

MEETING

PERFORMANCE AND CONTRACT MANAGEMENT COMMITTEE

DATE AND TIME

TUESDAY 12TH SEPTEMBER, 2017

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BG

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

Chairman: Councillor Anthony Finn,
Vice Chairman: Councillor Sury Khatri

Councillors

Councillor Jess Brayne	Councillor Kathy Levine	Councillor Arjun Mittra
Councillor Geof Cooke	Councillor John Marshall	Councillor Barry Rawlings
Councillor Joan Scannell	Councillor Shimon Ryde	Councillor Peter Zinkin

Substitute Members

Councillor Paul Edwards	Councillor Lisa Rutter	Councillor Caroline Stock
Councillor Gabriel Rozenberg	Councillor Alison Moore	Councillor Dr Devra Kay

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

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Decisions of the Performance and Contract Management Committee

4 July 2017

Members Present:-

AGENDA ITEM 1

Councillor Anthony Finn (Chairman)
Councillor Sury Khatri (Vice-Chairman)

Councillor Shimon Ryde
Councillor Peter Zinkin
Councillor John Marshall
Councillor Joan Scannell
Councillor Kathy Levine

Councillor Brayne
Councillor Geof Cooke
Councillor Barry Rawlings
Councillor Arjun Mittra

1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Committee, Councillor Anthony Finn welcomed all attendants to the meeting.

Following adoption of the Committee Membership at Annual Council, the Chairman also welcomed Councillor Joan Scannell and Councillor Barry Rawlings to the Committee.

Subject to the correction on page 1 of the minutes, to delete the below wording, it was RESOLVED that the minutes of the previous meeting held on 27th February 2017, be agreed as a correct record.

Councillor	Agenda Item(s)	Interests Declared
John Marshall	7	Non-pecuniary interest by virtue of being a School Governor at various schools in Barnet.

2. ABSENCE OF MEMBERS

None.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS

The following interests were declared at the meeting:

Councillor	Agenda item(s)	Interests declared
John Marshall	7-9	Non-pecuniary interest by virtue of being a Council appointed Director for Barnet Group, Your Choice

		Barnet and Barnet Homes.
Arjun Mittra	7-9	Non-pecuniary interest by virtue of being tenant of Barnet Homes, currently working for the GLA and a member of the London Fire Brigade.
Jess Brayne	7	Non-pecuniary interest by virtue of being a leasehold tenant together with her partner of Barnet Homes
Kathy Levine	7, 8	Non-pecuniary interest by virtue of being a Governor at Monkfrith School.
Arjun Mittra	7, 8	Non-pecuniary interest as parent manages a nursery.
Peter Zinkin	7, 8	Non-pecuniary interest by virtue of working with a charity to set up a nursery.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

A public comment was made by Mr Jeff Raphael. The Committee noted the oral representation from Mr Raphael.

No public questions were received.

6. MEMBERS' ITEMS (IF ANY)

a) MEMBER'S ITEM - COUNCILLOR COOKE

Councillor Geof Cooke introduced the Member's item in his name. Councillor Cooke suggested that a report be brought to this Committee setting any performance issues relating to this item.

The Chairman welcomed James Mass, Community and Wellbeing Assistant Director. Mr Mass briefed the Committee about the services provided under the contract. The

Committee requested to receive information about the way surveys had been conducted and the complaint handling procedure in place.

Following discussion, the Committee **RESOLVED**:

That an item is reported to this Committee setting out the performance of the service and the Barnet CAB contract as instructed by the Committee.

7. QUARTER 4/END OF YEAR PERFORMANCE MONITORING REPORT 2016/17

The Chairman introduced the report and welcomed Lindsey Hyde, Strategic Lead Performance and Programmes who presented the report. The Committee referred to the CSG redefined KPI's 29 and 30 and it was agreed that a list of the updated KPI's be circulated to the Committee.

In relation to the issue of contamination, it was noted that the contamination plan is in place and there has been an improvement in contamination figures. The plan has been designed following an increase in contamination loads.

It was **RESOLVED**:

- 1. The Committee scrutinised the performance of services, especially in relation to delivering the Corporate Plan, and (if necessary) make recommendations to other relevant committees on the policy and commissioning implications.**
- 2. The Committee noted the 2016/17 revenue outturn position, as detailed in paragraph 1.6.**
- 3. The Committee noted the additions and deletions (which include virements) and accelerations and slippages in the capital programme, as detailed in paragraph 1.9.**
- 4. The Committee noted the savings delivered in 2016/17, as detailed in paragraph 1.11.**
- 5. The Committee noted the agency costs for 2016/17, as detailed in paragraph 1.15.**
- 6. The Committee noted the treasury position outlined in paragraph 1.29.**

8. NEW FORMAT FOR PERFORMANCE MONITORING REPORT

The Chairman welcomed the new format for the Performance Monitoring report.

Following a request from Councillor Brayne, it was agreed that Officers consult with Councillor Brayne to ensure that the new performance report format is reader-friendly. The Chairman also welcomed other Councillors to contact Officers about comments relating to the new report format. **(Action)**

For contracts that are not reported to the Committee as part of the report, Members instructed Officers to develop a methodology for reporting contracts to the Committee by exception. **(Action)**

In relation to Highways repair works, the Committee were updated about the approach taken to inform residents throughout the process. Members also heard about the process for responding to Highways issues which is prioritised according to the type of call raised.

With reference to page 229 of the agenda, the Committee asked for GLA-linked data pertaining to the affordable housing figures. **(Action)**

The Committee commended the work of the Corporate Anti-Fraud Team (CAFT) for investigating and successfully prosecuting cases.

It was **RESOLVED** that:

The Committee approved the proposed new format for the Performance Monitoring Report.

9. RISK MANAGEMENT UPDATE

The Chairman welcomed the Risk Management update report which was requested by the Committee at its previous meeting on 27 February 2017.

Lindsey Hyde, Strategic Lead Performance and Programmes presented the report. Ms Hyde noted that the risk register is a live document which is updated regularly. She briefed the Committee about the strategic and escalated service risks and the measures taken to manage the risks.

The Committee noted that following the Grenfell Tower incident a new risk STR019 Fire health and safety has been added to the strategic risk register.

The Chairman welcomed Elliott Sweetman, Director of Operations Barnet Homes. Mr Sweetman informed the Committee about the work that has been undertaken since the Grenfell Tower incident, involving testing of samples of building material.

The Committee also heard about the fire risk assessments carried out in partnership with the Fire Brigade. Mr Sweetman stated that at certain locations fire safety checks are being carried out on a continual basis. As part of the programme of works, the Committee heard that a number of cladding panels would be removed and that the work will be carried out on a continual basis.

In relation to non-Council buildings, the Committee heard about the intentions consult with building planners and spread awareness about fire safety risk assessments and best guidance.

The Committee noted the updates and commended the actions taken.

The Chairman thanked the Committee for the discussion and noted the importance of regularly reviewing the risk data and the measures being taken to manage the council's key strategic risks.

It was **RESOLVED** that:

The Committee noted the high level risks and commented as above on the mitigating actions being taken to manage the council's risks.

10. KEY PERFORMANCE MEASURES FOR THE BARNET WITH CAMBRIDGE EDUCATION PARTNERSHIP 2016/17

The Chairman introduced the report and welcomed Ian Harrison, Education and Skills Director to present the paper.

Mr Harrison stated that since the start of the strategic partnership in April 2016, Cambridge Education has brought external expertise to the services which are continuing to perform well. This in turn has helped to make efficiency savings. Mr Harrison noted that the aim is to continue to make savings through efficiencies and growth.

The following motion was moved, seconded and adopted by the Committee to change the recommendation to read:

“That the Performance and Contract Management Committee note the success and welcomed the 2016/17 outcomes for the key performance measures of the strategic partnership with Cambridge Education.”

The motion was declared carried and became the substantive motion. It was therefore **RESOLVED:**

That the Performance and Contract Management Committee noted the success and welcomed the 2016/17 outcomes for the key performance measures of the strategic partnership with Cambridge Education.

11. AFFORDABLE HOUSING DELIVERY

The Chairman introduced the report which was requested by the Committee at its meeting in January 2017. The report informs the Committee about the affordable housing target, the methodology used for amount of affordable housing delivered and the performance against it.

Emma Watson Head of Strategic Planning and Paul Shipway Strategic Housing Lead joined the table and presented the report. Following a query from the Committee, Ms Watson noted that it is important to review the data over the long term in order to form a better image of the overall performance.

The Committee requested that future reports include details of affordable housing schemes included in the GLA planning data. **(Action)**

It was requested that following publication the 2015-16 GLA data, Officers circulate an update to the information set out in Appendix B, page 233 of the agenda. **(Action)**

Councillor Barry Rawlings moved a motion which was seconded to amend the wording of the recommendation to read:

“That the Committee notes the disappointing figures in the report and the information set out in Appendix 1.”

In relation to the motion, the votes were declared as follows:

For	5
Against	6
Abstentions	0

The motion was therefore declared lost. The Committee moved to the recommendation as set out in the report.

It was **RESOLVED:**

That the Committee noted the report and the information set out in Appendix 1.

12. COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the items on the Forward Work Programme which will include a report as requested under item 6a by the Committee during this meeting.

RESOLVED:

That the Committee considered and commented on the items included in the 2017 work programme in Appendix A.

13. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

There were none.

The meeting finished at 9.50 pm

	<p>Performance and Contract Management Committee</p> <p>12 September 2017</p>
<p>Title</p>	<p>Quarter 1 2017/18 Performance Monitoring Report</p>
<p>Report of</p>	<p>Commercial Director</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>No</p>
<p>Enclosures</p>	<p>Appendix A: Corporate risk register Appendix B: Revenue outturn Appendix C: Capital outturn Appendix D: Reserves Appendix E: Prudential indicators Appendix F: Investments outstanding Appendix G: CSG contract benefit realisation tracking</p>
<p>Officer Contact Details</p>	<p>Lindsey Hyde – Strategic Lead, Programmes and Performance lindsey.hyde@barnet.gov.uk Gillian Clelland – Assistant Director of Finance (CSG) gillian.clelland@barnet.gov.uk</p>

Summary

The report provides an overview of performance for **Quarter 1 (Q1) 2017/18**, including budget position for revenue and capital, progress on key activities, indicators that have not met target and management of high level risks, along with information on staffing, customer experience and resident satisfaction, and any variations in CSG and Re contracts.

Recommendations

- The Committee is asked to scrutinise the overall performance of the council, in relation to: the Corporate Plan; Theme Committee Commissioning Plans and Contracts; and (if necessary) make recommendations to other relevant committees on the policy and commissioning implications.**

2. The Committee is asked to note the Q1 2017/18 revenue position, as detailed in paragraph A.12-A.13 and in Appendix B.
3. The Committee is asked to note the additions and deletions (which include virements) and accelerations and slippages in the capital programme, as detailed in paragraph A.14-A.15 and in Appendix C.
4. The Committee is asked to note the savings delivered in Q1 2017/18, as detailed in paragraph A.16.
5. The Committee is asked to note the agency costs for 2017/18, as detailed in paragraph A.17.
6. The Committee is asked to note the strategic risks, as detailed in paragraph A.25-A.29, and the corporate risk register which includes high level service/joint risks set out in Parts B and C and in full in Appendix A.

