

<p style="text-align: center;"><u>MEETING</u></p> <p style="text-align: center;">PERFORMANCE AND CONTRACT MANAGEMENT COMMITTEE</p>
<p style="text-align: center;"><u>DATE AND TIME</u></p> <p style="text-align: center;">TUESDAY 31ST MAY, 2016</p> <p style="text-align: center;">AT 7.00 PM</p>
<p style="text-align: center;"><u>VENUE</u></p> <p style="text-align: center;">HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ</p>

**TO: MEMBERS OF PERFORMANCE AND CONTRACT MANAGEMENT COMMITTEE
(Quorum 3)**

**THE MEMBERSHIP OF THIS COMMITTEE FOR 2016/17 WILL BE APPOINTED BY
ANNUAL COUNCIL ON 24 MAY 2016.**

In line with the Constitution's Public Participation and Engagement Rules, public questions or comments must be submitted by 10.00AM on the third working day before the date of the committee meeting. Therefore, the deadline for this meeting is 10.00AM on 25 May 2016. Requests must be submitted to Salar Rida 020 8359 7113 salar.rida@barnet.gov.uk.

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

Andrew Charlwood – Head of Governance

Governance Services contact: Salar Rida 020 8359 7113 salar.rida@barnet.gov.uk

Media Relations contact: Sue Cocker 020 8359 7039

ASSURANCE GROUP

ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of the Previous Meeting	To Follow
2.	Absence of Members	
3.	Declarations of Members Disclosable Pecuniary Interests and Non-Pecuniary Interests	
4.	Report of the Monitoring Officer (if any)	
5.	Public Questions and Comments (if any)	
6.	Members' Items (if any)	
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11.	IT Operations	To Follow
12.	Clienting Arrangements - Customer & Support Group (CSG) Contract	321 - 330
13.	Year Three Review of Customer and Support Group (CSG) Contract	331 - 346
14.	Education and Skills Contract	347 - 374
15.	Committee Forward Work Programme	To Follow
16.	Any Other Items that the Chairman Decides are Urgent	

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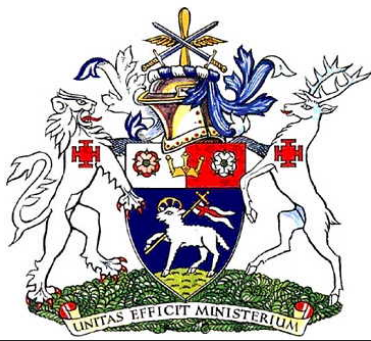
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Performance and Contract Management Committee

31 May 2016

Title	Corporate Plan - 2016/17 Addendum
Report of	Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: Corporate Plan – 2016/17 addendum Appendix B: Benchmarking report
Officer Contact Details	Tom Pike – Strategic Lead, Programmes and Performance Tel: 0208 359 7058. Email: Tom.Pike@barnet.gov.uk

Summary

On 7 January, the Committee received a report setting out our approach to business planning for 2016/17. A light-touch refresh of the Council’s key business plans has taken place to ensure that they reflect changes in national policy and local priorities in light of continuing budget and demand pressures. This report provides an update on this work and presents the 2016/17 addendums to the Corporate Plan and Commissioning Plans, which have been approved by full Council and the theme Committees.

Recommendations

1. That the Committee note the 2016/17 addendums to the Corporate Plan (Appendix A) and Commissioning Plans (found at www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance)
2. That the Committee review the benchmarking report (Appendix B) and consider whether other tailored reports should be added to the forward plan each financial year.

1. WHY THIS REPORT IS NEEDED

- 1.1 A light-touch refresh of the Council's key business plans has taken place to ensure that they reflect changes in national policy and local priorities in light of continuing budget and demand pressures. 2016/17 addendums to the Corporate Plan and Commissioning Plans have been approved by full Council and the theme Committees.

Corporate Plan and Commissioning Plans

- 1.2 A 2016/17 addendum to the Corporate Plan was approved by full Council on 4 April 2016. This provides a new foreword from the Leader and revised targets for the *strategic* indicators, which reflect the council's strategic priorities of:
- **Responsible growth and regeneration** – which is essential for the borough, to revitalise communities and provide new homes and jobs – and for the council to generate revenue to spend on local services. The council will approach regeneration in a responsible way – replacing what needs to be replaced and protecting the things that residents love about the borough, such as its green spaces
 - **Managing demand for services** – with a growing population, demand for services is increasing which puts pressure on resources. Since 2010, we've successfully met a 25% budget gap largely through efficiency savings and delivering services differently; in order to meet a further 25% budget gap to 2020, we'll focus on doing more to manage demand for local services
 - **Transforming services and doing things differently** – we will continue to look at how local services can be redesigned to make them more integrated and intuitive for the user, and more efficient to deliver
 - **Community resilience** – as the council does less in some areas, residents will need to do more. We're working with residents to increase self-sufficiency, reduce reliance on statutory services, and tailor services to the needs of communities.
- 1.3 These priorities are underpinned by a commitment to **continual improvement in our customer services** and to be as **transparent as possible with the information we hold and our decision-making**. The *strategic* indicators will continue to be reported to Performance and Contract Management Committee on a quarterly basis.
- 1.4 As part of the refresh of the Council's key business plans, on 7 January 2016, Members of Performance and Contract Management Committee were invited to review the *strategic* indicators in the Corporate Plan and make any recommendations for changes in 2016/17. In response to recommendations, several new *strategic* indicators have been incorporated, including on the website, council tax and business rates.
- **Responsible growth and regeneration**
New indicators to reflect homelessness prevention work and efforts to manage demand by helping people in temporary accommodation to

access housing in the private rented sector; and local procurement activity as part of the Entrepreneurial Barnet programme:

- *Households placed directly into the private sector by Barnet Homes*
- *Percentage of total spend with local businesses*

- **Managing demand for services**

New indicators to reflect the experience of adult service users/carers and family services early intervention work:

- *Percentage of people who use services who say those services make them feel safe and secure*
- *Number of instances of information, advice and guidance provided to carers*
- *Number of children in care per 10,000*

- **Transforming services and**

New indicators to monitor the contract with Cambridge Education in providing education and skills services:

- *Average Attainment 8 score and Average Progress 8 score*
- *Percentage of primary pupils achieving the 'expected standard' in English Reading, English Writing and Mathematics (combined) at the end of Key Stage 2*
- *Percentage of pupils eligible for free school meals in the past 6 years (FSM6) achieving the 'expected standard' in English Reading, English Writing and Mathematics (combined) at the end of Stage 2*
- *Average Attainment 8 score and Average Progress 8 score of looked-after children*
- *Percentage attendance levels at primary schools*

- **Community resilience**

New indicators to reflect the quality of the Council's social work practice and the voice of the child in the design and delivery of family services:

- *Percentage of young people in care who know about the Corporate Parenting Pledge*
- *Proportion of care leavers age 19 – 21 in suitable accommodation*

- **Customer services and transparency**

New indicators to reflect the Council's commitment to continual improvement in customer services and to be as transparent as possible with the information it holds and decision-making:

- *Business rate collection*
- *Council tax collection*
- *Customer cases that are closed within the agreed timescales*
- *Satisfaction with the council's website*
- *Overall satisfaction with customer services*

- 1.5 Similarly, 2016/17 addendums to the Commissioning Plans were approved by the theme Committees in March 2016. These provide revised targets for the Council's *critical* indicators, which reflect the theme Committees commissioning priorities. The *critical* indicators will continue to be reported to Performance and Contract Management Committee by exception (where we

have an area of underperformance) on a quarterly basis. In addition, the theme Committees will receive an annual and six-month report on performance in the first and third quarters of the financial year.

- 1.6 The 2016/17 addendums can be found online at www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance.

Management Agreements

- 1.7 As well as the Corporate Plan and Commissioning Plans, the Management Agreements for the Council's internal Delivery Units have been refreshed for 2016/17 and are in the process of being signed off by the Commissioning and Delivery Unit Directors. These include revised targets for the Council's *operational* indicators, which will continue to be published on the website on a quarterly basis as part of each Delivery Units' performance reports and can be used at Performance and Contract Management Committee for deeper review of the performance of different services.

Benchmarking

- 1.8 As well as continuing to report on the top line performance of the Council via the Corporate Plan and exceptions where services are underperforming, tailored reports can be provided during the year using a range of benchmarking data. Such reports can help to provide a better understanding of the Council's comparative performance and value across key services and identify areas for improvement. A brief look into the type of tailored reports that can be provided is available at Appendix B. This shows:

- The LG Futures report on value for money provides the Council's projected expenditure in 2015/16 (Revenue Accounts). Compared nationally, Barnet's **unit costs** are 25.7% below average, and **ranked third best** (i.e. 121st highest out of 123 comparable authorities) in 2015/16.
- The London Councils LAPS Dashboard provides comparative data for up to 36 indicators. Compared to its nearest neighbour group of local authorities, Barnet performed **best in Quarter 2 2015/16** in terms of the number of indicators **above benchmark** (the London average) on the London Councils **LAPS Dashboard** of 36 indicators.

- 1.9 **Members are asked to consider whether other tailored reports should be added to the forward plan each financial year.** For this year, it is proposed that a report is provided on back office services to inform the CSG contract review (from CIPFA) and further reports on different service areas are developed for Performance and Contract Management Committee as appropriate.

2 REASONS FOR RECOMMENDATIONS

- 2.1 A key element of effective strategic and financial management is for the Council to have comprehensive business plans in place that ensure there is a

clear strategy for addressing future challenges, particularly in the context of continuing budget and demand pressures (resulting from demographic and legislative changes), delivering local priorities and allocating resources effectively.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 There is no statutory duty to have a Corporate Plan or Commissioning Plans, but it is considered to be good practice to have comprehensive business plans in place that ensure the Council's vision for the future is clearly set out and transparent.

4 POST DECISION IMPLEMENTATION

- 4.1 The 2016/17 addendums to the Corporate Plan and Commissioning Plans were approved by Full Council and the theme Committees during March and April 2016. These will be communicated internally and with key stakeholders.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This report asks Members to note the 2016/17 addendums to the Corporate Plan and Commissioning Plans, including revisions to the *strategic* and *critical* indicators.

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

- 5.2.1 In addition to continuing budget reductions, demographic change and the resulting pressure on services pose a significant challenge to the Council. The organisation is facing significant budget reductions at the same time as the population is increasing, particularly in the young and very old population groups.

- 5.2.2 The Corporate Plan has been informed by the Budget and Medium Term Financial Strategy, agreed by Council on 3 March 2015. This included a savings target of £90.8m required by 2019/20 and a capital investment programme through to 2019/20.

5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2013 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

5.4 Legal and Constitutional References

- 5.4.1 All proposals emerging from the business planning process must be considered in terms of the council's legal powers and obligations, including its overarching statutory duties such as the Public Sector Equality Duty.
- 5.4.2 The [Council's Constitution, in Part 15 Annex A, Responsibility for Functions, states](#) the functions of the Performance and Contract Management Committee include (amongst other responsibilities):
- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
 - b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Streetscene; Public Health; Commissioning Group; and Assurance.
 - c) Receive and Scrutinise contract variations and change requests in respect of external delivery units.
 - d) To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.
 - e) Specific responsibility for the following function within the Council:
 - a. Risk Management
 - b. Treasury Management Performance
 - f) Note the Annual Report of the Barnet Group Ltd.

5.5 Risk Management

- 5.5.1 The Council has an established approach to risk management. Key corporate risks are assessed regularly and reported to Performance and Contract Management Committee on a quarterly basis.

5.6 Equalities and Diversity

- 5.6.1 The general duty on public bodies is set out in section 149 of the Equality Act 2010.
- 5.6.2 A public authority must, in the exercise of its functions, have due regard to the need to:
- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.6.3 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- a) Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- b) Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

5.6.4 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

5.6.5 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, the need to tackle prejudice; and promote understanding.

5.6.6 Compliance with the duties in this section may involve treating some persons more favourably than others but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

5.6.7 The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

5.6.8 It also covers marriage and civil partnership with regard to eliminating discrimination.

5.6.9 In agreeing the Corporate Plan, the council is setting an updated strategic equalities objective and reiterating our commitment to delivering this. The strategic equalities objective is as follows:

- Citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the tax payer.

5.7 Consultation and Engagement

5.7.1 The Corporate Plan and Commissioning Plans were informed by extensive consultation through the Budget and Business Planning report to Council (3 March 2015).

5.7.2 The consultation aimed to set a new approach to business planning and engagement by consulting on the combined package of the Corporate Plan, Commissioning Plans, and budget. In particular it aimed to:

- Create a stronger link between strategy, priorities and resources
- Place a stronger emphasis on commissioning as a driver of the business planning process.
- Focus on how the Council will use its resources to achieve its Commissioning Plans.

5.6.3 To allow for an eight week budget consultation, consultation began after Full Council on 17 December 2014 and concluded on 11 February 2015. Further consultation on the budget for 2016/17 will be undertaken following Policy and Resources Committee on 16 December 2015.

6 BACKGROUND PAPERS

6.1 The 2016/17 addendums to the Corporate Plan and Commissioning Plans can be found at: www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance

6.2 The full version of the Corporate Plan can be found at: <https://www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance.html>

6.3 The quarterly performance reports for all Council services – internal Delivery Units and contracted providers – can be found at: <https://www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance.html>

Corporate Plan 2015 – 2020

2016/17 addendum and targets

This document is an addendum to the Council's Corporate Plan 2015 – 2020, which sets out updated performance indicators for 2016/17. The full Corporate Plan 2015 – 2020 can be found at www.barnet.gov.uk/corporate-plan



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Introduction from the Leader of the Council

Unlocking the opportunities of growth

Barnet is a growing borough, driven by a combination of a strengthening local economy and locally led investment in regeneration, skills and economic development. Over the next five years, this growth will bring opportunities for residents, businesses and the council. As Leader, my vision is for a council that works to ensure that everyone can benefit from the opportunities that growth will bring – by helping people to help themselves – whilst protecting what people enjoy about Barnet: its parks and open spaces; its excellent schools; and its diversity.

All parts of the public sector face the same challenges of reduced budgets and increasing demand for services. Local Government, in particular, has changed forever. As the money received from Government reduces to zero over the next few years, all councils will need to become financially independent and generate revenue locally – through Council Tax, Business Rates and, where appropriate, by becoming more commercially minded. This means that growth – as well as providing new homes, jobs, schools, transport infrastructure, parks, leisure centres and community facilities – is necessary to grow the local tax base and generate money to spend on local services.

Living within our means, with a renewed focus on managing demand for services

Most residents and businesses will benefit from a growing economy without too much interaction with the council. For them, it is our responsibility to get the basics right: To provide an attractive environment; empty the bins; keep the streets clean; and make it easier to make transactions such as paying Council Tax or requesting a parking permit online.

However, some residents will need a little extra help to take advantage of the opportunities of a growing economy and we're working more closely with our local partners, such as the NHS, Barnet Homes, Jobcentre Plus, and our local colleges and university, to provide that. The help provided by the multi-agency teams that make up the Barnet Welfare Reform Task Force and the Burnt Oak Opportunity Support Team (BOOST) have helped to get 1,046 people into employment so far, improving their prospects and saving the council money. By working more closely with other parts of the public sector, providing more homes and helping people into work, we can also help to manage demand for local services and relieve some of the pressure.

In Barnet, we tackled the £75m budget gap we faced between 2010 and 2015 head on and managed the

challenge without a big impact on frontline services. We've embraced the need to do things differently and have made some bold decisions to live within our means. The alternative would have been bankruptcy.

But we're not out of the woods yet and we'll need to close a further budget gap of £81m by 2020, which will be harder to do. We'll continue to look at how we can reduce bureaucracy but, increasingly, our focus will turn to how we can help manage demand for services. A particular issue for Barnet is the large number of older people we have in the borough, which will continue to increase. Between 2013 and 2021, Barnet's over-65 population is expected to grow by 13%, with those living beyond 90 increasing by nearly 30%. Over the next 25 years, Barnet expects to see a 70% increase in its over-65 population¹. To help relieve the pressure on services, we'll do more to help older people stay independent and live for longer in their own homes, which will help reduce long term demand for costly residential care and also ease the pressure on the NHS.

Transforming local services

Our 'Commissioning Council' approach means that we're not bound by the status quo. Our focus is less on who provides a service – the council, a private company, a national charity or group of local

¹ Greater London Authority population projections, 2013.

volunteers – and how it is provided and more on ensuring that each service is necessary, meets the needs of residents and represents value for money. For every service, we'll consider the case for delivering them differently, focusing on the best outcomes for our residents.

For some services, this approach to service transformation has resulted in partnerships with the private sector, such as our contracts with Capita to provide our 'back office' and customer services.

Our Joint Venture to provide our developmental and regulatory services is an innovative model which sees a proportion of income generated by trading those services returned to the Barnet taxpayer.

For other services, transformation means doing things differently with our in-house services, such as increasing the size and effectiveness of our foster care service to reduce the need for costly residential care, or working in partnership with other parts of the public sector to deliver more intuitive services for residents which save us money, such as our joint employment programmes.

Investing for the future

Despite needing to reduce our day to day spending, we will continue to invest in the essential infrastructure of the borough. Our financial strategy will see £565m of capital investment between 2016 and 2020, funded from capital receipts, borrowing, revenue and external grants.

Resources will be invested in transport (including roads, pavements and an additional Thameslink station at Brent Cross); housing – with 20,000 homes to be built over the next decade, the most in outer London; schools – to ensure we continue to provide places for those that need them, building on the 7,500 new places created over the last six years; and leisure facilities – with new leisure centres built at New Barnet and Cophall – and the creation of three new 'community hubs' across the borough.

More resilient communities

Doing things differently will require the council to change its relationship with residents over the next few years. Where it will not be possible for the council to do as much as it has done in the past, we will support residents and community groups to be more resilient and do more for themselves and their neighbours. Across all of our services, we will look at opportunities for residents to get more involved – whether it's helping to maintain the borough's parks and green spaces, or volunteering in one of the borough's libraries.

As the Leader of the Council, I am optimistic about the future. The council will continue to face up to its responsibilities – no matter how challenging – and we'll grasp the opportunities that come with a growing economy and harness these to benefit the borough's residents and businesses.

But we can't do it on our own. The borough's residents and business will need to do their bit – by recycling more, which reduces refuse collection and disposal costs; helping us keep the borough's streets and parks tidy; and checking in on their neighbours who might need their help.

I hope this Corporate Plan helps you understand more about how Barnet is approaching the challenges and opportunities of the next four years, and how we will measure our success.

Yours



Richard Cornelius
Leader of the Council



Corporate Plan priorities

The principles of Fairness, Responsibility and Opportunity are at the heart of our approach.

We apply these principles to our Corporate Plan priorities of: responsible growth and regeneration; managing demand for services; transforming services and more resilient communities.

These priorities are underpinned by a commitment to continual improvement in our customer services and to be as transparent as possible with the information we hold and our decision-making.

Fairness

- fairness for the council is about striking the right balance between fairness towards more frequent users of services and to the wider taxpayer
- managing demand for services – since 2010, we've successfully met a 25% budget gap largely through efficiency savings and delivering services differently; in order to meet a further 25% budget gap to 2020, we'll focus on doing more to manage demand for local services
- this will require a step change in the council's approach to early intervention and prevention, working across the public sector and with residents to prevent problems rather than just treating the symptoms.

Responsibility


- more resilient communities – as the council does less in some areas, residents will need to do more. We're working with residents to increase self-sufficiency, reduce reliance on statutory services, and tailor services to the needs of communities
- in doing so, the council will change its relationships with residents, who will need to become more resilient and do more to keep Barnet a great place. All parts of the public service system must play their part in helping to achieve priority outcomes with reduced resources
- the council will continue to take responsibility for getting the basics right as we approach the challenges ahead. This means doing the things our residents expect, such as maintaining an attractive environment; emptying the bins; keeping the streets clean; and making it easier to make transactions such as paying Council Tax or requesting a parking permit online
- we will also invest in the infrastructure of the borough to ensure Barnet continues to be a great place to live and work – that means investment in transport; housing; jobs; school places; leisure centres and community facilities.


Opportunity

- the council will capitalise on the opportunities of a growing economy by prioritising regeneration, growth and maximising income
- responsible growth and regeneration is essential for the borough – by revitalising communities and providing new homes and jobs whilst protecting the things residents love about Barnet such as its open spaces. New homes and business locations also generate more money to spend on local services, which is increasingly important as the money received directly from Government reduces to zero
- as we continue to deal with budget reductions to 2020, we will explore the opportunity this presents to transform local services and redesign them, delivering differently and better. We will focus on making services more integrated and intuitive for the user, and more efficient to deliver for the council and the wider public sector.

Corporate Plan priorities

The tables below set out the top areas of focus across the council for 2016/17 and how these contribute to our Corporate Plan priorities.

 Responsible growth and regeneration (Opportunity)
Examples on how this contributes to the Corporate Plan priorities
Growth and regeneration programme <ul style="list-style-type: none"> • Building more than 20,000 new homes by 2025 – the most in outer London – across our seven major growth and regeneration sites, in particular Colindale and Brent Cross Cricklewood, and delivering a pipeline of new homes on council land, with current plans for over 700 homes including 320 new council affordable homes. • Developing space for 30,000 new jobs, mostly at Brent Cross, and supporting the expansion and redevelopment of the existing shopping centre. • New Church End Library site delivered entirely by the developer in exchange for permission to redevelop the existing site – using development to fund new high quality community buildings.
Council Tax and Business Rates <ul style="list-style-type: none"> • Helping the council become financially sustainable by maximising local sources of revenue as the grant from Government reduces to zero.
Sport and physical activity <ul style="list-style-type: none"> • Public health will be central to future regeneration and development schemes, with the borough's 'built environment' designed to help people keep fit and active, and investment in new leisure centres to reinvigorate parts of the borough where the population is expected to grow.
Entrepreneurial Barnet <ul style="list-style-type: none"> • A range of programmes designed to create the conditions for a thriving local labour market so all residents, including young people and social care clients, are equipped to take advantage of the employment opportunities that growth will bring. • Recognising that they are at the heart of communities, we will continue our programme of investment in Barnet's town centres, focusing on Burnt Oak and Finchley Church End. We will also work with 'town teams' to ensure an attractive environment for local businesses, shoppers and residents. • Getting the basics right will ensure that businesses are able to access information about council services easily and at first contact wherever possible, and at times that suit them, and that clients who need to transact with regulatory services such as Planning and Building Control are able to do so with greater speed and certainty.
Health estates pilot <ul style="list-style-type: none"> • Barnet is part of a North Central London and CCGs health estates pilots which is looking at how to optimise the use of the health and care estate across the sub-region, and identify surplus health estate land for development and regeneration.

 Responsible growth and regeneration (Opportunity)
Examples on how this contributes to the Corporate Plan priorities
One Public Estate <ul style="list-style-type: none"> • The One Public Estate Programme is designed to enable local authorities to work successfully with central government and local agencies on public property and land issues through sharing and collaboration. Its four main objectives are to deliver more integrated and customer focused services, reduce running costs, create economic growth and generate capital receipts.
 Managing demand for services (Fairness)
Examples on how this contributes to the Corporate Plan priorities
Health and social care integration <ul style="list-style-type: none"> • Helping the NHS manage the cost of A&E and hospital admissions through greater provision of primary and community care and improving the experience of service users, promoting independence and enabling self-care.
Older people's independence <ul style="list-style-type: none"> • Working with older people to design and manage services that help them to be more independent and self-care through access to information, resources and community networks.
Focus on foster care <ul style="list-style-type: none"> • Increasing the size and effectiveness of the in-house foster care service, helping a greater number of children and young people to move from residential to foster care placements, which provide support in a family environment, and is less expensive for the council to provide.
Families early intervention <ul style="list-style-type: none"> • Working with partners to deliver early interventions for families, including signposting to community provision, so they get the right support at the right time to help their children develop and prevent their needs escalating to a level requiring intervention by statutory services. Safely reduce the rate of children in care through targeted and specialist interventions, considering therapies to support adolescents on the edge of care, reducing repeat admissions and removals.
Family friendly Barnet <ul style="list-style-type: none"> • Working with partners to make Barnet the most family friendly borough to ensure a great start in life for every child and that young people are well prepared for adulthood.



Managing demand for services (Fairness)

Examples on how this contributes to the Corporate Plan priorities

Tackling homelessness

- Alongside our programmes to deliver new homes we will tackle rising demand for help with housing through work to prevent homelessness, procuring more properties at Local Housing Allowance rates outside London and helping people to access accommodation in the Private Rented Sector.

Specialist housing

- Diversifying Barnet's accommodation to ensure that it supports people to live independently – through things like home adaptations, accessible housing, use of integrated technology, and access to a network of local services – reducing long-term demand for residential care.

Recycling and waste strategy

- Developing strategy for achieving target 50% recycling rate by 2020 – recycling is less expensive for the council than disposing of waste, allowing resource to be deployed elsewhere.

Enforcement

- Improving the overall approach to enforcement of enviro-crime in order to take action against littering and fly-tipping to reduce demand for environmental services.



Transforming services (Opportunity)

Examples on how this contributes to the Corporate Plan priorities

Burnt Oak Opportunity Support Team (BOOST)

- Piloting a new approach to place based commissioning and the targeting of resources to areas of greatest need through proactive work with longer-term unemployed to help people help themselves. This approach is delivering results with over 100 people supported into work in the first six months.

Welfare Reform Task Force

- Co-located, multi-agency service – made up of council, Barnet Homes, Jobcentre Plus staff and health advisers – has helped 684 Barnet residents into work between June 2014 and November 2015. Piloted integrated mental health support model using the ring-fenced Public Health grant. Every £1 invested in the service, which engaged with 96% of Barnet residents affected by the Benefit Cap and helped 35% into work, returns £3 to the public sector through reduced welfare spend.



Transforming services (Opportunity)

Examples on how this contributes to the Corporate Plan priorities

Best practice social care

- By 2020 social care services for adults will be remodelled to focus on promoting independence, with a greater emphasis on early intervention. This approach, working with housing and health services, will enable more people to live for longer in their own homes.

Education and Skills ADM

- Strategic partnership with Cambridge Education enabling schools to commission services they need and generating income by selling services to more schools and other local authorities.

Children's social care

- Working with our social workers to develop excellent social work practice, using national good practice models, supported by toolkits, training and development opportunities, recruiting / retaining high quality social workers.

Family Services ADM

- Exploring opportunities to develop a social work-led, not-for-profit organisation to provide some services for children and young people.

Health visiting and CAMHS

- Re-commissioning health visiting and CAMHS and developing a traded CAMHS service to enable schools to access required support where necessary.

Public Health grant

- Using the ring-fenced Public Health grant to stimulate innovation in the system and test new models to deliver efficiencies and manage demand through better understanding of needs (e.g. mental health as a key obstacle to employment).

Street services ADM

- Exploring opportunities to deliver a wide range of frontline services through a variety of business models.



More resilient communities (Responsibility)

Examples on how this contributes to the Corporate Plan priorities

Community participation

- The council's Community Participation Strategy covers multiple work streams, including the development of an interactive database which shows the support provided by voluntary organisations across the borough and a comprehensive volunteering brokerage service which will put residents and council staff interested in volunteering in touch with local opportunities.

Community Assets Strategy

- Strategy covering multiple strands including investing in four community hubs, initially, to work with co-located community groups to drive commissioning priorities and improve their interaction with council services.

Building family resilience

- Working with families, schools and the community to build resilience so that families are able to help themselves and stop problems from escalating.



Improving Customer Services

Examples on how this contributes to the Corporate Plan priorities

Flexible and intuitive web-based services

- By 2020, the majority of customer interaction with the council will be via the web and other self-service channels, which will be quicker and more convenient e.g. My Account will enable customers to access account information for Council Tax, benefits and parking permits and track the progress of street-based problems or bin requests. We'll ensure that those who are unable to access services digitally are still supported.

Increasing satisfaction

- By 2020, resolution of issues raised at the first point of contact with the council will occur over 80% of the time and satisfaction with the services people receive will consistently exceed 90%.



Commitment to transparency

How this contributes to the Corporate Plan priorities

Open Data Portal

- Continuing to develop and improve the council's Open Data Portal, which provides access to a wealth of council data and information which anyone can access online. Barnet's Open Data Portal has been recognised by the Cabinet Office and the Taxpayers Alliance as a model of best practice in transparency.

Going further than is required on transparency

- Building on our ground breaking move to publish the two major contracts with Capita, the council will continue to look to publish other major contracts. We will look to go further than is required in publishing our data where feasible, building our decision to publish details of our spending down to the last penny (the Government requirement is a minimum of £500).

Barnet Council's financial position 2016-2020

The impact of the budget reductions and increasing demand on the council's finances:

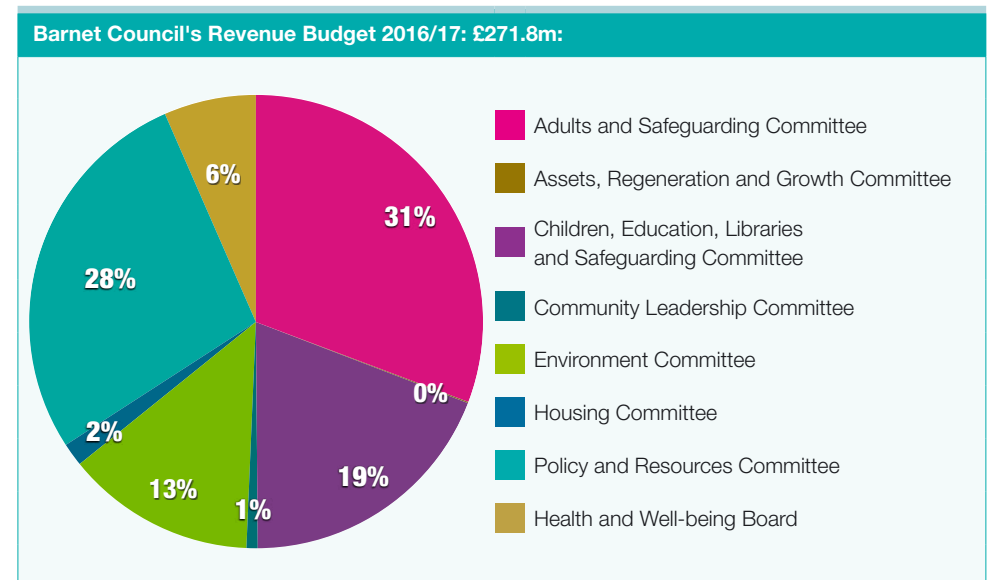
- in Barnet, the impact of falling public spending and increasing demand for services has meant the council has needed to save £75m between 2011 and 2015 – 26 per cent of its budget
- the council faces a further budget gap of £81.1m from 2016 to 2020, which means we will need to reduce our running costs by a further £81.1m by 2019/20

The total savings required each year to 2020 are:				
2016/17	2017/18	2018/19	2019/20	Total
£19.554m	£21.871m	£19.443m	£20.230m	£81.098m

- the impact of a decade of constraint on the public finances and increasing demand on services means that, in real terms, by the end of the decade, the council's total spending power will be nearly half what it was at the start.

Medium Term Financial Strategy to 2020

- the council has published a Medium Term Financial Strategy (MTFS) to 2020, which sets out how it will meet the financial challenge to the end of the decade
- the council's revenue budget at the start of 2016/17 is £271.8m, which is split by the main council 'Theme' Committees as follows:



*The budget proportions above exclude Special Parking Account £8m and additional Council Tax income £2.5m

- as at February 2016, Committees have agreed contributions totalling £76.1m towards the total savings gap of £81.1m, with the remaining amount funded by reserves in 2019/20.

The table below outlines the savings which have been allocated to each of the council's Committees over the next four years:

Theme Committee	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Adults and Safeguarding	3,383	5,412	5,161	4,497	18,453
Assets, Regeneration and Growth	2,253	6,362	5,132	48	13,795
Children, Education, Libraries and Safeguarding	2,071	4,062	2,596	5,818	14,547
Community Leadership	9	-	-	243	252
Environment	4,021	2,315	2,165	2,080	10,581
Policy and Resources	7,817	3,720	4,389	2,544	18,470
Policy and Resources Reserve	-	-	-	5,000	5,000
Total	19,554	21,871	19,443	20,230	81,098





Delivering our vision – Corporate Plan indicators for 2016/17

The tables below outline the basket of indicators that will be used to monitor progress against the four priorities of the Corporate Plan, in relation to the principles of fairness, responsibility and opportunity:

- responsible growth and regeneration (Opportunity)
- managing demand for services (Fairness)
- transforming services (Opportunity)
- more resilient communities (Responsibility).

Responsible growth and regeneration (Opportunity)

Growth and regeneration are essential for the borough – revitalising communities, providing new homes and jobs, while protecting the things residents love – and for the council, generating more money to spend on local services. These indicators will monitor our progress against this priority.





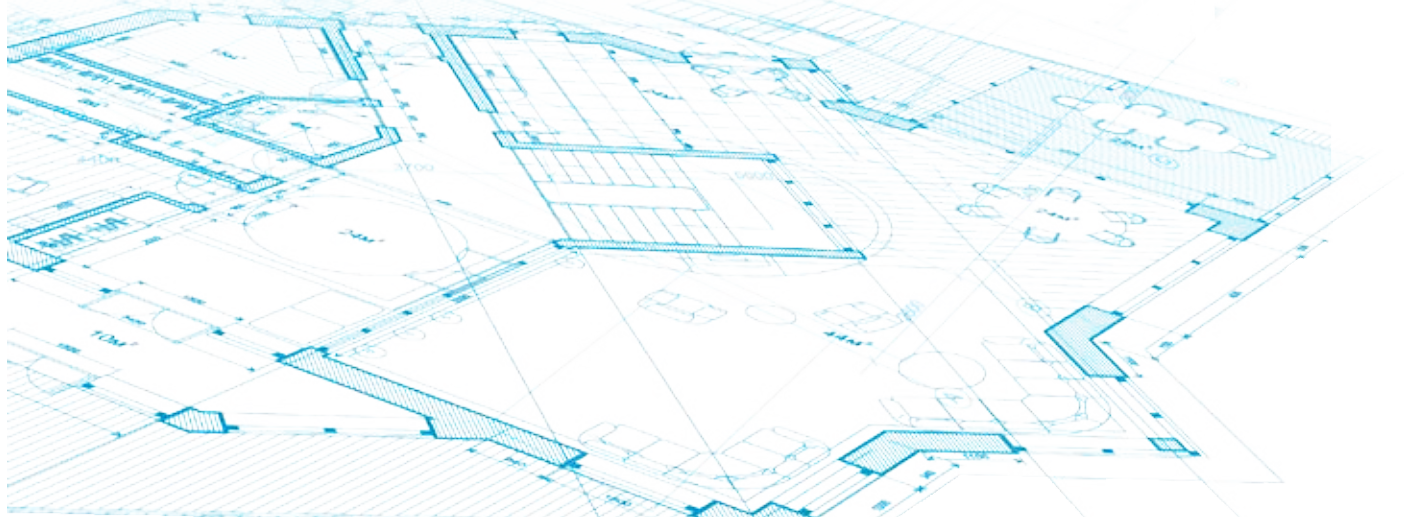
Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Growth and regeneration programme							
Re/S11 (Annual)	Number of new homes provided in Barnet each year (net)	Annual	1,253	2,560	10,840	Re	Assets, Regeneration and Growth
Re/S12 (Annual)	Total number of new homes created through regeneration schemes	Annual	1,423	462	5,457	Re	Assets, Regeneration and Growth
Re/S13 (Annual)	Number of affordable homes created through regeneration schemes	Annual	248	169	1,795	Re	Assets, Regeneration and Growth
Re/S17 (Annual)	Percentage of New Build homes that are affordable ²	Annual	40%	40%	40%	Re	Housing
CG/S6 (RPS - Biannual)	Percentage of residents who list affordable housing as a concern	36% (Autumn 2015)	Monitor	Monitor	London average	Commissioning Group	Housing
High quality private rented sector							
NEW	Households placed directly into the private sector by Barnet Homes	NEW	NEW	500	500	Barnet Homes	Housing
EH021	Compliance with licensing requirements for Houses in Multiple Occupation	73.2%	60%	60%	90%	Re	Housing

² Definition subject to change with Housing and Planning Bill



Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Social housing							
CG/S18 (Biannual)	Percentage of respondents very or fairly satisfied with the service provided by their social housing provider (Barnet Homes)	NEW	81%	81%	81%	Commissioning Group	Housing
BH/S4	Current arrears as a percentage of debit	4.08%	Top 25% ³	3%	Top 25%	Barnet Homes	Housing
BH/S5	Temporary Accommodation arrears as a percentage of debit	6.11%	5.5%	4.95%	4.6%	Barnet Homes	Housing
Parks and open spaces							
SS/S1 (RPS - Biannual)	Percentage of residents who are satisfied with parks and open spaces	67%	72%	72%	75%	Streetscene	Environment
Sport and physical activity							
PH/S7	Physical activity participation	58.5%	54%	59%	60% ⁴	Public Health	Health and Wellbeing

³ As measured through Housemark – a housing benchmarking club



Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Entrepreneurial Barnet							
NEW	Percentage of total spend with local businesses	NEW	NEW	Monitor	Monitor	Commissioning Group	Assets, Regeneration and Growth
Re/S14 (Annual)	Business satisfaction with the council and area (local survey)	Annual	Monitor	Monitor⁵	Monitor	Re	Assets, Regeneration and Growth
Re/S1 (Annual)	Proportion of new businesses which survive in Barnet compared with other local authorities	Annual	2%pts more than comparable boroughs	4%pts more than comparable boroughs	5%pts more than comparable boroughs	Re	Assets, Regeneration and Growth
Re/S3 (Annual)	Vacancy rates on high street	Annual	Equal to comparable boroughs (no higher than 5.81%)	2.5% better than comparable boroughs	2.5% better than comparable boroughs	Re	Assets, Regeneration and Growth
CG/S1	Unemployment (of people on out of work benefits)	6.6%	Monitor	Monitor	Monitor	Commissioning Group	Assets, Regeneration and Growth
Re/S2 (Annual)	Youth Unemployment	Annual	0.5%pts less than comparable boroughs	1%pt better than comparable boroughs	2%pts better than comparable boroughs	Re	Assets, Regeneration and Growth
Planning and building control							
KPI001 (A&A)	Compliance with planning application statutory timescales	91.6%	75%	75%	75%	Re	N/A

4 The public health grant for 2016/17 and beyond has not yet been confirmed by central government. Public health commissioning intentions have been reviewed because we know that the grant will be less than that assumed in the 2015-2020 commissioning intentions but without this clarity the available funding and appropriate targets remain unconfirmed.

5 New methodology for survey being introduced.

Managing demand for services (Fairness)

Since 2010, we've successfully met a 25% budget gap largely through efficiency savings and delivering services differently; in order to meet a further 25% budget gap to 2020, we'll focus on doing more to manage demand for local services. These indicators will monitor our progress against this priority.

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Health and social care integration							
AC/S8 (Biannual)	Percentage of new clients, older people accessing enablement	62.1%	50%	63%	70%	Adults and Communities	Adults and Safeguarding
AC/S9 (ASCOF 2A(2))	Permanent admissions to residential and nursing care homes, per 100,000 population age 65+*	467.8 (2014/15)	399.0	530.0 (new method)	Top 10% of comparable boroughs	Adults and Communities	Adults and Safeguarding
AC/C14 (ASCOF 2A(1))	Permanent admissions to residential and nursing care homes, per 100,000 population age 18-64*	6.38	13.5	16.6	Top 10% in the country	Adults and Communities	Adults and Safeguarding
PH/S4	Rate of hospital admissions related to alcohol	404.78 per 100,000	458.76 per 100,000	400 per 100,000	350 per 100,000 ⁷	Public Health	Health and Wellbeing

6 This measure has a new methodology and the baseline is not comparable with 2014/15 or 2015/16.

7 As per footnote 5 above.



Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Experience of service users							
NEW (ASCOF 4A)	Percentage of people who use services who say those services make them feel safe and secure	80.1% (2014/15)	NEW	80.1% (within confidence interval)⁸	Maintain performance	Adults and Communities	Adults and Safeguarding
AC/S10	Percentage of people who feel in control of their own lives	68.4% (Q2 2015/16)	Top 25% of comparable boroughs	69% (within confidence interval)	Top 25% in England	Adults and Communities	Adults and Safeguarding
NEW	Number of instances of information, advice and guidance provided to carers	NEW	NEW	TBC at end Q1⁹	TBC	Adults and Communities	Adults and Safeguarding
Older people's independence							
AC/S3 (ASCOF 1G)	Percentage of adults with learning disabilities who live in their own home or with their family	61.8%	60%	63%	England average	Adults and Communities	Adults and Safeguarding
AC/S4 (ASCOF 1E)	Percentage of adults with learning disabilities in paid employment	9.5%	10.6%	10.8%	Top 10% in England	Adults and Communities	Adults and Safeguarding
AC/S5 (ASCOF 1F)	Percentage of adults with mental health needs in paid employment	5.4%	7%	7.2%	Top 25% of comparable boroughs	Adults and Communities	Adults and Safeguarding
AC/S6 (ASCOF 1H)	Percentage of adults with mental health needs who live independently, with or without support	82.9%	75%	83%	Top 25% of comparable boroughs	Adults and Communities	Adults and Safeguarding
Focus on foster care							
FS/S6	Percentage of children in London Borough of Barnet foster care	41.3%	39%	42.5% (133/311)	53% (166/311)	Family Services	Children, Education, Libraries and Safeguarding

8 All indicators based on the Adult Social Care user survey are set using a 'confidence interval' which takes account of the margin of error which may result from surveying a small sample of the population.

9 This indicator requires submission of new data from partner organisations to baseline it. This process will take place at the end of Q1 2016/17.

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Families early intervention							
FS/S4	Number of referrals to social care (per 10,000 of the under-18 population)	374	Monitor	Monitor	Monitor	Family Services	Children, Education, Libraries and Safeguarding
NEW	Number of children in care per 10,000	34.5	Monitor	Monitor	31.4	Family Services	Children, Education, Libraries and Safeguarding
FS/S5	Number of children adopted	6 (Q2 2015/16)	20	10	20	Family Services	Children, Education, Libraries and Safeguarding
Tackling homelessness							
BH/S2	Number of homelessness preventions	698	700	900	900	Barnet Homes	Housing
BH/C4	Numbers of households in Temporary Accommodation	2,931	Monitor	Monitor	Monitor	Barnet Homes	Housing
Recycling and waste							
SS/S3	Percentage of household waste sent for reuse, recycling and composting	38%	42%	42%	50%	Streetscene	Environment
SS/S4 (RPS – Biannual)	Percentage of residents who are satisfied with refuse and recycling services	76%	80%	80%	85%	Streetscene	Environment

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Enforcement							
SS/S7	Percentage of unacceptable levels of litter	2% (Q2 2015/16)	3%	3%	3%	Streetscene	Environment
SS/S8	Percentage of unacceptable levels of detritus	9% (Q2 2015/16)	14%	9%	8%	Streetscene	Environment
SS/S6 (RPS – Biannual)	Percentage of residents who are satisfied with street cleaning	52% (Autumn 2015)	58%	58%	62% or London average	Streetscene	Environment
CG/S11 (RPS – Biannual)	Percentage of residents who are satisfied with repair of roads	35% (Autumn 2015)	35%	35%	London average	Commissioning Group	Environment
CG/S12 (RPS – Biannual)	Percentage of residents who are satisfied with quality of pavements	35% (Autumn 2015)	35%	35%	London average	Commissioning Group	Environment
KPI 2.1 – 2.3 NM)	Highways defects made safe within agreed timescales	97.7%	100%	100%	100%	Re	Environment
Parking and regulatory services							
PI/S3 (RPS – Biannual)	Percentage of residents who are satisfied with parking services	30% (Autumn 2015)	28%	30%	London average	Commissioning Group	Environment
EH01B	Compliance with Environmental Health Service Standards (Priority 1)	100%	100%	100%	100%	Re	Environment

Transforming services (Opportunity)

We're redesigning local services to make them more integrated and intuitive for the user, and more efficient to deliver. These indicators will monitor our progress against this priority.

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Education and skills							
NEW (formerly CES/S13) (Annual)	a) Average Attainment 8 score	70% (previous equivalent measure for a) ¹⁰	68% (previous equivalent measure for a) ¹¹	Top 10% in England for all measures¹²	Top 10% in England for all measures ¹³	Education and Skills	Children, Education, Libraries and Safeguarding
	b) Average Progress 8 score					Education and Skills	Children, Education, Libraries and Safeguarding
NEW (Annual)	Percentage of primary pupils achieving the 'expected standard' in English Reading, English Writing and Mathematics (combined) at the end of Key Stage 2	82% (previous equivalent measure) ¹⁰	NEW	Improve national ranking¹²	Top 10% in England for all measures ¹³	Education and Skills	Children, Education, Libraries and Safeguarding
NEW (a) (formerly CES/S11) (Annual)	Percentage of pupils eligible for free school meals in the past 6 years (FSM6) achieving the 'expected standard' in English Reading, English Writing and Mathematics (combined) at the end of Stage 2	76% (previous equivalent measure) ¹⁰	73% (previous equivalent measure) ¹¹	Improve national ranking¹²	Top 10% in England for all measures ¹³	Education and Skills	Children, Education, Libraries and Safeguarding
NEW (a) (replaces CES/S15) (Annual)	Average Attainment 8 score of looked-after children	NEW	NEW	National average¹²	TBC	Education and Skills	Children, Education, Libraries and Safeguarding
NEW (b) (replaces CES/16) (Annual)	Average Progress 8 score of looked-after children	NEW	NEW	National average¹²	TBC	Education and Skills	Children, Education, Libraries and Safeguarding

¹⁰ Outturn is for Summer 2015.

¹¹ Target is for Summer 2015.

¹² Target is for Summer 2016.

¹³ Target is for Summer 2019.

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Education and skills							
CES/S1	Percentage of primary schools rated as 'good' or better	92%	92%	95%	100%	Education and Skills	Children, Education, Libraries and Safeguarding
CES/S3	Percentage of secondary schools rated as 'good' or better	84%	87.5%	92%	100%	Education and Skills	Children, Education, Libraries and Safeguarding
NEW	Percentage attendance levels at primary schools	95.9%	London Average	London Average	London Top quartile	Education and Skills	Children, Education, Libraries and Safeguarding
CES/S18 (a)	Percentage of young people who are not in education, employment or training (16 to 18 year olds)	2.3%	2.3%	London Top Quartile	Top 10% in England	Education and Skills	Children, Education, Libraries and Safeguarding
Children's social care							
FS/S1	Number of children made subject to Child Protection Plan	206	Monitor	Monitor	Monitor	Family Services	Children, Education, Libraries and Safeguarding
FS/S2	Children made subject to Child Protection Plan for a second or subsequent time	14.5% (Oct 2015/16)	9%	Perform in line with statistical neighbours (currently 15.6%)	Perform in line with statistical neighbours	Family Services	Children, Education, Libraries and Safeguarding
FS/S3	Number of children subject to Child Protection Plan for two or more years	2	Perform in line with statistical neighbours	Perform in line with statistical neighbours (currently 3.31%)	Perform in line with statistical neighbours	Family Services	Children, Education, Libraries and Safeguarding
FS/S7	Percentage of free entitlement early years places taken up by parents/ carers that are eligible for a place	52%	50%	63% (London average)	85%	Family Services	Children, Education, Libraries and Safeguarding

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Public health							
PH/S2	Excess weight in 4-5 year olds (overweight or obese)	21%	21%	21% ¹⁴	21%	Public Health	Health and Wellbeing
PH/S3	Excess weight in 10-11 year olds (overweight or obese)	34.4%	36.7%	32% ¹⁵	30%	Public Health	Health and Wellbeing
PH/S5	Smoking Prevalence	13.2%	15%	13% ¹⁶	12%	Public Health	Health and Wellbeing

¹⁴ The public health grant for 2016/17 and beyond has not yet been confirmed by central government. Public health commissioning intentions have been reviewed because we know that the grant will be less than that assumed in the 2015-2020 commissioning intentions but without this clarity the available funding and appropriate targets remain unconfirmed.

¹⁵ As above

¹⁶ As above



More resilient communities (Responsibility)

As the council does less in some areas, residents will need to do more. We're working with residents to increase self-sufficiency, reduce reliance on statutory services, and tailor services to the needs of communities. These indicators will monitor our progress against this priority.

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Community participation							
CG/S5 (RPS – Biannual)	Percentage of residents who report feeling they belong to their neighbourhood	73% (Autumn 2015)	74%	74%	77%	Commissioning Group	Community Leadership
CG/S9 (RPS – Biannual)	Percentage of residents that volunteer at least once a month	26% (Spring 2015)	29%	29%	35%	Commissioning Group	Community Leadership
CG/S10 (RPS – Biannual)	Percentage of residents who agree that people pull together to help improve their area	52% (Spring 2015)	51%	53%	56%	Commissioning Group	Community Leadership
CG/S16 (RPS – Biannual)	Percentage of residents who are satisfied with Barnet as a place to live	88% (Autumn 2015)	90%	90%	90%	Commissioning Group	Community Leadership
Community safety							
CG/S3	Level of crime across the Mayor's Office for Policing And Crime set of crimes (burglary, vandalism, criminal damage, theft of / from motor vehicle, violence with injury, robbery, and theft from the person)	17%	20% reduction	20% reduction	20% reduction	Commissioning Group	Community Leadership
CG/S4 (RPS – Biannual)	Public confidence in police and council in dealing with anti-social behaviour and crime issues that matter in their area	64% (Autumn 2015)	68%	68%	68%	Commissioning Group	Community Leadership

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Building family resilience							
NEW (Annual)	Percentage of young people in care who know about the Corporate Parenting Pledge	NEW	NEW	TBC	TBC	Family Services	Children, Education, Libraries and Safeguarding
FS/S8	Percentage of the target groups that are registered with the children centre within the area it serves	88%	65%	65%	65%	Family Services	Children, Education, Libraries and Safeguarding
FS/S15	Percentage of care leavers age 19 – 21 in education, employment or training	57%	Top 10% in England	55% above our statistical neighbours	Top 10% in England	Family Services	Children, Education, Libraries and Safeguarding
NEW	Proportion of care leavers age 19 – 21 in suitable accommodation	NEW	NEW	90%	Top 10% in England	Family Services	Children, Education, Libraries and Safeguarding



Improving customer services and ensuring transparency

We're committed to improving our customer services and being as transparent as possible with the information we hold and our decision-making.

These indicators will monitor our progress against these commitments.

Ref	Indicator	2015/16 Q3	2015/16 Target	2016/17 Target	2019/20 Target	Service	Theme Committee
Improving customer services and ensuring transparency							
NEW	Council Tax collection	NEW	NEW	98.5%	TBC	Commissioning Group	N/A
NEW	Business rate collection	NEW	NEW	99.0%	TBC	Commissioning Group	N/A
CG/S19 (RPS – Biannual)	Percentage of residents who report that it is easy to access council services	70% (Spring 2015)	67%	67%	75%	Commissioning Group	N/A
CG/S14 (RPS – Biannual)	Percentage of residents who are satisfied with the way the council runs things	74% (Autumn 2015)	73%	73%	75%	Commissioning Group	N/A
NEW	Overall satisfaction with customer services	77%	80%	80%	90%	CSG / Re / Barnet Homes	N/A
NEW	Satisfaction with the council's website	40% (Q2 2015/16)	NEW	9% increase from 2015/16	Top 10% for England	CSG / Commissioning Group	N/A
NEW	Customer cases that are closed within the agreed timescales	70%	90%	90%¹⁷	90% ¹⁷	CSG / Re / Streetscene	N/A
CG/S15	Performance of services	77%	All above average	80% above average	80% above average	Commissioning Group	N/A

¹⁷ Provisional targets.

For more information, please contact:
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tel: 020 8359 7058 email: tom.pike@barnet.gov.uk

Appendix B: Benchmarking Report

1. Types of benchmarking

The Council conducts a wide range of benchmarking activities to better understand comparative performance and value across key services; use this information to inform budget setting; prioritise and drive improvement; and ensure Members have the opportunity to compare performance with other similar Councils.

This benchmarking takes four different forms:

- A. **Broad Council-wide assessment of cost and value for money.** This typically uses all Council's financial returns to government (projected spend, known as Revenue Accounts and actual spend, known as Revenue Outturn) to set our comparative cost for different services, and cost per head of population. Key datasets are available from two organisations - LG Futures and CIPFA.
- B. **Summary information of key performance indicators across the Council.** This provides Council-wide assessment on a sample of indicators. London Councils provide a dashboard of 31 different key performance indicators to enable comparison against benchmark. Barnet has been providing this information to Performance and Contract Management Committee each quarter, with around 65% - 75% of indicators frequently noted to be above the London average. A further, national dataset is available from the LGA across a smaller sample of key performance indicators. Again, this is reported to Performance and Contract Management Committee each quarter and typically 70% - 80% of Barnet's indicators are above benchmark. This helps the Council to identify areas where there may be a specific challenge or the opportunity to improve, but only provides a high-level sample from different service areas.
- C. **Corporate Plan benchmarks.** Where the Council has set Corporate Plan targets (50 monitored quarterly) we provide the most up-to-date benchmark position. Subject to availability this should position the Council against London, national and statistical neighbours. This is provided in the quarterly performance reports to Performance and Contract Management Committee; albeit not all indicators are ones which lend themselves to this.
- D. **Service specific benchmarking.** Individual benchmarking clubs operate for specific service areas, for example CIPFA Corporate Services for back office services, which the Council is using to inform the CSG contract review; ASCOF which is used to compare the Council's position on Adult Social Care performance; and Housemark which is used to compare Housing services performance. There is an opportunity to utilise more of this information to help set the context in when reviewing the performance of specific service areas.

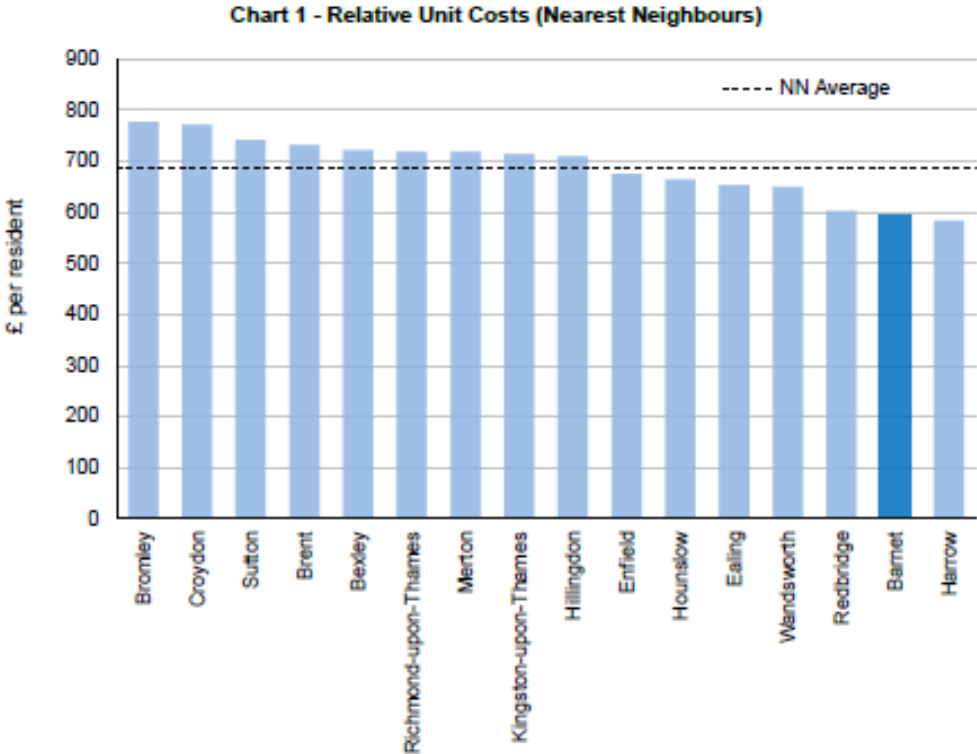
2. Broad Council-wide assessment of cost and value for money

The LG Futures report on value for money provides the Council's projected expenditure in 2015/16 (Revenue Accounts). This is based on projections, and for contracted services, assumes in relation to management fee. For Highways and

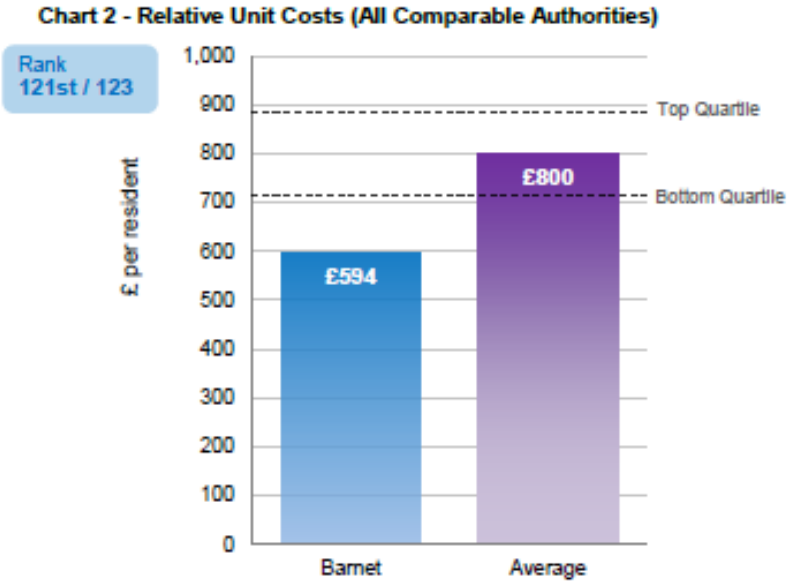
Transport it includes PFI funding and GLA – resulting in an inflated figure than non-London boroughs.

Key findings:

- Barnet's unit costs (excluding schools) are 13.7% lower than the nearest neighbour average
- Compared with our near neighbours, Barnet is second best in terms of unit costs compared to all 16 authorities (i.e. 15th out of 16 authorities)



- Compared nationally, Barnet's unit costs are 25.7% below average, and are ranked third best (i.e. 121st highest out of 123 comparable authorities)



The table below shows Barnet's unit costs, in each major service area, relative to its nearest neighbours. As can be seen, the vast majority of services compare well using the unit cost. There are some areas where we are above the near neighbour average:

- Within Adult Social Care, Barnet's unit costs are around the nearest neighbour average and nationally, its unit costs are 5.1% higher than average
- Children's Social Care - Barnet's unit costs are 14.3% higher than the nearest neighbour average, and ranked 5th highest out of 16 authorities. Compared nationally, its unit costs are 16.1% higher than average
- Related to Environmental services, Parking and Street Lighting Service unit costs are higher than near neighbours, as are Waste Collection costs.

Table 5 - Unit Costs compared to Nearest Neighbours*

Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank out of 16 (1=high)	Units
		Your authority (£ per unit)	NN average (£ per unit)	(%)	(std. dev.)		
Education (excluding schools)	21.408	49.32	56.54	-12.8%	-0.31 ●	9th	Residents (all)
Adult Social Care	87.888	16,308.78	16,978.57	-3.9%	-0.17 ●	8th	Adult Clients (all)
Children's Social Care	48.804	22,727.38	19,883.29	14.3%	+0.63 ●	5th	Children in Need
Public Health	16.927	39.99	50.10	-20.2%	-0.97 ●	14th	Residents (all)
Highways & Transport	23.587	15,940.43	11,833.08	37.0%	+0.86 ●	3rd	Road length
Housing Services (General Fund)	9.144	21.55	37.44	-42.4%	-1.27 ●	15th	Residents (all)
Cultural & Related Services	11.920	28.10	32.88	-14.5%	-0.51 ●	12th	Residents (all)
Environmental & Regulatory Services	17.509	41.27	59.28	-30.4%	-1.03 ●	12th	Residents (all)
Planning & Development Services	0.897	2.11	10.85	-80.5%	-1.23 ●	14th	Residents (all)
Central Services	13.438	31.67	44.35	-28.6%	-1.29 ●	15th	Residents (all)
Other Service Expenditure	0.000						
Total (excluding schools)	251.478	594.49	688.88	-13.7%	-1.63 ●	15th	Residents (all)
Total (including schools)	489.690	1,143.32	1,228.16	-8.9%	-0.58 ●	11th	Residents (all)

* Values are left blank for 'Other Service Expenditure', and for services where your authority does not have primary responsibility. This reflects the lack of expenditure in these service areas and/or the lack of client data.

3. Summary information of key performance indicators across the Council

3.1 London Councils LAPS Dashboard

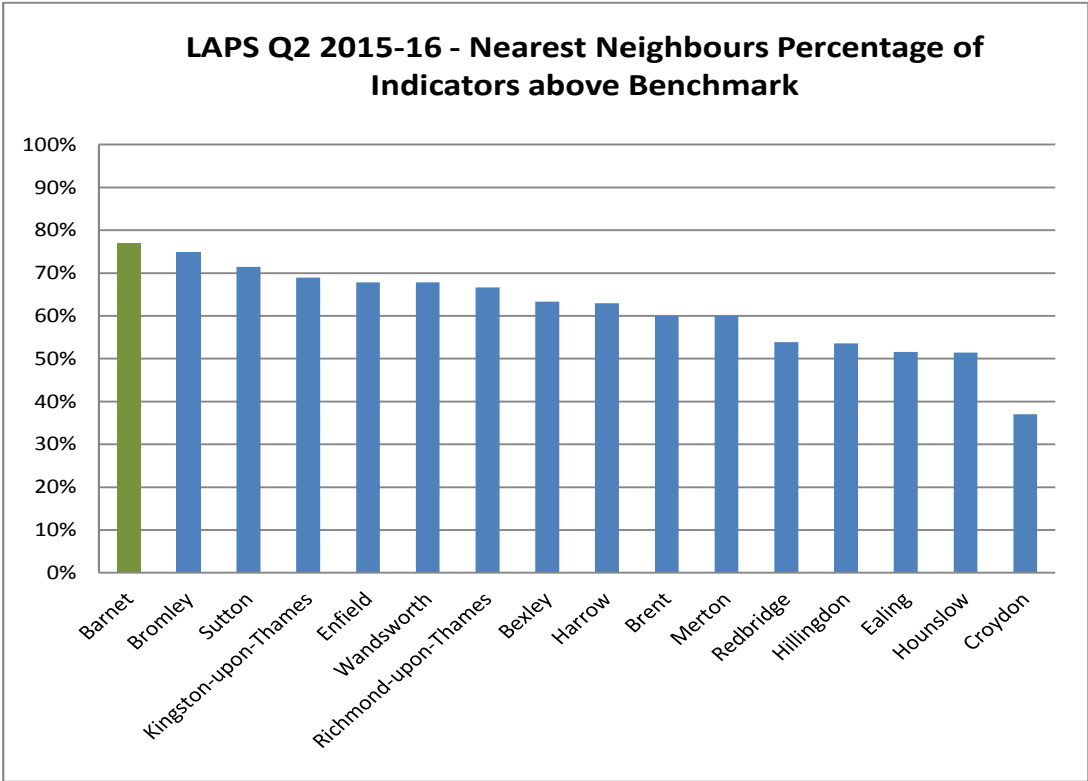
Benchmarking data from London Councils (LAPS) is incorporated in the quarterly monitoring reports to Performance and Contract Management Committee to provide a comparative position of Barnet's performance against other London Boroughs.

The most recent LAPS report with verified data was for Quarter 2 2015/16. The London Councils **LAPS Dashboard** is publically available and provides comparative

data for up to 36 indicators. This shows that the Council was above benchmark for **77%** of indicators (24 out of 31 returned) – see table below.

Priority Area	Benchmark Position	
	Above Average	Below Average
Risk and Vulnerability	8	2
Improving life Chances	10	2
Quality of the Environment	2	2
Interest to the Public	4	1
Total	24 (77%)	7 (23%)

Compared to its nearest neighbour group of local authorities, Barnet performed best in Quarter 2 2015/16 in terms of the number of indicators above benchmark (the London average) on the LAPS Dashboard of 36 indicators. The chart below illustrates Barnet’s performance.



- 77% of indicators performed above the London average (24 out of 31), including:
- Violence against the person crime rate per 1,000 population
 - Percentage of children subject to a Child Protection Plan for a second time or more within two years of a previous plans end date
 - Percentage of Children’s social workers who are agency workers (FTE) for year ending 30 Sept
 - Percentage of persons aged 16-18 who are not in education, employment or training (NEET)
 - Percentage of clients using social care who receive self-directed support

- Percentage of working age people on out of work benefits
- Percentage of land assessed as having unacceptable levels of litter
- Percentage of minor planning applications determined within 8 weeks

23% of indicators performed below the London average (7 out of 31):

- Robbery, dwelling burglary, and theft of/from a motor vehicle crime rate per 1,000 population
- Percentage of adult with a learning disability who live in their own home or with their family
- Percentage of children in need (CIN) achieving at least level 4 at KS2 in reading, writing and math
- Carers (caring for someone aged 18+) receiving carer specific services, per 100,000 population aged 18+
- Percentage of land assessed as having unacceptable levels of detritus
- Percentage of land assessed as having unacceptable levels of fly-posting
- Percentage of non-domestic rates collected

3.2 Wider London Councils (LAPS) data

In addition to the LAPS Dashboard, the wider LAPS tool provides benchmarking data for 125 indicators. In Q2 2016/16, Barnet provided returns against 110 of these allowing us to dive deeper into the data. Of these 110, 94 indicators had a polarity allowing us to compare the Council's performance against other London Boroughs. 66% of indicators performed above the London average (62 out of 94) and 34% (32 out of 94) performed below the London average.

By assigning each indicator to a service, the LAPS tool allows us to provide a **general** assessment of performance for each of the Council's services. This assessment is provided for guidance only, as for some Council services the numbers of indicators available in the tool are very few.

Adults and Communities

63% of indicators performed above the London average (12 out of 19), including:

- Percentage of clients using social care who receive self-directed support
- Percentage of clients using social care who are receiving direct payments
- Rate 18-64 year old permanent admissions to residential and nursing care homes, per 100,000 population
- Rate aged 65+ permanent admissions to residential and nursing care homes, per 100,000 population
- Delayed transfers of care from hospital which are attributable to adult social care per 100,000 over 18's

37% of indicators performed below the London average (7 out of 19), including:

- Percentage of adults with a learning disability who live in their own home or with their family
- Percentage of carers receiving self-directed support
- Percentage of carers (caring for someone over 18 years of age) who receive a direct payment or part direct payment for support direct to carer (whether through a self-directed process or not)

- Proportion of people (65+) still at home, extra care housing or adult placement scheme 91 days after discharge from hospital into reablement/rehabilitation services
- Proportion of adults in contact with secondary mental health services living independently, with or without support

Commissioning Group

68% of indicators performed above the London average (15 out of 22), including:

- Violence against the person crime rate per 1,000 population
- Total notifiable crime rate per 1,000 population
- Housing Benefit number of days to process new claims
- Number of working days per FTE lost due to sickness absence (excluding school staff)
- Top 5% earners: Women

32% of indicators performed below the London average (7 out of 22), including:

- Robbery, dwelling burglary, and theft of/from a motor vehicle crime rate per 1,000 population
- Percentage of non-domestic rates collected
- Overall Employment rate (working-age)
- Top 5% earners: ethnic communities

Education and Skills

60% of indicators performed above the London average (15 out of 25), including:

- Percentage of pupils achieving level 4 or above in Reading TA, Writing and Maths at Key Stage 2
- Percentage of school-aged children in need permanently excluded from school
- Percentage of children achieving "a good level of development" in Early Years Foundation Stage Profile (EYFSP) - at least expected level in learning, literacy & maths
- Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths
- The Special Education Needs (SEN)/non-SEN gap achieving 5 A*-C GCSE including English & Maths

40% of indicators performed below the London average (10 out of 25), including:

- Percentage children in need (CIN) achieving at least level 4 at KS2 in reading, writing and mathematics
- Progression by 2 levels in Writing between Key Stage 1 and Key Stage 2
- Rate of permanent exclusions from school
- Percentage of sessions missed at school of school aged children in need.
- Percentage of children in need classed as persistent absentees

Family Services

80% of indicators performed above the London average (12 out of 15), including:

- Vacancy Rate of Children's social workers (FTE) for year ending 30 Sept
- Percentage of Children's Social workers who are agency workers (FTE) for year ending 30 September

- Conceptions in women aged under 18 per 1,000 females aged 15-17
- Excess weight in children - 4-5 year olds
- Excess weight in children - 10-11 year olds

20% of indicators performed below the London average (3 out of 15):

- Under 18 conception rate: Percentage change from 1998 baseline
- Time from Child Protection strategy meeting to Initial Child Protection Conference - % within 15 working days.
- Looked after children, percentage with placements lasting 2+ years

Parking and Infrastructure

100% of indicator performed above the London average (2 out of 2):

- Principal roads where maintenance should be considered
- Non-principal classified roads where maintenance should be considered

Public Health

80% of indicators performed above the London average (4 out of 5), including:

- Chlamydia diagnoses rate per 100,000 young adults age 15-24 based on their area of residence
- Smoking status at time of delivery
- Alcohol-related admissions to hospital

20% of indicators performed below the London average (1 out of 5):

- Number of people killed and seriously injured casualties on roads, per 100,000 resident population (3 year rolling average)

Re

50% of indicators performed above the London average (1 out of 2):

- Net additional homes provided

50% of indicators performed below the London average (1 out of 2):

- Number of affordable homes delivered (gross)

Streetscene

25% of indicators performed above the London average (1 out of 4):

- Percentage of land assessed as having unacceptable levels of litter

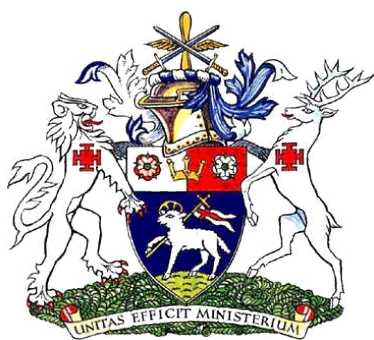
75% of indicators performed below the London average (3 out of 4):

- Percentage of land assessed as having unacceptable levels of detritus
- Percentage of land assessed as having unacceptable levels of graffiti
- Percentage of land assessed as having unacceptable levels of fly-posting

4. Next steps

It is recommended that further tailored reports, incorporating the range benchmarking data referred to in section 1 above, are added to the Performance and Contract Management Committee's forward plan each financial year. This will provide Members with a better understanding of the Council's comparative performance and

value for money across key services and help identify areas for improvement. This year, it is proposed that a report is provided on back office services to inform the CSG contract review (from CIPFA) and further reports on different service areas are developed for Performance and Contract Management Committee as appropriate.



