the development and maintenance of a Programme Risk Register. This register will be maintained on the corporate JCAD system for ease of joining up to the corporate reporting cycle.

2.5   Risk management and fraud detection

It is the responsibility of every Director, Head of Service and Line Manager to ensure that their processes and procedures are protected against the possibility of any fraudulent, money laundering activities or bribes.

All Managers should complete a risk assessment of all their processes and procedures specifically looking to identify and enhance any process weakness that could allow fraudulent transactions and activities to exist, they should include reference to any previous CAFT investigations in their area's or any fraud risk identified with Internal Audit reports.

When establishing new processes and procedures or reviewing the effectiveness of existing processes and procedures managers should pay particular attention to the following areas;

Segregation of duties – where ever possible, no one person should be able to complete end to end processes which would allow fraud to go undetected.

Authorisation hierarchy – there should always be an authorisation process that required someone other than the originator to validate and authorise transactions thus ensuring that at least two people are involved in raising and authorising transactions.

Transparency – there should always be a record of the transactions processed throughout each link in the process chain allowing clear visibility of the requestor, processor and authoriser, recording date and time and action taken.

Audit trail – every process should have a recorded audit trail that is available for scrutiny. Each process should be audited regularly to ensure compliance with the requirements of the process. A full audit report should be completed detailing findings and recommended actions. The audit should be conducted by an independent party.

Any suspicion of or detection of fraudulent activities should be immediately reported to the Corporate Anti Fraud Team (CAFT) and where relevant also the Police so that a full and thorough investigation can be conducted.

In accordance with the Council's Whistleblowing policy staff may report wrongdoing to their managers. All managers must be aware of this policy, and act accordingly by passing all information reported to them to the councils Whistleblowing Officer for investigation.

All Managers and staff should be familiar with the Council's Counter Fraud Framework which include the Whistleblowing Policy, Anti-Bribery Policy and the Councils Anti Money Laundering Framework which includes information on Anti Money Laundering and Suspicious Activity. The Council has a designated Money Laundering Reporting Officer and all cases where suspicious activity is suspected should be referred to them as soon as possible.

2.6   Risk management policy

This document acts as a risk management policy which describes the Council's objectives for, and the commitment to risk management.

3 Implementing Risk Management

3.1 Defining risks

There are a number of defined steps that managers need to undertake when considering risks and to ensure that a consistent approach is maintained. At the Council risks are usually categorised in four ways within the JCAD risk management system, and then further classified into their nature:

Risk	Nature
Strategic	Compliance
Operational	Finance
Project	Health and Safety
Business Continuity	Internal Control Checklist
	Political
	Reputational
	Staffing and Culture

These are further defined in Appendix A.

3.2 When to carry out risk assessments

Risk assessments should be carried out, at a minimum, on an annual basis at **team, directorate and corporate level**, as and when the objectives have been set for the following year, as part of the business planning cycle. Risk can also be identified through individual interviews and by workshops throughout the year. At the heart of the risk management cycle within the Council is the Risk Management and Fraud Forum which provides challenge around key risks identified from across the various directorates as well as considering emerging and cross cutting risk.

Risk assessments should be carried out as early as possible in the life cycle of any new **project, programme or partnership**. The resultant risk register will then need to be signed off by the appropriate project/ programme/ partnership board. The key risks from the register will then need to be escalated to the appropriate team/ directorate risk register. The more complex programmes may have their own risk meetings, where the key risks from across the various projects can be considered along with any emerging or common/ cross cutting risks which may need escalating to the programme risk register and the corporate risk register.

3.3 How to carry out a risk assessment

Risk assessments at any level should be performed on JCAD - the system the Council uses to record, manage and report risk and associated controls and action plans. The detail of how to carry out a structured risk assessment is contained within the Risk Management User Guide. The basic principles are summarised in Appendix A.

3.4 Day to day management and monitoring of risk

Risks are to be monitored according to the level of risk noted by the risk matrix (Appendix A); this will also dictate the level of management attention required. JCAD should be used for assigning risk owners and setting the frequency of review.

Directorates are responsible for ensuring all staff know how to report a risk for monitoring by Management. All risks should be discussed regularly at team meetings as a standing agenda item.

3.5   Escalation processes

Where a risk is rated as having a score of 12 or above at a team level, this is considered to be a trigger point for further escalation process. The stages of escalation are defined in Appendix A.

3.6   Serious risk incidents

A serious risk incident is an incident that occurs which results in the Council suffering loss that is:
- financial
- reputational
- operational

Defining a 'serious incident'
The definition of a 'serious incident' shall be aligned to the risk scoring approach set out in Appendix A; incidents that occur and have an impact that meets the criteria for a risk score of 4 (Major) for impact are defined as serious. On this basis the following shall apply:

Category of incident	Trigger point for treatment as 'serious'
Financial	- A loss of >0.5% of budget - Claims of >£150k
Reputational	- National media coverage with key directorates performing well below reasonable public expectation; - Erosion of public confidence - Requirement for Member or external agency intervention - One or more fatalities - Prosecution
Operational	- Enforcement action due to compliance breach - Multiple breaches of statutory duty - Improvement notices from central government - Low performance ratings - Uncertain or non-delivery of key objective/service due to lack of staff - Unsafe staffing level of competence

Response to a serious incident
In the unfortunate event of a serious risk incident occurring a review of the events that led to that loss will be undertaken by the Risk Management Forum to foster a culture of learning from these untoward incidents.

Service Directors and Managers will be required to demonstrate to CDG and their lead Member what actions have been taken to improve the design or implementation of controls with regards to the risk recurring.

4 Reporting and Monitoring

4.1   Performance management framework

Risk reporting will take place alongside financial and performance information on a quarterly basis, this will allow adequate analysis and linking of interdependencies to take place. The quarterly performance report will be reported to CDG, CRC and could be subject to call-in from the Overview and Scrutiny Committee (OSC).

4.2   Audit Committee

The Audit Committee's remit is to provide independent assurance of the adequacy of the risk management framework and the associated control environment. This includes monitoring the effective development and operation of risk management and corporate governance in the Council. As such the Audit Committee will receive quarterly reports on risk management within the Internal Audit and Risk Management progress report.

4.3   Assurances on the effectiveness of key controls

The Council wants to ensure that the controls which managers say are in place to manage the key risks, are both in place and working effectively. The annual programme of internal audit work includes resources to test the key controls specified within the risk registers, based on the level of risk involved. In addition, external audit base their plan on the key risks of the Council and this assurance should be noted within the risk registers where relevant.

4.4   Annual Governance Statement

The Council has to produce an Annual Governance Statement every year, which is an assessment of the systems the Council has in place to control and manage the services they provide. The risk management strategy and framework will provide assurance to CDG and Members that risks are being properly managed.

5 Risk Management when commissioning services

This section of the Policy applies to the specific situation that arises on outsourcing service provision to partner organisations. A summary checklist for managers covering the key aspects of this section has been included, see Appendix C.

5.1 Objectives

The overarching aim is to improve the Council's ability to deliver its strategic priorities by managing threats and opportunities, and creating an environment that adds value to ongoing operational activities.

Our strategy is to embed risk management in the decision making process and to align the responses to risk to corporate objectives.

The purpose of risk management in the context of commissioning services will be:

- To ensure proper identification and understanding of risks associated with commissioning a service
- To support clear allocation of responsibilities for managing and monitoring risk
- To align the response to identified risks with corporate priorities
- To provide a framework for information sharing regarding risks and performance management
- To reduce the burden to the Council of risk management procedures

5.2 Approach to risk management when commissioning services

The process of identifying risks when commissioning services has two elements
1. Considering those risks that are associated with the delivery of the service that is being transferred and communicating with the provider regarding these
2. Assessing what the new risks for the Council are as a result of commissioning services from a delivery unit

The process of risk identification, scoring, escalation and monitoring is set out in the Risk Management Policy Statement. All risk assessments should be carried out using JCAD and should apply the 5 X 5 matrix for impact and probability.

5.2.1 Identifying existing risks

Each service area should already have an up-to-date risk register on JCAD. As part of competitive dialogue it is expected that bidders will want to review the risks as perceived by the Council. It is possible that they may identify additional risks, or score existing risks differently based on their planned approach to delivering the service

It is expected that an integral part of the negotiations for contracts that there will be clear agreement on how the Council and the partner organisation will document, monitor and manage risks.

5.2.2 <u>Identifying new risks</u>

When considering the implications of commissioning a service from a delivery unit officers should first review the existing risk register for that service area and consider what may change as a result of the proposed commissioning move. Following this review, it is recommended that officers also consider if any different risks may arise from transferring service delivery.

Where the Council will be commissioning services in partnership with another organisation (e.g. an NHS body) it will be necessary to involve the partner in the risk identification process at an early stage. While different bodies have different risk assessment techniques and policies, the 5x5 matrix is a common approach that most organisations should be able to engage with.

5.2.3 <u>Working with potential partners</u>

Through the process of competitive dialogue the Council will have access to a new perspective on the risks associated with the service and the contract. Commissioners can take advantage of this to enhance their ability to manage risk. It should be noted that there may be challenges arising from these discussions, particularly if other parties use a different lexicon for risk management. Part of the dialogue process will be establishing a common ground between parties.

5.3 Understanding retained risks

One of the benefits of commissioning services will be the ability to transfer risks to delivery units however the Council may retain exposure to some risks.

It is recommended that the Council understands which risks may continue to have a potential impact upon it and ensure they are recognised and dealt with accordingly. The following points are to act as guidelines for making these decisions. However it is important to note that the exact terms of contracts and legal frameworks for commissioning services will affect the assessment of risks.

As a rule of thumb, it is suggested that any risk with a score of 10 or less on JCAD is unlikely to pose a risk to the Council if management of the associated activity has been fully transferred and the provider takes on the risk.

Of the high-extreme level risks (score of 12 or more) the following categories of risk <u>may</u> also be fully transferred with no residual impact on the Council:
- Health and Safety
- Internal control
- Staffing
- Some financial risks

However, risks with a High or Extreme impact that fall in the following areas are likely to still have adverse impact on the Council despite any contractual provision:
- Reputational
- Compliance
- Political
- Some financial risks

Risks that can still impact the Council are, to a greater or lesser extent, retained risks. These risks will normally be recognised and recorded within the Council. There are two ways in which this can occur:

1) The retained risks are logged individually on JCAD
2) Risks are grouped appropriately and recognised on JCAD as part of the 'new' risks associated with commissioning services

5.4 Risk appetite

Section 3.5 of this Policy identifies the importance of involving the relevant Council Members when determining the risk appetite for a given risk. This principle remains applicable when risks are being considered for commissioned services. The assessment of whether a risk with a score of 12 or more that is effectively retained by the Council should involve the lead Council Member for the service area. They should also be involved in setting the risk appetite for all such risks.

The Council's risk appetite should be set with reference to the strategy for service delivery in that area, and also considering the overall corporate plan. The process of aligning risk response with strategic priorities will help to determine which of the 'Four T's' (Treat, Tolerate, Transfer, Terminate) will be used on a given risk.

5.5 Risk allocation and responsibility

Having identified all of the risks officers will need to determine and clearly record who will take responsibility for each risk, having considered which party is best placed to deal with each risk. It is expected that the commissioning contract will be structured in order to provide an enforceable legal basis for the allocation of responsibility for identified risks. The contract should also make provision for how emerging risks will be identified and dealt with.

A risk that is considered to be retained by the Council should be reviewed to determine what the response will be within the 'Four T's' framework. Where possible the primary responsibility for executing the actions plan should lie with the provider, with appropriate monitoring arrangements in place to provide the Council with the necessary assurance. For retained risks the Council will usually employ the approach set out in this Strategy, however some variations may occur where risks are assessed as being 'joint risks'.

5.6 Dealing with joint risks

In general it is expected that dealing with any given risk will clearly allocated to either the Council or to the service provider. However a small number of risks may be assessed as being shared between parties. Such risks may be the 'retained risks' that the Council cannot fully transfer.

In these circumstances it is recommended that the Council and service provider develop a joint risk register and use this to define the actions each party will undertake in order to manage the risk to within the agreed parameters. The aim of the approach adopted will be to help develop partnership working, with all parties working together for agreed common goals.

5.7 Monitoring risks

Those risks that are retained by the Council but managed by the delivery unit will usually be monitored by the Council. Based on the guidelines above, these are likely to be risks that have a score of 12 or more. Activity regarding such risks, including any changes in conditions should be monitored quarterly.

It is recommended that commissioners consider how they will ensure that they have sufficient technical expertise available to understand and interrogate the risk and performance data that is collected from delivery units. Effective contract management by the Council will be contingent upon the ability of the Council to monitor the activity of delivery units, challenge subjective decisions and enforce the requirements of the contract.