PART A: OVERALL PERFORMANCE (CORPORATE PLAN)

A.1 This report provides an overview of the council's performance and financial position, including progress against the Corporate Plan. The council has five corporate priorities: delivering quality services; responsible growth, regeneration and investment; building resilience in residents and managing demand; transforming local services; and promoting community engagement, facilitating independence and building community capacity.

Key successes and challenges in Q1 2017/18

Resident satisfaction¹

A.2 Overall, residents remain broadly satisfied with the way the council runs things (70%), which is on par with spring last year (74%) and higher than the national (65%) and London (63%) averages. There have been significant improvements in satisfaction with universal services such as waste collection (83%), street lighting (80%) and parks, playgrounds and open spaces (74%) (see paragraph A.22) but fewer residents agree that the council provides value for money (45%), which is slightly down on spring last year (50%) and lower than the national (47%) and London (48%) averages.

Satisfaction with Barnet as a place to live has fallen to 82% (from 89% last spring). However, satisfaction remains higher than the national and London averages (both 80%).

Central Services

A.3 The council is implementing the Customer Transformation Programme and is moving to a digital by default approach, which aims to get the majority of customer contact online. Customer contact via the website has increased by 60% since Q1 last year (from 14,627 to 23,399); whilst telephony and face-to-face contacts have decreased by 13% and 12% respectively. Customer satisfaction has continued to improve, with satisfaction with customer service rising to 90% from 77% in Q1 last year; and website satisfaction rising to 55% from 46% in Q1 last year.

Our response to complaints and Members' enquiries has also improved, with 93% of complaints responded to on time (compared with 89% in Q1 last year); and 99% of Members' enquiries responded to on time (compared with 97% in Q1 last year).

The number of agency staff has fallen by 79 since Q1 last year, which is reflected in a 16% reduction in spend (from £3.9m to £3.3m). Sickness absence has fallen to 7.85 days from 8.35 days in Q1 last year.

A regulatory intervention report has been issued by the Pensions Regulator in relation to the London Borough of Barnet Superannuation Fund. The report related to a fine of £1,000 being issued due to non-completion of the 2016 scheme return (refunded by the service provider). The 2017 scheme return notice is due to be received in September 2017 and will be completed within six weeks of the date of issue of the notice.

¹ The Residents' Perception Survey (RPS) is a representative survey of Barnet residents aged 18 and over. 502 residents were interviewed by telephone in spring 2017 (between 20 April and 17 May 2017).

Adults and Safeguarding

A.4 The Adults and Communities budget for 2017/18 is currently projecting a small overspend of £0.129m (compared to an overspend of £3.885m in Q1 last year). Areas of strong performance this quarter include admissions to residential care for older adults (58.9 per 100,000 population against a target of 92.5 per 100,000 population) and the proportion of people with learning disabilities who live in their own home or with their family (70% against a target of 63.1%). The implementation of strength-based practice in Adult Social Care (ASC) continues to be embedded and is having a positive impact; for example, the new Care Space hubs are providing social care assessments along with a wide range of information and advice services.

Children, Education, Libraries and Safeguarding (CELS)

A.5 Ofsted undertook a Single Inspection Framework (SIF) between 24 April and 18 May 2017. The overall judgement of the inspection was that Barnet's Children's Service is inadequate. Issues about the quality of Children's social care services in Barnet were identified and presented to Members of CELS Committee in September 2015 and July 2016. As a result, a Social Work Improvement Board was established and a major improvement programme work commenced, with Essex County Council as an Improvement Partner. A draft Improvement Action Plan, focused on practice leadership and core social work skills, was presented to CELS Committee on 18 July 2017². The council's aim is to be re-inspected as a "good" service within the next two years. At Council on 25 July 2017 it was agreed that monitoring of the Improvement Action Plan will be through CELS Committee.

The libraries programme is continuing its delivery and Colindale, North Finchley, Osidge and Golders Green libraries have re-opened and are now offering self-service opening to enable residents to enter and use library services during unstaffed hours.

Assets, Regeneration and Growth (ARG)

A.6 There has been good progress on Brent Cross regeneration. Phase 1BN for the Brent Cross Shopping Centre has been submitted and is due before the Planning Committee in September/October 2017 and a separate application for early works has also been submitted; the re-phasing application to make adjustments to the first development plots in Brent Cross South has been approved by Planning Committee; and consultation on the new Thameslink station concluded this quarter.

Significant progress has been made with Tranche 3 of the development pipeline, including the signing of the loan agreement and development agreement with Opendoor Homes; and the first site has been successfully transferred from the council to Opendoor Homes.

Housing

A.7 The council has provided assistance to the London Boroughs of Kensington and Chelsea and Camden via the Emergency Response team following the tragic Grenfell Tower fire, including support from staff and volunteers to help run the Emergency Control Centre and Rest Centres.

Barnet Homes also responded immediately to reassure Barnet residents of their safety by updating the fire risk assessments for all tower blocks and putting enhanced fire safety measures in place where required. Residents of all tower

² Report available on the website at: <http://barnet.moderngov.co.uk/ie/ListDocuments.aspx?CId=697&MId=8692&Ver=4>

blocks six storeys or above and all blocks with cladding of five storeys or above have received several letters to provide reassurance and inform them of the programme agreed by the Housing Committee to invest an initial £10m in a Barnet Homes delivered fire safety enhancement programme in the 24 managed high rise blocks.

A projected overspend of £1.615m within Housing Needs and Resources is being driven by a sustained demand for temporary accommodation. New mitigations have been put in place. The actions being taken to tackle the use of temporary accommodation are set out in paragraph B.32 (tackling homelessness) of this report below.

Environment

A.8 In May 2017 Environment Committee made the decision to run Street Scene services in-house. Following a senior management restructure Street Scene has now joined the newly formed Environment Directorate. The new Depot in Oakleigh Road has been completed and Street Scene services have moved in.

There has been high resident satisfaction with universal services, including waste collection (83%), street lighting (80%) and street cleaning (65%).

A projected overspend of £0.590m for Street Scene represents 4.6% of the total budget. The reasons for this and the responses are set out in paragraph B.37 of this report below.

Corporate Plan indicators

A.9 The Q1 2017/18 position for the basket of indicators in the Corporate Plan has been set out in table 1 below. This shows the majority of indicators (69%) have met target for the first quarter of the year; and most (66%) have improved or stayed the same since last year.

Table 1: Corporate Plan indicators (CPIs) (Q1 2017/18)

	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
All CPIs	69% (27)	3% (1)	10% (4)	18% (7)	66% (31)	34% (16)

A.10 Corporate Plan indicators that have not met target for Central Services are provided below (see paragraph A.11). All other Corporate Plan indicators, along with any Commissioning Plan indicators that have not met target, are captured in **Part B: Performance by Theme Committee**. The quarterly results for all indicators are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>

A.11 Two Corporate Plan indicators for Central Services have not met the quarterly target:

- **CG/S19 Percentage of residents who report that it is easy to access council services (RAG rated RED AMBER)** – 60% against a target of 70%. Whilst satisfaction with customer service has continued to improve; resident satisfaction with accessing council services has decreased since spring 2016 (66%). The reasons for this are unknown but could be attributed to some of the libraries being closed for refurbishment at this time.
- **CG/C34 Percentage of residents who agree that Barnet is a family friendly borough place to live (RAG rated RED)** - 78% against a target of 87%. Families

with children are most positive about Barnet being a family friendly place to live (85%); whilst older people are less positive (bringing the overall result down). This is the same result as in autumn 2016, when the question was first asked. The council will continue to prioritise services such as education, parks and open services to ensure Barnet remains a popular place to live for families.

Corporate Plan Indicators³

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	CG/S22	Council tax collection (not in year)	Bigger is Better	98.5%	Monitor	98.4%	98.5%	Worsening	98.3%	Improving	Outer London 97.0% (2016/17, DCLG)
CPI	CG/S23	Business rate collection (not in year)	Bigger is Better	99.0%	Monitor	99.1%	99.1%	Same	98.1%	Improving	Outer London 98.6% (2016/17, DCLG)
CPI	CG/S14 (RPS - Biannual)	Percentage of residents who are satisfied with the way the council runs things	Bigger is better	74% (Autumn and Spring)	74% (+/- 4.4%pt tolerance)	70% (Spring 2017) (G)	71% (Autumn 2016)	Same	74% (Spring 2016)	Same	London 63% National 65% (February 2017, LGA)
CPI	CG/S19 (RPS - Annual)	Percentage of residents who report that it is easy to access council services	Bigger is better	70% (Spring only)	70% (+/- 4.4%pt tolerance)	60% (Spring 2017) (RA)	Question not asked in Autumn 2016	Question not asked in Autumn 2016	66% (Spring 2016)	Worsening	No benchmark available

³ The Monitor indicators have been included for information.

Corporate Plan Indicators³

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	CG/C34 (RPS – Biannual)	Percentage of residents who agree that Barnet is a family friendly borough place to live	Bigger is better	87%	87% (+/- 4.4%pt tolerance)	78% (Spring 2017) (R)	78% (Autumn 2016)	Same	85% (Spring 2016)	Worsening	No benchmark available
CPI	CG/S24	Satisfaction with customer service (excl. web) ⁴	Bigger is better	89%	89%	90% (G)	91%	Worsening	89%	Improving	No benchmark available
CPI	CG/S25	Satisfaction with the website ⁵	Bigger is better	55%	52%	55% (G)	55%	Same	46%	Improving	No benchmark available

⁴ Targets finalised with CSG after Corporate Plan published. Annual target confirmed as 89%, not 88% as provisionally published.

⁵ Targets finalised with CSG after Corporate Plan published. Annual target confirmed as 55%, not 54% as provisionally published.

OVERVIEW OF BUDGET POSITION

A.12 The forecast General Fund revenue outturn (after reserve movements) is £279.373m, which is a projected overspend of £2.107m (0.8%) compared with the revised budget of £277.265m. See table 2 below.

Table 2: Revenue outturn (Q1 2017/18)

Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Adults and Communities	87,141	87,184	87,313	129	0.1
Assurance	5,859	5,859	6,059	200	3.4
Central Expenses	52,723	52,707	51,407	(1,300)	(2.5)
Commissioning Group	33,838	33,811	34,414	603	1.8
CSG	21,161	21,161	21,361	200	0.9
Education and Skills	6,525	6,483	6,483	-	-
Family Services	52,445	52,445	52,444	(1)	-
Housing Needs and Resources (Barnet Homes)	5,560	5,560	7,175	1,615	29.1
Re	(824)	(824)	(752)	72	8.7
Street Scene	12,881	12,881	13,471	590	4.6
Total	277,308	277,265	279,373	2,107	0.8

A.13 The top contributors to the projected overspend are the Commissioning Group, Housing Needs and Resources, and Street Scene.