Performance and Contract Management Committee

31 May 2016

Title	Quarter 4/End of Year Performance Monitoring 2015/16
Report of	Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	<p>Appendix A Corporate Plan Performance</p> <p>Appendix B Service Performance</p> <p>Appendix C Revenue Monitoring</p> <p>Appendix D Capital Outturn</p> <p>Appendix E Transformation Programme</p> <p>Appendix F Prudential Indicators</p> <p>Appendix G Investments Outstanding</p> <p>Appendix H (i) CSG Benefit Realisation</p> <p>Appendix H (ii) CSG Contract Benefit Realisation Tracking</p> <p>Appendix H (iii) Capita Payments</p> <p>Appendix I Contract Variations</p> <p>Appendix J Corporate Risk Register</p> <p>Appendix K Parking Enforcement Contract Extension</p> <p>Appendix L Recycling and Waste Strategy</p>
Officer Contact Details	<p>Tom Pike – Strategic Lead, Programmes and Performance, LBB Tom.Pike@barnet.gov.uk</p> <p>Paul Thorogood – Assistant Director of Finance, CSG Finance Service Paul.Thorogood@capita.co.uk</p>

Summary

This report outlines the **Quarter 4/End of Year 2015/16** position of the Council's performance against the strategic priorities in the Corporate Plan 2015-2020. The report highlights customer experience and residents' perception, along with corporate and service (Delivery Units and Contractors) performance and the overall budget position.

Customer experience

Customer satisfaction ratings across our main access channels achieved 76%, still short of meeting the 80% target. High performance has been maintained in responding to complaints on time (92%) and the highest proportion of Member Enquiries cases closed within five days has been achieved (80% of cases). However, complaints volumes have continued to increase, most notably within CSG and Re. Further work is required to improve the Council's website and self-service offer.

Residents' perception

Residents' satisfaction with Barnet remains high. The autumn 2015 survey shows that residents' overall satisfaction with Barnet as a place to live remains at 88% - above the national average of 82% - and most residents are satisfied with the way the Council runs things at 74% - above the national average of 67%. Satisfaction with Council services remains on par with the previous survey in spring 2015. A further survey will be undertaken in spring 2016.

Corporate performance

The Corporate Plan identifies a suite of indicators that help us to monitor performance; and targets have been set to encourage improvement against our strategic priorities. The key challenges/successes and an overview of performance are highlighted for Quarter 4. More detailed information can be found in Appendix A.

Service performance

An overview of performance for each service (Delivery Units and Contractors) is provided in relation to the suite of indicators outlined in the Council's key business plans (including the Corporate Plan, Commissioning Plans, Management Agreements and Contracts). More detailed information can be found in Appendix B. The full service reports, including an assessment of contracts and Inter Authority Agreements (Barnet Homes, CSG, HB Public Law and Re), are published on the website at www.barnet.gov.uk/currentperformance

Transformation programmes

The Council's Transformation Programme consists of 90 projects required to deliver the Medium Term Financial Strategy and the Corporate Plan. The majority of projects within the Transformation Programme are on track to deliver to time, costs and quality. On 7 March 2016 the Adults and Safeguarding Committee approved the Outline Business Case for the Adult's Social Care Alternative Delivery Model; the Colindale Offices planning application was approved by Planning Committee on the 31 March 2016 and Full Council approved the Library Strategy report on 4 April 2016. The contract with Cambridge Education to provide Education and Skills services went live on 1 April 2016. Regarding the Oakleigh Road Depot, enabling works have commenced on site.

Human resources

Agency spend remains high and Delivery Units have been set targets to reduce this. Since the start of 2015/16, Adults and Communities and Street Scene have successfully reduced agency spend by 17% and 14% respectively. However, there has been a significant increase in agency spend within Family Services. This has been a key area of focus throughout the year, with a high profile recruitment campaign launched in September 2015 to recruit high quality social workers. Sickness absence is at 8.49 days and further reductions are anticipated during 2016/17 with the implementation of Unified Reward, which will reward performance and drive productivity.

Budget outturn

The general fund revenue outturn (after reserve movements) is £280.293m, which is an adverse variance of £2.328m (0.8 per cent) against the revised budget of £277.965m. This is an improvement of £0.510m from Quarter 3 and compares with a final overspend in 2014/15 of £1.079 (0.4 per cent).

The final outturn on the Council's capital programme is £132.336m, £93.549m of which relates to the General Fund and £38.787m to the HRA. This is a variance of £65.763m against the latest approved budget of £198.099m.

Treasury outturn

In compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services: Code of Practice, this report provides Members with a summary of the treasury management activity during the year to 31 March 2016. The Prudential Indicators have not been breached and a prudent approach has been taken in relation to investment activity, with priority being given to security and liquidity over yield.

Investment performance

As at 31 March 2016, deposits outstanding were £166.600m (excluding Icelandic deposits), achieving an average annual rate of return of 0.625 per cent (adjusted for Icelandic deposits) against a benchmark average (London Interbank Bid Rate - LIBID) of 0.36 per cent.

Contract management

Appendix I summarises contract changes on the Council's key contracts.

Risk management

The report highlights current risks and the respective impact on the Council. There are ten corporate level risks that have a risk level of high or medium. Controls have been put in place to mitigate the risk and control the impact. The full risk assessment can be found in Appendix J.

Recommendations

- 1. The Committee is asked to scrutinise the performance of services (via Delivery Units and Contractors) against the Corporate Plan and (if necessary) make recommendations to other committees on the policy and commissioning implications.**

2. The Committee is asked to note the final 2015/16 revenue and capital outturn, as detailed in paragraphs 1.20 to 1.28.
3. The Committee is asked to note the additions and deletions and approve the accelerations and slippages in the capital programme, as detailed in Appendix D.
4. The Committee is asked to note the savings delivered in 2015/16, as detailed in paragraph 1.25.
5. The Committee is asked to note the agency costs for Quarter 4 2015/16, as detailed in paragraph 1.29.
6. The Committee is asked to note the treasury position outlined in paragraphs 1.32 to 1.34.

1. WHY THIS REPORT IS NEEDED

1.1 This report outlines the **Quarter 4/End of Year 2015/16** position of the Council's performance against the strategic priorities in the Corporate Plan 2015-2020. The report highlights customer experience and residents' perception, along with corporate and service (Delivery Units and Contractors) performance and the overall budget position. The report is structured to:

- Focus on customer experience, residents' perception and human resources
- Show how the Council is performing against the outcomes and targets set out in the Corporate Plan, including a summary of the successes and challenges in Quarter 4
- Provide an overview of the Council's service indicators, reporting by exception and providing comments on those that have not met target
- Provide a summary of the status of key programmes the Council is delivering
- Report on the budget position, including revenue and capital expenditure
- Demonstrate management of the Council's corporate risks.

1.2. In addition to this report, the Council publishes 14 detailed reports on the performance of each service (Delivery Units and Contractors) on the website each quarter at www.barnet.gov.uk/currentperformance; along with the past three years' reports at www.barnet.gov.uk/performance

Customer experience

1.3 To ensure the Council maintains its focus on customers, the Council monitors a range of customer indicators. In addition, the Council has in place a weekly monitoring regime for senior management visibility of overdue complaints, members' enquiries and other customer data to drive further improvement.

1.4 In Quarter 4, the customer satisfaction ratings across our main access channels achieved 76%, still short of meeting the 80% target, having performed at 77% for the previous three quarters. However, there is an increase in positive ratings for the Council's website - a major area of focus – which rose from 42% in Quarter 3 to 45%, and small increases in the proportion of positive ratings from telephone and face to face customers. Although overall online transactions appeared to have increased in Quarter 4,

with 13,612 webforms submitted compared to 12,054 in Quarter 3, the number of Lagan webforms belonging to customer services has fallen by 141 and the satisfaction ratings for these webforms are much lower than the average. The Council has maintained high performance in responding to complaints on time (92%), and closed the highest proportion of Member Enquiries cases within five days so far (80% of cases). However, the complaints volume has increased again, as it has in every quarter this year (Quarter 1 645, Quarter 2 703, Quarter 3 876 and Quarter 4 980). Quarter 4 complaints are now 31% higher than the 673 received in Quarter 4 last year. Almost all Delivery Units have seen increases between Quarter 3 and Quarter 4, with the highest increases in CSG and Re.

- 1.5 During this reporting period seven of 12 customer service targets have been achieved, an increase of one target met since Quarter 3, and performance has improved on eight of 14 measures since Quarter 3.
- 1.6 There are a number of notable successes within Quarter 4:
 - Customer satisfaction with the webforms available on the Council's website has improved for the fifth successive quarter, to 59%. This supports the Council's customer access strategy to increase the number of transactions completed online. Satisfaction with the website has also increased in Quarter 4, from 42% to 45%, as a result of the most-visited webpages being rewritten to best practice standards.
 - 91% of the 1,677 webforms received by CSG customer services have been responded to within five working days, meeting the 90% target for the first time since Quarter 1, and encouraging self-service.
 - 93% and 94% of customer cases managed by CSG and Street Scene respectively have been closed on time, exceeding the 90% target.
 - The Council's face to face service at Barnet House and Burnt Oak ranks fourth of all 70 plus councils using the GovMetric satisfaction tool, and the highest of the unitary councils in March. This is partly attributed to the introduction of a new appointments system and ways of working in the previous quarter, which have significantly decreased wait times. 91% of 5,800 plus customers have rated the service they received as good (the highest percentage recorded to date).
 - The Council responded to 92% of 980 complaints within the policy timeframes, exceeding the 80% target again.
 - 97% of the total recorded Members' Enquiries (1,248) have been responded to within five days and 80% have been closed within five days, maintaining the good performance from Quarter 3.
- 1.7 The following areas require improvement:
 - Just 45% of web visitor ratings are good, which is still below the 55%-60% that the best performing council websites receive, so the website remains subject to an improvement plan, to encourage more customers to self-serve rather than contact the Council by phone or in person. Whilst webform ratings generally outperform those for the rest of the site, the ratings for My Account webforms are lower than average and need to be addressed as part of the website improvement plan.

- Almost all Delivery Units have experienced an increase in complaints between Quarter 3 and Quarter 4, with the highest increases in CSG (+49, 43%) and Re (+23, 41%). The increase of CSG complaints has been largely attributed to customers challenging the content of annual billing and end of year benefits letters. The increase of Re complaints has been due to the Highways Network Recovery Programme, delays to other repair work, delays to customer responses due to Highways staff shortages, and a seasonal increase in planning complaints.
- CSG Customer Services have again missed the target to respond to 90% of customer emails within five days, achieving 78%, of 5,809 emails. CSG Customer Services have not hit the 90% target for emails all year, although performance is better on responding to webforms, which supports the strategy to encourage customers to use this channel. The emails volume increased significantly in Quarter 4 due primarily to emails about Parking, associated with the transition to the new electronic permit system.
- The 89% of cases closed on time for the 256 customers in Quarter 4 identified as needing additional support has been lower than the 93% average, due to poorer performance by Street Scene for this cohort. CSG and Street Scene are now working closely together to ensure Street Scene staff have all the information required to improve performance for these customers.
- Customer satisfaction following case closure, reflecting cases delivered by CSG and Street Scene, has improved to 54% (from 47% in Quarter 3) but is still lagging behind the 65% target.
- The ongoing problem with staff desk calls has persisted, with 21% of the 278,459 calls left unanswered in Quarter 4. Reminders about managing calls have been included in the weekly staff email newsletter.

Table 1: Customer Experience Indicators

Performance Measure	Target 2015/16	Quarter 3 2015/16	Quarter 4 2015/16	DoT
% customers that rate customer service as Good (GovMetric) ¹	80%	77%	76%	↓
% customers that rate their full experience as 'Very good' or 'Good' when the case is closed ²	65%	47%	54%	↑
% of cases delivered within SLA ³	90%	70%	93%	↑
% of cases delivered within SLA for customers needing additional support	90%	83%	89%	↑
% Complaints responded to within SLA at stage 1, 2 & 3	80%	90%	92%	↑
% Members Enquiries responded to within 5 days	95%	97%	97%	⇨
% Members Enquiries cases closed in 5 days	-	79%	80%	↑
% FOIs resolved within SLA	90%	99%	97%	↓

¹ GovMetric surveys are used on the phones by CSG, Barnet Homes and Re; for face to face by CSG & Barnet Homes; and on emails by CSG. It is also on every page of the main Council website.

² Case closure survey data covers CSG, Street Scene and Re, but no data was received from Re in Q4

³ % cases delivered within SLA covers CSG, Street Scene and Re, but no data was received from Re in Q4. SLAs are timescales and they are different for each service request.

Performance Measure	Target 2015/16	Quarter 3 2015/16	Quarter 4 2015/16	DoT
% CSG Webforms responded to within 5 days	90%	87%	91%	↑
% CSG Emails responded to within 5 days	90%	82%	78%	↓
% CSG contact centre calls answered in total, including IVR	-	96%	96%	↔
% Council desk phones answered in total	95%	80%	79%	↓
Non-appointment average wait (min)	5 mins	4.3	4.16	↑
Appointment average wait (min)	5 mins	4.5	4.47	↑

Table 2: Customer Experience Indicators by Delivery Unit or Contractor (measures calls, emails & webforms handled by CSG Customer Services for other Delivery Units)

Performance Measure	Target	Adults	Assurance	Barnet Homes	Commissioning	CSG	Education & Skills	Family Services	Re	Streetscene
% Complaints responded to within SLA	80%									
% Members Enquiries responded to within SLA	95%									
% Members Enquiries cases closed in 5 days	-	68%	75%	100%	83%	65%	83%	62%	74%	81%
% of cases delivered within SLA	90%		0							
% of cases delivered within SLA for customers needing additional support	90%	0	0					0	0	
Case Closure Survey (sum of 'Very good' and 'Good' ratings)	65%									
% FOIs resolved within SLA	90%									
% CSG contact centre calls answered in total, including IVR	-	77%			94%	98%	95%	91%		98%
% council desk phones answered in total	95%									
% CSG Emails responded to within SLA	90%									
% CSG Webforms responded to within SLA	90%									
GovMetric satisfaction	80%									
Mystery Shopping	90%									

Residents' perception

1.8 The most recent Residents' Perception Survey was carried out in autumn 2015. The results have shown that:

- 88% of residents are satisfied with Barnet as a place to live - significantly above the national average (82%); and the same as in autumn 2012
- 74% of residents are satisfied with the way the Council runs things - above the London and national averages (70% and 67% respectively); and 11% points higher than autumn 2012

- 52% of residents agree that the Council provides value for money – this has remained relatively consistent since autumn 2013, but is 9% points higher than autumn 2012; and in line with the national average (51%)
- The top three areas of personal concern for residents are a lack of affordable housing (36%) – 12% points higher than autumn 2012; crime (32%) – 7% points higher than autumn 2012; and condition of roads and pavements (29%) – 9% points lower than in autumn 2012
- 73% of residents feel that they belong to their local neighbourhood - broadly in line with the national average (72%)
- Highest rated levels of satisfaction are refuse collection (80%); doorstep recycling (75%) and street lighting (71%) – the former two are significantly above the London averages (69% and 66% respectively) and the latter is on par with the London average
- Lowest rated levels of satisfaction are activities for teenagers/young people (20%); housing benefit (24%) and council housing (26%) – however, these are all above the London averages (17%, 23% and 20% respectively)
- However, there are core services which have higher levels of dissatisfaction when compared with other London boroughs, including parking (46%); repair of roads (44%); and quality of pavements (41%) – all are below the London averages. However, repair of roads and quality of pavements have shown significant improvement since spring 2015 - up 8% and 5% respectively – suggesting seasonal variations due to adverse weather conditions.

The full set of results can be found on the Engage Barnet website at <https://engage.barnet.gov.uk/consultation-team/residents-perception-survey-autumn-2015>

Corporate Plan performance

- 1.9 The Corporate Plan identifies a suite of indicators that help us to monitor performance; and targets have been set to encourage improvement against our strategic priorities. The key successes and challenges, along with an overview of performance, are highlighted for the year. More detailed information can be found in Appendix A.

Review of the year

- 1.10 This section of the report highlights the most significant successes and challenges - and the **action** taken to address them - for the Council during the year.

Key successes include:

- A review of comparative unit costs with other councils shows that, nationally, Barnet's **unit costs** are 25.7% below average, and **ranked third best** (i.e. 121st highest out of 123 comparable authorities) in 2015/16.⁴

⁴ LG Futures - projected expenditure for 2015/16 (Revenue Accounts).

- The London Councils LAPS Dashboard provides comparative data for up to 36 indicators. Compared to its nearest neighbour group of local authorities, Barnet performed **best in Quarter 2 2015/16** in terms of the number of indicators **above benchmark** (the London average) on the London Councils **LAPS Dashboard** of 36 indicators.
- **Customer satisfaction** with the website has risen from 42% to 45%.
- Continued high-levels of **residents' satisfaction** with Barnet as a place to live (88%) and with the way the Council runs things (74%) – both above the national averages (82% and 67% respectively).
- More people have been helped to **live independently at home** rather than go into residential and nursing care (from 13.4 to 10.6 per 100,000 aged 18-64); and our **offer to carers** has been extended, including additional services to those caring for individuals with dementia.
- Victoria Recreation Ground and Copthall have been approved as sites for **new leisure centres** by the Policy and Resources Committee in December 2015 – and more older people (over 45s) have been participating in leisure activities.
- Good progress has been made on the Council's **regeneration programme**, including submission of a Full Business Case for the Thameslink Station in Brent Cross Cricklewood; and the completion of hundreds of new homes in Dollis Valley, Grahame Park, Mill Hill and Stonegrove. A full annual report has been presented to Assets, Regeneration and Growth Committee in March 2016.
- Approval of a new **Housing Strategy** that sets out our housing priorities for the next 10 years, including the building of thousands of new homes as part of our regeneration programme. Alongside this, the Council has agreed a new 10-year Management Agreement with Barnet Homes for the management of the Council's housing stock.
- Work to **prevent homelessness** has been successful with 905 homelessness preventions achieved (up by 73 on last year).
- **Your Choice Barnet (YCB) Supported Living Service**, rated 'Inadequate' by the Care Quality Commission (CQC) in February 2015, has been re-inspected in December 2015 and given an improved rating of 'good'.
- **Cambridge Education** has been appointed as the new strategic service provider for education and skills services. The partnership will deliver savings of £1.88m a year by 2019/20, which will predominantly be achieved through income growth as a result of marketing and selling services to more schools and other local authorities.
- **High performing schools**, with 92% of primary schools rated as 'good' or 'outstanding' by Ofsted. Barnet is ranked in the top five in the country for GCSE results.
- The restructure of **Early Years Services** has shown improvements, with the take up of two year old placements rising to 60% (from 52% last year).
- Both **children's homes** in Barnet have retained a 'good' Ofsted rating.
- Overall **parking satisfaction** (30%) has improved by 13 percentage points from 2012, with planned work to improve and develop parking services.

- The **Recycling and Waste Strategy** and **Parks and Open Spaces Strategy** have been completed following consultation with residents and Members and were approved by the Environment Committee on the 12 May 2016 (Appendix L).
- **Unified Reward** consolidating pay and grading systems and introducing new terms and conditions for staff, including an increase in paid leave for the majority of staff; uplifting the basic rates of pay to the market average; pay progression based on performance; voluntary health checks; and an employee benefits package. Unified Reward will go live in October 2016 for directly employed Council staff and in April 2017 for schools.

Key challenges – and the **action** taken to address them - include:

- Ongoing work to **reduce the overspend** in Adults and Communities and recover the budget position; along with activity to **improve performance**. At year end, 57% (12) of indicators have not met target and 57% (12) of indicators have a worsened position than last year – including adults with learning disabilities and mental health conditions in paid employment. **Action taken:** A commissioning lead for workplace inclusion has been appointed to develop a supported employment offer for these adults.
- High demand for **homelessness** services and a reliance on temporary accommodation have impacted on the Council's budget – despite an increase in homelessness preventions achieved (905, compared with 832 last year) and decrease in numbers in temporary accommodation (251, compared with 455 last year). **Action taken:** A range of mitigations have been put in place to maximise prevention, manage demand and increase affordable supply.
- Challenges around quality and consistency of **social work practice** have been compounded by difficulties recruiting to social work posts and increasing levels of demand at the social care front door. **Action taken:** Practice improvement work has ensured that the service has delivered as effectively as possible, including against the requirements of the Ofsted Framework and Evaluation Schedule for the inspection of Services for Children in Need of Help and Protection, Children Looked After and Care Leavers.
- Roll-out of the **electronic parking permit system** has been problematic, resulting in some residents being unable to renew or apply online and a poor experience of the website. **Action taken:** Problems with the system have been resolved and improvements made to the web pages to make it easier for residents to access information and complete transactions.
- **Highways**, in relation to delivering the £15m Network Recovery Plan and complaints about surface dressing. **Action taken:** A detailed action plan has been put in place to address problems with surface dressing – and prior to seeking approval for the planned maintenance work programme for 2016/17, ward Members were briefed on potential elements of the programme in each ward and feedback taken on board.
- The **recycling rate** has dropped slightly to 36.54% (in Quarter 3). This has been attributed to an overall reduction in food and garden waste recycling. **Action taken:** An improvement plan has been put in place to encourage behaviour change and increase levels of recycling – and the

Recycling and Waste Strategy has been presented to Environment Committee in May 2016 (Appendix L).

- Satisfaction with **street cleaning** (52%) has remained lower than the London average (55%). **Action taken:** A Street Scene enforcement policy and procedure has been agreed by Environment Committee in March 2016. The Committee also agreed a six month pilot starting in June for issuing Fixed Penalty Notices in the main town centres. The Council's overarching enforcement policy has been drafted and will be submitted to Policy and Resources Committee in May 2016.
- A "no assurance" audit opinion for **Street Scene Operations Review** provided priority recommendations for improvement, which are being implemented. **Action taken:** The Barnet Group has been appointed to take over operational management and lead on implementing improvements, along with delivering the MTFs and required projects to stabilise the service.

Key challenges - continuing into 2016/17 - include:

- **Customer complaints** have increased, particularly with CSG and Re. **Action continuing:** Investigations are being carried out to better understand the reasons behind the increase in complaints and bring these back on target.
- **IT performance**, including two audits receiving limited assurance (change management and disaster recovery) and significant challenges in relation to libraries IT recovery, now resolved. **Action continuing:** A new IT Director has been appointed and a service improvement plan will be implemented to stabilise and improve performance.
- Maximising the benefits available from the **CSG contract review**. **Action continuing:** This is expected to achieve benefits of cost reduction, improvement and alignment of services with Council priorities, while focusing on improving key services.
- Resident satisfaction with **parking** has improved significantly over the past 12 months, but is still below the London Average. The complex nature of the service delivery model needs to be examined in order to deliver further improvements in customer satisfaction. **Action continuing:** Environment Committee has agreed an extension to the Enforcement Contract (Appendix K) to enable work to take place across a number of north London authorities to look at service delivery models and improvements.

Corporate Plan Indicators

- 1.11 **89** indicators are reported in Quarter 4. Of these, **79** have been given a RAG rating: **59% (47)** are "on or above target" and **41% (32)** are "off target". **74** have been given a Direction of Travel status: **66% (49)** have an "improved or maintained" DOT and **34% (25)** have a "worsened" DOT.

Table 3: Corporate Performance by Theme Committee

Theme Committee	No. reported at	No. with a RAG	RAG Ratings	No. with a DOT	Direction of Travel
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		at EOY	Green	Green Amber	Red Amber	Red	Monitor / NYA	at EOY	Improved/ Maintained	Worsened
A&S	15	15	27% (4)	20% (3)	7% (1)	47% (7)	0	14	57% (8)	43% (6)
ARG	6	4	0% (0)	25% (1)	0% (0)	75% (3)	2	4	50% (2)	50% (2)
CELS	19	13	77% (10)	8% (1)	0% (0)	15% (2)	6	15	87% (13)	13% (2)
Community Leadership	5	5	60% (3)	20% (1)	0% (0)	20% (1)	0	5	60% (3)	40% (2)
Environment	20	20	70% (14)	10% (2)	5% (1)	15% (3)	0	17	53% (9)	47% (8)
Housing	9	7	86% (6)	0% (0)	0% (0)	14% (1)	2	8	63% (5)	38% (3)
Health and Wellbeing	9	9	67% (6)	11% (1)	0% (0)	22% (2)	0	5	100% (5)	0% (0)
Customer Service	6	6	67% (4)	0% (0)	17% (1)	17% (1)	0	6	67% (4)	33% (2)
Total	89	79	47	9	3	20	10	74	49	25
Total %			59%	11%	4%	25%			66%	34%

1.12 This report focuses on the End of Year (EOY) position of all indicators to show the Direction of Travel over the course of the year. At the EOY, 20 indicators are RAG rated as RED (significantly “off target”). A number of these indicators are annual and have been reported to Performance and Contract Management Committee earlier in 2015/16.

Adults and Safeguarding

- Service users who find it easy to get information
- Percentage of adults with learning disabilities in paid employment
- Percentage of adults with mental health needs in paid employment
- Percentage of people who feel in control of their own lives
- Percentage of carers satisfied with social services
- Carers’ reported quality of life
- Percentage of adult carers who have as much social contact as they would like

Assets, Regeneration and Growth

- Business survival rate across the borough (end of year 2)
- Total number of new homes created through regeneration schemes
- Number of affordable homes created through regeneration schemes

Children, Education, Libraries and Safeguarding

- Achievement gap between pupils eligible for free school meals and their peers achieving end of key stage expectations in nationally reported subjects (Reading Writing and Maths) at Key Stage 2
- Number of children adopted

Community Leadership

- Level of crime across the Mayor's Office for Policing And Crime set of crimes (burglary, vandalism, criminal damage, theft of/ from motor vehicle, violence with injury, robbery, and theft from the person)

Environment

- Percentage of households which have used parks, playgrounds or open spaces in the last 12 months
- Percentage of household waste sent for reuse, recycling and composting
- Percentage of residents who are satisfied with street cleaning

Housing

- Percentage of new build homes that are affordable

Public Health and Wellbeing

- Cumulative percentage of the eligible population aged 40-74 who have received an NHS Health Check
- Number of people with mental health problems who have accessed the IPS employment support programme

Customer Experience and Effective Services

- Performance of services

More information is available in Appendix A.

Service performance

- 1.13 The Council's key business plans (Corporate Plan, Commissioning Plans, Management Agreements and Contracts) identify a suite of indicators to help us monitor operational performance. The key successes and challenges, along with an overview of performance are highlighted for Quarter 4. More detailed information can be found in Appendix B. The full service reports, including an assessment of contracts and Inter Authority Agreements (Barnet Homes, CSG, HB Public Law and Re), are published on the website at www.barnet.gov.uk/currentperformance

Review of the year

- 1.14 Each Delivery Unit provides a detailed performance report and a further summary of this in Appendix B. The section below highlights each Delivery Unit's successes and challenges, plus any service level indicators which are rated as Red or Red Amber.

Adults and Communities

Successes

- Continued development of 'assessment hubs' – a new delivery model, which will improve access to preventative services for new contacts, as well as dealing with people's needs more efficiently and reducing waiting times for assessments.
- Installation of over 880 telecare packages in 2015/16, more than double the target for the year.

- Implementation of organisational change, including a new staffing structure (which has changed the skills mix in the Delivery Unit and set the foundations for a new strengths-based approach for 2016/17, as well as achieving substantial financial savings) and IT system (Mosaic).

Challenges

- Work has been undertaken to reduce the overspend and recover the budget position, particularly in response to demand pressures resulting from demographic change.
- Overall 32% (10) of indicators have achieved target and 54% (15) have improved on last year. 10 service indicators did not achieve target, with seven RAG rated as Red, including:
 - completing DoLS applications within statutory timescales – qualifying social workers as Best Interest Assessors (BIAs) to help manage pressure on the service
 - clients receiving an ongoing package of care – funding from the Adults transformation programme will help to increase the number of reviews achieved
 - delayed transfers of care from hospital – lack of capacity in the provider market has created issues with placing people and a diagnostic review of the hospital and front door referral pathways has been carried out to improve the situation.

Barnet Homes

Successes

- The Council and Barnet Homes have entered into a new 10-year Housing Management Agreement commencing on 1 April 2016. The agreement includes a comprehensive register of housing services to be provided in accordance with the recently approved five-year business plan for The Barnet Group.
- Annual Housemark Benchmarking results put Barnet Homes in top quartile for 2014/15, with number 1 position for 'cost per property' for Housing Management and Repairs and Maintenance services. Trend analysis has shown a 30% reduction in Housing Management related costs since 2010/11, whilst overall Tenant Satisfaction with Barnet Homes as a landlord has increased by 8% over the same period.
- The let2barnet service exceeded target (485) by moving 491 households into the private sector; whilst early intervention work contributed to 905 homeless preventions.

Challenges

- High demand for homelessness services and an increasing reliance on General Fund temporary accommodation has exposed the Council to a greater risk of cost inflation in relation to the cost of accommodation. A range of mitigations are in place to maximise prevention, manage demand, and increase affordable supply, including the recruitment of more let2barnet negotiators and additional tenancy sustainment resources. With further changes on the horizon in the form of changes to the buy-to-let market and a reduced overall benefits cap, fresh challenges will be faced in managing demand throughout 2016/17.

- Overall 87% (13) of indicators have achieved target and 65% (11) have improved on last year. Two service indicators did not achieve target and have been RAG rated as Red:
 - additional homes provided on HRA land – delays in delivery of the programme affected the number of completions (8 of 40 homes) and the remaining 32 homes will be completed in Quarter 1 2016/17
 - homeless appeals completed on time – affected by the increase in appeals generated by the decanting of regeneration estates and subsequent challenges in respect of the suitability of alternative accommodation. The percentage of appeals going in favour of Barnet Homes has remained consistent with last year.

Commissioning Group

Successes

- Unified Reward will ensure our pay and grading structure is competitive and enables us to attract and retain high performing staff. The new pay structure moves from 300 unique grades to 12 staff and seven management grades (19 in total). All jobs have been evaluated by an experienced job evaluation panel that included Trade Union representatives. The package includes 30 days annual leave; uplifting the basic rates of pay to the market average; pay progression based on performance; consolidation of London Weighting and Barnet Living Wage pay systems; voluntary health checks; and an employee benefits package. We are currently awaiting the outcome of the Trade Union ballot. Unified Reward is due to go live in October 2016 for directly employed council staff and in April 2017 for schools.
- The Council's Housing Strategy sets out our ambition to deliver hundreds of homes on our own land, and as part of this a new 10 year Management Agreement has been agreed with Barnet Homes, which includes a target to deliver 500 affordable homes and homes that meet the needs of older and vulnerable residents.
- The new strategic partnership with Cambridge Education commenced on the 1 April 2016. All staff have successfully TUPE'd across to the new employer. As part of the partnership, around 330 school catering staff are now employed by ISS, with the overall contract managed by Cambridge Education. By 2019/20, the partnership with Cambridge Education will save the Council £1.88m a year, which will be achieved through a mixture of efficiency measures and income growth as a result of marketing and selling services to more schools and other local authorities.

Challenges

- The CSG contract review is expected to achieve benefits of cost reduction, improvement and alignment of services with Council priorities; while focusing on improving key services.
- Overall 60% (9) of indicators have achieved target and 67% (12) have improved on last year. One service indicator did not achieve target and has been RAG rated as Green Amber – participation of over 45s in leisure services. GLL will continue to target over 45 members through the 'Club Health and Fitness' membership package, preferential 'pay and play' rates for concessionary members, a range of activities suitable and tailored to

older users and the initiatives/objectives as set out within the Sport and Community Development Plan 2016.

Customer and Support Group (CSG)

Successes

- An additional £5.1m has been collected for the Council during 2015/16 compared with the previous year. This has been driven by the Council Tax property base growing from 143,350 to 146,082 and a change to the Council Tax Support scheme being reduced from 91.5% to 80. The Business Rates (NNDR) in-year collection rate was 96.74% at March 2016 up by 0.42% on the 2014/15 collection rate. In this third year, the Business Rates team have delivered year-on-year improvements, reaching 96.74%, from a 95.83% in year 1.
- On the 31 March 2016 the Tarling Road Community Hub was granted planning permission, approving the delivery of a 980sqm community facility with nursery provision. The project is being delivered by the Customer and Support Group (CSG) utilising technical expertise and services from Capita Group. The project team have worked alongside the community to understand local needs to design the first Community Hub portfolio. The new Hub will provide a replacement for two of Barnet's community facilities and will be utilised by a range of different groups delivering valuable services to the local community. The work is scheduled to commence in late summer 2016 with the Hub completed for spring 2017.

Challenges

- IT performance, including two audits receiving limited assurance (change management and disaster recovery) and significant challenges in relation to libraries IT recovery.
- The library management system failed on 3 March 2016 and has been unavailable for about a month. Emergency backup systems have been in place for critical library functions (issue and return of books) and use of self-service kiosks. Wifi services and access to public PCs, printers and other equipment have been restored. The root cause has been due to a combination of server and system errors. New infrastructure has been built with increased physical resilience in place to back up the system to a secure offsite backup service.
- Overall 93% (25) of indicators have achieved target and 88% (22) have improved on last year. Two service indicators did not achieve target, with one RAG rated as Red – HR payroll accuracy which has increased to 5.44% (from 2.9% in Quarter 3). Errors have been attributed to a failure to process six staff leavers in January 2016 and historic issues with 415 teachers' contributions between April and August 2015, which was linked to a software error, and has been resolved. Action will be taken to retrain staff in relation to staff leavers and put in place a new checking procedure; and test and roll out the software fix provided by the third party supplier.

Education and Skills

Successes

- The contract formalising the strategic partnership with Cambridge Education for delivery of the Education and Skills service has been signed and commenced on 1 April 2016.
- Barnet has been ranked 5th in the country for attainment of 5 or more A*-C grades at Key Stage 4 (including English and Maths) and the proportion of Barnet pupils achieving the English Baccalaureate is the highest in the country.
- 92% of Barnet primary schools have been rated as 'good' or 'outstanding' by Ofsted.

Challenges

- The OFSTED inspection framework puts schools at risk of an adverse judgement – requiring improvement or special measures. Continued tracking of individual schools causing concern and additional support to reduce the risk of an adverse judgement and move them to good or outstanding. School improvement partnerships will help to consolidate the increased use of school to school support.
- Primary attendance remains below the national average. Schools have been sharing good practice and are targeting authorised absence, particularly appointments made for pupils during the school day.
- The Special Educational Needs (SEN) Reforms involve a major transition from SEN statements to Education, Health and Care Plans (EHCPs). Budgets have been realigned and the SEN Reform Grant used to support statutory SEN functions in line with the SEN reforms. The proportion of pupils with a SEN statement or an EHCP achieving the expected levels of attainment at Key Stages 2 and 4 remains above the national benchmark.
- Overall 66% (19) of indicators have achieved target and 77% (24) have improved on last year. Eight service indicators did not achieve target, with four RAG rated as Red, including:
 - pupils in secondary schools judged as 'good or better' and achievement gap between pupils eligible/not eligible for free school meals - the School Improvement Policy sets out the level of support offered to schools and 'narrowing the gap' is a key feature of this
 - children offered one of their top three preferences of primary school – the growth in demand for primary places has made it increasingly difficult to meet parental preferences despite the provision of additional places and new schools
 - looked after children attaining 5 A*-C Grades including English and Maths - the virtual school team will be embedding new systems to help address this.

Family Services

Successes

- Both children's homes within Barnet have retained a 'Good' Ofsted rating.
- The Government-funded Step Change pilot has been fully utilised and is providing therapies to children and young people at risk of poor outcomes.
- The libraries service has received a satisfaction rating of 97% in the most recent survey.

Challenges

- Recruiting into vacant social worker posts and the use of agency cover continues to be an area of concern, especially in the context of increasing levels of activity at the social care front door. The social worker campaign has started to deliver positive results, and a sustained focus is being given to staff recruitment and retention, including through delivery of a Social Work Academy.
- To help manage the increasing demand for services, whilst improving the quality and consistency of social work practice, the service has undertaken a regular cycle of audits and continued to deliver the Practice Improvement Plan. Practice improvement work has ensured that the service is delivering as effectively as possible, including against the requirements of the Ofsted Framework and Evaluation Schedule for the Inspection of Services for Children in Need of Help and Protection, Children Looked After and Care Leavers. This includes the new Joint Targeted Inspection which will focus on children at risk of sexual exploitation and those missing from home, school or care. Diagnostic work with Team Managers has taken place in conjunction with Essex to gain greater insight into areas for social care practice improvement and inform the Practice Improvement Plan.
- The new libraries model has been agreed by the Children, Education, Safeguarding and Libraries Committee and work is commencing to deliver the implementation plan.
- Overall 64% (9) of indicators have achieved target and 67% (10) have improved on last year. Four service indicators did not achieve target, with one RAG rated as Red Amber – young offenders in education, training or employment (75%) missed target (80%) but has improved on last year (72%). It has also remained 10% above the London average and 15% above the national average.

HB Public Law

Successes

- Acted on a number of high profile property acquisitions and disposals, including completion of multi-million pound purchases of key sites in relation to the Brent Cross regeneration scheme.
- Successfully defended a challenge by way of judicial review regarding planning permission for the new depot site.
- Secured reimbursement of £198,990 in respect of a disputed ordinary residence case for an adult and agreement from another London Borough to take on future funding for the care of the adult.

Challenges

- Difficulty recruiting lawyers in the areas of property, contracts and planning. A business case has been approved to use market supplements for these areas, which has led to a more successful recruitment campaign.
- Overall 93% (13) of indicators have achieved target and 47% (7) have improved on last year. One service indicator did not achieve target and has been RAG rated as Green Amber - satisfaction with timeliness of response and completion, which was affected by requests to clear reports at short notice that impacted on planned work for clients.

Parking and Infrastructure

Successes

- Operational Level Agreements (OLAs) have been put in place for CSG Parking Services, creating visibility and enhancing contract monitoring within the service.
- Out of Hours Response has been expanded to incorporate street lighting and highways.
- Following a fraud detection exercise nine individuals have been found misusing blue badges within the borough.

Challenges

- Roll-out of the electronic parking permit system has been problematic, resulting in some residents being unable to renew or apply online and a poor experience of the website. Problems with the system have been resolved and improvements made to the web pages to make it easier for residents to access information and complete transactions.
- Issues with joining up processes for Freedom Passes, which requires an end-to-end review.
- Roll-out of CCTV project during April 2016.
- Overall 86% (6) of indicators have achieved target and 100% (6) have improved on last year. One service indicator did not achieve target and has been RAG rated as Green Amber - satisfaction with street lighting – although this has improved by 2% points on the previous survey result to take it to 71%.

Public Health⁵

Successes

- Two additional schools have received Healthy Schools London Gold awards, bringing the total to four schools - the second highest in London.
- Four additional Children's Centres have received Healthy Children's Centre status, bringing the total to eight (out of 10).
- The Mayor of Barnet's Golden Kilometre Challenge, which encourages children to walk, run or move an additional kilometre each school day for six weeks, has been launched in primary schools.
- Awarded 'achievement' level in the London Healthy Workplace Charter (LHWC) and the Gold Healthier Catering Commitment award for the staff restaurant.
- The Director of Public Health Annual Report, entitled 'Five Ways to Mental Wellbeing', has been published.

Challenges

- Working towards 'excellence' accreditation in the London Healthy Workplace Charter, which will require staff awareness training in mental ill health to equip managers with the skills to provide basic support to staff having mental health difficulties.
- Re-procurement of sexual health and contraception services, requiring joint collaborative procurement exercise and development of service specification.

⁵ Reported a quarter in arrears, so refers to Quarter 3 2015/16

- Integration of Healthy Children’s Centre Programme with Early Years Offer, as part of core work of Children’s Centres to ensure sustainability.
- Overall 61% (22) of indicators have achieved target and 42% (5) have improved on the last year. 11 service indicators have not achieved target, with six RAG rated as Red, including:
 - eligible population 40-74 who have received an NHS Health Check – ongoing issues with data sharing and some practices having difficulty using the new IT system
 - people with mental health problems who have accessed the IPS employment support programme - delay between clients starting the programme and securing employment
 - drug users completing or re-presenting at drug/alcohol treatment - during recent recommissioning of the service, a number of historical cases had been erroneously left open but not transferred to the new service
 - professional/community representatives in contact with vulnerable groups training in recognising and tackling self-harm/suicide prevention - Young Minds have been commissioned to provide training to frontline staff working with children and young people. Eligibility for the training programme has widened and additional promotional activity undertaken in an effort to boost numbers.

Regional Enterprise (Re)

Successes

- Additional licensing for Houses in Multiple Occupation (HMOs) has been approved by Housing Committee, which will require between 3-4,000 smaller HMOs to apply for a five-year licence, helping to improve standards.
- Four unannounced “raids” have been carried out on shisha bars in partnership with HMRC, resulting in three businesses having shisha tobacco seized, and three food businesses have been closed due to pest infestation.
- Targeted enforcement action has been taken to reduce the impact of street works on the flow of traffic. Section 74 fines have been agreed with two major utilities for overstaying the duration of street works permit on traffic sensitive roads.
- Grahame Park, Dollis Valley, West Hendon, and Stonegrove Spur Road have exceeded housing delivery targets, with Dollis Valley only eight units below target. 257 affordable homes have been completed in 2015/16, including 88 social rent, 80 affordable rent and 89 shared ownership.

Challenges

- Clarifying demolition dates and decanting, as part of the regeneration programme. Work has been taking place to identify the extent of increased homelessness and the supply of social housing from private registered providers.
- Negotiations with Development Partners for Grahame Park and Dollis Valley to improve relationships, and work on-going to evidence and justify costs incurred

- Overall 85% (61) of indicators have achieved target and 63% (44) have improved on last year. Six service indicators have not achieved target, with two RAG rated as Red:
 - improved IT audit measures will help to improve the management of Highway Safety Inspections
 - Re will continue to work with contractors to resolve issues such as vehicle breakdowns, detrimental weather and traffic obstructions, which have impacted on the rectification of Highways category 2 defects.

Registrar Service

Successes

- Barnet has continued to raise income despite vacancies, which have been held to offset the reduction in overall income.
- There has been an increase in the registration of births by 318 events; and in appointments for the Nationality Checking Service by 45 events since 2014/15.
- Staff have received training on Passport Checking and a pilot has been rolled-out across Brent and Barnet raising additional income for the service.

Challenges

- Fewer NCS/Citizenship applications nationally and longer waiting periods for marriages, as a result of more stringent checks by UKVI has put pressure on budgets
- Staffing levels and re-shuffling staff in Brent and Barnet to cover operational service requirements has been a challenge.
- Overall 75% (6) of indicators have achieved target and 38% (3) have improved on last quarter. Two service indicators have not achieved target, with both RAG rated as Red – deaths registered within 5 working days and marriage/civil partnership notices appointments offered within 10 working days. A shortage of staff has impacted on performance and additional staff are being recruited to help handle the caseload.

Street Scene

Successes

- Continued high levels of residents' satisfaction with recycling (75%) and refuse (80%) collection services – both achieving above London averages.
- Recycling facilities expanded at 92 flat blocks, serving over 1300 properties.
- Won 'silver' in the annual RoSPA Awards, which recognise commitment to continuous improvement in accident and ill health prevention at work.

Challenges

- Overall decrease in recycling has been attributed to a decrease in food and garden waste recycling. Food waste contributes approx. 3.5% to the recycling rate and has gradually decreased over the year. Garden waste recycling contributes approx. 11% to the recycling rate and, similarly, has decreased over the year. This has been attributed to seasonal weather (e.g. winter 2015/16 was cold and wet and will have reduced the available garden waste tonnage). Dry recycling contributes approx. 17% to the

recycling rate and kerbside/bring bank collection rates have increased over the year. An improvement plan is in place, including more work to encourage behaviour change and increase the levels of food waste and garden waste recycling in particular. The Recycling and Waste Strategy will be going to Environment Committee in May 2016.

- Opportunities to transform the commercial waste service and improve the offer to local businesses will require new policies, such as time-banded collections and compulsory commercial waste recycling, linked to the Council’s enforcement strategy.
- Implementation of priority recommendations resulting from the Street Scene Operations Review – particularly in relation to recruitment, workforce management, payments and site management. Strong arrangements have been put in place with the Barnet Group to lead the management of this, along with delivery of the MTFs and required projects to stabilise the service.
- Overall 41% (7) of indicators have achieved target and 38% (5) have improved on last year. Five service indicators have not achieved target, with two RAG rated as Red, including:
 - waste tonnage - residual per household - slight increase in residual waste in Quarter 3 (162.49kg/hh) from Quarter 2 (159.94 kg/hh), but little overall change compared with last year
 - user satisfaction with parks, playgrounds and open spaces – down 3% points from previous survey to 67%.

Your Choice Barnet (YCB)

- The Supported Living Service, which had been rated ‘Inadequate’ by the Care Quality Commission (CQC) in February 2015, has been re-inspected in December 2015 and given an improved rating of ‘Good’.
- Overall 82% (17) of indicators have achieved target and 67% (2) have improved on last quarter. Three service indicators have not achieved target, with all three RAG rated as Amber. These were staff sickness, agency staff and new referrals from other local authorities. Staff sickness has increased to 12.7 days (from 10.4 days in Quarter 3) and continues to be monitored closely by management teams. The use of agency staff has slightly reduced to 13.1% (from 13.7% in Quarter 3). Referrals have improved but remain a significant challenge, with YCB continuing to market its services both within Barnet and neighbouring boroughs to boost numbers.

Service Indicators

1.15 **328** indicators are reported in Quarter 4. Of these, **285** have been given a RAG rating: **70% (200)** are “on or above target” and **30% (85)** are “off target”. **256** indicators have been given a Direction of Travel status: **64% (163)** have an “improved or maintained” DOT and **36% (93)** have a “worsened” DOT.

Table 4: Service Performance by Delivery Unit or Contractor

Service	No. reported at EOY	No. with a RAG rating at EOY	RAG Ratings	No. with a DOT at	Direction of Travel
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			Green	Green Amber	Red Amber	Red	EOY	Improved/Maintained	Worsened
Adults and Communities	42	31	32% (10)	19% (6)	3% (1)	45% (14)	28	54% (15)	46% (13)
Barnet Homes	17	15	87% (13)	0% (0)	0% (0)	13% (2)	17	65% (11)	35% (6)
Commissioning Group	19	15	60% (9)	20% (3)	7% (1)	13% (2)	18	67% (12)	33% (6)
Customer and Support Group	27	27	93% (25)	4% (1)	0% (0)	4% (1)	25	88% (22)	12% (3)
Education and Skills	31	29	66% (19)	10% (3)	7% (2)	17% (5)	31	77% (24)	23% (7)
Family Services	18	14	64% (9)	21% (3)	7% (1)	7% (1)	15	67% (10)	33% (5)
HB Public Law	15	14	93% (13)	7% (1)	0% (0)	0% (0)	13	46% (6)	54% (7)
Parking and Infrastructure	11	7	86% (6)	14% (1)	0% (0)	0% (0)	6	100% (6)	0% (0)
Public Health	36	36	61% (22)	8% (3)	8% (3)	22% (8)	12	42% (5)	58% (7)
Regional Enterprise (Re)	86	72	85% (61)	3% (2)	3% (2)	10% (7)	70	63% (44)	37% (26)
Registrar Service	9	8	75% (6)	0% (0)	0% (0)	25% (2)	8	38% (3)	62% (5)
Street Scene	17	17	41% (7)	24% (4)	12% (2)	24% (4)	13	38% (5)	62% (8)
Total	328	285	200	27	12	46	256	163	93
Total %		100%	70%	10%	4%	16%		64%	36%

Service	No. reported at EOY	No. with a RAG rating at EOY	RAG Ratings			No. with a DOT at EOY	Direction of Travel	
			Green	Amber	Red		Improved/Maintained	Worsened
YCB*	24	20	82% (17)	18% (3)	0% (0)	3	67% (2)	33% (1)

*YCB use a slightly different RAG rating

1.16 This report focuses on the End of Year (EOY) position of all indicators to show the Direction of Travel over the course of the year. At the EOY, 16% of service indicators are RAG rated as Red (significantly “off target”). Information on these indicators, along with those RAG rated as Green Amber and Red Amber are outlined in Appendix B, including detailed comments on performance. Full details, including actions (or interventions) being taken to improve performance, can be found in the service reports published on the website at www.barnet.gov.uk/currentperformance

Programmes – Annual Overview

1.17 The Council has in place five portfolios of large programmes and projects: Corporate, Adults and Health, Children and Young People, Environment and Growth and Development. In addition, we have an Education Capital Programme in place to ensure successful delivery of new school places and improvements to schools. Over the past year, robust programme and project management arrangements have been put in place to monitor projects and ensure that outcomes and savings are achieved. A number of projects have been successfully delivered or have met key milestones in the past year:

Corporate

- The Accommodation Implementation Programme, incorporating the vacation of Building 4 at North London Business Park has been successfully completed on 17 October 2015. This has paved the way to deliver the £40,491,578 budget saving.
- The Unified Reward project has set out a new pay and grading structure and changes to terms and conditions, which was approved by General Functions Committee in March 2016. This will reward performance, ensure fairness across the organisation and enable a focus on productivity.
- The draft Customer Access Strategy has been approved by Policy and Resources Committee in December 2015 and consultation has been undertaken in the past few months.
- The Community Asset Strategy has been approved and the implementation plan developed. This is now being implemented.

Adults and Health

- The alternative options to home meals provision for adults clients has been successfully completed in March 2016 and negotiations to reduce third party spend in Adults have been successful for 2015/16 resulting in over £400k of the Medium Term Financial Savings being delivered. The Adults Delivery Unit reorganisation has been completed contributing to delivery of savings in 2016/17.
- In December 2015 the Policy and Resources Committee unanimously approved the Sports and Physical Activity (SPA) report recommending Victoria Recreation Ground and Copthall as the two sites for new leisure centres. Following RIBA Stage 2 review in April 2016, the project is now progressing to RIBA Stage 3.

Children and Young People

- The Education and Skills ADM contract with Cambridge Education went live on 1 April 2016 and considerable work has taken place for the Libraries Strategy, with Full Council approving this on 4 April 2016.

Environment

- The Mortuary service transferred to a shared service with Brent and Harrow in summer 2015.
- The reorganisation of street cleaning went live in April 2015 achieving the required project saving.
- The Recycling and Waste Strategy and Parks and Open Spaces strategy have been completed following consultation with residents and Members and the final strategies have been presented to Environment Committee in May 2016 (Appendix L).

Growth and Development

- Negotiations have been completed with Barnet Homes to set a new 10-year Management Agreement, reflecting the new Housing Strategy, with a

focus on preventing homelessness, efficiency savings and developing new accommodation.

- The Annual Growth and Regeneration Report has been reported to Assets Regeneration and Growth Committee in March 2016. This outlined progress against the Council's regeneration programme, development pipeline and skills and enterprise programme. In regeneration, 539 new homes have been delivered in 2015/16 and progress has been made on Brent Cross, with Hammerson and Argent Related announced as the delivery partners. In addition, government funding for Brent Cross Thameslink station has been agreed in April 2016. For development pipeline, planning approval has been received for Moreton Close extra housing units and the Outline Business Case for the first phase of Tranche 3 infill development of 320 affordable homes on HRA land has been approved by Assets Regeneration and Growth Committee in March 2015.

Education Capital Programme

- Two school expansions have been completed during 2015/16 at St. Joseph and Menorah Foundation Primary schools, creating an additional 270 school places. A new primary school is under construction at the London Academy, along with other school expansions across the borough due for completion in the current financial year.

There are a number of areas for improvement in 2016/17, including progress on the Investing in IT project and improvements to the overall IT programmes. Additionally, there are some complex projects to implement during 2016/17 including the changes to libraries, progress of the depot relocation, the street cleaning framework and development of the new customer transformation programme to improve customer experience. Work will also be taking place to finalise the Full Business Case for Colindale Office Accommodation which will be presented to Assets, Regeneration and Growth Committee shortly. Complex changes will also progress within Adults and Communities and Children's service areas.

The table below shows how the projects within the five portfolios: Corporate, Adults and Health, Children and Young People, Environment, Growth and Development, and the Education Capital Programme are performing in Quarter 4 2015/16. In total, 90 programmes and projects are underway.

Table 5: Programme Portfolios

Portfolio	Green	Amber	Red	Not yet started
Corporate	2	6	0	0
<ul style="list-style-type: none"> Two projects are no longer Red rated this month – Colindale HQ and Leases/Rent Reviews on Community Assets (now reported as Community Asset Strategy). The Council's new social benefits tool will be taken to Assets, Regeneration and Growth Committee in July 2016. Progress has been made on the Unified Reward project, including completion of consultation with staff. The proposal was agreed at General Functions Committee on 21 March 2016. The employer supported volunteering scheme was successfully launched on 9 March 2016. Planning permission was granted for the new community centre on Tarling Road on 31 March 2016. Daws Lane community group has submitted their business case for review as part of the Community Benefit Assessment Toolkit work. Work continues to develop the business case for a customer transformation programme to improve customer experience and enable excellent online services. 				
Adults and Health	4	6	1	1
<ul style="list-style-type: none"> On 7 March 2016, the Adults and Safeguarding Committee approved the Outline Business Case for the Adult's social care alternative delivery model and authorised commencement of public consultation on the proposals. In February 2016, a development grant of £91k was agreed by the Big Lottery Fund for Social Impact Bonds. Alternative options to home meals provision for adults clients were successfully completed in March 2016 and negotiations to reduce third party spend were successful for 2015/16 resulting in over £400k of the Medium Term Financial Savings being delivered. There is currently one Red rated project, Independence of Young People 0-25s, due to a current risk to the savings and time pressures for key decisions. For the Sports and Physical Activity (SPA) project a RIBA Stage 2 Gateway was conducted on 20 April 2016 for Copthall and East Barnet facilities to progress to Stage 3. The decision was taken to delay the Investing in IT project (new social care IT system) due to readiness of data migration and issues raised during user acceptance testing; a recovery plan is now in place to deliver the new adult social care system. 				
Children and Young People	9	4	0	0
<ul style="list-style-type: none"> A number of project milestones have been met and committee decisions taken in the last three months. After approval at Full Council in December 2015, the Education and Skills ADM contract with Cambridge Education went live on 1 April 2016. Staff have been TUPE transferred and services are running business as usual. The Library Strategy report was reviewed by CELS Committee and then approved at Full Council on 4 April 2016. However, an IT failure related to the libraries IT system has caused significant service disruption. CELS Committee approved the proposal for stakeholder consultation on options to provide the required additional SEN places on 6 January 2016. Project resource on a number of projects is now in place and wider work is underway to scope, set up and resource a broader set of projects within the children's portfolio. 				
Environment	8	1	1	0
<ul style="list-style-type: none"> Projects within the Environment portfolio are largely continuing to progress as expected, with the majority of projects Green rated. Resident consultation has been undertaken on the Recycling and Waste Strategy and Parks and Open Spaces strategy, and Member engagement began in mid-March 2016 for the action plans, all of which will be fed into the final strategies. Environment Committee approved the vision and policy changes for the transformation of Commercial Waste and Environmental enforcement on the 8 March 2016. 				

Portfolio	Green	Amber	Red	Not yet started
<ul style="list-style-type: none"> Work continues on assessing options for an alternative delivery model for all Street Scene services. The Domestic Violence Multi Agency Risk Assessment Conference (MARAC) service transferred to Hesita on 18 April 2016. A Parking Transformation programme has been initiated and the issuing of Moving Traffic Contraventions (MTCs) went live on 17 April 2016. The Depot project continues to be red rated owing to potential cost pressure and programme timelines. However work has progressed, Oakleigh Road stage 4 received approval and the Council is now ready to enter into contract with Wilmott Dixon and enabling works have commenced on site. 				
Growth and Development	7	7	2	1
<ul style="list-style-type: none"> A number of committee decisions have been taken in the last three months. However there are still two Red rated projects. Within the Regeneration programme, Full Council approved West Hendon CPO2/2a report on 1 March 2016. The Brent Cross project has progressed, ARG Committee approved Brent Cross JVCo set up on 17 March 2016. Subsequent negotiations with Argent conducted to finalise elements of the agreement/Business Plan and masterplanning for phase 1 and 2 of Brent Cross South is in preparation. The Granville Road project remains a Red rated project with the planning appeal due to take place in Quarter 1 2016/17. Within the Development Pipeline programme progress has been made in Tranche 0 as 14 units have been completed in Bedford Road and Wade Court and the 3 homes in Green Lane site are complete, handover has taken place and all three homes have been let. The Planning Application for Tranche 1 General Fund Mixed Tenure Housing Phase 1 was approved by Planning Committee on 16 March 2016 and ARG Committee on 17 March 2016 approved the proposed sites and outline business case for the first phase of Tranche 3 development. The Tranche 2 – Children’s Home project is Red rated due to project delays whilst further site options are explored. The Entrepreneurial Barnet programme is progressing and the Strategic Outline Case for Business Hub was approved by ARG Committee on 17 March 2016. 				
Education Capital Programme	21	6	0	3
<ul style="list-style-type: none"> Progress continues to be made across a number of projects, some new projects have been initiated and the overall programme is on target to achieve pupil places when required. Planning permission has been granted for Pavilion Way (Free School). The contractor has started on site at Monkfrith School and planning applications have now been submitted for 'material changes' at Oak Lodge School. At London Academy School good progress continues to be made on site; however the complete installation of the FF&E remains a risk but will be monitored closely. A number of Green rated projects are progressing through the defects period, with Compton School rated amber due to issues with the mound and an on-going issue of ponding on an existing roof following the new build. 				

Human Resources

- 1.18 *Agency staff* - At the end of Quarter 4, there were 549 agency staff (23%) deployed across the Council. All Delivery Units have a target for reducing agency spend. Since the start of 2015/16, there has been a reduction in agency spend of 17% in Adults and Communities and 14% in Street Scene. However, overall agency spend has increased by 18%, primarily attributed to the increase in agency staff in Family Services where spend has increased by 74%. This has been a key area of focus throughout the year and the “More to Believe In” recruitment campaign was launched in September 2015 to recruit high quality social workers – and a number of permanent candidates have

been subsequently appointed. The Council has also contracted a social work recruitment agency to support the sourcing of experienced permanent social workers. A procurement process is underway to appoint a new agency supplier. This will provide a further opportunity to reduce agency and spend across the Council.

- 1.19 *Sickness absence* - There has been a reduction in sickness absence in the latter quarter of 2015/16 as a result of a particularly mild winter. Further reductions in sickness absence are anticipated during 2016/17 as the Council implements Unified Reward, which will reward performance and drive productivity - by offering increased leave for the majority of staff whilst maintaining levels at the market median; targeted health screening; and revised sickness triggers to support culture change. Each service has been tasked with providing key actions to reduce sickness absence as part of their 2016/17 workforce plan.

Final revenue outturn

- 1.20 Table 6 below provides a summary of the final General Fund revenue outturn for the financial year 2015/16 compared with the revised budget.

The General Fund revenue outturn (after reserve movements) is £280.293m, which is an adverse variance of £2.328m (0.8 per cent) compared with the revised budget of £277.965m. A breakdown of the revenue outturn for each Delivery Unit is set out in Appendix C.

Table 6: 2015/16 Revenue Outturn – Summary

Service Area	Original Budget £000	Revised Budget £000	Final Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Adults and Communities	81,816	87,756	90,591	2,835	3.2
Assurance	4,111	4,193	4,132	(61)	(1.5)
Central Expenses	72,619	49,279	47,216	(2,063)	(4.2)
Education and Skills	6,152	7,248	7,248	-	-
Family Services	47,717	48,415	48,466	51	0.1
Commissioning Group	9,806	21,019	21,019	-	-
Customer and Support Group	20,822	22,107	22,607	500	2.3
HB Public Law	1,752	2,011	2,329	318	15.8
Housing Needs and Resources	3,954	5,560	5,772	212	3.8
Parking and Infrastructure	(1,202)	(717)	(752)	(35)	4.9
Public Health	14,335	15,835	15,835	-	-
Regional Enterprise (Re)	730	1,130	1,712	582	51.5
Registrar Service	(161)	(161)	(34)	127	(78.9)
Street Scene	14,014	14,290	14,152	(138)	(1.0)
Total	276,465	277,965	280,293	2,328	0.8

The increase from original to revised budget relates to the Public Health budget, which increased by £1.500m in Quarter 3 and was approved by Policy and Resources Committee in December 2015.

The impact on the General Fund balance is shown at Table 9 below.

Housing Revenue Account

Table 7: 2015/16 Housing Revenue Account Outturn

	Original Budget	Revised Budget	Final Outturn	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
	£000	£000	£000	£000	%
Housing Revenue Account deficit before transfer from balances	6,232	6,232	6,123	(109)	(1.7)
Budgeted use of balances	(6,232)	(6,232)	(6,232)	-	-
Housing Revenue Account deficit after transfer from balances	-	-	(109)	(109)	N/A

The impact on the Housing Revenue Account balance is shown at Table 10 below.

Dedicated Schools Grant

Table 8: 2015/16 Dedicated Schools Grant Outturn

	Original Budget	Revised Budget	Final Outturn	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
	£000	£000	£000	£000	%
Dedicated Schools Grant	-	-	(2,802)	(2,802)	N/A

The impact on the Dedicated Schools Grant balance is shown at Table 11 below.

Impact on Balances

Table 9: General Fund Balance

	£000
General Fund Balances brought forward 1 April 2015	(14,871)
Budgeted use of balance	-
Outturn variation	2,328
Forecast General Fund balance 31 March 2016	(12,543)

- 1.21 The recommended limit for the Council's General Fund balance is £15m and therefore the final revenue outturn results in the balance being £2.457m below this recommended limit. This reduction in the General Fund balance will need to be managed through the Council's Medium Term Financial Strategy to ensure the balance is replenished in 2016/17 as the reduced balance would not be sustainable given the risks the Council faces over the short to long term.

Housing Revenue Account

- 1.22 The Housing Revenue Account (HRA) had a budgeted use of £6.232m of balances in 2015/16, largely to meet capital requirements. The outturn for the year is a small surplus of £0.109m, thus there is a balance of £8.819m as at 31 March 2016.

Table 10: Housing Revenue Account Balance

	£000
Housing Revenue Account Balance brought forward 1 April 2015	(14,942)
Budgeted use of balance	6,232
In year surplus	(109)
Housing Revenue Account Balance 31 March 2016	(8,819)

Dedicated Schools Grant

- 1.23 There is an underspend on the balanced in year Dedicated Schools Grant (DSG) of £2.802m before the budgeted use of balances. The DSG balance as at 31 March 2016 is £5.019m.

Additional information relating to the DSG outturn and variance is contained in Appendix C.

Table 11: Dedicated Schools Grant Balance

	£000
DSG Balance brought forward 1 April 2015	(4,855)
Budgeted use of balance	2,638
Outturn variation	(2,802)
DSG Balance 31 March 2016	(5,019)

- 1.24 **Commentary on significant budget variances**

Adults and Communities

The overspend for Adults and Communities of £2.835m represents 3.2 per cent of the total Delivery Unit budget (£87.756m).

The integrated care budgets are overspent in total by £3.767m. These budgets overspent in 2014/15 as a result of rising demand for services, which meant that the budgets started the 2015/16 year in an overspent position, with a full year impact of increased demand heightening the problem. In 2015/16, demand continued to grow. The main pressure for learning disabilities continued to be in relation to clients transitioning from children's services with increasingly complex needs and correspondingly expensive packages of care. Mental health saw significant growth in client numbers requiring residential placements in 2014/15, however in 2015/16 there has been a significant diversion to supported living placements that offer better outcomes and better value for money. Demand also continued to grow for older adults placements, with a particular growth in clients with dementia requiring complex packages of care. There is also pressure on this budget due to clients who were self-funders whose funds have depleted and who are now the responsibility of the Local Authority.

These overspends were offset by underspends in third party contracts in the prevention and wellbeing area and by significant staff savings across the delivery unit.

Assurance

The underspend on Assurance of £0.061m represents 1.5 per cent of the delivery unit budget (£4.193m). The underspend is due mainly to vacant positions during the year within Assurance Management.

Central Expenses

The underspend on Central Expenses of £2.063 represents 4.2 per cent of the total budget of £49.279m. £1m of the underspend relates to the Minimum Revenue Provision, a review of which resulted in an ongoing saving of £1m. There are also underspends on early retirement costs for both teachers and non-teachers, levies and external audit fees.

Family Services

The Family Services outturn is an overspend of £0.051m, which represents 0.1 per cent of the total budget of £48.415m.

The overspend is mainly due to the use of agency staff in social care to cover permanent posts. There are also budget pressures in support for care leavers, special guardianship orders and the remand service and, in addition, there is an increase in the number of asylum seekers.

Family Services identified savings during the year within early intervention and prevention services, improved contract negotiations and holding a small number of vacancies to help offset this overspend.

Customer and Support Group (CSG)

The overspend for the Customer and Support Group of £0.500m represents 2.3 per cent of the total budget of £22.107m.

HB Public Law

The overspend for legal services of £0.318m represents 15.8 per cent of the total delivery unit budget of £2.011m. This is due to a shortfall in external income and additional disbursement costs relating to 2014/15.

Housing Needs and Resources

The overspend on Housing Needs and Resources of £0.212m represents 3.8 per cent of the total budget of £5.560m. The overspend is due to sustained levels of demand for temporary accommodation and, in particular, private rental sector prices increasing. There were a number of mitigations undertaken by Barnet Homes and additional grants provided by DCLG which helped to contain the overspend to the amount reported.

Parking and Infrastructure

The underspend of £0.035m on Parking and Infrastructure represents 3.3 per cent of the total budget of £0.717m (net income).

Highways inspection and maintenance is overspent by £0.036m. Whilst underspends were achieved in the highways and winter gritting area, these did not offset a shortfall of income for the sign shop which had a challenging income target, which was difficult to achieve with a limited external market.

Off street car parks overachieved their income budget by £0.068m due to increased volumes of users. Street lighting had a small underspend due to the agreed savings being put into reserves for use in future years, in line with the agreed PFI street lighting funding model.

The Special Parking Account (SPA) achieved its budgeted contribution to the General Fund of £7.122m. Whilst PCNs for on street contraventions and bus lanes reduced in volume, resulting in a corresponding reduction in income, these were partly offset by increased income for on street parking. There were also savings from NSL contract payments and costs paid to London Councils related to appeals.

Regional Enterprise (Re)

The overspend for Re of £0.582m represents 51.5 per cent of the total budget of £1.130m. An overspend on reactive highways repairs work (reported under managed budgets) was the main element of the total overspend, as more works were undertaken than budgeted for. A review is being undertaken with Re to ensure more robust financial controls of this budget area for 2016/17.

Registrar Service

The overspend for the Registrar Service of £0.127m represents 78.9 per cent of the total budget of £0.161m (net income). Legislative changes since the budget was set have resulted in the demand for ceremonies decreasing significantly.

Street Scene

The underspend for Street Scene of £0.138m represents 0.9 per cent of the total delivery unit budget (£14.290m).

The business improvement team and Street Scene management areas both overspent by a combined total of £0.069m. The improvement team had a need for additional short term staff to assist with changes to the transport service contracts, to help deliver savings. The Street Scene management team had additional capacity added part way through the year.

The mortuary underspent by £0.097m due to an accrual for staff redundancies that will now be centrally funded.

Waste and recycling services underspent by a combined total of £0.117m as a result of tight control of staff and vehicle costs. This amount included the civic amenities recycling centre, which had an underspend of £0.046m due to staff savings. It also included a net surplus of £0.062m from trade waste collections, which saw higher than expected income due to increased customers.

Parks and open spaces reduced the number of weed spraying cycles, which led to a saving of £0.078m. This helped to partly offset an overspend on street cleansing of £0.113m driven by the need for agency staff to cover sickness and ensure service standards were maintained.

Savings

- 1.25 In 2015/16 the Council budgeted to deliver £17.269m of savings. Table 12 below summarises the value of savings that have been achieved against the savings programme. In total, £13.980m of savings has been delivered, which represents 81.0 per cent of the target.

Table 12: Savings

Service Area	2015/16 MTFS Savings £000	Savings Achieved £000	Savings Unachievable £000	Percentage of savings achieved %
Adults and Communities	(8,424)	(6,248)	(2,176)	74.2
Assurance	(175)	(125)	(50)	71.4
Central Expenses	(249)	(249)	-	100.0
Education and Skills	(1,195)	(500)	(695)	41.8
Family Services	(2,199)	(1,876)	(323)	85.3
Commissioning Group	(276)	(276)	0	100.0
Customer and Support Group	(2,100)	(2,100)	0	100.0
HB Public Law	(200)	(200)	0	100.0
Housing Needs and Resources	(300)	(300)	0	100.0
Parking and Infrastructure	(170)	(140)	(30)	82.4
Regional Enterprise (Re)	(300)	(300)	0	100.0
Street Scene	(1,681)	(1,666)	(15)	99.1
Total	(17,269)	(13,980)	(3,289)	81.0

Provisions

- 1.26 Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation. For example, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation. As at 31 March 2016 the Council held provisions of £14.255m. The level of provisions as at 31 March 2015 was £13.444m.