Over the course of the service contract it is likely that the risk profile will evolve. For this reason commissioners are encouraged to make provision for ongoing reviews of risks with open dialogue taking place with providers.

5.8 Aligning risk and performance

The commissioning contract should align risk management with performance management. Partner organisations should have clear incentives to be delivering good risk management procedures. The structure of the contract and the legal framework in which the partnership operates should reflect the priorities of the Council and match the reward for partners with the achievement of corporate objectives and management of risks. Such incentives may take the form of performance related pay, a share of financial benefits or other opportunities specified in the delivery contract.

5.9 Contingency planning

Part of the risk management approach for the Council will be to have a robust business continuity plan that will deal with contingencies that may arise and prevent the provider from continuing in their role and delivering services, either in the short or long term. It should be considered what role the service provider can play in this, through the sharing of information, training exercises and joint business continuity plans.

5.10 Requirements for partner organisations

In order for the council to maintain its responsibilities for overseeing the management of the risks it will be necessary to agree a good quality system of information reporting. Commissioners should consider what form and frequency of information will be useful to them. Every service contract will be uniquely tailored; however it is desirable to have a consistent approach across the Council on key aspects of contract management. To support this, the following guidelines outline typical requirements for the service provider.

5.10.1 Risk management policies

The service contract should include a requirement that the provider of services maintains a minimum standard of risk management procedures, proportional to the size of their contract. While it will be the responsibility of providers to determine their risk attitude, there will need to be a requirement upon providers that they will collaborate with the Council to monitor and report on those risks that the Council has identified as having a score of 12 or more where the activity is ongoing.

5.10.2 Risk reporting

The contract management process should require regular (usually quarterly) reporting from delivery units on the following:

- Status and actions regarding any risks where the Council has a degree of retained risk

In addition it is recommended that there are appropriate channels for the service provider to report to the Council:

- Any new emerging risks that would score 12 or more
- Any serious risk incidents that occur

In order to support transparency and accountability, where commissioners believe it will be advantageous, providers should report annually:

- Full risk register for the services delivered, thus demonstrating the overall approach taken to assessing and dealing with risks and providing the Council with broader comfort on how risk management is treated
- Outline plan for risk management strategy in the forthcoming year

To maintain good practice on risk reporting throughout the life of the contract, it is suggested that the contract terms should specify a post-holder or group within the delivery unit that will take a lead on monitoring and reporting risks to the Council. It would be helpful for a defined committee or panel to have responsibility on the Council's part for receiving these reports. Such a group would usually work closely with performance management.

5.10.3 Information sharing

Within the contract arrangements the right of access to data associated with the service delivery for Barnet Council or its agents must be clearly established, including access for audit and assurance procedures. The scope of access and the typical inspection routines will be individually negotiated but should include appropriate opportunity for the Council to gain assurance that the provider is meeting the required performance standards and is dealing with business in a manner consistent with the Council's understanding. The Council should also consider the eventuality where there are signs of failure on the contract delivery, and whether any additional access may be required in such circumstances.

6 Corporate Guidance & Support

Guidance notes will form an integral part of this policy and strategy document. Guidance notes will be available to everyone in the Council by publication on the intranet.

Support and advice from Corporate Risk will also be made available to support managers in this role, as and when required.

All risk champions are given training and development support to ensure that they have competence for managing risk. The Risk Management and Fraud Forum acts as a vehicle to cascade further guidance.

Appendix A: Risk assessments and escalation

6.1   Defining risks

Risks fall into the following types:

> **Strategic** – those risks affecting the medium to long term goals and objectives
> **Operational** – those risks that managers and staff encounter on a daily basis
> **Project risk** – are those risks which affect the intended outputs or benefits of the project
> **Business continuity** – a risk that will have an impact on the ability to deliver services during an event of a significant disruption that threatens the ability of the organisation to deliver its services.

The nature of these categories is further expanded to the following:

> **Compliance** – risk that will prevent compliance with legislation, policy, or strategic guidance
> **Finance** – risk of unfavourable monetary impact covering medium term financial budgets and including income, expenditure, assets, liabilities, and reserve balances
> **Health and safety** – a risk to the wellbeing of staff and contractors of the Council
> **Internal control checklist** – an improvement or gap in the internal control environment of the service area identified in the annual internal control checklist process.
> **Political** – a risk that will be out of line with the political direction of the Authority or conflict with policy
> **Reputational** – a risk that will be visible to, or have a direct impact on, external parties which could damage the reputation of the Council
> **Staffing and culture** – a risk that will have impact on motivation, staffing levels and or arrangements or that may be at odds with the culture of the organisation.

6.2   Risk Matrix

A risk is broken down into probability and impact. **Probability** represents the statistical chance of an event taking place. Such events are summarised into five broad stratified headings: Rare, unlikely, moderate, likely and almost certain. **Impact** represents the expected disruption to the Council. These are summarised as either negligible, minor, moderate, major, and catastrophic.
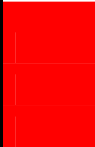
The above defines the gross or **inherent risk**, i.e. it takes no account of the controls the Council has in place or can put in place to manage the identified risk.

To offset this, Council officers apply controls to reduce the gross risk and obtain a net or **residual risk**. Officers should also describe what their **target risk** will be and the controls that are put in place should be with a view of mitigating the risk to be in line with the target. In addition, the means of prioritising them will be in relation to the four T's: terminate, transfer, treat or tolerate.

The Council has developed a risk matrix, based upon current best practice in the public sector. It is based upon a 5 by 5 matrix of impact and probability.

IMPACT		Score:	PROBABILITY				
			1	2	3	4	5
			Rare	Unlikely	Possible	Likely	Almost certain
	5	Catastrophic	5	10	15	20	25
	4	Major	4	8	12	16	20
	3	Moderate	3	6	9	12	15
	2	Minor	2	4	6	8	10
	1	Negligible	1	2	3	4	5

The resultant scores from the matrix are assigned ratings as per the following table:

	1-3	Low risk	**Acceptable risk.**
			No further action or additional controls are required.
			Risk at this level should be monitored, and reassessed at appropriate intervals
	4-6	Moderate risk	**A risk at this level may be acceptable.**
			If not acceptable, existing controls should be monitored or adjusted.
			No further action or additional controls are required.
	8-12	High risk	**Not normally acceptable.**
			Efforts should be made to reduce the risk, provided this is not disproportionate.
			Determine the need for improved control measures
	15-25	Extreme risk	**Unacceptable.**
			Immediate action must be taken to manage the risk.
			A number of control measures may be required.

24

Probability score

The frequency based score is appropriate in most circumstances and is easier to identify.

Probability score	1	2	3	4	5
Descriptor	**Rare**	**Unlikely**	**Possible**	**Likely**	**Almost certain**
Frequency How often might it/does it happen	This will probably never happen/recur	Do not expect it to happen/recur but it is possible it may do so	Might happen or recur occasionally	Will probably happen/recur but it is not a persisting issue	Will undoubtedly happen/recur, possibly frequently

Impact

This scale should be used for guidance on descriptions of impact for assigning a risk impact score.

Impact score	1	2	3	4	5
Descriptor	**Negligible**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Compliance	No or minimal impact or breach of guidance/statutory duty	Breach of statutory legislation Reduced performance rating from external/internal inspector	Single breach in statutory duty Challenging external or internal recommendations or improvement notice	Enforcement action Multiple breaches of statutory duty Improvement notices Low performance ratings	Multiple breaches in statutory duty Prosecution Complete system changes required Zero performance against key priorities and targets
Finance	Small loss risk of claim remote	Loss of 0.1-0.25 per cent of budget Claim less than £20k	Loss of 0.25-0.5 per cent of budget Claims between £20k - £150k.	Uncertain delivery of key objectives/loss of 0.5 – 1.0 percent of budget Claims between £150k to £1m	Non delivery of key objective/loss of >1 percent of budget Failure to meet specification/slippage Loss of major income contract
Health & Safety	Minor injury Cuts, bruises, etc. Unlikely to result in sick leave	Moderate injuries: Likely to result in 1-3 days sick leave	Major injuries: More than 3 days sick leave – notifiable to HSE	Death Single fatality	Multiple deaths More than one Fatality
Internal Control Checklist	Control is in place with strong evidence to support	Control in place with tentative evidence	Control in place with no evidence to support	Partial control in place with no evidence	No control in place

Impact score	1	2	3	4	5
Descriptor	Negligible	Minor	Moderate	Major	Catastrophic
Political	Parties largely work positively together with occasional differences.

Members and executive work co-operatively | Parties have minor differences of opinion on key policies

Members and executive have minor issues | Members begin to be ineffective in their role

Members and Executive at times do not work positively together | Members raise questions to officers over and above that amount tolerable

Strained relationships between Executive and Members | Internal issues within parties which prevent working collaboratively

Questions from members shift resources away from corporate priorities |
| Reputational | Rumors

Potential for public concern | Local media coverage – short term reduction in public confidence

Elements of public expectation not being met | Local media coverage – long term reduction in public confidence | National media coverage with key directorates performing well below reasonable public expectation | National media coverage, public confidence eroded.

Member intervention/action |
| Staffing and Culture | Short-term low staffing level that temporarily reduces service quality (<1 day) | Low staffing level that reduces the service quality | Late delivery of key objective/service due to the lack of staff

Low staff morale

Poor staff attendance for mandatory/key training | Uncertain delivery of key objective/service due to lack of staff

Unsafe staffing level of competence

Loss of key staff

Very low staff morale

No staff attending training | Non-delivery of key objective/service due to lack of staff

Ongoing unsafe staffing levels or competence

Loss of several key staff

No staff attending training on an ongoing basis |

6.3 Risk assessment process

The basic principles and steps involved in performing a risk assessment, the format of the assessment and use of the risk register are summarised below:

1. Provide succinct and sufficient description of the risk, its cause and consequence

2. Link the risk to the relevant strategic/ directorate business objective

3. Record the risk in JCAD using the best practice 5x5 probability–impact risk matrix (see above)

4. Include rating of risks at inherent (initial rating without any controls), residual (current rating with existing set of controls) and target stages (level of risk that the owner is prepared to accept and will drive what additional controls are required).

5. Determine the risk appetite for the identified risk and apply this in setting the approach for managing the specific risk (treat, tolerate, terminate, transfer)

6. Measure the effectiveness of existing controls

7. Identify the additional controls required to fill any gaps with the set of existing controls and to achieve the required target risk rating

8. Show any progress on actions and change in the trend of the risk rating, compared to previous updates to the register

9. Identify reasons for closing risks and store closed risks in a separate area to maintain an audit trail

10. Identify assurance mechanisms where the design and effectiveness of the controls have been tested or challenged

6.4   Risk escalation process

Risks are initially identified at a team level and responded to at this level. However when a risk has a score of 12 or above this is a trigger for considering escalation of the risk. The following stages shall apply:

1. The team should seek the involvement of their Directorate Risk Champion or other risk specialists to ensure the risk score is appropriate and consistent with this risk management strategy/policy.

2. Assuming the risk score remains as 12 or above, the risk is to be escalated by including it within the relevant Directorate risk register on JCAD.

3. All risks rated 12 and above are to be included within monthly monitors and agreed at each Senior Management Team (SMT) or equivalent for each Directorate

4. Officers should involve their lead Council Member in discussing the risk appetite and for sending monthly monitors with risks agreed at SMT.

5. Directorate level risks will be reported quarterly to the Risk Management and Fraud Forum and the reports published on-line.

6. The quarterly report for each directorate will show a summary Heat Map, identifying how many risks in each area of the probability-impact matrix. A JCAD report on all risks with an initial score of 12 or more will also be presented for each directorate. This report includes a description of the risk, the initial score, control activities, the status of the risk response, key dates, a current and a target risk score.

7. Where a Directorate level risk rated 12 or above is considered to have the potential to impede the achievement of corporate objectives, following consultation with the Assistant Directors Group, it is to be included within the Corporate Risk Register for agreement by the Corporate Directors' Group (CDG).

8. Corporate risks will be reported to CDG and Cabinet Resources Committee quarterly, more regularly if the need arises.

Appendix B: Business Continuity

Business continuity plans allow officers to manage threats or incidents that have potential to disrupt the delivery of services or the conduct of Council business.

By focusing on the impact of disruptive events, BCM identifies the critical services and function the organisation depends on, and what is required for the organisation to meet its obligations to its stakeholders. This allows the Council to:
- Take steps to protect its people, premises, IT, supply chain, reputation etc
- Plan to respond effectively to disruptive events and challenges

Business Continuity Management is a cyclical process, and is designed to manage and control risks which can be described as 'low probability, high impact' events. It involves four stages:
1. understanding the organisation
2. determining the Business Continuity Strategy
3. Developing and implementing the BCM plans
4. Exercising maintaining and reviewing

It requires both leadership and ownership from senior management, and understanding and support throughout the organisation. For this reason, Business Continuity Management is a mainstream activity, which is required of all directorates/service.