- The projected overspend for the Commissioning Group is £0.603m which represents 1.8% of the total Delivery Unit budget. The Commissioning Group now includes environment, parking and infrastructure for budget purposes. The principal reasons for the forecast overspend are the out of hours service (GDIT⁶) contract, shortfall on income in Registrar's and one-off staffing costs supporting projects.
- The projected overspend of £1.615m for Housing Needs and Resources represents 29.1% of the total Delivery Unit budget (£5.560m). The forecast overspend is largely due to a shortfall in rental income between what the council has to pay and what the council can claim (temporary accommodation rents can only be charged at 2011 Local Housing Allowance rates).
- The projected overspend of £0.590m for Street Scene represents 4.6% of the total Delivery Unit budget (£12.881m). The overspend is partially due to a need to increase resources due to higher demand for refuse collection services for new

⁶ General Dynamics Information Technology.

developments, and partially due to a delay in the implementation of MTFS projects. The Street Scene service is developing initiatives to deal with these issues, and will track progress through future quarterly reports.

A.14 The projected outturn on the council's capital programme is £405.804m, £316.589m of which relates to the General Fund programme and £89.215m to the HRA capital programme. This is a variance of £36.721m against the 2017/18 budget of £442.525m. Table 3 below summarises the actual expenditure, budget and variance by service.

Table 3: Capital Outturn (Q1 2017/18)

Service	2017/18 Budget £000	Additions/ (Deletions) £000	(Slippage) / Accelerated Spend £000	Q1 2017/18 Forecast £000	Forecast variance from Approved Budget £000	Forecast variance from Approved Budget %
Adults and Communities	2,035	-	-	2,035	-	0.0
Commissioning Group	51,863	-	-	51,863	-	0.0
Education and Skills	51,489	-	-	51,489	-	0.0
Family Services	19,004	-	(399)	18,605	(399)	(2.1)
Housing Needs and Resources (Barnet Homes)	45,424	-	-	45,424	-	0.0
Parking and Infrastructure	3,886	-	(1,200)	2,686	(1,200)	(30.9)
Re	174,147	8	(34,331)	139,824	(34,323)	(19.7)
Street Scene	4,663	-	-	4,663	-	0.0
General Fund Programme	352,511	8	(35,930)	316,589	(35,922)	(10.2)
HRA (Barnet Homes)	90,014	-	(799)	89,215	(799)	(0.9)
Total Capital Programme	442,525	8	(36,729)	405,804	(36,721)	(8.3)

A.15 The projected capital outturn is £36.721m (8.3%) lower than the latest approved budget, primarily due to slippage. The principal variances from budget and the reasons for these are as follows:

- The forecast capital outturn for Parking and Infrastructure shows slippage from budget of £1.2m. This is due to the additional £2m approved by Policy and Resources (P&R) Committee in June 2017 for highway works being allocated in 2017/18 when only £0.8m is now expected to be spent in 2017/18 and the remainder over the following two financial years.

- The Re capital programme has decreased by £34.323m. This is due largely to slippage on regeneration schemes to 2018/19.
- The HRA forecast shows a decrease of £0.800m, which is due to anticipated delays in projects which are now expected to complete in 2018/19.
- Within Family Services, there is slippage of £0.399m due to a delay of two months in the Youth Zone programme which means that the project will slip into 2018/19.

A.16 In 2017/18 the council budgeted to deliver £19.825m of savings. Table 4 below summarises by Theme Committee the value of savings that have been achieved against the savings programme. As at 30 June 2017, £19.209m of savings are expected to be delivered, which represents 96.9% of the target.

Table 4: Savings (Q1 2017/18)

Service	2017/18 MTFS Savings Target £000	Savings Achieved / Expected to be Achieved £000	Savings Unachievable £000	Savings Expected to be Achieved %
Adults and Safeguarding	4,867	4,867	-	100.0
ARG	4,976	4,760	216	95.7
CELS	3,656	3,656	-	100.0
Environment	3,965	3,565	400	89.9
Policy and Resources	2,361	2,361	-	100.0
Total	19,825	19,209	616	96.9

A.17 Agency expenditure has reduced by £0.634m (16%) in the last year. Table 5 sets out by service the agency staff costs incurred during Q1 2017/18 compared with Q1 2016/17.

Table 5: Expenditure on Agency Staff (Q1 2017/18)

Service	Q1 2016/17 £000	Q1 2017/18 £000	Change %	2017/18 Full Year Forecast * £000
Adults and Communities	743	833	12.1	2,204
Assurance	1	-	-100.0	-
Education and Skills	13	4	-69.2	-
Family Services ^[1]	1,706	1,495	-12.4	5,571
Commissioning Group	952	424	-55.5	843
Parking and Infrastructure	15	7	-53.3	18

^[1] Expenditure is across the whole service, including libraries, and not just social care staff.

Service	Q1 2016/17 £000	Q1 2017/18 £000	Change %	2017/18 Full Year Forecast * £000
Street Scene	509	542	6.5	1,795
Total	3,939	3,305	-16.1	10,431

*Does not include transformation projects

A.18 During Q1 2017/18 there has been an average of 1,710 staff in established posts (1,414 Full Time Equivalent (FTE)) within the four in-house services; along with an average of 362 agency staff (see tables 6 and 7 respectively).

The number of agency staff has fallen by 79 across all services since the last quarter and has fallen most significantly in Family Services, with a reduction of 39 staff (see table 6). A range of measures has been put in place to manage agency staff, including moving people onto permanent and fixed-term contracts. This reduction in agency staff has been reflected by an increase in headcount (125 staff) and FTEs (70 staff).

Table 6: Agency (Q1 2017/18)

	No. of agency staff*	
	Q4 2016/17	Q1 2017/18
Adults and Communities	78	70
Commissioning Group	35	18
Family Services ⁷	156	117
Street Scene	172	156
Overall	441	362

*Figures not FTE and exclude Education and Skills
Source: HR Establishment Pack (average over 3 months)

Table 7a: LBB staff headcount (Q1 2017/18)

	Headcount*	
	Q4 2016/17	Q1 2017/18
Adults and Communities	281	290
Commissioning Group	186	218
Family Services	642	699
Street Scene	476	504
Overall	1,585	1,710

*Figures exclude vacancies and Education and Skills
Source: HR Establishment Pack (average over 3 months)

⁷ This refers to the whole service, including libraries, and not just social care staff.

Table 7b: LBB staff full time equivalent (Q1 2017/18)

	FTE*	
	Q4 2016/17	Q1 2017/18
Adults and Communities	249	257
Commissioning Group	175	202
Family Services	497	515
Street Scene	423	440
Overall	1,344	1,414

*Figures exclude Education and Skills

Source: HR Establishment Pack (average over 3 months)

A.19 Sickness absence has fallen to 7.85 days from 8.35 days in Q1 last year, but continues to be higher than the 6 days target. This is broadly in line with the previous quarter (7.83 days). However, sickness absence has increased in all in-house services, with the exception of Family Services, which has seen a reduction to 6.15 days (from 6.92 days in Q4 2016/17). Work continues to reduce sickness absence across the council.

Table 8: Sickness absence (Q1 2017/18)

	Average days lost per FTE (rolling 12 months)*				
	Q1 2016/17	Q2 2016/17	Q3 2016/17	Q4 2016/17	Q1 2017/18
Adults and Communities	8.85	8.77	9.55	9.71	9.90
Commissioning Group (incl. CEO)	3.75	4.12	3.79	3.94	4.22
Family Services	7.31	7.64	7.63	6.92	6.15
Street Scene	10.30	9.41	8.72	9.59	10.47
Overall	8.35	8.23	7.88	7.83	7.85

*Figures exclude Education and Skills

Source: HR Dashboard (average over rolling 12 months)

Progress on key activities

A.20 The Way We Work and Customer Transformation Programme are key programmes, within Central Services. A progress update on each has been provided below.

- **Implementing The Way We Work** – this programme focuses on preparing the council’s workforce for the office move to Colindale, including ensuring staff have the right tools to be able to work from any location across the borough; and delivering the accommodation and travel arrangements that will enable staff to work effectively. During the quarter, the interior of the new office at Colindale has been redesigned enhancing the capacity to c.1,700 people. A procurement exercise has been carried out to select a furniture provider; and a preferred supplier has been chosen for the electronic document management system (EDMS). An extension to the 125 bus route has been signed off by TfL, with consultation due to start in September 2017, so that it will now be extended from North Finchley (current termination point) to Colindale. Parking options have been investigated and

negotiations taken place with owners to secure parking to meet planning conditions. East Barnet Library has been secured for use as the Family Friendly hub in the east.

- **Continuing to improve customer services** – the council is moving to a digital by default approach, which aims to get the majority of customer contact online. Table 9 shows contact volumes over the past year. Webforms have significantly increased (by 60%); whilst telephony and face-to-face contacts have gone down. However, there has been an increase in the volume of emails received. Despite this increase, 99% of webforms and emails have been responded to within the agreed timeframes (see table 10). Self-service contacts and right first time contacts have also exceeded target (44% and 81% respectively) and both have improved on the previous quarter (see table 10).

Table 9: Contact Centre volumes (Q1 2017/18)

	Q1 2016/17	Q1 2017/18	Change
Webforms	14,627	23,399	+60%
Telephony ⁸	345,835	301,824	-13%
Face-to-face	23,535	20,663	-12%
Emails	4,746	5,592	+18%

A.21 The customer experience dashboard (table 10) shows that 75% of indicators (12 of 16) have met the quarterly target, of particular note are:

- **Customer satisfaction** – satisfaction with customer service (across all channels excluding web) and satisfaction with the website have remained above target at 90% and 55% respectively. The emphasis on continuous improvement has led to web and face-to-face services consistently being ranked in the Top 10 in GovMetric’s satisfaction league tables.
- **Complaints and Members’ enquiries** – 93% of complaints and 99% of Members’ enquiries have been responded to within the agreed timeframes. This has been despite an increase in volume of complaints within Street Scene, as a result of missed bins and garden waste collections. To remedy these issues, an analysis of work distribution has been completed and two new waste vehicles have been acquired, and an additional bin collection round will be introduced in Q2 2017/18. A full review of all business processes within Street Scene will be conducted by the service as part of their continuous improvement. This is envisaged to be completed in Q4 2017/18 following the Street Scene back office and senior management restructure.
- **Contact centre** - calls answered has remained above target at 96%. This has been achieved despite an additional 7,000 calls this quarter, which have been attributed to the snap General Election. Waiting times for non-appointments (two minutes and 30 seconds) has improved and remains well within the five minutes target.

⁸ Figure does not include desk phones.

However, the following areas have been identified for improvement:

- **Cases delivered within agreed timeframes⁹** - this has fallen to 83% (from 87%). Revenues and Benefits have had the biggest influence on this, accounting for over 80% of all cases. In particular, the annual council tax cycle has impacted on performance at the start of the year, with performance below 80%. This has now improved to 92% in June 2017. Also, Street Scene has been well below target at 76%. Staff shortages have resulted in cases not being closed on the system (Lagan) and this has affected the quarterly result. A backlog of cases (mainly missed bin collections) awaiting processing has been reported and should be resolved in Q2 2017/18. This has also impacted on cases for customers needing additional support, with the overall percentage of cases delivered within the agreed timeframe falling to 88% (from 91%).
- **Case closure survey** – ‘very good’ and ‘good’ responses combined has fallen to 62% (from 66%); and has been attributed to some negative feedback concerning planned library closures and missed green bins.
- **Desk phones answered** – at 77%, this has remained significantly below the 95% target. To address this, reminders have been sent to staff; and data quality and reporting are being overhauled. Robust reporting on verified data will validate the improvement measures put in place.