Table 13: Provisions

Service Area	Provisions b/fwd 1 April 2015 £000	2015/16 in-year expenditure £000	New provisions raised £000	Provision c/fwd 31 March 2016 £000
Adults	1,151	(894)	442	699
Resources (grant unit)	82	(102)	20	-
Corporate (insurance provision)	8,850	-	-	8,850
Regional Enterprise (Re)	210	(145)	30	95
Commercial	256	(256)	117	117
Children's	255	(245)	44	54
Central (Business Rates Appeals)	2,640	-	1,800	4,440
Total	13,444	(1,642)	2,453	14,255

Reserves

- 1.27 The Council has set aside specific amounts as reserves for future policy purposes or to cover contingencies. As at 31 March 2016 the Council held reserves of £112.000m compared with £116.155m at 31 March 2015, a reduction of £4.155m.

Table 14: Reserves

Description	Reserves b/fwd 1 April 2015 £000	Drawdown £000	Contributions/new reserves raised £000	Reserves c/fwd 31 March 2016 £000
Central - Capital Financing	4,049	(2,119)	1,261	3,191
Central - Community Infrastructure Levy	5,316	(628)	11,381	16,069
Central - Infrastructure	29,456	(16,295)	6,461	19,622
Central - Risk	12,035	(2,936)	-	9,099
Central - Service Development	7,944	(11,145)	13,782	10,581
Central - Transformation	15,079	(6,726)	4,300	12,653
Service – Central Expenses	15,212	(6,215)	1,645	10,642
Service – Education and Skills	2,266	(676)	392	1,982
Service – Commissioning	2,220	(1,263)	6,328	7,285

Description	Reserves b/fwd 1 April 2015 £000	Drawdown £000	Contributions/ new reserves raised £000	Reserves c/fwd 31 March 2016 £000
Service – Other	2,674	(1,668)	568	1,574
Sub-total General Fund Earmarked Reserves	96,251	(49,671)	46,118	92,698
Service - DSG	5,106	(2,639)	2,803	5,270
Service - Housing Benefits	6,600	(1,878)	1,153	5,875
Service - NLSR	794	(196)	44	642
Service - PFI	3,715	-	550	4,265
Service - Lighting	113	(113)	-	-
Service - Section 256 - NHS Social Care Funding	431	(431)	-	-
Service - Public Health	1,209	(42)	169	1,336
Special Parking Account (SPA)	1,936	(22)		1,914
Sub-total Ring-fenced Reserves	19,904	(5,321)	4,719	19,302
Total Earmarked Reserves	116,155	(54,992)	50,837	112,000

2015/16 Final capital outturn

- 1.28 The outturn expenditure on the Council's capital programme is £132.336m, £93.549m of which relates to the General Fund programme and £38.787m to the HRA capital programme. This is a variance of £65.763m against the latest approved budget of £198.099m. Table 15 below summarises the actual expenditure, budget and variance by service.

Table 15: 2015/16 Capital Programme Outturn Position

Service Area	Latest Approved Budget £000	Outturn £000	Variance from Revised Budget Adv/(Fav) £000	Variance from Revised Budget Adv/(Fav) %
Adults and Communities	4,449	3,977	(472)	(10.6)
Family Services	4,437	961	(3,476)	(78.3)
Education and Skills	45,675	24,430	(21,245)	(46.5)
Commissioning Group	29,751	18,445	(11,306)	(38.0)
Commercial – Parking and Infrastructure	1,534	364	(1,170)	(76.3)
Street Scene	2,460	743	(1,717)	(69.8)
Re delivery unit	68,689	44,629	(24,060)	(35.0)
Housing Needs and Resources	33	-	(33)	(100.0)
General Fund Programme	157,028	93,549	(63,479)	(40.4)
HRA	41,071	38,787	(2,284)	(5.6)
Total Capital Programme	198,099	132,336	(65,763)	(33.2)

The capital monitoring summary by service area, including additions to and deletions from the programme, accelerated spend and slippage, is set out in Appendix D.

The 'variance from revised budget' column in Table 15 above is a net figure based on slippage (budget required for future financial years), accelerated spend (budget required from future years) and underspends. As an example, a budget may be set for a school build but construction may not start until halfway through the year and is due to continue into future financial years. As construction accounts for the majority of the budget, it needs to be re-profiled ('slipped') into the financial year in which it will be spent. Slippage does not indicate an underspend, simply a movement of budget into future financial years.

Table 16 below shows how the 2015/16 capital programme has been funded.

Table 16: Funding of 2015/16 Capital Programme

Service Area	Grants £000	S106/ Other Contribu tions £000	Capital Receipts £000	Revenue /MRA £000	Borrowing £000	Capital Reserves £000	Total £000
Adults and Communities	2,094	0	500	126	0	1,257	3,977
Family Services	287	0	425		50	199	961
Education and Skills	18,275	162	1,343		4,650	0	24,430
Commissioning Group	1,396	0	14,756	509	1,784	0	18,445
Commercial	0	0	0		0	364	364
Street Scene	116	137	132		307	51	743
Re delivery unit	5,969	112	491	22	21,604	16,431	44,629
General Fund Programme	28,137	411	17,647	657	28,395	18,302	93,549
HRA	-	3,457	7,490	27,526	314	-	38,787
Total Capital Programme	28,137	3,868	25,137	28,183	28,709	18,302	132,336

The final capital outturn is £65.763m (33.2 per cent) lower than the latest approved budget, primarily due to slippage. The principal variances from budget and reasons for these are as follows:

- The overall **Adults and Community** Services programme is underspent by £0.472m. This is largely due to slippage of £0.836m due to the delay in the Mosaic system going live as a result of problems with configuration and data migration. This is offset by acceleration in the Sport and Physical Activities programme of £0.357m relating to additional survey information required before a contractor could be appointed.
- The **Education and Skills** programme has underspent in total by £21.245m. There is slippage of £1.710m within the Modernisation of Secondary Schools programme due to retentions still being due on various projects. There is also slippage of £2.257m in the Urgent Primary Places

programme, largely due to retentions due and work on Monkfrith School which is to be completed during the 2016 summer break. The Permanent Secondary Expansion programme has slippage of £2.573m, largely due to a delay in rectifying drainage problem before work can be started at Oak Lodge Special School and delays in the planning application process for St Mary's and St John's school expansion project. There is also funding totalling £13.350m for Primary, Secondary and Special Educational Needs (SEN) which is yet to be allocated to specific schemes and unused project contingency of £0.538m for defects on the Primary School Capital Programme.

- The **Re** delivery unit capital programme has underspent by £24.060m. This is largely due to slippage of £14.791m relating to General Fund Regeneration, £6.2m of slippage relating to the BXC Funding for Land Acquisition where land purchases have been delayed until 2016/17 and £6.9m relating to the delay in the Colindale office build due to planning issues. An addition of £10.743m was approved in February 2016 for Development Pipeline Tranche 1 (pre-construction), however £6.5m has been reprofiled to 2016/17.
- The **Commissioning Group** capital programme was underspent by £11.306m, mainly due to the delay in the depot relocation construction works (£6.5m). A change in the scope of works to Barnet House resulted in an underspend of £2.4m and further development strategy work on the Libraries Strategy will take place in 2016/17, resulting in slippage of £1.8m.

Agency costs

- 1.29 The table below details agency staff costs incurred during the 2015/16 financial year, compared with the previous financial year. This identifies that agency expenditure has increased by £2.450m from last year.

The current level of agency usage is consistent with the Council's strategic approach to ensure business critical functions continue to operate and perform while going through significant change. This strategic approach reflects the Council's desire to reduce redundancies from the workforce.

The principal reason for the increase in agency costs from the previous year is the use of agency staff to cover permanent posts in children's social care.

Table 17: Expenditure on Agency Staff 2015/16

Service Area	2015/16 £000	2014/15 £000
Adults and Communities	4,274	4,587
Assurance	153	128
Education and Skills	2,013	1,484
Family Services	6,195	3,921
Commissioning Group	3,490	3,330
CSG	14	11
HRA	16	88

Service Area	2015/16 £000	2014/15 £000
Parking & Infrastructure	64	4
Street Scene	2,363	2,579
Total	18,582	16,132

Write-offs and debt information

- 1.30 As part of the quarterly monitoring process the Council now reports on all scheduled write-offs in excess of £5,000.

Sundry debt write-offs

- 1.31 The value of a write-off is determined at a debt value as per the Council's financial regulations. Debts under £5,000 are approved by the Chief Finance Officer.

Action taken to recover debt is as per the Council's Income and Debt Management Policy. If an invoice is raised and remains unpaid, a 'dunning' process is initiated, as follows:

- Level 1 - a reminder is sent after 21 days
- Level 2 - a final notice is sent after 35 days, i.e. a further 14 days

The Income Team will review all Level 2 cases remaining outstanding greater than 49 days (allowing a further 14 days to pay after the Final Notice) to decide whether the debt recovery process should proceed.

Depending on the type of debt, customer and circumstances, consideration of the use of debt collectors or issuing proceedings in the County Court is considered. Each case is treated individually and the circumstances of each debt are assessed prior to a decision being made, in conjunction with the delivery unit, on the recovery of the debt.

Table 18 below analyses the scheduled sundry debt write-offs that have taken place during quarter 4 where the individual debt level is in excess of £5,000; the aggregate of these write-offs is £0.306m. Individual debts under £5,000 totalling £0.659m have also been written off in Quarter 4.

Table 18: Write-offs over £5,000

Sundry Debt Write-offs over £5,000					
Customer Name	Financial Year	Directorate	Description	Amount £	Comments
Redacted	2009/10	Adults and Communities	Appointeeship	6,988.13	Insufficient funds in estate
Redacted	2010/11	Adults and Communities	Residential write-off	9,899.35	Insufficient funds in estate
Redacted	2011/12	Deputy Chief Executive	Car loans	6,549.64	Recovery action exhausted
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	9,493.69	Uneconomical to pursue
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	16,803.24	Insufficient funds

Sundry Debt Write-offs over £5,000					
Customer Name	Financial Year	Directorate	Description	Amount £	Comments
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	6,130.82	Insufficient funds in estate
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	5,454.43	Insufficient funds
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	9,304.63	Insufficient funds
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	7,349.54	Insufficient funds
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	23,905.92	Insufficient funds
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	17,961.26	Insufficient funds
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	11,177.83	Insufficient funds in estate
Redacted	2012/13	Adults and Communities	Residential unsecured Norwel	10,125.91	Uneconomical to pursue
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	13,068.57	Uneconomical to pursue
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	9,677.24	Uneconomical to pursue
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	8,444.35	Uneconomical to pursue
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	5,509.28	Insufficient funds in estate
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	19,484.65	Insufficient funds in estate
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	9,200.70	Insufficient funds
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	7,082.44	Insufficient funds
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	8,168.40	Insufficient funds
Redacted	2013/14	Adults and Communities	Residential unsecured Norwel	15,957.36	Insufficient funds in estate
Redacted	2013/14	Adults and Communities	Consolidated instalment plan	8,927.98	Recovery action exhausted
Redacted	2014/15	Environment	Court costs	24,328.23	Bankrupt
Redacted	2014/15	Adults and Communities	Residential unsecured Norwel	12,567.12	Insufficient funds
Redacted	2014/15	Adults and Communities	Residential unsecured Norwel	7,394.72	Insufficient funds in estate
Redacted	2014/15	Adults and Communities	Residential unsecured Norwel	5,237.54	Insufficient funds in estate
Redacted	2014/15	Adults and Communities	Residential unsecured Norwel	9,940.70	Negative probate search
Total				306,133.67	

Treasury outturn

- 1.32 In compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services: Code of Practice, this report provides Members with a summary of the treasury management activity during the period to 31 March 2016. The Prudential Indicators have not been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield. Further details of compliance with the Prudential Indicators are contained in Appendix F.

The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit (the Authorised Limit), irrespective of its indebted status. This is a limit which should not be breached. During the period to 31 March 2016 there were no breaches of the Authorised Limit and the Operational Boundary.

The Council's timeframes and credit criteria for placing cash deposits and the parameters for undertaking any further borrowing are set out in the Treasury Management Strategy (TMS). The TMS 2015/16 was approved by Council on 3 March 2015 and revised with minor amendments by the approval of the 2016/17 TMS on 1 March 2016. 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 Treasury Management Strategy.

This report therefore asks the Committee to note the continued cautious approach to the current investment strategy.

Investment performance

- 1.33 Investment deposits are managed internally. As at 31 March 2016, deposits outstanding were £166.600m (excluding Icelandic deposits), achieving an average annual rate of return of 0.625 per cent (adjusted for Icelandic deposits) against a benchmark average (London Interbank Bid Rate - LIBID) of 0.36 per cent. The list of deposits outstanding as at 31 March 2016 is attached as Appendix G and summarised in Table 19 below.

Table 19: Investments as at 31 March 2016

	£000
Local Authorities	33,000
Money Market Funds	21,300
UK Banks & Building Societies	89,800
Non UK Banks & UK Building Societies	22,500
TOTAL	166,600

The benchmark, the average 7-day LIBID rate, is provided by the Authority's treasury advisors, Capita Asset Services, who were appointed in August 2015. The LIBID rate is the rate that a Euromarket bank is willing to pay to attract a deposit from another Euromarket bank in London.

The Council holds a balance of circa £2.9m in a third party bank account established by the winding up board of the former bank Glitnir. The funds are held in Icelandic Krónur. These funds cannot yet be accessed due to Icelandic Government currency export restrictions but they can be traded, though the market is illiquid. On 9 July 2015, Policy and Resources Committee agreed to

delegate powers that would enable officers to process any sale, in consultation with the Committee Chairman, if an acceptable offer was to be made to the Council. The Council continues to hold the escrowed funds as at 31 March 2016.

Debt management

- 1.34 The total value of long term loans as at 31 March 2016 was £304.08m. There has been no external borrowing in the 2015/16 financial year. The average total cost of borrowing for the quarter ending 31 March 2016 was 3.89 per cent.

Risk management

- 1.35 The report highlights current risks and the respective impact on the Council. There are ten corporate level risks that have a risk level of High or Medium/High. Controls have been put in place to mitigate the risk and control the impact. The full risk assessment can be found in Appendix J.

Table 20: Risk Summary

Risk Level	Risk	Control Actions
High (16)	Homelessness - ORG0039 There is a risk that homelessness and the subsequent cost of providing emergency short term accommodation will continue to rise.	The Council has agreed to fund a range of mitigations, which Barnet Homes will deliver to reduce the Temporary Accommodation / Homeless demand focusing on maximising prevention, managing demand and increasing affordable supply.
Medium High (12)	Staffing & Culture - ORG0041 If there is not a clearly defined approach to commissioning in place that ensures consistent application of commissioning cycle activities then objectives becomes difficult to monitor or achieve	The Council's Corporate Plan and Commissioning Plans have been refreshed for 2016/17 to focus on the new priorities of responsible growth and regeneration; managing demand for services; transforming services and building more resilient communities.
Medium High (12)	Reputational - ORG0040 If there were a significant children's safeguarding incident then the commissioning council approach may be destabilised and undermined.	Governance arrangements are in place to provide assurance. Mock Ofsted inspection and safeguarding peer review are undertaken to assess risk.
Medium High (12)	People - ORG0036 There is a risk that the organisation's people (competence, skills, knowledge) and culture are not aligned with its medium and long term strategic direction and will not be able to deliver the improvements in service delivery and ongoing change and innovation required to achieve its long-term goals.	Through the risk management framework and robust and continuous risk analysis and monitoring of delivery unit risk profiles and action plans it will be possible to identify and ensure the right interventions and to identify 'early warning systems' where failure in this respect is impacting negatively on service delivery and strategic change.

Risk Level	Risk	Control Actions
Medium High (12)	<u>Demographic and Population - ORG0035</u> There is a risk that the organisation will not be prepared or able to respond to the impacts of demographic changes (e.g. gender, age, ethnicity, disability, education, employment) and/or population growth rate (birth, death, immigration, emigration) with insufficient social infrastructure (schools, older people homes), physical and green spaces, services and affordable housing to meet demand.	The Commissioning Group supports the setting of strategic outcomes and development of commissioning strategies with a particular focus on cross cutting themes and risks. The Commissioning Board will review underpinning risk analysis at regular intervals to consider data, revisit assumptions, outcomes and controls. Partnership SCB has been introduced to enhance partnership working in order to meet the financial challenges facing the public sector and collaborate on the development of future plans to both deliver transformation and improve outcomes.
Medium High (12)	<u>Financial Position - ORG0025</u> Given the overall economic position, it is clear that cuts to government funding will continue until the end of the decade.	The Council's financial planning cycle mitigates the risks associated with reductions in funding and increases in demand for services. Planning ahead enables the Council to mitigate the impact of increases in demand and ensure that the Councils overall financial position on reserves and contingency is sufficient.
Medium High (12)	<u>Highways DLO Health and Safety Measures and Training – ORG0043</u> There is a risk that the current working practices of the DLO may not meet adequate Health and Safety standards.	Measures are in place to provide assurance, including providing health and safety training for staff; establishing regular risk assessments and safe systems at work processes, along with a mechanism for regular ongoing monitoring and review.
Medium High (9)	<u>Resident Engagement - ORG0029</u> Failure to engage properly with residents.	Regular engagement with residents through community participation strategy; consultation activity and analysis of complaints. Performance indicators in place for customer satisfaction and customer care, which are reported to Committee each quarter.
Medium High (8)	<u>Prosperous Borough - ORG0038</u> Barnet's position as a prosperous suburb is under threat from wider threats to London as a world city and infrastructure improvements connecting more and new places to London.	Strategies, programmes and plans in place to manage risk, including Infrastructure Delivery Plan; Entrepreneurial Barnet (economic strategy); and West London Alliance jobs, skills and growth programme; as well as regular monitoring of resident and business satisfaction surveys.
Medium High (12)	<u>Increasing costs of Adult Social Care - ORG0042</u> There is a risk that the pressure on Adults budgets caused by increasing demographics and complexity will not be contained within existing budgets.	Robust budget monitoring and financial standards being adhered to. Recovery plan in place to ensure current overspends are being addressed. Engagement with CCG to ensure referrals from hospitals are monitored and funded.

2 REASONS FOR RECOMMENDATIONS

- 2.1 These recommendations are to allow the Council to meet the budget agreed by Council on 3 March 2015.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None.

4 POST DECISION IMPLEMENTATION

4.1 None.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 This report presents the performance of the Council at meeting the measures of success for the Corporate Plan. This report also includes performance indicators for the delivery of services by the Council, such as the performance of contracts, Delivery Units and partners.

5.1.2 The past three years of performance information is available at: www.barnet.gov.uk/performance

5.1.3 Robust budget and performance monitoring are essential to ensure 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.

5.1.4 Relevant Council strategies and policies include the following:

- Corporate Plan 2015-2020
- Medium Term Financial Strategy
- Treasury Management Strategy
- Debt Management Strategy
- Insurance Strategy
- Risk Management Strategy
- Capital, Assets and Property Strategy.

5.1.5 The priorities of the Council are aligned to the delivery of the Health and Wellbeing Strategy.

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

5.2.1 Robust budget and performance monitoring plays an essential part in enabling an organisation to deliver its objectives efficiently and effectively.

5.3 Legal and Constitutional References

5.3.1 Section 151 of the Local Government Act 1972 states that: “without prejudice to section 111, 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”. Section 111

of the Local Government Act 1972, relates to the subsidiary powers of local authorities.

5.3.2 Section 28 of the Local Government Act 2003 (the Act) imposes a statutory duty on a billing or major precepting authority 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 authority must take such action as it considers necessary to deal with the situation. Definition as to whether there is deterioration in an authority's financial position is set out in sub-section 28(4) of the Act.

5.3.3 The Council's Constitution, in Part 15 Annex A, Responsibility for Functions, states in Annex A the functions of the Performance and Contract Management Committee including:

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer and Support Group; Re; the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance.
- c) Receive and Scrutinise contract variations and change requests in respect of external delivery units.
- d) To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.
- e) Specific responsibility for the following function within the Council:
 - a. Risk Management
 - b. Treasury Management Performance
- f) Note the Annual Report of the Barnet Group Ltd.

5.3.4 The Council's Constitution, Part 21, Financial Regulations section 4. paragraphs 4.4.9 - 11 state:

- Allocations from the central contingency relating to planned developments will be approved by the Chief Finance Officer (section 151 officer), in consultation with the Chairman of the Performance and Contract Management Committee, following the receipt from a Chief Officer of a fully costed proposal to incur expenditure that is in line with planned development (including full year effect).
Where there is a significant increase in the full year effect, the contingency allocation must be approved by the Performance and Contract Management Committee.
- Allocations from the central contingency for unplanned expenditure, including proposals to utilise underspends previously generated within the service and returned to central contingency, will be approved by the

Chief Finance Officer in consultation with the Chairman of Performance and Contract Management.

Where there are competing bids for use of underspends, additional income or windfalls previously returned to central contingency, priority will be given to the service(s) that generated that return.

- Allocations for unplanned expenditure over £250,000 must be approved by Performance and Contract Management Committee.

5.3.5 The Chief Finance Officer (section 151 officer) will report in detail to Performance and Contract Management Committee at least four times a year, at the end of each quarter, on the revenue, capital budgets and wider financial standing.

5.3.6 The Council's Constitution, Part 21, Financial Regulations section 4 paragraph 4.4.3 states amendments to the revenue budget can only be made with approval as per the scheme of virement table below:

Virements for allocation from contingency for amounts up to £250,000 must be approved by the Section 151 Officer in consultation with appropriate Chief Officer
Virements for allocation from contingency for amounts over £250,000 must be approved by Policy and Resources Committee
Virements within a service that do not alter the bottom line are approved by Service Director
Virements between services (excluding contingency allocations) up to a value of £50,000 must be approved by the relevant Chief Officer
Virements between services (excluding contingency allocations) over £50,000 and up to £250,000 must be approved by Chief Officer and Chief Finance Officer in consultation with the Chairman of the Policy and Resources Committee and reported to the next meeting of the Policy and Resources Committee
Virements between services (excluding contingency allocations) over £250,000 must be approved by Policy and Resources Committee

Capital Virements
Performance and Contract Management approval is required for all capital budget and funding virements and yearly profile changes (slippage or accelerated spend) between approved capital programmes i.e. as per the budget book. The report must show the proposed: <ul style="list-style-type: none"> i) Budget transfers between projects and by year; ii) Funding transfers between projects and by year; and iii) A summary based on a template approved by the Section 151 Officer
Funding substitutions at year end in order to maximise funding are the responsibility of the Section 151 Officer.

5.4 Risk Management

5.4.1 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 that 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.

5.4.2 The revised forecast level of balances needs to be considered in light of the risk identified in 5.4.1 above.

5.5 Equalities and Diversity

5.5.1 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:

- Elimination of unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advancement of equality of opportunity between people from different groups.
- Fostering of good relations between people from different groups.

5.5.2 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity; race; religion or belief; sex and sexual orientation.

5.5.3 In order to assist in meeting the duty the Council will:

- Try to understand the diversity of our customers to improve our services.
- Consider the impact of our decisions on different groups to ensure they are fair.
- Mainstream equalities into business and financial planning and integrating equalities into everything we do.
- Learn more about Barnet's diverse communities by engaging with them.

This is also what we expect of our partners.

5.5.4 This is set out in the Council's Equalities Policy together with our strategic Equalities Objective - as set out in the Corporate Plan - that citizens will be treated equally with understanding and respect; have equal opportunities and receive quality services provided to best value principles.

5.5.5 Progress against the performance measures we use is published on our website at:

www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity

5.6 Consultation and Engagement

5.6.1 During the process of formulating budget and Corporate Plan proposals for 2015/20 onwards, three phases of consultation took place:

Phase	Date	Summary
Phase 1: Setting out	Summer	The Council forecast that its budget

the challenge	2013	would reduce by a further £72m between 2016/17 and 2019/20, setting the scene for the PSR consultation
Phase 2: PSR consultation to inform development of options	October 2013 - June 2014	Engagement through Citizen's Panel Workshops which focused on stakeholder priorities and how they would want the Council to approach the Priorities and Spending Review An open 'Call for Evidence' asking residents to feedback ideas on the future of public services in Barnet.
Phase 3: Engagement through Committees	Summer 2014	Focus on developing commissioning priorities and MTFs proposals for each of the 6 committees Engagement through Committee meetings and working groups
Phase 4: Strategic Plan to 2020 Consultation	December 2014 – March 2015	A series of 6 workshops with a cross section of residents recruited from the Citizens Panel and Youth Board, plus two workshops with users ⁶ of Council services. An online survey (17 December 2014 – 11 February 2015)

⁶ One "service user" workshop was for a cross section of residents who are users of non-universal services from across the Council. The second workshop was for adults with learning disabilities.

6 BACKGROUND PAPERS

- 6.1 Performance and Contract Management Committee, 12 May 2015 (Decision Item 7) – approved Final Outturn and Quarter 4 Monitoring Report 2014/15
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=7873&Ver=4>
- 6.2 Council, 3 March 2015 (Decision item 12) – approved Business Planning 2015/16 – 2019/20, including the Medium-Term Financial Strategy.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7865&Ver=4>
- 6.3 Council, 14 April 2015 (Decision item 13.3) – approved Corporate Plan 2015-20.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7820&Ver=4>
- 6.4 Council, 4 April 2015 (Decision item 13.1) – approved 2016/17 addendum to Corporate Plan
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8344&Ver=4>

Appendix A: Corporate Plan Performance (Quarter 4/End of Year 2015/16)

Corporate Indicators by Theme Committee

The Corporate Plan identifies a suite of indicators that help us to monitor performance; and targets have been set to encourage improvement against our strategic priorities. The tables below provide an **Annual** overview of performance for the Council in relation to the suite of indicators set out in the Corporate Plan. Please note, all Public Health indicators are returned a quarter in arrears, therefore their Quarter 3 results are presented below. Where other indicators have not returned a final 2015/16 result, this is stated in the comments column.

89 indicators comprise the 2015/16 Corporate Plan indicator set. Of these, **79** have been given an end of year RAG rating: **59% (47)** are “on or above target” and **41% (32)** are “off target”. **74** have been given a Direction of Travel status: **66% (49)** have an “improved or maintained” DOT and **34% (25)** have a “worsened” DOT.

Theme Committee	No. reported at EOY	No. with a RAG rating at EOY	RAG Ratings				Monitor / NYA	No. with a DOT at EOY	Direction of Travel	
			Green	Green Amber	Red Amber	Red			Improved/Maintained	Worsened
Adults and Safeguarding	15	15	27% (4)	20% (3)	7% (1)	47% (7)	0	14	57% (8)	43% (6)
Assets, Regeneration and Growth	6	4	0% (0)	25% (1)	0% (0)	75% (3)	2	4	50% (2)	50% (2)
Children, Education, Libraries and Safeguarding	19	13	77% (10)	8% (1)	0% (0)	15% (2)	6	15	87% (13)	13% (2)
Community Leadership	5	5	60% (3)	20% (1)	0% (0)	20% (1)	0	5	60% (3)	40% (2)
Environment	20	20	70% (14)	10% (2)	5% (1)	15% (3)	0	17	53% (9)	47% (8)
Housing	9	7	86% (6)	0% (0)	0% (0)	14% (1)	2	8	63% (5)	38% (3)
Health and Wellbeing	9	9	67% (6)	11% (1)	0% (0)	22% (2)	0	5	100% (5)	0% (0)
Customer Service	6	6	67% (4)	0% (0)	17% (1)	17% (1)	0	6	67% (4)	33% (2)
Total	89	79	47	9	3	20	10	74	49	25
Total %			59%	11%	4%	25%			66%	34%

Adults and Safeguarding

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/S1	Percentage of people who use adult social care services satisfied with their care and support	Apr 2015 - Mar 2016	88.3% (2013/14)	90.0%	88.2% (GA) (2014/15)	Worsening	Comparator group 60.2% (2014/15, ASCOF)	Latest results from the Annual Social Care Survey are for 2014/15. Performance is stable and has not declined significantly between 2013/14 and 2014/15, despite increased pressures on the service, and remains above the average for our comparator group
AC/S2	Service users who find it easy to get information	Apr 2014 - Mar 2015	71.3% (2013/14)	74.5%	71.3% (R) (2014/15)	Same	Comparator group 74.4% (2014/15, ASCOF)	Latest results from the Annual Social Care Survey are for 2014/15. In 2015/16 the DU has improved the quality and accessibility of its information and advice offer through implementation of the enhanced Social Care Direct offer at its front door, as well as launching a new information, advice and advocacy contract with CAB.
AC/S3	Percentage of adults with learning disabilities who live in stable accommodation	As at 31 March	59.52%	60.0%	63.6% (G)	Improving	Comparator group 68.3% (2014/15, ASCOF)	
AC/S4	Percentage of adults with learning disabilities in paid employment	As at 31 March	9.4%	10.6%	9.2% (R)	Worsening	Comparator group 9.8% (2014/15, ASCOF)	The actual number of adults with learning disabilities in employment has increased over the quarter (from 61 in Q3 to 68 in Q4); the percentage decrease is due to a higher overall caseload (from 728 in Q3 to 742 in Q4).A
AC/S5	Percentage of adults with mental health needs in paid employment	As at 31 March	5.7%	7.0%	4.8% (R)	Worsening	Comparator group 7.0% (2014/15, ASCOF)	commissioning lead for workplace inclusion has been appointed to develop the supported employment offer in the borough for both LD and MH and is identifying service users who might benefit from the programme.

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/S6	Percentage of adults with mental health needs who live in stable accommodation	As at 31 March	70.9%	75.0%	81.0% (G)	Improving	Comparator group 79.6% (2014/15, ASCOF)	
AC/S7	Percentage of people who use services, who reported that they had as much social contact as they would like	Apr 2015 - Mar 2016	41.1%	45.0%	45.0% (G)	Improving	Comparator group 43.1% (2014/15, ASCOF) (Barnet in top 50%)	
AC/S8	Percentage of new clients, older people accessing enablement	Apr 2015 - Mar 2016	N/A	50.0%	61.5% (G)	N/A	N/A	
AC/S9	Permanent admissions to residential and nursing care homes, per 100,000 population age 65+	Apr 2015 - Mar 2016	475.10	399.0	426.55 (GA)	Improving	Comparator group 408 (2014/15, ASCOF)	A significant spike in admissions was seen in November (Q3) and while the rate was brought down consistently across the remainder of the year this was not enough to return the DU below target. Work is beginning to roll out Barnet's integrated locality team approach across the borough and develop its preventative focus, including provision of care navigators to promote earlier access to preventative services.
AC/S10	Percentage of people who feel in control of their own lives	Apr 2015 - Mar 2016	68.5% (2013/14)	75.5%	68.4% (R) (2014/15)	Worsening	Comparator group 71.8% (2014/15, ASCOF) (Barnet in bottom 25%)	Latest results from the Annual Social Care Survey are for 2014/15. Marginal reduction on the previous outturn. New service delivery models implemented in 2015/16, for example, mental health, will focus on building and promoting community capacity, social and family resilience, and active citizenship.

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/S11	Percentage of older people remaining at home 91 days after discharge	Apr 2015 - Mar 2016	71.9%	81.5%	73.8% (RA)	Improving	N/A	Work is underway to better understand the causes of this outturn. It relies on health data and there are concerns that Barnet under-reports in comparison to other local authorities. The increase of discharge of increasingly frail older adults through intermediate care and enablement may also be a major cause of the current performance level.
AC/S12	Percentage of carers satisfied with social services	Apr 2015 - Mar 2016	34.6% (2013/14)	35.7%	33.5% (R) (2014/15)	Worsening	Comparator group 35.4% (2014/15, ASCOF)	Latest results from the Annual Social Care Survey are for 2014/15. In 2015/16 the DU is continuing to develop the Carers' Strategy, planned for implementation from January 2016, and is also working with carers to develop a new lead provider service specification for implementation in 2016.
AC/S13	Carers' reported quality of life	Apr 2015 - Mar 2016	7.3% (2013/14)	7.8	7.3% (R) (2014/15)	Same	N/A	
AC/S14	Percentage of adult carers who have as much social contact as they would like	Apr 2015 - Mar 2016	35.8% (2013/14)	36.5%	32.4% (R) (2014/15)	Worsening	Comparator group 35.2% (2014/15, ASCOF)	
AC/S15	Percentage of people who use services who feel safe	Apr 2015 - Mar 2016	67.4% (2013/14)	68.1%	67.5% (GA) (2014/15)	Improving	Comparator group 65.8% (2014/15, ASCOF) (Barnet in top 50%)	Again, this is an annual measure for 2014/15. It shows that Barnet is in the top 50% of benchmarked local authorities and improved on 2013/14 performance. This year, the number of safeguarding concerns raised so far is high, indicating that the service is trusted with concerns.

Assets, Regeneration and Growth

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S1	Unemployment	Jan 2015 – Dec 2015	6.5% (Jan 2014 – Dec 2014)	Monitor	5.8%	Improving	London 6.1% (Jan 2015 - Dec 2015, Nomisweb)	
CG/S2	Sickness benefit, as measured by the Employment Support Allowance (ESA) claimant count (0-65 weeks) or equivalent benefit	August 2015	4.5% (Aug 2014)	4.4%	4.5% (GA)	Same	London 5.3% (Aug 2015, Nomisweb)	In the last year claimant numbers fluctuated by around 250 and the percentage has stayed around 4.5% with one reporting instance of 4.6%. Looking at the long term series there seems to be a very slow downward trend in claims since 2005, but this remains the borough's most significant out of work benefit claim.
CG/S8	Residents' long-term sickness	Jan 2015 – Dec 2015	5600 (Jan 2014 – Dec 2014)	Monitor	8,200	Worsening	Barnet 13.6% London 16% (Oct 2014 - Sept 2015, Nomisweb)	
SK1 (Re/S1)	Business survival rate across the borough (end of year 2)*	Apr 2015 - Mar 2016	4.29%	4.16%	1.94% (R)	Worsening	N/A	Barnet continues to improve compared to its 2011 baseline figure (69.78% from 67.84% in 2011), the rate of improvement has slowed compared to last year (by 1.94% compared to 4.29% in the previous year). Improvement in business growth and survival will continue with a number of projects and initiatives proposed for 2016/17. Re will continue to engage with businesses who have shown particularly strong rates of business survival; and will work with the Council to identify why businesses fail in Barnet and factor in exceptional circumstances into the creation of a business support model tailored to Barnet.

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
SK2 (Re/S2)	Reduction in Youth Unemployment (including graduates and school leavers) - 16-24 year olds	Apr 2015 - Mar 2016	11.90%	3.8%	NYA	N/A	N/A	
SK3 (Re/S3)	Reduce the number of "Vacant High Street Properties" ("VHSP") across the Borough	Apr 2015 - Mar 2016	4.64%	-0.7%	NYA	N/A	N/A	This Super KPI will report in Q1 2016/17 when analysed and verified data will be available.
REGENK PI01 (Re/S11)	Number of New Homes completed	Apr 2015 - Mar 2016	1,108	1,253	NYA	N/A	N/A	End of year results to be confirmed.
Re/S12	Total number of new homes created through regeneration schemes	Apr 2015 - Mar 2016	N/A	1,423	811 (R)	N/A	N/A	
Re/S13	Number of affordable homes created through regeneration schemes	Apr 2015 - Mar 2016	N/A	248	148 (R)	N/A	N/A	No affordable housing has been delivered in Colindale for this year which has affected the overall target. Affordable homes are scheduled for delivery in 2016/17.
SPI 9 (Re/S14)	Business satisfaction	Apr 2015 - Mar 2016	N/A	N/A	N/A	N/A	N/A	Not Reported: This is a new Super PI proposed by LBB and was introduced after commencement of the contract. LBB are currently in dialogue on the methodology and approach for this Super PI that involves an Annual Business Survey.

* This target refers to the net gap between Barnet and other comparable London Boroughs to increase business survival rates. The Barnet target is to achieve 2.0 percentage points more than the comparable Boroughs' improvement i.e. $2.16 + 2.0 = 4.16$ i.e. Barnet had to improve by 4.16 percentage points. Since the Barnet target was to better that by 2.0 percentage points, the Barnet target is to improve by 4.16 percentage points (i.e. $2.16 + 2.0$).

Children, Education, Libraries and Safeguarding

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CES/S1	Percentage of primary schools rated as 'good' or better	As at 4 Apr 2016	90.9%	92.0%	92.0% (G)	Improving	Outer London 88.6% England 86.7% (April 2016, Watchsted)	
CES/S3	Percentage of secondary schools rated as 'good' or better	As at 4 Apr 2016	87.5%	87.5%	80.0% (GA)	Worsening	Outer London 85.2% England 75.8% (April 2016, Watchsted)	Ongoing challenge and monitoring strategy in place.
CES/S8	Percentage of primary pupils achieving end of key stage expectations in nationally reported subjects-two levels progress in reading between Key Stages 1 and 2*	Academic year 2014/15	94.0%	94.0%	95.0% (G)	Improving	National 91% London 93% (2014/15, DfE Statistical Release)	
CES/S9	Percentage of primary pupils reaching achieving end of key stage expectations in nationally reported subjects-two levels progress in writing between Key Stages 1 and 2*	Academic year 2014/15	94.0%	94.5%	95.0% (G)	Improving	National 94% London 96% (2014/15, DfE Statistical Release)	
CES/S11 (Annual)	Achievement gap between pupils eligible for FSM and their peers achieving end of key stage expectations in nationally reported subjects (Reading Writing and Maths) at Key Stage 2	Academic year 2014/15	13.0%	10.0%	12.0% (R)	Improving	National Gap 15pp London Gap 10pp (Disadvantaged) (2014/15, DfE Statistical Release)	Narrowing the gap action plan is scheduled to investigate attainment gaps in more detail.
CES/S13	Percentage of pupils achieving 5 or more A*-C GCSE's including English and Maths	Academic year 2014/15	67.5%	68.0%	70% (G)	Improving	National 57.3% London 60.9% (2014/15, DfE Statistical Release)	

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CES/S15 (Annual)	Percentage of looked after children making the expected level of progress in English between Key Stages 2 and 4*	Academic year 2014/15	15.6%	N/A	24.0%	Improving	N/A	Methodology change: Outturn is incomparable with previous year. Target is tied to National data released in April.
CES/S16 (Annual)	Percentage of looked after children making the expected level of progress in Maths between Key Stages 2 and 4*	Academic year 2014/15	15.6%	N/A	24.0%	Improving	N/A	Methodology change: Outturn is incomparable with previous year. Target is tied to National data released in April.
CES/S17	Percentage of 17 year olds recorded in education and training (participation rates 17 year olds) (incl. part time) and work based learning	As at 31st March 2016	88.6%	91.0%	96.8% (G)	Improving	N/A	
CES/S18	Percentage of young people who are not in education, employment or training (16 to 18 year olds)	As at 31st March 2016	2.6%	2.3%	2.0% (G)	Improving	West London and Barnet 2.4% (March 2016, West London Partnership Support Unit)	
FS/S1	Number of children made subject to Child Protection Plans	Apr 2015 - Mar 2016	232	Monitor	310	N/A	TBC	
FS/S2	Number of children made subject to Children Protection Plan for a second or subsequent time	As at 31st March 2016	N/A	Monitor	60	N/A	Barnet 14.5% Statistical Neighbours: 14.8%, London 13%, England 15.8% (2014/15, LAIT)	Reported at a point in time. FS use the last day of the month as an anchor point to pull data. This is the final return for the year.
FS/S3	Number of children subject to Children Protection Plans for two or more years	As at 31st March 2016	6.8%	5%	2.5%	N/A	Barnet 4.5% Statistical Neighbours 5%, London 3.6%, England 2.6% (2014/15, LAIT)	

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
FS/S4	Number of referrals to social care (per 10,000 of the under-18 population)	Apr 2015 - Mar 2016	389.8	Monitor	396	N/A	Barnet 405.9 Statistical Neighbours 458.9, London 469, England 573, (2014/15, LAIT)	
FS/S5	Number of children adopted	As at 31 March 2016	15	20	12 (R)	Worsening	TBC	This target was ambitious against the national context of lower adoptions as an interpretation of case law. This impacted significantly on the first half of the year; however numbers have been on the increase in the final two quarters. There are now 11 children in the system with a placement order and a plan of adopting. In 2015/16 eight children placed with adopters were contested and seven children that had a plan of adoption were instead granted an SGO by the court.
FS/S6	Percentage of children in LBB foster care	As at 31 March 2016	35%	39%	44% (G)	Improving	N/A	
FS/S7	Percentage of free entitlement early years places taken up by parents/carers that are eligible for a place	Apr 2015 - Mar 2016	41%	50%	60% (G)	Improving	N/A	
FS/S8	Percentage of the target groups that are registered with the children centre within the area it serves	Apr 2015 - Mar 2016	75%	65%	76% (G)	Improving	TBC	
FS/S15	Proportion of care leavers age 19 – 21 in education, employment or training.	As at 31 March 2016	49%	55%	55% (G)	Improving	Statistical Neighbours 51%, London 54%, England 45% (2014/15, LAIT)	

Community Leadership

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S3	Decrease in the level of crime across the Mayor's Office for Policing And Crime set of crimes (burglary, vandalism, criminal damage, theft of/ from motor vehicle, violence with injury, robbery, and theft from the person)	Mar 2015 - Feb 2016	17.0%	20.0%	17.4% (R)	Improving	London 19.8% (2014/15)	The upward pressure on the volume of MOPAC7 offences is mainly driven by the higher rate of Violence with Injury Offences linked to changes in reporting, a trend which is London wide. It should be noted that Barnet remains one of the safest boroughs in London (with the 4th lowest rate of violent crime per 1000 population out of all 32 London boroughs; and a rate of violent crime per 1000 population that is 29% below the London average).
CG/S4 (RPS)	Public confidence in police and council in dealing with anti-social behaviour and crime issues that matter in their area	Autumn 2015	72% (Autumn 2014)	68%	64% (G)	Worsening	N/A	95% confidence interval applied to result.
CG/S5 (RPS)	Percentage of residents who report feeling they belong to their neighbourhood	Autumn 2015	78% (Autumn 2014)	74%	73% (G)	Worsening	National 72% (2014/15, Community Life Survey)	95% confidence interval applied to result.

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S9	Percentage of residents that volunteer at least once a month	Spring 2015	25% (Spring 2014)	27%	26% (GA)	Improving	National 24% (Spring 2010/11, RPS)	The Council commissioned a new Local Infrastructure Organisation contract to Volunteering Barnet at the end of 2014. The Council's volunteering brokerage service contract was transferred from CommUNITY Barnet to Volunteering Barnet, Groundwork. As a new organisation within the borough, it has taken Volunteering Barnet time to develop contacts and make residents aware of the services they offer. At the start of the second year of Volunteering Barnet's contract there has been a significant improvement in the number of residents who have signed up to become volunteers within the borough.
CG/S10	Percentage of residents who agree that people pull together to help improve their area	Spring 2015	49% (Spring 2014)	50%	52% (G)	Improving	National 62% (2012/13, Community Life Survey)	

Environment

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S11 (RPS)	Percentage of residents who are satisfied with repair of roads	Autumn 2015	33% (Autumn 2014)	35%	35% (G)	Improving	London 41% (Autumn 2014, RPS)	
CG/S12 (RPS)	Percentage of residents who are satisfied with quality of pavements	Autumn 2015	33% (Autumn 2014)	35%	35% (G)	Improving	N/A	
PI/S1	Parking transaction in town centres and on street	Apr 2015 - Mar 2016	N/A	1,650,326	2,024,492 (G)	N/A	N/A	Methodology change: 2014/15 Outturn is incomparable
PI/S2	Parking transactions in car parks	Apr 2015 - Mar 2016	N/A	278,036	517,610 (G)	N/A	N/A	Methodology change: 2014/15 Outturn is incomparable
PI/S3 (RPS)	Percentage of residents who are satisfied with parking services	Autumn 2015	26.0% (Autumn 2014)	28.0%	30.0% (G)	Improving	TBC	
EH01A (Re/S4)	Compliance with Environmental Health Service Standards (Priority 2)	Apr 2015 - Mar 2016	97%	95.0%	96.9% (G)	Worsening	Ealing 75.7% 2013/14 Q1 81.5% 2014/15, Barnet Survey	
EH01B (Re/S5)	Compliance with Environmental Health Service Standards (Priority 1)	Apr 2015 - Mar 2016	83.3%	100.0%	100.0% (G)	Improving	Ealing 75.7% 2013/14 Q1 81.5% 2014/15 Barnet Survey	
KPI 1.2 NM (Re/S7)	Annual Programme relating to Carriageway Resurfacing schemes	Apr 2015 - Mar 2016	100.0%	100.0%	100.0% (G)	Same	N/A	
KPI 1.3 NM (Re/S8)	Annual Programme relating to Footway Relay schemes	Apr 2015 - Mar 2016	100.0%	100.0%	100% (G)	Same	N/A	
KPI1001 (Re/S9)	Meet building regulation applications within statutory timescales	Apr 2015 - Mar 2016	98.7%	94.0%	97.4% (G)	Worsening	N/A	

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
KPI1001 (A&A) (Re/S10)	Compliance with planning application statutory timescales	Apr 2015 - Mar 2016	76.5%	75.0%	87.3% (G)	Improving	Newham 97%, Brent 70%, Enfield 83% Haringey 76% (Q4 2015/16 DCLG)	
Re/S15: KPI NM 2.1 (Re/C43), KPI NM 2.2 (Re/C44), KPI NM 2.3 (Re/C45)	Highways defects made safe (composite indicator - KPI 2.1-2.3NM)	Apr 2015 - Mar 2016	99.7%	100%	97.3% (R)	Worsening	N/A	Performance has been affected during the year by a number of difficulties including routine obstructions preventing some work from taking place; LOHAC contractors closure during the Christmas period; and IT errors related to connectivity in the Highways Reporting system. During the year Re has worked with the LOHAC contractor to improve communication to minimise the impact on completion times when these instances occur and are monitoring the IT errors to identify root cause and solutions.
SS/S1 (RPS)	Percentage of residents who are satisfied with parks and open spaces	Autumn 2015	72% (Autumn 2014)	72%	67% (GA)	Worsening	London 68% (Autumn 2014, RPS)	95% confidence interval applied to result. Analysis is being carried out on this data and a commentary will be supplied for Q1 addressing the position.
SS/S2	Percentage of households which have used parks, playgrounds or open spaces in the last 12 months	Autumn 2015	73.5% (Autumn 2014)	86%	69% (R)	Worsening	N/A	95% confidence interval applied to result. Analysis is being carried out on this data and a commentary will be supplied for Q1 addressing the position.
SS/S3	Percentage of household waste sent for reuse, recycling and composting	Oct 2015 - Dec 2015	35.79%	42.0%	37.95% (RA)	Improving	N/A	This is the Q3 result. End of year result expected in Q1 2016/17.
SS/S4 (RPS)	Percentage of residents who are satisfied with refuse and recycling services	Autumn 2015	76% (Autumn 2014)	80%	78% (G)	Improving	N/A	95% confidence interval applied to result.

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
SS/S5	Recycling participation (blue bin)	Apr 2015 - Mar 2016	N/A	71%	85% (G)	N/A	N/A	
SS/S6 (RPS)	Percentage of residents who are satisfied with street cleaning	Autumn 2015	53% (Autumn 2014)	58%	52% (R)	Worsening	London 55% (Autumn 2014, RPS)	95% confidence interval applied to result. Analysis is being carried out on this data and a commentary will be supplied for Q1 addressing the position.
SS/S7	Percentage of unacceptable levels of litter	Apr 2015 - Mar 2016	2.67%	3%	3.76% (GA)	Worsening	N/A	Whole year under performance was due to low results for one tranche. Refresher training of all relevant officers was undertaken by Keep Britain Tidy to ensure officers' consistency of recording results.
SS/S8	Percentage of unacceptable levels of detritus	Apr 2015 - Mar 2016	9.17%	14%	10.67% (G)	Worsening	N/A	

Housing

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
BH/S1	Numbers in Emergency Temporary Accommodation (ETA)	As at 31 March 2016	455	500	251 (G)	Improving	London - 16 th (Q3 2015/16, DCLG)	
BH/S2	Number of homelessness preventions	Apr 2015 - Mar 2016	832	700	905 (G)	Improving	London 2 nd quartile (2014/15, DCLG)	
BH/S3	Length of stay in Emergency Temporary Accommodation	As at 31 March 2016	53.3	Monitor	63.1	Worsening	N/A	
BH/S4	Current arrears as a percentage of debit	As at 31 March 2016	3.53%	3.30%	3.24% (G)	Improving	London Lower quartile (Q3 2015/16, Housemark)	
BH/S5	Temporary Accommodation arrears as a percentage of debit	As at 31 March 2016	6.33%	5.50%	5.04% (G)	Improving	N/A	
CG/S6 (RPS)	Percentage of residents who list affordable housing as a concern	Autumn 2015	29.0% (Autumn 2014)	Monitor	36.0%	Worsening	London 23% (Autumn 2014, RPS)	
CG/S18	Percentage of respondents very or fairly satisfied with the service provided by their social housing provider (Barnet Homes)	Jan-Mar 2016	N/A	81%	81% (G)	N/A	N/A	Reported every 2 years.
EH021 (Re/S6)	Compliance with licensing requirements for Houses in Multiple Occupation	Apr 2015 - Mar 2016	61.9%	60.0%	80% (G)	Improving	N/A	

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
Re/S17	Percentage of new build homes that are affordable	Apr 2015 - Mar 2016	Not available	40%	18% (R)	Worsening	N/A	The percentage of affordable homes will change from year to year depending on developer delivery programmes. Developers will not consistently be delivering 40% social housing every year. In some years it may be more in other years it may be less. The percentage is particularly low for 2015/16 as only private homes were delivered in Colindale.

Public Health and Wellbeing*

Ref	Indicator	Period covered	Q3 2014/15 Result	2015/16 Target	Q3 2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
PH/S1	Smoking status at time of delivery	Oct - Dec 2015	2.9%	5.0%	3.7% (G)	Same	England 11.4% London 4.8% (2014/15, PHOF)	
PH/S2	Excess weight in 4-5 year olds (overweight or obese)	Oct - Dec 2015	20.8% (July – Sept 2014)	21.0%	19.9% (G)	Improving	England 22.5% London 23.1% (2014/15, PHOF)	
PH/S3	Excess weight in 10-11 year olds (overweight or obese)	Oct - Dec 2015	33.6% (July – Sept 2014)	36.7%	32.6% (G)	Improving	England 33.5% London 37.6% (2014/15, PHOF)	
PH/S4	Rate of hospital admissions related to alcohol	Oct - Dec 2015	New	458.76	404.78 (G)	N/A	N/A	Q2 and Q3 results are the same as PHE refresh the results of some KPIs every 6 months.
PH/S5	Smoking Prevalence	Oct - Dec 2015	15.0% (July – Sept 2014)	15.0%	13.2% (G)	Same	England 18.0% London 17.0% (2014/15, PHOF)	Q2 and Q3 results are the same as PHE refresh the results of some KPIs every 6 months.
PH/S7	Physical activity participation	Oct - Dec 2015	56.0% (2012)	54.0%	58.5% (G)	Same	England 57.0% London 57.8% (2014/15, PHOF)	Q2 and Q3 results are the same as PHE refresh the results of some KPIs every 6 months.
PH/S8	Cumulative percentage of the eligible population aged 40-74 who have received an NHS Health Check	Oct - Dec 2015	New	2225	902 (R)	N/A	Barnet 0.94% England 2.3% London 2.7% (2014/15, PHOF)	Ongoing issues with data sharing and some practices having difficulty using the new IT system.
PH/S9	Number of people with mental health problems who have accessed the MaPS employment support programme	Oct - Dec 2015	New	63	61 (GA)	N/A	N/A	The capacity of this service is proportionate to demand, and there is no waiting list. Motivational and Psychological Support activity will continue in Q4 2015/16 and into 2016/17; if the current level of activity continues, the annual target will be met.

Ref	Indicator	Period covered	Q3 2014/15 Result	2015/16 Target	Q3 2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
PH/S10	Number of people with mental health problems who have accessed the IPS employment support programme	Oct - Dec 2015	New	38	19 (R)	N/A	N/A	Delay between clients starting the programme and securing employment.

*All Public Health results are delivered a quarter in arrears.

Customer Experience and Effective Services

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S7	Spend (total net spend per head)	As at 31 March 2016	£1272	£1254	£1278 (RA)	Worsening	Nearest Neighbour spend per head £1379 (March 2016)	Aspirational target to be in the lowest quartile of Nearest Neighbours was not achieved. However Barnet is still providing significantly better value than the Nearest Neighbour average.
CG/S14 (RPS)	Percentage of residents who are satisfied with the way the Council runs things	Autumn 2015	71.0% (Autumn 2014)	73.0%	74.0% (G)	Improving	National 67% (June 2015, LGA Survey)	
CG/S15	Performance of services	As at 31 March 2016	83%	100%	82% (R)	Worsening	N/A	Stretching target. Further analysis to be undertaken to compare against other benchmarking groups and authorities.
CG/S16	Percentage of residents who are satisfied with Barnet as a place to live	Autumn 2015	88.0% (Autumn 2014)	90.0%	88% (G)	Same	National 82% (June 2015, LGA Survey)	95% confidence interval applied to result.
CG/S19	Resident Satisfaction - It is easy to access Council services	Spring 2015	71.0% (Spring 2014)	70.0%	70% (G)	Same	N/A	95% confidence interval applied to result.
CSG/S1	Resident Satisfaction - It is easy to access Council services	Spring 2015	66% Autumn 2014	54.0%	70% (G)	Improving	N/A	95% confidence interval applied to result.

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Appendix B: Service Performance (Quarter 4/End of Year 2015/16)

Service Indicators by Delivery Unit or Contractor

The tables below provide an overview of performance for each service (Delivery Units and Contractors) in relation to the suite of indicators set out in the Council's key business plans (including the Corporate Plan, Commissioning Plans, Management Agreements and Contracts). Detailed information is provided for those indicators that have not met target - RAG rated as Green Amber, Red Amber or Red. The full service reports are published on the website each quarter at www.barnet.gov.uk/currentperformance

328 indicators are reported in Quarter 4. Of these, **285** have been given a RAG rating: **70% (200)** are "on or above target" and **30% (85)** are "off target". **256** indicators have been given a Direction of Travel status: **64% (163)** have an "improved or maintained" DOT and **36% (93)** have a "worsened" DOT.

Service	No. reported at EOY	No. with a RAG rating at EOY	RAG Ratings				Monitor / NYA	No. with a DOT at EOY	Direction of Travel	
			Green	Green Amber	Red Amber	Red			Improved/Maintained	Worsened
Adults and Communities	42	31	32% (10)	19% (6)	3% (1)	45% (14)	11	28	54% (15)	46% (13)
Barnet Homes	17	15	87% (13)	0% (0)	0% (0)	13% (2)	2	17	65% (11)	35% (6)
Commissioning Group	19	15	60% (9)	20% (3)	7% (1)	13% (2)	6	18	67% (12)	33% (6)
Customer and Support Group	27	27	93% (25)	4% (1)	0% (0)	4% (1)	0	25	88% (22)	12% (3)
Education and Skills	31	29	66% (19)	10% (3)	7% (2)	17% (5)	2	31	77% (24)	23% (7)
Family Services	18	14	64% (9)	21% (3)	7% (1)	7% (1)	4	15	67% (10)	33% (5)
HB Public Law	15	14	93% (13)	7% (1)	0% (0)	0% (0)	1	13	46% (6)	54% (7)
Parking and Infrastructure	11	7	86% (6)	14% (1)	0% (0)	0% (0)	4	6	100% (6)	0% (0)
Public Health	36	36	61% (22)	8% (3)	8% (3)	22% (8)	0	12	42% (5)	58% (7)
Regional Enterprise (Re)	86	72	85% (61)	3% (2)	3% (2)	10% (7)	14	70	63% (44)	37% (26)
Registrar Service	9	8	75% (6)	0% (0)	0% (0)	25% (2)	1	8	38% (3)	62% (5)
Street Scene	17	17	41% (7)	24% (4)	12% (2)	24% (4)	0	13	38% (5)	62% (8)

Service	No. reported at EOY	No. with a RAG rating at EOY	RAG Ratings				Monitor / NYA	No. with a DOT at EOY	Direction of Travel	
			Green	Green Amber	Red Amber	Red			Improved/Maintained	Worsened
Total	328	285	200	27	12	46	43	256	163	93
Total %		100%	70%	10%	4%	16%			64%	36%

Service	No. reported at EOY	No. with a RAG rating at EOY	RAG Ratings				No. with a DOT at EOY	Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/maintained	Worsened
YCB*	24	20	82% (17)	18% (3)		0% (0)	3	67% (2)	33% (1)

*YCB use a slightly different RAG rating

Adults and Communities

31 indicators are reported in Quarter 4 (excluding Monitor indicators). All, 31 have been given a RAG rating: 32% (10) are “on or above target” and 68% (21) are “off target”. 28 have been given a Direction of Travel status: 54% (15) have an “improved or maintained” DOT and 46% (13) have a “worsened” DOT. 10 of the 21 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
AC/S16	Proportion of people with a Direct Payment	As at 31 March	29.4%	41.0%	40.1% (GA)	Improving	Comparator group 28.4% (2014/15, ASCOF)	Performance has improved on Q3 though still falls short of target (by approximately 20 people). Panel continues to ensure direct payment options are considered in all cases; although these are not appropriate for every service user. Work has been carried out to ensure direct payments are being spent appropriately. Barnet compares well against our statistical neighbours and is above the national average (26.3%).
AC/S18	Percentage of service users receiving ongoing services with telecare	Apr 2015 - Mar 2016	13.0%	17.0%	12.7% (R)	Worsening	N/A	The number of telecare packages installed during the year (AC/S17) is more than double the target. This includes standalone and self-funded packages, which do not count towards this indicator (but which support service users without an ongoing cost to the Council). The data for this indicator (AC/S18) only covers installations that the Council funds and maintains for current service users. The number of these installations is lower than the total number of packages installed by the Council and as a result the indicator shows lower performance. Plans are under way to look at how these datasets can be reconciled in the future once the new case management system is in place.

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/S21	Carer assessments resulting in information, advice and services (end of year projection)	Apr 2015 - Mar 2016	1394	1948	946 (R)	Worsening	N/A	The final outturn for carers' assessments is only three fewer than in 2014/15 (946 against 949 in 2014/15) though a substantial fall on the 1948 carried out in 2013/14. The ongoing low staffing levels in Adults and Communities continue to have an impact on the Delivery Unit's capacity to carry out carers' assessments alongside other priority activities such as reviews. Staff education sessions are being run with carers' service providers to increase understanding of carer needs and the carers' assessment forms are being redesigned to make them more user-friendly as part of the implementation of the DU's new case management system.
AC/C1	Total non-elective admission in to hospital (general and acute) all-age, per 100,000 population	Apr 2015 - Mar 2016	7742	7333	8292 (GA)	Worsening	N/A	Admissions in Q4 are approximately 10% higher than in the same period last year, though national statistics show that there is consistently high pressure on the NHS across England with waiting lists for urgent and emergency care at a record high. Plans are in place for the coming year to scale up preventative activities such as home adaptations and falls prevention advice, delivered through the neighbourhood services model as well as working jointly with the NHS through Barnet's integrated locality teams.
AC/C7	Percentage of DoLS applications completed within statutory timeframes	Apr 2015 - Mar 2016	N/A	100.0%	9.0% (R)	N/A	N/A	The volume of DoLS applications remains consistently high at Q4 and the total number of applications in 2015/16 is a 108% increase on last year. 640 applications were received in 2014/15 and 1357 in 2015/16. This has been driven significantly by the large number of care home places in the borough – over 100 homes. The DU continues to struggle to meet this demand; and is continuing workforce development activity to increase the number of social workers qualified as Best Interest Assessors (BIAs) and introducing a BIA rota from May 2016 to manage pressures on the service.

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/C10	Percentage of clients receiving an on-going package of care reviewed (end of year projection)	Apr 2015 - Mar 2016	69.84%	75.0%	62.23% (R)	Worsening	N/A	The proportion of clients reviewed in the quarter remained lower than in previous years and did not meet the projected percentage. However, the number of review events in Q4 is an increase of more than 35% on Q3. The increased reviewing capacity funded through the Adults' transformation programme resource became available in mid-February and did not therefore have an impact this quarter, but should increase the numbers of reviews achieved in the first quarter of 2016/17.
AC/C11	Average number of days from contact to end of assessment	Apr 2015 - Mar 2016	17.6	18.0	24.2 (R)	Improving	N/A	Waiting times are showing a small but sustained decrease quarter on quarter. There have been initiatives to ensure active caseloads are accurate and appropriate and to increase capacity to address the needs of incoming clients, with case audits and closures actively discussed in line management meetings. The DU is also developing the second phase of its 'assessment hubs' programme which aims to make the process of assessment more efficient as well as giving new service users access to a greater range of preventative services. However, the current low staffing levels continue to have an impact on productivity and the DU continues to have to prioritise its activities.
AC/C12	Number of delayed transfers of care from hospital per 100,000 population (aged 18+) which are attributable to both NHS and Adult Social Care	Apr 2015 - Mar 2016	5.9	5.8	7.5 (R)	Worsening	Comparator group 7.6 (2014/15, ASCOF)	Both joint and social care delays have increased substantially on Q3. The DU continues to experience difficulties with lack of capacity in the provider market creating issues with placing people, while the NHS is experiencing record levels of pressure in winter 2015/16 (see AC/C1 above). A diagnostic review of the hospital and front door referral pathways has been carried out and action plans put in place to improve them.

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/C13	Number of delayed transfers of care from hospital, and those which are attributable to adult social care per 100,000 population	Apr 2015 - Mar 2016	2.0	2.5	3.3 (R)	Worsening	Comparator group 2.4 (2014/15, ASCOF)	See AC/C12 above.
AC/C15	The proportion of carers who use services who find it easy to find information about support	Apr 2015 - Mar 2016	N/A	63%	61.4%	N/A	Comparator group 63.4% (2014/15, ASCOF)	
AC/S22	Number of safeguarding adults alerts (concerns)	Apr 2015 - Mar 2016	565	Monitor	1,208	N/A	N/A	
AC/S24	Overall number of contact events into Social Care Direct	Apr 2015 - Mar 2016	40,357	Monitor	58,822	N/A	N/A	
AC/S27	Percentage of customer contacts into Social Care Direct resolved at first point of contact	March 2016	58.0%	Monitor	55.0%	N/A	N/A	
AC/S28	Percentage of customer contacts into Social Care Direct passed to adult social care	March 2016	22.0%	Monitor	26.0%	N/A	N/A	
AC/C3	Percentage of people with concluded safeguarding referrals who expressed that their outcomes are fully or partly met	Apr 2015 - Mar 2016	N/A	Monitor	45.8%	N/A	N/A	
AC/C4	Percentage of concluded safeguarding referrals (enquiries) which were fully or partly substantiated	Apr 2015 - Mar 2016	41.7%	Monitor	41.7%	N/A	N/A	

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/C5	Number of DoLS applications	Apr 2015 - Mar 2016	N/A	Monitor	1,357	N/A	N/A	
AC/C6	Number of DOLs granted	Apr 2015 - Mar 2016	N/A	Monitor	797	N/A	N/A	
AC/C8	Number of assessments	Apr 2015 - Mar 2016	2,657	Monitor	2,364	N/A	N/A	
AC/C9	Number of review events	Apr 2015 - Mar 2016	N/A	Monitor	5,697	N/A	N/A	
AC/C16	Number of referrals to hospital social work teams	Apr 2015 - Mar 2016	800	Monitor	828	N/A	N/A	

Challenges	Successes
<ul style="list-style-type: none"> • Work has been undertaken to reduce the overspend and recover the budget position, particularly in response to demand pressures resulting from demographic change. • Maintaining staff productivity and morale. Embedding new organisational structure; development of strengths-based working model to expand staff skills and capacity. • Scale and pace of change activity over coming year. Business planning and service planning exercises to identify upcoming issues and plan early and coordinate responses to these. 	<ul style="list-style-type: none"> • Continued development of 'assessment hubs' – a new delivery model, which will improve access to preventative services for new contacts, as well as dealing with people's needs more efficiently and reducing waiting times for assessments. • Installation of over 880 telecare packages in 2015/16, more than double the target for the year. • Implementation of organisational change, including a new staffing structure (which has changed the skills mix in the Delivery Unit and set the foundations for a new strengths-based approach for 2016/17, as well as achieving substantial financial savings) and IT system (Mosaic).

Barnet Homes

15 indicators are reported in Quarter 4 (excluding Monitor indicators). Of these, 15 have been given a RAG rating: 87% (13) are “on or above target” and 13% (2) are “off target”. 17 have been given a Direction of Travel status: 65% (11) have an “improved or maintained” DOT and 35% (6) have a “worsened” DOT. The 2 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
BH/C1	Additional Homes Provided on HRA Land	Apr 2015 - Mar 2016	3	40	8 (R)	Improving	N/A	Barnet Homes has delivered 8 of the 40 homes at the end of March 2016. The remaining 32 homes will be completed by the end of the first quarter 2016/17. Delays have arisen in the delivery of the programme as a result unforeseen complications with ground conditions on some sites and some adverse weather impacts. Progress of the schemes has been closely monitored by the Council’s Delivery Pipeline Programme Board throughout and is expected to complete within budget.
BH/C7	Percentage of statutory homeless appeals completed on time	As at 31 March 2016	96.9%	100.0%	93.8% (R)	Worsening	N/A	304 appeals were completed in 2015/16 compared to 259 in 2014/15. The increase in appeals has been generated by decanting of regeneration estates and the challenges to the suitability of the alternative accommodation that has been offered. At the end of Q4 the appeals caseload has reduced to 33 compared to 77 at the end of Q4 2014/15 with the mitigating actions of additional resource for appeals having a positive impact in reducing the case load. The percentage of appeals going in favour of Barnet Homes remains consistent with 69% in 2015/16 and 70% in 2014/15. The percentage of appeals completed in time has improved with 93.8% at the end of Q4 2015/16 compared to 85 in 2014/15.
BH/C4	Numbers of households in Temporary Accommodation	As at 31 March 2016	2,758	Monitor	2,941	Worsening	London 28 th Q3 2015/16, DCLG	

Challenges	Successes
<ul style="list-style-type: none"> High demand for homelessness services and an increasing reliance on General Fund temporary accommodation has exposed the Council to a greater risk of cost inflation in relation to the cost of accommodation. A range of mitigations are in place to maximise prevention, manage demand, and increase affordable supply, including the recruitment of more let2barnet negotiators and additional tenancy sustainment resources. With further changes on the horizon in the form of changes to the buy-to-let market and a reduced overall benefits cap, fresh challenges will be faced in managing demand throughout 2016/17. 	<ul style="list-style-type: none"> The Council and Barnet Homes have entered into a new 10-year Housing Management Agreement commencing on 1 April 2016. The agreement includes a comprehensive register of housing services to be provided in accordance with the recently approved five-year business plan for The Barnet Group. Annual Housemark Benchmarking results put Barnet Homes in top quartile for 2014/15, with number 1 position for 'cost per property' for Housing Management and Repairs and Maintenance services. Trend analysis has shown a 30% reduction in Housing Management related costs since 2010/11, whilst overall Tenant Satisfaction with Barnet Homes as a landlord has increased by 8% over the same period. The let2barnet service exceeded target (485) by moving 491 households into the private sector; whilst early intervention work contributed to 905 homeless preventions.

Commissioning Group

15 indicators are reported in Quarter 4 (excluding Monitor indicators). All 15 have been given a RAG rating: **60% (9)** are “on or above target” and **40% (6)** are “off target”. **18** have been given a Direction of Travel status: **67% (12)** have an “improved or maintained” DOT and **33% (6)** have a “worsened” DOT. **1** indicator that is “off target” is a service indicator (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
CG/S17	Number of older people who take up leisure services – participation of over 45s	Jan-Mar 2016	19.0%	20.4%	19.8% (GA)	Improving	N/A	The average percentage of 45+ members during January-March 2016 was 19.8% vs 19.4% during October-December 2015, which is a positive movement of 0.4% quarter on quarter. Overall, there were 139 more 45+ members during January-March 2016 than during October-December 2015, which represents a 2.79% growth in this age group. This growth largely has been attributed to the ‘Club Health and Fitness’ offering. GLL targets 45+ members through the ‘Club Health and Fitness’ membership package, preferential ‘pay and play’ rates for concessionary members, a range of activities suitable and tailored to older users and the initiatives/objectives as set out within the Sport and Community Development Plan 2016.
CG/C1	Number of jobs	2014	159,000 (2013)	Monitor	165,000 (2014)	N/A	N/A	

Challenges	Successes
<ul style="list-style-type: none"> The Private Finance Initiative (PFI) Project for street lighting was anticipated to be re-financed. This method of achieving the proposed savings will need to be approved by all of the PFI contract funders (banks). This is expected to be a time consuming exercise, which is likely to delay the savings being realised. The CSG contract review is expected to achieve benefits of cost reduction, improvement and alignment of services with council priorities; while focusing on improving key services. 	<ul style="list-style-type: none"> Unified Reward will ensure our pay and grading structure is competitive and enables us to attract and retain high performing staff. The new pay structure moves from 300 unique grades to 12 staff and seven management grades (19 in total). All jobs have been evaluated by an experienced job evaluation panel that included Trade Union representatives. The package includes 30 days annual leave; uplifting the basic rates of pay to the market average; pay progression based on performance; consolidation of London Weighting and Barnet Living Wage pay systems;

<ul style="list-style-type: none"> Developing key projects and strategies for Q1 2016/17, including customer transformation; Colindale office accommodation; waste and parks strategies due for Environment Committee review in May 2016. 	<p>voluntary health checks; and an employee benefits package. We are currently awaiting the outcome of the Trade Union ballot. Unified Reward is due to go live in October 2016 for directly employed council staff and April 17 for schools.</p> <ul style="list-style-type: none"> The Council's Housing Strategy sets out our ambition to deliver hundreds of homes on our own land, and as part of this a new 10 year Management Agreement has been agreed with Barnet Homes, which includes a target to deliver 500 affordable homes and homes that meet the needs of older and vulnerable residents. The new strategic partnership with Cambridge Education commenced on the 1st April 2016. All staff have successfully TUPE'd across to the new employer. As part of the partnership, around 330 school catering staff are now employed by ISS, with the overall contract managed by Cambridge Education. By 2019/20, the partnership with Cambridge Education will save the council £1.88m a year, which will be achieved through a mixture of efficiency measures and income growth as a result of marketing and selling services to more schools and other local authorities.
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Customer and Support Group (CSG)

27 indicators are reported in Quarter 4 (excluding Monitor indicators). All 27 have been given a RAG rating: **93% (25)** are “on or above target” and **8% (2)** are “off target”. **25** have been given a Direction of Travel status: **88% (22)** have an “improved or maintained” DOT and **12% (3)** have a “worsened” DOT. The **2** indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	Q4 2014/15 Result	2015/16 Target	Q4 2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
CSO10a CSG/C4	GovMetric Customer Services	Jan - Mar 2016	72.0%	80.0%	76.8% (GA)	Improving	N/A	Customer Satisfaction for the initial contact is below target. Web and email satisfaction are typically the lowest across all channels with face to face and telephony likely to remain higher due to the personal nature of the interaction. There is a service improvement plan in place which has seen significant progress in the last quarter. This includes web satisfaction being the best to date at 45.2% (compared to 36.9% for the same period last year)
HR17a CSG/C14	Payroll Accuracy - Payroll Error Rates	Jan - Mar 2016	0%	0.2%	5.4% (R)	Worsening	N/A	HR Payroll Accuracy failed in January and March with error rates of 0.18% and 5.44% respectively against a 0.1% target. The January error mainly related to a failure to process six staff leavers in full. In March the failure was due to an historic issue with 415 teachers’ contributions between April and August 2015 which were resolved, staff were made aware and there was no impact on their pension; this was linked to a software error. Action is being taken to retrain staff in relation to staff leavers and put in place a new checking procedure; and test and roll out the software fix provided by the third party supplier whilst maintaining the issue mitigation through manual processing and checking.