The aim of BCM is to ensure the Council is resilient to interruptions in the delivery of its business critical services and to return to 'business as usual' as quickly and efficiently as possible.

The Corporate Business Continuity Toolkit requires that all services report monitoring (alongside Risk Management) to include confirmation all critical services have been identified, regularly reviewed, BC plans in place, updated and tested within the last 6 months.

Reference should be made to the Business Continuity Strategy.

Appendix C: Checklist for risk management when commissioning services

The following checklist for use by officers when commissioning services is intended to highlight key considerations for risk management. The checklist should be used within the context of the overall Risk Management Policy, in particular commissioning services (Section 6).

1) Ensure the existing risk register on JCAD for this service is up to date

2) Engage with any commissioning partners to build a complete risk register

3) Review the JCAD risks to identify where the Council (or commissioning partnership) is likely to have to retain some element of the risk impact

4) Use competitive dialogue with bidders to

   a) Explain the risks you expect to transfer to them

   b) Obtain their views on the risks associated with the service

5) Determine the risk appetite and preferred strategy for dealing with identified risks, involving relevant Council Members for those risks with a score of 12 or more

6) Agree and formally document in the service contract who will be responsible for managing the defined list of known risks

7) Set in place monitoring protocols and put in place plans to make sure the Council has sufficient capacity to exercise its duties in monitoring

8) Make a contingency plan for service continuity

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20th June 2012
Subject	**Contract Procurement Plan**
Report of	Cabinet Member for Resources and Performance
Summary	This report sets out the detail of planned contract procurement activity for the financial year 2012/2013 for approval and the first draft of a plan for the following financial year.

Officer Contributors	Lesley Meeks, Assistant Director of Commercial Assurance, Haroon J Khan, Business Analyst (Commercial Services)
Status (public or exempt)	Public
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	Not applicable
Function of	Executive
Enclosures	Appendix 1 – Procurement activity by service area for 2012/13
Appendix 2 – Procurement activity by service area for 2013/14
Contact for Further Information:	Lesley Meeks, Assistant Director of Commercial Assurance, 020 8359 7202
Haroon J Khan, Business Analyst, 0208359 2098

1. RECOMMENDATIONS

1.1 **That approval be given for Officers to proceed with the contract procurement activity for the 2012/13 financial year as set out in the Appendix 1 and Appendix 2 to this report subject to budget availability.**

1.2 **The provisional procurement activity for future years be noted.**

2. RELEVANT PREVIOUS DECISIONS

2.1 Cabinet, 23 February 2009, Item 6 (Council Budget & Council Tax Reports, 2008/09)

2.2 Council, 3 March 2009, Decision 178 (Report of Cabinet 23 February 2009, Council Budget & Council Tax Reports, 2008/09)

2.3 Cabinet, 22 February 2010, Item 6 (Budget & Council Tax Reports, 2009/10)

2.4 Council, 2 March 2010, Decision 145 (Report of Cabinet 22 February 2010, Council Budget & Council Tax Reports, 2009/10)

2.5 Cabinet, 14 February 2011, Item 5E (Budget, Council Tax and Medium Term Financial Strategy 2011/12 – 2013/14)

2.6 Council, 1 March 2011, Decision 8 (Report of Cabinet 14 February 2011, Budget, Council Tax and Medium Term Financial Strategy 2011/12 – 2013/14)

2.7 Cabinet, 24th May 2011, Item 5 (Report of Cabinet Member for Resources and Performance - Contract Procurement Plan 2011/12)

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 The Contract Procurement Plan will enable the Council to maintain an accurate oversight of procurement activity across the full range of its services and thereby support more commercial and efficient procurement practices. In this way, the Contract Procurement Plan drives achievement of the Council's key corporate priority 'better services with less money' (Corporate Plan 2010-2013) and supports the One Barnet priority of 'a relentless drive for efficiency'.

3.2 The Council is committed to the transparency agenda. To date, the planned procurement activity for each financial year has been scrutinised and approved by Cabinet Resources Committee as part of the annual Budget Report. In support of the Council's transparency agenda Officers have developed for 2012/13 a separate Contract Procurement Plan for submission to this committee as a stand alone item. This is intended to enhance its visibility and to ensure that the Council's planned procurement activity is given due consideration in the light of its importance to the successful delivery of the Council's corporate objectives and the One Barnet agenda.

3.3   The governance arrangements that support the procurement activity are contained within the Council's Contract Procedure Rules and supporting Code of Practice.

4.   RISK MANAGEMENT ISSUES

4.1   If the Council does not manage the contract renewal programme effectively and efficiently it could lead to a detrimental impact on value for money and the likelihood of delivering significant procurement savings included within the 2012/13 Revenue Budget. Well planned processes will enable effective commercial negotiations to take place thereby driving lower costs from the portfolio of contracts put to market

5.   EQUALITIES AND DIVERSITY ISSUES

5.1   From 5th 2011 the previous separate equality duties on public authorities covering race, disability and gender were replaced by a single Public Sector Equality Duty. Section 149 in Chapter 1 of Part 11 of the Equality Act 2010, is the new public sector equality duty. This Public Sector Equality Duty also extends to gender reassignment, age, sexual orientation and religion and religious belief.

5.2   There is a 'general duty', on public authorities to have a due regard to the need to:

a)   Eliminate unlawful discrimination, harassment, and victimisation;

b)   Advance equality of opportunity between those covered by the Equality Act and those not covered, e.g. between disabled and non-disabled people;

c)   Foster good relations between these groups.

5.3   The Act makes it clear that authorities can use procurement to drive equalities and contains a specific measure on procurement, making provision: "to enable duties to be imposed in relation to the exercise of public procurement functions".

5.4   The Council has a process for assessing the equalities impact of all of its activity and, in awarding any contract, Officers will ensure that the Council's approach to equalities is applied.

5.5   With specific regard to those contracts set out in the proposed 4 year Contract Procurement Plan, where equalities issues have a significant bearing, an equality assessment will be undertaken.

5.6   By section 149(2) of the Equality Act 2010, the 'general duty' also applies to 'a person, who is not a public authority but who exercises public functions and therefore must, in the exercise of those functions, have due regard to the general equality duty. This includes any organisation contracted by a local authority to provide services on its behalf. The Council will therefore take all

necessary and reasonable steps to ensure that all contractors comply with this general equality duty.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1 The costs appertaining to the contracts contained within the Appendix to this report are contained within the individual service budgets of the Council.

6.2 A number of savings proposals within these plans relate to opportunities driven from improved commercial settlements associated with these contracts. Delivery of these procurement related savings will be monitored throughout the financial year.

7. LEGAL ISSUES

7.1 None

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

8.1 The Council's Constitution (Contract Procedure Rules) sets out the authorisation process for entering contractual commitments.

8.2 The following is an extract from the Contract Procedure Rules contained within the Constitution as it relates to the Procurement Plan:-

"**Authorisation**" is the approval required before quotations or tenders for supplies, services or works may be sought in accordance with Section 3.2.

Section 5 outlines Authorisation and Acceptance Procedures, including:

5.1 The aim is to speed up the procurement process by removing unnecessary bureaucracy – in this case, a duplication of the authorisation process.

5.2 Any contract, including additions, extensions and variations, which have been included in a directorate or service's Budget and supporting plans and strategies or any other Committee approved plan is deemed as authorised irrespective of value.

5.3 Any contract which has not been authorised as set out in 5.2 must be Authorised as set out in Table 5-1". (This details Authorisation and Acceptance Thresholds for Works, Supplies and Services).

9. BACKGROUND INFORMATION

9.1 The Constitutional requirement to obtain Cabinet Member or Cabinet Committee authorisation, for contract value above stated threshold, before any contractual exercises commence has in previous years been achieved mostly by the inclusion of an appendix within the budget report of the known procurement activity for the following financial year.

9.2 Over the last twelve months the visibility and understanding of the role that improved procurement could play in assisting the council deliver corporate objectives in general but "better for less" services in particular has increased significantly.

9.3 In addition the Council has reiterated its commitment to the transparency agenda and developing processes that support this agenda.

9.4 As a result, the procurement plan for the next three financial years of known contractual activity is being presented to Members as a report in its own right rather than an appendix within the overarching budget report.

9.5 This information will be used for planning procurement activity and will be published in other procurement vehicles in order to attract as much interest from the market as possible.

9.6 The data contained within the procurement plan is also used as the basis of the Councils first Corporate Contract Register.

10. LIST OF BACKGROUND PAPERS

10.1 None.

Cleared by Finance (Officer's initials)	MC
Cleared by Legal (Officer's initials)	SS

Appendix 1

Financial Year 2012 - 2013

Children's Service

Description	Estimated Value
Report writing Service	£41,000
Post adoption support service	£34,180
Expedition Places	£60,000
learning aids, training and curriculum	£30,000
promoting early literacy, language and communication skills	£69,000
funding for hire of space in Children Centres to run Book start	£25,920
licence for data system used for Children Centres	£28,000
121 Housing, debt, welfare & immigration and financial capability in Children's centres to parents of children 0-19	£52,700
Support/Outreach service to young carers (5-17yrs) living with families who misuse substances	£40,600
Improving quality standards in play work settings	£40,600
Weekend activities for disabled children (8-11yrs). Supporting families with disabled children (5-11yrs) to access inclusive play provision	£37,700
Training to childcare professionals to develop inclusive play. Provision of music & football sessions to help disabled children move into mainstream (0-19yrs)	£68,940
Core Curriculum classes for young Africans (5-19ryrs). Support for African-born parents re-education system	£37,780
Parenting Programmes for Black and Minority Ethnic, Refugee (BAMER) communities	£64,220
Support for families accessing the 2 Yr. old scheme	£40,000
Parent craft sessions and post natal support delivered in 5 Children Centres	£55,000

Description	Estimated Value
Parent craft sessions and post natal support delivered in 5 Children Centres	£55,900
Offers appropriate adults for young people in custody	£36,000
Disabled children and young people assessor service and peer Advocacy service.	£45,000
Group based social, sport, cultural and play activities in universal and specialist settings - Daytime	£32,800
Enabling / Personal Assistants Services	£50,860
Group based social, sport, cultural and play activities in universal and specialist settings - Daytime	£40,560
Group based social, sport, cultural and play activities in universal and specialist settings - Daytime	£44,270
Personal assistance providing personal care in home	£49,320
Schools Kosher food supplier service	£36,000
Supply of catering provision to schools	£40,000
Recruiting, training and managing the Independent Visitors Scheme (a befriending service for children in care)	£45,600
Special Educational Needs Applied Behaviour Analysis (ABA) therapy service.	2 contracts ranging in value from £34k to £37k
Special Educational Needs Transport service	£50,440
Social Care Children Looked After Adoption Service	£33,500
Safeguarding Conference Service	£70,280
Schools Meat Catering Services	£30,000
Kedassia Supervision - licence	£29,710
Special Educational Needs Advocacy Service	£25,000
electronic Common Assessment Framework (CAF) system	£88,000
Assessments service for families affected by Domestic Violence	£140,000

Description	Estimated Value
Social Care financial element	£95,000
Young people's learning disability assessment service	£155,630
Identifying young carers (5-17yrs) through schools, counselling support, young carers club and outdoor activities	£151,100
Advice, information and support to parents of disabled children	£75,500
Open access outdoor play provision for 6yrs-19yrs. Developing play clubs on estates in the community	£136,940
Identifying early signs of speech and language delay through sessions at Children's Centres and working together with parents & children (0-5) to improve speech and language	£131,750
Emotional and practical support to families with at least one child 0-5 to improve confidence and to engage with the community	£149,540
Fitness, sport & art activities for 9-25yrs. Debates/workshops on youth-related issues	£75,500
Holiday activities, volunteer programme, targeted work and advice and information for disabled young people 11-25yrs	£80,270
Outreach service for families of children with developmental delays, + Helpline + Family Support for children with Special Educational Needs & social/domestic problems	£87,830
After School activities for children and young people with Special Educational Needs delivered in special schools setting	£140,000
After School activities for children and young people with Special Educational Needs delivered in special schools setting After School activities in special schools	£140,000
After School activities for children and young people with Special Educational Needs delivered in special schools setting After School activities in special schools	£140,000
Group based social, sport, cultural and play activities in universal and specialist settings - Daytime/enabling services	£145,310
Individual support for families within and outside their homes	£81,600
Open Door - drop in for under 5s at Children's centres.	£103,280