Table 10: Customer experience dashboard (Q1 2017/18)

Indicators	Q1 2017/18 Target	Q4 2016/17 Result	Q1 2017/18 Result	DoT
Customers that rate customer service as 'Good' (GovMetric)	89%	91%	90%	↓
Customers that rate the website as 'Good' (GovMetric)	53%	55%	55%	→
Self-service contacts	42%	42%	44%	↑
Right first time contacts	72%	79%	81%	↑
CSG Webforms responded to within SLA (5 days)	95%	100%	99%	↓
CSG Emails responded to within SLA (5 days)	95%	100%	99%	↓
Complaints responded to within SLA	90%	91%	93%	↑
Members Enquiries responded to within SLA (5 days)	98%	99%	99%	→
Members Enquiries cases closed in 5 days	-	79%	79%	→
Contact centre calls answered in total, including IVR ¹⁰	95%	96%	96%	→

⁹ A 'case' is defined as 'an action incumbent on the council. This could include tasks such as fixing a boiler or arranging housing for a resident.

¹⁰ Re, CSG and Barnet Homes. Barnet Homes target is 92%.

Indicators	Q1 2017/18 Target	Q4 2016/17 Result	Q1 2017/18 Result	DoT
Cases delivered within SLA ¹¹	94%	87%	83%	↓
Cases delivered within SLA for customers needing additional support	94%	91%	88%	↓
Case Closure Survey (sum of 'Very good' and 'Good' ratings)	65%	66%	62%	↓
Non-appointment average wait (min) ¹²	5 min	2 min 37 sec	2 min 30 sec	↑
Appointment avg wait (min) ¹³	5 min	n/a	0 sec	➡
FOIs resolved within SLA	90%	97%	96%	↓
Council desk phones answered in total	95%	77%	77%	➡

Resident satisfaction

A.22 The Residents' Perception Survey (RPS) is a representative survey of Barnet residents aged 18 and over. 502 residents have been interviewed by telephone between 20 April 2017 and 17 May 2017 (spring 2017)¹⁴ and the results compared with the previous year (spring 2016). The survey measures the council's reputation, satisfaction with services and local area perceptions, as well as a range of demographic and usage indicators. The latest results show that:

- 82% of residents are satisfied with Barnet as a place to live – 2% points higher than the national and London averages (both 80%); and down 7% points from spring 2016 (89%).
- 78% of residents agree that Barnet is a family-friendly place to live – the same as in autumn 2016 (the first time this question was asked).
- 70% of residents are satisfied with the way the council runs things – 5% points higher than the national average (65%); and 7% points higher than the London average (63%) - down 4% points from spring 2016 (74%).
- 45% of residents agree that the council provides value for money – 2% points lower than the national average (47%); and 3% points lower than the London average (48%) - down 5% point from spring 2016 (50%).

¹¹ Data covers Parking, Assisted Travel, Highways and Planning, and Revenues and Benefits

¹² Average wait time = 729 hours/17,504 visits. The figure excludes 3,143 non-appointment visits to Housing Options. Average wait times for Housing Options has fallen from 11 min 5 sec to 9 min 15 sec (Q4 2016/17 to Q1 2017/18).

¹³ 16 pre-booked appointments,

¹⁴ The confidence interval for a sample of 500 is +/-4.4% (i.e. if we surveyed the whole population we can be confident that the results would be the same +/- 4.4%). This is reflected in the target tolerance and DOT for the indicators in the Corporate Plan and Commissioning Plans. National and London averages are from the LGA public poll on resident satisfaction (February 2017) – a representative random sample of 1,007 British adults (aged 18 or over) interviewed by telephone between 2 and 5 February 2017. The London averages are made up of three waves each financial year to provide adequate regional sample sizes.

- The top three concerns for residents continue to be condition of roads and pavements (35%), crime (32%) and lack of affordable housing (28%); however the ranking of each has been affected by seasonal variation.
- The highest rated universal services are:
 - Waste collection (83%) – 6% points higher than the national average (77%) and 5% points higher than the London average (78%) - up 7% points from spring 2016 (77%)
 - Street lighting (80%) - 10% points higher than the national average (70%) - up 7% points from spring 2016 (73%)
 - Parks, playgrounds and open spaces (74%) – up 8% points from spring 2016 (66%).
- The lowest rated universal services are:
 - Road maintenance (38%) – 4% points lower than national average (42%) and 18% points lower than the London average (56%) - up 11% points from spring 2016 (27%)
 - Pavement maintenance (36%) – 15% points lower than the national average (51%) and 22% points lower than the London average (58%) - up 3% points from spring 2016 (33%)
 - Parking services (31%) - up 3% points from spring 2016 (28%).¹⁵

OVERVIEW OF CORPORATE RISKS

A.23 The corporate risk register (Appendix A) includes strategic risks and high level service/joint risks (scoring 15 and above). Risks are managed in line with the council's risk management framework, where the following definitions apply:

- Tolerate – this means **accepting the risk** with the existing controls and mitigations in place
- Treat – this means **actively managing the risk** through the implementation of additional mitigating actions.

A.24 The risk registers are live documents with new risks emerging and risk scores changing at any time. The risks set out in the corporate risk register provide a snapshot in time (as at June 2017).

Strategic risk register

A.25 The strategic risk register includes 17 risks overall, which are being managed in line with the council's risk management framework. Three are high level risks with a residual risk score¹⁶ of 15 or above. One is a *finance* risk being managed as 'tolerate':

- **STR004 - Future financial pressures and uncertainty (risk score 20, increased from 15)**. This risk relates to the uncertainty and lack of clarity on the impact of changes in the national and regional political landscape. This risk is being managed as tolerate as there is little more that Barnet Council can do to minimise the risk of

¹⁵ A London average is not available.

¹⁶ The residual risk score is an assessment based on how the risk is currently being managed. It considers how well the controls and/or mitigations currently in place are working.

central government changing policy. Existing mitigations centre on regular liaison with central government contacts and lobbying. The likelihood score has increased from 3 to 4, resulting in an increased residual risk score. This is a response to the change of government and non-inclusion of business rate devolution in the Queen's Speech, which has led to increased uncertainty around Government funding.

A.26 The other two are *finance* and *statutory* risks being managed as 'treat':

- **STR003 - Delivery of transformation programmes (risk score 15).** The mitigating actions are intended to ensure that all transformation programmes are delivered to deadline and within budget. The audit programme for 2017/18 includes a number of transformation programmes, including a specific audit in Q2 2017/18 that will focus on benefits realisation and indicate the robustness of the council's approach to managing project benefits. The risk management framework has been refreshed and to support the embedding of this across transformation programmes, risk training has been delivered. The work to further embed this will continue.
- **STR007 - Significant safeguarding incident (risk score 15).** The likelihood of a significant safeguarding incident occurring can never be completely mitigated. However, the likelihood of the risk occurring will be reduced through practice improvement and quality assurance activity within Adults and Communities and Family Services. The Practice Improvement Plan within Family Services is being reviewed in light of the Ofsted inspection.

A.27 Overall the majority of risks on the strategic risk register have the "same" residual risk score as last quarter. However, two risks have an increased residual risk score.

- **STR002 - Capacity for business continuity responsiveness (risk score 12, increased from 8).** In light of recent external incidents (e.g. cyber-attacks and terror attacks), the residual risk likelihood score has increased from 2 to 3, resulting in an increased residual risk score. Business Continuity meetings are being held quarterly, with the last one for the quarter on 31 May 2017. A 'Move to Critical' exercise took place on 2 May 2017, and was discussed at Strategic Commissioning Board on 18 July 2017. A further exercise is planned for November 2017. This will focus on either a potential malware attack or our ability to mobilise a timely and effective response to an emergency incident.
- **STR004 - Future financial pressures and uncertainty (risk score 20, increased from 15).** See paragraph A.25 above.

A.28 Three new risks have been added to the strategic risk register during the quarter. Two are *business continuity* risks and one is a *health and safety* risk. All have been given a residual risk score of 8.

- **STR017 - Exposure to cyber-security attack (risk score 8).** This has been added in light of recent attacks that affected the NHS and Parliament. The risk focuses on our exposure through connecting to untrusted networks, with controls and mitigations ensuring adequate policies and security controls are applied. Additional mitigating actions are being developed.

- **STR018 - Incident management (risk score 8).** This risk complements STR017 and focuses on our potential failure to respond effectively to an information security incident (e.g. a cyber-security attack). The controls and mitigations include incident management policies; and regular assessment of information assets. Additional mitigating actions are being developed.
- **STR019 - Fire health and safety (risk score 8).** This has been added in light of the Grenfell Tower incident. The risk complements an existing strategic risk, STR012 Potential health and safety incident, whilst focusing more specifically on compliance with policies and procedures relating to fire health and safety; audits and inspections; and fire risk assessments. It also reflects service level risks identified on the joint risk registers with CSG (CSG21 Building compliance) and The Barnet Group (TBG006 Health and safety/compliance incident). The existing programme of compliance work has been supplemented; and will include a review of the council's and housing association's properties. A full report went to Housing Committee on 26 June 2017 and a further report (picking up on commercial buildings with flats above them) went to ARG Committee on 24 July 2017. See paragraph C.17 below for more information.

A.29 Two risks have closed this quarter. One was a *finance* risk and the other a *statutory duty* risk.

- **STR005 – Growth assumptions in the budget (risk score 15).** This risk relates to not meeting growth assumptions in the budget as a result of income targets not being met or transformation programmes not being delivered successfully. Income generation and programme delivery risks are managed and mitigated in other risk registers, therefore there is little that the risk owner can do to reduce the risk beyond those actions. It has been proposed that this risk be closed, as it is captured as part of risk STR004.
- **STR015 - Effective running of the democratic process (risk score 8).** A snap General Election was held on 8 June 2017; and in the run up to this, the Elections Project Board, chaired by the Chief Executive (and Returning Officer), met on a weekly basis to mitigate any risk. The risk manager has suggested that any elections risk is captured in the existing risk STR014 – Implementation of Elections Review.

Additional risk information

A.30 Information on the high level service risks (scoring 15 or above) for Central Services is provided below (see paragraph A.31). All other high level service/joint risks are captured in **Part B: Performance by Theme Committees** or **Part C: Contract Performance**.

A.31 The Assurance and Commissioning Group risk registers cover Central Services. There are 19 risks on each risk register, which are being managed in line with the council's risk management framework. Neither register has any high level risks (scoring 15 or above); and there has been no movement of residual risk scores on either of them this quarter.

PART B: PERFORMANCE BY THEME COMMITTEE (COMMISSIONING PLANS)

Theme Committee performance indicators

- B.1 The Q1 2017/18 position for the basket of indicators in the Theme Committee Commissioning Plans has been set out in table 11 below. This shows the majority of indicators (74%) have met target for the first quarter of the year; and most (63%) have improved or stayed the same since last year.
- B.2 The indicators that have not met target (RAG rated as Amber and Red) have been outlined for each Theme Committee (in the relevant section below), with detailed comments provided for indicators RAG rated as Red¹⁷.