Challenges	Successes
<ul style="list-style-type: none"> The library management system failed on 3 March 2016 and has been unavailable for about a month. Emergency backup systems have been in place for critical library functions (issue and return of books) and use of self-service kiosks. Wifi services and access to public PCs, printers and other equipment have been restored. The root cause has been due to a combination of server and system errors. New infrastructure has been built with increased physical resilience in place to back up the system to a secure offsite backup service. HR Payroll Accuracy failed in January and March with error rates of 0.18% and 5.44% respectively against a 0.1% target. The January error mainly related to a failure to process six staff leavers in full. In March the failure was due to an historic issue with 415 teachers' contributions between April and August 2015 which were resolved, staff were made aware and there was no impact on their pensions; this was linked to a software error. 	<ul style="list-style-type: none"> An additional £5.1m has been collected for the Council during 2015/16 compared with the previous year. This has been driven by the Council Tax property base growing from 143,350 to 146,082 and a change to the Council Tax Support scheme being reduced from 91.5% to 80. The NNDR in-year collection rate was 96.74% at March 2016 up by 0.42% on the 2014/15 collection rate. In this third year, the business rates team have delivered year-on-year improvements, reaching 96.74%, from a 95.83% in year 1. On the 31 March 2016 the Tarling Road Community Hub was granted planning permission, approving the delivery of a 980sqm community facility with nursery provision. The project is being delivered by the Customer and Support Group (CSG) utilising technical expertise and services from Capita Group. The project team have worked alongside the community to understand local needs to design the first Community Hub portfolio. The new Hub will provide a replacement for two of Barnet's community facilities and will be utilised by a range of different groups delivering valuable services to the local community. The work is scheduled to commence in late summer 2016 with the Hub completed for spring 2017.

Education and Skills

31 indicators are reported in Quarter 4 (excluding Monitor indicators). Of these, 29 have been given a RAG rating: 66% (19) are “on or above target” and 34% (10) are “off target”. 31 have been given a Direction of Travel status: 77% (24) have an “improved or maintained” DOT and 23% (7) have a “worsened” DOT. 8 of the 10 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
CES/S4	Percentage of pupils in secondary schools judged as good or better by Ofsted	Apr 2016	89.6%	89.6%	83.6% (R)	Worsening	Outer London 87.6%, England 78.9% (Apr 2016, Watchsted)	The monitoring, support and challenge school improvement policy sets out the level of support offered to schools.
CES/S14	Achievement gap between pupils eligible for FSM pupils and their peers achieving the expected level at KS4 (5A*-C at GCSE including English and Maths)	Academic year 2014/15	25.0% (2013/14)	24.0%	25.6% (R)	Worsening	National 27.9pp, London 18.9pp (2014/15, DfE)	‘Narrowing the Gap’ is a key feature of the monitoring, support and challenge of schools.
CES/S21	Percentage of children offered one of their top three preferences of school (primary)	National Offer Day 2015	91.9%	92.0%	88.4% (R)	Worsening	London 89.4%; England 95% (2014/15, DfE)	The continuing growth in demand for primary places means that it is increasingly difficult to meet parental preferences, despite the provision of additional places and new schools.
CES/C2	Percentage making 3 levels of progress in English between KS2 and KS4	Academic year 2014/15	83.6% (2013/14)	83.6%	82.3% (RA)	Worsening	National 71.3%, London (2014/15, DfE)	National ranking for progress is 2 nd (out of 152 local authorities) and this high performance is being celebrated whilst progress of pupils remains a key feature of the monitoring, support and challenge of schools.
CES/C5	Percentage of looked after children attaining 5 A*-C Grades including English and Maths	Academic year 2014/15	20.6% (2013/14)	20.6%	8.0% (R)	Worsening	National 2015 - 13.8% (2014/15, DfE)	The virtual school team is embedding new systems and closely monitors the attainment and progress of all pupils.
CES/C7	Percentage attendance levels at primary schools	Academic year 2014/15	95.8% (2013/14)	96.0%	95.9% (GA)	Improving	England 96%; London 95.9% (2014/15, DfE)	There is an attendance strategy to address key challenges facing schools, which includes working with the communications team and public health.

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
CES/C8	Percentage attendance levels at secondary schools	Academic year 2014/15	95.5% (2013/14)	95.5%	95.1% (GA)	Worsening	England 94.7%; London 95.1% (2014/15, DfE)	There is an attendance strategy to address key challenges facing schools, which includes working with the communications team and public health.
CES/C10	Percentage of SEN statements and Learning Disability Assessments converted to EHC Plans in accordance with the council's Transition Plan	Academic year 2015/16	2.6%	100%	79.0% (RA)	Improving	No benchmarking data available	For 2015/16 academic year (Sept to March) 139 transfers were completed of a full academic year target of 467. Due to seasonal variations in transfer rates, % completion does not reflect true progress towards target.

Challenges	Successes
<ul style="list-style-type: none"> The OFSTED inspection framework puts schools at risk of an adverse judgement – requiring improvement or special measures. Continued tracking of individual schools causing concern and additional support to reduce the risk of an adverse judgement and move them to good or outstanding. School improvement partnerships will help to consolidate the increased use of school to school support. Primary attendance remains below the national average. Schools have been sharing good practice and are targeting authorised absence, particularly appointments made for pupils during the school day. The Special Educational Needs (SEN) Reforms involve a major transition from SEN statements to Education, Health and Care Plans (EHCPs). Budgets have been realigned and the SEN Reform Grant used to support statutory SEN functions in line with the SEN reforms. The proportion of pupils with a SEN statement or an EHCP achieving the expected levels of attainment at Key Stages 2 and 4 remains above the national benchmark. 	<ul style="list-style-type: none"> The contract formalising the strategic partnership with Cambridge Education for delivery of the Education and Skills service has been signed and commenced on 1 April 2016. Barnet has been ranked 5th in the country for attainment of 5 or more A*-C grades at Key Stage 4 (including English and Maths) and the proportion of Barnet pupils achieving the English Baccalaureate is the highest in the country. 92% of Barnet schools have been rated as good or outstanding by Ofsted – 17th best in the country.

Family Services

14 indicators are reported in Quarter 4 (excluding Monitor indicators). All 14 have been given a RAG rating: **64% (9)** are “on or above target” and **36% (5)** are “off target”. 15 have been given a Direction of Travel status: **67% (10)** have an “improved or maintained” DOT and **33% (5)** have a “worsened” DOT. 4 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
FS/S11	Percentage of children in external residential placements	As at 31 March 2016	12.1%	9.2%	9.7% (GA)	Improving	N/A	The overall commissioning strategy for external placements is aimed at reducing the total spend on external placements by securing appropriate placements for children. This indicator measures numbers of children in external placements, not the cost of external placements therefore gives an imperfect measure of the overall success of the service commissioning external placements. This measure has improved by 1.7% from Q3.
FS/C9	Percentage of families with child/ren under 5 within the borough are registered and accessing services at children's centres	Apr 2015 - Mar 2016	76.6%	85.0%	83.5% (GA)	Improving	80%	This continues to be an area of focus for the service, however it should be noted that the benchmark for good performance set by Ofsted is set at 80% and Barnet are currently at 83.5%.
FS/C15	Young offenders in education, training or employment	As at 31 March 2016	84%	80%	75% (RA)	Worsening	London 65.3% National 58.4%	Performance has improved and continues to exceed the London average by 10% and the national average by 15%.
FS/S10	The average time between a child entering care and moving in with its adoptive family (days)	As at 31 March 2016	451	487	511 (GA)	Worsening	England 593 (2012-15)	There was a delay for two children with exceptional circumstances who have got a high number of days around the time between entering care to moving in with their adoptive family that affects this average number. Excluding these two children, the average number of days between entering care and moving in with their adoptive family is 485 which is within target.

Challenges	Successes
<ul style="list-style-type: none"> • Recruiting into vacant social worker posts and the use of agency cover continues to be an area of concern, especially in the context of increasing levels of activity at the social care front door. The social worker campaign has started to deliver positive results, and a sustained focus is being given to staff recruitment and retention, including through delivery of a Social Work Academy. • To help manage the increasing demand for services, whilst improving the quality and consistency of social work practice, the service has undertaken a regular cycle of audits and continued to deliver the Practice Improvement Plan. • The new libraries model has been agreed by the Children, Education, Safeguarding and Libraries Committee and work is commencing to deliver the implementation plan. • Developing plans to deliver PSR savings whilst maintaining/improving service quality. 	<ul style="list-style-type: none"> • Both children's homes within Barnet have retained a 'Good' Ofsted rating. • The Government-funded Step Change pilot has been fully utilised and is providing therapies to children and young people at risk of poor outcomes. • The libraries service has received a satisfaction rating of 97% in the most recent survey.

HB Public Law

14 indicators are reported in Quarter 4 (excluding Monitor indicators). All 14 have been given a RAG rating: **93% (13)** are “on or above target” and **7% (1)** are “off target”. 15 have been given a Direction of Travel status: **47% (7)** have an “improved or maintained” DOT and **53% (8)** have a “worsened” DOT. The 1 indicator that is “off target” is a service indicator (see below).

Ref	Indicator	Period covered	2014/15 result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
HBPL/C1 2	Satisfaction with timeliness of response and completion	Apr 2015 – Mar 2016	100%	90%	80% (GA)	Worsening	N/A	Satisfaction with timeliness of response and completion was not met. This was measured via 10 quality questionnaires that were returned. For report clearance the timeliness of response was exceeded and 65 reports were cleared within one day. This inability to plan work and having to drop work to clear reports at short notice does have an impact on planned work for clients. Of the 10 forms that were returned two were dissatisfied with the speed of the service
HBPL/C1 5	Ongoing and improving value for money: reduction in use of external legal advisors (year on year savings achieved)	Apr 2015 - Mar 2016	£50,263.00	Monitor	£16,702.34	Worsening	N/A	

Challenges	Successes
<ul style="list-style-type: none"> Difficulty recruiting lawyers in the areas of property, contracts and planning. A business case has been approved to use market supplements for these areas, which has led to a more successful Report authors have continued to submit late reports for clearance. Instructions have been given to delivery units to allow five working days for legal clearance. In Q4 of 160 reports 62 were cleared on the same day and 95 were cleared in less than two days. 	<ul style="list-style-type: none"> Acted on a number of high profile property acquisitions and disposals, including completion of multi-million pound purchases of key sites in relation to the Brent Cross regeneration scheme. Successfully defended a challenge by way of judicial review regarding planning permission for the new depot site. Secured reimbursement of £198,990 in respect of a disputed ordinary residence case for an adult and agreement from another London Borough to take on future funding for the care of the adults.

Parking and Infrastructure

7 indicators are reported in Quarter 4 (excluding Monitor indicators). All 7 have been given a RAG rating: **86% (6)** are “on or above target” and **14% (1)** is “off target”. **6** have been given a Direction of Travel status: **100% (6)** have an “improved or maintained” DOT and **0% (0)** have a “worsened” DOT. The only indicator that is “off target” is a service indicator (see below).

Ref	Indicator	Period covered	2014/15 result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
PI/C6	Percentage of residents satisfied with street lighting	Autumn 2015	68% Autumn 2014	72%	70.6% (GA) Autumn 2015	Improving	N/A	This is a relatively good performance in respect of the level of dimming that has taken place across the borough.
PI/C1	Improvements in parking occupancy rates	Apr 2015 - Mar 2016	N/A	Monitor	517,610	N/A	N/A	Trial only live in Q2 – Q3 reporting onwards. End of year figure is 517,610
PI/C2	Reducing numbers of On Street PCNs issued	Apr 2015 - Mar 2016	150,456	Monitor	148,073	Improving	N/A	
PI/C4	Number of appeals	Apr 2015 - Mar 2016	NEW	Monitor	1,682	N/A	N/A	
PI/C5	Appeals win-rate	Apr 2015 - Mar 2016	NEW	Monitor	50.75%	N/A	N/A	

Challenges	Successes
<ul style="list-style-type: none"> Transition from manual to electronic emissions based permits has been hampered by IT issues, resulting in some residents being unable to apply online and subsequently creating dissatisfaction with the service. A dedicated administrator has been put in place to resolve any ongoing issues. Issues with joining up processes for Freedom Passes, which requires an end-to-end review. Roll-out of CCTV project during April 2016 has been delayed due to unexpected issues arising with contractors. 	<ul style="list-style-type: none"> Operational Level Agreements commenced on 1 March 2016 for CSG Parking Permit administration services, creating visibility and enhancing contract monitoring within the service. The Parking Team have recruited additional officers to fill some of the vacant posts. As a result processes are being dealt with in a timely manner with representations/appeals being turned around significantly quicker. GDIT (Out of Hours Response) has been expanded to incorporate street lighting and highways, with clear scripting/ notification of any incident and guidance on managing/ notification of an incident. Following a fraud detection exercise nine individuals have been caught misusing blue badges within the borough.

Public Health

36 indicators are reported in Quarter 4 (excluding Monitor indicators). All **36** have been given a RAG rating: **61% (22)** are “on or above target” and **39% (14)** are “off target”. **12** have been given a Direction of Travel status: **42% (5)** have an “improved or maintained” DOT and **58% (7)** have a “worsened” DOT. **11** of the 14 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	Q3 2014/15 Result	2015/16 Target	Q3 2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
PH/C5	Number of people setting a quit date with smoking cessation services who successfully quit at 4 weeks	Oct-Dec 2015	149 (Oct-Dec 2014)	120	58 (R)	Worsening	N/A	<p>The Barnet Stop Smoking service is currently delivered through General Practices and pharmacies, on an interim basis.</p> <p>Two update events were held in January 2016 for providers, one for GP staff and the other for pharmacies. Both were well attended and left the delegates feeling inspired to take more action to improve service delivery. The impact of these sessions should be reflected in Jan–Mar 2016 data.</p> <p>A new service commissioning manager has joined the team in March 2016, and will produce an options appraisal for the new smoking cessation service by June 2016.</p>
PH/C7	Percentage of people with needs relating to STIs who are offered an HIV test at first attendance (excluding those already diagnosed HIV positive)	Oct-Dec 2015	100 (Oct-Dec 2014)	97.0%	96.5% (GA)	Improving	N/A	<p>Issues with HIV test coding have been investigated and a weekly report put in place to monitor the situation.</p>
PH/C8	Percentage of people with needs relating to STIs who have a record of having an HIV test at first attendance (excluding those already diagnosed HIV positive)	Oct-Dec 2015	79% (Oct-Dec 2014)	80.0%	77.7% (RA)	Worsening	N/A	<p>Issues with HIV test coding have been investigated and a weekly report put in place to monitor the situation.</p>

Ref	Indicator	Period Covered	Q3 2014/15 Result	2015/16 Target	Q3 2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
PH/C10	Percentage of drug users successfully completing drug/alcohol treatment - opiate users (as per DOMES report)	Jan-Dec 2015	N/A	11.2%	6.4% (R)	N/A	National 7.0% (Q3 2015/16, Adult Partnership Activity Report)	<p>National Drug Treatment Monitoring Service (NDTMS) data shows decreases in successful treatment completion rates and treatment numbers, possibly the result of a number of historical cases (which should have been closed previously) which were erroneously left open during recommissioning of the service and not transferred to the new service.</p> <p>The Public Health England Programme Manager and Substance Misuse Service (SMS) Commissioner have met with our new provider to help identify any other possible reasons for decreased treatment completion rates. There will be ongoing, close monitoring by the SMS Commissioner, comparing provider activity to the performance pathway specified in the new contract performance template.</p>
PH/C11	Percentage of drug users successfully completing drug/alcohol treatment - non-opiate users (as per DOMES report)	Jan-Dec 2015	N/A	36.2%	26.5% (R)	N/A	National 40.7% (Q3 2015/16, Adult Partnership Activity Report)	
PH/C13	Percentage of drug users successfully completing drug/alcohol treatment - non-opiate and alcohol users (as per DOMES report)	Jan-Dec 2015	N/A	35.5%	27.7% (R)	N/A	National 35.3% (Q3 2015/16, Adult Partnership Activity Report)	
PH/C14	Percentage of service users re-presenting to the drug/alcohol treatment services - opiate users (as per DOMES report)	Jan-Dec 2015	N/A	14.0%	24.1% (R)	N/A	National 19.7% (Q3 2015/16, Adult Partnership Activity Report)	
PH/C15	Percentage of service users re-presenting to the drug/alcohol treatment services - non-opiate users (as per DOMES report)	Jan-Dec 2015	N/A	0.0%	5.3% (RA)	N/A	National 5.8% (Q3 2015/16, Adult Partnership Activity Report)	

Ref	Indicator	Period Covered	Q3 2014/15 Result	2015/16 Target	Q3 2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
PH/C21	Number of schools reaching bronze award	Oct-Dec 2015	N/A	3	2 (GA)	N/A	Joint 4 th highest in London. Latest available from the Health Schools London Programme	During Q3, two schools achieved the Bronze award, against a target of three. However, the annual target of nine awards had already been achieved in Q2 and by Q3 the year-to-date total was 12 Bronze awards.
PH/C27	Number of professional/community representatives in contact with vulnerable groups training in recognising and tackling self-harm/suicide prevention	Oct-Dec 2015	N/A	200	128 (R)	N/A	N/A	Young Minds were commissioned to provide suicide and self-harm prevention training to frontline staff working with children and young people in Barnet. As of March 2016, 274 people (including 17 staff of Barnet and Southgate College) had undergone training, compared with an annual target of 300.
PH/C28	Proportion of all in treatment who successfully completed treatment and did not re-present within 6 months (PHOF 2.15i) - opiate users	Jan 2014 to Dec 2015	N/A	10.0%	8.6% (RA)	N/A	England 7.0% (Q3 2015/16, DOMES)	National Drug Treatment Monitoring Service (NDTMS) data shows decreases in successful treatment completion rates and treatment numbers, possibly the result of a number of historical cases (that should have been closed previously) which were erroneously left open during recommissioning of the service and not transferred to the new service.

Challenges	Successes
<ul style="list-style-type: none"> Lower rates of successful drug treatment completion. The decrease in numbers is probably due to the fact that, during recent recommissioning of the Service, a number of historical cases (that should have previously been closed) were erroneously left open but not transferred to the new service Working towards 'excellence' accreditation in the London Healthy Workplace Charter, which will require staff awareness training in mental ill health to equip managers with the skills to provide basic support to staff having mental health difficulties. Re-procurement of sexual health and contraception services, requiring joint collaborative procurement exercise and 	<ul style="list-style-type: none"> Two additional schools have received Healthy Schools London Gold awards, bringing the total to four schools - the second highest in London. Four additional Children's Centres have received Healthy Children's Centre status, bringing the total to eight (out of 10). The Mayor of Barnet Golden Kilometre Challenge, which encourages children to walk, run or move an additional kilometre each school day for six weeks has been launched in primary schools. Awarded 'achievement' level in the London Healthy Workplace Charter (LHWC) and the Gold Healthier Catering Commitment

Challenges	Successes
<p>development of service specification.</p> <ul style="list-style-type: none"> Integration of Healthy Children’s Centre Programme with Early Years Offer, as part of core work of Children’s Centres to ensure sustainability. 	<p>award for the staff restaurant.</p> <ul style="list-style-type: none"> The Director of Public Health Annual Report, entitled ‘Five Ways to Mental Wellbeing’, has been published.

Regional Enterprise (Re)

86 indicators are reported in Quarter 4 (excluding Monitor indicators). Of these, **72** have been given a RAG rating: **85% (61)** are “on or above target” and **15% (11)** are “off target”. **70** have been given a Direction of Travel status: **63% (44)** have an “improved or maintained” DOT and **37% (26)** have a “worsened” DOT. **6** indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
KPI001 LC	Processing speed for Full Official Searches (online and post)	Jan – Mar 2016	2.11	3.00	4.31 (GA)	Worsening	N/A	The last quarter saw a spike in demand due to the 1 st April deadline for increasing stamp duty. Preparations were done which included additional staff resourcing through overtime and agency staff. The team still managed to achieve one of the best turnaround times in the country and in March 2016 won the Land data national award for best customer experience.
KPI 1.1 NM	Implementation of the Annual programme relating to Highway Safety Inspections	Jan – Mar 2016	97.9%	100%	97.36% (R)	Worsening	N/A	This KPI missed its 100% target due to 61 inspections out of the 2,314 planned this quarter completed outside timescales. 13 inspections in January were late and 48 in February. As of March all scheduled inspections were back to being completed within timescales. Re Highways will strive to instigate improved IT audit measures in the management of safety inspections in efforts to greatly reduce the possibility of any re-occurrence of this KPI failure.

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
KPI 2.2 NM	Category 1 Defects Rectification Timescales completed on time (48 hours)	Jan – Mar 2016	98.74%	100%	98.8% (GA)	Improving	Percentage of CAT 1 defects made safe within response times Bridgend 97.26% Highest in group 100% Average of Group 90.85% Lowest in group 62.19% (2013/14, APSE Performance Network (Wales))	This KPI achieved 98.8% performance this quarter against a 100% target. An IT error arising from connectivity issues in the Highways reporting system resulted in 8 late repairs in January. 1 additional case was late in February due to a similar issue. This is being monitored to identify root cause and solutions. In total 764 cases were resolved in the quarter with 755 completed within the 48 hour timescales.
KPI 2.3 NM	Number of Highways Category 2 Defects Rectification completed on time (7 days)	Jan – Mar 2016	97.16%	100%	95.9% (R)	Worsening	Percentage of CAT 2 defects made safe within response times. Bridgend 67% Highest in group 91% Average of group 59.47% Lowest in group 8.93% (2013/14, APSE Performance Network (Wales))	887 jobs out of 925 in the quarter were completed within timescales achieving 95.9% performance for Q3. The 38 jobs completed late due to a number of difficulties encountered by the Council's third party contractor when attempting to carry out repairs. These include 13 late completions due to the contractor's vehicle breaking down. Weather, traffic and parked car obstructions were cited for 21 other instances. Re is working with the contractors to resolve issues in a way that minimises the impact on completion times. In March, all 472 jobs were completed within timescales.
KPI 2.8 NM	Construction of Vehicle Crossovers within timescales following receipt of payment	Jan – Mar 2016	87.5%	100%	91% (RA)	Improving	indicator/A	6 out of the 67 qualifying crossover constructions in the quarter were completed outside of timescales. This occurred in January when the Council's third party contractor was unable to complete the constructions within timescale due to bad weather in 2 instances and obstruction from parked cars in 4 instances.

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
REGEN KPI 04	Improving Employment opportunities – Achieving agreed deliverables and milestones	Jan – Mar 2016	100%	100%	75% (RA)	Worsening	N/A	The missed milestone "Obtain report for LBB regeneration scheme developers providing numbers of local contracts let to local businesses" has been primarily due to an underwhelming response from Developers. Re engaged in dialogue with the Council's Commissioning team to discuss the difficulties in collecting the required information and renewed efforts have continued through engagement with the developers with an expected outcome during 2016/17 financial year. Three other milestones due in the quarter were successfully delivered.
SK6	Meeting timescales in responding to the Authority's requests for information (urgent response and standard response)	April 2015 - March 2016	No Activity	100%	No Activity	N/A	N/A	No activity on the SKPI for two consecutive years.

Challenges	Successes
<ul style="list-style-type: none"> Clarifying demolition dates and decanting, as part of the regeneration programme. Work has been taking place to identify the extent of increased homelessness and the supply of social housing from private registered providers. Negotiations with Development Partners for Grahame Park and Dollis Valley to improve relationships, and work on-going to evidence and justify costs incurred There has been slower than expected construction of new homes by developers in the Mill Hill development. Persistent IT connectivity issues have reduced the effectiveness of Permit Co-ordinators and put additional risk on KPI 3.1 (permits). LIP schemes have been at risk of delay due to conflicting priorities of Re and the Council's street lighting team. 	<ul style="list-style-type: none"> Additional licensing for Houses in Multiple Occupation (HMOs) has been approved by Housing Committee, which will require between 3-4,000 smaller HMOs to apply for a five-year licence, helping to improve standards. Four unannounced "raids" have been carried out on shisha bars in partnership with HMRC, resulting in three businesses having shisha tobacco seized, and three food businesses have been closed due to pest infestation. Targeted enforcement action has been taken to reduce the impact of street works on the flow of traffic. Section 74 fines have been agreed with two major utilities for overstaying the duration of street works permit on traffic sensitive roads. Grahame Park, Dollis Valley, West Hendon, and Stonegrove Spur Road have exceeded housing delivery targets, with Dollis

Challenges	Successes
	Valley only eight units below target. 257 affordable homes have been completed in 2015/16, including 88 social rent, 80 affordable rent and 89 shared ownership.

Registrar Service

9 indicators are reported in Quarter 4 (excluding Monitor indicators). Of these, 8 have been given a RAG rating: **75% (6)** are “on or above target” and **25% (2)** are “off target”. 8 have been given a Direction of Travel status: **38% (3)** have an “improved or maintained” DOT and **62% (5)** have a “worsened” DOT. The 2 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
R/3	Percentage of deaths registered within 5 working days of request	July-Sept 2015	93% (Q1 2015)	95%	92% (R)	Worsening	National 82%	A shortage of staff has impacted on performance and additional staff are being recruited to help handle the caseload.
R/4	Percentage of Marriage/Civil Partnership notices appointments offered within 10 working days of request	July-Sept 2015	83% (Q1 2015)	90%	58% (R)	Worsening	National 95%	Waiting times are currently 10 working days (which includes Saturdays) for an appointment to register your legal notice of intention to marry. Staff shortages have impacted on performance.
R/5	Percentage of customers satisfied with the service provided	July-Sept 2015	N/A	95%	N/A	N/A	N/A	

Challenges	Successes
<ul style="list-style-type: none"> Fewer NCS/Citizenship applications nationally and longer waiting periods for marriages, as a result of more stringent checks by UKVI has put pressure on budgets Staffing levels and re-shuffling staff in Brent and Barnet to cover operational service requirements has been a challenge. 	<ul style="list-style-type: none"> Barnet has continued to raise income despite vacancies, which have been held to offset the reduction in overall income. There has been an increase in the registration of births by 318 events; and in appointments for the Nationality Checking Service by 45 events since 2014/15. Staff have received training on Passport Checking and a pilot has been rolled-out across Brent and Barnet raising additional income for the service.

Street Scene

17 indicators are reported in Quarter 4 (excluding Monitor indicators). All 17 have been given a RAG rating: 41% (7) are “on or above target” and 59% (10) are “off target”. 13 have been given a Direction of Travel status: 38% (5) have an “improved or maintained” DOT and 62% (8) have a “worsened” DOT. 5 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
SS/S9	Adopt a place	April 2015 - March 2016	5	5	4 (GA)	Worsening	N/A	Four new schemes were signed up and agreed. It was anticipated that a further two would have been achieved totalling six, however, one of these schemes transformed into a successful one off action day and the second was delayed due to the group raising the required match funding, this scheme is on target to be delivered in 2016/17.
SS/C1	Waste tonnage - residual per household (HH)	Oct 2015 - Dec 2015	159.94 (Q3 2014/15)	142.77	162.49 (R)	Worsening	N/A	Comparing Q3 2015/16 with Q3 2014/15, residual waste has increased to 162.49kg/hh from 159.94 kg/hh. This represents a slight increase of 1.5%. Increases in residual waste could be linked to changes in economic conditions and could be due to the increase in the number of households from 142,950 in 2013/14 to 144,290 in 2015/16. There has been a slight reduction in total household waste arisings of 4 kilograms per household between 2014/15 and 2015/16, although further analysis will need to be carried out once the full year’s data becomes available in July.

Ref	Indicator	Period Covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
SS/C2	Waste tonnage – recycling per household (HH)	Oct 2015 - Dec 2015	89.16 (Q3 2014/15)	103.25	93.59 (RA)	Improving	N/A	Comparing Q3 2015/16 with Q3 2014/15, overall recycling (recycling, composting and reuse) has increased to 93.59 kg/hh from 89.16 kg/hh. Average weekly tonnage of dry recycling has increased from 482.78 tonnes in Q3 2014/15 to 505.19 tonnes in Q3 2015/16. However, for the full year 2015/16 it is anticipated that garden waste tonnage will have decreased overall compared with 2014/15. The expected decrease is due to seasonal factors, for example Q4 2015/16 was cold and wet and it is expected that this will have reduced the available garden waste tonnage. It is anticipated that this, alongside with an underlying increase in residual waste during the year, will impact on the 2015/16 recycling rate outturn.
SS/C3	Percentage satisfied (parks, playgrounds and open spaces) - users	Autumn 2015	70% (Autumn 2014)	76%	67% (R)	Worsening	N/A	
SS/C6	Percentage member enquiries resolved within SLA	Jan 2016 - Mar 2016	N/A	90%	85% (GA)	N/A	N/A	Actions to improve performance are ongoing and we are continuing to review progress on a weekly basis.

Challenges	Successes
<ul style="list-style-type: none"> Overall decrease in recycling has been attributed to a decrease in food and garden waste recycling. Food waste contributes approx. 3.5% to the recycling rate and has gradually decreased over the year. Garden waste recycling contributes approx. 11% to the recycling rate and, similarly, has decreased over the year. This has been attributed to seasonal weather (e.g. winter 2015/16 was cold and wet and will have reduced the available garden waste tonnage). Dry recycling contributes approx. 17% to the recycling rate and kerbside/bring bank collection rates have increased over the year. An improvement plan is in place, including more work to encourage behaviour change and 	<ul style="list-style-type: none"> Continued high levels of residents' satisfaction with recycling (75%) and refuse (80%) collection services – both achieving above London averages. Recycling facilities expanded at 92 flat blocks, serving 1,312 properties between October 2015 and March 2016. Won 'silver' in the annual RoSPA Awards, which recognise commitment to continuous improvement in accident and ill health prevention at work.

increase the levels of food waste and garden waste recycling in particular. The Recycling and Waste Strategy will be going to Environment Committee in May 2016.

- Opportunities to transform the commercial waste service and improve the offer to local businesses will require new policies, such as time-banded collections and compulsory commercial waste recycling, linked to the Council's enforcement strategy.
- Implementation of priority recommendations resulting from the Street Scene Operations Review – particularly in relation to recruitment, workforce management, payments and site management. Strong arrangements have been put in place with the Barnet Group to lead the management of this, along with delivery of the MTFs and required projects to stabilise the service.

Your Choice Barnet (YCB)

24 indicators are reported in Quarter 4 (excluding Monitor indicators). Of these, 20 have been given a RAG rating: 82% (17) are “on or above target” and 18% (3) are “off target”. 3 have been given a Direction of Travel status: 67% (2) have an “improved or maintained” DOT and 33% (1) have a “worsened” DOT. All 3 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where “off target”
YCB 10	Staff sickness	Apr – Mar 2016	10.4 days (Q3 2015/16)	Green: 10 or below Amber: 11 to 20 Red: 20 or above	12.7 days (A)	Worsening	N/A	Staff sickness continues to worsen from 10.4 days in Q3 to 12.7 days in Q4. This is being monitored closely by management teams.
YCB 11	Agency staff	Apr – Mar 2016	13.7% (Q3 2015/16)	Green: 10% or below Amber: 9% to 19% Red: 20% or above	13.1% (A)	Improving	N/A	Agency use continues to reduce and is at 13.1% for Q4. This is still showing as Amber, however, it is an improvement from 2014/15 which as a whole was 20%. Agency use will continue to be monitored closely with the aim to reduce to 10%

Ref	Indicator	Period covered	2014/15 Result	2015/16 Target	2015/16 Result	Direction of Travel	Benchmarking	Comment where "off target"
YCB 19	New referrals from other local authorities	Apr – Mar 2016	7 (Q3 2015/16)	Green: 20 or more people annually (5 or more per quarter) Amber: 11 to 19 people annually (2 people between 3 and 5 per quarter) Red: 10 or lower people annually (less than 2 people per quarter)	13 (A)	Improving	N/A	YCB will continue to market its services both within Barnet and neighbouring boroughs

Challenges	Successes
<ul style="list-style-type: none"> Staff sickness continues to worsen from 10.4 days in Q3 to 12.7 days in Q4. This is being monitored closely by management teams. The use of agency staff has reduced to 13.1% in Q4. Referrals from other local authorities have improved from Q3 but remains a significant challenge - from Red (Q3) to Amber (Q4). 	<ul style="list-style-type: none"> The Supported Living Service, which had been rated 'Inadequate' by the Care Quality Commission (CQC) in February 2015 has been re-inspected in December 2015 and given an improved overall rating of 'Good'. New referrals from the Council and from self-referrals have both exceeded target.

Key to RAG ratings:

RAG rating	% of targeted improvement achieved		Description
Green	100% or more	Target is met or exceeded	Meeting target
Green Amber	>80% <100%	Target not met, but 80% or more of targeted improvement achieved	Near target with some concerns
Red Amber	>65% <80%	Target not met, but 65-80% of targeted improvement achieved	Problematic
Red	<65%	Target not met, and less than 65% of targeted improvement achieved	Serious concerns
In addition, any indicator that is less than 10% off target and has a positive Direction of Travel will 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 Green Amber or Red Amber:			
Amendment to Green Amber:		Amendment to Red Amber:	
1. No more than 5% off target; and 2. A positive Direction of Travel		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 improvement plan in place)	
NB. For indicators with known margin of error e.g. Residents' Perception Survey, any Red rated indicator within the margin of error will be updated to Red amber.			

Programme Portfolios

The below table illustrates how the Council is performing against all projects within the following six portfolios: Corporate, Adults and Health, Children and Young People, Environment, Growth and Development, and the Education Capital Programme.

Portfolio	Green	Amber	Red	Not yet started	Progress in Q4 2015/16
Corporate	2	6	0	0	<ul style="list-style-type: none"> Two projects are no longer Red rated this month. The Council's new social benefits tool will be taken to Assets, Regeneration and Growth Committee in July 2016. Progress has been made on the Unified Reward project, including completion of consultation with staff. The proposal was agreed at General Functions Committee on 21 March. The employer supported volunteering scheme was successfully launched on 9 March. Planning permission was granted for the new community centre on Tarling Road on 31 March. Lastly, the Daws Lane community group has submitted their business case for review as part of the Community Benefit Assessment Toolkit work. Work continues to develop the business case for a customer transformation programme to improve customer experience and enable excellent online services.
Adults and Health	4	6	1	1	<ul style="list-style-type: none"> On 7 March the Adults and Safeguarding Committee approved the Outline Business Case for the Adult's social care alternative delivery model and authorised commencement of public consultation on the proposals. In February, a development grant of £91k was agreed by the Big Lottery Fund for Social Impact Bonds. Alternative options to home meals provision for adults clients was successfully completed in March 2016 and negotiations to reduce third party spend were successful for 2015/16 resulting in over £400k of the Medium Term Financial Savings being delivered. There is currently one Red rated project, Independence of Young People 0-25s, due to a current risk to the savings and time pressures for key decisions. For the Sports and Physical Activity (SPA) project a RIBA Stage 2 Gateway was conducted on 20 April for Copthall and East Barnet facilities to progress to Stage 3. The decision was taken to delay the Investing in IT project (new social care IT system) due to readiness of data migration and issues raised during user acceptance testing; a recovery plan is now in place to deliver the new adult social care system.

Portfolio	Green	Amber	Red	Not yet started	Progress in Q4 2015/16
Children and Young People	9	4	0	0	<ul style="list-style-type: none"> A number of project milestones have been met and committee decisions taken in the last three months. After approval at Full Council in December 2015, the Education and Skills ADM contract with Cambridge Education went live on 1 April. Staff have been TUPE transferred and services are running business as usual. The Library Strategy report was reviewed by CELS Committee and then approved at Full Council on 4 April. However, an IT failure related to the libraries IT system has caused significant service disruption. CELS Committee approved the proposal for stakeholder consultation on options to provide the required additional SEN places on 6 January. Project resource on a number of projects is now in place and wider work is underway to scope, set up and resource a broader set of projects within the children's portfolio.
Environment	8	1	1	0	<ul style="list-style-type: none"> Projects within the Environment portfolio are largely continuing to progress as expected, with the majority of projects Green rated. Resident consultation has been undertaken on the Recycling and Waste Strategy and Parks and Open Spaces strategy, and Member engagement began in mid-March for the action plans, all of which will be fed into the final strategies. Environment Committee approved the vision and policy changes for the transformation of Commercial Waste and Environmental enforcement on the 8 March. Work continues on assessing options for an alternative delivery model for all Street Scene services. The Domestic Violence Multi Agency Risk Assessment Conference (MARAC) service transferred to Hesita on 18 April. A Parking Transformation programme has been initiated and the issuing of Moving Traffic Contraventions (MTCs) went live on 17 April. Lastly, the Depot project continues to be red rated owing to potential cost pressure and programme timelines. However work has progressed, Oakleigh Road stage 4 received approval and the Council is now ready to enter into contract with Wilmott Dixon and enabling works have commenced on site.
Growth and Development	7	7	2	1	<ul style="list-style-type: none"> A number of committee decisions have been taken in the last three months. However there are still two Red rated projects. Within the Regeneration programme, Full Council approved West Hendon CPO2/2a report on 1 March. The Brent Cross project has progressed, ARG Committee approved Brent Cross JVCo set up on 17 March. Subsequent negotiations with Argent conducted to finalise elements of the agreement/Business Plan and masterplanning for phase 1 and 2 of

Portfolio	Green	Amber	Red	Not yet started	Progress in Q4 2015/16
					<p>Brent Cross South is in preparation. The Granville Road project remains a Red rated project with the planning appeal due to take place in Q1 2016/17.</p> <ul style="list-style-type: none"> • Within the Development Pipeline programme progress has been made in Tranche 0 as 14 units have been completed in Bedford Road and Wade Court and the 3 homes in Green Lane site are complete, handover has taken place and all three homes have been let. The Planning Application for Tranche 1 General Fund Mixed Tenure Housing Phase 1 was approved by Planning Committee on 16 March and ARG Committee on 17 March approved the proposed sites and outline business case for the first phase of Tranche 3 development. The Tranche 2 – Children’s Home project is Red rated due to project delays whilst further site options are explored. The Entrepreneurial Barnet programme is progressing and the Strategic Outline Case for Business Hub was approved by ARG Committee on 17 March.
Education Capital Programme	21	6	0	3	<ul style="list-style-type: none"> • Progress continues to be made across a number of projects, some new projects have been initiated and the overall programme is on target to achieve pupil places when required. • Planning permission has been granted for Pavilion Way (Free School). • The contractor has started on site at Monkfrith School and planning applications have now been submitted for 'material changes' at Oak Lodge School. • At London Academy School good progress continues to be made on site; however the complete installation of the FF&E remains a risk but will be monitored closely. • A number of Green rated projects are progressing through the defects period, with Compton School rated amber due to issues with the mound and an on-going issue of ponding on an existing roof following the new build.

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Appendix C - Revenue Monitoring by Delivery Unit

Adults and Communities					
Description	Variations				Comments
	Original Budget	Revised Budget	Actuals	Outturn Variation	
	£000	£000	£000	£000	
Care Quality	1,062	1,074	994	(80)	Underspend mainly due to contract savings
Community Safety	-	-	0	0	
Community Wellbeing	(1,064)	392	374	(18)	Underspend in relation to supplies and services
Customer Care	748	346	271	(75)	Underspend due to part year vacant posts
Customer Finance	786	825	791	(34)	Over-achievement of income for receivership and appointeeship services
Director - Adult Services & Health	185	188	165	(23)	Underspend in relation to staffing
Integrated care - Learning Disabilities & Mental Health	38,535	41,021	42,175	1,154	The care budgets overspent in 2014/15 as a result of rising demand for services. This meant that the budgets started the 2015/16 year in an overspent position, with a full year impact of increased demand heightening the problem. In 2015/16, demand continued to grow. The main pressure for learning disabilities continued to be in relation to clients transitioning from children's services with increasingly complex needs and correspondingly expensive packages of care. Mental health saw significant growth in client numbers requiring residential placements in 2014/15 but in 2015/16 there has been a significant diversion to supported living placements that offer better outcomes and better value for money. The position was offset by significant underspends in relation to staffing.
Integrated Care - Older People & Physical Disabilities	35,610	36,553	39,166	2,613	The care budgets overspent in 2014/15 as a result of rising demand for services. This meant that the budgets started the year in an overspent position, with a full year impact of increased demand heightening the problem. In 2015/16, demand continued to grow for older adults placements with a particular growth in clients with dementia requiring complex packages of care. There is also pressure on this budget due to clients who were self-funders whose funds have depleted and who are now the responsibility of the Local Authority. The position was offset by significant underspends in relation to staffing.
Performance & Improvement	1,024	764	711	(53)	Underspend in relation to part year vacant posts
Prevention & Wellbeing	3,603	5,447	4,603	(844)	Underspend due to savings in third party contracts and part year vacant posts
Safeguarding	731	735	950	215	This overspend is due to an increase in activity in the Deprivation of Liberty Safeguards (DOLS) service as a result of Supreme Court judgements in 2014/15.

Social Care Management	596	411	391	(20)	Underspend in relation to staffing
Total	81,816	87,756	90,591	2,835	
Assurance					
Description	Variations				Comments
	Original Budget	Revised Budget	Actuals	Outturn Variation	
	£000	£000	£000	£000	
Assurance Management	527	564	505	(59)	Staff vacancies
Elections	423	392	392	-	
Governance	2,311	2,372	2,369	(3)	
Internal Audit & CAFT	850	865	866	1	
Total	4,111	4,193	4,132	(61)	
Central Expenses					
Description	Variations				Comments
	Original Budget	Revised Budget	Actuals	Outturn Variation	
	£000	£000	£000	£000	
Capital Financing	22,817	22,760	21,760	(1,000)	Lower than budgeted Minimum Revenue Provision (MRP)
Car Leasing	2	2	-	(2)	
Central Contingency	12,412	249	249	-	
Corporate Fees & Charges	399	399	207	(192)	Reduced external audit fees due to a change of auditor
Corporate Subscriptions	314	314	221	(93)	General reduction in subscription costs
Early Retirement	5,427	5,427	5,152	(275)	Early retirement costs for teachers and non-teachers lower than budgeted
Levies	30,717	19,075	18,604	(471)	Levies costs generally lower than budgeted
Local Area Agreement	105	105	75	(30)	Underspend on anticipated West London Alliance costs
Miscellaneous Finance	426	948	948	-	
Total	72,619	49,279	47,216	(2,063)	

Education and Skills					
Description	Variations				Comments
	Original Budget	Revised Budget	Actuals	Outturn Variation	
	£000	£000	£000	£000	
Education Partnership & Commercial	265	463	353	(110)	Underspend due to stricter control on pupil travel plus an underspend on salaries due to vacancies.
Education & Skills Management	(180)	(530)	(553)	(23)	Lower agency costs than anticipated
Post 16 Education & Skills	354	305	304	(1)	
School Improvement	819	832	673	(159)	General staff underspends and income generated from traded services such as Barnet Partnership for School Improvement (BPSI) and data management.
SEND & Inclusion	4,894	6,178	6,471	293	Overspend in the Referral and Assessment Team due to the use of consultants and agency staff and restructuring in order to implement the Special Educational Needs (SEN) reforms. This overspend is offset by underspends in other areas and from the use of SEND Reform grant and reserve.
Total (excluding SDM)	6,152	7,248	7,248	-	

Family Services					
Description	Variations				Comments
	Original Budget	Revised Budget	Actuals	Outturn Variation	
	£000	£000	£000	£000	
Commissioning & Business Improvement	2,917	3,354	2,973	(381)	Underspend as a result of early delivery of savings identified for 2016/17
CSC 0-25	1,979	2,211	2,100	(111)	Low take up on Respite & Home support and short breaks.
Early Years	3,887	4,004	4,089	85	Overspend in Children centres as a result of residual costs incurred from the mid-year restructure
Family Services Management	2,237	731	181	(550)	Monies held against placements overspends
Intake and Assessment	1,955	2,054	2,225	171	Overspend as a result of the use of agency staff due to shortage of permanent social workers.
Intervention and Planning	1,938	3,054	3,316	262	Overspend as a result of the use of agency staff due to a shortage of permanent social workers.
Libraries, Workforce Development & Community Engagement	5,587	6,100	5,942	(158)	In-year savings identified to support the recovery plan, including holding a small number of vacancies
Permanence, Transitions & Corporate Parenting	3,346	3,174	3,809	635	Overspend due to use of agency staff covering permanent posts. Onwards and Upwards and Asylum Seekers are also overspent due to an increase in the number of placements.
Placements	18,590	17,996	17,963	(33)	Overspend on costs to support care leavers as well as pressures within Special Guardianship Orders (SGOs) and the Remand Service. This is offset by funding from health and SEN on joint placements.
Safeguarding & Quality	1,087	1,305	1,311	6	
Social Care Management	960	1,174	1,409	235	Staffing overspends including a number of supernumeraries to cover demand on front door services (increase in volume of contacts and referrals to the Multi Agency Safeguarding Hub (MASH) by 10%)
Youth & Family Support	3,234	3,258	3,148	(110)	In-year savings to support the recovery plan.
Total	47,717	48,415	48,466	51	

Commissioning Group					
Description	Variations				Comments
	Original Budget	Revised Budget	Actuals	Outturn Variation	
	£000	£000	£000	£000	
Adults and Health	1,001	1,252	1,179	(73)	Underspend relates to salaries
Children & Young people	76	385	391	6	
Commercial	1,224	1,161	1,129	(32)	Ongoing recruitment to fill vacant posts during the year.
Commissioning Group	636	2	5	3	
Commissioning Strategy	405	240	300	60	Overspend on salaries
Communications	638	673	668	(5)	
Environment	1,923	13,451	13,451	-	
Finance	1,710	1,124	1,005	(119)	Resource Management budget included here used to receive income from Housing Revenue Account (HRA) and Schools etc.
Growth & Development	-	306	349	43	Overspend due to salaries and special project costs
Information Management	797	878	923	45	Salary cost for post transferred from another service
Programme & Resources	691	781	926	145	Overspend relates to salaries. Planned restructure of services in 2016-17
SMART WK	-	-	-	-	
Strategic Commissioning Board	705	766	693	(73)	Staff vacancies arising during the year
Total	9,806	21,019	21,019	-	

Customer and Support Group					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
CSG Managed Budget	3,986	3,626	3,587	(39)	
CSG Management Fee	16,836	18,481	19,020	539	
Total	20,822	22,107	22,607	500	
HB Public Law					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
HB Public Law	1,752	2,011	2,329	318	Work will be undertaken with HB law to ensure more robust financial controls are in place.
Total	1,752	2,011	2,329	318	
Housing Needs and Resources					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
Housing Needs and Resources	3,954	5,560	5,772	212	Overspend due to increased prices within the temporary accommodation market. Additional funding of £584k from the Council and a grant from DCLG helped to reduced the overall costs.
Total	3,954	5,560	5,772	212	

Parking and Infrastructure					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
Highway Inspection/Maintenance	382	352	388	36	The adverse variance is due to a shortfall in sign shop income, due to limited opportunities to generate income from external customers.
Parking	(458)	(458)	(526)	(68)	Overachievement of income due to increased volumes of car park users.
Special Parking Account	(7,420)	(7,122)	(7,122)	-	The SPA budgeted contribution to the General Fund was achieved.
Street Lighting	6,294	6,511	6,508	(3)	Any savings were taken to reserves to be used in future years in line with the PFI funding model.
Total	(1,202)	(717)	(752)	(35)	
Public Health					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
Public Health	14,335	15,835	15,835	-	
Total	14,335	15,835	15,835	-	
Regional Enterprise (Re)					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
Re Managed Budgets	1,145	1,145	1,702	557	The overspend relates to increased reactive maintenance being undertaken on highways.
Management Fee	(415)	(15)	10	25	The small overspend relates to an increased provision made for legal costs related to the repayment of land charges.
Total	730	1,130	1,712	582	

Registrar Service					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
Registrar Service	(161)	(161)	(34)	127	Legislative changes since the budget was set have resulted in the demand for ceremonies decreasing significantly. Work is continuing with the service to maximise existing resources and overcome financial constraints.
Total	(161)	(161)	(34)	127	
Street Scene					
Description	Variations				Comments
	Original Budget £000	Revised Budget £000	Actuals £000	Outturn Variation £000	
Business Improvement	335	264	316	52	Additional expenditure on one off staff to help with service improvements.
Green Spaces	4,712	4,642	4,614	(28)	Saving as a result of a reduction in the number of weed spraying cycles undertaken.
Mortuary	141	144	47	(97)	An accrual was made for redundancy costs in 2014/15 which have now been funded centrally.
Recycling	70	353	307	(46)	The Civic Amenities Centre transferred to North London Waste Authority (NLWA) in October. The small underspend for the first six months is due to staff savings.
Waste	6,157	6,519	6,510	(9)	Underspend resulting from tight control of staff and transport costs.
Street Cleansing	3,751	3,592	3,630	38	Overspend driven by increased use of agency staff that are needed to ensure business continuity.
Street Scene Management	650	651	668	17	One off overspend due to additional senior management requirements in 2015/16.
Trade Waste	(1,623)	(1,727)	(1,789)	(62)	Overachievement of income due to an increased volume of customers.
Transport	(179)	(148)	(151)	(3)	Service recharged out to service users in full.
Total	14,014	14,290	14,152	(138)	

Appendix D - Capital Outturn 2015/16

	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Adults and Communities	4,449	2	(474)	3,977	(472)
Adults and Communities	4,449	2	(474)	3,977	(472)

	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Modernisation Primary & Secondary	3,902	-	(1,710)	2,192	(1,710)
Urgent Primary Places					
Temporary Expansions - Allocated	1,820	-	(402)	1,418	(402)
Millbrook Park (MHE)	373	-	(336)	37	(336)
Orion Primary	459	-	(130)	329	(130)
Blessed Dominic/ St James	200	-	127	327	127
Moss hall	84	-	(6)	78	(6)
Brunswick	60	-	(8)	52	(8)
Menorah Foundation	1,830	-	(445)	1,385	(445)
St Mary's and St Johns	1,085	-	(920)	165	(920)
Martin Primary	81	-	(62)	19	(62)
Oakleigh School	37	-	(27)	10	(27)
Beis Yakov	107	-	(18)	89	(18)
St Joseph's RC Junior & St Joseph's RC Infants School	1,986	-	(91)	1,895	(91)
Monkfrith	1,252	-	(704)	548	(704)
Wren Academy	4,826	-	756	5,582	756
London Academy	5,500	-	178	5,678	178
Oak Hill Campus	250	-	(169)	81	(169)
East Barnet & Project Faraday	101	-	(97)	4	(97)
Permanent Secondary Expansion Programme	4,308	99	(2,672)	1,735	(2,573)
Primary Programme	-	-	29	29	29
Secondary Programme	3,500	-	(3,500)	-	(3,500)
SEN	5,850	-	(5,850)	-	(5,850)
Alternative Provision	4,000	-	(4,000)	-	(4,000)
Other Schemes	1,501	(99)	(1,188)	214	(1,287)
Education and Skills	43,112	-	(21,245)	21,867	(21,245)

	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Family Services	4,437	(50)	(3,426)	961	(3,476)
Family Services	4,437	(50)	(3,426)	961	(3,476)

	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Capital Schemes Managed by Schools	2,563	-	-	2,563	-

	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Highways - TfL	5,305	109	(370)	5,044	(261)
Highways - non-TfL	14,619	5	877	15,501	882
General Fund Regeneration	31,381	-	(14,791)	16,590	(14,791)
Disabled Facilities Grant	3,353	-	(1,090)	2,263	(1,090)
Other Projects	14,031	-	(8,800)	5,231	(8,800)
Total Re Delivery Unit	68,689	114	(24,174)	44,629	(24,060)
	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Commercial - Parking and Infrastructure	1,534	-	(1,170)	364	(1,170)
Commercial - Parking and Infrastructure	1,534	-	(1,170)	364	(1,170)
	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Commissioning Group	29,751	-	(11,306)	18,445	(11,306)
Commissioning Group	29,751	-	(11,306)	18,445	(11,306)
	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Greenspaces	458	-	(194)	264	(194)
Waste	2,002	-	(1,523)	479	(1,523)
Total Street Scene	2,460	-	(1,717)	743	(1,717)
	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Housing Needs and Resources	33	-	(33)	-	(33)
Housing Needs and Resources	33	-	(33)	-	(33)
Total Capital Programme (Excluding HRA)	157,028	66	(63,545)	93,549	(63,479)
	2014/15 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Outturn £000	Variance £000
Housing Revenue Account	41,071	-	(2,284)	38,787	(2,284)
Total Housing Revenue Account	41,071	-	(2,284)	38,787	(2,284)
Total Capital Programme (excluding schemes managed by schools)	195,536	66	(65,829)	129,773	(65,763)
Total Capital Programme (including schemes managed by schools)	198,099	66	(65,829)	132,336	(65,763)

Appendix E: Transformation Monitor Month 12 2015/16

Projects	Portfolio	Total Budget agreed	PRIOR YEAR SPEND	2015/16 Actual	Total Spend to end of 2015/16	Future Years budget agreed (excludes £4.3m approved additions)	Comments On 2015/16 end of year position.
Independence of Young People with Learning Difficulties 0-25	Adults	350,000	-	266,384	266,384	83,616	The 2015/16 outturn position for the 0-25 project is in line with project and transformation team plans and expectations.
Sports and Physical Activities	Adults	1,903,400	583,480	533,091	1,116,571	786,829	Original estimated spend for 2015/16 was £608.8k. Project is on track to deliver within budget; extra costs were incurred (budgeted for) due to commissioning of specialist leisure procurement advice and transfer of costs for strategic internal resource. Allowances for the SPA Strategy will be lower than expected due to internalised delivery.
Adults transformation	Adults	1,599,000	-	933,409	933,409	665,591	Slippage due to the majority of which is the result of projects/resources slipping, e.g. case reviews team funding, and has been re-profiled into 16/17. This project has had additional funding of £113k from the Care Act.
Health & Social Care Integration	Adults	100,000	98,451	-	98,451	1,549	Project has ended
Adults and Communities transformation programme	Adults	995,710	995,710	-	995,710	0	Funding of 125k transferred from the care act to project
CCTV	Adults	70,000	-	16,120	16,120	53,880	Work on the CCTV transformation project was delayed due to the network, infrastructure and control room upgrade taking longer than expected. As the upgrade work has been completed it is expected the CCTV transformation project will be derived in 2016/17. The CCTV Transformation project will Scope the feasibility of transforming the current separate CCTV provision into a single council CCTV service and approach.
Early Years – Children’s Centres	Children's	442,395	198,580	99,859	298,439	143,956	Project support still ongoing. This is directly linked with MTFs savings
Family Services - Back Office Efficiencies *	Children's	250,000	-	-	-	250,000	Project to be rolled forward to 2016/17
Education and Skills Adm	Children's	1,480,000	321,755	1,078,398	1,400,153	79,847	Project support to complete at the end of April 2016.
Education and Skills Transf	Children's		-	-	-	-	Project support to complete at the end of April 2016.

Projects	Portfolio	Total Budget agreed	PRIOR YEAR SPEND	2015/16 Actual	Total Spend to end of 2015/16	Future Years budget agreed (excludes £4.3m approved additions)	Comments On 2015/16 end of year position.
Nurseries	Children's	70,000	13,993	21,393	35,386	34,614	Project complete.
Libraries	Children's	500,000	26,085	349,453	375,538	124,462	Spend on Project support. Project ongoing.
PM to support CELS project	Children's	224,000	-	5,000	5,000	219,000	Spend on Mutual Ventures. Project ongoing
Family Services Transformation Programme	Children's	1,800,099	1,682,005	63,808	1,745,813	54,286	Monies to be rolled forward for Fostering recruitment strategy
Street Scene Transformation	Environment	3,213,102	852,531	567,781	1,420,312	1,792,790	2015/16 spend on staffing and projects supporting transformation. Most expenditure expected in future years related to Alternative delivery models for service.
Parking	Environment	485,912	334,263	152,416	486,679	- 767	Budget spent in full on permit and parking transformation work.
Review of the Mortuary Service	Environment	70,000	64,147	3,827	67,974	2,026	Project complete, benefits to be monitored.
Entrepreneurial Barnet WLA (x3)	Growth & Development	436,978	-	140,053	140,053	296,925	First year of project - remaining spend expected in future years.
Housing improvements and efficiency	Growth & Development	150,000	4,079	149,422	153,501	- 3,501	Work developing the new management agreement with the council's ALMO Barnet Homes. Now complete.
Unified Reward	Central	450,000	398,173	327,520	725,692	- 275,692	Implementation budget to be set via GFC.
Smarter working	Central	360,000	231,645	245,943	477,588	- 117,588	Overspend relates to increased costs of Smarter Working Indexing
Central Support (BAU)	Central	100,000			-	100,000	

Projects	Portfolio	Total Budget agreed	PRIOR YEAR SPEND	2015/16 Actual	Total Spend to end of 2015/16	Future Years budget agreed (excludes £4.3m approved additions)	Comments On 2015/16 end of year position.
Workforce changes	Central	1,362,000	-	984,891	984,891	377,109	Expenditure front loaded to support major service reorganisations and L&D activities
Community Participation	Central	100,000	-	29,822	29,822	70,178	The budget has primarily focused on resource costing. As the strategy develops and workstream action plans are developed, a budget will be allocated to specific deliverables and the forward projection to September 2016 updated. To move into PMO funding in 2016/17
Connecting with Barnet	Central	271,000	235,073	13,204	248,277	22,723	
Programme support	Central	3,428,692	1,340,563	671,714	2,012,278	1,416,414	
Customer Transformation Prog	Central	-	-	73,000	73,000	- 73,000	Funded from contingency budget below
Contingency - Programmes	Central	1,000,000	250,000	-	250,000	750,000	offsetting expenditure elsewhere
Legal support	Central	1,500,000	150,000	-	150,000	1,350,000	Legal costs for Aggregated Procurement
Total		22,712,288	7,780,534	6,726,510	14,507,044	8,205,244	

147,514 Unallocated amount in reserve opening balance 15/16.

4,300,000 Agreed additions from 16/17

12,652,758 Opening transformation reserve budget 16/17.

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Appendix F: 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 the portfolio of investments.

	Limits for 2015/16 %
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 March 2016	% Fixed Rate Borrowing as at 31/03/16	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

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Appendix G - Investments Outstanding as at 31 March 2016

LB BARNET TREASURY DEPOSITS OUTSTANDING AS AT 31 MARCH 2016					
Deal Number	Counterparty	Start Date	Maturity Date	Rate of Interest %	Principal Outstanding £
2000011445	Greater London Authority	01-Apr-14	01-Apr-16	1.04	10,000,000
2000011502	Gwent Council	01-Aug-14	01-Aug-16	1.10	3,000,000
2000011506	Newcastle City Council	30-Jul-14	29-Jul-16	1.00	5,000,000
2000011542	Lancashire County Council	04-Nov-15	06-Nov-17	1.05	5,000,000
2000011553	Glasgow City Council	22-Jan-16	22-Apr-16	0.50	10,000,000
	Local Authorities				33,000,000
2000011251	Aviva	06-Sep-13		0.38	100,000
2000011482	Ignis Liquidity Fund	26-Mar-14		0.50	9,100,000
2000011238	Federated Investors	01-Jul-15		0.38	9,000,000
2000011377	Invesco	07-May-15		0.32	3,100,000
	Money Market Funds				21,300,000
2000010341	Bank of Scotland	09-Sep-12	CALL A/C	0.40	4,500,030
2000011541	Lloyds	02-Nov-15	03-May-16	0.75	7,000,000
2000011543	Nationwide Build Soc	17-Nov-15	17-May-16	0.66	2,400,000
2000011540	Barclays	16-Oct-15	18-Apr-16	0.70	25,000,000
2000011545	Lloyds	23-Nov-15	23-May-16	0.75	10,000,000
2000011546	Santander	02-Dec-15	02-Jun-16	0.71	4,000,000
2000011550	Santander 95 day notice account	23-Nov-15	31-Mar-16	0.90	21,000,000
2000011551	LLOYDS BANKING GROUP PLC	08-Jan-16	21-Jul-16	0.75	8,000,000
2000011554	Bank of Scotland	22-Jan-16	22-Jul-16	0.75	7,900,000
	UK Banks & Building Societies				89,800,030
2000011544	TORONTO DOMINION BANK LONDON	20-Nov-15	18-Nov-16	0.85	7,000,000
2000011547	TORONTO DOMINION BANK LONDON	17-Dec-15	16-Dec-16	0.99	5,500,000
2000011552	Bank of Montreal	21-Jan-16	21-Jul-16	0.68	10,000,000
	Non UK Banks & UK Building Societies				22,500,000
	TOTAL	29/02/2015			166,600,030
				Average rate of return	0.72

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Customer and Support Group Benefits Realisation

FINANCIAL YEAR

2013/14	2014/15	2015/16	2016/17	Other years	Total
£'000	£'000	£'000	£'000	£'000	£'000

1) CSG baseline - revenue	17,573	30,125	30,125	30,125	201,934	309,881
CSG baseline - capital	3,400					3,400
CSG managed budget	5,036	8,633	8,633	8,633	46,761	77,695
Total baseline	26,009	38,758	38,758	38,758	248,695	390,976
1b Payments made to Capita	35,963	24,482	26,672	29,482	148,998	265,596
1a Payments made to Capita in relation to pre contract and interim service agreement	14,933					14,933
Adjustment for payments not relating to CSG contract	(1,174)					(1,174)
Adjustment for refund of part of the Interim Service Agreement	(4,056)					(4,056)
Accrual Adjustment for payment in advance	(28,499)	2,524	(511)	(1,455)	27,941	0
Managed budgets payments	5,036	8,633	8,803	4,033	19,540	46,044
Total in year cost of transferring services comparable to baseline	22,202	35,638	34,964	32,060	196,479	321,344
Savings on core contract	3,806	3,119	3,794	6,698	52,216	69,633
2) Reducing number of Single Persons Discounts (net)	191	382	509	509	3,052	4,643
Reductions in SPD achieved (net)	714	409				1,123
Gainshare paid on achieving reductions and contractor costs	259	254	127			640
3) Additional Council Tax Income	0	81	377	484	2,904	3,846
Additional CT income achieved (net)	0	148	174			322
Gainshare paid on additional income	0	148	174			322
4) Additional income achieved (net)	359	411	447			1,217
Gainshare paid on additional income	209	350	412			971

CONTRACT YEAR

2013/14	2014/15	2015/16 incl forecast for Q4	2016/17	Other years	Total
£'000	£'000	£'000	£'000	£'000	£'000

5) Procurement savings on wider council spend guaranteed	624	5,916	2,634	3,393	34,407	46,974
Procurement savings achieved (net)	959	6,577	3,170			10,706
Gainshare paid on savings achieved	482	1,092	1,688			3,262
Savings expected	4,621	9,498	7,314	11,084	92,579	125,096
Savings made	5,838	10,664	7,585			24,087

FINANCIAL YEAR

2013/14	2014/15	2015/16	2016/17	Other years	Total
£'000	£'000	£'000	£'000	£'000	£'000

6) Actual Payments made to Capita in relation to contractual adjustments	324	1,680	1,754			3,757
7) Project Spend						
Capital -						
Schools build	535	2,182	1,350			4,067
Non Schools Investment	295	840	935			2,070
Transformation programme -						
Childrens & Families Portfolio	630	1,951	1,561			4,142
Adults & Health Portfolio	322	1,481	3,511			5,314
Environmental Portfolio	301	602	290			1,193
Growth & Development Portfolio		158	83			241
Central	344	3,062	4,308			7,714
Programme Management		717	698			1,415
Additional chargeable work outside of the contract						
Print and Postage, DBS checks, Occupational Health, etc.	381	837	911			2,129
IT requests (over and above refresh)		652	196			848
	2,808	12,483	13,843			29,134
Expenditure report: payments to Capita in relation to CSG	54,977	40,488	44,670			140,135
Actual amounts paid including projection for current year						

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Appendix H (ii): Contract Benefit Realisation Tracking – CSG Contract

Introduction

The London Borough of Barnet entered into two agreements with Capita in 2013 – one for the delivery of back office services (finance, HR, Procurement, estates and project support) and one for the delivery of regulatory services through a joint venture (covering planning, environmental health, highways and regeneration).

Both of these contracts have been published on the Council's website:

- CSG has the value of £265m over 10 years
 - <https://www.barnet.gov.uk/citizen-home/council-and-democracy/one-barnet-transformation-programme/customer-and-support-group-csg/customer-and-support-group-csg-formerly-nscso-contract.html>
- Re has the value is £150m over 10 years
 - <https://www.barnet.gov.uk/citizen-home/council-and-democracy/one-barnet-transformation-programme/regional-enterprise-ltd-re/regional-enterprise-ltd-re-contract.html>

These contracts contain similar but complex payment structures and mechanisms. This page seeks to set out the payments paid to date and those to come against those set out in the initial business case for these contracts.

Types of payments

Pre-contract payments

The application for judicial review in 10th January 2013 and the appeal of the judicial review decision on the 2nd of August 2013 led to a delay in contract which started on the 1st September 2013. This resulted in the council entering a contract to provide interim support for the continuation of critical services (Customer Services and Revenues and Benefits mainly). Payments of £126k were made to cover a 5 week period for IT services from the 1st April 2013.

The link to this Delegated Powers Report (authorised by the Chief Operating Officer on the 24 May 2013) sets out further details:

<http://barnet.moderngov.co.uk/documents/s9026/2057%20-%20Interim%20Measure%20for%20Continuation%20of%20Critical%20Services.pdf>

The council's ICT infrastructure managed service supplier, 2e2 (UK) Limited, served notice of administration to the council. This led to the council entering an emergency arrangement to secure the continuation of critical IT infrastructure services. Payments of £67k were made to Capita.

The link to this Cabinet Resources Committee report sets out further details:

<http://barnet.moderngov.co.uk/documents/s8397/Interim%20IT%20Infrastructure%20Support%20Solution.pdf>

TOTAL £193k – as set out at 1a of the CSG benefit realisation sheet (shown on s/s as £14.933m – pre contract payment and interim service agreement)

Interim Service Agreement

The application for judicial review and the appeal of the judicial review decision led to a delay in contract signature. This resulted in the council seeking Cabinet Resources Committee authorisation to waive the Contract Procedure Rules to enter into an interim contract with Capita up to the value of £14.74m to secure business critical activities on the 24th June agreeing a waiver to the 31st January 2015 however, as a result of the judicial review the contract commenced on the 1st September 2014

Of the £14.74m payment made to Capita in respect of the interim service agreement, £0.98m were in respect of cost of services provided in the interim period. £4.06m was refunded to the council once the formal contract had been signed and the following two amounts were off-set against the full value of the 10 year contract as these costs were anticipated within the financial modelling:
£5.64m – for service transformation in relation to transferring services
£4.06m – for business as usual service charges

The link to this Cabinet Resources Committee paper sets out further details:

<http://barnet.moderngov.co.uk/documents/s9372/727203%20-%20CRC%20Report%20-%20Interim%20Procurement%20Solution%20-%20Public%20Final.pdf>

TOTAL £14.74m – as set out at 1a of the CSG benefit realisation sheet (shown on s/s as £14.933m – pre contract payment and interim service agreement)

Contract payments

The schedule for the core contract payments of the 10 years is presented in the benefits realisation sheet.

TOTAL £265m – as set out at 1b of the CSG benefit realisation sheet

Transformation

Within the Output Specifications of the contract, details of activities to transform services are outlined, these include

- My Account
- Customer Access Strategy
- IS Strategy
- Community Asset Strategy
- Significant System Change including Integra and HR Core

These can be found in more detail using the following link

<https://www.barnet.gov.uk/citizen-home/council-and-democracy/one-barnet-transformation-programme/customer-and-support-group-csg/customer-and-support-group-csg-formerly-nscso-contract/schedule-1---output-specifications.html>

On commencement of the CSG contract, the council paid the remainder of the transformation monies £10.5m (£16.1m less £5.6m paid under Interim Service Agreement).

Gainshare

As part of the Contracts, some savings are eligible to a gainshare agreement. This means that any savings are eligible for gainshare, however all of these have guarantees attached to them. If these guarantees are not successfully achieved (assessed annually), then payments are made to the council up to the guarantee to ensure the saving is achieved. These gainshare payments are intended to incentivise the service provider to provide further benefits to the council. The gainshare percentages vary in each area and in some cases, in contract years.