Description	Estimated Value
Reach out - outreach to families through use of volunteers.	£80,000
Day and Residential service for disabled children	£159,330
After-school provision for disabled children	£130,700
Halal Foods for Catering Services	£80,000
Jewish Kosher Butchers	£120,000
Advocacy for looked after children	£156,000
Special Educational Needs therapy service.	5 Contracts range from £25k to £125k
After school provision	£130,700
Speech and Language Services	£86,500
Information Technology Management information System for Schools	£134,970
Health and Safety training	£82,400
Special Educational Needs Provision.	8 Contracts ranging in value from £500k to £3.25m
Children's Centres providing universal and targeted early intervention and prevention services for children under five and their families.	4 contracts range from £209k to £395k
Support Private, Voluntary and Independent early years childcare settings. Improve. Support community groups and parent & toddler groups to deliver quality childcare provision.	£182,390
Engage the voluntary & Community sector to contribute to the Barnet Children's Service's Children and young people	£252,000
Universal and targeted early intervention and prevention services for children under five and their families in Children's Centres.	9 contracts ranging in value from £200k to £397k
Short Breaks capital	£230,540
Group based social, sport, cultural and play activities in universal and specialist settings - Daytime/ Overnight short break/enabling services	£396,790
Speech and Language Therapy	£480,000
Health Care for Children looked after	£360,000

Description	Estimated Value
External provider framework for independent foster carer agencies	£6,000,000
Learning and Development initiatives	£2,400,000
Provision of drug and alcohol service for young people	£957,000
Alternative travel arrangements	£500,000
Fruit and Vegetables for Catering Services	£900,000
A combination of Special Educational Needs residential Schools; independent foster carers; semi-independent accommodation; family assessments and residential placements	£6,000,000
Special Educational Needs Statement Support service	7 Contracts ranging from £500k to £1.9m
Social Care Children Looked after Children's Homes	9 contracts ranging in value from £50k to £600k
Social Care Residential Family Assessment Centre	£150,000
Social Care Residential Family Assessment Centre	£100,000
Secure Unit Provision	£50,000
Catering Supplies	£240,000
Special Educational Needs Placement	£350,000

Adults Social Services

Description	Estimated Value
Funeral Services	£60,000
Retail web based care and support purchase system	£50,000
Residential/Nursing	£120,000,000
Supported Living Services	£34,000,000
Electronic Data Capture	£500,000
Community Equipment	£2,000,000
Voluntary Sector Infrastructure support	£2,500,000
Housing Related Support	£3,500,000
Residential/Nursing Care	£9,000,000
Refreshing adult social care database & procuring personalisation hub functions.	£1,478,350

Chief Executives Office

Description	Estimated Value
Community language supply	£26,000
Audio books	£69,000
Library records	£29,000
Smart Library Stock management tool	£41,700
Audio books	£29,300
online library resources	£56,800
Large Print books	£33,600
e-books and e-audio	£63,000
periodicals subscription	£45,000
specialist library furniture	£31,000
Marketing of roundabout and boundary sign sponsorship around the borough	£45,000
Extension of Wi-Fi to non-Wi-Fi library sites and associated cabling/power/data works	£25,000
Provision of self-service library terminals	£175,000
Host services for Barnet LINK	£237,000
Media resources supply	£1,185,000

Commercial Services

Description	Estimated Value
Finance Cash receipting system	£55,500
security monitoring and system logs to ensure compliance with central Government legislation around data security	£32,000
Family Information system	£60,000
Electronic Record Management System	£42,000
Case Management System	£30,000
Government Connect	£40,500
Structured Cabling for Buildings	£50,000
Encryption Software	£35,000
Electronic case management software for Social Care	£75,000
Toolset for Remote Desktop assistance, Network Management, software deployment, Patch management.	£96,000
Performance Management system for Adults and Children's Directorate	£164,000
Internet Support	£120,000
Repair works to address priority condition items at Hendon Cem & Crem	£145,000
Cash receipting system	£300,000
Libraries system and maintenance	£180,000
A hosted service that scans and verifies all incoming and outgoing e-mail communication + secure Email (500 users)	£330,000
Case management system	£252,000
Data and Voice over Internet Protocol channel	£704,000

Description	Estimated Value
Replacement of existing infrastructure	£850,000
Replacement of existing desktops	£800,000
Replacement cremators and mercury abatement at Hendon Cem & Crem	£1,100,000
Development and expansion of outpost depots	£2,000,000

Deputy Chief Executive

Description	Estimated Value
Provision of confidential face-to-face counselling service	£70,500
Provision of Pension Administration System	£52,000
Provision of Occupation Health services to the Council	£350,000
Provision of recruitment advertising	£250,000
Provision of temporary agency staff	£10,000,000
Actuarial service	Contract value will vary according to requested work
Pension Fund advisors	Contract value will vary according to requested work
Banking Services	£414,400
Chip 'n' Pin Machines - supply of machines and processing of transactions	£50,000

Environment Planning and Regeneration

Description	Estimated Value
Planned and responsive locksmiths in the EPR directorate	£51,000
Provision of banking services to parking service	£51,000
Planned and responsive electrical works	£51,000
Supply of Borough trees	£51,000
Gardening and shrub maintenance	£70,000
Stray dog collection and kenneling	£52,000
stroke equipment replacement and maintenance	£51,000
Clear Vegetation on a reactive basis	£62,480
Supply and Delivery of Green Recycling Sacks	£59,340
Provision of bedding plants for the borough	£51,000
Highways Asset Management consultants and surveys	£50,000
Waste & recycling consultant	£50,000
Provision of signage materials for the DLO	£66,000
Provision of consumables for Highways service including resins and mortars	£50,000
Responsive maintenance paving slabs	£37,000

Description	Estimated Value
Provision of the transport IT management system	£51,000
2012 Olympic decorations for the borough	£50,000
To provide Statutory Air quality monitoring data	£53,000
Legal Advice for Planning -	£50,000
Legal Advice	£50,000
Legal Advice	£50,000
Affordable Housing Viability Advice	£50,000
Retail Planning Advice	£50,000
Support to vacant sites as part of the Outer London Fund Round 2	£35,000
Hanging Baskets and Basket arms for Town Centre as part of the Outer London Fund Round 2	£26,000
Improvements in Town Centre as part of the Outer London Fund Round 2	£58,500
Events and exhibitions in Town Centre as part of the Outer London Fund Round 2	£40,000
Improvements in Town Centre as part of the Outer London Fund Round 2	£30,000
Improvements in Town Centre as part of the Outer London Fund Round 2	£25,000
Improvements as part of the Outer London Fund Round 2	£40,000
Improvements as part of the Outer London Fund Round 2	£28,000
Improvements as part of the Outer London Fund Round 2	£30,000

Description	Estimated Value
Reactive maintenance	£80,000
Tennis court and park resurfacing	£150,000
Supply of Personal Protective Equipment across the directorate	£75,000
Provide wetland services	£88,070
Provision of trade waste containers	£100,000
Training for all operational staff including manual handling, HGV etc.	£120,000
Maintain LBB weather stations, data collection and Bureau service	£75,000
Provision of reflective material, brackets and pole for Highways service	£100,000
Provision of Tarmac	£140,000
Provision of signage materials	£100,000
Highways Asset Management consultants and asset condition surveys	£140,000
Provision of independent advice to residents on the Council's development plans	£80,000
Independent monitoring of Estate scheme cost plan	£100,000
Provision of legal advice & negotiations for regeneration scheme	£150,000
Improvements to the street lighting in Town Centre as part of the Outer London Fund Round 2	£132,000
Improvements in North Finchley as part of the Outer London Fund Round 2	£94,000
Youth Festival, Children's Festival and Olympic and Paralympic Games Celebrations in North Finchley as part of the Outer London Fund Round 2	£140,000
Provision and servicing of textile bring banks in Barnet	£120,000

Description	Estimated Value
Reactive maintenance and fabrication of metal works	£300,000
Specialist horticultural works and meadow management	£200,000
Supply of rock salt for winter gritting	£240,000
Provide circuits to operate CCTV	£200,000
Maintain the boroughs CCTV camera network	£200,000
Project Consultancy costs	£250,000
Project Consultancy costs	£250,000
Project Consultancy costs	£200,000
Provision of independent advice to residents on the Council's development plans	£180,000
Provision of independent advice to residents on the Council's development plans	£300,000
Town Centre improvements as part of the Outer London Fund Round 2	£300,000
Re-imbursement of costs for the moving of plant to utility companies as a result of Borough planned works	£3,000,000
Provision of Asset Management IT system/database	£685,000
Provision of fuel for council fleet	£2,600,000
Provision of Transport Services across the Borough	£1,228,570
kerbside dry recycling service to residents and schools, and operation of Civic Amenity and Recycling Centre	£20,000,000

Appendix 2

Financial Year 2013 - 2014

Chief Executives Office

Description	Estimated Value
Community involvement and advocacy for health and care services	£750,000

Children's Service

Description	Estimated Value
Recycled food Service Packaging	£30,000
Cleaning Materials and Light Equipment for Catering Services	£45,000
Monitor the local authority's performance of their functions in relation to the child's case	£35,440
Special Educational Needs Provision	63 contracts ranging in value from £26k to £1.9m
Special Educational Needs outreach to mainstream schools	£30,000
Special Educational Needs outreach to mainstream schools	£30,000
Special Educational Needs outreach to mainstream schools	£30,000
Special Educational Needs outreach to mainstream schools	£30,000
Kedassia Supervision - licence	£29,710
Placement of Children in care.	83 contracts ranging in value from £27k to £6m

Description	Estimated Value
Specialist frozen Supplies for Catering Services	£120,000
Visually Impaired Service	£97,000
Out of hours duty service	£150,000
Special Educational Needs Provision preschool provision	£169,070
Social Work Service	£120,000
Provision of Semi-independent accommodation	£120,000
Hearing Impairment Additionally Resourced Provision	£100,000
Autism Additionally Resourced Provision	£100,000
Autism Additionally Resourced Provision	£100,000
Autism Additionally Resourced Provision	£100,000
Speech and language Additionally Resourced Provision	£100,000
Speech and language Additionally Resourced Provision	£100,000
Speech and language Additionally Resourced Provision	£100,000
Physical disability	£100,000
After School club for young people with disabilities	£200,000
Special Educational Needs Provision	£315,340
Special Educational Needs Provision	£386,340
perpetrator programme and partner support	£228,000
Provision of specialist chairers for safeguarding meetings	£360,000
Framework for Special Educational Needs Schools	£6,000,000

Description	Estimated Value
Framework for social care family assessments	£6,000,000
Framework for social care semi-independent accommodation	£6,000,000
Framework for social care residential placements	£6,000,000
Floating IDVA support	£540,000
Provision of an 18-bed refuge service in Barnet	£600,000
Groceries for Catering Services	£2,340,000
Frozen Foods for Catering Services	£2,100,000

Commercial Services

Description	Estimated Value
Encryption Software	£35,000
SAP managed service	£962,000
Managed legacy apps	£42,300
LBB network Management	£500,000
LBB Desktop and server break fix	£82,500
Microsoft software Enterprise agreements	£1,020,000

Corporate Governance

Description	Estimated Value
Property (incl Leasehold Property Household Buildings) and Miscellaneous Insurance	£6,415,000
Combined Liability and Motor Insurance	£1,161,000

Deputy Chief Executive

Description	Estimated Value
Treasury advisory service	£120,000
To provide an external debt collection service	£50,000

Environment Planning and Regeneration

Description	Estimated Value
Provision of outdoor activities for residents	£30,000
Highway maintenance and road resurfacing. Infrastructure improvements	£30,000,000
Highway maintenance and road resurfacing. Infrastructure improvements	£8,750,000
Supply and delivery of wheeled plastic bins & Green	£149,170
Provision of Depot Photocopiers	£81,000
Hendon & Edgware Tree Management	£1,750,000
Finchley and Golders Green Tree Management	£1,750,000
Chipping Barnet Tree Management	£1,750,000
Collection & Disposal of Hazardous Waste	£116,170
Supply and delivery of wheeled bins and other containers for collection of dry recycling and kitchen waste	£3,000,000

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	Variation of the Council's contract with Civica for the provision of the OpenRevenues System
Report of	Cabinet Member for Resources and Performance
Summary	The report seeks: (i) authority to waive contract procedure rules to vary the contract with Civica for the provision of the OpenRevenues System by £400,000.

Officer Contributors	Andrew Cox, Project Manager, One Barnet
Status (public or exempt)	Public
Wards affected	N/A
Enclosures	None
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in	Not applicable

Contact for further information: Andrew Cox, Project Manager ext. 4889

1. RECOMMENDATION

1.1 That Committee authorise a waiver of Contract Procedure Rule 5.6 to vary the contract with Civica which ends in February 2016 for the provision of the OPENRevenues system by £400,000 which will result in a total contract value of £3,443,615. This increase of 13.2% is greater than that allowed by the Contract Procedure Rule of a 10% variation.