Table 11: Theme Committee Indicators (Q1 2017/18)

Theme Committee	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
Central Services	80% (4)	0% (0)	0% (0)	20% (1)	71% (5)	29% (2)
Adults and Safeguarding	81% (13)	0% (0)	6% (1)	13% (2)	53% (9)	47% (8)
Public Health and Wellbeing	60% (12)	5% (1)	5% (1)	30% (6)	56% (9)	44% (7)
CELS	86% (12)	7% (1)	0% (0)	7% (1)	50% (6)	50% (6)
ARG	100% (4)	0% (0)	0% (0)	0% (0)	43% (3)	57% (4)
Housing	75% (3)	25% (1)	0% (0)	0% (0)	58% (11)	42% (8)
Environment	76% (13)	0% (0)	12% (2)	12% (2)	88% (15)	12% (2)
Community Leadership	50% (2)	0% (0)	25% (1)	25% (1)	57% (4)	43% (3)
All CPIs and SPIs¹⁸	74% (61)	4% (3)	6% (5)	16% (13)	63% (64)	37% (38)

¹⁷ Target not met and less than 65% of targeted improvement achieved.

¹⁸ CPI = Corporate Plan indicator; SPI = Commissioning Plan indicator.

ADULTS AND SAFEGUARDING COMMITTEE

B.3 The priorities for Adults and Safeguarding Committee are to implement strength-based practice ASC; integrate local health and social care services to prevent crises and help individuals stay well and in their own homes; diversify Barnet's accommodation offer to help more people live independently; transform day care provision to ensure that people remain active and engaged through access to employment and volunteering; and improve the borough's leisure facilities to support and encourage active and healthy lifestyles.

Budget position

Revenue					
Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Adults and Communities	87,141	87,184	87,313	129	0.1

B.4 The revenue budget for Adults and Communities is forecast to overspend by £0.129m:

- ASC has experienced significant and increasing demand for services and increasing complexity in those supported since 2014/15. Following intensive work within the service to implement effective financial controls and substantial corporate investment by the council, as well as allocation of funding from the Better Care Fund (BCF)/iBCF to mitigate this increased demand, care costs are currently being forecast to come in on budget. Because social care is a demand led service, careful management will be needed to maintain this level of expenditure and the position may change if demand or complexity increases during the year.
- The Deprivation of Liberty Safeguards (DOLS) service also continued to have significant pressures in 2017/18, as a result of Supreme Court judgements in 2014/15 and a loss of grant funding since 2015/16.

Capital						
Service	2017/18 Budget £000	Additions/ (Deletions) £000	(Slippage) / Accelerated Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Slippage %
Adults and Communities	2,035	-	-	2,035	-	-

B.5 The capital outturn for Adults and Communities is currently expected to be in line with budget.

Progress on key activities

B.6 Social care services for adults have a key role to play in improving the lives of Barnet's most vulnerable residents. The council works with housing, education and health sector partners to enable people to stay independent, in control of their lives and live for longer in their own homes. A progress update on key activities has been provided below.

- **Implementing strength-based practice** - strengths-based practice has continued to be embedded within ASC, with particular focus on work with adults with learning disabilities. The new mental health enablement pathway went live this quarter and has seen a substantial increase in referrals since April 2017. Mental health community enablement services are developing in order to support some adults with more challenging needs and adapting to respond to these through new services such as anger management courses.

The new Care Space hubs continue to provide social care assessments along with a wide range of information and advice services from the council's voluntary sector partners and its strategic telecare partner.

A local area coordination approach for Barnet has been developed, which will focus on localised community engagement and on working one to one with adults and their families to help them to achieve their wellbeing outcomes, self-manage their needs and help them to stay independent for as long as possible.

Barnet is leading a national event early in Q2 2017/18, which will share the council's work on strength-based practice with other local authorities from across the country.

- **Integrating local health and social care** - the Joint Commissioning Executive Group – whose membership now includes provider organisations as well as commissioners - has approved the development of a Care Strategy and developed a vision for Care Closer to Home in Barnet, aiming to provide more care outside hospital settings and from within the community. Three Care Closer to Home Integrated Networks (CHINs) have been approved by the Clinical Commissioning Group (CCG). The first CHIN will be in Burnt Oak, covering a population of 51,000, and will go live from 1 October 2017.

The Barnet community dementia service is jointly commissioned and covers early intervention, advice, support, diagnosis and treatment. The Barnet Dementia Hub in Hendon, which was launched in May 2017, provides a range of activities – cognitive, physical and social – for people with dementia by trained staff and volunteers. These services are fully integrated with the Barnet Memory Assessment Clinic, commissioned by the CCG.

The NCL Transforming Care Partnership (TCP), which supports people with learning disabilities and autism to move out of long-term hospital settings, has acknowledged that Barnet is performing highly in relation to its objectives. All Barnet TCP patients have now been discharged to supported living (with the exception of a group of eight patients within a specialist residential service who are subject to legal orders that require consent to any planning for a move). There

have been no new admissions to hospitals during 2016/17 and the successful admissions avoidance process is being shared within the TCP.

- **Diversifying Barnet's ASC accommodation offer** - the council continues to mobilise the new range of accommodation and support options, which will ensure that people have flexible, person-centred services that are able to respond to their specific needs and enable them to be supported in the community and develop their independence.

The council will be reopening the framework to attract more specialist mental health providers, ensuring the Accommodation and Support offer is responsive to the varied needs of mental health clients so that they get the right support to enable them to remain in the community and avoid them escalating to more acute services and to support people to become more independent.

- **Transforming day care provision** - on 12 June 2017 the Adults Safeguarding Committee agreed the My Time My Choice commissioning plan for day opportunities and employment support for working age ASC service users, which sets out how the council will create a sustainable approach to supporting working age ASC service users to have greater choice and control of their day; to access sustainable community based activities; to progress towards greater independence and to increase the number of ASC care service users entering and retaining employment.

On 23 May 2017 Barnet went out to tender for a range of new day opportunity and employment support services for Care Act eligible service users. The new services will provide a greater choice of person centred options enabling service users with a range of different needs to develop their resilience and their independence and should support people to live well in the community and reduce the need for more intensive and high cost interventions avoiding people unnecessarily escalating to higher dependency services.

- **Expanding evidence-based prevention and early support** - the council is committed to strengthening its preventative work to support those with either established health and social care needs or escalating needs to maximise their independence and wellbeing and achieve the outcomes they want for their lives.

A new provider has been commissioned for telecare services, expanding the assistive technology offer to reach more people and embed the use of technology as part of mainstream care provision, mobilise innovation for the benefit of residents and support the commitment to prevent, reduce and delay social care needs. This will support people to live independently for longer and provide greater assurance for family members and carers.

The council continues to improve the provision and co-ordination of information and advice to help people to make informed choices about their health and wellbeing. To support this aim, extensive engagement has been carried out with the voluntary and community sector and relationships built with community organisations to address gaps in support through non-commissioned solutions (e.g. dementia friendly swimming, Silver Week, employee led volunteering opportunities).

- **Prioritising the needs of carers** – the council is committed to ensuring that carers are supported, so they can maintain their own health and wellbeing, achieve the outcomes they desire and be sustained in their caring role. In June 2017, the council supported Carers Week in conjunction with the Lead Provider helping to raise awareness of and championing carers, highlighting the challenges that they face and the contribution they make to families and communities and promoting local support available to carers.

Good progress continues to be made on the Carers and Young Carers Strategy Action Plan and the new contract for integrated support services for carers and young carers continues to be delivered and is performing well. The Lead Provider continues to engage with carers and young carers regarding the quality of services, considering gaps in service provision and developing new carers support groups and activities. The council continues to be a member of the Employers for Carers Scheme and will continue to promote the scheme.

- **Implementing the new ASC case management system** - the Mosaic case management system has been launched and is in use across the service. Work is still required to finalise the configuration and embed the system, and a plan to complete this phase of the programme is being developed for review by the programme board early in Q2 2017/18.
- **Improving leisure facilities and physical activity** - the new Sport England Active Lives survey, which provides a national benchmark, shows that 76% of Barnet's population (aged 16+) have taken part in sport and physical activity at least twice in the last 28 days. Barnet will also participate in Sport England's pilot of the Active Lives Children and Young People's survey, which will be carried out during Q2 2017/18.

Since the adoption of the Fit and Active Barnet Framework (March 2017), the first Fit and Active Barnet Partnership event has been held in May 2017 and included representation from a cross-section of organisations and stakeholders.

The procurement of a new leisure management contract has continued on schedule. The new management contract, which will take effect from 1 January 2018, includes the requirement to support the co-ordination and delivery of increased participation and improved health outcomes.

Performance indicators

Adults and Safeguarding

B.7 Three Corporate Plan indicators for Adults and Safeguarding Committee have not met the quarterly target (see below). All Commissioning Plan indicators for Adults and Safeguarding Committee have met the quarterly target.

- **AC/S29 Number of instances of information, advice and guidance provided to carers (RAG rated RED)** – 724 against a target of 825. This measure takes into account instances of information, advice and guidance provided by the council's specialist Voluntary and Community Sector partners as well as by social care staff and the council is working with its partners to understand the cause for this fall since last year. Carers' assessments also have been relatively low and work will

continue with staff to increase the number of carers' assessments. A range of services and support for carers remains available through the Carers and Young Carers Strategy Action Plan and these are performing well. The council continues to participate in the Employers for Carers Scheme and supported Carers' Week in June 2017.

- **AC/C12 Number of delayed transfers of care from hospital per 100,000 population (aged 18+) which are attributable to both NHS and ASC (RAG rated RED AMBER)** - 9.9 against a target of 7.4; **AC/C13 Number of delayed transfers of care from hospital, and those which are attributable to ASC, per 100,000 population (RAG rated RED)** – 5.5 against a target of 2.5. Indicators that relate to adults being discharged from hospital are demonstrating the challenges facing the NHS and social care to respond to increased demand and complexity. Following a 'deep dive' review exercise in Q4 2016/17, a programme of work is underway with Barnet Clinical Commissioning Group to reduce delays.

Public Health

B.8 Three Corporate Plan indicators and five Commissioning Plan indicators for Public Health¹⁹ have not met the quarterly target:

- **PH/S3 Excess weight in 10-11 year olds (RAG rated RED)** - 34.43% against a target of 32%. A number of initiatives are in place to reduce levels of excess weight in 10-11 year olds. This includes a tier 2 weight management programme (Alive & Kicking) for 4-12 year olds and a School Time Obesity Prevention programme delivered in Years 3, 4 and 5. The Healthy Weight Nurse team also work with children and parents/carers identified as above the 98th centile for weight. Recently, a new top priority school list based on the National Child Weight Management Programme (NCMP) results has been developed to help target work in particular schools to help reduce obesity levels. Barnet has also been involved with the Great Weight Debate - a London conversation on childhood obesity - and has been encouraging residents to have their say on the issue. A new initiative around trans fats has commenced within secondary schools. This highlights the dangers of trans fats and what to look out for when purchasing foods in popular take away outlets, allowing young people to make better informed choices.
- **PH/S4 Rate of hospital admissions related to alcohol (RAG rated RED AMBER)** – 420.9 against a target of 420. An early intervention approach has been taken to combat harmful drinking in Barnet to reduce rates of alcohol-related illness and injury. This is delivered via the Adult Substance Misuse Service (SMS) Hospital Liaison Pathway; and the Young People's SMS alcohol work. The Adult SMS Hospital Liaison Pathway uses early intervention via screening to engage with harmful and hazardous drinkers. The Barnet Adult SMS funds a Hospital Liaison Nurse who is based at Barnet Hospital and works as part of the Hospital Alcohol Liaison team. Recent developments have included joint engagement work with Barnet's Young People's SMS, involving meeting with the A&E Medical and Nursing Staff and Paediatric team to discuss training of staff and referrals into Adult and Young People's SMS. Other action includes extended intervention within alcohol

¹⁹ Public Health report a quarter in arrears, so indicators relate to Corporate Plan - 2016/17 addendum.

clinics, signposting to support groups and referral and follow-up of dependent drinkers. The Young People's SMS delivers advice, training and safe drinking messages to young people via the Barnet Schools Network and SMS Education Portal. The Young People's SMS is also developing protocols for young people's alcohol-related hospital admissions (e.g. alerts for 'frequent flyers'), and training local statutory and voluntary organisations (e.g. the Barnet Young Carers and the Children and Adolescent Mental Health Services), in order to reduce young people's alcohol-related hospital attendance and admissions.