The totals applicable are outlined at 2 to 5 in the spread sheet. Capita have guaranteed procurement savings of £46.9m over the life of the contract. The total savings of £55.4m (made up of procurement, reduction in single person discounts and additional council tax income) are applicable to gainshare but if the guarantee is not achieved, payment will be made to the council.

Service Credits

Where there has been underperformance against a contracted KPIs (please see quarterly performance reporting for details), a service credit is paid to the council. This is a monetary amount, present by the payment mechanism as a separate item. This is not included in this spreadsheet, but is reported as part of the contract's quarterly reporting.

Contractual Adjustments

This includes adjustments in line with those outlined in the contract. This includes:

- annual indexation of the contract against inflation, and
- True-ups relates to a correction of assumed pre-contract costs to true cost to contract signature.

The totals applicable are outlined at **6** in each spreadsheet.

Project

The CSG and Re contract provide project management capacity which are paid for separately and captured as part of the cost of the project. The amount paid for this will vary depending on the number of projects being undertaken and before the CSG and Re contract would have been money we would have incurred with other third party consultants or organisations.

For some of these projects the council receives or recovers monies from third party partners in order to undertake the work. Example of this include but are not limited to Transport for London highways works which are grant funded by TfL and work carried out on regeneration projects which is typically recovered from development partners.

The totals applicable are outlined at **7** in each spreadsheet.

GLOSSARY

Gainshare	Gainshare means a distribution of benefits between the Authority and Service Provider in relation to a benefit calculated by reference to the relevant provision within Schedule 4 (Payment and Performance Mechanism), or business case developed under the provisions of Schedule 15 (Special Projects Approval Procedure) [page 22 – Contract Body]
Indexation	The Periodic Service Payment shall be indexed in accordance with the provisions of Schedule 4 (Payment and Performance Mechanism). [page 135 – Contract Body]
True up	This relates to a correction of assumed pre-contract costs to true cost to contract signature. <ul style="list-style-type: none">• This occurred due to the time delay in signing the contract – as a result of the Judicial Review – leading to an increase in the number of staff transferred (TUPE) to Capita on contract commencement.• This also relates to contract expenditure which was not fully accounted for in the transferred budget.
Transformation	Within the Output Specifications of the contract, details of activities to transform services are outlined, these include finance system change to Integra, HR system change to Core, invoice scanning and improvements to the IT infrastructure.

Appendix H (iii): Capita Payments

Inv Date	Inv Number	Amount	Invoice Type	Invoice Contract	Qtr
10/02/2016	6003249110	£ 31,846.50	Education ADM Finance Transition Costs	CSG Invoice 3	Q4
16/02/2016	6003252776	£ 1,036,906.55	CSG Contract Payment	CSG Invoice 3	Q4
18/02/2016	6003254046	£ 10,384.65	CSG Contract Payment	CSG Invoice 3	Q4
22/02/2016	6003256551	£ 77,880.00	CSG Contract Payment	CSG Invoice 3	Q4
22/02/2016	6003256570	£ 29,971.95	CSG Contract Payment	CSG Invoice 3	Q4
22/02/2016	6003256571	£ 49,695.72	CSG Contract Payment	CSG Invoice 3	Q4
21/12/2015	6003217214	£ 3,330,610.18	CSG Services Contract Payment	CSG Invoice 1	Q4
11/03/2016	6003282154	£ 242,615.87	Schedule 24 True Up (3 months Jan-Mar)	CSG Invoice 1	Q4
11/03/2016	6003282180	£ 181,089.00	CSG Services Contract Payment	CSG Invoice 1	Q4
11/03/2016	6003282156	£ 40,221.00	CR62: Expansion of SCD to accommodate the Care Act	CSG Invoice 1	Q4
20/10/2015	6003177466	£ 30,582.00	CSG Contract Payment	CSG Invoice 2	Q4
15/03/2016	6003283627	£ 190,408.66	CSG Contract Payment	CSG Invoice 3	Q4
15/03/2016	6003283626	£ 1,330,143.97	CSG Contract Payment	CSG Invoice 3	Q4
15/12/2015	6003213376	£ 9,165.00	CSG Invoice 2 August procurement share of savings	CSG Invoice 2	Q4
22/03/2016	6003288059	£ 116,733.50	CSG Contract Payment	CSG Invoice 3	Q4
22/03/2016	6003288058	£ 8,587.45	CSG Contract Payment	CSG Invoice 3	Q4
30/03/2016	6003294100	£ 11,004.70	CSG Contract Payment	CSG Invoice 3	Q4
30/03/2016	6003294101	£ 75,482.68	CSG Contract Payment	CSG Invoice 3	Q4
31/03/2016	6003294170	£ 5,088.00	CSG Services Contract Payment	CSG Invoice 1	Q4
31/03/2016	6003294169	£ 36,400.00	CSG Services Contract Payment	CSG Invoice 1	Q4
		£ 6,844,817.38			

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Appendix I: Contract Variations Log

All Contract Variations since the start of the contract are shown below.

Reference	Title	Description	Change Raised by	Status at 31-Mar-16	Financial Impact (over the life of the contract)	Service Impacted
CR093	Commitment Change/Variation	Variations to six HR Commitments following a review with the Authority to ensure that the Commitments better meet the needs of the service	Service Provider	Approved	NIL	HR
CR087	Axiom	Implementation of the Integra budget development module for budget monitoring as opposed to Axiom	Service Provider	Approved	£(222,600)	Finance
CR086	Accelerated Endpoint Refresh	Accelerated refresh of all employee end-user computing devices to allow all devices to be refreshed within 18 months rather than at the annual rate of 20%	Service Provider	Approved	£276,094	All
CR081	CIPFA Survey Changes		Service Provider	Approved	NIL	All
CR079	Extension of Commitment T3-131	Extend delivery of Stakeholder Engagement Commitment by six months to allow for the Community Assets Strategy to be properly developed and approved	Service Provider	Approved	NIL	Estates
CR078	Extension of Commitment T2-006	Extend delivery of the Agile Workforce programme to incorporate the new Colindale HQ	Service Provider	Approved	NIL	Estates
CR077	LAN refresh	Earlier refresh of the IT LAN to provide improved resilience at no additional cost	Service Provider	Approved	NIL	IT
CR075	Freedom Pass Renewals	Processing of appropriate Freedom Pass renewal requests, not covered in the original Output Specification (one-off cost)	Service Provider	Approved	£99,829	Customer Services
CR074	NNDR Analyse Local RV finder and forecasting service.	Procurement of service provided by Inform CPI Ltd using their 'Analyse Local' software to identify missing or undervalued NNDR properties and for forecasting the impact of rateable value (RV) appeals.	Service Provider	Approved	£11,000	Customer Services
CR072	Lease Renewals	To undertake Lease Renewals & Rent Reviews inherited as a	Service	Approved	£188,744	Estates

Reference	Title	Description	Change Raised by	Status at 31-Mar-16	Financial Impact (over the life of the contract)	Service Impacted
	& Rent Reviews Output Specification volume increases	backlog at the Service Transfer date.	Provider			
CR071	Head of Finance Support - additional roles	The Council have requested that two permanent Heads of Finance are introduced into the service to meet the needs of the Council. In addition, it has been agreed that pending the recruitment of the permanent Head of Finance for Adult and Community Services and to meet the current needs of the service a Head of Finance from the Council will be seconded to the Customer Support Group from Tuesday 4th August 2015. (£212,340 for Year 1, then £189,500 for remaining 7 years)	Service Provider	Approved	£1,538.840	Finance
CR070	Unqualified External Audit KPI and PI to Pass or Fail	Currently has a completion date of the 18th July. The date is driven by the date of the Audit Committee where the accounts authorised and signed. This year the date of the committee is Thursday 30th July. This CR requests to have this date amended going forward to reflect a Pass/Fail Service Provider Target as opposed to a date requirement	Service Provider	Approved	NIL	Finance
CR065	Authority Redundancy Provision Refund Reallocation	To reallocate monies (£1M in total) that are no longer required for Authority Redundancy Provision Refund, back to LBB to fund other activities. £500k refunded August 2015; further £500k to be settled March 2016	Authority	Approved	£(1,000,000)	All
CR064	Library Services (transfer of IS role to Council)	Formally acknowledge a transfer of monies and a role back Library Services to fund activities outlined in the IS Output Spec which the parties have agreed should be transferred back to the Council.	Service Provider	Approved	£(285,000)	IS
CR063	Revised IS Transformation	Amendments to delivery dates of 14 Commitments to take account of agreed changes and dependencies between	Service Provider	Approved	NIL	IS

Reference	Title	Description	Change Raised by	Status at 31-Mar-16	Financial Impact (over the life of the contract)	Service Impacted
	Commitment Dates	solutions. Commitments include Schools portal, Data Centre migration and Network refresh.				
CR062	Social Care Direct Care Act staffing	Expansion of SCD to accommodate Care Act assessments and additional demand and enquiries	Service Provider	Approved	£40,221	Customer Services
CR061	Estates - Extension of Commitment T3-131 Stakeholder engagement with Barnet's public / 3rd sector	Change in delivery date of the commitment T3-131 (Stakeholder Engagement) to enable further objectives to be achieved. Delivery date is to be amended from 31st March 2015 to 1st July 2015.	Service Provider	Approved	NIL	Estates
CR060	Third Party contracts finalisation	Contractual third party contracts true up in line with clause 7 of the contract and update Schedule 24 with final list of suppliers and the charges paid.	Service Provider	Approved	£9,704,000	All services
CR058	Customer Services - Hendon Town Hall Reception	Additional reception services to be provided by CSG staff. Therefore additional staff have been employed specifically for the required roles – budget to be transferred from Adults to cover following transfer of registrars to Brent. Approval up to 31/12/15.	Service Provider	Approved	£40,896	Customer Services
CR056	CSG invoicing dates	Amendment to invoicing date for the periodic service charge - no change in payment date, terms or amounts.	Authority	Approved	NIL	ALL Services
CR055	Estates - Extension of Commitment T2 – 037, Locality Strategy	This request is for the change in delivery date of the commitment T2-037 (Locality Strategy) to enable further objectives to be achieved. The decision has been made to extend the delivery date from 1st March 2015 to 30th June 2015.	Service Provider	Approved	NIL	
CR052	Estates - extension to commitment T3-	Formally reflect the decision made by the Authority's Estates SRO on 15th October 2014 to amend the Commitment T3-145 (Departmental Property Plans). It was agreed that due to the	Service Provider	Approved	NIL	Estates

Reference	Title	Description	Change Raised by	Status at 31-Mar-16	Financial Impact (over the life of the contract)	Service Impacted
	145	Authority's high priorities of community asset strategy and SAMPS being delivered the commitment be extended to 31/3/2015.				
CR051	Adult Social Care and Redundancy	The provision of additional, qualified, Adult Social Care team leaders. To avoid any additional cost to the Authority, this change is being met by the early release of £167,932 of the redundancy provisions in the contract so there is no cost to the Council.	Service Provider	Approved	NIL	ALL services
CR050	Definition of contract indexation	To clarify the calculation by which the Indexation of the Periodic Service Charge is inflated annually.	Service Provider	Approved	NIL	ALL services
CR049	Revise Estates Commitment for T1-021	The commitment for the SP within 24 months of the Service Transfer date to develop a Community Asset strategy, Service Delivery Plan, Estates, is to be amended and completion date changed from 01/09/2015 to 01/07/2015.	Authority	Approved	NIL	Estates
CR048	Reduction in Pension Contributions	To reduce the Periodic Service Charge to reflect the reduced employers contribution rate as set out in clause 15.3.6(g) of the CSG contract.	Service Provider	Approved	£(3,216,000)	All
CR044	Repairs and Maintenance	Amendment to schedule 1 and 4 to reflect the return of the Repairs and Maintenance budget for the Civic Estate to the Council in line with all other managed budgets	Service Provider	Approved	£(6,514,000)	Estates
CR029	Amendment to delivery of Members Dashboard	Delivery date for Commitment T1-003 Members Dashboard extended by 2 months to May 2014.	Service Provider	Approved	Nil	Customer Services
CR028	Adoption of Capita H&S policies for CSG staff only	Capita to deploy its own H&S policies for its staff to make sure it is easier to manage them across sites and services	Service Provider	Approved	Nil	HR Service

Reference	Title	Description	Change Raised by	Status at 31-Mar-16	Financial Impact (over the life of the contract)	Service Impacted
CR027	Amendments to Estates and Partnership Commitments	Amendments to delivery dates of Estates Commitments T2-36,T3-131/145/150, Partnership commitments T-10,T2-42,T3-117,156 to take account of delay in initiating the CSG contract and the significant work programme to effect transformation in the first six months of the contract. Commitments include ICT Strategy being extended by 2 months, Colindale location Strategy and My Account.	Service Provider	Approved	Nil	Estates /IS/Customer Services
CR026	Amendment to Procurement KPI for Apprenticeships	amend schedule 4 appendices in relation to Procurement KPI for Apprenticeships to reflect it as an annual target not a quarterly one and align it better to the school year as agreed the Procurement SRO	Authority	Approved	Nil	Procurement
CR025	Revenues and Benefits Baseline KPI and Targets	amend schedule 4 appendices in relation to R&b KPIs for the number of days taken to process new claims as agreed by the Ops Board following the approval of CR0015 in relation to face to face services being maintained in Barnet	Authority	Approved	Nil	Revenues & Benefits
CR024	Estates confirmed Property Portfolio Income Baseline	amend schedule 4 appendix 11 in relation to Estates baseline for Property Portfolio income in line with the requirements of Schedule 4 so that the guarantee on income can be tracked and reported	Service Provider	Approved	Nil	Estates
CR023	Amendment of the MFD income table in Schedule 4	Amendment to Schedule 4 to clarify the guarantee to hold year one price per click and amend the per click charges to match the pre contract charges as agreed as an all inclusive price for the MFD service	Authority	Approved	Nil	Contract Price
CR022	Replacement of Info Exchange Solution with Atrium	Info Exchange Property Asset management and compliance system replacement with Atrium extended functionality	Authority	Approved	Nil	Estates
CR021	Re baseline of	Amendments to commitments T2-04,58,T3-30,63,93,155 –	Service	Approved	Nil	IS/Finance/HR/

Reference	Title	Description	Change Raised by	Status at 31-Mar-16	Financial Impact (over the life of the contract)	Service Impacted
	transformation Commitments	extended delivery dates required to take account of delay in initiating the CSG contract and the significant programme of work to effect transformation in the first six months of the contract. Commitments include BPM Platform, HR Knowledge base and Complaints management.	Provider			Customer Services
CR020	Change to month period reporting timescales	Contract currently states that performance reporting will be produced 15 business days after the end of each month except at the end of a quarter when it is 10 days. This change will align all report timescales to 10 days.	Authority	Approved	Nil	All services
CR017	Baseline Income and recharges - Schools	amend Schedule 4 Para 12 and associated sections for baseline changes based on agreed approach	Service Provider	Approved	Nil	Finance, HR, IS, Estates
CR015	R&B face to face benefits processing	Change to maintain Face to Face Benefits Processing staff in Barnet (Year 1 £72,728 Year 2 £101,819)	Authority	Approved	£174,547	Revs and Bens
CR014	Employment and Redundancy Payment Reconciliation	True up on cost of employment in line with the contract to be completed by Feb 14 but now to be reconciled with the potential early refund to LBB of redundancy costs as a contract change. The confirmed cost for the employment true up is £451k but when offset against the £1,218k redundancy this releases the net value of £767k benefit back to the Council	Service Provider	Approved	£(767,000)	All
CR013	Libraries Service	Deferred Service in accordance with Output Specification - take on Libraries Service call volumes (Year 1 £301k, Year 2 £152k).	Authority	Approved	£453,000	Customer Services
CR012	Governance Process	Changes to Schedule 12 to align Contract Governance with new Council processes.	Authority	Approved	Nil	Governance
CR010	Finance Baseline KPI and Targets	amend Schedule 4 appendices in relation to Finance KPIs for % Variance to Budget and % savings achieved in alignment	Service Provider	Approved	Nil	Finance

Reference	Title	Description	Change Raised by	Status at 31-Mar-16	Financial Impact (over the life of the contract)	Service Impacted
		with Ops Board approved trajectories and targets				
CR009	CS Baseline KPI and Targets	amend Schedule 4 appendices in relation to CS KPIs for First contact resolution and Customer satisfaction in alignment with Ops Board approved trajectories and targets	Service Provider	Approved	Nil	Customer Services
CR008	Pensions move to Darlington	Capita propose to change the location of the Pensions team from the proposed Banstead relocation to Darlington where there is an existing CoE. As this is a change of location from the SDPs a formal change is being progressed	Service Provider	Approved	Nil	HR Service
CR007	Coventry Revs and Bens	Capita propose to extend the current Revs and Bens overflow contact centre in Coventry to take all R&B calls. As this is a change of location from the SDPs a formal change is being progressed	Service Provider	Approved	Nil	Customer services
CR005	Schedule 4 Milestone payments	Amend to show correct payment timescale	Service Provider	Approved	Nil	NA
CR004	Interim Governance arrangements	Remove from Schedule 43	Service Provider	Approved	Nil	Governance
CR003	3rd Party Contracts - 2E2	Change to Schedule 24 to remove this contractor	Service Provider	Approved	Nil	Contract Price
CR002	Community Cohesion	New process and training for the identification of Cohesion issues based on trending and contact analysis	Authority	Approved	Nil	Customer Services
CR001				Cancelled		
		TOTAL FINANCIAL IMPACT			£522,571	

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Appendix J: Corporate Risk Register

The following risk register represents those risks in place at the time of reporting at Quarter 4, the mitigation strategies in place for each risk and the proposed treatment of each risk.

PROBABILITY	SCORE	IMPACT				
		1	2	3	4	5
		Negligible	Minor	Moderate	Major	Catastrophic
5	Almost Certain	0	0	0	0	0
4	Likely	0	0	0	1	0
3	Possible	0	0	1	7	0
2	Unlikely	0	0	0	1	0
1	Rare	0	0	0	0	0

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>Homelessness - ORG0039</p> <p>There is a risk that homelessness and the subsequent cost of providing emergency short term accommodation will continue to rise.</p> <p>Cause: The Council has an obligation to house people that are homeless and support families who are unintentionally homeless. Despite improvements in the economy, homelessness has continued at high levels within the borough due to a shortage of homes, and increasing housing costs, particularly in the private rented sector. Welfare reform means that poorer households receive less financial support with their housing costs and landlords are increasingly seeking tenants who do not rely on housing benefit to pay their rent. The housing benefit subsidy levels for temporary accommodation have not increased since 2011 whilst costs have risen significantly.</p>	Major 4	Likely 4	High 16	<p>Preventative: The Housing Strategy identifies 3 key areas where Barnet Homes and the Council are focusing their efforts to reduce homelessness:</p> <ul style="list-style-type: none"> increasing prevention activities, including joint working with job centre plus. increasing the supply of homes for households facing homelessness Making best use of existing resources through the Allocations Scheme and Tenancy Strategy <p>Detective: A number of mitigating actions have already been taken, including a more commercial approach to working with private landlords, innovative TA solutions and redesigned services. The Welfare reform task force has helped households affected by welfare reform to avoid losing</p>	Moderate 3	Unlikely 2	Medium Low 6

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>Further welfare reform and a freeze of LHA rates means more households will be at risk of homelessness, whilst potential reductions in social rents and Right to Buy proposals are likely to curtail the potential supply of affordable homes.</p> <p>Consequence: Substantial increase in homelessness including intentional homelessness where children are involved and the subsequent provision of affordable housing at a significant and increasing cost to the Council.</p>				<p>their home by accessing employment.</p> <p>LBB has agreed to fund a range of mitigations which Barnet Homes will delivered to reduce the Temporary Accommodation / Homeless demand focusing on maximising prevention, managing demand, and Increasing affordable supply</p>			
<p>Staffing & Culture - ORG0041</p> <p>If there is not a clearly defined approach to commissioning in place that ensures consistent application of Commissioning Cycle activities then objectives becomes difficult to monitor or achieve.</p>	Major 4	Possible 3	Medium High 12	<p>The Council's Commissioning Plans and priorities to 2020 are being developed and will go to Policy and Resources Committee on 2 December alongside the Council's draft Corporate Plan and Medium Term Financial Strategy.</p> <p>Following agreement of the above revised Management Agreements will be developed which focus on how the longer-term priorities of the Council's Corporate plan will be achieved with meaningful qualitative performance indicators that are linked to outcomes.</p> <p>The means of reviewing the achievement of outcomes will be taken forward over the next 6 month as new Commissioning Plans and Management Agreements are developed.</p>	Major 4	Unlikely 2	Medium High 8
<p>Reputational - ORG0040</p> <p>If there were a significant children's safeguarding incident then the commissioning council approach may be destabilised and undermined.</p> <p>Cause/consequence:</p> <p>If an incident were to occur the impact would be cross-cutting: compliance or a potential breach of statutory duty, reputational with adverse media coverage and workforce with staff morale being impacted and potential loss of staff.</p>	Major 4	Possible 3	Medium High 12	<p>Preventative:</p> <ul style="list-style-type: none"> • SCB Assurance • Safeguarding Protocol • Accountability Protocol • Regular meeting and information sharing • Family Service transformation programme • Children's, Education, Libraries and Safeguarding Committee in the new governance model • Local Safeguarding Children's Board (LSCB), new chair and work 	Major 4	Unlikely 2	Medium High 8

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
				programme Detective: <ul style="list-style-type: none"> • Mock OFSTED inspection • Safeguarding Peer Review 			
<p>People - ORG0036 There is a risk that the organisation's people (competence, skills, knowledge) and culture are not aligned with its medium and long term strategic direction and will not be able to deliver the improvements in service delivery and on-going change and innovation required to achieve its long term goals.</p> <p>Cause: The context in which the organisation operates is rapidly changing and demands continual service improvements. This requires the right organisational and developmental interventions to ensure the competence, knowledge and skills necessary to deliver the strategic objectives. Failure to ensure the right learning, knowledge sharing, career development, training and commitment to generating new ideas will cause the risk to escalate and negatively impact service delivery.</p> <p>Consequence: The consequence of failure in this respect and the escalation of risk will be a skills/knowledge/competence gap in the organisation that will result in poorer service performance in the medium term and/or longer term strategic failure.</p>	Major 4	Possible 3	Medium High 12	<p>Preventative: To understand the current and required corporate capabilities and develop corporate and delivery unit plans to respond to gaps, recognising the need to create an internal environment that facilitates the generation of new ideas and entrepreneurship. To support change through leadership and people engagement (including through partners), to provide results for the organisation, its people and customers.</p> <p>Detective: Through the risk management framework and robust and continuous risk analysis and monitoring of delivery unit risk profiles and action plans it will be possible to identify and ensure the right interventions and to identify 'early warning systems' where failure in this respect is impacting negatively on service delivery and strategic change.</p>	Moderate 3	Possible 3	Medium High 9
<p>Demographic and Population - ORG0035 There is a risk that the organisation will not be prepared or able to respond to the impacts of demographic changes (e.g. gender, age, ethnicity, disability, education, employment) and/or population growth rate (birth, death, immigration, emigration) with insufficient social infrastructure (schools, older people homes), physical and green spaces, services and affordable housing to meet demand</p>	Major 4	Possible 3	Medium High 12	<p>Preventative: Test demographic change and population growth hypothesis against insight on customer profile, deeper interrogation of specific data sets (in/out migration) and identify potential gaps in data sets (availability of data, deficiency of existing data). New insight model which models impacts of growth in a number of key Council services. The priorities and spending review (PSR) is</p>	Major 4	Unlikely 2	Medium High 8

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>Cause: Uncertainty of demographic changes and population growth, insufficient planning, monitoring and management of demand internally and externally where reliant on partner organisations.</p> <p>Consequence: Increased demand for public services generally, changing demand for types of services, costs spiral, reactive decision making, cuts to front line services or service failure.</p>				<p>key response to ensuring the organisation is sufficiently prepared for and able to respond to the impacts of population and demographic changes. Uncertainty is being reduced as service pressures and budget requirements are being analysed and underlying assumptions monitored and refined to ensure they remain valid as the organisation prepares to respond to this challenge.</p> <p>5 year budget proposals includes demographic change funding across key Council service areas. Funding subject to annual review as part of finance and business planning.</p> <p>Understand approach and dependencies with resident engagement, equalities and health and wellbeing impact assessments.</p> <p>Growth Strategy, Housing Strategy, Regeneration Strategy and respective governance structures.</p> <p>Detective: The Commissioning Group supports the setting of strategic outcomes and development of commissioning strategies with a particular focus on cross cutting themes and risks. The Commissioning Board will review underpinning risk analysis at regular intervals to consider data, revisit assumptions, outcomes and controls.</p> <p>Partnership SCB has been introduced to enhance partnerships working in order to meet the financial challenges facing the public sector and collaborate on the development of future plans to both deliver transformation and improve outcomes.</p>			
<p>Financial Position - ORG0025 Financial Position: Given the overall economic position, it is clear that cuts to government funding will continue until at least 2018 and more likely to the end of the decade. Alongside this the Council now bears additional risks as a result of business</p>	Major 4	Possible 3	Medium High 12	Preventative: The Council's financial planning cycle mitigates the risks associated with reductions in funding and increases in demand for services. Planning ahead enables the Council to mitigate the impact of increases in demand and ensure	Moderate 3	Possible 3	Medium High 9

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>rate reforms, whereby a contraction in economic activity in Barnet will see a reduction in Council funding. The economic position also impacts on the costs of Council services, for example in terms of pressure on temporary accommodation and increases in benefit caseloads. Demographic changes mean that the Council faces a growing population, an ageing population and increasing numbers of young people, which adds further to the pressure and demand on services.</p> <p>Cause: Further government cuts, uncertainty over the local economic position for business rates and demographic changes.</p> <p>Consequence: Additional pressure and by implication cost in the delivery of services, reduction in income, coupled together providing a challenge for the Council's economic position.</p>				<p>that the Councils overall financial position on reserves and contingency is sufficient.</p> <p>Budget proposals for the period 2015 through to 2020 have been agreed for consultation and will come back to Council in March 2015. These proposals deal with £50m of the total budget gap of £73m. Work is ongoing to identify further savings to close this gap and will come back through committees in due course.</p> <p>Detective: Budget monitoring (revenue and capital) and financial management standards being adhered to. Recovery plans and alternative options reviewed in areas with overspends. Review capital programme profiling. Value for money indicators in use across the business. Monitoring delivery of Medium Term Financial Strategy.</p>			
<p><u>Resident Engagement - ORG0029</u></p> <p>Failure to engage properly with Residents.</p> <p>Cause: The lack of an engagement policy, comprehensive plan and coordinated approach to consulting with residents</p> <p>Consequence: Legal Challenge, lack of public buy in, do not deliver the services resident want, Consultations not contributing to service design, lack of transparency on outcomes, customer satisfaction declines</p>	Moderate 3	Possible 3	Medium High 9	<p>Preventative: Finance and Business Planning – feeding consultations into service design. Ensuring equalities is embedded within the Commissioning Group.</p> <p>Consultation strategy in place and transparency commitment confirmed.</p> <p>3rd sector strategy/ community resilience</p> <p>Social media – alternative methods of engaging with residents to be explored through future updates to the website</p> <p>Detective: Common understanding of the citizen engagement within the Council through review of complaints data analysis and prior consultations. Performance indicators for customer satisfaction and customer care.</p>	Moderate 3	Unlikely 2	Medium Low 6

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p><u>Prosperous Borough - ORG0038</u> Barnet's position as a prosperous suburb is under threat from wider threats to London as a world city and infrastructure improvements connecting more and new places to London.</p> <p>Cause: Existing infrastructure near capacity, other places benefiting from new infrastructure digital technology making physical proximity less important wider threats to London as a world city</p> <p>Consequence: Barnet becomes less desirable as a place to live and work.</p>	Major 4	Unlikely 2	Medium High 8	<p>Infrastructure delivery plan and Mayoral infrastructure 2050.</p> <p>Entrepreneurial Barnet - economic strategy for making Barnet the best place to be a small business</p> <p>Regular monitoring of resident and business satisfaction surveys</p> <p>West London Alliance: Implementation of the West London Alliance jobs, skills and growth programme.</p>	Major 4	Unlikely 2	Medium High 8
<p><u>Highways DLO Health and Safety Measures and Training – ORG0043</u></p> <p>There is a risk that the current working practices of the DLO may not meet adequate Health and Safety standards.</p> <p>Cause: Inadequate knowledge of relevant legislation, training, certification and monitoring.</p> <p>Consequence: Potential non-compliance in relation to legislation and inadequately trained staff working on the live Highway. This could have operational, financial and reputational consequences including:</p> <ul style="list-style-type: none"> • Injury to our staff or the public • Intervention by the Health and Safety Executive • Litigation action 	Major 4	Possible 3	Medium High 12	<p>Preventative: Review staff's current training records and certification with corporate health and safety colleagues.</p> <p>Provide Training for any identified gaps.</p> <p>Establish regular risk assessments and safe systems at work processes.</p> <p>Establish a mechanism for regular on-going reviews.</p> <p>Establish a monitoring and reporting mechanism.</p>	Major 4	Unlikely 2	Medium High 8
<p><u>Increasing costs of Adult Social Care - ORG0042</u></p> <p>There is a risk that the pressure on Adults budgets caused by increasing demographics and complexity will not be contained within existing budgets.</p> <p>Cause: The Council has an obligation to provide social care for individuals assessed with demonstrating a need. Increasing demographic pressures and the complexity of the mental health and learning difficulty clients, along with supply</p>	Major 4	Possible 3	Medium High 12	<p>Preventative: Developing plans around increasing prevention activities. Ensuring effective information and advice is offered and promoting more independent living.</p> <p>Detective: Robust budget monitoring and financial standards being adhered to. Recovery plan in place to ensure current overspends are being addressed. Engagement with CCG to ensure referrals from hospitals are monitored and funded.</p>	Major 4	Unlikely 2	Medium High 8

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>side pressures is increasing the cost of Adult social care. In addition to this referrals from hospitals have increased by an average of 22% over the last 2 years with a reduction in funding received from health for Winter Pressures.</p> <p>Consequence: A significant overspend in Adults would reduce the Council's general fund reserve.</p>							

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	<h2>Environment Committee</h2> <h3>12th May 2016</h3>
Title	Parking Enforcement Contract Extension
Report of	Commissioning Director, Environment
Wards	All
Status	Public
Urgent	Yes
Key	Yes
Enclosures	None
Officer Contact Details	Jamie Cooke Jamie.cooke@barnet.gov.uk 0208 3592275 - 07885 213313

Summary

The Council’s Parking Enforcement Contract with NSL commenced in May 2012. The contract term was for a period of five years with an option to extend for a maximum of a further two years.

Year five of the contract therefore commences in May 2016 and ends in April 2017.

This means that the Council must now decide to either extend or re-procure the enforcement contract.

This paper outlines the options available for consideration and a preferred option to take forward.

There are three options presented:

1. Immediately re-procure a new contract.

2. Extend the current contract for a period of 18 months. This would allow time to review the possibility of joining with other neighbouring London boroughs on procuring a new joint parking contract. This is the suggested preferred option.
3. Bring service delivery in house.

Recommendations

That the Environment Committee agree to extend the current contract with NSL for a period of 18 months. This extension period will enable the investigation of shared contract(s) and service provision options with other neighbouring London Boroughs.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council's enforcement contract with NSL expires in April 2017. Therefore there is a requirement to either extend via the extension provisions of the current contract or to re-procure a new contract in order to secure on-going service provision.

2. REASONS FOR RECOMMENDATIONS

Potential Future Joint Parking Services Model with other neighbouring London Authorities

- 2.1 Officers are currently investigating potential partnership working in relation to a range of parking services with the London Boroughs of Islington, Haringey, Enfield and Waltham Forest. This investigatory work has resulted in the formulation of three high level options thought suitable for further investigation:
 - Joint procurement of a single contract across the five boroughs. This would reduce the procurement costs of awarding a new enforcement contract whilst allowing each borough to retain control over its own back office functions.
 - Shared Services Model (Single Operational Management). This would involve the parking contracts being disaggregated by function with shared IT platforms between the five authorities (permits & pay by phone etc.). This option could also generate procurement savings and could lead to knowledge sharing and the establishment of centres of excellence for the development of key performance Indicators and other service improvements.
 - Shared Functions (with central and local management). This option is the same as the shared services model above, but it would involve more local management as opposed to central management which

would allow each borough to more effectively pursue its own objectives and commissioning intentions.

- 2.2 Each of the joint parking services options outlined above would require a period of time for the five authorities involved to synchronise their contracts as each has an existing contract with a different expiry date and therefore a different time scale for re-procurement.
- 2.3 The joint parking service models outlined above could generate financial and operational benefits for Barnet. They also have the potential to provide better IT services and a level of innovation greater than what might be possible if Barnet procured its own single contract and continued to operate as a single parking enforcement authority.
- 2.4 There are many factors to consider when assessing if any of the joint parking services models are viable and which is the best possible future service option for Barnet. Therefore an extension to the current NSL contract for a period of 18 months is necessary to ensure the joint parking services models are thoroughly investigated.

NSL's Contract Performance

- 2.5 NSL's performance in Barnet has been broadly good since the contract commenced in May 2012. A recent review has also led to agreement of a new enforcement plan which has improved the efficiency of the enforcement service and in doing so supports the Council to manage its parking infrastructure to benefit residents.

There are several key areas where NSL's contract performance has enabled the Council to manage the borough's parking infrastructure effectively in support of the aims of the parking policy. In particular the following areas demonstrate good contractual performance in support of the Council's commissioning intentions:

- NSL have demonstrated that they have adequate resources and flexibility to react to arising issues by responding to adhoc requests for enforcement at specific times and to specific areas. They have also been accommodating when the authority has requested that additional resources are deployed to deal with the changing patterns of parking non-compliance.
- Complaints specifically related to the actions of NSL staff and in particular the Civil Enforcement Officers (CEO's) have also remained within performance limits. In terms of complaints, NSL have a key performance indicator target for complaints to be less than 200 per

annum/16.67 average per month. Their performance over 2015/16 has been within these limits and have been as follows:

- Lowest level in a month was 4 complaints
- Highest level was 10
- Average number received 6.875 per month
- Shortest response time was on the same day of receipt
- Longest response time was 10 calendar days
- Average response time was 2.53 days

- Errors made by Civil Enforcement Officers often lead to a poor customer experience and the cancellation of Penalty Charge Notices. NSL has performed well in this area. For mistakes by Civil Enforcement Officers, NSL have a key performance indicator target of 3% maximum for the year 2015/16:

- Lowest level in a month was 0.99% cancelled due to CEO errors
- Highest level in the month was 1.76%
- Average for the year was 1.29%

- 2.6 The parking service is also planning to instigate a new enforcement regime at the beginning of contract year five (commencing in 2016) with an expectation that this year will see a further improvement over the previous year.
- 2.7 As we have positive engagement from NSL and the quality of the service is improving, extending the current contract whilst future potential joint working service provision is fully investigated is considered to be the most favourable option for the Council.
- 2.8 Resident satisfaction with parking in Barnet has improved by ten percentage points over the last three years and is now at 27%. However, the London average is 33% and so further improvement is necessary. As part of the contract extension negotiation with NSL, the issue of customer satisfaction will be discussed.

OJEU procurement value and the ability to extend the current contract

- 2.9 The published OJEU procurement notice for the current NSL contract indicated a contract value range of £15M to £25M. It also indicated that the contract length is for a period of five years with a two year extension option. Regulation 72 of the Public Contract Regulations 2015 permit modification of contracts – “where such modification was provided for within the original tender documents irrespective of their monetary value”. To date the Council has spent circa £14.3 million during the first three years of the contract 2012 – April 2016. Projected spend for the remainder of the contract means that there will be adequate headroom available to accommodate both the remaining two years of the contract and an 18 month extension.

Savings requirements

- 2.10 There is a savings requirement for the enforcement contract of £150,000 that was intended to be realised by a re-procured commission. This saving which is due in the 2018/19 financial year has a number of alternative mechanisms to achieve its delivery. Firstly, the achievement of savings via the contract extension negotiation is likely to be possible. In particular, a negotiation concerning various commercial aspects of the contract may well be possible resulting in a net service saving of £150,000. The potential partnership arrangement with neighbouring London boroughs will also generate savings contributing to the 2018/19 target.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Immediately commence procurement for a new contract

With this option the Council would not exercise the option to extend the current contract with NSL and would instead prepare a new specification and suite of tender documents in order to commence a procurement exercise for a new contract to commence in May 2017.

This option is not recommended as it would not allow the joint working opportunities with other London Boroughs (described above) to be fully investigated and therefore potential benefits and savings would be lost.

3.2 Bring Service Delivery in house

4. POST DECISION IMPLEMENTATION

- 4.1 Assuming committee accept the suggestion of an 18 month extension of the current contract with NSL, the parking and procurement team will enter into negotiations with NSL to secure favourable terms for the 18 month extension period.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Parking is an important service to residents and initiatives are in place to enable the service to fulfil its aims of keeping traffic moving, making roads safer, reducing air pollution, ensuring that there are adequate parking spaces on High Streets, and that residents can park as near as possible to their homes. An effective parking service enables these aims and in particular utilising the current contract's extension facility to fully investigate a shared service model with partners will help to fulfil the Corporate Plan's objectives.

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

- 5.2.1 The approach outlined in this paper aims to secure the best possible value for money by investigating joint procurement(s) with other Local Authorities which have the potential to save money on future procurement costs.
- 5.2.2 Extending the current parking enforcement contract will enable the authority to investigate a shared services model with other authorities which have the potential to establish shared IT systems which could provide greater value for money in the future.

5.3 Social Value

- 5.3.1 The parking service delivers the Council's Parking Policy which is key to managing the finite parking infrastructure across the borough. Effectively managed parking contributes to social value across the borough by enabling the Council to deliver its commissioning intentions in terms of allowing people to park as close as possible to their homes, by keeping traffic moving and by reducing air pollution.

5.4 Legal and Constitutional References

- 5.4.1 The Council has a statutory duty to provide network management under the Traffic Management Act 2004. Effective parking enforcement supports this duty and a parking enforcement contract is necessary to enable this.

HB Public Law has been consulted in this matter and its comments are incorporated into the body of the report.

The Council can extend the contract to the maximum permissible period under the Contract which in this case is up to another two years. The Public Contracts Regulations 2015 permit the Council to extend the contract where such extension provisions were incorporated into the Contract and the original tender documents in clear and unequivocal terms.

The Council's Constitution (Clause 15A, Responsibility for Functions, Annex A) sets out the terms of reference of the Environment Committee. This includes parking provision and enforcement.

The Council's Constitution, Contract Procedure Rules set out at appendix 1 Table A outline the decision making route for contracts and contract extensions also states that the relevant theme committee (in this case the Environment Committee) can authorise contract extensions.

5.5 Risk Management

- 5.5.1 The approach of extending the current enforcement contract helps to effectively manage the risk associated with re-procuring a new contract. The extension period will provide adequate time to investigate possible

procurement alongside partners (and in doing so shares the risk of re-procurement). The extension period also provides an opportunity to ensure that whether the Council procures a new contract alongside partners or procures its own individual contract, it does so in a considered manner with time to ensure that the best possible commission is secured for the residents of Barnet.

5.6 Equalities and Diversity

5.6.1 The Council's parking policy and regulation of Parking in the borough for supports equalities and diversity in several ways:

- By meeting the needs of disabled people, some of whom will be unable to use public transport system and depend entirely on the use of a car.
- Keeping our footways clear.
- By tailoring parking regulations across the borough to suit the differing needs of our diverse communities.

5.7 Consultation and Engagement

5.7.1 The Parking Service is currently undergoing a transformation programme which involves engagement with Elected Members to ensure that issues are properly considered to inform the future re-procurement of a new enforcement contract.

5.8 Insight

5.8.1 The extension of the current Parking Contract and future procurement of a new contract will very much be informed by information and data detailing the performance of the current service. Wherever possible this insight will be utilised to improve the service the current and future contracts provide to the residents of Barnet.

6. BACKGROUND PAPERS

1. Committee approval for the parking contract (Cabinet Resources Committee 14th December 2011).
2. OJEU procurement notice for the existing parking contract.

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	<h2>Environment Committee</h2> <h3>12 May 2016</h3>
<p style="text-align: right;">Title</p>	<p>Recycling and Waste Strategy 2016 to 2030</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director - Environment</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>Yes</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix 1 – Summary strategy document Appendix 2 – Municipal Recycling and Waste Strategy 2016 – 2030 Appendix 3 – Recycling and Waste Detailed Action Plan</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Kitran Eastman Kitran.Eastman@barnet.gov.uk (020 8359 2803)</p>

<h2>Summary</h2>
<p>The Council recognises that the recycling and waste services in Barnet have a major role to play in its continued drive to provide a more sustainable future for the built and natural environment of the Borough.</p> <p>The Recycling and Waste Strategy 2016 – 2030 has been developed to provide future vision for services which reflects the changing nature of the Borough, with increased population, housing and commercial infrastructure. The strategy will also provide a strategic and policy framework to assist in the delivery of the Environment Committee’s Commissioning Plan 2015/16 to 2019/20. It supports the Councils Corporate Plan 2015-2020 targets, which includes the aim of being a Leader in London for recycling, with over 50% of waste collected will be reused, recycled or composted in 2020.</p> <p>In addition, the strategy provides a longer term view of recycling and waste collection services, and will assist in the Boroughs’ strategic development of future assets, both in Borough and as part of the North London Waste Authority (NLWA)</p> <p>The strategy has been developed from a series of evidence based assumptions. A public consultation on the draft strategy and the assumptions that underpin the strategy took place between 18 January 2016 and 13 March 2016. The results of the consultation have been reflected in updates to the final waste strategy and the development of its accompanying Action Plan.</p>

Recommendations

- 1. That the Environment Committee approves the adoption of the Recycling and Waste Strategy 2016 – 2030 and its action plan**
- 2. That the Environment Committee request the Commissioning Directors for Environment and Growth & Development ensure that planning guidance and policy is updated to ensure that all new developments in Barnet are designed to enable their new residents to recycle 70% of their waste, both through recycling collection facilities outside the flat and suitable storage for recycling and waste inside the flats**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council is taking steps to address the demands of a developing Borough and the impacts on its built and natural environments through developing a number of strategies, frameworks and policies. These include strategies for recycling and waste, parks and open spaces, enforcement against environmental crime as well as a new cleansing framework. These will ensure that we are well placed to respond to these challenges now, and are prepared to be able to manage the issues in the future.
- 1.2 Waste strategies exist at national, regional (London) and sub-regional (North London) level but Barnet Council does not currently have its own municipal Recycling and Waste Strategy. It is considered to be an appropriate time to be planning ahead for the recycling and waste services as Barnet's recycling rate in 2014/15 was 37.95% and there is a 50% recycling target in 2020. It is envisaged that future targets will be even more challenging whilst local authority budgets are planned to reduce over the medium term. Barnet is anticipating significant household growth so demand on services will continue to rise and this strategy will help to deliver the Environment Committee's Commissioning Plan 2015/16 to 2019/20 which includes the targets in 2019/20 of:
 - 50% of household waste to be sent for reuse, recycling and composting
 - 502 kilograms of household residual waste per household.

Municipal Recycling and Waste Strategy

- 1.3 Municipal waste is controlled and affected by many different influences. It was felt that the most logical way of developing the waste strategy was to construct a series of assumptions under the headings of: legislation and targets, residents, local facilities and technology, market dynamics, economic and financial outlook, local demographics and the built environment, and these would be the foundation on which to develop the waste strategy.
- 1.4 A final set of assumptions has been produced and evidence has been collated and is available to view on the Open Barnet data portal <https://open.barnet.gov.uk/publisher/municipal-waste---recycling-strategy> .The list of Final Assumptions can be seen within the strategy Appendix 2.

- 1.5 Two assumptions have been updated between draft status and this committee report i) "North London Waste Authority costs will be paid for through a menu pricing arrangement by 2021" has been updated to "North London Waste Authority costs will continue to be paid for through a menu pricing arrangement" ii) "Waste production is linked to the economy. When disposable income grows waste production increases. Therefore there is likely to be growth in household waste as the economy grows". Has been updated to "There are conflicting views on whether waste production is linked to the economy. As such when disposable income grows waste production may or may not increase. Therefore we will need to closely monitor waste per household figures as Barnet experiences a growth in households"
- 1.6 The Strategy and its summary can be seen in Appendix 1 and 2. The overarching goal of the strategy is to recycle 50% of Municipal waste by 2020. There are four aims which support this:
- Provide services that help our rapidly growing community to manage its environmental impact
 - Manage the rising cost of waste collection and disposal by designing services that promote recycling and reuse and are integrated, intuitive and efficient.
 - Encourage all Barnet's residents, businesses and visitors to take responsibility for the waste that they produce, using enforcement where necessary
 - Embrace new technologies and ways of working that help us deliver services that respond better to the needs of our community.

Consultation

- 1.7 On 11 January 2016 Environment Committee approved the draft Recycling and Waste Strategy for consultation. The consultation took place between 18 January 2016 and 13 March 2016. A summary of the consultation results can be seen below and the full report can be found on the open data portal. Responses to the draft strategy, through the formal consultation process, using an on-line questionnaire, and paper based questionnaire available upon request. A number of written responses to the questionnaire were also received.
- 1.8 There were 73 responses to the consultation questionnaire. All responses were through online questionnaire, no paper questionnaires were returned. The majority of on-line questionnaire responses were received from residents. Over 74% of respondents identified themselves as Barnet Residents, while a further 2% identified themselves as representing a voluntary/community organisation.
- 1.9 Those who responded to the general consultation closely match Barnet's population profile in terms of gender. In terms of age, however, respondents in their mid-20s to mid-40s are slightly over represented, as are those over 65. Those under 25 are significantly under represented, and those between 24 and 65 are slightly under represented. There is also a significant over representation of white respondents, and a significant under representation of Asian respondents and a slight under representation of Black respondents. Disabled respondents are also slightly under represented.

1.10 The consultation focused questions in three key areas

- The aims and objectives in the Recycling and Waste Strategy
- The assumptions on which the Recycling and Waste Strategy are built
- How services could be delivered in the future

1.11 **The consultation showed:** In response to the aims of strategy the consultation process confirmed that respondents agreed with the four key aims of the strategy, as can be seen in the table below:

The extent to which respondents agreed or disagreed with each of the strategy aims?	Agree		Disagree	
	%	Number	%	Number
Provide recycling and waste services that help our rapidly growing community to manage its environmental impact	90%	66	3%	2
Manage the rising cost of waste collection and disposal by designing services that promote recycling and reuse and are integrated, intuitive and efficient	89%	64	3%	2
Encourage all Barnet's residents, businesses and visitors to take responsibility for recycling the waste that they produce, using enforcement where necessary	79%	57	7%	5
Embrace new technologies and ways of working that help us deliver services that respond better to the needs of our community.	86%	62	1%	1

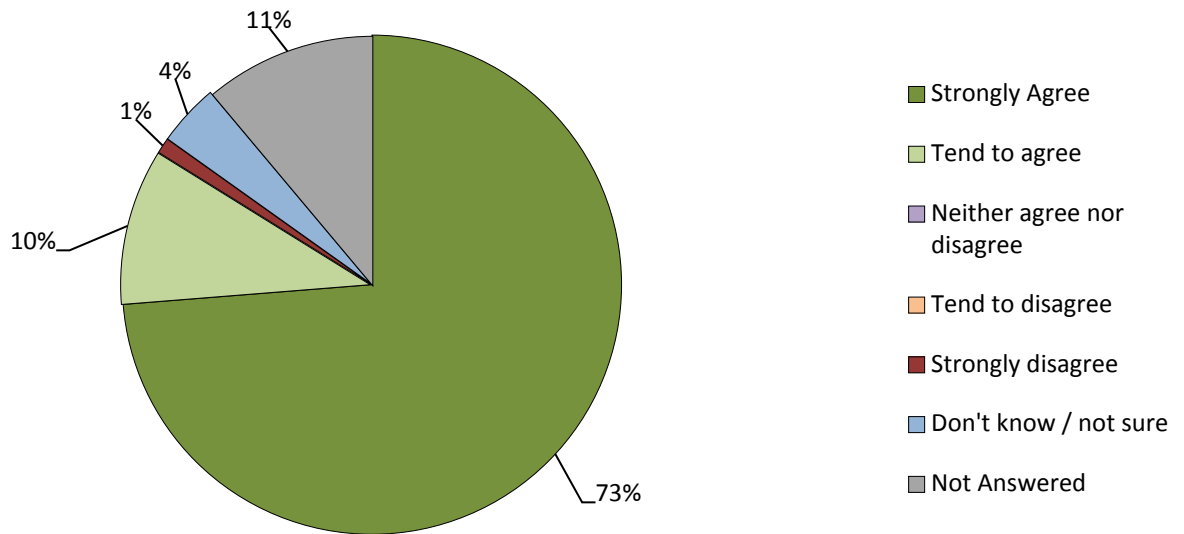
We will: keep the aims of the draft strategy and embed them within the action plan and development of recycling and waste services

1.12 **The consultation showed:** There was strong support for the principles of the waste hierarchy, with support for each of the aims with between 73% and 84% of respondents strongly agreeing or tended to agree. The most supported part, with 84% of respondents strongly agreeing or tended to agree was "Recycling and composting". This may be due to it being the area where residents can most easily see an impact of their actions.

We will: ensure that the principles of the waste hierarchy are embedded within the action plan and development of recycling and waste services

1.13 **The consultation showed:** Respondents strongly agreed that businesses should have and use recycling facilities, as shown in the graph below.

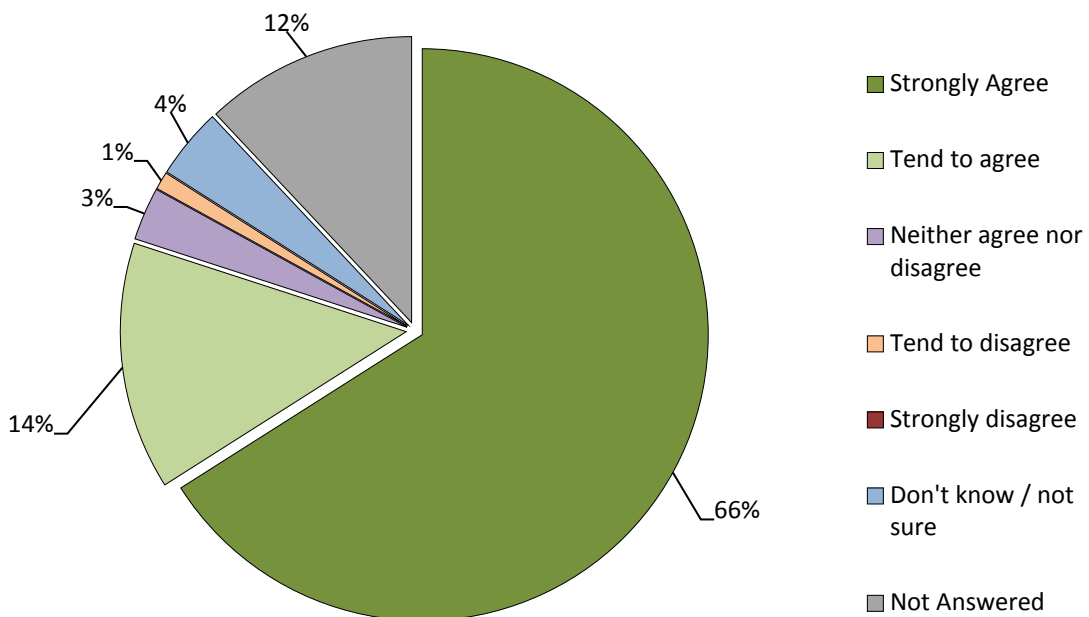
The extent to which respondents agreed or disagreed with the statement that the businesses of Barnet should be given the facilities to recycle and be expected to recycle as much of their waste as possible



We will: Implement a new recycling scheme for commercial waste, and ensure that all of our business customers recycle.

1.14 **The consultation showed:** Respondents strongly agreed that new developments in Barnet should be designed to enable their new residents to recycle 70% of their waste, both through recycling facilities outside the flat and suitable storage for recycling and waste inside the flats.

The extent to which respondents agreed or disagreed with the statement that Council should ensure through the planning process that new developments can recycle 70% of their waste



We will: Work to implement planning guidance and policy in Barnet that ensures that all new developments in Barnet are designed to enable their new residents to recycle 70% of their waste. This will be through, both through recycling collection facilities outside the flat and suitable storage for recycling and waste inside the flats. We will engage with developers to understand how bring about such design and were improved Council guidance can help.

- 1.15 **The consultation showed:** In relation to specific assumptions on waste growth 49% believed that that as the economy becomes stronger people are more likely to have more waste. Likewise 49% did not agree that households with fewer people in them, i.e. couples or a single person produce more waste per person. When combined with the comments it seems that a number of their views may be due to a belief that waste production cannot be generalised in this way, or based on their own experiences.

We will: ensure that waste growth statistics are monitored to understand where waste minimisation methods can be targeted.

- 1.16 **The consultation showed:** In relation to ways which would help to increase recycling respondents gave feedback on a number of different ideas. The most supported idea with 75% agreeing was “Increased communications to residents about recycling and waste”. All but one idea had a higher level of agreement than disagreement from respondents.

To what extent do you agree or disagree with each of statement?	Agree		Disagree	
	%	Number	%	Number
Having a smaller black bin	39%	29	22%	16
Having the current black bin collected less often but having recycling and food still collected weekly	41%	30	32%	23
Increased communications to residents about recycling and waste	75%	55	3%	2
Having a larger or extra recycling bins	49%	36	16%	12
Black bins which have recycling or food waste in them, not being emptied.	27%	20	41%	30

We will: embed increased communication into the strategy action plan, to increase behavioural change. We will also further explore other options for increasing recycling through alternative collection methods, utilising feedback from the consultation.

- 1.17 The strategy has been updated to reflect the responses to the consultation; the responses have also been used in the formation of the action plan for the strategy. Especially in regard to the emphasis put on communication, recycling in flats and the importance of high quality services by residents.
- 1.18 From the consultation it was interesting to note a number of trends in responses, such as:

- Residents really value communications on recycling and waste – not just when the bins are collected but also what happens next and what impact it makes
- Residents are in favour of recycling more
- Residents were more in favour of reducing the frequency of the black bin collection rather than reducing its size
- The support for collecting the black bins less often was higher than the resistance, however, comments showed some very strong views for and against

Key Challenges in Delivering Strategy

1.19 Delivering the new recycling and waste strategy will not be simple or straight forward. There are many challenges facing Barnet and balancing which we have to be looked at. Between 2016 and 2020 we will need to resolve, in light of the strategy aims, the continuing financial pressure and the views expressed during the consultations:

- What services are free at point of use and what it may be fairer to charge users
- The knowledge and motivation which residents have over recycling, and how we communicate effectively on these issues
- How frequent our scheduled services to drive the strategy and balance costs
- What collections are essential to residents and what are nice to have
- How we balance the need of those in medium and high-rise accommodation verses those in more traditional housing

2. REASONS FOR RECOMMENDATIONS

2.1 **Recommendation 1** - It is recommended that Environment Committee approves the adoption of the Municipal Recycling and Waste Strategy 2016 – 2030 and its action plan. This will enable the recycling and waste service to have a clear focus on what it needs to accomplish, and ensure other services can support the aims of the strategy.

2.2 **Recommendation 2** - It is recommended that Environment Committee request the Commissioning Directors for Environment and Growth & Development ensure that planning guidance and policy is updated to ensure that all new developments in Barnet are designed to enable their new residents to recycle 70% of their waste, both through recycling collection facilities outside the flat and suitable storage for recycling and waste inside the flat. This will ensure that future development in Barnet is sustainable and supports the aims of the strategy.

The 70% target is in excess of the 50% recycling target by 2020 as the strategy holds the assumption that this may need to be higher in future years. Experience has taught us that retro fitting solutions in these sorts of developments is difficult and expensive. As such designing solutions in from the outset for our future aspiration is a more desirable option.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The council could have developed a four year waste strategy from 2016 to 2020. This was considered but not recommended as it is felt that a longer term approach needs to be taken with the services, particularly as Barnet has significant household growth projections. The strategy is therefore for fourteen years, from 2016 to 2030.
- 3.2 The development of a household only waste strategy was also considered but is not recommended as it is felt that a holistic approach should be taken with all the waste services that the council provides. In the long term it is predicted that targets will be based on all council waste services (municipal waste), and financial savings will need to be delivered through a “whole system” approach. A municipal waste strategy has therefore been developed to include all the services that generate waste that the council is responsible for such as waste and recycling collected from households, litter bins, street sweepings, fly tips and commercial waste collected by the council.

4. POST DECISION IMPLEMENTATION

- 4.1 If the Committee is so minded to adopt the Recycling and Waste Strategy then the document will be published on the Barnet website, and the action plan items will be developed for implementation.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Corporate Plan 2015-2020 is based on the core principles of fairness, responsibility and opportunity to make sure Barnet is a place:
- Of opportunity, where people can further their quality of life
 - Where people are helped to help themselves, recognising that prevention is better than cure
 - Where responsibility is shared, fairly
 - Where services are delivered efficiently to get value for money for the taxpayer.
- 5.1.2 The Corporate Plan 2015-2020 includes the following aims:
- We will be a Leader in London for recycling
 - Over 50% of waste collected will be reused, recycled or composted in 2020.
- 5.1.3 There are no implications relating to the Health and Wellbeing Strategy and its stated priorities, or the future health and wellbeing needs of the local population as identified in Barnet’s Joint Strategic Needs Assessment.

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

- 5.2.1 **Finance and Value for Money** – The 2015/16 expenditure budgets for the current services that deal with municipal recycling and waste is £12.564 million, with a further £10.736 million projected to be spent on waste treatment

and disposal in 2015/16 through the North London Waste Authority (NLWA) levy. The NLWA levy costs are projected to increase significantly in future years for all member boroughs.

- 5.2.2 At the meeting of the Environment Committee on 10 November 2015 the following savings were agreed and referred to December 2015 Policy and Resources Committee for approval. They are all or in part linked to the municipal Recycling and Waste Strategy.

Description	Savings year (£000s)			
	2016/17	2017/18	2018/19	2019/20
Transfer of Summers Lane CARC to NLWA	80	0	0	0
Alternative Delivery Models for all of Street Scene	0	250	450	0
Street Cleansing	0	600	0	0
Street Scene - Income generation from non-statutory services	50	200	300	1000
Demand management via enforcement and education	0	25	25	0
Street Scene - improve service efficiencies to reduce growth demand	360	75	0	0
North London Waste Authority	1,900	500	100	100
Revised waste offer to increase recycling	31	50	200	200

- 5.2.3 The final strategy and accompanying Action Plan include initiatives to address the agreed savings. One of the aims of the strategy is to “manage the rising cost of waste collection and disposal and budget reductions by designing services that are integrated, intuitive and efficient”.

- 5.2.4 **Procurement, Staffing, and Property** – at this stage in the development of the strategy there are no implications.

- 5.2.5 **IT** – One of the aims of the strategy is to “embrace new technology and ways of working that help us deliver services that respond better to the needs of our community”. The action plan includes these aspirations and individual projects will need to take into account new and existing information technology and how this can be used to improve participation in the recycling services.

- 5.2.6 **Sustainability** – two of the aims of the strategy are clearly linked to sustainability, which are; “provide services that help our rapidly growing community to manage its environmental impact” and “encourage all Barnet’s residents, businesses and visitors to take responsibility for the waste that they produce”. The overall vision of the strategy is to protect our wider environment by reducing waste and increasing reuse and recycling, and we want everyone to play their part.

5.3 Social Value

- 5.3.1 Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. In taking forward the action plan due regard will be paid to the Social Value Act.

5.4 Legal and Constitutional References

- 5.4.1 There is no statutory duty for the council to produce a waste strategy. Section 32 of the Waste and Emissions Act 2003 has a requirement for the North London Waste Authority and its constituent councils to produce a joint waste strategy. This joint waste strategy was produced and agreed in February 2009.
- 5.4.2 The Council's Constitution (Clause 15A, Responsibility for Functions, Annex A) sets out the terms of reference of the Environment Committee. This includes
- Commissioning refuse and recycling, waste minimisation and street cleaning,
 - Approve any non-statutory plan or strategy within the remit of the Committee that is not reserved to Full Council or Policy and Resources Committee.
 - Approve fees and charges for those areas under the remit of the Committee
- 5.4.3 This matter is not reserved to Full Council or to the Policy and Resources Committee as the Constitution specifically allocates matters of this type to the Environment Committee.

5.5 Risk Management

- 5.5.1 The management of risk is undertaken on a continual basis and reported as part of the Council Quarterly Performance regime and considered as part of the Performance and Contract Management Committee quarterly monitoring report.
- 5.5.2 The fourteen year strategy is based on a series of assumptions which have been tested and are supported by evidence that will be publicly available as part of the consultation. There is a risk with this method that the assumptions and accompanying data will be scrutinised and challenged. However it is felt that this evidence based approach will generate a sound basis on which to make decisions for the future.
- 5.5.3 The strategy is built upon a series of assumptions. There is a risk that a current substantial assumption has been overlooked, this has been mitigated by a range of internal staff and external experts being involved in the development and evidence gathering for the assumptions, so this risk is

considered to be low. There is a risk that an assumption materialises during the life of the strategy that has a significant impact on the strategy or the implementation of the strategy. This risk will be reduced by carrying out regular reviews of the strategy and accompanying Action Plan.

5.6 Equalities and Diversity

5.6.1 The Corporate Plan 2015-2020 sets the Strategic Equalities Objective, which is: that citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the tax payer. Changes to policies and services are analysed in order to assess the potential equalities impacts and risks and identify any mitigating action possible before final decisions are made.

5.6.2 The strategy has been reviewed against the protected characteristics under the 2010 Equality Act namely age, disability, ethnicity, gender, gender reassignment, marriage and civil partnerships religion and belief, sexual orientation and transgender. At this time the high level nature of the strategy and the use of a wide range of assumptions including those on population and demographic changes mean that no specific impacts can be identified. Appropriate equality impact assessments will be produced for the projects/work streams noted in the action plan, as they are initiated

5.7 Consultation and Engagement

5.7.1 On 11 January 2016 Environment Committee approved the draft Recycling and Waste Strategy for consultation. The consultation took place between 18 January 2016 and 13 March 2016. A high level overview can be found in section 1.6 above and the summary of the results of the consultation can be seen on Open Barnet

5.7.2

5.8 Insight

5.8.1 The strategy is based on a series of assumptions which have been tested and are supported by evidence that is publicly available on Open Barnet.

6. BACKGROUND PAPERS

6.1 [Environment Committee 11 January 2016 Papers](#)

6.2 [Open Barnet – Strategy Assumption Documents](#)

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	<p style="text-align: center;">Performance and Contract Management Committee</p> <p style="text-align: center;">31 May 2016</p>
<p style="text-align: right;">Title</p>	<p>Web Improvement Update</p>
<p style="text-align: right;">Report of</p>	<p>Director of Strategy, Communications & Customer Services</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A - GovMetric top 10 councils for website satisfaction in March & April 2016 Appendix B – Top 60 tasks that have been reviewed and improved</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Kari Manovitch, Head of Customer Strategy & Programmes, kari.manovitch@barnet.gov.uk Katherine Lyon, Head of Customer Services & Transformation, Capita Local Government, katherine.lyon@capita.co.uk Chris Melia, Customer Experience Manager, Capita Local Government, Christopher.Melia@capita.co.uk</p>

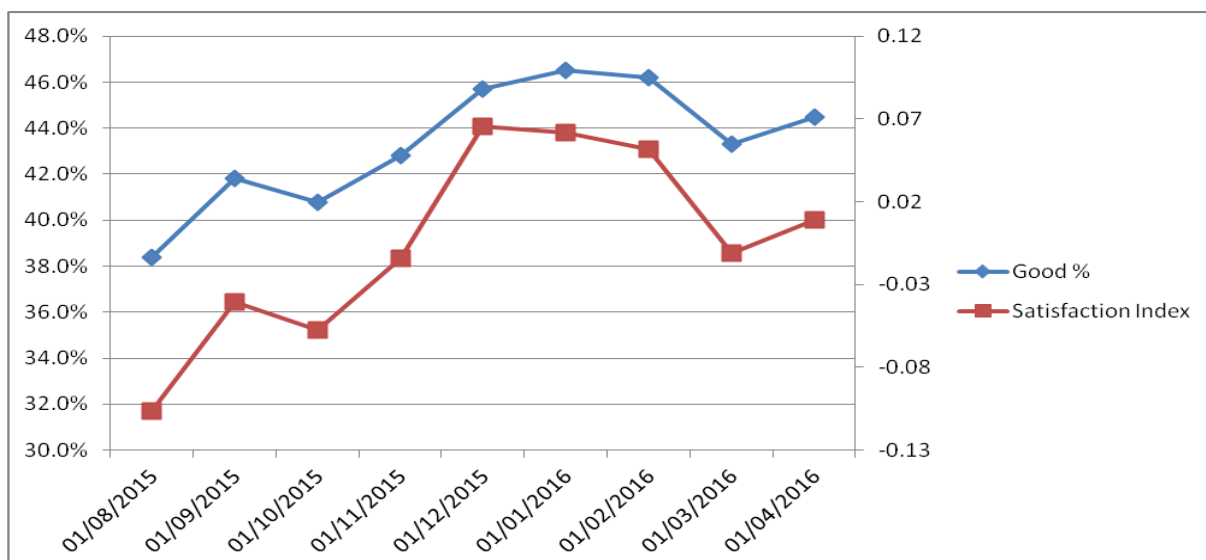
Summary
<p>It is a priority for the Council to have a website that attracts customers and provides a good customer experience. The Council monitors its success in a number of ways, including through the satisfaction ratings that customers submit when using the site. The website improvement work over the last 8 months has resulted in the satisfaction ratings rising from 42% in Q1 2015/16, to 45% in the final quarter. However the Council has a target to improve satisfaction by a further 9 % points in the current financial year, with our vision to be a sector leader over the medium-term. To do this will require a number of further improvements to be made, which are identified in the report.</p>

Recommendation

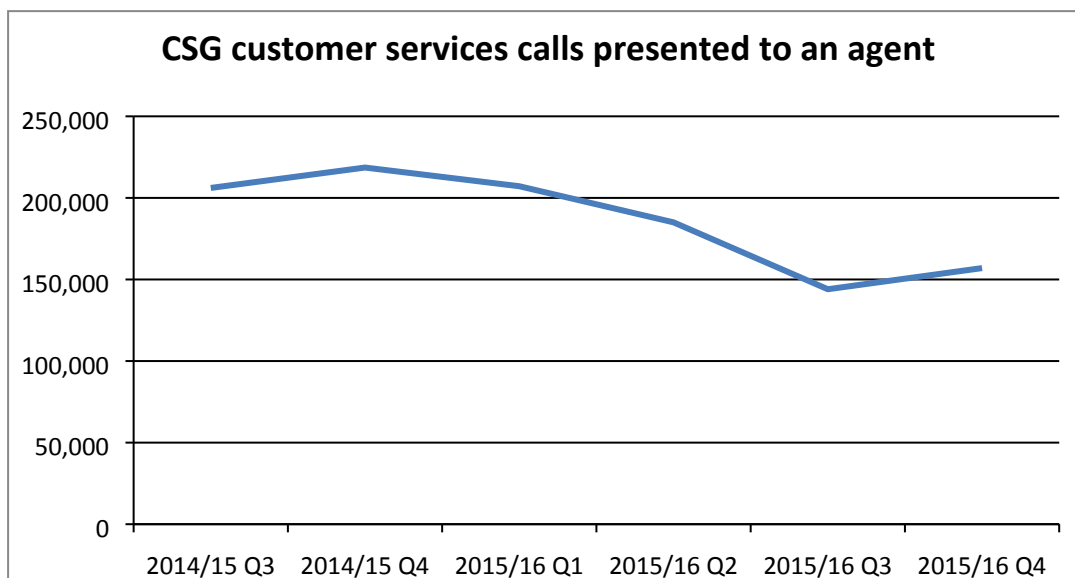
1. That the committee note the progress being made and endorse the plans for further improvement.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council's vision for customer access is that by 2020 it will be simplified and primarily 'digital by default', offering efficient resolution and services joined up across the Council, partner agencies and the community sector. Digital by default means that the digital services are so good that the majority of customers prefer to use them, as is the case with online shopping and banking. Of course not all Council services will be delivered digitally – for some services personal contact is essential, and for some customers, digital access will not be possible. But there is scope for a far greater proportion of customer transactions to be completed online than is currently the case. The Council's draft Customer Access Strategy, approved by Policy & Resources Committee, sets out how the Council intends to improve and achieve this vision.
- 1.2 The Strategy will ultimately require significant cross-council transformation work and IT investment, but there is still much the Council can do to improve the website ahead of this. An outline business case for the Strategy will be taken to Policy & Resources Committee in October 2016.
- 1.3 The Council monitors the success of the website through a range of measures, and customer satisfaction ratings are central. In the first three quarters of 2015/16, website satisfaction remained below expectation. This led to the establishment of strengthened monitoring, a cross-Council action group, an action plan, and reporting the progress on the plan to this committee.
- 1.4 Implementing this action plan has had positive results. The proportion of customers rating the website as good exceeded 46% in January and February 2016, from a baseline of 38% in August 2015. The average for quarter 4 was 45%, compared with 42% in quarter 1.
- 1.5 The chart below shows the improvement that has taken place. The blue line relates to the left axis, which is how the Council reports the satisfaction scores; the proportion of scores that are good. The red line relates to the right axis, which shows Barnet's score according to GovMetric's indexing methodology, which is used to rank all subscribing councils. on this measure, 1 is the highest score, -1 is the lowest score, and Barnet's highest score was nearly 0.07 in December 2015.