2. RELEVANT PREVIOUS DECISIONS

2.1 Cabinet Resources Committee, 8 December 2009, Decision 10, approved the award of the contract for the Council's IT systems, hosting and imaging system used for council tax, business rates and benefits to Supplier A (Civica).

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 The Corporate Plan 2012-13 states that "we will continue to drive costs out of the council through transforming our internal organisation, reducing the costs of providing services and giving better value for money. 77 per cent of our savings over the next three years will be achieved through efficiency savings. We also need to innovate and embrace change in order to live within our means over the next three years and beyond. Standing still is not an option." To meet the Council's corporate priority of "Better services with less money" there is a strategic goal to maximise improvements and savings in back office functions.

3.2 The aim of the proposed variation to the Civica OPENRevenues contract is to ensure that the Council's 'One Barnet' objectives are not hindered and that the Council can continue to develop the system to meet the changing requirements driven both by the Council's internal changes and Central Government led change.

4. RISK MANAGEMENT ISSUES

4.1 Some of the savings identified in 2012-13 budgets are reliant on the development of the Civica OPENRevenues system. If the waiver is not granted then there is a risk that the predicted savings may not be achieved.

5. EQUALITIES AND DIVERSITY ISSUES

5.1 Under the Equality Act 2010, the Council and all other organisations exercising public functions on its behalf must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.

5.2 To comply with the duty under the Equality Act 2010, the Council in the original procurement process asked questions of the bidders about their equalities policies and through the evaluation the evaluators were satisfied that these policies met the council's expectations.

6. **USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

6.1 The value of this variation to the Civica OPENRevenues contract is £400,000, which is 13.2% of the original contract value of £3,043,615.

6.2 The variation is required to purchase software, hosting and support that have been identified as necessary to support the day-to-day usage of the system which were not included in the original contract; system enhancements to support legislative and process changes; changes required to deliver the revised benefits process to be implemented through the Revenues and Benefits Transformation project.

6.3 These variations will all be funded by existing Revenues and Benefits service budgets.

6.4 There are no issues relating to Staffing and Property.

7. **LEGAL ISSUES**

7.1 The Public Contracts Regulations 2006, applies to contracts for works, services and supplies over particular financial thresholds. For supply contracts the value is £173,934 and contracting authorities are required to advertise contracts above the thresholds. Paragraph 9 of this report confirms that the European procurement process was followed in the award of the contract to Civica OPENRevenues.

7.2 The procurement regime permits a repetition of similar works or services under the original contract which relates to the project for the purpose of which the original contract was made. However, this is only applicable where the contract notice for the original contract expressly mentioned the possibility of the additional works/services being awarded to the same provider. The new award must also commence within three years of the date of the original contract being entered into.

7.3 The variation of the contract will be made by way of a supplementary agreement which will be executed on behalf of the Council and Civica.

8. **CONSTITUTIONAL POWERS**

8.1 The Constitution, Part 3, Section 3.6 sets out the functions of the Cabinet Resources Committee

8.2 Rule 5.8 of the Contract Procedure Rules enables a Cabinet Committee to waive the requirements of the Contract Procedure Rules if satisfied, after considering a written report by the appropriate officer, that the waiver is justified because of (a) the nature of the market for the works to be carried out or the supplies or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of Contract Procedure Rules is justifiable; or (b) the contract is for works, supplies or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or (c) the circumstances of the proposed contract are covered by legislative exemptions (whether under EU or English Law); or (d) there are other circumstances which are genuinely exceptional.

8.3   Contract Procedure Rule 5.6 sets out the acceptance parameters for contract additions, extensions and variations and are also subject to, in the case of contract variations and in accordance to its terms and conditions that (a) the variation is notified to and agreed in writing with the contractor; (b) any additional expenditure necessarily incurred does not exceed 10% of the initial contract;

8.4   Paragraph 9.7 of this report provides the basis for requesting a waiver of the Contract Procedure rule 5.6.

9.   BACKGROUND INFORMATION

9.1   The Civica OPENRevenues system was implemented in 2011 as a replacement to Pericles as the Council's IT system to support Council Tax, Business Rates and Benefits.

9.2   The contract between the Council and Civica went live in February 2011 for a period of five years, until February 2016 at a value of £3,043,615.

9.3   The procurement of the Civica Contract was subject to European Procurement Regulations and the EC Treaty principles of non-discrimination, transparency and equality of treatment.

9.4   With respect to the Council's own Contract Procedure Rules, the Cabinet Committee has power to waive any one or more of those Rules if satisfied that waiver is justified on any one or more of the grounds set out in Section 8, above.

9.5   As is the case with all IT systems new functionality has been developed for the Civica OPENRevenues system as requirements from local authorities have developed and legislation has changed.

9.6   This contract variation is required to purchase a number of additional system components and/or the associated hosting, support and services for the Civica OPENRevenues system in order to ensure the system remains fit for purpose to support the requirements of the Revenues and Benefits service.

9.7   Waiver of the Contract Procedure Rules is being sought, herein, on the basis of exceptional circumstances, to enable the required changes to be made to the Civica system to enable the use of the system to be developed to meet both One Barnet and Central Government requirements.

9.8   The contract variation will be funded by the Revenues and Benefits Service budget £255,000 across 5 years. This variation is 8.4% of the original contract value. The additional elements of the variation will be funded from central government grants for example to pilot Universal Credit. This element of the variation, £145,000, is 4.8% of the original contract value.

10   LIST OF BACKGROUND PAPERS

None

Legal – MC
CFO – PD

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	**Renewal of Heywoods Axise Pension Administration Software and Services Contract**
Report of	Cabinet Member for Resources and Performance
Summary	This report seeks waiver of the contract procedure rules as to tender procedure and approval to renew the pension administration software and services contract with Heywood Limited for a period of two years from 14 September 2012 to 13 September 2014.

Officer Contributors	Mark Rudd, Head of HR Operations
	Hansha Patel, Pension Services Manager
	Praful Ladwa, Corporate Procurement
Status (public or exempt)	Public
Wards Affected	N/A
Key Decision	No
Reason for urgency / exemption from call-in	Not Applicable
Function of	Executive
Enclosures	None
Contact for Further Information	Hansha Patel 020 8359 7895

1 RECOMMENDATIONS

That the Committee waive the relevant Contract Procedure Rules and authorise the renewal of the Heywood Axise Pension Software and Services Contract for a period of two years from 14 September 2012 to 13 September 2014. The total value of the new contract will be approximately £128,000 over the lifetime of the contract.

2 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

2.1.1 The Corporate Plan 2012-13 states that "we will continue to drive costs out of the Council through transforming our internal organisation, reducing costs of providing Services and giving better value for money". This is to meet the Council's corporate priority "Better services with less money" strategic goal to maximise improvements and savings in back-office functions.

3. RELEVANT PREVIOUS DECISIONS

3.1 Heywood Limited has provided the Pension Administration System to the Council for more than ten years. The current Contract, covering both licensing and maintenance is due to expire 13 September 2012.

3.2 Last year's contract for the period 14 September 2011 – 13 September 2012 was renewed following a Delegated Powers Report and approval by the Deputy Chief Executive on 31 January 2012.

4. RISK MANAGEMENT ISSUES

4.1 The current contractual arrangements in place with Heywood Limited allow for automatic renewal of the licence annually; either Heywood Limited or the Council can terminate the licence giving 12 months written notice.

4.2 If the Council does not renew the licence contract or fails to put alternative service provision in place, it will not be able to administer the pension on behalf of approximately 15,000 active / deferred members and approximately 7,000 pensioners.

4.3 Unless the option to extend the contract is exercised the Council will need to carry out costly tendering processes before January 2013, resulting in significant expenses to the Council and arrangements that may not deliver best value for money.

5. EQUALITIES AND DIVERSITY ISSUES

5.1 The Equality Act 2010, requires all public bodies and all other organisations exercising public functions on its behalf must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

It also covers marriage and civil partnership with regard to eliminating discrimination.

5.2   Heywood Limited are ISO 9001:2000 Certified since 2005

6.   USE OF RESOURCES IMPLICATIONS
(Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1   There are no adverse staffing, IT, sustainability, procurement and or property issues as a result of continuing participation in the current contract.

6.2   Finance:

The cost of the contract will be met wholly from the Pension Fund. The expenditure with Heywoods for the two year contract period to 13 September 2014 will be approximately £128,000.

7.   LEGAL ISSUES

7.1   Procurement processes must comply with the European procurement rules and the Treaty obligations of transparency, equality of treatment and non discrimination as well as the Council's Contract Procedure Rules.

7.2   In the event that the lifetime values of the contracts, dealt with within this report, exceed the, relevant, European Threshold, the Public Contracts Regulations 2006 (as amended) will apply. Any non-compliance with the Regulations carries a risk of legal challenge and the imposition of sanctions if successful.

7.3   With reference to contracts, which have values above the, relevant, EU threshold it is considered that reliance may be placed upon Regulation 14 of the Public Contracts Regulations 2006 (as amended), which implement the European Directive into domestic legislation. Regulation 14 enables a Contracting Authority to negotiate a contract with a particular supplier, without the publication of a contract notice, when, for technical or artistic reasons, or for reasons connected with the protection of exclusive rights, the public contract may be awarded only to a particular economic operator.

7.4   With respect to the council's own Contract Procedure Rules, the Cabinet Committee has power to waive any one or more of those Rules if satisfied that waiver is justified on any one or more of the grounds set out in Section 8 below.

8.   CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

8.1   The Constitution: Part 3 Section 3.6 sets out the functions of the Committee including the power to Authorise and Accept contracts.

8.2   Section 5.8 of the Contract Procedure (CPR) Rules enables a Cabinet Committee to waive the requirements of the Contract Procedure Rules if

satisfied, after considering a written report by the appropriate officer, that the waiver is justified because:

5.8.1   the nature of the market for the works to be carried out or the supplies or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of Contract Procedure Rules is justifiable; or

5.8.2   the contract is for works, supplies or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or

5.8.3   the circumstances of the proposed contract are covered by legislative exemptions (whether under EU or English Law); or

5.8.4   there are other circumstances which are genuinely exceptional.

8.3   The justification in this case is contained within Rule 5.8.1 of the CPR's that the nature of the market for the services to be provided has been investigated and is demonstrated to be such that a departure from the CPR's is justifiable because of the following:

8.3.1   The current pension system is fully embedded into the Council's processes and procedures for the administration of the Local Government Pension Scheme and is used by many active members via self-service functionality. The system, being one of the market leading products for pension's administration, meets all the current business needs of the Council and is essential for business continuity.

8.3.2   The cost of re-tendering will be significant, yet is unlikely to identify an alternative provider in the marketplace that will offer significant cost benefit over the proposed short period of the contract. There is a high probability that any new provider will charge a high implementation cost because of the relatively short length of the contract (only 2 years), in addition to any costs for managing the scheme.

8.3.3   Pension Administration is due to be transferred under the NSCSO Programme to a new service provider early in 2013. The new service provider may want to use its own propriety systems, therefore negating any potential benefit of the Council switching its systems now

8.4   In addition a waiver may apply under Rule 5.8.4 in that there are other circumstances that are genuinely exceptional. The circumstances in this case are the complex nature of the service required, the potential high cost of having to implement a new pension administration system following a full procurement process provided by a new supplier with no experience of local government pension schemes and the impending externalisation of NSCSO to a private service partner.

9.   BACKGROUND INFORMATION

9.1   London Borough of Barnet has used the Heywood Axise Pension Administration System for over 10 years. The service is provided by Heywood

Limited, 2 Victoria Street, Altrincham, Cheshire, WA14 1ET. The existing contract expires on 13 September 2012.

9.2   The existing contractual arrangements allow for the automatic annual renewal of the contract. London Borough of Barnet or Heywood Limited has the right to terminate the contract giving a minimum 12 months written notice.

9.3   The Heywood Axise system is fully integrated and embedded into the Council's processes and procedures. The system allows the Council Pension Services Team to administer the pension on behalf of approximately 15,000 active / deferred members and approximately 7,000 pensioners. The system currently fully meets existing business requirements including Local Government Pension Scheme administration database, licences and maintenance, task management module, Internet-based Member Self-Service functionality and document imaging software.

9.4   With the proposal to outsource pension administration as part of the One Barnet New Support and Customer Service Organisation, there is little benefit in re-tendering the existing contract at the present time. Heywood *Axise* is a market-leading pension system. With the potential costs to tendering for the contract high, the Council would not gain in business benefits from a new contract before the service is outsourced.

9.5   The Council has no overriding business need to replace the existing pension administration system and therefore, proposes to renew the contract for a further two year period.

10.   LIST OF BACKGROUND PAPERS

None.