- **PH/S5 Smoking Prevalence (RAG rated RED)** - 14.8% against a target of 13%. A smoking cessation co-ordinator has been working with providers to get more providers set up and advisors trained. This has included training for new smoking advisers and updated training for existing providers; training for volunteers from Barnet Healthwatch to deliver brief advice and signpost smokers to a local pharmacy or GP practice. In addition, a Specialist Smoking Cessation consultant has been appointed who is working one day a week to help improve the quality of delivery in pharmacies and GP practices, including rewriting specifications to make them clearer for practitioners; strengthening clinical governance in the specification for community based providers; and looking again at the payments by results to bring them more in line with other boroughs and to increase the incentives for achieving a successful quit.
- **PH/C6 Percentage of people with needs relating to STIs contacting a service who are offered to be seen or assessed with an appointment or as a 'walk-in' within two working days of first contacting the service (RAG rated GREEN AMBER)** - 97.3% against a target of 98%. The sexual health Genito-Urinary Medicine (GUM) service is an open access service with walk in clinic sessions.
- **PH/C1 Successful treatment - non-opiate users (RAG rated RED)** - 29.3% against a target of 33%; **PH/C2 Successful treatment - alcohol users (RAG rated RED)** - 33.5% against a target of 42.0%; **PH/C3 Successful treatment - non-opiate and alcohol users (RAG rated RED)** - 25.0% against a target of 32%; **PH/C4 Re-presentations - opiate users (RAG rated RED)** - 14.3% against a target of 12%. Weekly tracking of completions will continue to take place across both treatment and recovery hubs. "Low dosage" reports will be reviewed to highlight any service users who are progressing to the end of their treatment; and all discharges will be scrutinised, including the follow-up phase before the case is closed.

Adults and Safeguarding Indicators

Corporate Plan Indicators²⁰

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	AC/S29	Number of instances of information, advice and guidance provided to carers	Bigger is Better	3300	825	724 (R)	642	Improving	758	Worsening	No benchmark available
CPI	AC/S25	Percentage of Social Care Direct customers who are satisfied or very satisfied with the service they have received post resolution	Bigger is Better	85%	85%	96% (G)	100%	Worsening	100%	Worsening	No benchmark available
CPI	AC/C17	Percentage of contacts that result in a care package	Smaller is Better	Monitor	Monitor	18.2%	21.0%	Improving	15.0%	Worsening	No benchmark available

²⁰ The Monitor indicators have been included for information.

Corporate Plan Indicators²⁰

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	AC/S3 (ASCOF 1G)	Percentage of adults with learning disabilities who live-in their own home or with their family	Bigger is Better	65%	63.1%	70.0% (G)	71.6%	Worsening	64.2%	Improving	CIPFA 68.8% London 70.1% (2015/16, ASCOF)
CPI	AC/S4 (ASCOF 1E)	Percentage of adults with learning disabilities in paid employment	Bigger is Better	10.8%	9.9%	9.9% (G)	10.9%	Worsening	9.3%	Improving	CIPFA 9.9% London 7.5% (2015/16, ASCOF)
CPI	AC/S5 (ASCOF 1F)	Percentage of adults with mental health needs in paid employment	Bigger is Better	7.5%	6.5%	7.6% (G)	7.6%	Same	7.2%	Improving	CIPFA 6.5% London 5.0% (2015/16, ASCOF)
CPI	AC/S6 (ASCOF 1H)	Percentage of adults with mental health needs who live independently, with or without support	Bigger is Better	83.0%	81.5%	83.1% (G)	84.2%	Worsening	81.6%	Improving	CIPFA 74.4% London 73.5% (2015/16, ASCOF)

Corporate Plan Indicators²⁰

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	AC/S9 ASCOF 2A (2)	Permanent admissions to residential and nursing care homes, per 100,000 population age 65+	Smaller is Better	500	92.5	58.9 (G)	119.9	Improving	80.0	Improving	CIPFA 445.2 London 516.5 (2015/16, ASCOF)
CPI	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	Smaller is Better	7.3	7.4	9.9 (RA)	9.9	Same	7.5	Worsening	CIPFA 8.8 London 7.8 (2015/16, ASCOF)

Corporate Plan Indicators²⁰

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	AC/C13	Number of delayed transfers of care from hospital, and those which are attributable to adult social care, per 100,000 population	Smaller is Better	2.5	2.5	5.5 (R)	5.1	Worsening	3.3	Worsening	CIPFA 3.6 London 3.3 (2015/16, ASCOF)
CPI	AC/C14	Permanent admissions to residential and nursing care homes, per 100,000 population age 18-64	Smaller is Better	15.0	4.0	0.0 (G)	1.3	Improving	1.3	Improving	No benchmark available
CPI	AC/C16	Number of referrals to hospital social work teams	Smaller is Better	Monitor	Monitor	225	697	Improving	181	Worsening	No benchmark available

Corporate Plan Indicators²⁰

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	AC/C21	Working age adults who have moved out of residential care into stable accommodation	Monitor	Monitor	Monitor	5.53	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available

Commissioning Plan Indicators (not met target)²¹

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	NEW - TBC	Proportion of referrals that result in an assessment	Monitor	Monitor	Monitor	31.2%	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available

²¹ The Monitor indicators have been included for information.

Commissioning Plan Indicators (not met target)²¹

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	AC/S27	Percentage of customer contacts into Social Care Direct resolved at first point of contact	Bigger is Better	Monitor	Monitor	63.7%	54.0%	Improving	61.0%	Improving	No benchmark available

Public Health Indicators²²

Corporate Plan Indicators

Ref		Indicator	Polarity	2016/17 Annual Target	Q4 2016/17 Target	Q4 2016/17 Result	Q3 2016/17 Result	DOT Short-Term (From Q3 2016/17)	Q4 2015/16 Result	DOT Long-Term (From Q4 2015/16)	Benchmarking
CPI	PH/S2	Excess weight in 4-5 year olds (overweight or obese)	Smaller is Better	21.0%	21.0%	19.2% (G)	19.2%	Same	19.9%	Improving	England 22.1% London 22.0% (June 2017, PHOF)

²² Reported a quarter in arrears, so data is for Q4 2016/17.

Ref		Indicator	Polarity	2016/17 Annual Target	Q4 2016/17 Target	Q4 2016/17 Result	Q3 2016/17 Result	DOT Short-Term (From Q3 2016/17)	Q4 2015/16 Result	DOT Long-Term (From Q4 2015/16)	Benchmarking
CPI	PH/S3	Excess weight in 10-11 year olds (overweight or obese)	Smaller is Better	32.0%	32.0%	34.4% (R)	34.4%	Same	32.6%	Worsening	England 34.2% London 38.1% (June 2017, PHOF)
CPI	PH/S4	Rate of hospital admissions related to alcohol	Smaller is Better	400	400	421 (RA)	425	Improving	425	Improving	No benchmark available
CPI	PH/S5	Smoking Prevalence	Smaller is Better	13.0%	13.0%	14.8% (R)	14.6%	Worsening	13.2%	Worsening	England 15.5% London 15.2% (June 2017, PHOF)
CPI	PH/S7	Physical activity participation	Bigger is Better	59.0%	59.0%	59.5% (G)	59.5%	Same	58.5%	Improving	England 57.0% London 57.8% (June 2017, PHOF)

Commissioning Plan Indicators (not met target)

Ref		Indicator	Polarity	2016/17 Annual Target	Q4 2016/17 Target	Q4 2016/17 Result	Q3 2016/17 Result	DOT Short-Term (From Q3 2016/17)	Q4 2015/16 Result	DOT Long-Term (From Q4 2015/16)	Benchmarking
SPI	PH/C6	Percentage of people with needs relating to STIs contacting a service who are offered to be seen or assessed with an appt or as a 'walk-in' within two working days of first contacting the service	Bigger is Better	98.0%	98.0%	97.3% (GA)	99.8%	Worsening	99.7%	Worsening	No benchmark available
SPI	PH/C1 1	Successful treatment - non-opiate users	Bigger is Better	33.0%	33.0%	29.3% (R)	35.6%	Worsening	31.5%	Worsening	National 40.2% (June 2017, National Adult Quarterly Activity Partnership Report)

Ref		Indicator	Polarity	2016/17 Annual Target	Q4 2016/17 Target	Q4 2016/17 Result	Q3 2016/17 Result	DOT Short-Term (From Q3 2016/17)	Q4 2015/16 Result	DOT Long-Term (From Q4 2015/16)	Benchmarking
SPI	PH/C1 2	Successful treatment - alcohol users	Bigger is Better	42.0%	42.0%	33.5% (R)	41.0%	Worsening	37.8%	Worsening	National 40.1% (June 2017, National Adult Quarterly Activity Partnership Report)
SPI	PH/C1 3	Successful treatment - non-opiate and alcohol users	Bigger is Better	32.0%	32.0%	25.0% (R)	33.3%	Worsening	24.0%	Improving	National 37.5% (June 2017; National Adult Quarterly Activity Partnership Report)
SPI	PH/C1 4	Re-representations - opiate users	Smaller is Better	12.0%	12.0%	14.3% (R)	13.8%	Worsening	28.6%	Improving	National 17.8% (June 2017, National Adult Quarterly Activity Partnership Report)

Risk management

B.9 The Adults and Communities risk register includes 20 risks overall, which are being managed in line with the council's risk management framework. Five are high level risks with a residual risk score of 15 or above. Of these, four are *compliance* risks and one is a *business continuity* risk. All are being managed as 'treat'.