- 1.6 The picture on website activity is more mixed. The trend since Q2 for website visits has been upwards, but website visits in Q4 were not as high as in Q1 at the start of the year, or Q4 the previous year.
- 1.7 In terms of webform submissions, there was a 13% increase between Q3 and Q4, with 13,612 forms submitted in Q4. The volumes in Q4 were also at least 13% higher than during the same quarter last year, which is very encouraging. The highest webform volumes were actually recorded in the first two quarters of the year, suggesting the impact of seasonal differences.
- 1.8 My Account registrations have risen steadily; by the end of April 2016 there were 22,903 accounts, representing around 16% of households, after 14 months of the service being live. This reflects a range of promotion methods being deployed, including posters, leaflets, and promotion by customer services staff. The target for 2016 is to get to 20% households with My Accounts, and to achieve 50% households by 2020. There are other councils in London such as Southwark and Barking and Dagenham that have achieved 50% households with a My Account after around 3 years of operation.
- 1.9 Largely as a consequence of the expansion of recorded messages on the CSG customer services phone lines in August 2015, the volumes of phone calls presented to customer services agents has fallen, meaning that customers are having their queries answered without calling back to speak to an agent. This in turn has allowed CSG customer services to reduce the number of staff in the contact centre, as committed to in the contract.



- 1.10 However, the Council knows that to realise its vision, we need to see higher levels of web usage, and this will only be achieved if satisfaction levels rise, as a result of further improvements to the website. The current Corporate Plan has established ambitious targets to achieve 54% of good ratings by the end of 2016/17, and to be amongst the top 10 councils for customer satisfaction of its website by 2020.
- 1.11 The setting of these satisfaction targets was informed by the benchmarking data obtained from GovMetric, the measurement tool that Barnet uses, along with around 70 other councils. GovMetric data put Barnet's ratings in the bottom quartile of quartile of this group, and identified that top performing councils were achieving 55%-60% good ratings. The current top 10 local authority sites achieve customer satisfaction index value approximately 10% higher than Barnet's current scoring. See Appendix A for the top 10 performing councils in March and April 2016.

WORK COMPLETED TO DATE

- 1.12 In 2015 the customer experience manager established a new group of managers to focus on improving website content, with representatives from all delivery units. This group meets every 6 weeks and is responsible for implementing an action plan, and reporting progress on this to the Council's delivery board and to this Committee.
- 1.13 Customer services run a monthly report to identify the top 10 issues attracting negative customer ratings and addressing these specifically, such as broken or incorrect links.
- 1.14 The Council's web manager was joined by one additional temporary web manager, providing greater capacity for improvement work and supporting the web group and the network of officers across the Council who edit and update webpages.

- 1.15 A list of the top 60 tasks were identified using the volume of visits and the importance of the pages from a safeguarding perspective – see Appendix B. The pages associated with these tasks were systematically reviewed and improved, in collaboration between the web management team and the service experts, using best practice web design and content principles. This has included simplifying words and sentences, improving keywords to make the content more discoverable, removing inaccurate and out of date content, and removing duplication.
- 1.16 The web managers have also refreshed the training provided to web editors, including through provision of more personal, one to one support.
- 1.17 Every week senior managers receive a customer performance bulletin, and this contains web ratings and customer feedback, in order for improvements to take place.
- 1.18 Officer responses to customer feedback comments are published on the Council's website on a monthly basis.

PRIORITIES AND ACTIONS FOR FUTURE IMPROVEMENT

- 1.19 In order to improve customer ratings still further, the Council has reviewed the negative feedback received over the past quarter. Whilst 45% satisfaction is an improvement, in Q4 42% ratings received were negative, and 13% were average.
- 1.20 This has led to the following future improvements being identified:
 - **Improving My Account, and the most-used webforms:** Customer satisfaction ratings for My Account were below the overall website satisfaction at 37% in Q4, and this needs to be a focus for improvements. Issues reported include difficulties with authentication of their Council Tax details due to needing to know their exact name used on the Council Tax bill, missing postcodes for waste services, difficulties with navigation, and over-complex forms.

It is vital that My Account and the most-used webforms provide an excellent, uncomplicated experience for customers. The table below shows the highest volume webforms over the 6 months to April 2016. This is to some extent seasonally driven; Council Tax activity is highest in April.

1	Council Tax - Council Tax Payment	3,293
2	Council Tax moving in	2,710
3	Report a Problem	2,491
4	Council Tax moving out	2,132
5	Request/report new damaged and additional bins	1,909
6	Report Non Collection (bins)	1,807
7	Council Tax general enquiry	1,536
8	Application for in year school admission	1,385

9	Multi Agency Safeguarding Hub referral form	971
10	Housing Benefit forms	815

Customer services will review feedback about My Account and these forms to create a clear set of improvement actions **by the end of June 2016**. There is also an upgrade of the Civica system in 2016, used for Council Tax and Housing Benefits, which will include improved online capability for these services.

- **Technical support and maintenance:** When technical issues arise with the website, they are not resolved as quickly as they should be. There is a list of technical improvements that have been identified, but as yet no clear timeline for implementing them. Therefore the arrangements for technical support and maintenance of the website are in the process of being clarified and strengthened, **which will conclude in July 2016**.
- **Proactive website management and maintenance:** The Council currently has no tool in place to proactively alert it to web faults, which means that faults are discovered first by either customers or non-technical staff. There are tools available that do proactively and comprehensively monitor the performance of a website, enabling more rapid resolution of glitches, which CSG will evaluate. **This will conclude in June 2016**.
- **Involving customers:** Successful online services are designed with customers in mind throughout. Sites need to continually improve, to adapt to customer behaviours and preferences. The Council needs to strengthen opportunities for obtaining customer experience feedback and is looking at various options for doing this. **This will conclude in July 2016**.
- **Broader benchmarking:** The Council currently relies on GovMetric tool, which is used by around 70 other councils, to measure the quality of the website and understand what a realistic level of customer satisfaction is. However, customer feedback provided via GovMetric is not always about the website but rather, about the Council. Customers sometimes use the survey to vent their frustration about Council's decision or a service experience. Therefore the Council is looking at additional ways of measuring the site. These include:
 - Neteasy - where pages are rated on a 5 star system
 - SOCITM (Society of IT Managers for local government) benchmarking – this uses independent reviewers of pages based on a criteria for access, readability, ease of use, content accuracy, and end-to-end digital.

Additionally, customer services will more closely review the councils that receive the highest GovMetric ratings to understand the extent to which the prominence/availability of the survey across the site is helping to boost their scores, thus making them less reliable comparators; see Appendix A. **These actions will conclude in July 2016**.

- CSG Customer Services commissioned a peer review of the Council's website by the online service expert team in West Sussex Council in April

2016, which reviewed content, navigation, search, and accessibility, in detail. These findings are now being reviewed, with priority actions identified and assigned to officers. **This process of action planning and prioritising will conclude in June 2016.**

- **Improving content:** All Delivery Units will be asked to agree targets for improving the ratings of the content that they are responsible for. Targets will be agreed **by the end of June 2016** and will be monitored quarterly. Within this, a list of 20 areas that receive the most online complaints will be the focus of attention.
- **Staff capacity:** CSG have just recruited a dedicated Customer Experience Analyst to lead customer service's activity in understanding and improving the website, and working with the Council's web managers, web editors and members of the web group. The Council also needs to evaluate how best it can maintain website content according to best practice principles, so that writing and maintaining good content becomes the norm, rather than something that happens periodically as part of a project. Only by delivering a consistently good customer experience will customers be persuaded to go to the website, stay on the website, and use it again in future. **This will conclude in August 2016.**
- **Implementing the Customer Access Strategy:** The Strategy approved by Policy & Resources Committee was subject to public consultation, and the results of this consultation will be reported to Policy & Resources Committee with a final version of the Strategy. A business case for the investment required to implement this Strategy will be brought to Policy & Resources Committee in October 2016. This will set out the IT infrastructure required to ensure that customers received the sort of intuitive and efficient experience when dealing with Council services as they have become accustomed to when dealing with online retailers.

1.21 In addition to the above set of actions, the broader improvement plans for the IT service, and the management of systems and IT projects, will have a positive impact on the customer web experience. Problems experienced in relation to the new Parking system, and the Libraries system, detrimentally impacted on customer experience in quarter 4, both online and offline.

2. REASONS FOR RECOMMENDATIONS

2.1 To allow scrutiny of the information provided and to allow discussion and feedback from the Committee on the position reported.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 The alternative option is not to focus on the website. However this is inconsistent with the Council's Customer Access Strategy, and would

undermine the benefits to customers and taxpayers to be achieved through greater digital service delivery.

4. POST DECISION IMPLEMENTATION

4.1 The web improvement work is ongoing and will continue throughout 2016/17.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.2 Improving customer services, and delivering flexible and intuitive web-based services is a corporate priority established in the Corporate Plan.

5.3 Delivering this improvement plan will enable the council to achieve the following Corporate Plan targets:

- 9% increase in satisfaction with the council's website by the end of 2016/17
- Top 10% for England in satisfaction with the council's website by the end of 2019/20

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

5.5 This improvement plan is being delivered in partnership with Capita, Costs to the council will be contained within existing budgets in Commissioning and also transformation reserve for implementing the customer access strategy There will be no additional financial impact on the council as a result of the improvements identified in the report

5.6 Increasing digital transactions and self-service is critical to delivering efficiency savings.

5.7 Social Value

5.7.1 A comprehensive, accessible, easy-to-use website will benefit the residents and businesses of Barnet, who be able to quickly and easily find the information and conduct the transactions they need to, at times convenient to them.

5.8 Legal and Constitutional References

5.8.1 The [Council's Constitution, in Part 15 Annex A, Responsibility for Functions, states](#) the functions of the Performance and Contract Management Committee include (amongst other responsibilities):

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re: the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL

(Parking Contractor); Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance.

- c) Receive and Scrutinise contract variations and change requests in respect of external delivery units.
- d) To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.
- e) Specific responsibility for the following function within the Council:
 - a. Risk Management
 - b. Treasury Management Performance
- f) Note the Annual Report of the Barnet Group Ltd

5.9 Risk Management

5.9.1 The web improvements described are designed to mitigate the risk to the Council's reputation and to the achievement of the customer access vision and strategy, risks that arise from low customer satisfaction with the Council's website.

5.10 Equalities and Diversity

5.10.1 It is vital that web improvement work takes into account the diversity of customer requirements, such as differential accessibility needs, and maintains the AA accessibility rating. The action to increase website performance measurement, and customer involvement in particular will contribute to this.

5.11 Consultation and Engagement

5.11.1 Web improvement work is, and must continue to be informed by the customer feedback obtained. This report contains an action to develop new ways of obtaining richer customer feedback.

5.8 Insight

5.8.1 The Council's promotion of the website is informed by understanding how digitally able our customers are, and tailoring our approach accordingly. Some customers who are not digitally able will not be expected to use digital channels and will be given more personal support.

GovMetric top 10 councils for website satisfaction in March & April 2016

GovMetric does not have strict arrangements in place to ensure consistency in the way each council applies the satisfaction survey on its website, and perhaps as a consequence of this, there is considerable variation in the volumes of ratings that councils achieve. Barnet Council's website satisfaction survey is available on every single page of the website and is very prominent.

The survey typically gets over 2,000 individual feedback scores per month. Five other councils in the top 10 get a similar magnitude, but the others get less than 500 scores per month. Several of the top performing councils are more selective with respect to the pages that the survey is available on, to encourage feedback about certain pages and not others.

GovMetric scores provide an index to benchmark. Index scores are calculated by assigning a value to the three ratings (good = 1, average = 0, poor = -1), adding together all the ratings, and producing an average by dividing by the number of ratings.

Barnet scores have ranged in the last year from -0.18 to 0.02.

Web					Apr-2016
Position	Council	Type	Population	Total Feedback Responses	Net Satisfaction
↑	The Royal Borough of Kensington and Chelsea	Unitary	158649	1455	0.35
↑	South Tyneside Metropolitan Borough Council	Unitary	148127	204	0.33
↔	States of Jersey	Unitary	99500	272	0.29
↓	Tewkesbury Borough Council	District	81943	237	0.28
↑	Hambleton District Council	District	85382	376	0.16
↑	Kent County Council	County	1463740	3227	0.15
↓	Hertfordshire County Council	County	1116062	1767	0.15
↑	Luton Borough Council	Unitary	203201	371	0.10
↑	Cambridge City Council	District	123867	428	0.09
↓	Elmbridge Borough Council	District	130875	125	0.07

Web					Mar-2016	
Position	Council	Type	Population	Total Feedback Responses	Net Satisfaction	
↑	Tewkesbury Borough Council	District	81943	352	0.50	
↓	The Royal Borough of Kensington and Chelsea	Unitary	158649	1747	0.41	
↔	States of Jersey	Unitary	99500	276	0.33	
↓	South Tyneside Metropolitan Borough Council	Unitary	148127	231	0.32	
↑	Hertfordshire County Council	County	1116062	1838	0.17	
↑	Elmbridge Borough Council	District	130875	140	0.16	
↑	Surrey County Council	County	1132390	1541	0.09	
↑	Kent County Council	County	1463740	3209	0.09	
↑	Staffordshire County Council	County	848489	2011	0.08	
↑	East Northamptonshire District Council	District	86765	100	0.05	

APPENDIX B

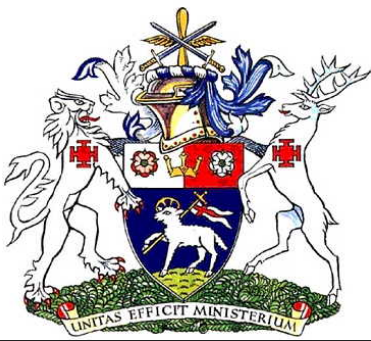
Top 60 tasks that have been reviewed and improved

The Barnet website attracts over 1.5 million visitors a year, who may have more than one 'web session'.

Web areas	Top customer tasks page	Sessions over last 12 months
Planning (4 pages)	View or comment plans	66,536
	Submit	5,837
	General information	43,774
Parking (8 pages)	Pay parking ticket	87,693
	General information	72,787
	Parking enforcement	19,646
	Permits	33,927
	Controlled zones	21,589
Bins and waste (4 pages)	Bin collection dates	38,485
	Find the Summers Lane RCC	12,915
	Bulky waste collection	11,655
	Find information on waste and recycling	24,012
Council tax (12 pages)	Pay Council Tax	68,498
	Pay Council Tax online	62,930
	Council Tax exemptions	10,068
	Work out Council Tax band	18,685
	Council Tax - moving in and out/change of address	11,521
Contact MyAccount (5 pages)	Contact the Council	19,399
	Login	1,837
	Sign-up or register	5,376
Schools (7 pages)	Primary school admissions	31,427
	School holiday and term breaks information	35,543
	Secondary school admissions	19,368
Libraries (5 pages)	Find out when libraries are open	42,966
	Renew library books	12,934
	Library ebooks and audio	4,222
Jobs	Find a job	19,483
Pay online	Pay online (for Council Tax, rent and parking notices)	8,261
Report a problem	Report a problem (potholes, etc)	18,233
Housing benefit	How to get housing benefit	10,280
Building control	General information about building control	7,847
Children	Children centre timetables	5,674
	Free childcare	5,135
Voting	Register to vote in Barnet	8,337
Births, deaths, marriages and nationality	Births, deaths, marriages and nationality information	9,924

Web areas	Top customer tasks page	Sessions over last 12 months
information		
Licensing	Premises licenses	1,664
MASH form	Professionals completing the MASH form without timing out	1,135
Public Health	Sexual health services	2,308
	Fitness for over 55 year olds	837
Sports and recreation	Parks	4,395
	Clubs and facilities hire	1,827
	Pitch hire	1,116
	Walks eg Dollis Park	2,154
	Outdoor gyms	1,010
Adult social care	Blue badges	9,434
	Freedom passes	3,943
Regeneration	Information about Brent Cross and Graham Park	4,786
Housing	Apply for Council housing	9,501
	Information for landlords	173

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Performance and Contract Management Committee

31 May 2016

Title	Referral from the Audit Committee: Internal Audit Exception Recommendations Report and Progress Report up to 31st March 2016 and Internal Audit Annual Opinion 2015-16
Report of	Head of Governance
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	<p>Appendix A – Information Technology Disaster Recovery - Internal Audit Report Quarter 4, 2015-16 – pages 5-11</p> <p>Appendix B – IT Change Management - Internal Audit Report Quarter 4, 2015-16 – pages 3-10</p> <p>Appendix C – Internal Audit Annual Opinion 2015-16 – pages 1-9</p>
Officer Contact Details	<p>Salar Rida, Governance Officer Email: salar.rida@barnet.gov.uk Tel: 020 8359 7113</p>

Summary

The report informs the Committee of an item the Audit Committee has recommended for consideration by the Performance and Contract Management Committee, namely the internal Audit reports on IT Disaster Recovery and the IT Change Management and the Internal Audit Annual Opinion 2015-16.

Recommendation

1. **That the Performance and Contract Management Committee consider the matter referred by the Audit Committee.**

1. WHY THIS REPORT IS NEEDED

1.1 At the meeting on 19 April 2016, the Audit Committee considered the 'Internal Audit Exception Recommendations Report and Progress Report up to 31st March 2016'. The report included two limited assurance audits of the 'Information Technology Disaster Recovery' (Appendix A, pp.5-11) and 'IT Change Management' (Appendix B, pp. 3-10).

1.2 Following discussion of the limited assurance reports on Information Technology Disaster Recovery and IT Change Management, it was Resolved:

'That the Audit Committee refer the Internal Audit reports on IT Disaster Recovery and IT Change Management to the Performance and Contract Management Committee for its consideration'

1.3 At the same meeting the Audit Committee considered the Internal Audit Annual Opinion 2015-16. It was noted that this report included summary information on the issues raised in the Internal Audit Exception Recommendation Report and Progress Report up to 31 March 2016 which the Committee had referred to the Performance and Contract Management Committee for consideration. The Committee subsequently Resolved:

'That the Internal Audit Annual Opinion 2015-16 be brought to the attention of Performance and Contract Management Committee.'

1.4 Performance and Contract Management Committee is therefore requested to consider these matters. The relevant excerpts of the above reports are attached as:

- Appendix A (at pages 5-11) Internal Audit Exception Recommendations Report and Progress Report up to 31st March 2016
- Appendix B (at pages 3-10) IT Change Management - Internal Audit Report Quarter 4, 2015-16. ;
- Appendix C (at pages 1-9) Internal Audit Annual Opinion 2015-16

2. REASONS FOR RECOMMENDATION

2.1 No recommendations have been made.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Not applicable.

4. POST DECISION IMPLEMENTATION

4.1 Post decision implementation will depend on the decision taken by the Committee.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 As and when issues raised and progressed, they will need to be evaluated against the Corporate Plan and other relevant policies.

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

5.2.1 None in the context of this report.

5.3 Social Value

5.3.1 Not applicable in the context of this report.

5.4 Legal and Constitutional References

5.4.1 The Council's Constitution Responsibility for Functions, Annex A, sets out the terms of reference of the Audit Committee including that the purpose of the Audit Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process.

5.4.2 The terms of reference of the Audit Committee also includes the following responsibility: To make recommendations to the relevant Committee for consideration of audit assurance matters of significant concern.

5.4.3 The Performance and Contract Management Committee terms of reference includes Risk Management and the Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group Ltd (including Barnet Homes and Your Choice Barnet); HB Public Law; NSL; Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance.

5.5 Risk Management

5.5.1 None in the context of this report.

5.6 Equalities and Diversity

5.6.1 None in the context of this report.

5.7 Consultation and Engagement

5.7.1 None in the context of this report.

5.8 Insight

5.8.1 None in the context of this report.

6. BACKGROUND PAPERS

6.1.1 Audit Committee, 19 April 2016, Agenda Item 7, Internal Audit Exception Recommendations Report and Progress Report up to 31st March 2016 – Information Technology Disaster Recovery
<http://barnet.moderngov.co.uk/documents/s31483/Annex%20A%20-%20Internal%20Audit%20Report%20Quarter%204%202015-16.pdf> (pages 5-11).

6.1.2 Audit Committee, 19 April 2016, Agenda Item 7, Internal Audit Exception Recommendations Report and Progress Report up to 31st March 2016 – IT Change Management
<http://barnet.moderngov.co.uk/documents/s31508/Annex%20B%20-%20Internal%20Audit%20Report%20Quarter%204%202015-16%20-%20Addendum.pdf> (pages 3-10).

6.1.3 Audit Committee, 19 April 2016, Agenda Item 8, Internal Audit Annual Opinion 2015-16 (pages 1-9)
<http://barnet.moderngov.co.uk/documents/s31479/Annex%20A%20-%20LBB%20Internal%20Audit%20Annual%20Opinion.pdf>

Internal Audit
Progress Report 2015-16 – Quarter 4

Caroline Glitre, Head of Internal Audit

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1. Introduction

The Internal Audit Plan was approved by the Audit Committee on the 30th April 2015. As previously requested by the Committee, this report covers audit reports with limited or no assurance which are summarised into key messages with some detail.

2. Final Reports Issued

This report covers the period from 1st January 2016 to 31st March 2016 and represents an up to date picture of the work in progress to that date. The Internal Audit service has over this period issued 33 reports as final in accordance with the 2015-16 Internal Audit Plan. In summary, the assurance ratings provided were as follows:

Substantial ✓✓✓	1
Satisfactory	21
Limited	5
No	0
N/A	6
Total	33

Table 1: 2015-16 work completed during quarter 4 including assurance levels

Systems Audits		Assurance
1	Treasury Management	Substantial
2	Foster Carer & Adoption Payments	Satisfactory
3	Contract Management - Young Carers	Satisfactory
4	CSG Invoicing and Monitoring Arrangements	Satisfactory
5	Highways Managed Budgets	Satisfactory
6	Budget Monitoring	Satisfactory
7	Cash & Bank	Satisfactory
8	Fixed Assets	Satisfactory
9	Non-schools Payroll	Satisfactory
10	Pensions Administration	Satisfactory
11	Projects & Programmes: Transformation Q4 – Customer Transformation; Smarter Working	Satisfactory
12	Regeneration Programme: Dollis Valley and Grahame Park	Satisfactory

13	Risk Management	Satisfactory
14	Performance Management Framework	Satisfactory
15	CCTV	Satisfactory
16	Contract Management - Registrars Inter-Authority Agreement	Limited
17	Information Technology Disaster Recovery	Limited
18	Teachers Pensions	Limited
Advisory Reviews / Management Letters		Assurance
19	Information Communications Technology Strategy	N/A
20	CSG Assurance Framework	N/A
21	Data Quality - FS/C5 - Percentage of assessments completed within 45 working days	N/A
22	Data Quality PH/S4 - Rate of hospital admissions related to alcohol	N/A
23	Special Education Needs Follow-Up - Education Healthcare Plans (EHC)	N/A
Grants / Payments by Results		Assurance
24	Troubled Families Payments by Results	N/A
School Audits		Assurance
25	Annunciation Junior	Satisfactory
26	Sunnyfields	Satisfactory
27	Foulds	Satisfactory
28	Osidge	Satisfactory
29	St Pauls (NW7)	Satisfactory
30	Akiva	Satisfactory
31	St Joseph's	Satisfactory
32	Hasmonean Primary	Limited
33	Menorah Foundation	Limited

The summary detail of those reports issued as Limited or No assurance is included within section 3. The summary detail of management letters resulting in high priority recommendations is included within section 4.

3. Key Findings from Internal Audit Work with No or Limited assurance

Title	Information Technology Disaster Recovery
Audit Opinion	Limited Assurance
Date of report:	March 2016
Background & Context	<p>An ITDR programme is the IT component of the wider Business Continuity Management (BCM) programme, which fulfils part of the Council’s obligations to the public and Civil Contingencies Act in the event of a major incident. The purpose of the programme is to recover IT services that underpin Council activities, within an agreed time and to a point in time prior to the outage, to prevent an unacceptable business impact. ITDR in a modern IT environment has also to consider other supporting IT services, which whilst not directly important to the business, are essential to those that are.</p> <p>At Barnet, the technical component of the ITDR programme has been outsourced to Capita as part of the Customer Support Group (CSG) contract. As part of the contract with Capita, IT services have, with the exception of the Council’s internal telephone system, been migrated to a new data centre. As part of the migration, IT services were either replaced or re-platformed so they would be easier to maintain and be more resilient. With respect to ITDR, Capita were to implement a new capability at a secondary data centre that would meet the Council’s recovery requirements. Prior to implementation, Capita were to maintain an interim ITDR solution which, whilst not capable of recovering services fully in line with requirements, would provide a fallback position.</p>

Title	Information Technology Disaster Recovery
<p>Summary of Findings</p>	<p>This audit has identified four priority 1 recommendations. We identified the following issues as part of the audit:</p> <ul style="list-style-type: none"> - Governance - There is a quarterly Business Continuity Management (“BCM”) team meeting which governs BCM activities. It was noted that whilst Capita representatives do attend, those with the specific responsibility for ITDR have not been identified by Capita and consequently are not invited. We also noted that the meeting primarily deals with the BCM programme and ITDR is not routinely discussed. Finally, whilst Capita do provide a service report which includes high level ITDR status, it is primarily to demonstrate meeting KPI’s and PI’s and there is no detail with respect to ITDR capability, either planned or interim. We reviewed the format of the service report and noted that the report does not reflect the true ITDR risk exposure of the Council. The risk is that without including ITDR in BCM governance and having an accurate view of its status, management will not be able to address any shortfall in capability. (Priority 1) - Alignment of BCM requirements with ITDR capability - The Council’s ITDR recovery requirements are described in the contract with Capita. It was noted that the requirements detailed in the contract are not those that are being delivered by the ITDR project. In particular, the Council applications are rated as platinum, gold, silver or bronze based on an assessment of the business impact. Applications rated as Silver and Bronze, are supposed to be recovered within 48 hours with a maximum of an hour of data loss. The current project is not delivering ITDR for Bronze applications and the current provision is to restore Silver rated applications within 96 hours with up to a day’s worth of data loss. There are similar inconsistencies at Platinum and Gold level. (Priority 1) - ITDR technical recovery capability - Following on from the issue above, the technical provision will not cover the contractual requirements for ITDR. Additionally the technical approach has not considered interdependencies between IT applications. This means that there is a risk that an application may not function when other applications that it is dependent on are also not recovered. Finally, the recovery capability which would be provided through this arrangement would restore an infrastructure which may not be able to support the number of users the Council requires. (Priority 1) - Interim ITDR capability - Prior to the new ITDR capability being implemented at the secondary data centre, we

Title	Information Technology Disaster Recovery
	<p>confirmed that an Interim ITDR capability was in place. This was initially a ship to site “data-centre” that contained infrastructure for the Council’s legacy systems. These services were procured from an external supplier by Capita but the contract for these services lapsed in early 2015 and was not renewed. Capita are currently replicating data to the secondary site and taking backups in preparation for the new full ITDR capability, now due in Q1 2016. However, these back- ups cannot be used to restore capability as they have not been tested and there are no documented ITDR plans in place. It was noted that there is currently no alternative interim capability. (Priority 1)</p>

Priority 1 recommendations, management responses and agreed action dates

1. ITDR Governance

Recommendation	Management Response	Responsible Officer	Deadline
<p>a) Governance of BCM should formally include Capita staff who are responsible for ITDR. These individuals should be identified by Capita and then invited on a standing basis (Governance)</p>	<p>Capita will nominate those people responsible for ITDR and the Council will invite them to the relevant BCM meetings. The governance documentation will be updated to reflect any changes.</p>	<p>a) IS Security Manager (CSG)</p>	<p>30 April 2016</p>
<p>b) The BCM quarterly meeting should include formal ITDR discussion we with respect to a) business alignment b) capability c) status d) issues e) residual risk</p>	<p>Capita will engage with the Council and internal audit and make sure the reporting gives the Council sufficient oversight of the delivery of the ITDR plan.</p>	<p>b) Emergency Planning and Business Continuity Manager (LBB)</p>	<p>30 April 2016</p>
<p>c) Capita should immediately engage the Council management and agree the level of reporting information required with respect to the ITDR capability. This should include as</p>		<p>c) Operations Manager (CSG)</p>	<p>30 April 2016</p>

Title	Information Technology Disaster Recovery		
<p>a minimum a) ITDR capability in terms of IT services in scope, Recovery Time Objective (RTO), Recovery Point Objective (RPO) and capacity, b) residual risk, c) planned tests, d) the test results and remedial actions and d) ITDR capability changes. (Governance)</p> <p>d) Management should update governance policies, terms of references and processes to reflect the above. (Governance)</p>		<p>d) Emergency Planning and Business Continuity Manager (LBB)</p>	<p>30 April 2016</p>
<p>2. Alignment of BCM recovery requirements with ITDR capability</p>			

Title		Information Technology Disaster Recovery		
Recommendation	Management Response	Responsible Officer	Deadline:	
<p>a) The programme teams should confirm who is responsible for reviewing the scope of the IT services included within ITDR. The responsible party should review the scope and the current ratings and engage Capita with respect to any required changes which should be provisioned as part of the ITDR project. (Business requirements)</p> <p>b) Capita should immediately engage the Council to ensure that the recovery bandings, i.e. platinum, gold, silver and bronze, are being delivered as per the contractual agreement. Where not, Capita should provision as part of the project. (Contract Specification)</p> <p>c) In line with the governance finding (Recommendation 1) above, the BCM programme should engage with those in Capita responsible for ITDR on a defined and regular basis to ensure changes in recovery requirements are provisioned for. (Business requirements)</p>	<p>The current ITDR solution in operation is correct but the capacity document is incorrect and has been updated since the testing date. The last update was made on 14/12/2015 but was not provided to audit.</p> <p>The method statement includes no implementation statement. This will be incorporated into the next version of the document.</p> <p>The Council and Capita will also engage to assess the appropriateness of the banding of each of the systems and applications in the method statement.</p>	<p>a) Emergency Planning and Business Continuity Manager (LBB)</p> <p>b) Operations Manager (CSG) Programme Director and Acting ICT Director (CSG)</p> <p>c) Emergency Planning and Business Continuity Manager (LBB)</p>	<p>With immediate effect</p> <p>With immediate effect</p> <p>30 April 2016</p>	
3. ITDR planned technical recovery capability				

Title		Information Technology Disaster Recovery		
Recommendation	Management Response	Responsible Officer	Deadline	
<p>a) In line with the recovery requirements recommendation above (Recommendation 2), Capita should immediately engage with the Council to ensure the required infrastructure is provided to meet recovery requirements and expected user numbers. (Contract specification)</p> <p>b) The ITDR project should identify end to end IT service dependencies that should be taken into account in provisioning and planning. This may mean that IT services that are not currently in scope have to be provisioned to support ones that are in scope and have a critical dependency. It may also mean that IT services have to be promoted in terms of tiering to ensure successful recovery. (Proposed ITDR solution)</p>	<p>There is now infrastructure in place to support silver and bronze applications, although this has not been validated by the Council at the reporting date.</p> <p>It should be noted that the capability of the recovery arrangements to support 2500 users is the contractual requirement.</p> <p>An interdependency grid of platinum and gold systems has also been developed since the testing date. The responsibility for maintaining this as part of 'Business as Usual' will fall to the Applications team.</p>	<p>a) Operations Manager (CSG) Programme Director and Acting ICT Director (CSG)</p> <p>b) Applications team, CSG</p>	<p>With immediate effect</p> <p>30 May 2016</p>	
4. Interim IT Disaster Recovery				
Recommendation	Management Response	Responsible Officer	Deadline	
<p>a) Capita should immediately engage the Council and propose the most effective way of mitigating the risk in the interim period</p>	<p>Agreed. It would be welcomed for audit to witness the preparation for the testing and the testing itself as part of their follow-up audit.</p>	<p>ICT Director (CSG) Head of Information Management (LBB)</p>	<p>With immediate effect</p>	

Title	Information Technology Disaster Recovery		
prior to ITDR being fully deployed by the project. (Contract specification)			

Title	Contract Management - Registrars Inter-Authority Agreement		
Audit Opinion	Limited		
Date of report:	March 2016		
Background & Context	<p>In November 2014 the Council introduced a corporate approach to managing contracts, which included the production of a contract management toolkit and templates, supported by contract management training sessions for key staff members.</p> <p>The purpose of this audit was to review controls in place to mitigate key risks, in the areas of governance and reporting and risk and issue management, for the Registrars contracts.</p> <p>The Registration and Nationality Service is responsible for the registration of births, deaths and still-births, the formalities for marriage and civil partnerships and for citizenship ceremonies and is a shared service that is delivered across the London Boroughs of Brent and Barnet by Brent Council.</p> <p>The Inter-Authority Agreement between the Council and Brent has been managed by the Commissioning Group since being transferred from Adults and Communities in April 2015. Since taking responsibility for Registrars the Commissioning Group have sought to formalise governance arrangements using the contract management toolkit and to introduce performance monitoring, which we were unable to confirm were in place at the time of handover. It is</p>		

Title		Contract Management - Registrars Inter-Authority Agreement		
	<p>recognised that this is work in progress.</p> <p>This contract was selected from the list of auditable units across the Council that are provided via a contract and represent examples of a Strategic (Registrars) contract as per the SCOT (Strategic, Critical, Operational and Transactional) framework used by the Council to analyse its contracts.</p>			
Summary of Findings	<p>This audit has identified two priority 1 recommendations.</p> <p>We identified the following issues as part of the audit:</p> <ul style="list-style-type: none"> • <u>Contract Management and Governance, Operating Effectiveness</u> - we identified areas where the Registrars contract management and governance should be improved. For example the contract management toolkit had not been fully utilised and contract monitoring meetings did not occur in line with the requirements of the Inter-Authority Agreement. (Priority 1). • <u>Risk and Issue Management, Control Design</u> - we identified areas where the Registrars contract risk and issue management controls should be improved. We found that the risk and issue management process set out in the Inter-Authority Agreement had not been complied with in practice. In addition, risks and issues in relation to the agreement were not formally documented in registers, as required by the Council's Contract Management Manual, or within the Council's risk management system (Priority 1). 			
Priority 1 recommendations, management responses and agreed action dates				
1. Contract Management and Governance, Operating Effectiveness				
Recommendation	Management Response	Responsible Officer	Deadline	
a) The Council should introduce the contract management toolkit and utilise it to manage, monitor and drive	The performance of this contract was reported to the PCM Committee for the first time in February 2016. It is accepted that this is a contract where	Partnership Relationship Manager	31 May 2016	

Title	Contract Management - Registrars Inter-Authority Agreement		
<p>performance of the Registrars contract;</p> <p>b) Management should ensure that the governance arrangements set out within the Inter-Authority Agreement are complied with in practice and that SMB meetings are minuted in order to note the discussions held and monitor any actions required.</p>	<p>the toolkit still needs to be fully implemented.</p>		
<p>2. Risk and Issue Management, Control Design</p>			
<p>Recommendation</p> <p>a) The Council should ensure that the risk management process set out within the Inter-Authority Agreement is complied with in practice;</p> <p>b) Management should utilise the risk and issues register templates within the Contract Toolkit and ensure that Registrars risks and issues are recorded, assessed, mitigated and managed. This information should then be regularly monitored and updated; and</p> <p>c) SMB meetings should be minuted so</p>	<p>Management Response</p> <p>Accepted</p>	<p>Partnership Relationship Manager</p>	<p>31st May 2016</p>

Title	Contract Management - Registrars Inter-Authority Agreement		
that discussions held and actions required in order to manage risks and issues are recorded and can therefore be monitored.			

Title	Key Financial Systems - Teachers' Pensions		
Audit Opinion	Limited		
Date of report:	March 2016		
Summary of Findings	<p>This audit has identified one priority 1 recommendation.</p> <p>We identified the following issues as part of the audit:</p> <ul style="list-style-type: none"> • Teachers Pensions - There is no sign off by the CSG team of the returns from schools and there is no reconciliation to the Teacher's pension amount. (Priority 1). 		
Priority 1 recommendations, management responses and agreed action dates			
<ol style="list-style-type: none"> 1. Monthly reconciliation of payroll records to payment made to Teachers' Pension 2. 			
Recommendation	Management Response	Responsible Officer	Deadline
a) There should be monthly payroll reconciliations demonstrating that	A new process was implemented in March 2016 whereby the Controls and processing team now	Operations Director, CSG HR Solutions	Implemented

Title	Key Financial Systems - Teachers' Pensions			
<p>payment made to the TP can be reconciled to total contributions and deductions reported by all payrolls as per payroll record.</p> <p>b) Amounts recorded on the schools returns should be formally logged and included in the monthly reconciliation.</p> <p>c) Supporting documentation on the monthly reconciliation should be retained.</p> <p>d) Any reconciling items should be investigated and resolved.</p>	<p>obtain the total deductions from the Payroll System in month for the Teachers' pension. These figures are provided to Payroll team who reconcile with the Teachers Contributions. Any differences are investigated and corrected to ensure completeness.</p> <p>Once reconciled, the deductions are paid over by Controls and processing team to the Payroll team who complete the Pensions Returns. All documentation to complete this exercise is independently kept each month by both teams.</p>			

Title	Hasmonean Primary School		
Audit Opinion	Limited Assurance		
Date of report:	March 2016		
Background &	Hasmonean Primary School is a Voluntary aided school with places for 240 pupils aged between 3 and 11 years of age.		

Title	Hasmonean Primary School
Context	<p>The School budget for 2015/16 is £1,574,868 with employee costs of £1,185,939 (75% of the delegated budget).</p> <p>The School was assessed as 'Good' by OFSTED in Mar 2015.</p>
Summary of Findings	<p>As part of the audit we were able to give 'Limited' assurance to the school, noting seven high and five medium priority issues as part of the audit (in order of priority):</p> <ul style="list-style-type: none"> • <u>Banking</u> – The school bank account should not be overdrawn per the Scheme for Financing Schools. (High Priority). • <u>Payroll</u> – Lack of financial control due to no segregation of duties or evidence of independent review. Payments to support staff do not agree to school Pay Policy. (High Priority). • <u>Purchasing</u> – Purchase order forms were not completed for all relevant expenses. These costs are not recorded as a committed expense, and this procedure has not been agreed by the Governors. (High Priority). • <u>Budget Monitoring</u> - The school should set a well-informed and balanced budget each year, including income from Governors if appropriate to reimburse the school funds for costs incurred in the provision of Jewish studies. (High Priority). • <u>Tax</u> - The school should seek advice to confirm the correct treatment of VAT. (High Priority). • <u>Income</u> – Paperwork is incomplete for money received into the school office. Therefore a complete reconciliation between money received and money banked was not possible. (High Priority). • <u>Contracts</u> – Up to date contracts were not available for security services. There was no evidence of regular review of contracts. (High Priority). • <u>Governance</u> – The 'Notice of Authorised Signatories' and financial management policy and procedures

Title	Hasmonean Primary School
	<p>document should be revised and approved by Governors to reflect current procedures in school. (Medium Priority).</p> <ul style="list-style-type: none"> • Financial Planning – No medium term School Development Plan exists, no evidence of review of three year budget. (Medium Priority). • Lettings – The school does not have an approved lettings policy, and a signed agreement is not held for organisations that use the premises. – The children in the nursery are allowed to stay for an extended day. Nursery fees are paid into the Governor’s fund, but identifiable costs are not reimbursed to the school’s delegated budget. (Medium Priority). • Assets – the Inventory could not be found. No annual review or authorisation of disposals. (Medium Priority). • Compliance with ‘Schools Financial Values Standard’ (SFVS) - following our SFVS self – assessment review it is the opinion of audit that contrary to the School’s self-assessment this area has either not been met, or met ‘In-Part’, or information was not available to enable us to confirm the judgement. (Medium Priority).

Priority 1 recommendations, management responses and agreed action dates

1. Property Visits

Recommendation	Management Response	Responsible Officer	Deadline
<p>The School should review the Financial Guide for schools and take steps to resolve cash flow problems.</p>	<p>The Finance Committee (Governors) have approved a recovery plan which includes a fund-raising plan. When funds are available, the deficit will be repaid. For the future, we hope that better monitoring by the new School Business Manager will avoid the situation reoccurring.</p>	<p>Finance Committee</p> <p>School Business Manager</p>	<p>Ongoing for three years commencing April 2016</p> <p>Implemented</p>
<p>Refer to the Barnet Financial Guide for schools, section 5 (Banking and Funding arrangements) and the Scheme for Financing Schools sections</p>			

Title	Hasmonean Primary School		
3.7 (Borrowing by Schools) for guidance.			
2. Payroll			
Recommendation	Management Response	Responsible Officer	Deadline
<p>As payroll constitutes the largest area of expenditure for the School, it is recommended that at least two officers are involved in checks over the monthly payroll reports.</p> <p>The School should refer to the 'Keeping your Balance' document, section E (Financial Controls) and section H (Payroll) for guidance with procedures. 'The Headteacher should ensure that duties related to financial administration are distributed so that at least two people are involved. The work of one should act as a check on the work of the other and all checks should be fully documented.'</p> <p>All school policies should be reviewed on a regular basis and approved by Governors to reflect current agreed practice in school</p>	<p>a) The Head Teacher now signs off monthly payroll. Since May 2015, the Head has been required to sign off any changes to the payroll.</p> <p>b) The school has reverted to the NJC scales for support staff.</p>	<p>Head</p> <p>Head</p>	<p>Feb 2016</p> <p>Feb 2016</p>
3. Purchasing			

Title		Hasmonean Primary School		
Recommendation	Management Response	Responsible Officer		Deadline
<p>The school should ensure that a purchase order is raised for all relevant goods and services and this is approved by an authorised signatory. This expenditure should then be entered as a commitment to the accounting system, prior to the order being placed. Refer to section D of the 'Keeping Your Balance' document, issued jointly by Ofsted and the Audit Commission.</p> <p>The school should introduce a clear separation of duties to ensure that the same officer is not responsible for authorising the purchase order, invoice and cheque for the same purchase. Refer to the Barnet Financial Guide for schools, section 4 (Internal Financial Controls) for guidance</p>	a) All items are now ordered using purchase orders. This change happened in Nov 2015 prior to the Audit, although some orders, inspected by the auditor, were done by emails between May 2015 and November 2015. All emailed orders were still authorised by the Head before ordering.	School Manager	Business	Nov 2015
	b) POs are now recorded by School Business Manager and given unique sequence numbers. A record is kept in the order file. Orders will be entered into RM from 1st April 2016	School Manager	Business	Feb 2016 April 2016
	c) Delivery notes are now signed by School Business Manager or Office staff on delivery.	School Manager/Office staff	Business	Feb 2016
	d) The security company is aware that we have cash flow problems and are content that we use CST refunds to pay the next security bills. The DfE reimburse schools via the CST for security guards – these payments from the DfE have always been delayed by half a term.			
	e) Separation of duties has always existed as			

Title		Hasmonean Primary School		
		follows: i) Orders authorised by Head ii) Invoices authorised by Deputy Head or Head of Infants iii) Two signatures on cheques but Head only signs if invoice is authorised first.		
4. Budget Monitoring				
Recommendation	Management Response	Responsible Officer	Deadline	
<p>The School should set a well-informed and balanced budget each year, including income from the Governors if appropriate to reimburse the school funds for costs incurred in the provision of Jewish studies, or additional staff costs approved by the Governors. These amounts should be quantified and authorised. Where contributions are significant the school should ensure they are received evenly across the year to avoid any negative impact on cashflow. The school needs to assure the Council that all sources of income are reliable when balancing their budget.</p>	a) There are reimbursements from Governors' Funds to LBB for Religious Studies and Nursery b) The Finance Committee will document such calculations in future. c) Commitments to be entered into RM from April 2016. d) The Finance Governors were kept informed by email about the financial situation during 2015-2016, and they had copies of the Sept and Dec 2015 forecasts	Finance Committee/ School Business Manager	April 2016	
5. Tax				
Recommendation	Management Response	Responsible Officer	Deadline	

Title		Hasmonean Primary School		
The school should refer to the Financial Guide for Schools section 8 (Taxation) in order to ensure compliance.	a) This money has now been repaid to LBB. The new School Business Manager has not claimed VAT on any capital invoices and will not. b) Noted	School Business Manager	Feb 2016	
6. Income				
Recommendation	Management Response	Responsible Officer	Deadline	
Strict income controls and procedures should be in place to ensure effective financial management. Independent checks should be carried out to verify amounts banked agree to source records. These checks should be visibly evidenced. Refer to the Barnet Schools Financial Guide, section 7 (Income collection and administration) to ensure that there is a proper audit trail.	a) A more detailed recording system of noting funds due from Governors to LBB account will be kept and the chairman of Governors will be emailed for authorisation to transfer the money. Printouts of authorisations will be filed for the attention of auditors from LBB and private auditors of Governors' funds. b) Income banked into the LBB account has backing documentation which will now be signed by the Head or Deputy Head.	School Business Manager Head/Deputy Head	April 2016 April 2016	
7. Contracts				
Recommendation	Management Response	Responsible Officer	Deadline	
It is recommended that minutes of meetings include consideration by governors of	a) A meeting to review the security contract is scheduled for April 6 2016. The proposed	School Business Manager	April 2016	

Title	Hasmonean Primary School		
<p>quotations for the renewal/procurement of any relevant contract, in order to ensure that there is clear and visible evidence of a fair and transparent selection process.</p> <p>‘Schools must seek to achieve efficiencies and value for money, to optimise the use of their resources and to invest in teaching and learning’</p> <p>Refer to page 10 &11 (Purchasing) of the ‘Keeping Your Balance’ document, issued jointly by Ofsted and the Audit Commission, and Section 6 (Value for Money and Purchasing) of the Financial Guide for Schools.</p>	<p>contract will be sent to the Finance Committee and the Governor responsible for security. In light of the current security situation, we are unlikely to re-tender this contract as we use a security firm approved by the CST and CST refund the cost.</p> <p>b) In future the School Business Manager will send contract negotiations to the Finance Committee before signing a contract.</p>	<p>School Business Manager</p>	<p>April 2016</p>

Title	Menorah Foundation School		
<p>Audit Opinion</p>	<p>Limited Assurance</p>		
<p>Date of report:</p>	<p>March 2016</p>		
<p>Background & Context</p>	<p>Menorah Foundation School is a Voluntary Aided school with places for 362 pupils aged between 3 and 11 years of age. The School budget for 2015/16 is £1,671,378 with employee costs of £1,205,772 (72% of the delegated budget).</p> <p>The School was assessed as ‘Good’ by OFSTED in May 2015.</p>		

Title	Menorah Foundation School		
Summary of Findings	<p>As part of the audit we were able to give 'Limited' assurance to the school, noting three Priority 1 and four Priority 2 issues as part of the audit (in order of priority):</p> <ul style="list-style-type: none"> • Banking – Payments are made by one individual using HSBC online banking. This does not comply with the authorised signatories list. Petty cash procedures should allow for separation of duties. (Priority 1). • Purchasing – Purchase order forms are not recorded as a committed expense, and accurate budget monitoring is not possible. Lack of separation of duties. (Priority 1). • Voluntary funds – The previous audit report refers to an Amenities and lunch account. No accounting records for these accounts could be found at the time of the audit visit. (Priority 1). • Governance – The 'Notice of Authorised Signatories' and financial management policy and procedures document should be revised and approved by Governors to reflect current procedures in school. (Priority 2). • Budget Monitoring - The school should set a well-informed and balanced budget each year, including income from Governors if appropriate to reimburse the school funds for costs incurred in the provision of Jewish studies. (Priority 2). • Assets – The Inventory is incomplete. No documented annual review or authorisation of disposals. (Priority 2). • Compliance with 'Schools Financial Values Standard' (SFVS) - following our SFVS self – assessment review it is the opinion of audit that contrary to the School's self-assessment this area has either not been met, or met 'In-Part', or information was not available to enable us to confirm the judgement. (Priority 2). 		
Priority 1 recommendations, management responses and agreed action dates			
1. Banking			
Recommendation	Management Response	Responsible Officer	Deadline

Title		Menorah Foundation School		
<p>The School should review and update (as required) its Financial Management Policy and Procedures document ensuring that its contents are up to date incorporating detailed procedures for all areas of financial management in the School, including those outlined within the London Borough of Barnet Scheme of Financing Schools, Finance Guide, Contract Standing Orders and 'Keeping Your Balance' documents.</p> <p>The most up to date 'Notice of Authorised Signatories' should be completed, approved by Governors and submitted to the Chief Finance Officer.</p>	<p>Petty Cash – Procedure changed, finance assistant distributes petty cash and SBM reconciles. Financial procedure updated</p> <p>The changes needed to Notice of Authorised Signatories and HSBC online access will be agreed by new Head Teacher who starts on 4 April</p>	School Business Manager	8 April 2016	
2. Budget Monitoring				
Recommendation	Management Response	Responsible Officer	Deadline	
<p>The School should set a well-informed and balanced budget each year, including income from the Governors if appropriate to reimburse the school funds for costs incurred in the provision of Jewish studies, or additional staff costs approved by the Governors. These amounts should be quantified and authorised.</p>	<p>Governors to discuss at next meeting on 5 April 2016</p>	Chair of Governors	5 April 2016	

Title		Menorah Foundation School			
<p>Where contributions are significant the school should ensure they are received evenly across the year to avoid any negative impact on cashflow. The school needs to assure the Council that all sources of income are reliable when balancing their budget.</p>					
3. Purchasing					
Recommendation		Management Response		Responsible Officer	Deadline
<p>The school should ensure that:</p> <ol style="list-style-type: none"> A purchase order is raised for all relevant goods and services and this is approved by an authorised signatory. This expenditure should then be entered as a commitment to the accounting system, prior to the order being placed. Refer to section D of the 'Keeping Your Balance' document, issued jointly by Ofsted and the Audit Commission. The school should ensure that a clear separation of duties is introduced to ensure that the same officer is not responsible for authorising the purchase order, invoice and cheque/payment for 		<p>All purchase orders will be entered onto RM. Financial procedures will be updated with regard to segregation of duties.</p>		<p>School Business Manager</p>	8 April 2016
				<p>School Business Manager/Office staff</p>	8 April 2016

Title	Menorah Foundation School		
the same purchase. Refer to the Barnet Financial Guide for schools, section 4 (Internal Financial Controls) for guidance.			

4. Advisory reviews for management purposes

There were five advisory reviews or management letters undertaken by internal audit that do not give an assurance rating but nonetheless aid management in assessing the design and effectiveness of their control environment. If a significant issue has been identified or a Priority 1 recommendation made as part of these reviews further detail is provided within this progress report below. Priority 1 recommendations are followed up in line with Internal Audit's standard follow-up process and reported to Audit Committee accordingly.

Advisory Reviews		
1	Information Communications Technology (ICT) Strategy	See 4.1 below
2	CSG Assurance Framework	See 4.2 below

4.1 Information Communications Technology (ICT) Strategy

Background & Context	<p>In May 2015, the Council commissioned CSG (Capita) to formulate a new five-year ICT strategy identifying the infrastructure, systems and applications required to help support the delivery of the Corporate Plan, business priorities and initiatives. The ICT strategy was developed following extensive consultation with key stakeholders and was approved by the Strategic Commissioning Board (SCB) in November 2015.</p> <p>The Council is now in the process of setting up an IT Partnership Board (ITPB), the ITPB will be responsible for overseeing the delivery of the technology roadmap and approving specific programmes and projects.</p> <p>The objective of this audit was to confirm that the new ICT strategy is designed to support corporate priorities and that the governance arrangements being put in place are appropriate.</p>		
Summary of Findings	<p>Management should review the required actions and incorporate them into their current plans to ensure that controls are fully fit for purpose. The operating effectiveness of IT governance controls will be the focus of a further review during the first quarter of 2016/17 and may include an assessment of the controls when applied to specific projects within the programme.</p>		
Priority 1 findings, management responses and agreed action dates			
1. Detailed controls analysis			
Recommendation	Management Response	Responsible Officer	Deadline
<p>1.i. The Council and CSG management should establish a shared timetable detailing when the ICT Strategy requires a review to ensure it is still supporting the Corporate Plan. The timetable should ensure that the review of the ICT Strategy accommodates changes made</p>	<p>1.i. Through the IT Partnership Board a regular business planning cycle will be agreed to ensure alignment with the Barnet Corporate Plan. This process is going to be iterative with IT providing input into the Corporate Plan at appropriate times during the year to</p>	<p>Enterprise Architect, CSG</p> <p>Head of ICT and Information Management</p>	<p>31 March 2016</p>

<p>during review of the Corporate Plan.</p> <p>1.ii. CSG should develop a detailed ICT technology roadmap for Council approval. The roadmap should provide details and timelines for delivering projects and programmes (key milestones, and dependencies) which are in line with timelines for delivering business priorities.</p>	<p>ensure a two way flow between IT and the business.</p> <p>1.ii. IT roadmap in place detailing when key projects will be implemented. Detailed resource estimates have been created to support this. A revised detailed technology roadmap is in development to produce an IT transformation investment plan for the next five years. This will be delivered through development of the SPIRs and component project cost/resource estimates, the governance process and through customer board membership and input.</p>	<p>Enterprise Architect, CSG</p> <p>Head of ICT and Information Management</p>	<p>April 2016</p>
<p>2. Governance</p>			
<p>Recommendation</p>	<p>Management Response</p>	<p>Responsible Officer</p>	<p>Deadline</p>
<p>2.i. The IT Partnership Board should have a clear scope, function, diversified composition and clear operating principles which include, but are not limited to:</p> <ul style="list-style-type: none"> • Defined roles and responsibilities • A defined structure • Policies and procedures covering implementation and 	<p>2.i. A draft governance structure has been produced, showing the terms of reference for the IT Partnership Board to be put in place to support the delivery of the ICT strategy. This is currently under review.</p>	<p>Enterprise Architect, CSG</p> <p>Head of ICT and Information Management</p>	<p>31 March 2016</p>

<p>prioritisation of IT business cases and project</p> <p>2.ii. The Council, through CSG should develop a detailed resource plan, which includes a list of roles and responsibilities required for the duration of the ICT strategy to identify the required capacity and capability and ensure they are funded. The review process should also include using appropriate return on investment metrics to prioritise and realign underlying projects and resources.</p>	<p>2.ii. A full resource plan has been built for the ICT strategy presented and approved at SCB. SPIRs are being developed to provide each of the component projects with a cost and resource projection. Each SPIR will detail the exact roles and responsibilities for delivery of the solution and will be combined into a programme delivery plan. The first batch of SPIRS will be created during March 2016 for key IT strategy deliverables (Electronic Document Records Management System, Collaboration, Mobile Device Management and Public Sector Network) with more to follow throughout the year.</p>	<p>Enterprise Architect, CSG</p> <p>Head of ICT and Information Management</p>	<p>31 March 2016</p>
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4.2 Customer Support Group (CSG) – Assurance Framework

Summary of Findings	<p>As part of our testing within the planned audit of CSG Invoicing and Monitoring Arrangements we identified an issue which was outside the scope of that specific review. We have reported this in an Appendix to the CSG Invoicing and Monitoring Arrangements audit report for management consideration. The issue is summarised below:</p> <p>Contract monitoring - assurance activities</p> <p>In line with good contract management practice, the Council has a Contract Management toolkit in place to support contract managers in managing the activity on the Council's contracts.</p> <p>Alongside this toolkit there should be a formal assurance framework in place to monitor the performance of Capita in the delivery of contractual obligations due to the size and nature of the strategic contracts in place with them.</p> <p>The Council's Commercial team have prepared an assurance mapping document which outlines the 'Three Lines of Defence' (see below) in place to provide the Council with assurance over Capita's activity.</p> <p>This was produced by the Commercial team to summarise the core contract and performance management arrangements in place. Although this is not a formal document, there is no other published assurance framework document.</p> <p>In line with good practice, the First Line of Defence relates to the business operations i.e. ensuring there is an established risk and control environment in place within each of the core processes operated by Capita.</p> <p>The Second Line of Defence is the oversight functions i.e. strategic management, performance management and functional oversight.</p> <p>The Third Line of Defence is independent assurance i.e. Internal Audit, External Audit, and other sources of assurance who provide independent challenge.</p> <p>We acknowledge that the CSG contract is managed by the Council using a 'thin client' model where Capita are monitored on their performance against outcomes rather than how procedures are operated to mitigate the key</p>
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risks to the Council.

However, we noted the following issues for senior management consideration:

- There is a lack of formal documentation held by the Council of the first line defence activities operating at Capita. For example, this may include access to procedure manuals to assess whether the control framework in place mitigates the Council's key risks. This was highlighted as a finding in relation to the Accounts Payable process where there was no up to date procedure document in place (see Accounts Payable audit findings, January 2016).
- We understand through review of the Commercial team's Assurance Map and discussion with management, that currently Internal and External Audit activities provide the only evaluation of the design and operation of the controls in place within Capita processes to mitigate the Council's key risks. These form part of the third line of defence in the assurance framework. This testing approach is generally retrospective and would only identify issues after they have occurred, possibly a significant period of time following the initial non-compliance. We did not see evidence of real time monitoring of the operation of Capita controls.
- Although some second line management oversight activities were found to be operating effectively, there are some second line activities which are currently recorded as the 'first line' of activities within the Commercial team's analysis. These should be moved within the updated version of the assurance map. These include the following:
 - CSG Strategic Partnership Board
 - Monthly performance reports
 - Performance meetings with the Senior Responsible Officers

Priority 1 findings, management responses and agreed action dates

1. Contract monitoring – assurance activities

Recommendation	Management Response	Responsible Officer	Deadline
<p>a) Management should undertake an exercise to understand the key controls in place within each of CSG's core processes. This could be achieved through review of the appropriate policy and procedure documents.</p> <p>b) Management should assess and document whether the controls in place are sufficient to mitigate the Council's key operational risks.</p> <p>c) Any control gaps identified in the first line of defence should be raised with Capita and where appropriate processes should be amended accordingly.</p> <p>d) Management should review and update the assurance framework document to ensure inclusion of the identified first line of defence activities. All key Second and Third line activities should also be recorded, including detailing the officers with the core roles and responsibilities in relation to them.</p> <p>e) Management should review the activities on the assurance map to ensure there is sufficient flow of information between the</p>	<p>Agreed.</p>	<p>Director of Commercial</p> <p>Director of Resources</p>	<p>Q2 of 2016/17</p>

<p>first, second and third lines of defence to allow the Council to promptly identify issues with any of the key delivery risks.</p> <p>f) Management should then consider whether the information available through the three lines of defence is sufficient to provide senior management with assurance that the key strategic risks are mitigated.</p> <p>g) Once reviewed, the three lines of defence map should be signed off by senior stakeholders including all SROs, the Director of Resources, the relevant Contract Managers, the Commercial Director and the Chief Operating Officer.</p>			
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5. Work in progress

The following work is in progress at the time of writing this report:

Table 2: Work in progress		
	Systems Audits	Status
1	IT Change Management	Draft report
2	Schemes of Delegation	Draft report
3	Parking Permit Administration	Draft report
4	People Management – Establishment List	Draft report
5	Re Invoicing	Planning

6. Implementation of Internal Audit recommendations

Shading	Rating	Explanation
	Implemented	The recommendation that had previously been raised as a priority one has been reviewed and considered implemented.
	Partly Implemented	Aspects of the original priority one recommendation have been implemented however the recommendation is not considered implemented in full.
	Not Implemented	There has been no progress made in implementing the priority one recommendation.

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>1. Grant Income</p> <p>June 2015</p> <p>Grant Identification</p> <p>Roles/arrangements for proactively identifying grant opportunities should be implemented.</p> <p>a) We suggest that roles for pro-</p>	<p>September 2015</p> <p>Directors for:</p> <ul style="list-style-type: none"> - Adults and Health; - Children & Young People; - Growth and Development-Environment Commercial and 	<p>Previously we followed up and reported:</p> <ul style="list-style-type: none"> • Q3, 2015/16 – The recommendation was considered Partly Implemented as the following remained outstanding: <p><i>A document has been designed which is completed by the</i></p>	<p>Partly Implemented</p> <p>Evidence of implementation of the agreed process for the routine pro-active scanning for income grants by Delivery Units was not evident at the date of the follow-up. Since implementation of the new process for identifying grants only one form had been received by CSG from the Street Scene Delivery Unit for their review and scrutiny.</p> <p>Management Agreements for 2016-17 were still in the process of being drafted. We were informed that the</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>actively identifying grants could be undertaken as part of existing structures as follows:</p> <p>(i) Delivery Units together with their Commissioning Directors should consider the options available, including the possibility of a dedicated team/officer for pro-actively identifying grants depending on resources / the significance of grants available in that area.</p> <p>(ii) Service area leads pro-actively identify grants in their area. Local business improvement / performance teams challenge for proactive identification, undertake proactive reviews themselves and co-ordinate related reporting of horizon scanning outcomes as part of their local performance management arrangements.</p> <p>(iii) CSG service areas: Senior Responsible Officers (SROs) client-side at the Council pro-actively identify grants in their CSG responsibility areas or</p>	<p>Customer Services Director</p> <p>Supported by Finance (Commissioning Group)</p> <p>Resources Director</p>	<p><i>service which will record if the decision is being taken forward or not. This will be signed off by SMT and then sent to CSG for the Head of Finance to challenge.</i></p> <p><i>A process has been designed where the services will have to document if they are taking a grant application forward. This will then be reviewed by the Head of Finance as a critical friend.</i></p>	<p>responsibility for identifying grants would be included in the Management Agreements. Wording for inclusion in the Management Agreements defining the responsibility for horizon scanning had been agreed at 31 March 2016.</p> <p>When we are able to evidence the routine pro-active scanning for income grants across Delivery Units in line with Management Agreements and the completion of the relevant templates in the required format, we will be able to move the status to implemented.</p>

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<p>arrange for CSG Capita leads to undertake this role, with SRO monitoring CSG identification activity.</p> <p>b) Existing performance management arrangements should be used to embed accountability for pro-active grant identification by relevant officers/teams, for example as part of Delivery Unit Management Agreements, through local performance indicators or through the staff objectives/performance review/appraisal process.</p> <p>c) Eligible grants identified should be formally documented and reported to Senior Management to ensure that grant identification processes are undertaken routinely and that senior management are involved in the decision making process. This could form part of Senior Management Team (SMT) standing agendas.</p> <p>d) All eligible grants for which</p>			

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<p>applications will not be submitted should be reported to the Commissioning Group's Head of Finance sufficiently in advance of application deadlines, 5 working days as a minimum, to consider whether decisions not to apply were appropriate and challenge as necessary.</p> <p>e) Procedures should be documented governing identification arrangements in each area. The procedures should include:</p> <ul style="list-style-type: none"> - Grant identification mechanisms such as the use of the Grant Finder website, Internet searches and proactive engagement with known funding bodies. - arrangements for the escalation/communication of grant opportunities to the relevant areas for evaluation if identified centrally - arrangements for the recording and reporting of all grant opportunities, identified for 			

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<p>follow-up/monitoring and reporting</p> <ul style="list-style-type: none"> - arrangements for the timely escalation to the Commissioning Group's Head of Finance for all eligible grants for which applications will not be submitted. 			
<p>2. Procurement - Compliance with Contract Procedure Rules</p> <p>November 2015</p> <p>Contracts Register</p> <p>a) The processes undertaken annually in 1 March 2016 developing Delivery Unit Procurement Forward Plans should also be used to ensure that all contractual relationships above £5k are included in the Delivery Unit Contract Registers, for example in a £5k-£10 column.</p> <p>b) CSG Procurement training and development should remind</p>	<p>1 March 2016</p> <p>Business Support Officer, Street Scene</p> <p>Head of Care Quality, Adults and Communities</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>The vendor spend analysis report with spend above £5k had been provided by CSG Procurement to the Delivery Unit Procurement lead officer for reconciliation to and update of the Delivery Unit contract register to include all procurement vendor spend above £5k. The reconciliation was in progress at 31 March and with a view to completion by 22 April 2016, the date of the next publication of the Delivery Unit contract registers by Information Management.</p> <p>This recommendation was considered implemented for actions where the responsible officers were:</p> <ul style="list-style-type: none"> • Head of Procurement, CSG • Head Of Service Commissioning - Family Services • Senior Business Resource and Contracts Officer, SEN Referral and Assessment Team - Education and Skills • Business Support

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>trainees of their role in keeping Contract Registers accurate and up to date, for example contract registers should also include suppliers procured through external framework contracts where competitive tendering has not been undertaken by the Council itself.</p> <p>We would suggest that:</p> <ul style="list-style-type: none"> - periodic reconciliations between vendor spend analysis reports and contract registers are undertaken by officers responsible for contract registers to ensure that they are complete <p>Accuracy checks be undertaken to ensure that contractual data is correct for example:</p> <ul style="list-style-type: none"> - vendor name - contract value/purchase order value if below £10k, - contract term - end date, - expiry date - last DPR/Committee Report reference, and - DPR/Committee Report date if 	<p>1 March 2016</p> <p>Commercial Manager - Property and Infrastructure, Re</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Officer - Street Scene</p> <p>Partly implemented</p> <p>The vendor analysis report had been provided to the Delivery Unit procurement lead by CSG Procurement. At 30 March we had not received a response as to progress with updating the contract register in line with the vendor spend analysis report provided to them by CSG.</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
above £10k			
<p>3. Procurement - Compliance with Contract Procedure Rules</p> <p>November 2015</p> <p>Conflicts of interest</p>	<p>1 March 2016</p> <p>Commercial Manager - Property and Infrastructure, Re</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>A Re governance process was provided which requires conflicts of interest related to procurements to be considered at the start of the procurement exercise. The process does not require the completion of the Council's Procurement Declaration of Interest form (DoI) to formally confirm that a conflict of interest does not exist as required</p>

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<p>At the start of each procurement exercise all involved staff, including within CSG or other relevant contractors, should complete a new procurement declaration of interest form documenting the existence or non-existence of any pecuniary or other interests which compromise the objectivity of vendor selection.</p> <p>The completed form should be retained for referral and evidenced as being signed off by the relevant Head of Service. The resultant decision should be documented on the form</p> <p>Procurement guidance and training should be updated to record the Council requirements for the declarations of interest for procurement exercises and a standard form for this process should be agreed and made available on the intranet and as an appendix to the Officer Code of Conduct for ease of access.</p>			<p>by the recommendation. Where CSG Procurement are involved with contracts procured by Re on behalf of Barnet Council using Council monies then DoI forms are sent to the relevant Re officers involved in the procurement for completion. These forms will however not be sent for all such procurements where CSG are not involved.</p> <p>Once the Re procurement governance process has been updated to reflect the requirement that Council declaration forms must be completed for all procurements done by Re on behalf of the Council to formally record that a conflict does not exist and there is evidence that this process is being followed, the recommendation will be regarded as implemented.</p> <p>This recommendation was considered implemented for actions where the responsible officers were:</p> <ul style="list-style-type: none"> • Head of Procurement, CSG • Senior Business Resource and Contracts Officer, SEN Referral and Assessment Team, Education and Skills • Head Of Service Commissioning, Family Services • Business Support Officer, Street Scene • Head of Care Quality, Adults and Communities

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>4. Procurement - Compliance with Contract Procedure Rules</p> <p>November 2015</p> <p>Vendor creation and approval</p> <p>Accounts Payable should be instructed to refer new vendor creation forms which have not been signed by central CSG Procurement Business Partners back to CSG Procurement for sign-off and challenge, where necessary.</p> <p>CSG Procurement should also be notified, for review and challenge where necessary, of the following vendors when they are created in Integra:</p> <p>- Social care placement vendors and</p>	<p>1 March 2016</p> <p>Head Of Service Commissioning - Family Services</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>We tested 5 vendors created after 1 January 2016 to the New vendor Request Form for authorisation of vendor creation by CSG Procurement. Of the 5 tested , 1 vendor was created without an approved New Vendor Request Form. We understand that the one instance of process not being followed is due to a new member of staff not being fully aware of processes. Family Services will now build this into DU induction to ensure that processes are fully embedded for all staff.</p> <p>This recommendation was considered implemented for actions where the responsible officers were:</p> <ul style="list-style-type: none"> • Head of Exchequer, CSG • Senior Business and Contracts Officer, SEN referral and assessment team, Education and Skills • Business Support Officer, StreetScene • Commercial Manager – Property and Infrastructure, Re

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>- any “historic” procurement vendor which had not been migrated from SAP to Integra but is now required in Integra.</p> <p>DUs should complete new vendor forms or include/”cc” the relevant CSG Procurement Business Partner in the DU e-mail requests to create such vendors</p> <p>Note: We understand from the Head of Exchequer Services that an Integra e-form will be developed shortly for the creation/amendment of all vendors - procurement and non-procurement - which will route by workflow to all relevant parties, originator, manager, CSG procurement and Accounts Payable.</p> <p>Delivery Units should be reminded, for example through procurement training, of the correct process for requesting the creation of approved vendors in Integra.</p> <p>Procedures defining any acceptable exceptions and process</p>	<p>1 March 2016</p> <p>Head of Care Quality Adults and Communities</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>We tested 11 vendors created after 1 January 2016 to the New vendor Request Form for authorisation of vendor creation by CSG Procurement. Of the 11 tested, 9 vendors were created without an approved New Vendor Request Form.</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>requirements for creating vendors, including any agreements reached between CSG Procurement and Accounts Payable, should be formally documented and communicated.</p>			
<p>5. Client Affairs</p> <p>December 2015</p> <p>Property Visits</p> <p>a) The Council should update the template form that must be filled out at every initial property visit, regardless of whether any items are</p>	<p>31 January 2016</p> <p>Financial Assessment Manager, Financial Assessment Team</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>We selected two visits to confirm implementation of the recommendation and for both clients the case notes showed that two officers visited and collected some of the client's materials.</p> <p>We were supplied with completed Property Searches Inventory forms which named the officers that attended the property but there was no evidence that both of them</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>removed from the property. This form should detail the date of visit, inventory of all items removed including bills and require the signature of both officers in attendance.</p> <p>This should then be kept in the case file along with any other relevant documentation.</p>			<p>had signed the form.</p> <p>Further action for full implementation:</p> <ul style="list-style-type: none"> When items are removed from the property, both officers in attendance should sign the Asset Register and Property Searches Inventory forms.
<p>6. Street Scene Operations Review (Joint Internal Audit & CAFT review)</p> <p>November 2015</p> <p>Risk of Illicit Payments - Vehicle CCTV monitoring / Route rotation</p> <p>a) A process should be introduced and documented to review camera recordings pro-actively on a sample basis to ensure that cameras are operating correctly at all times and to identify noncompliant behaviour, such as accepting amounts for private collections from businesses with whom the Council does not</p>	<p>March 2016</p> <p>Street Scene Director</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>A process for pro-actively monitoring camera recordings has not been introduced.</p> <p>Instead, supervisors check refuse vehicles daily on a random basis while vehicles are doing their rounds and complete and sign-off a check sheet as evidence of such check. In addition, tracker reports produced by the tracker system on each refuse vehicle are reviewed on a sample basis - 5 vehicles each day and 2 on a Saturday - by the supervisor on tracker duty that week. Should these checks raise an issue, for example the tracker shows that a vehicle has deviated off route for a significant time then this may prompt a review of the camera recordings. The review of camera recordings is therefore still undertaken re-actively in line with the current "Data Protection Council Vehicle Mounted CCTV, Vehicle Tracking and Electronic Data</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
have trade waste agreements or for identifying non-attendance at work.			<p>Management Systems Policy", which has not yet been changed to include the proactive monitoring of cameras.</p> <p>The process only partly mitigates the risk of illicit payments as it is reactive and illicit payments could still be taken while on scheduled routes and between supervisor inspections of the vehicles. The recommendation will be considered implemented once a sensible risk based process for the pro-active review of camera recordings is introduced. The knowledge that camera recordings are being checked proactively will act as a strong anti-fraud deterrent.</p>
b) The 'Data Protection Council Vehicle Mounted CCTV, Vehicle Tracking and Electronic Data Management Systems Policy' should be updated, in conjunction with the Council's Data Protection team, to facilitate the use of such pro-active monitoring.	<p>March 2016</p> <p>Head of Business Improvement and Contract Management</p>	Not applicable – this is our first assessment of progress.	<p>Partly implemented</p> <p>The Council's Data Protection Team has been consulted and work is underway to update the policy accordingly whilst ensuring continued compliance with the requirements of the Data Protection Act.</p> <p>In the meantime, the review of camera recordings is still undertaken re-actively in line with the current "Data Protection Council Vehicle Mounted CCTV, Vehicle Tracking and Electronic Data Management Systems Policy" which has not yet been changed to include the proactive monitoring of cameras.</p>
d) Waste collection operatives should be rotated between collection crews periodically to	<p>February 2016</p> <p>Waste & Recycling</p>	Not applicable – this is our first assessment of progress.	<p>Partly implemented</p> <p>To meet trade waste collection schedules, management</p>