Cleared by Finance (Officer's initials)	**MC**
Cleared by Legal (Officer's initials)	**PD**

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	**Provision of Temporary Agency Resources**
Report of	Cabinet Member for Resources and Performance
Summary	To approve the award of contract for the provision of temporary agency resources under the Eastern Shires Purchasing Organisation (ESPO) MSTAR framework to Comensura Limited for a period of 3 years from 1 October 2012 with the option to extend for a further 12 months

Officer Contributors	Mark Rudd, Head of HR Service Delivery (Deputy Chief Executive Service)
	Praful Ladwa, Corporate Procurement (Commercial Services)
Status (public or exempt)	Public (with separate exempt report).
Wards affected	None
Key Decision	Yes
Reason for urgency / exemption from call-in	Not applicable
Function of	Executive
Enclosures	None

Contact for further information: Mark Rudd, Head of HR Service Delivery, 020 8359 2509

www.barnet.gov.uk

1. RECOMMENDATIONS

1.1   That the contract for the supply of temporary agency resources be awarded to Comensura Limited from 1 October 2012 valued at £10.6m per annum or £36.7m for the initial 3 year term with the option to extend the contract for a further 12 months for an additional £9.9m. The total contract value including the additional year will be £46.6m.

2. RELEVANT PREVIOUS DECISIONS

2.1   Cabinet Resources Committee, 25 February 2008, Decision Item 5 - the Committee resolved to award the contract to Hays Specialist Recruitment Limited for the supply of Neutral Vendor Services for the provision of a managed agency temporary desk and the supply of temporary workers for the period 25 February 2008 to 02 April 2011 with an option to extend for a further period of up to two years.

2.2   Cabinet Resources Committee, 2 March 2011, Decision Item 16 - the Committee resolved that the Commercial Director be authorised to extend the current contract for the supply of temporary agency staff held by Hays Resource Management for a period of 12 months from 2 April 2011 to 31 March 2012.

2.3   Cabinet Resources Committee, 4 April 2012 Decision Item 21 - the Committee resolved to authorise the Director of Commercial Services to extend the current Contract for the supply of Temporary Agency Staff held by Hays Resource Management for a period of six months from the 2nd April 2012 to 30 September 2012.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1   The contract with Comensura Limited will support the Corporate Plan 2012-13 which states "We will continue to drive costs out of the council through transforming our internal organisation" and that we will focus on "….making sure we get the best value from resources across the public sector, including our people and assets". In addition the contract will help the strategic goal of maximising improvements and savings in back office functions and the Council's corporate priority "Better services with less money".

4. RISK MANAGEMENT ISSUES

4.1   During 2010 it became apparent that public finances nationally were to be significantly constrained. For the Council, as a people organisation, this meant that the most significant impact would be upon people costs. Recruitment was identified as a significant issue - there was a concern not to create additional redundancy costs plus there was also an urgent need to be able to redeploy permanent workers who were displaced because of proposed budget reductions. To address these objectives, the organisation made a decision in June 2010 that it should move towards a more flexible approach to managing its workforce. This meant that vacancies were predominately filled on a temporary basis, and only in the areas of 'hard to fill' roles were permanent appointments made.

4.2   The contract for the supply of Temporary Agency Staff is critical to the delivery of this objective.

4.3 The current contract with the supplier of Temporary Agency staff expires on 30 September 2012. Ending the contract without alternative provision would undermine the Council's approach to flexibly managing its workforce.

4.4 Officers have considered whether there are any risk issues involved likely to raise concern or give rise to policy considerations and are content none exist.

5. EQUALITIES AND DIVERSITY ISSUES

5.1 Under the Equality Act 2010, the council and all other organisations exercising public functions on its behalf must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; and c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy; maternity; race; religion or belief; sex; and sexual orientation. The duty to eliminate discrimination also extends to marriage and civil partnership.

5.2 All preferred suppliers under the Eastern Shires Purchasing Organisation (ESPO) 'Managed Services for Temporary Resources' (MSTAR) framework contract 653F have confirmed through the formal tender process, compliance with all their statutory obligations, including under the Equality Act 2010.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1 There are no adverse staffing, IT, sustainability, performance or property issues as a result of participating in the framework contract.

Procurement and Value for Money

6.2 The rules of the MSTAR framework provide the Council with two options to be able to appoint a Service Provider. The appointment can be made by either 'direct award' or following a further competition. Both options are compliant with current EU legislation.

6.3 The option to appoint a Service Provider by 'direct award' is not suitable for the Council as it does not provide a means of ensuring value for money as the Council would have to award a contract based upon the outcome of the tendering process conducted by ESPO and appoint the supplier who achieved the highest combined technical and commercial score.

6.4 The Council's preferred option is, therefore, to run a competitive tendering process under the rules of the MSTAR framework agreement and evaluate the tenders in a fair and transparent manner. The Council has decided not use the evaluation criteria recommended by ESPO which give a greater weighting to commercial aspects i.e. price than to service delivery i.e. quality.

6.5 The evaluation criteria that each of the submitted proposals would be assessed against is given below and is compared against the ESPO recommended weightings:

Criteria	ESPO Recommended Weightings	Barnet Mini Competition Weightings
Technical	40%	60%
Price	60%	40%
Total	100%	100%

7. LEGAL ISSUES

7.1 Procurement processes must comply with the European procurement rules and the Treaty obligations of transparency, equality of treatment and non discrimination as well as the Council's Contract Procedure Rules.

7.2 A Framework is an agreement between a client and contractor or contractors or consultant or consultants (depending upon the nature of the framework), the purpose of which is to establish the terms governing particular call-off contracts that may be awarded during the term of the framework, in particular with regard to price and quantity.

7.3 Framework agreements are referenced under paragraphs 6.9.1.1 through to 6.9.1.5 of the Contract Procedure Rules, as set out at paragraph 8.3 below. On the basis of the information contained in the report the relevant provisions of the Council's Contract Procedure Rules have been met.

7.4 In accordance with the Council's Contract Procedure Rules, there will be a need to enter into formal contract with the successful tenderer.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

8.1 Constitution Part 3 - Responsibility for Functions, section 3 – Responsibility of the Executive, paragraph 3.6 – terms of reference of the Cabinet Resources Committee.

8.2 Constitution, Part 4 –Contract Procedure Rules Table 5-1 - Authorisation & Acceptance Thresholds for Works, Supplies and Services - provides that authorisation by Cabinet Committee is required for contract value of £500,000 and above.

8.3 Constitution, Part 4 –Contract Procedure Rules, section 6.9 provides as follows:

"6.9 Before promoting the procurement of a new or joining a pre-existing framework agreement, the Commercial Director must be satisfied that such an approach represents the most economically advantageous solution for a service work, supply or utility provision and complies with the Relevant EU Rules on the use of such agreements.

Before procuring or entering into a framework agreement, the Commercial Director shall be satisfied that:

6.9.1.1 the term of the arrangement shall be or is for a period of no longer than four years duration;
6.9.1.2 the terms and conditions of the arrangement do not compromise the Council's contractual requirements;
6.9.1.3 the parties to the arrangement are recognised public bodies or providers from the private sector;
6.9.1.4 full, open and proper competition in respect of the creation of the framework agreement has taken or will take place in accordance with the Relevant EU Rules and/or Relevant Contract Procedure Rules
6.9.1.5 Preference should be given to use of any Government Procurement schemes e.g. OGC".

.

8.4 The Commercial Director has confirmed that the framework agreement represents a prudent, efficient and economical way of ensuring compliance with procurement rules; and the Commercial Director has given approval to join the framework agreement.

8.5 The cumulative spend over the life of the contract is projected to exceed £500,000. The contract does, therefore, constitute a key decision.

9. BACKGROUND INFORMATION

9.1 In 2006 the London Contracts & Supply Group (LCSG) Framework contract was awarded to Hays Resource Management for the neutral supply of temporary and permanent staff. The contract was awarded for a period of 5 years with an option to extend for 2 further periods of 1 year. The original contract five year period was completed on 31 March 2011 and the subsequent first contract extension was completed on 31 March 2012. A further six month contract extension will be completed on 30 September 2012.The tables below details the contract spend on an annual and cumulative basis:

Financial Year	Spend (including Management Fee)
2008-2009	£11.6M
2009-2010	£13.5M
2010-2011	£11.6M
2011-2012	£9.9M

Term	Spend	Cumulative Spend
Initial 3 year period	£36.7M	
First 1 year extension	£9.9M	£46.6M
Final 6 month extension	£5M	£51.6M

9.2 In January 2012 the Council commenced the re-procurement of the service provision. Service Providers from the Lot 2a of the Managed Services for Temporary Agency Resources (MSTAR) Framework were invited to submit bid proposals. Before commencing the re-procurement exercise Corporate Procurement researched other pan London and pan public sector framework agreements for the provision temporary agency resources but found that only the MSTAR agreement offered a true 'one stop shop' solution.

9.3 Lot 2a of the MSTAR framework provides for Corporate and Education temporary staffing resource based upon a supply chain model, this means that the successful bidder is not tied to a particular agency brand and can develop its own capability in order to meet a customer's requirement. The supply chain model provides the lowest risk to the Council, provides a compliant route for Small & Medium Enterprises (SME's), Social Enterprises and Black and Minority Ethnic Enterprises (BME's) to provide services to the Council and eliminates any potential issues around TUPE.

9.4 The re-procurement was delayed as the Council had envisaged collaborating with other London Boroughs; however, the Council's requirement did not match that of other Boroughs who only wish to find a provider for general administration and clerical roles,

whereas the Council wished to include 'hard to fill' roles within Social Care and Education. In addition, it is intended to procure Interim Managers and Consultants via this route.

9.5   The tender closing date was extended by one week and a total of four (4) bids were received by 28th February 2012. Quality proposals were assessed by the Technical Evaluation Panel and Corporate Procurement assessed the commercial proposals.

9.6   Following the initial technical and commercial evaluations all four bidders were invited to meet with Evaluation Panel to further clarify aspects of their bid proposal. Supplier presentations took place week commencing 12th March 2012.

9.7   The responses given by the bidders at the supplier presentations where then reviewed and the Evaluation Panel then agreed by consensus the final scores to be awarded to each supplier and agree the final recommendation. The table below summarises the scores that were awarded to each supplier:

	Supplier 1	Comensura	Supplier 3	Supplier 4
Technical (60%)	23.25%	48.25%	19.00%	18.00%
Commercial (40%)	24.56%	24.98%	20.43%	32.74%
Total	47.81%	73.23%	39.43%	50.74%

The identity of Suppliers 1, 3 and 4 is detailed in the accompanying exempt report.

9.8   The value of the new contract is difficult to estimate as the value is determined by actual usage. The bidders were provided with a breakdown of the Councils current temporary agency workforce in order that they could offer competitive pay rates. In addition each of the bidders has offered to achieve a minimum guaranteed saving (as a percentage of spend) on a year on year basis and a gain share incentive if they deliver savings above the guaranteed saving. The guaranteed level of saving that has been offered by Comensura is commercially sensitive information and is detailed in the accompanying exempt report.

9.9   Based upon the current usage and the information supplied by the bidders this would value the new contract at between £ 8.1M to £10.6M per annum or £24.3M to £31.8M over the initial 3 year term of the contract.

9.10   Each of the bidders has identified but is not able to quantify additional cash savings that could be achieved during the implementation phase of the contract when further pay rate benchmarking will be carried out and the baseline value of the contract has been set by Comensura.

10.   LIST OF BACKGROUND PAPERS

10.1 None.

Cleared by Finance (Officer's initials)	**JH**
Cleared by Legal (Officer's initials)	**SWS**

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	**Future management of the Flightways building**
Report of	Cabinet Member for Adults Cabinet Member for Resources and Performance
Summary	This report sets out a series of recommendations in respect of the future operation of the Flightways building following the creation of the Local Authority Trading Company.

Officer Contributors	Kate Kennally, Director of Adult Social Care and Health Craig Cooper, Director of Commercial Services Andrew Travers, Deputy Chief Executive
Status (public or exempt)	Public
Wards affected	All
Enclosures	None
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Colin Hudson, Project Manager, 07831 684330

1.   RECOMMENDATIONS

1.1   That the Council leases the Flightways building to The Barnet Group Ltd on a two year lease at a peppercorn rental on terms to be agreed between the parties to include:

      I.   **The Barnet Group Ltd being responsible for non-structural repairs and maintenance.**

     II.   **permitting the The Barnet Group Ltd to licence the use of parts of the building to other organisations and retain the income receivable from such users.**

    III.   **requiring the The Barnet Group Ltd to ensure all organisations using the building occupy under the terms of a licence, such licence to be in an approved form.**

    IV.   **Authorising the Council's legal department to prepare and complete the relevant legal documentation to effect the recommendations.**

2.   RELEVANT PREVIOUS DECISIONS

2.1   Cabinet (29 November 2010, decision item 8) approved the decision to develop a full business case for the implementation of a Local Authority Trading Company, which would result in the transfer of Learning Disability Services, Physical and Sensory Impairment Disability Services and Mental Health in-house provider services to the Local Authority Trading Company.