- **AC001 - Increased overspend to meet statutory duties (risk score 15, reduced from 20).** This is being addressed by an in year recovery plan which includes tighter spending controls, and more senior management involvement on care spend. The new social care monies allocated by Central Government have been allocated to priority areas of spend and preventative services and the distribution supported by Adults and Safeguarding Committee in June 2017. The Adults and Communities budget has been reprofiled to reflect projected demand more closely. Overall the risk is showing as reducing.
- **AC002 - Failure of care provider (risk score 16).** The service has a number of actions in place to ensure that providers do not fail including a programme of quality assurance measures. Recruitment of additional staff is underway for both community and accommodation based sectors working on practice sharing and strategic improvement. The service is also reviewing options for a contract management and monitoring system to improve analysis of trends and support early intervention, and piloting a joint approach to monitoring the market across London as developed by London Association of Directors of Adult Social Services (ADASS) commissioning leads.
- **AC003 - Unacceptable level of quality services provided by care providers (risk score 16).** This is being addressed through a programme of quality assurance, practice improvement and provider support.
- **AC004 - Surge in demand from NHS (risk score 15).** This is being addressed by Adult and Communities senior managers attending monthly meetings between Barnet Council, the Clinical Commissioning Group and NHS Provider Trusts to discuss and manage pressures in the system.
- **AC011 - Breach of mental capacity act or code of practice (risk score 16, increased from 15).** Work has been carried out with the Deprivation of Liberty Safeguards (DoLS) team to review procedures and practice in light of the potential for a new legal framework and ADASS guidance around 'triggers'. The Quality Board has met to agree a programme of audit and assurance work during 2017/18 and an internal audit of case management and recording has taken place.

B.10 Overall the majority of Adults and Communities risks have the "same" residual risk score as last quarter. However, three risks have an "increased" residual risk score and one risk has a "reduced" residual risk score. Three new risks have been added to the risk register during the quarter. Other than AC01 and AC011 above, none of these are high level risks (residual risk score of 15 or over).

B.11 The Public Health risk register includes four risks overall, which are being managed in line with the council's risk management framework. None have a residual risk

score of 15 or above; and one has a “reduced” residual risk score. No new risks have been added to the risk register during the quarter.

CHILDREN, EDUCATION, LIBRARIES AND SAFEGUARDING (CELS) COMMITTEE

B.12 The priorities for the CELS Committee are to work with partners to make Barnet the most family-friendly borough in London by 2020; ensure effective and robust safeguarding arrangements for vulnerable children and young people; ensure education that is among the best in the country; and deliver a 21st Century library service.

Budget position

Revenue					
Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Family Services	52,445	52,445	52,444	(1)	-
Education and Skills	6,525	6,483	6,483	-	-

B.13 As at Q1 2017/18, the forecast revenue outturn for both Family Services and Education and Skills is in line with budget.

Capital						
Service	2017/18 Budget £000	Additions/ (Deletions) £000	(Slippage) / Accelerat ed Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Slippage %
Family Services	19,004	-	(399)	18,605	(399)	(2.1)
Education and Skills ²³	51,849	-	-	51,849	-	-

B.14 Within Family Services, there slippage of £0.399m due to a delay of two months in the Youth Zone programme which means that the project will slip into 2018/19. The capital outturn for Education and Skills is currently expected to be in line with budget.

Progress on key activities

B.15 The effective safeguarding of vulnerable children and young people remains at the heart of what the council does; and this commitment will not change as local services evolve. The Commissioning Plan outlines the council's vision to make Barnet the most family-friendly borough in London by 2020 and to embed a

²³ Including schemes managed by schools.

resilience-based model of practice to identify issues early and support families to build their resilience. A progress update on key activities has been provided below.

Family Services

- **Delivering the family-friendly Barnet vision** - Ofsted undertook a Single Inspection Framework (SIF) between 24 April and 18 May 2017. The overall judgement of the inspection was that Barnet's Children's Service is inadequate. Issues about the quality of Children's social care services in Barnet were identified and presented to Members of CELS Committee in September 2015 and July 2016. As a result, a Social Work Improvement Board was established and a major improvement programme work commenced, with Essex County Council as an Improvement Partner.

A draft Improvement Action Plan was presented to CELS Committee on 18 July 2017²⁴. This builds on the improvement programme already established, but focuses more rigorously on practice leadership, core social work skills and understanding of the lived experiences for children and young people. Family Services will continue to work with Essex County Council, as collegiate partners, in delivering the programme.

The council's aim is to be re-inspected as a "good" service within the next two years. At Council on 25 July 2017 it was agreed that monitoring of the Improvement Action Plan will be through CELS Committee.

Where the Ofsted inspection focused on the *quality* of social work practice, the indicators reported for Family Services in Q1 2017/18 are more *process* driven and include data on take-up of services, placements and costs of provision. Only one Family Services indicator has not met target this quarter (see paragraph B.16 below).

- **Tackling gang activity** – all vacancies within the REACH²⁵ team have been filled and the team will be fully operational within Q2 2017/18. The multi-agency approach to assessment and care planning has shown some early signs of improved assessment, including risk assessment, quality and care planning; with children, young people and their families benefiting from a co-ordinated wrap-around response to meet their complex needs. The partnership has developed quickly, with the REACH steering group now established and partnership agreements have been drafted, so all partners are clear about their contributions and how they work together. Research in Practice has been confirmed as the evaluation partner for the first year of the team. The evaluation work will start in July 2017.

Education and Skills

- **Ensuring the attainment and progress of children in Barnet schools remains in the top 10% nationally** - during the quarter, inspection reports for nine Barnet schools have been published by Ofsted. All have been judged to be 'good' or 'outstanding'. At the end of the quarter the percentage of Barnet primary schools

²⁴ Report available on the website at: <http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=8692&Ver=4>

²⁵ Resilient, Engaged, Achieving Children Hub.

rated as 'good' or 'outstanding' was 94% (above the London (93%) and national (90%) averages) and for secondary schools the figure was 95% (again, above the London (89%) and national (78%) averages). All of Barnet's Special Schools have been rated as 'good' or 'outstanding'.

National examinations and assessments have taken place across the primary and secondary phases and preliminary results will be available from the Department for Education (DfE) over the summer and autumn 2017.

The schools admissions service has continued to process late applications for children to start in Reception or Year 7 in September 2017 and to date, it is anticipated that there will be sufficient school places to ensure that late applicants will be placed in school in September 2017. The DfE has announced that the Saracens High School Trust has been successful in its bid to open a primary school on the Peel Centre site in Colindale, which will follow the opening of the Saracens High school for secondary aged pupils opening in September 2018.

- **Delivering a 21st Century library service** - Colindale, North Finchley, Osidge and Golders Green libraries re-opened following a period of refurbishment and re-modelling. At each of these sites, self-service opening is now being offered through technology that enables residents to enter and use library services during unstaffed hours. As each library has re-opened, staff have been on hand to help residents to register to use self-service opening and to become familiar with the technology. Well over 7,000 residents have now registered to use the service. Four partnership libraries launched in April as planned: Kisharon are operating Child's Hill Library, NW7 HUB are operating Mill Hill Library and Inclusion Barnet are operating South Friern and East Barnet Libraries.
- The council has been notified by the Minister for Arts, Heritage and Tourism that the Department for Digital, Culture, Media and Sport (DCMS) is treating concerns raised in December 2016 by Barnet residents regarding the changes to Barnet's library service as a formal complaint under Section 10 (1) (a) of the Public Libraries and Museum Act 1964. It is important to note that the decision by the DCMS to treat the correspondence as a formal complaint is not an assessment of whether the council is failing in its duties relating the provision of public library services. The Council is fully co-operating with the DCMS in providing relevant documents and information. The next stage is for the DCMS to consider whether it is necessary for a public inquiry to be held. No timescale is known for when this decision will be made. In the interim the Council is continuing to implement its library strategy.

Performance indicators

B.16 One Corporate Plan indicator and one Commissioning Plan indicator for CELS Committee have not met the quarterly target:

Education and Skills

- **CES/S1 Percentage of primary schools rated as 'good' or better (RAG rated GREEN AMBER)** - 94.3% against a target of 95.5%. 82 out of 87 schools have been rated as 'good' or 'outstanding', a performance that is above the London (93%) and national (90%) averages. The council provides a differentiated level of monitoring, support and challenge to all schools to be 'good' or 'outstanding'.

Family Services

- **FS/C18 Percentage of children in care with three or more placements during the last 12 months (RAG rated RED)** – 12.4% against a target of 10%. This equates to 43 children; analysis of this cohort of children is being undertaken to understand the factors relating to placement moves etc. The service will continue to monitor this data at its monthly Business Management Meeting and put in place mitigating actions where necessary.

Corporate Plan Indicators²⁶

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	FS/C42	Percentage of children newly placed in London Borough of Barnet foster care	Bigger is Better	Monitor	Monitor	33.3%	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
CPI	FS/C43	Ratio of children subject to: CAF: CiN: CP:LAC (per 10,000) ²⁷	Bigger is Better	Monitor	Monitor	95.7:51.5:38.1:15.7	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
CPI	FS/S7	Percentage of free entitlement early years places taken up by parents/ carers that are eligible for a place	Bigger is Better	70.0%	Monitor	50.4%	59.6%	Worsening	Not available	Not available	Statistical Neighbours 64.2% London 57% England 68% (2015/16, LAIT)

²⁶ The Monitor indicators have been included for information.

²⁷ CAF = Common Assessment Framework; CiN = Children in Need; CP = Child Protection; LAC = Looked After Children

Corporate Plan Indicators²⁶

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	FS/S15	Percentage of care leavers age 18 – 21 in education, employment or training ²⁸	Bigger is Better	51%	51%	63.1% (G)	59.8%	Improving	62.6%	Improving	Statistical Neighbours 51.4% London 54% England 49% (2015/16, LAIT)
CPI	CES/S1	Percentage of primary schools rated as 'good' or better	Bigger is Better	95.5%	95.5%	94.3% (GA)	93.0%	Improving	93.2%	Improving	London 93.4% England 89.7% (April 2017, Watchsted)
CPI	CES/S3	Percentage of secondary schools rated as 'good' or better	Bigger is Better	95.8%	95.8%	95.7% (G)	92.0%	Improving	88.0%	Improving	London 89% England 78% (April 2017, Watchsted)

²⁸ A care leaver is defined as a person aged 25 or under, who has been looked after by a local authority for at least 13 weeks since the age of 14; and who was looked after by the local authority at school-leaving age or after that date.

Commissioning Plan indicators (not met target)²⁹

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	FS/C17	Number of Children Missing from Care (during reporting period)	Smaller is Better	Monitor	Monitor	35	29	Worsening	29	Worsening	No benchmark available
SPI	FS/C44	Number of times serious incident response protocol triggered (youth violence)	Smaller is Better	Monitor	Monitor	0	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
SPI	FS/C18	Percentage of children in care with three or more placements during the last 12 months	Smaller is Better	10%	10.0%	12.4% (R)	10.6%	Worsening	10.3%	Worsening	Statistical Neighbours 11.33% London 11% England 10% (2014/15, LAIT)

²⁹ The Monitor indicators have been included for information.

Commissioning Plan indicators (not met target)²⁹

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	FS/S5	Number of children adopted	Bigger is Better	13	Monitor	2	8	Worsening	3	Worsening	No benchmark available
SPI	FS/C19	Number of Children in Care further than 20 miles from Borough	Monitor	Monitor	Monitor	70	79	Monitor	59	Monitor	No benchmark available
SPI	FS/C46	Actual placement days	Monitor	Monitor	Monitor	11730	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
SPI	FS/C47	Average gross cost per placement	Monitor	Monitor	Monitor	£294.54	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
SPI	FS/C48	Income for joint placements	Monitor	Monitor	Monitor	£1,889,612.47	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available

Risk management

B.17 Risks in relation to CELS are managed by both Family Services and Cambridge Education.