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prevent the development of rogue relationships with businesses on routes.	Manager		<p>considered alternative controls to the agreed routine rotation of trade waste collection crews on collection rounds as follows:</p> <ul style="list-style-type: none"> - the rotation of trade waste crews on an annual basis - through the natural rotation of trade waste crews owing to sickness and annual leave, - routine reconciliation between actual trade waste weight generated by collections on the round / route against the trade waste weight expected in line with what customers are contractually paying for bins/bags collected and emptied. - unscheduled/random inspections by waste enforcement who will be required to join the collection crews uninvited to carry out an audit. <p>The proposed action is considered to mitigate the risk sufficiently. The recommendation will be considered implemented once evidence is provided showing that the arrangements have embedded and are being undertaken routinely.</p>
<p>7. Street Scene Operations Review (Joint Internal Audit & CAFT review)</p> <p>November 2015</p> <p>Refuse vehicle tracker monitoring</p>	<p>March 2016</p> <p>Heads of Service / Supervisors</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>The pro-active review of refuse vehicle tracker reports is being undertaken. Where reviews highlight issues/suspicious activity, for example, a vehicle deviating from the expected route then this may prompt a review of the CCTV camera images recorded. The review of camera</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>b) The vehicle tracker reports and vehicle CCTV camera recordings should be used together to optimise pro-active monitoring of movements.</p>			<p>recordings is therefore still done re-actively. However the pro-active monitoring of vehicle CCTV cameras, for example on a sensible risk basis, has not been introduced and therefore does not reduce the risk of illicit payments sufficiently.</p> <p>When a sensible pro-active monitoring of CCTV camera recordings is introduced the recommendation will be considered implemented.</p>
<p>Street Scene Operations Review (Joint Internal Audit & CAFT review)</p> <p>November 2015</p> <p>Risk Management (CCTV and Mill Hill depot site security)</p> <p>a) The implementation of a fit for purpose CCTV system should be investigated as part of the move to the new site, planned in December 2016.</p>	<p>Head of Corporate Programmes, CSG</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>The implementation of a fit for purpose CCTV system at the new site has been investigated.</p> <p>However, owing to the uncertainty and the delays to the new depot the timeframe for project implementation has been delayed. This recommendation will be considered implemented once the plans for the new depot have been confirmed.</p> <p>Revised implementation date: 01 August 2016.</p>
<p>d) Spot checks of people and vehicles entering and leaving the site should be introduced as should increased site patrols.</p>	<p>18/11/2015, 23/11/2015</p> <p>Acting Facilities Manager CAPITA Customer</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>Site patrols are undertaken and records of site patrols are maintained. These were inspected and showed Mill Hill depot site patrols being undertaken during the day and night. The entry and exit of non-Mill Hill Depot staff is</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
	and Support Group		<p>controlled and monitored by security operating at the guard house at the entrance to the Mill Hill depot site.</p> <p>Spot checks of vehicles entering and leaving the site to mitigate the risk of illegal substances being brought onto the site or theft from Mill Hill depot are not yet undertaken as envisaged.</p> <p>Once all necessary formalities have been implemented and checks have started, the recommendation will be regarded as implemented.</p>
<p>8. Better Care Fund (BCF) and Section 75 (S75) agreement review</p> <p>December 2015</p> <p>Section 75 agreement formalities</p> <p>Section 75 Agreement Schedules - defining the pooling and governance arrangements unique/specific to the S75 initiative - should be prepared for each S75 initiative as addendums to the overarching agreement</p> <p>All S75 Agreements/Schedules and Variations held by the relevant</p>	<p>February 2016</p> <p>Head of Joint Commissioning, Barnet Clinical Commissioning Group and Barnet Council (Adults).</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>The signed and dated S75 agreements and variations to the agreements where applicable were provided for Section 75 Learning Disability Commissioning and Section 75 Learning Disability Campus Re provision.</p> <p>The signed and dated S75 agreement for Voluntary Services was not available for inspection.</p> <p>Once the signed and dated S75 Voluntary Services agreement is provided, the recommendation will be regarded as implemented.</p> <p>This recommendation was considered implemented for actions where the responsible officers were:</p> <ul style="list-style-type: none"> • Head of Joint Commissioning Barnet CCG and LBB

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>officers should be: - up to date - dated and - signed by both partners, the Council/CCG.</p> <p>The revised S75 agreements should go to the appropriate Committee as advised by Governance.</p>	<p>1 February 2016</p> <p>Head of Joint Children's Commissioning Barnet CCG and LBB (Children)</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>(Children's)</p> <ul style="list-style-type: none"> • Adults Wellbeing Strategic Lead, Commissioning Group • Director of Operations and Delivery • Commissioning Director - Children & Young People • Health and Wellbeing Commissioning Lead <p>Implemented</p> <p>For Children, this recommendation was considered implemented for actions where the responsible officer was Head of Joint Children's Commissioning Barnet CCG and LBB for the Children Memorandum of Understanding (MoU) and the S75 Looked After Children (LAC) , Occupational Therapy (OT) and Speech and Language Therapy (SLT) S75 agreement schedules</p>
<p>9. Better Care Fund (BCF) and Section 75 (S75) agreement review</p> <p>December 2015</p> <p>Pooled fund / budget</p> <p>The roles and names of the nominated pooled fund managers at the Council/CCG should be specified in all S75 Agreements. Changes should be specified in S75 contract</p>	<p>1 February 2016</p> <p>Community & Wellbeing Assistant Director</p> <p>1 February 2016</p> <p>Head of Joint Commissioning Barnet CCG and</p>	<p>Not applicable – this is our first assessment of progress.</p> <p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>The new Section 75 Equipment agreement has been drafted and specifies the Pooled Fund Manager as the Care Quality Service Manager – Prevention and Wellbeing. The new S75 Equipment agreement still has to be signed and dated and once this is done the recommendation will be considered implemented.</p> <p>Implemented</p> <p>For Children, this recommendation was considered implemented for actions where the responsible officer was Head of Joint Children's Commissioning Barnet CCG and LBB for the S75 Looked After Children (LAC) , Occupational</p>

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
variation schedules.	LBB (Children)		Therapy (OT) and Speech and Language Therapy (SLT) S75 agreement schedules
<p>10. Better Care Fund (BCF) and Section 75 (S75) agreement review</p> <p>December 2015</p> <p>Pooled fund reporting and governance structure (Financial and performance)</p> <p>All S75 agreements should follow a similar format to serve as a comprehensive baseline for S75 governance and reporting, aiming to be as specific as possible about the financial and nonfinancial information to be submitted for review.</p> <p>Future S75 agreements should all have addendum Schedules which should set out the Terms of Reference for the Board/Group/Committee responsible for review, scrutiny and challenge of performance and financial information for that S75</p>	<p>1 February 2016</p> <p>Head of Joint Commissioning Barnet CCG and LBB (Adults)</p> <p>Adults social care Assistant Director</p> <p>Commissioning Director - Children & Young People</p> <p>Community & Wellbeing Assistant Director</p>	<p>Not applicable – this is our first assessment of progress.</p>	<p>Partly implemented</p> <p>The recommendation has been considered as implemented where:</p> <ul style="list-style-type: none"> • The S75 schedules were specified in paragraph 3 of the Joint Commissioning Executive Group (JCEG) Terms of Reference • The signed and dated S75 Learning Disability Commissioning variation updated the Milestones and Outcomes schedule. • The updated Section 75 Learning Disabilities (LD) Campus Re-provision agreement now included the JCEG ToR and the ToR for the Winterbourne Steering Group in line with the agreed action • The updated S75 LD Commissioning agreement. Now included the JCEG ToR • The monitoring of S75 Better Care Fund, including S75 OPIC delivery was specified in the Joint Commissioning Executive Group (JCEG) Terms of Reference <p>We found the following aspects had not been fully implemented:</p> <ul style="list-style-type: none"> • We had not been provided with evidence to show that the terms of reference for the Joint

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>agreement.</p> <p>Overarching S75 agreements should be updated to reflect current roles, for example, not referring to the Director of People.</p> <p>Agreement Schedules should aim to define specific reporting requirements where appropriate for the S75 agreement, for example for the Looked After Children agreement the reporting of invoices charged to the Council for services under the agreement.</p> <p>All S75 agreements should define the reporting line to the Health and Well Being Board.</p> <p>All S75 agreements should include up to date Business Plans with related outcomes and milestone / performance measures and targets for referral.</p> <p>Any changes to S75 agreements/schedules should be subject to formal variation</p>			<p>Commissioning Executive Group had been added to each agreement as referred to in the recommendation, except for s75 LD Campus Re-provision and S75 LD Commissioning agreements, above</p> <ul style="list-style-type: none"> • Management indicated that the preparation of the S75 variation agreement for Mental Health Service provision with the updated Outcomes and Milestones schedule had started and had been escalated to Legal but was still in progress at the date of the review. • There was no evidence that the ToR of the JCEG had been added to the Section 75 Voluntary Services agreement in line with the agreed action. • The new Section 75 Equipment agreement has been drafted but still has to be signed and dated. We understand that the agreement will include the ToR of the Joint Commissioning Executive Group. • The delivery of S75 OPIC is now included as part of the S75 Better Care Fund (BCF) agreement. We inspected the S75 BCF agreement but could not evidence the inclusion of ToR for the Joint Commissioning Executive Group (JCEG) in line with the agreed action. • Children's Memorandum of Understanding: There was no evidence of the ToR of the Joint Commissioning Executive Group (JCEG) being included agreement provided to us in line with the agreed action.

Audit Title, Date and Recommendation	Deadline and Responsible Officer(s)	Outcomes of previous audit follow-up assessments	Audit follow-up assessment (January 2016)
<p>agreements.</p> <p>A repository should retain a complete chronological history of the agreements and variations and related DPRs from inception of the S75 agreement to date.</p>			<ul style="list-style-type: none"> • S75 Occupational Therapy: There was no evidence that the agreement provided to us included the JCEG ToR nor the monthly and quarterly contract review meetings described during the initial audit in line with the agreed action. • Section 75 Speech and Language Therapy (SLT): There was no evidence that the agreement provided to us included: <ul style="list-style-type: none"> ○ the JCEG ToR ○ the monthly and quarterly contract review meetings described during the initial audit. ○ targets for locally defined outcomes in line with the agreed action • S75 Looked After Children: There was no evidence that the agreement provided to us included: <ul style="list-style-type: none"> ○ the JCEG ToR ○ the monthly and quarterly contract review meetings described during the initial audit. ○ financial reporting relating to invoice charges in line with the agreed action

Implemented recommendations

The following recommendations that had previously been raised as a priority one have been reviewed and are now considered implemented.

Audit Title, Date and Recommendation
1. SWIFT and Wisdom - April 2014 - Information Governance
2. SWIFT and Wisdom – April 2014 – User Access Control
3. Barnet Homes Contract Management Follow-up - June 2014 - Benefits Management
4. People Management – Pre-employment Checks - June 2015 - Safer Recruitment Training & Guidance
5. People Management – Pre-employment Checks - June 2015 - Monitoring of HCPC Registration of Social Workers
6. People Management – Pre-employment Checks - June 2015 – Accuracy and Completeness of Vetting Information
7. Client Affairs – December 2015 – Property Visits (recommendation 1, parts (b) – (f))
8. Street Scene Operations Review (Joint Internal Audit & CAFT review) - November 2015 - Recruitment - conflicts of interest
9. Street Scene Operations Review (Joint Internal Audit & CAFT review) - November 2015 - Workforce Management – Governance Arrangements
10. Street Scene Operations Review (Joint Internal Audit & CAFT review) - November 2015 – Risk of illicit payments (recommendation 2, part (c))
11. Street Scene Operations Review (Joint Internal Audit & CAFT review) - November 2015 – Refuse vehicle tracker monitoring (recommendation 4, part (a) and (c))
12. Street Scene Operations Review (Joint Internal Audit & CAFT review) - November 2015 – Mileage/fuel usage records and monitoring
13. Street Scene Operations Review (Joint Internal Audit & CAFT review) - November 2015 – Risk management (CCTV and Mill Hill depot site security) (recommendation 6, part (b) and (c))

Audit Title, Date and Recommendation
14. Better Care Fund (BCF) and Section 75 (S75) agreement review - December 2015 - BCF governance and decision making
15. Better Care Fund and Section 75 (S75) agreement review - December 2015 - Performance monitoring (implementation of S75 agreement structures)
16. Better Care Fund (BCF) and Section 75 (S75) agreement review - December 2015 - Schemes of Delegation
17. Better Care Fund (BCF) and Section 75 (S75) agreement review - December 2015 – Training and development
18. Capital Development Pipeline – December 2015 - Governance and Reporting
19. Capital Development Pipeline – December 2015 - Engaged Stakeholders

7. Internal Audit effectiveness review

Performance Indicator	Target	End of Quarter 4
% of plan delivered	95%*	96%
Number of reviews due to commence vs. commenced in quarter	95%	100%
% of reports year to date achieving: <ul style="list-style-type: none"> • Substantial • Satisfactory • Limited • No Assurance • N/A 	N/A	5% 57% 16% 2% 20%
Number / % of Priority 1 recommendations: <ul style="list-style-type: none"> • Implemented • Partly implemented • Not implemented in quarter when due	90%	80%

* Based on 95% complete of those due in quarter.

Key:

Target met
Target not met
N/A

Implementation of internal audit recommendations – as per section 7 above, the progress of the 71 high priority recommendations due for implementation in quarter 4 is that 80% of recommendations have been fully implemented compared to a target of 90%. 20% have been partly implemented.

A summary of the status is as follows:

Status	Number	%
Implemented	57	80%
Partly Implemented	14	20%
Not Implemented	0	0%
Total	71	100

8. Changes to our plan

Since the Internal Audit Plan was agreed in April 2015 there have been changes to audits originally planned for Q4 as follows:

Type	Audit Title	Reasons
Additional	CSG Assurance Framework	Additional advisory management letter as a result of CSG invoicing audit
Deferred	Accounts Payable Q4	Deferred to 2016/17 to enable confirmation of implementation of recommendations identified in Q2 2015/16 review
Deferred	Internal Governance: Speed of Implementing Decision	Deferred to 2016/17 if still appropriate due to extra capacity needed for No Assurance audit follow-ups in 2015/16
Deferred	The Care Act compliance	Deferred to 2016/17 if still appropriate due to extra capacity needed for No Assurance audit follow-ups in 2015/16

9. Risk Management

The final performance report for Quarter 3 was presented to the Performance and Contract Monitoring Committee on 15th February 2016 and can be found via the link below:

<http://barnet.moderngov.co.uk/documents/s29613/Appendix%20A%20-%20M.pdf>

Appendix I to the report is the Quarter 3 corporate risk register.

Quarter 4 performance, including the corporate risk register, will go to the May meeting of the Performance and Contract Monitoring Committee.

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Internal Audit

Progress Report 2015-16 – Quarter 4 - ADDENDUM

Caroline Glitre, Head of Internal Audit

1. Introduction

The Internal Audit 2015-16 Quarter 4 progress report has the following addendum of two additional audits that were given 'Limited' assurance but at the time of publication of the main Audit Committee papers were only at 'Draft report' stage. These audits have now been completed and reports issued as final.

2. Final Reports Issued

		Assurance rating
1	IT Change Management	Limited
2	Schemes of Delegation	Limited

The summary detail of these reports is included within Section 3.

3. Key Findings from Internal Audit Work with No or Limited assurance

Title	IT Change Management
Audit Opinion	Limited
Date of report:	March 2016
Executive Summary	<p>Successful implementation of IT services to the live, Business as Usual (BAU) environment is reliant on effective control processes, including Service Asset and Configuration Management, Release and Deployment Management, Service Validation and Testing, Change Management and Change Evaluation. This review focused on Change Management specifically and while there is a draft IT Change Management process in place, it is not effective due to the lack of maturity in the supporting control processes.</p> <p>This review was mainly scoped for the time period of January 2015 to December 2015. It is recognised that CSG have made significant improvements to the IT Change Management process during 2015 and have continued to make gradual improvements during 2016. However, it has been observed through this review that there are many examples of a reactive, rather than proactive approach to IT change management being implemented. This approach impacts the quality of service provided to Barnet Council.</p> <p>The IT Change Management process is not yet effectively embedded into the organisation (due to it being relatively new) and it is not yet at the required level of maturity expected from an experienced IT Service Provider. This limits CSG’s ability to effectively govern, manage, monitor and improve IT change and increases the likelihood of negative impact to services at Barnet Council.</p>

Title	IT Change Management
<p>Summary of Findings</p>	<p>This audit has identified two high, three medium and one low rated recommendation.</p> <p>We identified the following issues as part of the audit:</p> <ol style="list-style-type: none"> 1. Control Design – Process Lifecycle (High Priority) <ul style="list-style-type: none"> • CSG use a static, standalone spreadsheet to manage configuration information and this is not linked to the existing toolset (ServiceNow) that is in place to manage the Change Management process. Auditor’s view is that this approach is not suitable for an IT estate of the size and complexity of Barnet Council. The standalone spreadsheet approach and lack of update process has resulted in a backlog of outstanding configuration updates as well as an inaccurate baseline of configuration information. Without an effective Configuration Management Database (CMDB), accurate Configuration Items (CIs) and relationships linking the CIs to business processes, it is difficult to accurately assess the full impact to end-to-end business services when making technology changes. As a consequence, the configuration information cannot be relied upon for change, risk and impact assessments. Additionally, as CIs are not being updated, links between CIs in the live/ BAU and IT Disaster Recovery (ITDR) environments will not be current or accurate. This will impact CSG’s ability to maintain an effective ITDR environment, which may then impact a successful recovery in the event of disaster (see finding 1.1). • Post-change evaluations are not performed routinely for change records. This means that there is no process being consistently followed to determine whether or not a change has been successful and whether there are any lessons learned that would be useful to drive continuous improvement. Ad-hoc investigations into failed changes have been performed on request or when a major incident has occurred as a result of a change. This approach limits the evaluation process as not every failed change is going to result in an incident (see finding 1.2). • There have been occasions where changes related to project implementations have been processed as Emergency Changes in order to achieve project deadlines. While the reasoning for this is to mitigate potential business impact, the use of Emergency Changes specifically by projects is not documented as an

Title	IT Change Management
	<p>exception within the Change Management process. These exceptions are not reviewed or included in management reporting for trend analysis. Lack of appropriate planning for a project-related change should not automatically invoke the Emergency Change process as Emergency Changes carry an increased level of risk to the business. It is therefore important that the scope and exceptions for Emergency Changes are documented in detail (see finding 1.3).</p> <p>2. Control Design – Change Testing & Validation (High Priority)</p> <ul style="list-style-type: none"> • Few applications had separate testing environments. For those applications with no testing environment, CSG stated that the risk has been accepted by Barnet Council, however formal documentation and evidence of this has not been seen. Where no testing environment exists, changes were implemented directly into the live environment without testing. Back-out plans are not always sufficiently detailed and are not usually tested prior to change implementation. This increases the likelihood of problems occurring during change implementation (see findings 2.1 and 2.2). <p>3. Operating Effectiveness - Result of Sample Records Testing (Medium Priority)</p> <ul style="list-style-type: none"> • We tested 25 sample changes to check the operating effectiveness of key controls in the IT Change Management process and found the following issues: <ul style="list-style-type: none"> ➤ 8 out of the 25 changes sampled (32%) were major changes, yet none of them had a full work plan document. This is not in line with the Change Management procedure. ➤ 4 out of the 25 changes (16%) lacked a back out plan. ➤ 3 out of the 25 changes (12%) lacked a test plan.

Title	IT Change Management
	<ul style="list-style-type: none"> ➤ 1 of the 25 changes (4%) was raised as a normal change, but was approved by the Emergency Change Advisory Board (ECAB). ➤ 24 of the 25 changes (96%) have not yet been closed out. The remaining change had been marked as “rejected”. Good practice, such as post-change review and change evaluation are not formally performed if a change record is not completed and closed out. It is also difficult to assess, measure and report on the performance of the IT Change Process and how successful it is. <p>4. Operating Effectiveness – Continuous Service Improvement (Medium Priority)</p> <ul style="list-style-type: none"> • Upon reviewing two failed change reports and one security incident report, it was found that the reports were not conclusive in identifying the root cause. The reports were produced while the investigation was still in progress and were not updated following completion of the investigation. • A Service Improvement Plan exists, however there are no formalised processes or triggers for its use, for example, lessons learned reviews. Information is gathered on an ad-hoc basis and lacks appropriate analysis, ownership or a formal action plan. • There is no mandatory process to investigate failed changes or to use this information to drive continuous improvement and lessons learned. <p>5. Control Design – Governance of IT Change Management (Medium Priority)</p> <ul style="list-style-type: none"> • The IT Change Management process design documentation was updated immediately prior to our review and was supplied as a draft version. The documentation had yet to be approved through CSG’s internal approval process. The document is not at the level of maturity expected from an experienced IT Service Provider and requires inclusion of the findings from this review.

Title	IT Change Management			
	<ul style="list-style-type: none"> There was a lack of documented evidence to show effective governance of the IT Change Management process and associated sub-processes. The Change Management process lacks a documented owner and there is confusion with who is responsible and accountable for the policy, process and procedure documents. The Technical Change Advisory Board (CAB) meetings and the Customer CAB meetings lacked documented terms of reference to explain their purpose, who should be invited and the roles and responsibilities of the attendees. Lack of effective governance means reduced control and increased risk to Barnet Council. 			
Priority 1 recommendations, management responses and agreed action dates				
1. Process Lifecycle - <i>Control design</i>				
Recommendation	Management Response	Responsible Officer	Deadline	
1.1 (a) Upgrade to a scalable relational Configuration Management Database (CMDB) tool to enable the auditable capture of CI dependencies and configuration information.	1.1 (a) Recommendation accepted	Head of Service Delivery (CSG)	31 st August 2016	
1.1 (b) Ensure that CIs are routinely updated into the CMDB through the IT Change Management process.	1.1 (b) Recommendation accepted	Head of Service Delivery (CSG)	31 st August 2016	
1.2 (a) Update the IT Change Management policy to include a mandatory review of all failed Request for Change (RFCs) to identify the cause of failure.	1.2 (a) Recommendation accepted & completed	Head of Service Delivery (CSG)	4 th April 2016	

Title		IT Change Management		
1.2 (b) Where Council services are affected, inform and update in a timely manner, explaining which services are unavailable, what work-arounds are available and the estimated time until service is restored.	1.2 (b) Recommendation accepted & completed	Head of Service Delivery (CSG)	4 th April 2016	
1.2 (c) Perform post-change evaluations and ensure change records are closed.	1.2 (c) Recommendation accepted	Head of Service Delivery (CSG)	31 st August 2016	
1.2 (d) Review IT Change Management service metrics and monitor on an ongoing basis. This will allow early identification of issues and inform proactive changes to the IT Change Management process, policy, design or procedure as well as identifying staff that require additional change training and support.	1.2 (d) Recommendation accepted & completed	Head of Service Delivery (CSG)	12 April 2016	
1.3 (a) Define the project-related criteria and controls required for acceptance into the Emergency Change process.	1.3 (a) Recommendation accepted & completed	Head of Service Delivery (CSG)	12 April 2016	
1.3 (b) Incorporate project-related changes to the existing reports.	1.3 (b) Recommendation accepted & completed	Head of Service Delivery (CSG)	12 April 2016	
2. Change Testing & Validation - Control design				
Recommendation	Management Response	Responsible Officer	Deadline	
2.1 (a) Identify which IT services could have an unacceptable impact to the Council's services	2.1 (a) Recommendation accepted	Head of Service Delivery (CSG)	30 April 2016	

Title	IT Change Management		
<p>should there be a prolonged outage.</p> <p>2.1 (b) Where the underpinning IT services do not have a test environment, or the existing test environment configuration differs from production, ensure proposed options for remediation have been presented to Council and Council's response recorded.</p> <p>2.1 (c) Where proposed options are declined by Council, ensure that the risk of IT Change is formally accepted by Council and is reviewed regularly by CSG and Barnet Council management.</p> <p>2.2 (a) Where possible, test back-out plans. Testing may either be performed periodically (with an appropriate frequency schedule during the year) or in real-time, specifically as part of the change request to ensure confidence that the back-out plan will work as expected. Where back-out plans cannot be tested, this risk should be made aware to the Technical and Customer CAB when presenting the RFC and formally documented in the change record.</p> <p>2.2 (b) Specify under which conditions the back-out plan should be invoked.</p>	<p>2.1 (b) Recommendation accepted & completed</p> <p>2.1 (c) Recommendation accepted</p> <p>2.2 (a) Recommendation accepted & completed</p> <p>2.2 (b) Recommendation accepted & completed</p> <p>2.2 (c) Recommendation accepted</p> <p>Notes: Completed, however Capita would like the</p>	<p>Programme Director (CSG)</p> <p>Programme Director (CSG)</p> <p>Head of Service Delivery (CSG)</p> <p>Head of Service Delivery (CSG)</p>	<p>12 April 2016</p> <p>30 April 2016</p> <p>12 April 2016</p> <p>12 April 2016</p>

Title	IT Change Management		
2.2 (c) For back-out plans that are dependent upon data restoration from backup, CSG should ensure that the data restoration time is known and confirmed through testing.	2.2 (c) Recommendation accepted & completed	Head of Service Delivery (CSG)	4 April 2016

Title	Schemes of Delegation
Audit Opinion	Limited
Date of report:	February 2016
Background & Context	This report sets out the findings of our work undertaken in December 2015 to review the design and operating effectiveness of the Council's Schemes of Delegation, in line with the agreed Terms of Reference dated 12 November 2015. The review focussed on the four Commissioning Directors' Schemes of Delegation.

Title	Schemes of Delegation
<p>Summary of Findings</p>	<p>This audit has identified two high, four medium and two low rated recommendations.</p> <p>We identified the following issues as part of the audit:</p> <ul style="list-style-type: none"> ○ <u>Changes to standing data</u> - There is currently no procedure in place to monitor changes made to financial limits within ContrOCC, the e-finance system used within Family Services. Additionally, it was noted that for Integra, the Council's general finance system, there is no report available that lists changes to financial limits for Integra users. Instead a list is maintained within the folder 'User setups' within the inbox of the Systems Accountant. All user set ups and changes to financial limits come through this inbox. Completeness of the population is thus not ensured, as emails could be deleted or moved to different folders. (High rated). ○ <u>Commissioning and Delivery Units</u> - The Growth and Development and Environment Schemes of Delegation do not include the same details of delegated powers for Regional enterprise (Re), one of the key delivery units relevant for these schemes. At the time of the audit, management were producing a schedule which would be included in both schemes of delegation to ensure consistency. It was also noted that the Scheme of Delegation for Growth and Development does not include detail on individual roles within Barnet Homes, one of the key delivery units. There is no procedure in place to check the Schemes of Delegation against the delivery unit management agreements to ensure consistency. (High rated). ○ <u>Authorisation of transactions (Integra)</u> – We performed data analysis to check that purchase orders recorded in Integra are sequentially numbered, that they have been authorised and segregation of duties has been maintained for all purchase orders. It was noted that 12/7620 (0.2%) purchase orders, total value invoiced £9,432.13, have been processed with no Authoriser. It was also noted that some order numbers out of the sequence were missing. (Medium rated). ○ <u>Authorisation of transactions (Swift)</u> – Payments under the Adults and Health Scheme of Delegation are authorised on Swift, the Adults client information system, before interfacing with Integra. We performed data analysis to verify that segregation of duties has been maintained for all invoices. We identified 647/11388 (6%) invoices, worth £2,095,083.76, have been processed and authorised by the same person. Management stated

Title	Schemes of Delegation		
	<p>that where there were multiple processors of an invoice the report has only picked up one of the processors. A sample of 25 transactions from the listing were also selected to test compliance with the relevant financial limits of the Scheme of Delegation. We identified 6/25 (24%) invoices where the name of the requestor on Swift was different from the name of requestor as per the Swift report provided for the audit. (Medium rated).</p> <ul style="list-style-type: none"> ○ <u>Authorisation of transactions (ContrOCC)</u> - Payments for family services are authorised on ContrOCC before interfacing with Integra. We were unable to perform data analysis on segregation of duties of ContrOCC transactions. The report run by management showed all activity on the system for all accounts and it was not possible to filter transactions by type to identify payments. A sample of 25 payments from ContrOCC was therefore manually selected and tested for segregation of duties and compliance with the relevant financial limits in the Scheme of Delegation. We identified 2/25 (8%) payments which were authorised by deputy team managers for amounts which the Scheme of Delegation states should be authorised by team managers. The deputy team managers have the same financial limits of authorisation as managers within ContrOCC but this does not agree with the Scheme of Delegation. (Medium rated). ○ <u>Annual review of Schemes of Delegation</u> - We checked whether the Schemes of Delegation state the frequency of review and updates, explain the review procedure and clearly state roles and responsibilities with regards to updating the Schemes of Delegation. In all cases we noted that the update procedure included in the Scheme of Delegation was either incomplete or only partially complete. It was also noted that there is currently no agreed procedure in place for communicating changes in the Schemes of Delegation to employees or relevant stakeholders, for example CSG Finance. (Medium rated). 		
Priority 1 recommendations, management responses and agreed action dates			
1. Changes to standing data			
Recommendation	Management Response	Responsible Officer	Deadline

Title	Schemes of Delegation			
<p>a) A review of ContrOCC users should be conducted on a quarterly basis to check limits are up to date and in line with the Schemes of Delegation.</p> <p>b) A report of changes to financial limits on Integra should be built and made available for staff use.</p> <p>c) A report of changes to financial limits on Integra should be run on a regular basis (at least quarterly). This report should be reviewed by a member of the Integra Finance Team to monitor the updates to limits and check limits correctly reflect changes to staff roles.</p>	<p>Quarterly review of limits will be put in place.</p> <p>Integra has a full audit trail tool which tracks and monitors all changes made to users' access rights within the system. At the time of the Internal Audit service completing their audit, there was no standard report available which identifies all user changes within the system between a particular date range which could be validated against the authorisation forms.</p> <p>A report will be developed to identify all changes to users' accounts and for a sample to be tested on a quarterly basis against submitted forms.</p>	<p>Finance Manager, Family Services</p> <p>Assistant Director of Finance, CSG</p>	<p>End of April 2016.</p>	
2. Commissioning and Delivery Units				
Recommendation	Management Response	Responsible Officer	Deadline	
<p>a) The Council should seek legal advice to confirm the implications of incorporating the Barnet Homes Scheme of Delegation into the Growth and Development Scheme of Delegation. If appropriate, the Barnet Homes Scheme of Delegation should be incorporated into the Growth and Development</p>	<p>Growth & Development – Agreed.</p> <p>Environment - Street Scene Delivery has recently been transferred to Barnet Homes – this needs to be reflected in the Scheme and this will be done by 30 April 2016.</p>	<p>Commissioning Directors for Growth & Development and Environment</p>	<p>30 June 2016</p>	

Title	Schemes of Delegation		
<p>Scheme of Delegation or published alongside it on the website to ensure there is a complete document available to staff.</p> <p>b) The Council should seek legal advice about the implications of incorporating the RE Scheme of Delegation into the Growth and Development Scheme of Delegation and the Environment Scheme of Delegation. If included, the schemes should be updated to ensure that RE's delegated powers are reflected accurately and consistently in both schemes.</p> <p>c) When implementing future changes to the Council's structure, for example alternative delivery models, the impact on the Council's Schemes of Delegation should be considered and appropriate legal advice sought.</p> <p>d) The roles and responsibilities section in the management agreements should be updated to refer back to the Schemes of Delegation to ensure consistency.</p>	<p>Growth & Development and Environment - to ensure Re's delegated powers are reflected accurately and consistently by 30 April 2016. Legal services have already been consulted and will sign off as final by 30 April 2016.</p> <p>Agreed</p> <p>Agreed</p>	<p>Commissioning Directors for Growth & Development and Environment</p> <p>All Commissioning Directors for their respective Schemes of Delegation</p> <p>All Commissioning Directors for their respective Schemes of Delegation</p>	<p>30 June 2016</p> <p>30 June 2016</p> <p>30 June 2016</p>

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London Borough of Barnet

Internal Audit Annual Opinion 2015/16

	None	Limited	Satisfactory	Substantial
Audit Opinion and Direction of travel 2014/15 Annual Opinion: Satisfactory				

Caroline Glitre, Head of Internal Audit

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1. Executive Summary

Introduction

This report outlines the internal audit work we have carried out for the year ended 31 March 2016.

The Public Sector Internal Audit Standards require the Head of Internal Audit to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control (i.e. the organisation's system of internal control). This is achieved through the delivery of a risk-based plan of work, agreed with management and approved by the Audit Committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below and set out in Appendix A. The opinion does not imply that Internal Audit has reviewed all risks relating to the organisation.

Our opinion is based on the work performed in 2015/16 but the conclusion should be considered in the context of the financial pressures facing the Council in a period where savings are required to be made but there is a greater demand for local services due to the borough's growing population.

Although the Council has achieved 80% of the £75m savings target up to 2015 through efficiencies generated through the commissioning model, further reductions of £91m will be required up to 2020.

There are a number of emerging risks and opportunities which have been identified by Internal Audit in 2015/16 which will need to be monitored and managed by the Council going forward. This includes the three year review of the Customer Support Group (CSG) contract with Capita in the summer of 2016 with the objective of maximising the value that the private sector can bring to the delivery of public services.

Other key developments in the coming year include the new strategic partnership for Education & Skills Services with Cambridge Education, the recruitment of a permanent Commercial Director, the transfer of the Street Scene delivery unit to Barnet Homes for a six month period and the delayed transition of the client information system used by the Adults & Communities delivery unit from Swift to Mosaic.





Management should address the risks and recommendations from our work in 2015/16 to ensure that the gaps identified in the control environment are mitigated to ensure the Council are adequately equipped to face the risks and opportunities present in the short and medium term.

Our Opinion

	None	Limited	Satisfactory	Substantial
Audit Opinion and Direction of travel 2014/15 Annual Opinion: Satisfactory				

Summary of the work performed

We completed 82 internal audit reviews in the year ending 31 March 2016. A comparison of the 2015/16 report ratings with those of 2014/15 is summarised in the table below.

Assurance Opinion	2015/16		2014/15		Direction of travel
	No.	%	No.	%	
Substantial	2	4	1	2	
Satisfactory	27	45	22	38	
Limited	9	17	11	19	
No	2	4	0	0	
N/A – management letter	17	30	24	41	
Subtotal	57		58		
Schools*	26		22		
Total	82	100	80	100	




















*An analysis of the Internal Audit work completed in the Council's Schools is reported in Section 3
















Commentary on our opinion

Governance, risk management and control in relation to business critical areas are generally satisfactory. However, there are some areas of weakness and non-compliance in the framework of governance, risk management and control which potentially put the achievement of objectives at risk.

There are also a number of areas where good practice was identified by internal audit. The key areas which have informed the overall satisfactory conclusion are as follows:

- Key Financial Systems – review of 14 separate financial systems identified significant improvements in the design and operation of the key controls in place. This is a result of work undertaken by the Assistant Finance Director at CSG and the Head of Finance at the Council to improve the strength of the control environment. A summary table of the results of the Key Financial Systems work is included below:

Department	Overall Opinion 2015/16		Overall Opinion 2014/15		Direction of Travel
Schools Payroll	Satisfactory		N/A – new system in 2015/16		N/A
Accounts Receivable	Satisfactory		Limited		
General Ledger	Satisfactory		Limited		
Council Tax	Satisfactory		Satisfactory		
Housing Benefit	Satisfactory		Limited		
NNDR	Satisfactory		Limited		
Accounts Payable	Limited		Limited		

Department	Overall Opinion 2015/16	Overall Opinion 2014/15	Direction of Travel		
Non-schools payroll	Satisfactory		Satisfactory		
Treasury management	Substantial		Satisfactory		
Cash and Bank	Satisfactory		Satisfactory		
Teachers' pensions	Limited		N/A – new system in 2015/16		N/A
Pension admin (non-schools)	Satisfactory		Substantial		
Fixed assets	Satisfactory		N/A – new system in 2015/16		N/A
Budget monitoring (focus on Adults & Communities)	Satisfactory		N/A – new system in 2015/16		N/A

- Changes to governance arrangements – the Council restructured its governance arrangements in 2014 and moved from a Cabinet structure to a Committee structure. We identified no issues in our work with the flow of information upwards through the new system to ensure that decisions are taken at an appropriate level and are subject to sufficient and appropriate challenge. The Performance and Contract Management Committee in particular performs an effective role in scrutinising the performance of commissioning and delivery units, both internal and external.
- Project and Programme Management – we have reviewed the control framework around a number of business critical programmes in 2015/16 such as the Libraries, Smarter Working and Customer Transformation projects and identified satisfactory compliance in the areas of high performing teams, planning and dependency management. Where control weaknesses were identified for the Capital Development Pipeline programme at the start of the year, we found that controls had been strengthened and were fit for purpose by the end of the year in the areas of governance, stakeholder engagement and risk management.
- Schools – The number of limited assurance reports issued in 2015/16 is one higher (3) than in the prior year (2). However, there were also two Substantial Assurance opinions given in 2015/16, compared to none in the prior year. The results across the schools audits generally highlight good practice in financial management with few issues identified around financial controls and budget monitoring. A detailed breakdown of the results of the schools audits is included in Section 3.
- Monitoring and management of contract payment arrangements – we performed two reviews in 2015/16 which covered the accuracy and validity of payments made to third parties through the commissioning model. The first was the Shared Legal Service operated by HB Public Law and the second was the Commissioning Support Group (“CSG”) contract with Capita. In all cases, payments were supported by appropriate documentation and approved in line with the Council’s Scheme of Delegation.
- Risk management – the review of risk management confirmed that a clear risk management framework is in operation at the Council, risks are recorded promptly and reported to the Performance and Contract Monitoring Committee regularly. Although the procedures could be rationalised, there are strong examples of good practice in operation to identify, manage and monitor risks to the Council.

Improvements are required in the areas set out below to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

- Roles and responsibilities – Local authorities are complex and the nature of the Council’s delivery model means that having clearly defined and understood roles and responsibilities across all services is crucial. During the year we identified several instances where clear guidance and procedures are either incomplete, lacking clarity or not available to Council or CSG staff. This may result in roles and

responsibilities not being clearly defined or contractual requirements not being met, potentially impacting on the performance of the Council or exposing it to an increased level of risk.

- Performance Management - The Council operate a 'thin client' model which is outcome focused, monitored through the use of performance reporting to measure the operations of both internal and external delivery units. It was noted that a number of performance reports provided to the Council by CSG, one of the Council's most significant partners, are incomplete and do not include a reported performance against all performance measures. In particular, there are issues with the completeness of performance measures in place for IT delivery which may prevent the Council from identifying issues with the capability or performance levels of the service. In all cases reviewed, the Council does not validate performance information received from CSG, even in service areas where the Council has access to management information systems. This reliance on CSG may result in performance issues not being identified and resolved promptly and the Council not receiving value for money from the CSG contract.
- Contract assurance – There is no formal documented assurance framework in place which summarises the Council's first, second and third lines of defence¹ over CSG activity and as a result there is a lack of clarity over the controls in place to mitigate key risks associated with processes operated by CSG. In reviewing and documenting the assurance framework the Council should make sure that assurance over CSG activity is aligned to the wider assurance framework in place for all Council activities.
- Human Resources Data – There are issues with the completeness and accuracy of the data held in the human resources management system, HR CORE. An exercise is currently being undertaken by the HR management team to validate all information held in the system. One of the objectives of the exercise is to ensure that all Council employees have the correct clearance for their role, for example Disclosure and Barring Service ("DBS") checks having been completed where required. The issues with the quality of Core data have also impacted the accuracy of the establishment list. There are ongoing changes made to the establishment list but no proactive review to ensure that all requested changes have been made. This may result in management information not reflecting complete workforce information and business decisions being based on incorrect data.
- Information Technology – The Council's IT service is provided by CSG and we have noted a number of areas where the requirements in the contract are either not being delivered or are not aligned to good practice. In particular, these issues relate to disaster recovery arrangements and the delivery of the IT strategy.

For further details, please see our Key Themes informing our opinion in Section 2.

Basis of our opinion

Our opinion is based on:

- All internal audits undertaken during the year.
- Any follow-up action taken in respect of audits from previous periods.
- Any significant recommendations not accepted by management and the resulting risks.
- The effects of any significant changes in the organisation's objectives or systems.
- Any limitations which may have been placed on the scope or resources of internal audit.
- What proportion of the organisation's audit needs was covered by our work.
- Consideration of third party assurances.

Acknowledgement

We would like to take this opportunity to thank Council and its partners, in particular Customer Support Group (CSG) and Re staff, for their co-operation and assistance provided during the year.

¹ In line with good practice, the **First Line of Defence** relates to the business operations i.e. ensuring there is an established risk and control environment in place within each of the core processes operated by Capita. **The Second Line of Defence** is the oversight functions i.e. strategic management, performance management and functional oversight. **The Third Line of Defence** is independent assurance i.e. Internal Audit, External Audit, and other sources of assurance who provide independent challenge.

2. Summary of areas for improvement in the control environment informing the opinion

Our annual internal audit report is timed to inform the Council's Annual Governance Statement. A summary of key themes and findings informing our overall opinion from our programme of internal audit work for 2015/16 are recorded in the table below. We ask that management consider these when preparing the 2015/16 Annual Governance Statement.

Area	Narrative	Relevant reports
<p>Governance and Assurance Framework</p>	<p><u>Roles and responsibilities and decision making</u></p> <p>There are several instances where clear guidance and procedures are either incomplete, lacking clarity or not available to Council or CSG staff. This may result in roles and responsibilities not being clearly defined or contractual requirements not being met. Examples noted at the time of the audits being undertaken included:</p> <ul style="list-style-type: none"> - The decision of the Policy and Resources Committee 25 March 2015 to arrange a pooled budget between the Council/Barnet Clinical Commissioning Group (CCG) has not been implemented as the Scheme of Delegation has not been updated to delegate authorities to the appropriate parties. - In Street Scene, instances were noted where there was no evidence of documented policies / procedures governing key processes for referral, communication and a clear understanding of requirements to ensure consistent related operation. For example, there were no formal documented policies/procedures evident for the collection of side waste, the use of fuel pumps on site and fuel key management. - There is currently no procedure in place to monitor changes made to financial limits within ContrOCC, the e-finance system used within Family Services. - The guidance available to Client Affairs staff on property visits is incomplete and in parts, lacks clarity on roles and responsibilities. - No documented procedures were available to ensure that the different approaches for Procurement vendors and Non-Procurement vendors are clearly understood and applied by all parties. - The business continuity procedures are incomplete and do not include clear guidance on roles and responsibilities of the delivery units. Arrangements also only consider North London Business Park. - For the Customer Service Performance Indicator, Face to Face wait times, there were no documented procedures to define how the data should be collected for the 	<ul style="list-style-type: none"> • Better Care Fund and Section 75 Agreements (December 2015) • Street Scene Operations Review (November 2015) • Business Continuity (June 2015) • Client Affairs (January 2016) • Accounts Payable (September 2015) • Data Quality Spot Checks Q2 - Average customer wait time (face to face at Burnt Oak and Barnet House)

Area	Narrative	Relevant reports
	<p>performance measures.</p> <p>-</p> <p><u>Performance management</u></p> <ul style="list-style-type: none"> - The Council operate a 'thin client' model focused on performance reporting to monitor the activity of external delivery units, including services provided by Capita through the CSG and Re contracts. It was noted that for a number of CSG performance measures, including Super Key Performance Indicators, an actual figure was not included in the report for quarter one of 2015/16. In these cases, the report stated that the performance measure was being baselined. This is due to be completed as part of the annual review in March 2016. We also noted that for the 'Face to Face Wait Time' Customer Service Performance Indicators ("PIs"), the definition of the PI and the data collection method had not been agreed with the Council prior to the first performance measurement period. - Additionally, there is no validation of performance information provided by CSG, even in service areas where the Council has access to management information systems. This reliance on CSG may result in performance issues not being identified and resolved promptly and the Council not receiving value for money from the CSG contract. <p><u>Contract assurance</u></p> <ul style="list-style-type: none"> - There is no formal documented assurance framework in place which summarises the Council's first, second and third lines of defence over CSG activity and as a result there is a lack of clarity over the controls in place to mitigate key risks associated with processes operated by CSG. For example, we identified that CSG Accounts Payable procedures were not fully documented and had not been shared with the Council. - Outside of the CSG contract, delivery unit contract registers do not reflect all contractual relationships in line with the Contract Procurement Rules which may result in contracts not being monitored appropriately. <p>We have reviewed the control framework around a number of the Council's contracts in 2015/16. We gave Limited Assurance over the Council's management of the Registrars and Homecare contracts and noted issues in the areas of governance and risk management.</p>	<ul style="list-style-type: none"> • CSG Invoicing (March 2016) • Performance Management Framework (March 2016) • Data Quality Spot Checks Q2 - Average customer wait time (face to face at Burnt Oak and Barnet House) • CSG Assurance Framework (March 2016) • Procurement – Contract Procedure Rules (November 2015) • Accounts Payable (September 2015) • Contract Management – Homecare • Contract Management - Registrars
<p>Human Resources (HR) Data</p>	<ul style="list-style-type: none"> • The CORE Human Resources management system ("CORE") was introduced in April 2014 and all non-schools employee data was transferred from the previous SAP system. 	<ul style="list-style-type: none"> • People Management – Pre-Employment Checks (July 2015)

Area	Narrative	Relevant reports
	<p>There are issues with the completeness and accuracy of the data held in CORE, although the extent of the issues has not been quantified. An exercise is currently being undertaken by the HR management team to validate all information held in the CORE system. One of the objectives of the exercise is to ensure that all Council employees have the correct clearance for their role.</p> <ul style="list-style-type: none"> • Teachers' Pensions are processed by CSG in Carlisle. We found that there was no reconciliation of payroll records to the payments made to Teachers' Pensions and there was a lack of supporting documentation available for 3/5 of our sample of transfers out. • Payroll starters and leavers are processed by CSG in Belfast. All social workers employed by the Council are required to be registered with the HCPC (Health and Care Professions Council) regulator. Registration is not validated by the Council or CSG and there is no ongoing monitoring. The Council currently has a shortage of social workers so will be recruiting heavily into these roles in future periods. 	<ul style="list-style-type: none"> • Teachers' Pensions (March 2016)
<p>Information Technology (IT)</p>	<p>The Council's IT service is provided by CSG and there are a number of areas where the requirements in the contract are either not being delivered or are not aligned to good practice. In particular:</p> <ul style="list-style-type: none"> • The disaster recovery requirements detailed in the contract are not those that are being delivered by the ITDR project. • The proposed disaster recovery solution for the interim solution deployed by CSG was not aligned to good practice. • There is a lack of clarity of governance arrangements in place for the delivery of the IT strategy to ensure it is aligned to the Corporate Plan. <p>During our audits relating to IT we also experienced a number of delays, partly due to a lack of continuity of key IT staff within CSG.</p>	<ul style="list-style-type: none"> • Disaster Recovery (March 2016) • IT Strategy (March 2016)

3. Summary of Schools audits performed in 2015/16

Introduction

In line with the Scheme of Financing Schools, the Chief Finance Officer is required to deploy internal audit to examine the control frameworks operating within schools under the control of the Local Education Authority ("LEA"). In 2015/16, Internal Audit performed 26 schools visits and the results of the work are reported in the table below.





During the year the Internal Audit service undertook an Assurance Mapping workshop with the Schools Improvement service to explore whether the audit approach should be updated to further support schools and to ensure that there is adequate assurance in place over key risk areas including Governance, Safeguarding, Pupil Premium and Anti-Fraud. As such, Internal Audit undertook a pilot during Q3 and asked the six schools involved to complete a self-assessment checklist to provide assurance over these areas. This has now been adapted and incorporated into our audit questions for all schools.

We have also changed our approach to follow-up audits at schools, visiting them to confirm that any high priority recommendations have been implemented within agreed timeframes.

Summary of the work performed

School Type	School	Assurance rating
Primary	Fairway	Limited
Primary	Hasmonean	Limited
Primary	Menorah Foundation	Limited
Primary	Sacks Morasha	Satisfactory
Primary	Underhill	Satisfactory
Secondary	St Michael's	Satisfactory
Primary	St Theresa's	Satisfactory
Primary	Martin Primary	Satisfactory
Pupil Referral Unit	Pavilion	Satisfactory
Primary	Manorside	Satisfactory
Primary	St Mary's EN4	Satisfactory
Primary	Annunciation Infant	Satisfactory
Pupil Referral Unit	Northgate	Satisfactory
Secondary	St Mary's Church of England	Satisfactory
Primary	St Catherine's	Satisfactory
Primary	Trent	Satisfactory
Primary	Mathilda Marks Kennedy	Satisfactory
Primary	Annunciation Junior	Satisfactory
Primary	Sunnyfields	Satisfactory
Primary	Foulds	Satisfactory
Primary	Osidge	Satisfactory
Primary	St. Paul's NW7	Satisfactory
Primary	Akiva	Satisfactory
Primary	St. Joseph's	Satisfactory
Primary	Monkfrith	Substantial
Primary	Dollis Infant	Substantial

Comparison with prior year results

Assurance Opinion	2015/16		2014/15		Direction of travel
	No.	%	No.	%	
Substantial	2	8	-	-	
Satisfactory	21	81	20	91	
Limited	3	11	2	9	
No	-	-	-	-	
Total	26	100	22	100	

**It should be noted that schools are audited on a cycle and the prior period figures relate to different schools.*

Commentary

The results highlight generally good practice in financial management practices with few significant issues identified around financial controls and budget monitoring.

The largest number of issues was identified in the areas of Governance, Asset Management and the management of Voluntary Funds. High priority recommendations were raised most frequently over Income and Purchasing.

The Governing Body has responsibility for overall financial management of the school and must ensure the requirements of the scheme for financing schools and associated guidance from the Chief Finance Officer are met. In order to meet these requirements the school must prepare its own Financial Management Policy and Procedures document for internal use to be approved by the Governing Body. The Governing Body must ensure that Policy and Procedures are implemented. We frequently find during audit visits that this document is not up to date.

No inappropriate use of assets or Voluntary funds was noted in the year, however asset registers were often not up to date, and the standard of financial accounting for Voluntary funds was not consistent with that for the school's delegated budget.

High Priority recommendations were made around Income and Purchasing due to lack of separation of duties in school procedures. The Financial Guide for schools requires a complete audit trail for all income received by the school, and separation of duties for purchases between authorisation, ordering, confirmation of receipt of goods and subsequent payment. These were not clear in some schools.

4. Follow up work performed in 2015/16

Introduction

In order for the organisation to derive maximum benefit from internal audit, agreed actions should be implemented. In accordance with our internal audit charter, we followed up all high priority recommendations made in prior years and the current year to ascertain whether appropriate action had been taken. The table below summarises the follow up work performed.

Results of the follow up work

We followed up a total of 150 high priority recommendations that had been raised and were due to have been implemented by the end of 2015/16. Of those, we found that 125 had been fully implemented by the year end (83%)

Summary

Status	Number	%
Implemented	125	83%
Partly Implemented	25	17%
Not Implemented	0	0%
Total	150	100%

Commentary

The direction of travel for implementing audit recommendations on a timely basis improved in 2015/16 with 83% of high priority recommendations confirmed as having been implemented within agreed timescales (73% in 2014-15).

Appendix A: Statement of Responsibility

We take responsibility for this report, which is prepared on the basis of the limitations set out below:

- The matters raised in this report are only those which came to our attention during the course of our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made.
- Recommendations for improvements should be assessed by you for their full impact before they are implemented.
- The performance of internal audit work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity.
- Auditors, in conducting their work, are required to have regards to the possibility of fraud or irregularities. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.
- Internal audit procedures are designed to focus on areas as identified by management as being of greatest risk and significance and as such we rely on management to provide us full access to their accounting records and transactions for the purposes of our audit work and to ensure the authenticity of these documents.
- Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Appendix B: Individual reviews informing the annual opinion

Review Title	Assurance rating	Number of High Priority recommendations	Report status
Section 75 Agreements (Including Better Care Fund)	No	9	Final
Street Scene Governance (joint with CAFT)	No	6	Final
Disaster Recovery	Limited	4	Final
People Management – Pre-Employment Checks	Limited	3	Final
Procurement – compliance with Council Procurement Rules	Limited	3	Final
Contract Management– - Registrars	Limited	2	Final
Accounts Payable	Limited	1	Final
Teachers Pensions	Limited	1	Final
Contract Management – Homecare	Limited	1	Final
Client Affairs	Limited	1	Final
Performance Management Framework	Satisfactory	-	Final
Information Security	Satisfactory	-	Final
Pensions Administration (Non-Schools)	Satisfactory	-	FinalDraft
General Ledger	Satisfactory	-	Final
Non-Schools Payroll	Satisfactory	-	Final
Schools Payroll	Satisfactory	-	Final
Accounts Receivable	Satisfactory	-	Final
Contract Management – Premier Partnerships	Satisfactory	-	Final
Cash and Bank	Satisfactory	-	Final
Transformation – Libraries	Satisfactory	-	Final
Risk Management	Satisfactory	-	Final
Barnet Group – review of Internal Audit reports	Satisfactory	-	Final
Shared Legal Service – Clienting and Governance	Satisfactory	-	Final
Customer Support Group (CSG) – invoicing arrangements	Satisfactory	-	Final
Financial Assessments (joint with CAFT)	Satisfactory	-	Final
Housing Benefit	Satisfactory	-	Final
Fixed Assets	Satisfactory	-	Final
Budget Monitoring	Satisfactory	-	Final
National Non-Domestic Rates	Satisfactory	-	Final
Highways Managed Budgets	Satisfactory	-	Final
Council Tax	Satisfactory	-	Final
Business Continuity Strategy	Satisfactory	-	Final

Foster Carer and Adoption Payments	Satisfactory	-	Final
Contract Management - Young Carers	Satisfactory	-	Final
Regeneration Programme - Dollis Valley and Grahame Park	Satisfactory	-	Final
Transformation – Smarter Working and Customer Transformation	Satisfactory	-	Final
CCTV	Satisfactory	-	Final
Treasury Management	Substantial	-	Final
Schools Improvement Service	Substantial	-	Final
Capital Projects – Development Pipeline	N/A – management letter	4	Final
IT Strategy (phase one)	N/A – management letter	4	Final
CSG Assurance Framework	N/A – management letter	1	Final
Data Quality Spot Checks Q1 – Re KPI 2.2 Follow-Up	N/A – management letter	-	Final
Data Quality Spot Checks Q2 - Average customer wait time (face to face at Burnt Oak and Barnet House)	N/A – management letter	-	Final
Data Quality Spot Checks Q3 - PH/S4 - Rate of hospital admissions related to alcohol	N/A – management letter	-	Final
Data Quality Spot Checks Q4 - FS/C5 - % of assessments completed within 45 working days	N/A – management letter	-	Final
Transforming Care Grant	N/A – management letter	-	Final
Special Education Needs – Educational Health Plans follow-up	N/A – management letter	-	Final
Disabled Facilities Grant	N/A – management letter	-	Final
Project Management Toolkit – follow up	N/A – management letter	-	Final
Pothole Grant	N/A – management letter	-	Final
Troubled Families Payment By Results – Q2	N/A – management letter	-	Final
Troubled Families Payment By Results – Q4	N/A – management letter	-	Final
Bus Service Operators Grant	N/A – management letter	-	Final
Community Capacity Grant	N/A – management letter	-	Final
Carbon Reduction Commitment	N/A – management letter	-	Final

Appendix C: Changes to the 2015/16 published plan

The 2015/16 Internal Audit plan was approved by the Audit Committee in April 2015. There have been a number of changes to the plan since the date of approval. These have been reported to the Audit Committee within the quarterly progress reports but a summary of all changes made throughout the year is included in the table below.

Type	Review Title	Reason for change
Deferred	SEN Follow-Up - Education Healthcare Plans (EHC)	Deferred due to delays with Alternative Delivery Model (ADM) for Education & Skills and fact that 2014/15 SEN audit finalised in Q4
Combined	Procurement – Conflict Management	Included within scope of Procurement – Compliance with CPRs audit
Deferred	Internal Governance: Alternative Delivery Models	Reviews already conducted during year of HB Public Law (shared service model) and CSG (outsourced model). Therefore Q2 review deferred to Q4 when can review Re (Joint Venture model) Invoicing / Gain Share Agreements.
Additional	Schools Payroll	Split out Schools Payroll from wider planned Key Financial Systems audit of Payroll
Additional	Teachers Pensions	Split out Teachers Pensions from wider planned Key Financial Systems audit of Pensions
Additional	Disabled Facilities Grant	Last minute notification from service that Internal Audit sign off required
Combined	Fleet Management and Residential Waste	Combined to undertake Street Scene Operations Review
Deferred	Catering Traded Service	Deferred to 2016/17 due to Education & Skills ADM
Deferred	Area Committee Budgets	Deferred to 2016/17 if still appropriate due to extra capacity needed for No Assurance audit follow-ups
Deferred	IT Helpdesk	Deferred to 2016/17 if still appropriate in order to undertake IT Change Management / ITIL audit in 2015/16
Additional	CSG Assurance Framework	Additional advisory management letter as a result of CSG invoicing audit
Deferred	Accounts Payable Q4	Deferred to 2016/17 to enable confirmation of implementation of recommendations identified in Q2 2015/16 review
Deferred	Internal Governance: Speed of Implementing Decision	Deferred to 2016/17 if still appropriate due to extra capacity needed for No Assurance audit follow-ups in 2015/16
Deferred	The Care Act compliance	Deferred to 2016/17 if still appropriate due to extra capacity needed for No Assurance audit follow-ups in 2015/16

Appendix D: Performance of Internal Audit

Key Performance Indicators

Category	Performance Indicator	Target	Actual
Effectiveness	% of recommendations accepted	98%	98%
	% of recommendations implemented	90%	83%
Efficiency	% of plan delivered	95%	96%
	% of draft reports completed within 10 days of end of fieldwork	90%	86%
Quality of Service	Average auditee satisfaction score	90%	100%

Commentary

Two of our targets have not been met in 2015/16:

% of recommendations implemented where we achieved 83% against a target of 90%; and

% of draft reports completed within 10 days of fieldwork where we achieved 86% against a target of 90%.

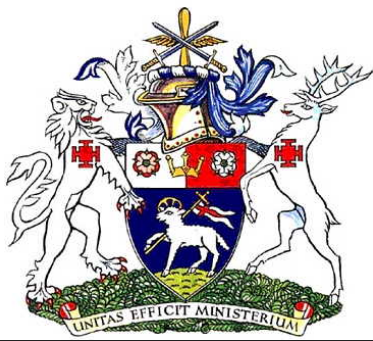
In both cases this was due to a number of complex and lengthy audits that took a period of time to agree that was beyond the normal expected timeframe and for which there were a high number of high priority recommendations raised.

Appendix E: Results of Internal Audit Peer Review

A peer review of the Council's Internal Audit service against the Public Sector Internal Audit Standards ("PSIAS") was conducted in January 2016 by the London Borough of Kensington and Chelsea. The review found that Internal Audit 'fully conforms' to the PSIAS in 12 of the 17 areas assessed, with minor improvements being suggested in the remaining five areas which were assessed as 'generally conforms'. The peer reviewer noted that 'Overall I think that you are very close to being fully compliant with the requirements of the PSIAS with most improvements being of an advisory nature'.

In summary, the improvement areas identified and the actions being taken are:

Improvement Area	Action being taken
Audit Manual to be updated to reflect the schools audit process, which differs slightly from the non-schools audit process	Added to 2016/17 Internal Audit workplan
The return rate for receiving Satisfaction Surveys could be improved and there is currently no follow up on the return of surveys	The HIA is exploring the option of an online 'Snapshot' survey that will be quick and easy to complete and monitor
Internal Audit files have not all been archived in line with Council policy	The Information Management Team has recently launched a new archiving process; a member of the Internal Audit team has been confirmed as the nominated Records Co-ordinator for Internal Audit
There is evidence of good liaison with other assurance providers but the HIA has identified a need to progress further liaison with the internal auditors for the CCG to identify the scope for shared or joint reviews.	The recent audit of the Better Care Fund and S75 agreements was shared with the HIA at the CCG. Liaison will continue during 2016/17
<p>Based on interviews with key stakeholders, the Chief Executive, the S151 Officer and the Chair of the Audit Committee it was identified that the service is well respected, capable of taking on challenging audits and has a positive impact on the governance, risk and control within the Council.</p> <p>A review of the customer surveys indicated that the majority of the responses were positive and it is concluded that generally:</p> <ul style="list-style-type: none"> • The service is well regarded; • Audit staff are considered professional; • Recommendations are regarded as pragmatic and generally useful. <p>A small number of responses indicated that there was some negative opinion towards the external contractor's approach to audits with comments such as "demanding", "tight deadlines" and "intrusive".</p>	<p>Audits should follow the same process no matter which team conduct the audit. Since the peer review customer survey was circulated, we have updated the information on the Council's intranet regarding the Internal Audit service making the expected audit timeline clearer for auditees.</p> <p>One of the objectives of the Cross Council Assurance Service (made up of six London boroughs including Barnet and our strategic partner, PwC) is to harmonise our audit approach. Ultimately we do not want auditees to distinguish between whether their auditor is from their host borough, PwC or from another borough. We will continue to work towards this aim during 2016/17.</p>



Performance and Contract Management Committee

31 May 2016

Title	Clienting Arrangements - Customer & Support Group (CSG) Contract
Report of	Director of Resources Director of Commercial Director of Strategy, Communications & Customer Services
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix 1: Structure Chart – CSG clienting and contract management
Officer Contact Details	Anisa Darr, Director of Resources, anisa.darr@barnet.gov.uk Caroline Woolf, Interim Director of Commercial, caroline.woolf@barnet.gov.uk Philip Hamberger, Partnership Relationship Manager, Philip.hamberger@barnet.gov.uk

Summary

This report provides the committee with an overview of the current clienting and contract management arrangements in place in respect of the Customer and Support Group (CSG) contract.

Recommendation

1. That the Committee confirm they are satisfied with the clienting and contact management arrangements in place in respect of the CSG contract.

1. WHY THIS REPORT IS NEEDED

1.1 At Audit Committee on 19 April 2016, the clienting and contract management arrangements in respect of the CSG contract were discussed and this paper sets out the current arrangements in place.

1.2 The current arrangements, as discussed in this paper and shown in Appendix 1, have evolved from the arrangements that were in place at contract commencement. The commercial and clienting team have been strengthened to ensure CSG's performance is proactively being managed. These arrangements are robust but will continue to be reviewed.

Commissioning of services

1.3 The lead commissioning role for CSG is split between the Director of Resources, the Director of Strategy, Communications and Customer Services and the Director of Commercial.

1.4 The Director of Resources is the lead commissioner for support services within the core contract; IT, estates, finance, HR, Revenues and Benefits and Health and Safety.

1.5 The Director of Strategy, Communications and Customer Services is the lead commissioner for Customer Services, which includes face to face contact centres, telephone and web.

1.6 The Director of Commercial is the lead commissioner for procurement and the governance of projects and programmes delivered through the corporate programmes team. However, depending on the projects or programmes being delivered, the outcomes will be closely monitored with the relevant service as well.

1.7 All three directors are part of the same management team, reporting to the Chief Operating Officer. The management team meets regularly to ensure there is an awareness of achievements, risks, issues and escalations from the CSG contract across the teams and lessons learnt are applied across all areas.

Formal Governance

1.8 The performance of the CSG contract is monitored and managed by officer of the clienting and commercial team and discussed at two Partnership Operations Boards (POBs). There is a POB for Performance and one for Projects, each attended by representatives from both LBB and Capita. POB formally records CSG's performance against its Key Performance Indicators (KPIs), Performance Indicators (PIs) and other obligations and meets monthly, with officers challenging underperformance, highlighting risks and recognising achievements.

1.9 Issues that cannot be resolved at the POBs are escalated to the Strategic Partnership Board (SPB). The key function of SPB is to provide the overall vision and direction of new services and projects and provide a forum for

financial and commercial discussions. SPB meets quarterly and is attended by senior staff from LBB and CSG.

- 1.10 Performance against KPIs and PIs are reported to this Committee on a quarterly basis along with other external and internal delivery units.
- 1.11 There are also weekly meetings between the Director of Strategy, Director of Resources and the Director of Operations of CSG to track progress of important issues relating to the different elements of the contract.

Client team

- 1.12 The clienting team is made up of subject matter experts referred to as Senior Responsible Officers (SROs) in relation to the contract. The role of the SRO is:
- To be the client centre of expertise in respect of the services provided by CSG;
 - To challenge the quality aspect of the services;
 - To own and develop the council strategies relevant to the services provided by CSG (e.g. Customer Access Strategy, Community Asset Strategy, Organisational Development Strategy, Medium Term Financial Strategy, etc.);
 - To act as the key link between the services being delivered by CSG and the delivery units that services are being provided to; this is to ensure support services are flexible to the changing priorities of delivery units;
 - To assure the delivery of a range of complex projects and programmes.
- 1.13 The clienting team works closely with the commercial team to scrutinise CSG performance and where appropriate apply challenge.
- 1.14 The clienting team typically takes an outcome and risk based approach to ensure they have oversight and input into the quality and delivery of day to day services that will have the most impact on residents, external partners or members and has a high likelihood of risks materialising.
- 1.15 In respect of the services provided through the core element of the contract, the clienting arrangements are as follows:
- 1.16 **Estates:** Led by a Head of Estates and supported by an Estates Lead and a Capital Works Lead. The focus of the former is on day to day operational estates activities (e.g. lease renewals, valuations, etc.) and the focus of the latter is on ensuring capital works, e.g. schools expansions – temporary and permanent – have appropriate oversight from an estates technical officer. This structure allows the Head of Estates to focus on implementation of the Community Asset Strategy, development of the Strategic Asset Management Plan, delivery of pilot community hubs.
- 1.17 **IT:** Led by a Head of IT and Information Management (IM) and is supported by a team focusing on information management, emergency planning

including business continuity, GIS and IT. Head of IT and IM runs the security forum reviewing adequacy of physical and information security. Head of IT and IM has been involved in strengthening CSG's business continuity arrangements and developing the IT strategy that will underpin the Smarter Working and Customer Transformation Programme.

- 1.18 **HR:** Led by an interim Head of HR who cliented the service out of their remedy notice period. A key focus of this role has been on ensuring unified reward has been developed with appropriate engagement with staff, trade unions and other relevant stakeholders. In addition, the role has focussed on developing the HR service to meet the needs of the organisation, through policy changes, support to enable changes within council services. The role has led on the development of an Organisational Development Strategy and Learning and Development offer to the staff.
- 1.19 **Customer Services:** This is led by the Head of Customer Strategy and Programmes and is supported by a Customer Strategy and Improvement Manager. As well as clienting 'business as usual' customer services, the team's main objective is leading the development of and implementation of the Customer Access Strategy, promoting 'digital by default' and services to Members (including Members Enquiries).
- 1.20 **Revenues and Benefits:** The Revenues and Benefits Manager reports to the Head of Finance and is focused on ensuring welfare reform changes are implemented correctly by CSG. This role also reviews new templates for communication with residents and annual bills. The changes proposed in the Business Rates Retention Scheme are a key focus for this role in the next year. This role is supported by two benefit checkers, ensuring that ten per cent of benefits assessed are reviewed to ensure the accuracy rate is high in order to safeguard the council from penalties from Department for Work and Pensions.
- 1.21 **Finance:** The Head of Finance is supported by a Finance Manager, Financial Analyst and the insurance team. This role leads on the preparation of the annual update to the Medium Term Financial Strategy; including revenue and capital elements. Ensuring the organisation is receiving robust financial advice from the CSG team is a key consideration for this role, especially in the backdrop of increasing demand and reducing resources.
- 1.22 **Health and Safety:** The organisation is supported by the Head of Safety, Health and Wellbeing in disposing of its statutory responsibilities in respect of Health and Safety. This role works closely with the Head of Estates and the Head of HR to ensure responsibilities in respect of the estate and workforce are adequately considered.
- 1.23 **Procurement:** Led by the Partnership Relationship Manager, who ensures that the service is providing the level of support and expertise expected.
- 1.24 In respect of the projects and programmes provided through the Corporate Programmes team, the clienting arrangements are as follows:

- 1.25 **Programme governance:** the client side programmes team has responsibility for the Council's overarching programme and project delivery plan. The team works with Sponsors (i.e. Directors) to ensure programmes and projects are set up and managed effectively to deliver the right results. The team owns the Council's approach to programme and project management, giving advice and challenge to ensure consistency in the quality of business cases being produced.
- 1.26 **Advisory and assurance:** the client side programmes team advises on how to commission projects from CSG, to ensure that activities and milestones are clear, achievable and outcome based, and that the right capability is in place to deliver the required results. The team monitors delivery of the portfolio of programmes and projects, via relevant governance boards and weekly / monthly monitoring. The team also works with third parties such as internal assurance (PWC) and Local Partnerships for external assessment of how effective our programme and project delivery arrangements are. Finally, the team works with Sponsors, CSG and other project teams to focus on areas of greater risk or potential challenge, to ensure that effective remedial plans are put in place.