2.2   On 24 May 2011, Cabinet Resources Committee approved the Adults In-House Service Review Business Case and initiation of a full business plan (decision item 12). It was resolved; that the Cabinet Resources Committee approved the Adult In House Services Business Case to transfer the adult social care service provision from the management of the Council to the Local Authority Trading Company following approval of the business plan.

2.3   Cabinet Resources Committee, 16 January 2012, Decision Item 5, approved the business plan for the Local Authority Trading Company, the Barnet Group Ltd and the business plans for the two subsidiary companies, Your Choice Barnet Ltd and Barnet Homes Ltd. This decision allowed for the transfer of the in house services from Adult Social Care to Your Choice Barnet Ltd from 1st February 2012 which included Barnet Independent Living Service delivered from the Flightways building on the Grahame Park Estate.

3.   CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

4.1   The establishment of the Local Authority Trading Company (LATC) on the 1st of February 2012 is consistent with the Council's Corporate Plan priorities of 'Sharing Opportunities and Sharing Responsibilities' and 'Better Services with Less Money'.

4.2   The new LATC through being able to trade with service users who have a direct payment and through involving disabled people and family carers at all levels of the organisation, including as members of the Your Choice Barnet Board can promote greater choice and control for users of adult social care services.

3.3   In addition, through bringing Barnet Homes Ltd into the LATC as a subsidiary of The Barnet Group Ltd, the Council is achieving its objective of delivering better services with

less money, through sharing of management overheads so as best able to continue to deliver valued services which continue to be affordable.

4. RISK MANAGEMENT ISSUES

4.1 The Flightways building is in the Grahame Park regeneration zone and is due for demolition as part of that regeneration scheme. There are currently a number of users of the building, predominantly voluntary and charitable organisations providing services to the local community in addition to Barnet Independent Living Service (BILS). However, some of the existing users do not have formal agreements in place for their use of the building. To avoid the risk of one, or more users, claiming formal tenancy rights and delaying the regeneration plans it is essential that short term licences are issued to all users as soon as possible to regularise the position.

4.2 At present the Council is legally responsible for the Flightways building as there is no formal arrangement in place for the LATC to operate the building or collect income from service users. However, Your Choice Barnet Ltd, through the transfer of the BILS is actually fulfilling this responsibility – the BILS Manager is managing the facilities and overseeing the users of the building. Without a formal agreement in place there is a risk the Council could be held liable for any issues which arise e.g. a breach of health and safety regulations.

4.3 There is a risk that the cost of repairs and maintenance on the building will exceed the income receivable Whilst this risk will sit with Your Choice Barnet Ltd the Council will, under the LATC agreement, continue to underwrite a LATC deficit. If this agreement is not entered into the Council will remain responsible for such costs. Hence, the overall risk remains the same.

4.4 The approvals requested in this report will mitigate the risks at 4.1 and 4.2.

5. EQUALITIES AND DIVERSITY ISSUES

5.1 Under the Equality Act 2010, the Council has a public sector equality duty to have due regard to three specified matters when exercising its functions:
5.1.1 stopping unlawful discrimination, harassment and victimisation;
5.1.2 promoting equality of opportunity between people who share protected characteristics and those who do not; and
5.1.3 promoting good relationships between people who share protected characteristics and those who do not.

5.2 The service is inclusive and provided to people with a range of disabilities to help them live independently. It is however necessary for the Council to ensure that all premises that are used for the provision of services to disabled people are compliant with the requirements under the Disability Discrimination Act 1995 (DDA). The Council through it's capital programme has made available funding to ensure that the Flightways building is fully compliant with the DDA. Remedial works are being undertaken during 2012/13 funded from the Council's approved capital programme and it will be the responsibility of the leaseholder to ensure that the building remains fully accessible.

5.3 The Council has, in accordance with its statutory obligations, considered the impact on equalities arising from the proposals. The Community Equalities Impact Assessment concluded 'Neutral Impact' and this will continue to be monitored by Your Choice (Barnet) Limited. It has been recognised that as

the Council moves to a more consumer led model, services provided by Your Choice (Barnet) Limited could be subject to change if demand decreases in the long run. In this case Your Choice (Barnet) Limited will conduct further Equalities Impact Assessments as part of any proposed change in order to mitigate any potential risk of inequality.

6.   USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1   The approval of the recommendations in this report will not impact on the Council's budget as the income receivable from occupants of Flightways has already been transferred to Your Choice Barnet Ltd in accordance with the LATC contract. With The Barnet Group Ltd accepting responsibility for repairs and maintenance on the building the risk of such costs exceeding the income receivable will sit with Your Choice Barnet Ltd although the Council will, under the LATC agreement, continue to underwrite a LATC deficit.

7.   LEGAL ISSUES

7.1   The legal position is quite complex as there are a number of factors to be taken into account, as follows:

- State Aid. State aid rules prevent all but minimal support to be provided to commercial organisations. The Barnet Group Ltd as a LATC is a private company and thus is defined as a commercial organisation. External legal advice received has confirmed that there is a sound argument for applying the de minimis rules which allow for 200,000 Euros of 'support' to be provided in each three year period. This would cover the £55,000 per annum commercial lease valuation for the building and allow a peppercorn rent to be charged.
- Duty to obtain best consideration. Section 123 of the Local Government Act 1972 places a duty on local authorities to obtain best consideration on all asset disposals. However, given the planned future demolition of the Flightways building as part of the regeneration scheme, the intention would be for the lease to the LATC to be for 2 years. The proposed 2 year lease being a short term tenancy for less than 7 years, is excluded from the requirements of the Act.
- Article 2(3) of the Local Government (Best Value Authorities) (Power to Trade) (England) Order 2009. This requires the Council to recover the cost of any accommodation it supplies to the LATC. The Order does not define what is meant by accommodation costs. External legal advice is that as the costs to be included in the Article are not defined, the most practical step would to be to look at how other documents indicate such costs should be calculated which effectively means The Code of Practice on Local Authority Accounting and The Best Value Accounting Code of Practice and Service Reporting Code of Practice.
- Section 2.34 of the Best Value Accounting Code of Practice and Service Reporting Code of Practice. This clearly states that "*charges to be made for the supply of services, supplies, works and facilities (eg accommodation) have to cover all of the costs of doing so*". This is how the charges made to the LATC in respect of other services and accommodation are made in that the Council's policy is to add up the total operating costs for each building and allocate it to users based on either floor space occupied or number of staff based in the location. No mention is made in the Code as to the need to charge rentals for accommodation.

7.2   On balance, it can be concluded that if The Barnet Group Ltd were to be leased the

building on a peppercorn rent but were to be responsible for all costs relating to that building this would comply with the Code. As the Code is a reasonable basis on which to determine the meaning of accommodation costs in Article 2(3), the provisions of Article 2(3) are also being complied with. The authority not to charge a commercial lease is further covered by the de minimis rules on State Aid and the duty to obtain best consideration is not required due to the short term nature of the lease.

8. CONSTITUTIONAL POWERS

8.1 The Council's constitution, Part 3, Responsibility for Functions, paragraph 3.6 states the terms of reference of the Cabinet Resources Committee, which include "all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council".

9. BACKGROUND INFORMATION

9.1 On 1 February 2012 Barnet Council transferred a number of adult social care services into the LATC, Your Choice Barnet, a wholly owned subsidiary of The Barnet Group Ltd. This arrangement was underpinned by a contract between Barnet Council and The Barnet Group Ltd. The contract required the provision of support to adults with learning disabilities through the provision of day opportunities (resource centres or community activities), short breaks, supported housing services and floating support.

9.2 One of the services transferred was the BILS which has operated from the Flightways building for a number of years. The Manager of BILS has been responsible for the management of the facilities and has overseen the use of the building by other organisations providing services to the local community. The Your Choice Barnet Ltd business plan and budget assumed this role would continue with the LATC leasing Flightways from the Council on a short-term lease and receiving the income from users of the building in return for maintaining the premises. Hence, incentivising Your Choice Barnet Ltd to maximise the use of the building in order to achieve the income levels necessary to maintain the property.

9.3 Due to the need to clarify some of the legal issues set out above this arrangement was never formalised in the contract with the LATC and hence whilst their budget includes income from users of the building there is no formal agreement for them to operate the building or to charge users. In order to correct this position and minimise the risk of current users claiming tenancy rights approval is sought to:

- Lease the Flightways building to the LATC on a two year lease at a peppercorn rental.
- Include terms in the lease that make the LATC responsible for non-structural repairs and maintenance.
- Include terms in the lease that allow the LATC to licence the use of the building to other organisations and retain the income receivable from such users.
- Include terms in the lease which require the LATC to ensure all users of the building have a licence.
- Authorise the Council's legal department to prepare and complete the relevant legal documentation to effect the recommendations.

Legal: JK
Finance: MC

This page is intentionally left blank

Meeting	Cabinet Resources Committee
Date	20 June 2012
Subject	**Re-commissioning preventative provision for people with learning disabilities to support personalisation of social care and health**
Report of	Cabinet Member for Adults
Summary	The report recommends re-commissioning preventative support for people with learning disabilities to achieve compliance with personalisation objectives

Officer Contributors	James Taylor, Deputy Head of Strategic Commissioning
	Eryl Davies , Head of Strategic Commissioning and Supply Management
Status (public or exempt)	Public
Wards affected	All
Enclosures	none
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: James Taylor, Deputy Head of Strategic Commissioning (Adult Social Services and Health), 020 8359 4886.

1. RECOMMENDATIONS

1.1 The requirements of paragraph 6.4-5 of the Contract Procedure Rules are waived;

1.2 Authority to given to commission Dimensions to provide preventative support for people with learning disabilities for a period expiring 31.3.2014.

2. RELEVANT PREVIOUS DECISIONS

2.1 Cabinet Resources Committee, 22 July 2008 (Decision item 11) - approved changes to voluntary sector commissioning arrangements.

2.2 Cabinet Resources Committee, 8 December 2009 (Decision item 7) - approved the strategic document 'Looking after Yourself – a prevention framework for Barnet' as the basis for the commissioning of preventative services by Adult Social Services.

2.3 Cabinet Resources Committee, 13 January 2011 (Decision item 11) - approved a waiver of paragraph 5.6.2 of the Contract Procedure Rules to allow the entry into interim funding agreements for prevention services commissioned by the Council's Adult Social Services subject to a maximum duration of two years.

2.4 Cabinet Resources Committee, 21 April 2011 (Decision item 7) - approved procurement of a contract for day opportunities services for adults with mental ill-health and a contract for respite and support services for carers of adults with disabilities, ill-health or frailty.

2.5 Cabinet Resources Committee, 28 July 2011 (Decision Item X) – approved a waiver of paragraph 5.6.2 of the Contract Procedure Rules to commission Barnet Centre for Independent Living to provide information, advice and advocacy services for a maximum period of two years

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 Better services with less money – The proposed services will help to promote independence for Barnet residents with learning disabilities. The services will focus support around the customer to achieve a better customer experience and better value for money through commissioning services differently and through service transformation. The procurement will contribute to managing resources and assets effectively and sustainably across the public sector.

3.2 Sharing opportunities and sharing responsibilities – The proposed services together with other re-commissioned provision for social care and prevention services will support implementation of the self directed

care for Adult Social Care and Health developing a market place which is able to respond to people self-directing their support through a personal budget. The contract model will in particular allow for increasing use of personal budgets to reduce providers' dependency on Council funding.

4.   RISK MANAGEMENT ISSUES

4.1   The proposed re-commissioning is intended to address the risks that existing services are incompatible with the Council's objectives to maximise use of personal budgets and self-directed care and support. Current prevention services are funded on a block basis unrelated to personal budgets or FACS eligibility. Although providers currently offer a range of activities which have been developed in response to user feedback, choice and control are not explicit in terms of purchasing decisions since users cannot at present choose to spend the funding elsewhere. Re-modelling is essential to ensure that service users are able to exercise the Right to Control.

4.2   The recommended re-commissioning is intended to manage significant risks resulting from the reduction in the budget for voluntary sector prevention services. Current services mainly provide long-term support to small numbers of service users. Re-commissioning is necessary to put greater emphasis on enablement support to minimise dependency and on providing flexible short-term key working and drop-in support that would enable resources to go further by benefiting more people.

4.3   Changes to the support currently commissioned for people with learning disabilities will need to be managed sensitively, anticipating and resolving the concerns of service users and their families and preventing any unintended consequences. Change in this area of service delivery often results in challenge and has the potential to cause distress for some service users and their families. The risk of adverse publicity for the Council as a result of opposition to change would be mitigated by remodelling the services incrementally in partnership with service users and existing providers.

4.4   The proposed re-commissioning would defer competitive procurement until 2013/14 to mitigate the risks involved in a concurrent change of the service model and of the service providers. The intervening period would allow sufficient time for existing providers to pilot the service and for the Council to review performance, refine or reshape the service specification and complete a competitive procurement in order to let a new contract on expiry of the contract.

4.5   There is a risk that entering into a contract without competition could result in challenge(s) being brought against the Council. The risk is difficult to quantify but is considered low in view of the specialist nature of the relevant services. The risk of Barnet Mencap challenging the contract award to Dimensions has been mitigated through the

agreement in principle between the two providers that Barnet Mencap would operate a sub-contract.

4.6   The risk and issues raised by the service users and their families on the proposed changes to the service model arise from high anxiety about the changes which have been addressed by ongoing close working with the providers to ensure there is continuity and support to the current service users. In addition communications have been presented at the Partnership Board, Parliament and Self advocacy groups.

5.   EQUALITIES AND DIVERSITY ISSUES

5.1   The Equality Act 2010 came into force on 5 April 2011. Pursuant to section 149 of the Act, the Council has a public sector obligation to have due regard to eliminating unlawful discrimination, advancing equality and fostering good relations in the contexts of age, disability, gender reassignment, pregnancy and maternity, religion or belief and sexual orientation.

5.2   The proposed services are intended to have a very positive equalities impact. An initial equality impact assessment of the pilot service model and implementation arrangements has been completed and indicates a positive effect overall. The assessment will be updated in the light of the outcomes achieved during the first year of operation.

5.3   The Council's Equalities policy will inform evaluation of providers' proposals. The contract for the new services will include explicit requirements fully covering the Council's duties under equalities legislation.

5.4   The contracts will require providers to have a high standard of equitable behaviours. This includes compliance with Equal Opportunities Legislation, operating an equal opportunities policy, observing Codes of Practice issued by the Commission for Equality and Human Rights, and giving appropriate consideration to each customer's race, nationality, cultural or ethnic background, marital status, age, gender, religion, sexual orientation and disabilities.

6.   USE OF RESOURCES IMPLICATIONS (Financial, Procurement, Performance & Value for Money, Staffing, IT, Procurement, Sustainability)

6.1   Services currently provided by voluntary organisations are funded from the Adult Social Care and Health base budget.

6.2   Proposals to reduce relevant budget provision in 2011/12 have been agreed, comprising in respect of voluntary sector prevention services,

£350k in 2011/12 and £550k in 2012/13 and in respect of housing related support services; £492k in both 2011/12 and 2012/13, and £362k in 2013/14;.

6.3   The proposed maximum annual budget for re-commissioned support for people with learning disabilities is £363,847 after application of budgetary reductions. This amount includes £243,994 provision from the budget for housing related support services and £119,853 from the budget for other prevention services.

6.4   The Council's Contract Procedure Rules provide that contracts of the values indicated at paragraph 6.2 above should be awarded following a tendering process or other approved route. In considering the recommendations to waive this requirement the Committee must be satisfied that the waiver would fall within one or more of the four criteria specified in Paragraph 5.8 of the Contract Procedure Rules.

    6.4.1   the nature of the market for the works to be carried out or the supplies or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of Contract Procedure Rules is justifiable; or
    6.4.2   the contract is for works, supplies or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or
    6.4.3   the circumstances of the proposed contract are covered by legislative exemptions (whether under EU or English Law); or
    6.4.4   there are other circumstances which are genuinely exceptional

6.5   The services to be provided under the recommended contract represent specialist models of provision that have not yet been fully tested. The Council is therefore not yet in a position to proceed to competitive procurement but it must nevertheless ensure continuity of provision for disabled people when existing interim contracts expire. These circumstances are consistent with the criteria at 6.3.1 and 6.3.4.

6.6   **Market development**

    6.6.1   The Adult Social Care and Health Directorate, having concluded a review of all voluntary sector provisions and contracts in 09/10, has been gradually reconfiguring current provision to deliver savings, at the same time, strengthen consistency with Barnet's objectives to promote personalisation, enable people who use services to self direct their support and reduce dependency on council funded services.

    6.6.2   The Council has worked in partnership with the providers to listen to the concerns and issues raised and together address in

a practical manner the reality of the changes. This contract award represents a significant change to the way services will be delivered for this care group creating new and different sets of expectations for users and providers. This sends a clear message to the care market that transitions can and should be managed sensitively in this area and at the same time prepares the ground for competitive procurement and personal budgets.

7.   LEGAL ISSUES

7.1   The services proposed for procurement will fall under Annexe B of Schedule 3 to The Public Contracts Regulations 2006 (as amended). This means that the procurement will not be subject to the full EU tendering rules.

7.2   The principles of fairness, non-discrimination and transparency will apply to the contracts. Meeting these principles requires, as a minimum, that the Council places an advertisement on its website, advertising its intention to award the contracts and giving interested parties the opportunity to compete for the contracts.

7.3   The support services to be procured under the proposed contract with Dimensions and to be tendered in 2013/4 are broadly similar to those being provided under existing contracts. It is likely the TUPE would apply in these circumstances, and the proposed contract with Dimensions would therefore include appropriate obligations in respect of their compliance with TUPE responsibilities. Existing contracts expire naturally on 31.3.2013 but may be ended earlier on three months notice..

8.   CONSTITUTIONAL POWERS

8.1   The Constitution, Part 3, Section 3.6 sets out the functions of the Committee

8.2   Section 5.8 of the Contract Procedure Rules enables a Cabinet Committee to waive the requirements of the Contract Procedure Rules if satisfied that the waiver is justified because:

8.2.1   the nature of the market for the works to be carried out or the supplies or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of Contract Procedure Rules is justifiable; or

8.2.2 the contract is for works, supplies or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or

8.2.3 the circumstances of the proposed contract are covered by legislative exemptions (whether under EU or English Law); or

8.2.4 there are other circumstances which are genuinely exceptional

8.3 This report seeks waivers of the Contract Procedure Rules for the procurement of the provision of preventative support services for people with learning disabilities on the basis of 8.2.1 and 8.2.3 above because of the risks associated with the introduction of the new service model.

8.4 The Constitution, Part 2, Article 13 requires that a decision taker may only make a key decision in accordance with the requirements of the Access to Information Procedure Rules and the Executive Procedure Rules set out in Part 4 of this Constitution, and specifies that a "key decision" means an executive decision which, is likely:-

8.4.1 to involve expenditure or savings in excess of £500,000 as well as otherwise being, significant having regard to the Council's budget for the service or function to which the decision relates; or

8.4.2 to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the borough.

8.5 The proposed award of a contract to Dimensions for a period of two years is not considered to be a "key decision". The aggregated contract value for the proposed two-year period is expected to be £727,694 but this value is not significant taking into account the Council's overall budget for the provision of social care and support. Nor is the decision significant in terms of its expected effect on communities since it is concerned with the selection of the provider and not with the nature of the services to be provided

9. BACKGROUND INFORMATION

9.1 This report concerns arrangements to re-commission support provided by the voluntary sector for people with learning disabilities. Current provision is commissioned from two organisations, Barnet Mencap and Dimensions, as listed at Appendix 1.

9.2 Re-commissioning this provision is part of the wider programme to remodel the range of preventative support delivered by voluntary sector contractors. The Committee has already approved arrangements during 2011/12 for re-commissioning the majority of provision as noted

in Paragraphs 2.4 and 2.5. The re-commissioning programme is informed by the following key aims:

9.2.1 to remodel the support that is provided in order to bring it into line with Barnet's strategic objectives for social care and support

9.2.2 to put in place processes to achieve compliance with the Council's contract procedure rules

9.2.3 to deliver efficiencies in procurement and contract management by minimising the number of contracts

9.2.4 to achieve required budget savings,

New Service Design

9.3 The Council considers that the current service model requires replacement by an enablement approach that facilitates self-help and reduces risks of avoidable dependency. Existing services provide long-term general support for small numbers of individuals, with consequently very low turnover and only occasional vacancies. At the same time, the Council is aware of significant numbers of people who would benefit from support to achieve specific outcomes but who are unable to access the help they need..

9.4 A draft specification for the re-modelled provision has been prepared in consultation with existing and potential service users and providers and defines three types of future provision to replace current services:

9.4.1 A hub service offering specialist problem-solving and guidance for people contacting to report a practical difficulty in day-to-day living. This service will be available to any Barnet resident with a learning disability living independently in the community. Linked to this service, will be a risk management process to identify and respond to Safeguarding issues where appropriate in conjunction with the Council's social services

9.4.2 Specific time-limited programmes to support current Council-led projects. Two programmes are planned for 2012/13:
- resettlement of people moving from residential care into new supported housing schemes due to open during the year
- a travel training programme to enable people to use public transport as an alternative to Council-provided transport. These programmes will be available only to people referred by the Council's social services

9.4.3 An employment enablement service, providing individuals with structured sessions to acquire qualifications and soft skills through training, volunteering and supported employment, in order to provide access to paid work. This service would be commissioned on a 'payment by results' basis with funding entirely determined by the numbers of people obtaining employment.

9.5 The new service model has been designed to achieve measurable benefits within defined shorter-term periods and would support larger numbers of service users with specific focus on safeguarding and on identifying and resolving risks and dependencies.

9.6 The current contracts and the service design are inconsistent with the Council's objectives to provide service users with choice over the support they receive. The funding for the services is not represented in personal budgets allocated to service users, and the service design does not enable service users to fully exercise choice. Re-commissioning the provision is important to ensure that it serves personalisation objectives and promotes the Right to Control regulations which provide for service users to choose how to use the funding available for their support

Procurement Strategy

9.7 The proposed procurement approach is informed by the following considerations:

9.7.1 Previous proposals to alter the service model have been strongly opposed by service users and their carers and families and have not therefore been pursued. Most have been supported by the current providers for several years, in some cases for ten years or more.

9.7.2 Simultaneously changing both the service model and the contractor is likely to lead to adverse publicity for the Council, with a significant risk of reputational damage. A two-stage approach offers the best prospect of mitigation

9.7.3 The proposed service models are untested. The proposed two-year contract period offers a realistic timetable for staged implementation followed by comprehensive review and completion of competitive procurement during the second year

Implementation

9.8 The recommended contract with Dimension would be subject to a detailed specification and performance framework setting out the Council's requirements. The provider's performance would be appraised against the following measures of success:

- The services are chosen by a majority of people looking for support.
- The services enable achievement of Barnet's performance targets on the number of people taking up individual budgets and self-directing their support.
- The services achieve high satisfaction ratings on the effectiveness of their support to both personal budget holders and self-funders.

- The services are able to evidence that they have prevented needs from escalating and reduced requirements for statutory interventions.

9.9 The following key milestones are applicable to implementation of the recommended contracts, for testing the pilot service models and for subsequent completion of competitive procurement processes.
.

June 2012	Interim contract award
July - Aug 2012	Service initiation, subject to contract.
Jan - Mar 2013	Review of the contractors' performance and requirements for amendment of service models.
Apr - Jun 2013	Market testing and finalisation of steady state service specifications.
Jul - Dec 2013	Invitation of competitive tenders and selection of new contractors.
Jan - Mar 2014	Service mobilisation and transition planning.
April 2014	Commencement of new contracts.

10. LIST OF BACKGROUND PAPERS

10.1 None.

Legal: SK
Finance: MC/JH

Appendix 1 Prevention Services affected by the procurement proposals

Provider	Service	2010/11 Baseline Contract Value	2011/12 Contract Value	2012/13 Contract Value	2012/3 Contract Value	Proposed Contract Value 2012/3 & 2013/4	Cumulative % Reduction since 2010/11
Existing - Housing Related Support Programme							
Dimensions	Floating support	186,872	181266	168,184	159,775		14.5
Barnet Mencap	Floating support	98,501	95546	88,650	84,218		14.5
		£285,373	£276812	£256,835	£243,994		14.5
Existing - Voluntary Sector Prevention Programme							
Dimensions	Learn to Earn	50,625	44,044	33,746	33,746		33.3
Barnet Mencap	COPS	56,128	48,831	37,414	37,414		33.3
Barnet Mencap	Project 67	73,045	63,549	48,691	£48,691		33.3
		£179,798	£156,424	£119,853	£119,853		33.3
	Total - all Programmes	**£465,171**	**£433,236**	**£376,68**	£**363,847**		
Proposed - Integrated Prevention Programme						£363,847	
Dimensions	Learning Disability Support						

297

This page is intentionally left blank