Commercial team

- 1.27 The commercial team is responsible for:
- Managing service performance – assessing whether the services being delivered meet required standards, whether remedial measures are effective and whether there are any trends evident in the provision of the services;
 - Agreement administration – ensuring obligations and responsibilities are met and that under-performance, risks, payment of the service charge, reporting and change are all managed effectively;
 - Relationship management – establishing relationships, communication routes and systems so that a sustainable partnership of trust and respect is maintained;
 - Partnership growth – work with our partners to grow existing contracts to provide better value services for Barnet;
 - Escalation – primary escalation point for delivery units' issues regarding services delivered through the contract.
- 1.28 CSG contract performance is underpinned by 31 KPIs, 10 Super KPIs and 91 PIs across 7 service areas. The PIs demonstrate the required performance of the services. KPIs and Super KPIs are contractually bound and any changes are managed by the change protocol set out in the contract and reported retrospectively to this Committee.
- 1.29 As part of the current CSG contract review being carried out, the KPIs and PIs are being reviewed with proposed changes being considered where this will further enable improved monitoring, better measure the customer and end user experience and provide CSG with clarity of focus in line with the council's objectives.

- 1.30 Performance data is collated and processed in accordance with the appropriate methodology and / or guidance. The performance is then subject to monthly, quarterly and annual review.
- 1.31 Where performance and or actions do not meet the agreed expected outcomes the contract describes a number of actions that can be applied which include discussion and escalation through governance mechanism, service credits applied, step-in or even breach of contract.
- 1.32 Since contract commencement there have been three instances where remedial notices have been applied. This was in May 2014 in relation to the IT service, in August 2014 in relation to the HR service and in May 2015 in relation to Customer Services. On these occasions CSG provided timely responses and remedial action plans against which service performance was monitored. These plans have been scrutinised and found acceptable by the Authority. Delivery against the plans has been and continues to be monitored at commercial, client and board level.

Audits

- 1.33 Officers have primary responsibility for monitoring and managing the contract and reliance is not, and should not be, placed on audits to ensure the contract is performing as it is supposed to. However, internal and external audit provide an important function in allowing scrutiny from officers and Members.
- 1.34 The annual external audit into the statement of accounts, housing benefit claim and National Non-Domestic Rate provide assurance that the financial statements are materially correct and therefore processes in place are sufficiently robust.
- 1.35 The internal audit programme allows for deep dives into different aspects of the organisation on a risk based approach to ensure the organisation is effectively being managed. Recommendations made through this process, provide a useful tool to benchmark progress against.

2. REASONS FOR RECOMMENDATION

- 2.1 To allow scrutiny of the information provided and to allow discussion and feedback from the committee on the position reported.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable.

4. POST DECISION IMPLEMENTATION

- 4.1 If the committee is not satisfied with the current arrangements, their comments will be noted and disseminated as appropriate.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Robust contract and performance monitoring are essential to ensure 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.

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

5.2.1 Robust contract and performance monitoring plays an essential part in enabling the organisation to deliver its objectives efficiently and effectively. This report sets how this is undertaken.

5.3 **Social Value**

5.3.1 Not applicable.

5.4 **Legal and Constitutional References**

2.1.1 The [Council's Constitution, in Part 15 Annex A, Responsibility for Functions](#), states the functions of the Performance and Contract Management Committee include (amongst other responsibilities):

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Streetscene; Public Health; Commissioning Group; and Assurance.
- c) Receive and Scrutinise contract variations and change requests in respect of external delivery units.
- d) To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.
- e) Specific responsibility for the following function within the Council:
 - a. Risk Management
 - b. Treasury Management Performance
- f) Note the Annual Report of the Barnet Group Ltd.

5.5 **Risk Management**

5.5.1 The council maintains risk logs for all major contracts, which are informed by the risks reported by CSG. The council's risk log for the contract is published in the council's quarterly performance reports and reported internally and externally as part of the routine performance cycle.

5.5.2 Each partner reports their risks at least monthly to the council for review by the clienting team, commercial team and relevant internal boards.

5.6 **Equalities and Diversity**

5.6.1 Not applicable.

5.7 **Consultation and Engagement**

5.7.1 Not applicable.

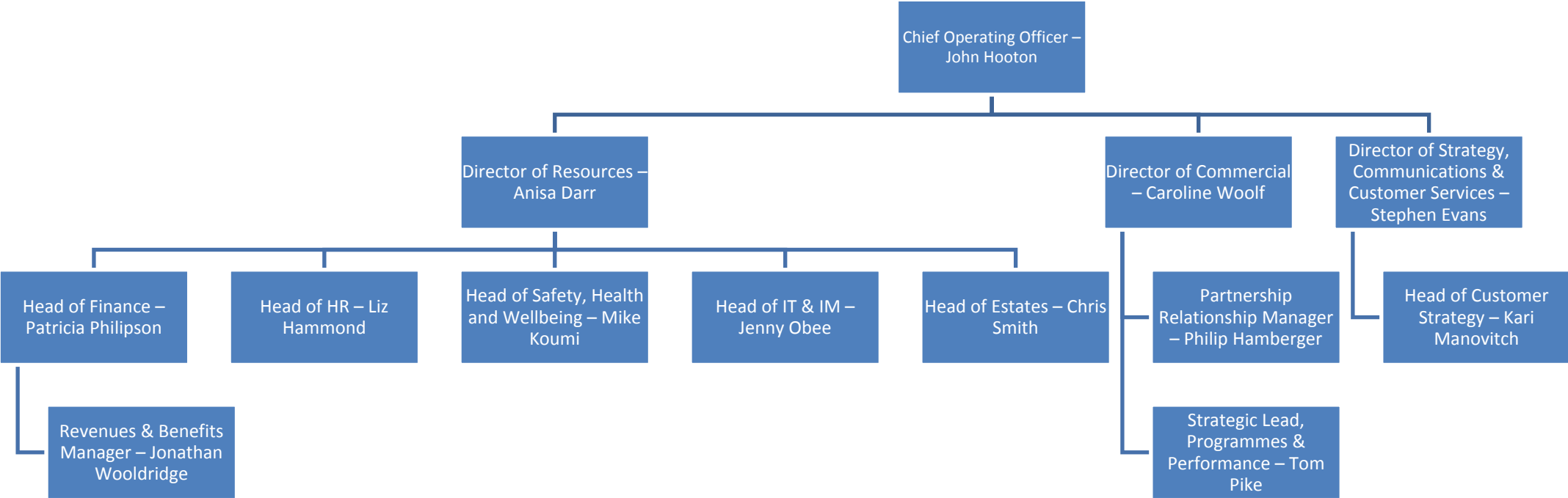
5.8 **Insight**

5.8.1 Not applicable.

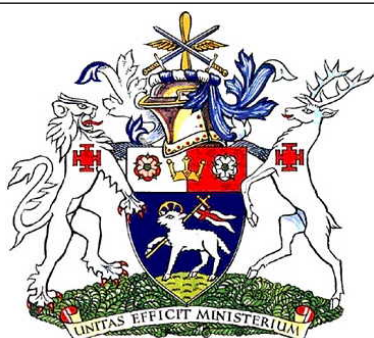
6. BACKGROUND PAPERS

6.1 [Performance and Contract Management Committee, Clienting and contract management arrangements, 11 February 2015](#)

Appendix 1 – CSG clienting and contract management structure



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Performance and Contract Management Committee

31st May 2016

Title	Year Three Review of Customer and Support Group (CSG) Contract
Report of	Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: Project Brief
Officer Contact Details	<p>Caroline Woolf – Commercial Director caroline.woolf@barnet.gov.uk</p> <p>Deborah Hinde – Contract Review Manager deborah.hinde@barnet.gov.uk</p>

Summary

At its meeting on 7th January 2016, the Performance and Contract Management Committee considered a report outlining the proposed arrangements and recommendations for conducting a year three review of the CSG contract, in accordance with clause 10.3 of that contract. The review is designed to give both parties to the contract (Capita Business Services Ltd and the Council) an opportunity to review performance; consider what is going well; and identify areas for improvement.

The Committee agreed at that meeting that the review should be undertaken and established a working group of the Committee for the purpose of conducting the review.

The purpose of this report is to update the Committee on the progress of the review. The main objective of the review is to secure a legally binding agreement with Capita Business Services Ltd, by 30th November 2016.

Recommendations

1. That the Committee note the content of the report.

2. That the Committee endorse the project brief and the approach being taken by the Member Working Group.

1. WHY THIS REPORT IS NEEDED

1.1 The CSG contract commenced on the 1st September 2013 and allows for a review at the end of year three. The contract states that the review should take place within 40 business days of 1st September 2016.

1.2 The review is designed to give both parties an opportunity to: consider what is working well; identify areas for improvement; and to consider the changing needs and priorities of the council.

1.3 Clause 10.3 of the contract states:

Within forty (40) Business Days of the 3rd anniversary of the Service Transfer Date, the Authority shall conduct a full review of the Services and the performance of the Service Provider in fulfilling its obligations under this Agreement in order to identify any improvements or savings the Authority may wish to implement in respect of the Services (Year 3 Outcome Review).

1.4 At its meeting on 7th January 2016, the Performance and Contract Management Committee considered a report outlining the proposed arrangements for conducting this review. The Committee agreed that the review be undertaken and established a working group of the Committee for the purpose of conducting the review and reporting its findings to the Committee on conclusion. The Committee also agreed a proposed timetable for the review.

1.5 The purpose of this report is to update the Committee on the progress of the review.

1.6 The Member Working Group held its first meeting on 5th April 2016. Members of the Group have been confirmed as:

Councillor Geoffrey Cooke
Councillor Anthony Finn (Chairman)
Councillor Sury Khatri
Councillor Kathy Levine
Councillor Peter Zinkin

1.7 During the meeting, Members considered the following items:

- Draft project brief and timetable
- Arrangements for future meetings
- Activity to date
- Contract structure

- Issues to be addressed
- 1.8 Members agreed the draft project brief, subject to the incorporation of a number of amendments to provide greater emphasis and clarification. The revised, final project brief is attached as Appendix A.
- 1.9 The project brief confirms the overall aim of the review as being to ensure that the CSG contract remains fit for purpose in the period to 2020, recognising that the strategic context within which the contract operates has changed significantly since it was signed in 2013.
- 1.10 It identifies the main objective of the review as being to secure a legally binding agreement with Capita Business Services Ltd, by **30 November 2016**, on any changes that the Council requires to the Customer and Support Group contract to deliver:
1. Maximum benefit from the opportunities that exist for the in-scope services;
 2. Improvements in the performance of the in-scope services;
 3. Budget savings;
 4. The priorities set out in the Council's corporate plan; and
 5. Ongoing flexibility and responsiveness to address changing and emerging needs in the future.
- 1.11 In addition, the review will seek to identify:
1. The benefits and achievements that have been realised through the contract; and
 2. Any changes that the Council should make to improve its management of the contract and ensure that its activities add value to the contractual arrangements.
- 1.12 The role of the Member Working Group was confirmed as being to:
- provide strategic direction to the review
 - agree the overall aims, objectives and desired outcomes of the review
 - consider and challenge the evidence
 - agree the dialogue strategy
 - agree the recommendations to Committee
- 1.13 The council will adopt an evidence-based and collaborative approach to conducting the review, recognising that both parties have a valuable contribution to make in developing the contract and the partnership environment within which it operates. It is also recognised that both parties can learn from the operation of the contract and the partnership to date.
- 1.14 The review will focus primarily on future requirements, whilst acknowledging the benefits of identifying and articulating both the successes and frustrations experienced by both parties during the first three years of the contract, with a view to maximising the likelihood of the contract succeeding in the future.

- 1.15 In outline, the review will be carried out in four stages:
1. **Gather evidence:** covering past and current performance, together with developments in the broader market
 2. **Review the evidence:** to identify opportunities for improvement and change
 3. **Formulate a dialogue strategy:** taking into account changes in the council's requirements and priorities, as well as the outcomes of the evidence review
 4. **Conduct dialogue:** to agree a set of proposals for consideration by Members
- 1.16 Members considered a range of desired outcomes, recognising that these would need to be reviewed and updated as part of stage three, based on the outcome of the review of evidence.
- 1.17 Members acknowledged that, whilst current performance against the contract would form part of their considerations, there are separate contract management arrangements in place through which significant performance challenges are identified and reported to the Committee, with relevant action plans being put in place to ensure performance improvement.
- 1.18 The next meeting of the Member Working Group will take place on 25th May 2016 and further meetings will be scheduled to take place approximately monthly. An interim report will be presented to the Performance and Contract Management Committee in September 2016, with the final report being presented in November 2016.
- 1.19 Work is well under way on evidence collection. Council Senior Responsible Officers have been commissioned to assess delivery of the contract against outcome specifications, method statements and contractual commitments. They have been tasked with analysing the strengths, weaknesses, opportunities and threats for each service, including considering the potential opportunities for cost reduction and income generation, together with those areas of the service that require further development to respond to changing demands. These analyses will form the basis of the next meeting of the Member Working Group.
- 1.20 In addition, benchmarking surveys have been commissioned and interviews have taken place with the council's commissioning and delivery unit directors. Workshops to seek the views of senior managers and staff are under way.
- 1.21 A consultation and engagement plan has been drafted and will be considered by the Member Working Group. The draft plan proposes a public call for evidence that will take into account the outcome of the residents' perception survey and other forms of public feedback, as well as providing the opportunity for members of the public to submit their views on the relevant services through the use a questionnaire and focus group(s). The views of Elected Members will also be sought.

2. REASONS FOR RECOMMENDATIONS

- 2.1 A key element of effective financial management is to plan ahead to ensure the council is well placed to meet future challenges. Conducting the CSG contract review will ensure it continues to deliver savings and is aligned to the council's future strategic objectives.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4. POST DECISION IMPLEMENTATION

- 4.1 Work is continuing on the review and its outcome will be brought back to this Committee for agreement in order to change the current CSG contract.

5. IMPLICATIONS OF DECISION

Corporate Priorities and Performance

- 5.1 The council's corporate plan for 2015-20 sets the vision and strategy for the next five years based on the core principles of **fairness, responsibility and opportunity**, to make sure Barnet is a place:

- Of opportunity, where people can further their quality of life;
- Where people are helped to help themselves, recognising that prevention is better than cure;
- Where responsibility is shared, fairly;
- Where services are delivered efficiently to get value for money for the taxpayer.

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

- 5.2 The CSG contract, including managed budgets, has a value of £321m over the life of the contract.

Social Value

- 5.3 The potential to achieve social value will be addressed in the review process.

Legal and Constitutional References

- 5.4 The Council's Constitution, in Part 15 Annex A, Responsibility for Functions, states the functions of the Performance and Contract Management Committee include (amongst other responsibilities):

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group (Including Barnet Homes

and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Streetscene; Public Health; Commissioning Group; and Assurance.

c) Receive and Scrutinise contract variations and change requests in respect of external delivery units.

d) To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.

e) Specific responsibility for the following function within the Council:

a. Risk Management

b. Treasury Management Performance

f) Note the Annual Report of the Barnet Group Ltd.

5.5 Regulation 72 (1) of the Public Contracts Regulations 2015 says that “Contracts...may be modified without a new procurement procedure:

(a) Where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses:

(i) State the scope and nature of possible modifications or options as well as the conditions under which they may be used; and

(ii) Do not provide for modifications or options that would alter the overall nature of the contract...’

5.6 Clause 10.3 of the CSG contract expressly provides for this year three outcome review and expressly allows for modification to the contract resulting from that review. Therefore, any agreed changes to the contract will not breach the Public Contract Regulations 2015 as long as the changes do not alter the overall nature of the contract.

5.7 The contract changes agreed will need to be documented in a Deed of Variation or similar legal form to ensure that they are legally binding on both parties.

Risk Management

5.8 The council has taken steps to improve its risk management processes by integrating the management of financial and other risks facing the organisation.

5.9 The council’s future savings proposals as set out in its Business Planning report require a fundamental change in the way the council’s services are delivered. Ensuring the contract with CSG remains aligned to the priorities of the council will ensure key services like Human Resources continue to support staff in the organisation. Otherwise there is a risk that the contract becomes inflexible to the needs of the organisation.

Equalities and Diversity

5.10 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:

- Elimination of unlawful discrimination, harassment and victimisation and other

conduct prohibited by the Equality Act 2010.

- Advancement of equality of opportunity between people from different groups.
- Fostering of good relations between people from different groups.

5.11 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity; race; religion or belief; sex and sexual orientation.

5.12 In order to assist in meeting the duty the Council will:

- Try to understand the diversity of our customers to improve our services.
- Consider the impact of our decisions on different groups to ensure they are fair.
- Mainstream equalities into business and financial planning and integrating equalities into everything we do.
- Learn more about Barnet's diverse communities by engaging with them.

This is also what we expect of our partners.

5.13 This is set out in the Council's Equalities Policy together with our strategic Equalities Objective - as set out in the Corporate Plan - that citizens will be treated equally with understanding and respect; have equal opportunities and receive quality services provided to best value principles.

Consultation and Engagement

5.14 Engagement will take place in accordance with the consultation and engagement plan referred to in paragraph 1.19 of this report.

Insight

5.15 The use of benchmarking data, where relevant and available, will be considered as part of the review.

6. BACKGROUND PAPERS

6.1 Performance and Contract Management Committee, 7 January 2016 – Agenda Item 10 – Fundamental Review of Customer and Support Group (CSG) Contract

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8407&Ver=4>

6.2 Approval of NSCSO full business case:

<http://barnet.moderngov.co.uk/documents/s6649/NSCSO.pdf>

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Customer and Support Group Year Three Contract Review Project Brief

Introduction

At its meeting on 7 January 2016, the Performance and Contract Management Committee considered a report on the year three review of the Customer and Support Group (CSG) contract. The report identified that the current CSG contract, under clause 10.3, allows for a full review in year three of the contract. The contract commenced on 1 September 2013 and the contract states that the review should take place within 40 days of 1 September 2016. The review is designed to give both parties to the contract (Capita Business Services Ltd and the Council) an opportunity to review performance; consider what is going well; and identify areas for improvement in the context of the changing needs and priorities of the council.

The report set out recommendations on conducting this review, as well as identifying key stakeholders to engage and key areas to focus on. The report also established a working group of the Committee for the purpose of conducting the review and reporting its findings to the main Committee on conclusion.

The review may result in a re-shaping of services, some limited changes in the scope of services included in the contract, or changes in priorities. However, it should be noted that this is not a contractual break point as such, nor will it result in any fundamental changes in the scope of services that would have the effect of frustrating the commercial basis of the contract. Other elements of the contract provide for circumstances where the council might wish to terminate all or part of the contract “for its convenience”, but this would be at considerable cost to the council.

The purpose of this project brief is to provide more detail on the scope and conduct of the review.

Aims and objectives

The overall aim of the review is to ensure that the CSG contract remains fit for purpose in the period to 2020, recognising that the strategic context within which the contract operates has changed significantly since it was signed in 2013.

The main objective of the review is to secure a legally binding agreement with Capita Business Services Ltd, by **30 November 2016**, on any changes that the Council requires to the Customer and Support Group contract to deliver:

1. Maximum benefit from the opportunities that exist for the in-scope services;
2. Improvements in the performance of the in-scope services;
3. Budget savings;

-
4. The priorities set out in the Council's corporate plan; and
 5. Ongoing flexibility and responsiveness to address changing and emerging needs in the future.

In addition, the review will seek to identify:

1. The benefits and achievements that have been realised through the contract; and
2. Any changes that the Council should make to improve its management of the contract and ensure that its activities add value to the contractual arrangements.

Scope

The review will consider all aspects of each of the eight services that are provided through the contract, including:

- Delivery of contractual commitments and benefits realisation
- Performance against the output specification and method statement
- Appropriateness of the output specification, service performance levels and KPIs in the light of experience and the changing context in which the service is operating
- Benchmarking of the service on cost and quality, including consideration of the value for money that has been secured on additional spend over and above core contract services
- Opportunities for service change and improvement
- Opportunities for budget savings
- Opportunities for income generation and trading

It should be noted that this assessment will consider the provision of project-based services, which are by their nature variable, in addition to the provision of core services to the council.

The review will also consider the operation of the contract in its entirety, in terms of:

- The effectiveness of partnership working
- Its ability to contribute to the strategic development of the Council
- The effectiveness of contract management, performance reporting and client arrangements
- The responsiveness and cost of dealing with changing requirements
- Broader opportunities for developing the partnership
- The overall scope of services

Approach

The council will adopt an evidence-based and collaborative approach to conducting the review, recognising that both parties have a valuable contribution to make in developing the contract and the partnership environment within which it operates. It is also recognised that both parties can learn from the operation of the contract and the partnership to date.

The review will focus primarily on future requirements, whilst acknowledging the benefits of identifying and articulating both the successes and frustrations experienced by both parties during the first three years of the contract, with a view to maximising the likelihood of the contract succeeding in the future.

In outline, the review will be carried out in four stages:

1. **Gather evidence:** covering past and current performance, together with developments in the broader market
2. **Review the evidence:** to identify opportunities for improvement and change
3. **Formulate a dialogue approach:** taking into account changes in the council's requirements and priorities, as well as the outcomes of the evidence review
4. **Conduct dialogue:** to agree a set of proposals for consideration by Members

Desired outcomes

The detailed target outcomes will be developed as a result of the review of evidence and will form the starting point of the dialogue approach. However, initial assessment has identified the following as being the council's likely desired outcomes for the contract review:

Strategic development

1. A clearly articulated statement of the future aims, strategic direction and operating framework for the partnership, which reflects the context in which the council and the partnership is now operating
2. Revised arrangements for the provision of support on the development of key resourcing strategies and associated project delivery
3. A new customer transformation and demand management strategy that builds on achievements to date to maximise the cost and customer satisfaction benefits that can be secured from emerging technology and other opportunities

Financial benefits

4. An appropriate contribution to the achievement of the council's MTFS savings requirements, through cost reduction and/or income generation
5. Greater assurance on the value for money being secured on project spend, together with appropriate cost reductions
6. Increases in collection rates for business rates and council tax
7. Increases in the business rates and council tax base through the enabling work undertaken by the estates team

-
8. A flexible and cost-effective change management framework that enables greater responsiveness to changing requirements

Service improvement

9. Updated service requirements and associated method statements, where these are required

Governance

10. An effective and efficient contract and performance management regime
11. Clear and effective client arrangements

Through the evidence review process, it will be necessary to consider each of these initial desired outcomes in terms of potential impact, value and complexity.

Workstreams

This section describes the activities that will be undertaken by officers to support the review. However, it should be noted that the review will be directed by a Member Working Group nominated by the Performance and Contract Monitoring Committee. Progress will be reported to that Committee at several points during the process. The Working Group will be meeting at set points throughout the Review to consider performance, opportunities and priorities for different service areas, review information (performance, finance, consultation) to inform priorities, and to agree priorities for dialogue.

Stage one – evidence collection

Key activity	Commentary
Carry out an initial SWOT (strengths, weaknesses, opportunities and threats) analysis for each service area	Will consider current performance and future requirements. Particular focus on strengths and weaknesses, but with a view to identifying potential opportunities for improvements and savings, as well as risks. To incorporate an assessment of outstanding contract commitments. Will be reviewed and updated in stage two. This process will be staged in order to manage demands on capacity.
Carry out an initial SWOT analysis of the contract as a whole	Will cover contract management and client arrangements, as well as overall performance of the contract and gainshare arrangements. To include consideration of the council's contract management arrangements, impact of staff turnover and effectiveness of partnership working.
Best practice	Identify service developments and new approaches that are being used in other councils.
Public Call for Evidence	Review existing customer satisfaction data. Commission a public call for evidence and focus groups.
Produce benchmarking report	Utilise industry-standard and/or London-wide benchmarking information on cost and quality.
Evaluate contract performance	Analyse performance against KPIs over the first three years of the

to date	contract. Summary of benefits realised and contract commitments delivered.
Analyse project spend and cost of change	Produce summary of key areas of project spend and analysis of the impact of that spend. Identify cost of changes to date and assess process for agreeing contract changes.
Internal Call for Evidence	Review existing satisfaction data. Conduct workshops with delivery unit managers and commissioning directors. Commission staff focus groups. Engage with representatives from schools.
Carry out financial analysis	Analyse contract costs and savings to date, including analysis of the costs and causes of change. Identify areas of discretionary spend.

Stage two – evidence review

Key activity	Commentary
Review case studies	Identify opportunities and consider their relevance to Barnet context.
Evaluate information received from Call for Evidence	Identify key priorities and issues for service users and the public.
Review benchmarking report	Identify key areas where performance exceeds or falls below average.
Review contract performance to date	Identify key areas of over- or under-performance. Review and assess on-going relevance of outstanding contract commitments.
Review financial analysis	Identify overall cost and financial benefit associated with the contract to date. Identify opportunities for cost reduction or reprioritisation.
Review analyses of project spend and cost of change	Identify opportunities for process improvement and cost reduction
Update SWOT analyses to take into account evidence collected during stage one	Use information gathered in stage one to validate and expand on initial views, with particular focus at this stage on opportunities and threats.
Produce summary evaluation report	Identifying key issues and opportunities to be addressed through the dialogue process. To be reported Member Working Group and P&CM as appropriate.

Stage three – develop dialogue approach

Key activity	Commentary
Review and confirm required outcomes	Consider relevance of initial desired outcomes in light of the review of evidence. Assess potential impact, value and complexity of each desired outcome to produce prioritised list. To be confirmed by Member Working Group.
Identify council levers and potential offers to support bargaining position	Consider those areas where the council can control discretionary spend and unfulfilled contract commitments that could be changed or removed to release resources to meet other priorities.

Establish dialogue team	Ensure appropriate mix to bring commercial, financial and commercial perspective.
Agree dialogue protocol	Will provide the “rules of engagement” for conducting the dialogue sessions and associated activity, such as provision of information during the process and confidentiality.
Agree overall dialogue approach	Will incorporate required outcomes as per direction set by Members.

Stage four – conduct dialogue

Key activity	Commentary
Dialogue phase I	Sessions with both parties presenting key challenges, opportunities and requests. Identify matters on which there is early agreement and those that will require further consideration.
Review outcome of phase I and update strategy for phase II	Identify amendments that need to be made to the dialogue strategy as a result of views put forward by Capita.
Dialogue phase II	A further four or five sessions, with a view to reaching agreement on the proposals for change that will be put before Elected Members.
Report to Performance and Contract Management Committee on 15 th November 2016	Provide overview of process, summary of the benefits and achievements of the contract to date, summary of the findings from the review the outcomes of the dialogue process. Seek approval to implement the necessary changes to the contract and associated arrangements.
Formulate and execute the legal documents required to implement the agreed contract changes	Deed of variation that for the required changes, including those to the performance management regime. Further reports may be required to execute any internal structure or role changes that arise from the review.

Deliverables

The key deliverables from the review will be:

SRO assessments

Covering SWOT analysis, case studies, detailed position statements, cost reduction options.

Baseline position

Incorporating benchmarking data, performance data and satisfaction surveys.

Member pack

Providing summary information on the contract, key terms, original aims and scope, along with a high-level SWOT analysis and plan.

Committee materials

For Member Working Group public and private sessions and for the Performance and Contract Management Committee.

Dialogue approach

Together with any supporting documents.

Contract variation documents

Likely to take the form of a deed of variation, with associated reports to execute any internal changes that are required.

Governance

A Member Working Group, reporting to the Performance and Contract Management Committee, will:

- provide strategic direction to the review
- agree the overall aims, objectives and desired outcomes
- consider and challenge the evidence
- agree the dialogue strategy
- agree the recommendations to Committee

Within the framework set by the Member Working Group, and the Leader and Deputy Leader, the review will be governed by a Project Board comprising:

- John Hooton – Chief Operating Officer and Interim Chief Executive (project sponsor)
- Deborah Hinde – Review Manager
- Caroline Woolf – Interim Commercial Director
- Philip Hamberger – Partnership Relationship Manager
- Anisa Darr – Resources Director
- Tom Pike – Strategic Lead Programmes and Performance

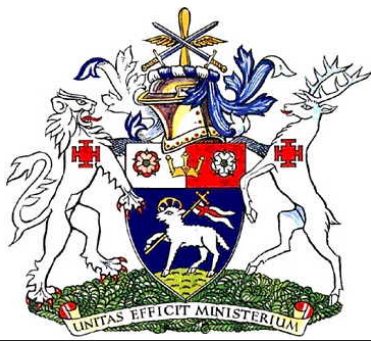
The Project Board will meet monthly and report to SCB by exception. There will also be regular joint meetings of the Project Board and the CSG leadership team.

In addition there will be an SRO working group, chaired by the Review Manager. There will also be a number of other stakeholder meetings, including with schools representatives.

Timetable

Month	Activity
February 2016	Initiation meeting with Capita Business Services Ltd Identify and commence collation of existing evidence (surveys, benchmarking data etc.)
March 2016	Prepare detailed project brief

	Commission SROs and CSG service leads to prepare SWOT analysis for each service Commission benchmarking information
April 2016	Member Working Group - agree project brief and consider purpose and structure of public session(s) Initial evaluation of evidence Develop proposals for public call for evidence Commence internal workshops and interviews with DU and Commissioning Directors
May – June 2016	Complete initial collection and evaluation of evidence Formulate dialogue approach Member Working Group – review initial evidence and opportunities
July 2016	Member Working Group – complete initial review of evidence and opportunities; consider high level approach to dialogue and desired outcomes; overall review of evidence Dialogue
August 2016	Dialogue Prepare interim Committee report
September 2016	Progress report to PCM Member Working Group – consider report on outcomes of dialogue Finalise proposed changes
October 2016	Prepare final Committee report Draw up legal documentation
November 2016	Final report to PCM Finalise legal documentation



Performance and Contract Management Committee

31st May 2016

Title	Education and Skills Contract
Report of	Commissioning Director – Children and Young People
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Key Performance Indicators Appendix B – Local Partnerships Health Check Report
Officer Contact Details	Chris Munday: Commissioning Director – Children and Young People chris.munday@barnet.gov.uk 020 8359 7099 Val White: Programme Director, Education and Learning val.white@barnet.gov.uk 020 8359 7063 Deborah Hinde: Project Lead, Commercial Services deborah.hinde@barnet.gov.uk 020 8359 2461

Summary

At its meeting on 8th December 2015, full Council agreed the following recommendations from the Children, Education, Libraries and Safeguarding Committee:

- a. That Mott MacDonald Ltd trading as Cambridge Education be selected as the Council’s preferred bidder for the future delivery of Education and Skills services;
- b. That the Council enters into a strategic partnering arrangement with Mott MacDonald Ltd trading as Cambridge Education, including entering into a services contract and a partnering agreement;
- c. That the Commissioning Director – Children and Young People be delegated to finalise the contract documentation, in consultation with the Committee

- Chairman;
- d. That the functions set out in paragraph 1.45 of the report are contracted out to Mott MacDonald Ltd trading as Cambridge Education; and
 - e. That the Commissioning Director – Children and Young People be delegated to proceed with all necessary planning and preparation for mobilisation of the contract, in consultation with the Committee Chairman.

The purpose of this report is to confirm that the appointment of Mott MacDonald Ltd trading as Cambridge Education as the council's future provider of education and skills services has been completed in accordance with the Council's decision and that the contract came into effect on 1st April 2016.

The contract will be for an initial period of seven years, with the option for the council to extend for up to three further years.

The contractual arrangements cover both traded services, which are paid for directly by schools, and non-traded services, which are funded by the council and through the Dedicated Schools Grant.

Recommendations

1. That the Committee note the report.

1. WHY THIS REPORT IS NEEDED

- 1.1 At its meeting on 8th December 2015, full Council agreed the following recommendations from the Children, Education, Libraries and Safeguarding Committee:
 - a) That Mott MacDonald Ltd trading as Cambridge Education be selected as the Council's preferred bidder for the future delivery of Education and Skills services;
 - b) That the Council enters into a strategic partnering arrangement with Mott MacDonald Ltd trading as Cambridge Education, including entering into a services contract and a partnering agreement;
 - c) That the Commissioning Director – Children and Young People be delegated to finalise the contract documentation, in consultation with the Committee Chairman;
 - d) That the functions set out in paragraph 1.45 of the report are contracted out to Mott MacDonald Ltd trading as Cambridge Education; and
 - e) That the Commissioning Director – Children and Young People be delegated to proceed with all necessary planning and preparation for mobilisation of the contract, in consultation with the Committee Chairman.
- 1.2 These recommendations were based on a full business case, which set out details of the rationale behind the appointment of Cambridge Education, including how their final tender meets the previously agreed objectives of:

- Maintaining Barnet's excellent education offer
 - Maintaining an excellent relationship between the council and schools
 - Achieving the budget savings target already set by the council
- 1.3 The purpose of this report is to confirm that the necessary action has been taken to finalise the contract documentation, in accordance with the submitted tender that was accepted by full Council, and that all necessary action has been taken to mobilise the contract from 1st April 2016. The Performance and Contract Management Committee will have oversight of performance against the contract and this report summarises the key elements of the contract and performance regime to enable the Committee to fulfil this role.
- 1.4 Within the full business case that was considered by full Council, it was recognised that there remained some issues arising from the final tender to be resolved prior to the signing of any contract. In summary, they were:
- Establishing an accountability protocol for working effectively with the Director of Children's Services
 - Establishing protocols in respect of joint employment contracts
 - Agreeing revisions of the specification for Strategic Management of the Service and minor amendments to other specifications, as required
 - Agreeing an appropriate mechanism for dealing with any catering performance deductions
 - Finalising the drafting of contractual arrangements in respect of gain share and exclusivity
 - Finalising the drafting of a strategic partnering agreement
 - Finalising interface arrangements with the Customer and Support Group, together with reaching agreement on the appropriate apportionment of any additional costs and overhead budgets.
- 1.5 It is confirmed that these matters have now all been resolved to the satisfaction of the Chief Operating Officer and Director of Children's Services.

Contract overview

- 1.6 The contract is for the provision of a range of specified services to the Council, with a requirement that further specified traded services are offered to Barnet schools on a standard set of terms and conditions and in accordance with agreed service specifications that set out the level and quality of service required.
- 1.7 The contract is with Mott MacDonald Ltd trading as Cambridge Education. ISS Facility Services has been identified as a key sub-contractor and will deliver the catering elements of the contract.
- 1.8 The contract is for a term of seven years, with the option to extend for up to a further three years. It allows for the strategic partnering arrangement to be converted to a joint venture company in the future, should the council require

it. This may prove to be appropriate in the event that the traded business is particularly successful.

1.9 The total value of the contract over the seven year initial term is £70.9m. The contract will deliver total savings to the council of £11.1m over the seven years. For the MTFs savings period to 2019/20, the contract will deliver annual savings of £1.9m by 2019/20 and cumulative savings of £5.4m over the four years to 2019/20. The current value of traded services to be delivered through the contract is approximately £9.4m per annum.

1.10 The contract documents are based on the OGC model contracts, modified by agreement between the parties. The contract documents comprise the Services Contract itself, together with a number of schedules, including:

Service Requirements – service specifications and performance management regime

Supplier Solution – tender documents, including method statements

Financial matters – financial pro forma, arrangements for invoicing, indexation, gainshare, payments on termination, audit rights etc.

Governance – terms of reference for the Strategic Partnering Board, change control, dispute resolution, exit management, business continuity and disaster recovery

Employment – staff transfer arrangements and key personnel

1.11 In addition to the Services Contract, the following contractual documents have also been put in place:

- Third Party Co-operation Agreement relating to the CSG Contract
- Support Services Agreement in relation to Information Systems
- Support Services Agreement in relation to Finance Systems
- Licence Heads of Terms BEST Training Hub
- Licence Heads of Terms North London Business Park
- Licence Heads of Terms Hendon Town Hall
- Licence Heads of Terms Kosher CPU
- Atrium Café Service Proposal and Conditions
- Civic Catering Service Proposal and Conditions

1.12 The final contract documentation will be published in accordance with the council's transparency policy within three months of mobilisation, redacted as appropriate to protect commercially sensitive information.

Key features of the Services Contract

1.13 The primary objective of negotiations in respect of the contract clauses has been to ensure a fair and appropriate apportionment of risk, whereby both parties accept the risk for matters that are under their control and there is a reasonable apportionment of other risks over which neither party has control. The purpose of this is to ensure that the council does not pay within the contract price for non-commercial risks that may or may not crystallise and

that would have continued to be council risks had the service not been contracted out. On the other hand, the bidder takes on the commercial risks of securing the level of income required to under-write the contract price.

- 1.14 The vast majority of the clauses in the Services Contract are standard OGC clauses. Where appropriate, the council's existing CSG and Re contracts have been used as the model, where the OGC contract provides discretion. The following provisions are of particular note:

Performance Management

- 1.15 Officers will monitor and steer the strategic development of the service and overall performance through a Strategic Partnership Board and a number of service-specific sub-boards, including one for catering services. Each of these include headteacher representatives, which will ensure that the council receives early feedback in respect of the on-going quality of service delivery. In addition a Contract Management Board will have operational oversight of performance against the contract.
- 1.16 Overall performance will be measured against a set of agreed Key Performance Indicators (KPIs), a list of which is attached as Appendix A. Some of the KPIs are focussed on outcomes, where we want Cambridge Education to influence schools. These have been classified as Strategic KPIs. For example, Cambridge Education's school improvement activity should facilitate improved GCSE results overall, but it is not the only factor that will determine those results. Other KPIs relate directly to the performance of Cambridge Education itself. These have been classified as Operational KPIs and would include, for example, the timely completion of Education, Health and Care Plans. In addition, there is a comprehensive set of lower-level performance indicators and management information measures that will be reported on a regular basis.
- 1.17 The Performance and Contract Management Committee will receive regular reports on performance against the KPIs and can request more detailed reports on performance at any point.
- 1.18 The performance regime provides for under-performance points to be awarded, which will result in deductions from charges. The maximum that can be deducted is equivalent to the partner fee (profit), as set out in the final tender. There is a differential approach between Strategic KPIs and Operational KPIs, to reflect the level of direct control that Cambridge Education has over outcomes. In order to incentivise good performance, over-performance against Strategic KPIs will generate credits against OKPI deductions, but not additional cash payments.

Change

- 1.19 As is fairly standard, any general change in law or specific change in law that was reasonably foreseeable at the time of entering into the contract will not permit Cambridge Education to seek an increase in the contract price. Also, traded services charges are not covered by the change in law provisions, as they are for Cambridge Education to agree with schools, as the individual

customers for those services. However, in view of the potentially substantial impact that a change in Universal Infant Free School Meals legislation would have on the overall commercial model, such a change would trigger a discussion about the impact on the contract price. Special arrangements have also been agreed to give the council greater control over increases in school meal prices than would normally be the case in such an arrangement.

Supply Chain Rights and Protections

- 1.20 This governs the appointment of sub-contractors. It requires the contractor to manage its sub-contractors properly and gives the council rights to reject the appointment of key sub-contractors, or require their removal in certain circumstances. It also provides for all of the relevant requirements of the main contract to pass down to the key sub-contractor, including provisions on transparency and open-book accounting.

Limitations on Liability

- 1.21 This sets out standard requirements in respect of general liabilities, i.e. those that cannot be limited, and a financial cap for the contractor on any losses incurred by the council as a result of their default.
- 1.22 The contractor is not anticipating requiring redundancies, but it is recognised that it may be in the interests of all parties for a small number of staff to exit the organisation within the first year of the contract. It is normal practice for the council to meet the costs of this, but each individual case would be agreed with the council and there is a cap on the total cost.
- 1.23 In view of the known likelihood of the closure of the Atrium, it has also been agreed that the council should meet the cost of any redundancies arising out of that event. This would be subject to the contractor seeking to redeploy the staff wherever possible.

Termination Rights

- 1.24 The council may terminate the contract, in whole or in part:
- For convenience
 - If a supplier termination event occurs (these are set out in full in the definitions section of the contract, but in essence cover critical performance failure, material default or breach of contract, change of control, insolvency or breach of warranties)
 - In the event of a Force Majeure event lasting more than 180 days
 - In the event of fraud or bribery
 - If the contractor exhausts the liability cap mentioned above (although they do have the option of topping that up, to avoid termination).
- 1.25 The contractor may terminate the contract, in whole or in part:
- If the council fails to pay an undisputed invoice 40 working days after it has received a notice of non-payment
 - In the event of a Force Majeure event lasting more than 180 days
 - If the council steps in to provide part of the service for more than 180 days.

- 1.26 This gives the council much broader rights to terminate than it does to the contractor. Recognising this, significant effort has been put into avoiding “hair triggers” that would enable the council to terminate the contract for a minor infraction.
- 1.27 In terms of the cost of termination, the principle that has been adopted is that costs fall with fault and, if there is no fault, costs are apportioned between the parties.
- 1.28 It is highly unusual for contracts to allow one party to walk away at will and, whilst the council can terminate for convenience at any time, it should be noted that this would be a costly option.

Consequences of Expiry

- 1.29 Amongst other things, this covers what happens to the traded services at the end of the contract. In summary, there are three options:
- Incorporate a joint venture; or
 - Continue the existing arrangement (and continue taking the benefit of gainshare, which will continue only as long as income streams existing at the expiry date remain); or
 - The council buys out the contractor’s 80% of the business.

Allowable Assumptions

- 1.30 The assumptions on which the tender was based and which it is not possible to verify in advance of contract mobilisation are incorporated in the contract. This sets out the details of those assumptions, the potential impact they would have in the event that they were incorrect, the approach to be taken to verify the assumptions and “true up” the contract if required, and the time limit for verification. The key areas that are covered are the cost and number of transferring staff and the value of the transferring business.

Mobilisation

- 1.31 The mobilisation of the contract has been overseen by a Joint Transition Board, with membership from the council, Cambridge Education and ISS. All parties worked hard to achieve a smooth transition on 1st April 2016, with minimum change for staff and customers. There has been regular communication with staff and customers throughout the process. Key activities in support of contract mobilisation have been:
- TUPE consultation with staff and trades unions
 - Provision and checking of data to support the transfer of staff
 - Novation of contracts that will transfer with the service
 - Establishment of the necessary interfaces with CSG
 - Preparation of licences to allow occupation of accommodation

- 1.32 Whilst a smooth transition was achieved, it is recognised that there may be some issues that arise post-mobilisation. These will be monitored and addressed through the contract management arrangements.
- 1.33 Arrangements for mobilisation were the subject of a Local Partnerships Health Check review which was conducted on 11th and 12th February 2016. The conclusion of the review was that “there are no significant obstacles to successful implementation. Any recommendations are made to support the further successful transition, implementation and embedding of the delivery model.” A copy of the full report is attached as Appendix B. The recommendations were implemented in the mobilisation and project close processes.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Now that the contract is in place, responsibility for overseeing its on-going performance rests with the Performance and Contract Management Committee. It is, therefore, appropriate that Committee Members have an overview of the contract.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Alternative options for the future delivery of education and skills services have been the subject of a number of reports to Members over the last two years.

4. POST DECISION IMPLEMENTATION

- 4.1 There will be regular reports on the performance of the contract to the Performance and Contract Management Committee.

5. IMPLICATIONS OF DECISION

Corporate Priorities and Performance

- 5.1 Barnet is a place of growth. The quality of the education offer is at the heart of Barnet’s continuing success as a place where people want to live, work and study. It plays a crucial part in making Barnet a popular and desirable place with many families attracted to the area by the good reputation of Barnet’s schools. Excellent educational outcomes and ensuring children and young people are equipped to meet the needs of employers are key to deliver the Council’s ambition set out in its Corporate Plan 2015-20 for Barnet’s schools to be amongst the best in the country and for all children to have the best start in life and achieve the best they can.
- 5.2 Developing a new approach to delivering education and skills services in partnership with schools, will enable the Council and schools to continue to support these priorities through jointly harnessing efforts and resources at a time of financial constraint and when the educational landscape is leading to a

more diverse range of providers. Developing a delivery model that enables the services to be responsive to the needs of this increasingly diverse range of providers offers the opportunity to maintain and improve support services to schools so that Barnet's excellent educational offer can be maintained and improved.

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

- 5.3 These services are currently provided at a total annual gross cost of £20.9m. This is funded by £3.7m from the Dedicated Schools Grant, which is ring-fenced, and generation of income of £9.4m. This leaves a net Council funded budget of £7.8m. The contract price covers services funded by the Council and the DSG, giving a baseline annual cost for the contract of £11.5m.
- 5.4 Within the savings target set by the Policy and Resources Committee, the Education and Skills service is required to deliver savings of £850k between 2016/17 and 2019/20, plus the saving of £695k that was not achieved in 2015/16, due to the timing constraints of the tender process. In addition, SEN Transport is required to deliver savings of £240k between 2016/17 and 2019/20, together with a further £100k reduction in service costs in relation to temporary funding for the brokerage function. This gives a total savings requirement for the service over the term of the MTFS of £1,885k.
- 5.5 The contract with Cambridge Education will deliver these savings in accordance with the required profile, as set out in the report presented to the Children, Education, Libraries and Safeguarding Committee on 18th November 2015.
- 5.6 The contract is constructed in such a way that these savings are guaranteed, as they are incorporated within the tendered price for delivering the core services to the Council in the period between 2016/17 to 2022/23. The savings requirements are summarised in the table below.

	Year 1 15/16	Year 2 16/17	Year 3 17/18	Year 4 18/19	Year 5 19/20	Total
	£000					
Original MTFS savings profile	695	85	160	255	350	1,545
Proposed revised MTFS savings profile	0	780	160	255	350	1,545
SEN transport savings profile	0	120	120	0	100	340
Revised savings profile (including SEN transport)	0	900	280	255	450	1,885

- 5.7 Whilst the risk of securing the level of increased income and efficiency that is required to achieve this saving sits entirely with Cambridge Education, their tender included proposals for how this growth and efficiency would be achieved. These proposals were assessed by suitably qualified officers and commercial advisors and were considered to provide sufficient assurance that this level of growth is achievable and that the potential additional growth that

would be subject to gain share arrangements is also reasonable.

5.8 In respect of the financial submission, the Council's commercial advisor (iMPower) advised that "We believe that overall the risks inherent in achieving the required savings and gain share have been satisfactorily considered and to a reasonable extent addressed. The Council is aware that quite modest amounts of gain share have been targeted and it is possible that even these may not be delivered. However the information provided does give sufficient confidence in new sales and surplus and there appears to be an acceptable residual risk related to Cambridge Education failing to achieve all its targeted financial contribution from this."

5.9 Client-side and contract management arrangements will utilise existing resources within the Commissioning Group and there will be no additional costs associated with these.

Social Value

5.10 The contract provides a number of commitments that will secure wider social, economic and environmental benefits. Key amongst these is the intention to continue delivering all services from within Barnet and not relocate existing jobs outside the Borough. Within the catering service, there are also commitments regarding apprenticeships, use of electric vehicles for catering transport and continuing payment of the London Living Wage.

Legal and Constitutional References

5.11 Performance and Contract Management Committee has responsibility for monitoring of performance including, but not limited to, targets of Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group Ltd (including Barnet Homes and Your Choice Barnet); HB Public Law; NSL; Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance.

Risk Management

5.12 The implementation of an alternative delivery model for education and skills services is intended to mitigate against the risk of a decline in the performance of the educational system as a whole that could arise from making service reductions to meet Medium Term Financial Strategy targets.

5.13 The main risk associated with the contract is that Barnet schools do not support the arrangement and reduce the level of services that they buy-back through the contract. Not only would this directly reduce the assumed level of income, but it would also undermine the venture's ability to grow through selling services to schools outside the Borough. This could also lead to the Council having less knowledge of schools through its contractor, thus affecting its ability to make timely and effective interventions. This has been managed by ensuring the on-going involvement of schools in the mobilisation process and in the governance arrangements for the partnership.

5.14 An assessment of Health and Safety Risks has been carried out. This has identified that there are no additional Health and Safety risks beyond those

normally associated with the delivery of these services and which are managed through established Health and Safety policies and procedures.

- 5.15 The contract sets out requirements in respect of health and safety, including a requirement that Cambridge Education and ISS follow the Council's established health and safety policy and procedures.
- 5.16 The contract, together with the service method statements and specifications that form schedules to it, also incorporates the Council's requirements in respect of business continuity and emergency management.

Equalities and Diversity

- 5.17 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
 - advance equality of opportunity between people from different groups
 - foster good relations between people from different groups
- 5.18 The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services.
- 5.19 An Equality Impact Assessment has been carried out prior to the letting of the contract and reported to the Children, Education, Libraries and Safeguarding Committee and full Council. This covered potential impacts on residents and service users and on employees. In summary, the impact assessment for residents and service users identified a neutral impact overall, as services will continue to be provided to the current level and quality. The impact assessment for employees identified a bigger impact on women than men. This is due to the fact that women make up 93% of the affected workforce. Whilst the impact on transfer is neutral, the long-term overall impact for employees was considered to be positive, due to the commitment to London Living Wage, the proposed arrangements for staff recruitment, retention, motivation and development, and the fact that there are no planned redundancies.
- 5.20 Previous reports recognised that the mobilisation of the arrangement constitutes a significant change that would have an impact on employees and, in accordance with the Council's Managing Organisational Change Policy, it would be essential that this change was managed in a way that reduces the disruptive effects of change. This has included ensuring that:
- the employees concerned have been treated in a fair and equitable way
 - advance notice of the impending change was given to the employees concerned as soon as possible
 - future change will be brought about following consultation

- 5.21 Consultation has continued to take place with the recognised trade unions and affected employees throughout the contract mobilisation process. This has included formal TUPE consultation in respect of transferring to a new employer. The contract provides for on-going employee relations to be governed in accordance with the council's TUPE-plus arrangements.
- 5.22 The contract requires compliance with the Council's established equality and diversity policies and procedures, including the provisions of Equality Impact Assessments for any proposed changes in service provision.

Consultation and Engagement

- 5.23 A considerable level of consultation and engagement activity took place to inform the development of the outline business case. The outcomes of that consultation were reported to the Children, Education, Libraries and Safeguarding Committee on 12th January 2015 to inform the decision to proceed with the procurement of a third party partner.
- 5.24 There has been on-going engagement with schools through the procurement and mobilisation processes. Headteacher representatives participated in both the dialogue process and the evaluation of submissions. There was on-going consultation with the Headteacher Reference Group on issues emerging from dialogue. The contract's governance arrangements provide for headteacher representation on the strategic partnership board and its sub-groups.
- 5.25 Updates on progress were provided to staff, headteachers and chairs of governors throughout the process, using both written communication and presentations. There has also been on-going consultation with the recognised trades unions.

6. BACKGROUND PAPERS

- 6.1 Council, 8th December 2015 – agreed the selection of Mott MacDonald Ltd trading as Cambridge Education Cambridge Education as the Council's preferred bidder for the future delivery of Education and Skills services, on the basis of a strategic partnering arrangement and authorised the Commissioning Director – Children and Young People to finalise the contract documentation, in consultation with the Committee Chairman, and to proceed with all necessary planning and preparation for mobilisation of the contract, in consultation with the Committee Chairman.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8349>
- 6.2 Children, Education, Libraries and Safeguarding Committee, 18th November 2015 – agreed recommendations to full Council regarding the appointment of Mott MacDonald Ltd trading as Cambridge Education as preferred bidder.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=8259>
- 6.3 The contract with Cambridge Education, dated 30th March 2016. This document is commercially confidential and exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Elected

Members who wish to inspect all or part of the contract should contact the officers named at the front of this report. The final contract documentation will be published in accordance with the council's transparency policy within three months of mobilisation, redacted as appropriate to protect commercially sensitive information.

- 6.4 Children, Education, Libraries and Safeguarding Committee, 12th January 2015 – agreed the development of a full business case on the establishment of a joint venture company with a third party for the future delivery of the Education and Skills service and authorised the commencement of the procurement exercise to identify a third party partner to inform the development of the full business case.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=7926&Ver=4>
- 6.5 OPM's report providing detailed analysis of the consultation results.
<http://engage.barnet.gov.uk/>
- 6.6 Council, 16th December 2014 – agreed that the Children, Education, Libraries and Safeguarding Committee should complete the detailed consideration of alternative delivery options, including agreeing to the commencement of procurement where relevant.
<http://barnet.moderngov.co.uk/documents/s19543/Business%20Planning%20201516-1920.pdf>
- 6.7 Children, Education, Libraries and Safeguarding Committee, 15th September 2014 – approved further consultation and engagement on four options for the future delivery of the Education and Skills service.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=7925&Ver=4>
- 6.8 Policy and Resources Committee, 10th June 2014 (Decision Item 6) – noted the updated Medium Term Financial Strategy up to 2020 and the Priorities and Spending Review report. The Committee agreed the Education and Skills project approach to consultation.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7856&Ver=4>
- 6.9 Cabinet, 25th February 2014 (Decision Item 7) – approved the Medium Term Financial Strategy.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=120&MId=7518&Ver=4>

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Education and Skills Strategic KPIs v0.6 - 10.3.16

SKPI Definition		
Ref	Title	Definition
SKPI001	Good or better primary schools	Percentage of primary schools rated as 'good' or better
SKPI002	Good or better secondary schools	Percentage of secondary schools rated as 'good' or better
SKPI003	Primary attainment (KS2)	The percentage of primary pupils achieving the 'expected standard' in English Reading, English Writing and Mathematics (combined) at the end of Key Stage 2
SKPI004	Primary progress	The average of: a) Primary pupils' average progress in English Reading b) Primary pupils' average progress in English Writing c) Primary pupils' average progress in Mathematics
SKPI005	Narrowing the Primary FSM (disadvantaged) gap and FSM (disadvantaged) attainment	50% of points each to: 5a: % of pupils eligible for disadvantaged pupils (this includes Free School Meal 6 and Children Looked After pupils) achieving the 'expected standard' in English Reading, English Writing and Mathematics (combined) at the end of Key Stage 2 AND 5b: Difference between attainment level of pupils on disadvantaged pupils (this includes FSM 6 and CLA pupils) and their peers ('expected standard' in RWM combined) at the end of Key Stage 2
SKPI006	Secondary attainment and progress (GCSEs)	Points allocated; 6a 15pts (37.5%); 6b 15pts (37.5%); 6c 7pts (17.5%); 6d 3pts (7.5%) 6a Average Attainment 8 Score 6b Average Progress 8 Score 6c Percentage of pupils achieving the threshold in English and mathematics (In 2016, the threshold is grade C, in 2017 the threshold is grade 5) 6d Percentage of pupils achieving the English Baccalaureate
SKPI007	Secondary FSM attainment and achievement and narrowing the gaps	25% of points for each of 7a, 7b, 7c, 7d 7a Average Attainment 8 Score for pupils eligible for FSM in the past 6 years (disadvantaged pupils) 7b Average Progress 8 Score for pupils eligible for FSM in the past 6 years (disadvantaged pupils) 7c Attainment gap between pupils eligible for FSM (disadvantaged) pupils (Average Attainment 8 Score for pupils on FSM - Average Attainment 8 Score for pupils not disadvantaged) 7d Achievement gap between pupils eligible for FSM (disadvantaged) pupils (Average Progress 8 Score for pupils on FSM - Average Progress 8 Score for pupils not disadvantaged)
SKPI008	Progress and attainment of looked after children at KS4	a) 20% - Average Attainment 8 score of looked after children b) 20% - Average Progress 8 score of looked after children c) 10% - Closing the gap between Barnet LAC and Barnet average on Attainment 8 and Progress 8 d) 20% - the quality of PEPs e) 10% - KS2 performance (expected standards in RWM) f) 10% - 16-18 year old NEETs g) 5% - Attendance of LACs h) 5% - Exclusions
SKPI009	NEETs and not knowns	9a. 50% bonus relates to not in education, employment or training (16 to 18 year olds) 9b. 50% bonus relates to the combined percentage of 16 to 18 year olds who are NEET and those whose current activity is not known to the LA
SKPI010	Primary Attendance	Average percentage attendance levels in Primary schools for the Autumn and Spring terms
SKPI011	Primary admissions	The percentage of children who applied on time for a Reception place made an offer on national offer day
SKPI012	Attainment and progress of SEND pupils with a statement or EHCP	The percentage of SEND pupils with a statement or EHCP attaining 12a Attaining the 'expected standard' in English Reading, English Writing and Mathematics at the end of Key Stage 2 (50% of points) 12b Average attainment 8 score pupils with a statement of SEN or EHCP (25% of points) 12c Average progress 8 score pupils with a statement of SEN or EHCP (25% of points)

Education and Skills Operational KPIs v0.6 - 10.3.16

OKPI Definition			
Ref	Title	Definition	Period Judged
OKPI001	Management of the Schools Budget	Ensuring the Schools Budget (DSG) does not overspend.	Quarterly reporting but KPI relates to outturn for the financial year.
OKPI002	Action plans for Schools Causing Concern	Produce an action plan for each school causing concern and progress reports on each SCC at least once a term.	Termly and full year Performance deductions estimated for the financial year. If the termly threshold is met for any term, the deduction will relate to the whole year.
OKPI003	Safeguarding in schools	Produce an action plan for monitoring and improving arrangements for safeguarding in the Education and Skills service and in all Barnet schools and regular progress reports.	Annual plan and quarterly progress reports.
OKPI004	Conversions to Education, Health and Care Plans	Percentage of SEN statements converted to EHC Plans in accordance with the council's Transition Plan (based on the requirements and expectations set out in the latest DfE guidance: 'Transition to the new 0 to 25 special educational needs and disability system' issued in September 2015)	KPI based on conversions by the end of the school year for 2016-17 and then by the end of the financial year for 17/18. Monthly reporting on progress.
OKPI005	Timely completion of new EHCPs	% final EHC plans issued within 20 weeks a) including exceptions b) excluding exceptions	Based on all EHCPs that were due for completion in the previous financial year. Monthly reporting on progress. Underperformance points value split 50:50 between the 2 measures.
OKPI006	Transport brokering and contract management	a) Number of full contractor audits per annum. Service standard: 2 full audits per contractor per annum b) Number of school location (contractor's vehicle) spot checks per term and per year Service standard: 100 school location (contractor's vehicle)spot checks per school year with a minimum of 25 per term. c) Number of travel assistance requests dealt with within 2 weeks of eligibility determination. (Does not include the initial start of school/college year allocation exercise and is dependent on availability of sufficient escorts). Service standard: 100% d) Journey time compliance: % of in-borough routes more than 15 minutes over recommended times. Service standard: Below 23%.	A. Annually Underperformance points value split equally across the 4 measures. B. Termly to ensure minimum number per term is achieved. Annual calculation of the total number completed. C. Annually D. Annually. Measure refers to average route times through the year, allowing for exceptions.
OKPI007	Attendance orders and children missing education	OKPI007a: Children missing from education - Execution of the School Attendance Order process (Education Act 1996, s437 onwards): Each stage to be completed within agreed timescales . CME Attendance Orders requires: 1) Within 6 school weeks of initial referral date, 95% of children are enrolled in school or a notice is issued to the parents. AND 2) Once the School Attendance Order process is triggered by the issue of a notice to the parents, within 6 weeks, either 100% of children will be enrolled in school or their parents will be issued with an Attendance Order.	Completions in the financial year. Monthly reporting.
		OKPI007b: Home visits within one week to children missing from school for 10 days	

OKPI008	Delivery of school meals service to all subscribing schools and maintaining quality standards	<p>a) Guaranteed provision of catering service to all schools subscribing to the traded service* AND</p> <p>b) i) Compliance with the Silver Catering Mark standard (does not apply to Kosher meals or 'special meal days agreed with individual schools')</p> <p>b) ii) Compliance with DfE school food standards (does not apply to Kosher meals or 'special meal days agreed with individual schools')</p> <p>b) iii) Resolving complaints from schools without escalation to the prime contractor and/or the council.</p> <p>*In the event of disruption to normal services (e.g. power cut), where the normal meal service cannot be provided, a packed lunch must be provided for every child that requires one. This should consist of the following five components as a minimum:</p> <ul style="list-style-type: none"> • Sandwich or Wrap • Pot of Vegetable Sticks • One Fresh Fruit Item • Cake, Yoghurt, Biscuit or Cheese and Biscuits • Fruit Juice, Milk, Flavoured Milk or Bottled Water 	Financial year. Monthly reporting.
OKPI009	Satisfaction ratings	Average satisfaction ratings for an agreed set of services	Average for financial year. Termly reporting.
OKPI010	Compliance with timescales for admissions	<p>Complete admissions processes within timescales - publication of admission arrangements by required date, allocation of places by required date, processing of late and in-year applications within agreed timescales.</p> <p>Note: The service standard is to notify parents of the result of their application within 20 working days of receiving it. The PAN London protocol for the co-ordination of in-year admissions requires local authorities to exchange outcome information within 10 working days of the outcome being issued.</p>	Annual for publication and for on-time admissions. Quarterly updates for late and in-year admissions.
OKPI011	Responses to complaints, members enquiries and FOIs	<p>Responses to complaints, members enquiries and FOIs within target timescales: Complaints within 10 working days; Members' enquiries within 5 working days; FOIs within 20 working days.</p> <p>[Where these require clearance by the council's DCS, the target will have been met provided the proposed response is submitted to the DCS within the target timescale].</p>	Quarterly – monitor monthly.

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Local Partnerships Health Check 2

Version number: Final

Date of issue to PO: 12/2/2016

PO: Val White/Chris Munday

Authority: London Borough of Barnet

Local Partnerships Health Check Review dates:

11/02/2016 and 12/02/2016

Review Team:

Peter Foale

Tim Pritchard

LBB Internal independent reviewer

Yogita Popat



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Local Partnerships Health Check Conclusion

The conclusion of the previous review was:

‘This is a well-run and resourced project that is making good use of the skills and experience of the members of the project team. There is a very clear and shared view of the objectives of the project and the benefits that it will bring to all the stakeholders in Barnet if it can be brought to a satisfactory conclusion. There is a shared optimism among the project team that the bidder with whom the council is currently in dialogue is the right partner to deliver the services that will fall within the scope of this contract, if the right commercial arrangements can be agreed. At this stage in the process, we can see no reason why the procurement should not proceed’.

The view of this health check is that this conclusion is still valid and that the momentum from procurement to transition and mobilisation has been sustained. This is a credit to the core team that has driven this project to date. It is evident that the team has well-defined roles and responsibilities that are cohesive and has a shared passion for the project. As the pre-planning stages conclude and project implementation commences, we are aware there will be changes in key personnel and sustaining the momentum may be a challenge. This will, however, be critical to ensure successful delivery for the benefit of children in Barnet in schools.

Throughout the process, the three core objectives of LBB that underpin everything the council is trying to achieve have been at the forefront of how the delivery model has been structured and will be delivered. This has been a key driver of all activity and decision making.

The review concluded that there are no significant obstacles to successful implementation. Any recommendations are made to support the further successful transition, implementation and embedding of the new delivery model.

Summary of Report Recommendations

The Review Team makes the following recommendations, which are prioritised using the definitions below.

Ref. No.	Recommendation	Critical/ Essential/ Recommended
1.	Scope and allocate adequate time and resources to the closedown processes for this stage of the project so that those involved in the next stage have access to all the information they need to ensure a smooth transition through to the implementation of the new arrangements.	Essential
2.	The terms of reference for all operational partnership boards should include a responsibility for contract monitoring. The overall governance structure should be subject to ongoing review to ensure that it continues to be fit for purpose.	Essential
3.	A contingency plan should be developed that will identify and resolve all outstanding risks in a timely manner, and in advance of key individuals leaving the project/organisation.	Critical
4.	A staff succession plan should be developed that recognises the interpersonal skills that are required, in addition to technical competencies, to continue the well established culture of collaborative working necessary for effective partnership working.	Essential

Critical (Do Now) – To increase the likelihood of a successful outcome it is of the greatest importance that the programme/project should take action immediately

Essential (Do By) – To increase the likelihood of a successful outcome the programme/project should take action in the near future.

Recommended – The programme/project should benefit from the uptake of this recommendation.

Background

The aims and objectives of the programme:

Barnet Council (the council) is seeking to deliver a range of education services using an Alternative Delivery Model (ADM). There are three specific objectives underpinning this model:

1. Maintaining education excellence
2. Keeping partnerships with all schools
3. Delivering financial savings in line with the Council's medium term financial strategy

The procurement/delivery status:

Cambridge Education has been selected as the council's partner and formal contract signature is planned for 9 March 2016, with an implementation date of 1 April 2016.

Purposes of this Local Partnerships Health Check:

This review is a health check and focuses on the areas identified by Barnet Council and set out in appendix A.

Conduct of the Local Partnerships Health Check:

This stage review was carried out on 11 and 12 February 2016 at Barnet Council offices, North Business Park, Oakleigh Rd South, London N11 1NP. The team members are listed on the front cover.

The people interviewed are listed in Appendix B.

The Review Team would like to thank the council and the interviewees for their support and openness, which contributed to the Review Team's understanding of the Project and the outcome of this review. We were particularly grateful for the openness with which all interviewees engaged with us. We would particularly like to thank Cara Elkins for her excellent organisation and support.

Findings and recommendations

1. Succession Planning and Transition

Further to the recommendation of the previous review, there is a need to undertake a lessons learned exercise and ensure knowledge transfer from key personnel, some of whom may be leaving the project and/or the organisation. This remains critical to implementing and embedding this delivery model. The success of the project to date will subsequently be judged by the experience of schools following implementation.

It is acknowledged that there is a commitment to ensuring a robust pre-implementation phase closedown process that will include the production of a detailed contract manual. Consideration should also be given to developing a benefits realisation plan and an associated implementation risk and issues register. These documents will then be available as a resource for any future ADM proposals.

Much of the success of this project to date has been the result of having a number of key individuals involved from its inception. There is a risk that as the project moves to the next phase and the implementation commences, some of these individuals will leave. This will create a knowledge and relationship gap that may be hard to fill. Adequate time and planning need to be allocated to ensure that this gap is managed.

Recommendation:

Scope and allocate adequate time and resources to the closedown processes for this stage of the project so that those involved in the next stage have access to all the information they need to ensure a smooth transition through to the implementation of the new arrangements.

2. Post-implementation Governance Arrangements

The team noted that the terms of reference are in development and have yet to be completed for the majority of the boards. We believe that there should be a direct reference and explicit link to the Contract Monitoring Board, so that this function becomes a distributed responsibility integrated into the day-to-day business of the operational partnership boards.

The draft governance model will require significant time and resource for attendance, much of it at a senior level, with administrative support. The governance model should be jointly reviewed by stakeholders at a senior level on an ongoing basis as the project embeds. As it develops, this will ensure that it continues to be appropriate and effective and may identify opportunities to rationalise governance and make the thin client function leaner.

Recommendation:

The terms of reference for all operational partnership boards should include a responsibility for contract monitoring. The overall governance structure should be subject to ongoing review to ensure that it continues to be fit for purpose.

3. Transfer of Assets, data and Information

We noted that there are number of outstanding issues specifically relating to:

- HR and Payroll
- Leasing and Licensing
- Joint Employment Contracts

HR and Payroll are seen as the most business critical to effective implementation on 1 April, but all have the potential to significantly impact on the successful delivery and embedding of the new arrangements. Appropriate measures should be put in place to ensure that any outstanding issues post 1 April 2016, are addressed in a timely fashion in advance of the potential departure of key individuals from the project.

Recommendation:

A contingency plan should be developed that will identify and resolve all outstanding risks in a timely manner, and in advance of key individuals leaving the project/organisation.

4. Interface Issues

It has been clearly evidenced and recognised that there are strong relationships between all stakeholders and the wider project team. The successful implementation of this new delivery model will be dependent on maintaining and developing these relationships as the project matures. The need to balance the three key objectives of the council with the achievement of the financial targets will create significant challenges to all stakeholders.

All stakeholders will need to ensure that any future appointments take account of the criticality of the relationships between LBB, CE, Capita/CSG and ISS to protect the established culture of partnership working.

Recommendation:

A staff succession plan should be developed that recognises the interpersonal skills that are required, in addition to technical competencies, to continue the well established culture of collaborative working necessary for effective partnership working.

APPENDIX A

Focus of Health Check requested by Barnet Council

The council asked that this review look at:

The preferred bidder mobilisation and business transition plans
Client contract management arrangements
Realism of programme to go live
Staff issues

Local Partnerships considered that it also needed to consider:-

Thin client
Robustness of monitoring of new contract – interfaces between Capita and new Education supplier.

APPENDIX B

Interviewees

NAME	ROLE
Val White	Project Sponsor
Deborah Hinde	Project Lead
Jon Nash	Procurement Lead
Jason Walton	Commercial Advisor
Ian Harrison	Education and Skills Director
Jason Walton	Commercial Advisor - iMPOWER
Julie Huggins	Transition Programme Manager – Cambridge Education
Max Pullen	Project Manager – Cambridge Education
Phillip Hamberger	Commercial Lead
Liz Hammond	HR Lead
John Hooton	Chief Operating Officer
Isabella Galca	Project Officer

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