B.18 The Family Services risk register includes 21 risks overall, which are being managed in line with the council's risk management framework. Two are high level risks with a residual risk score of 15 or above. Of these, one is a *statutory duty* risk and one is a *health and safety* risk. One risk is being managed as 'tolerate, whilst the other is being management as 'treat'.

- **FS001 - Significant child safeguarding incident (risk score 16).** The likelihood of a significant safeguarding incident occurring can never be completely mitigated. However, actions are in place to mitigate the likelihood of the risk occurring, including embedding the resilience model of practice and implementing the Practice Improvement Plan. The Practice Improvement Plan has been reviewed to ensure it focuses on Ofsted recommendations.
- **FS004 - Serious gang-related incident (risk score 16).** The gangs operational protocol and screening tool helps control this risk, as do a number of governance groups including a gangs operational group and a gangs, missing and child exploitation strategic group. The REACH team has been working with our most vulnerable young people, alongside youth work teams. Research in Practice has been appointed to evaluate the impact of the REACH team, which will inform future delivery in this area.

B.19 One *statutory duty* risk has closed this quarter.

- **FS022 - Negative Ofsted Inspection (risk score 15).** This risk focused on the impact of a negative Ofsted inspection result. Following the "inadequate" judgement for Children's Services, a new risk about action plan delivery not being speedy enough/not having the required impact will be added to the risk register in Q2 2017/18.

B.20 Overall the majority of Family Services risks have the "same" residual risk score as last quarter. Two risks have a "reduced" residual risk score and one risk has an "increased" residual risk score. None of these are high level risk (scoring 15 or above). Two new risks have been added to the risk register during the quarter. Again, neither of these are high level risks.

B.21 The Education and Skills risk register includes 22 risks overall, which are being managed in line with the council's risk management framework. None have a residual risk score of 15 or above. Two have a "reduced" residual risk score from last quarter. No new risks have been added to the risk register.

ASSETS, REGENERATION AND GROWTH (ARG) COMMITTEE

B.22 The priorities for ARG Committee are to facilitate the building of more than 20,000 new homes by 2025, as part of several major regeneration programmes, including at Brent Cross, and through brownfield redevelopment; continue to help residents access employment; invest in key town centres and make Barnet the best place in London to be a small business.

Progress on key activities

B.23 A progress update on key activities has been provided below. Further information on the regeneration programme is set out in paragraph C.17.

- **Regenerating Brent Cross Cricklewood**

Brent Cross North - Phase 1BN Planning Application for the Brent Cross shopping centre has been submitted. This has been widely covered in the local media and is a significant step in unlocking the wider scheme. The determination period now begins and the Local Planning Authority (LPA) recommendation is expected to be presented to Planning Committee in September 2017. A separate application for Phase 1B (North) early works has also been submitted.

Brent Cross South - the re-phasing application to make adjustments to the first development plots within Brent Cross South was approved by Planning Committee on 22 June 2017. This will facilitate the delivery of the first southern phase of the Brent Cross Cricklewood regeneration, which will include the re-provision of homes for the residents of Whitefield Estate. The First Phase Proposal and Business Case were considered by ARG Committee on 24 July 2017.

Brent Cross Thameslink - consultation on the new Thameslink station concluded this quarter. The public and stakeholders have been invited to give their views on the design of the station, the rail freight facility and the waste transfer station. The re-phasing application to bring forward the station elements of the programme has been submitted and will be reviewed by the Local Planning Authority.

Further discussion has been held with Network Rail, North London Waste Authority and DB Cargo to reach an agreement for their objections to the Compulsory Purchase Order (CPO3) to be removed. The Inspectors Report for CPO1 and CPO2 has been received by the Planning Inspectorate; with a decision on both CPOs expected by mid-September 2017.

- **Regenerating Colindale** - a visioning workshop for Colindale took place in June 2017 to explore what further work can be done to tie all the regeneration projects together to make one great place and, as a result, new projects are being explored and existing projects are being reviewed.

The planning application for the concourse area on the Grahame Park Estate has been submitted to the Local Planning Authority. A separate planning application has been submitted for improvements to Montrose and Silkstream parks; and work has progressed on preparing the tender package and costs. Discussions have continued with TfL regarding an over station development proposal that would provide the public realm improvements required for Colindale Avenue; and a

feasibility study has been proposed by the Transport team for the Colindale Avenue roundabout to look at both place-making and movement.

Informal consultation has been carried out with key stakeholders on the controlled parking zone required as part of the council office development. This will help formulate the final plan that will go through a formal consultation process.

- **Delivering the Development Pipeline** – works have continued on the new 53-bedroom extra care housing development at Moreton Close. Hoarding was installed on site in June 2017, which incorporates the council's new Delivering for Barnet branding.

There has been significant progress with Tranche 3. The loan agreement and development agreement with Opendoor Homes was signed in May 2017 and the first site transferred from the council to Opendoor Homes on 30 June 2017. Planning approval has been granted for 34 units at Sheaveshill Court and eight units at Norfolk Close and applications for schemes at Adamson Court, The Croft, Underhill Court and Brunswick Park Road have been submitted and were determined in July 2017, with the exceptions of The Croft (due to be determined in October 2017) and Underhill Court (due to be determined in September 2017). This leaves just five schemes to be submitted to the Planning team and determined before the end of the year. All schemes where a contractor has not been identified will go through a two-stage tender process to ensure that competitive pricing is achieved while alongside ensuring a benefit of contractor contribution to buildability.

Tranche 1 of the development pipeline seeks to deliver 289 new homes of mixed tenure. Planning consent had been obtained for the bulk of the new homes in June 2015 with Moxon Street following in November 2016. A pre-contract services agreement with Wates concluded in September 2016 when the council opted not to proceed with Wates as the construction contractor. A report will be presented to ARG Committee detailing options for all five sites in November 2017.

The principles of the Strategic Opportunities Fund and a land deal with Metropolitan Housing for the delivery of new additional housing and Extra Care units at Tenterden Grove was agreed by ARG Committee in April 2017. The committee approved the business case for phase 2 of the Barnet Homes' Acquisitions programme.

- **Helping people into work** - the Apprenticeship Levy launched in May 2017. Businesses and public sector organisation have been working to ensure they are set up on the system and can start using their training funds. The council has been working with partners as part of the Entrepreneurial Barnet Board to put in place plans for increasing the number of apprenticeships in the borough. HR has been setting up the council's apprenticeship programme for 2017/18. In Q1 2017/18, the council took on three new apprentices. The council continues to work with partners to promote employment and skills. In the first quarter, Burnt Oak Opportunity Support Team (BOOST) Childs Hill launched. The team have engaged with 50 people in this team and have seen their first three job outcomes come through. The Skills Escalator aims to help people who are in work to find a better job. The team have been contacting residents and have drawn up action plans for 44 people in this period.

- **Investing in key town centres and making Barnet the best place in London to be a small business** - construction work has continued at Burnt Oak to deliver improvements in line with the Town Centre Strategy. Re has selected a partner – Fluid - to work with residents and traders in Golders Green to develop a strategy for this area in the next period. Re have launched a business offer covering their full range of services for businesses. Leaflets have been circulated to a range of local businesses as part of other engagement activities.

Performance indicators

B.24 All Corporate Plan indicators and Commissioning Plan indicators for ARG Committee have met the quarterly target.

Corporate Plan Indicators³⁰

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	KPI001 (A&A)	Compliance with planning application statutory timescales	Bigger is Better	75%	75%	86.1% (G)	79.9%	Improving	87.1%	Worsening	No benchmark available
CPI	REGEN KPI01	New Homes Completed ³¹	Bigger is Better	2,313	Monitor	241	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
CPI	CG/C25	Income from the estate	Bigger is Better	£3.37m	£0.94	£1.10m (G)	£3.72m	Worsening	£2.03m (Apr – Jun 2016)	Worsening	No benchmark available
CPI	CG/S27	Percentage of council spend (excluding direct debits) with local businesses	Bigger is Better	Monitor	Monitor	42%	24%	Improving	49%	Worsening	No benchmark available

³⁰ The Monitor indicators have been included for information.

³¹ This measures all new homes in the borough, including as part of regeneration schemes and private development schemes.

Corporate Plan Indicators³⁰

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	CG/S1	Unemployment (of people on out of work benefits)	Smaller is Better	Monitor	Monitor	5.0% (Apr 16 - Mar 17)	4.9% (Jan - Dec 2016)	Worsening	5.6% (Apr 15 - Mar 16)	Improving	London 5.7% National 4.7% (Apr 16 - Mar 17, Nomisweb)

Commissioning Plan indicators (not met target)³²

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	CG/C35	Homes started on site through the development pipeline programme	Bigger is Better	Monitor	Monitor	0	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
SPI	CG/C26	Barnet council apprenticeships	Bigger is Better	44	Monitor	3	15	Worsening	4	Worsening	No benchmark available

³² The Monitor indicators have been included for information.

Risk management

- B.25 Risks in relation to ARG are managed by both the Commissioning Group and Re. The Commissioning Group risks are reported in paragraph A.31 above.
- B.26 The Re joint risk register includes 29 risks overall, which are being managed in line with the council's risk management framework. Three are high level risks with a residual risk score of 15 or above. All three are *finance* risks and are being managed as 'treat'.
- **RE001 - Development pipeline (risk score 16).** The risk focuses on being unable to commission the construction of properties within the development pipeline at the target cost. The risk is being mitigated by actions to review of the procurement process for construction projects.
 - **PB13 - Development Tranche 1 (risk score 16).** The risk focuses on viability issues with Tranche 1 that could lead to wider growth targets for the joint venture not being achieved. The business plan is currently being reviewed and was presented to ARG Committee in July 2017.
 - **PB14 - Development Tranche 4 (risk score 16).** This risk focuses on a failure to take Tranche 4 sites forward to Planning in 2017 to achieve the growth targets in the business plan. The Development Pipeline Board has ring-fenced 13 sites for viability and affordability assessments to be undertaken. The outcome of Tranche 1 will determine next steps for Tranche 4.
- B.27 Overall the majority of Re risks have the "same" residual risk score as last quarter. Six risks have a "reduced" residual risk score; and one risk has an "increased" residual risk score. Four new risks have been added to the risk register during the quarter. None of these are high level risks with a residual risk score of 15 or above.

HOUSING COMMITTEE

B.28 The priorities for Housing Committee will be to increase the supply of housing and build more affordable homes through the development pipeline; tackle homelessness through prevention, use of temporary accommodation and housing in the private rented sector; drive up the quality of the private rented sector; and provide suitable housing to support vulnerable people.

Budget position

Revenue					
Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Housing Needs and Resources (Barnet Homes)	5,560	5,560	7,175	1,615	29.1

B.29 The projected overspend of £1.615m for Housing Needs and Resources represents 29.1% of the total Delivery Unit budget (£5.560m). The forecast overspend is largely due to a shortfall in rental income as a result of temporary accommodation rents being fixed at January 2011 Local Housing Allowance rates, in addition to income loss from hostels, temporary accommodation preventions, one-off private sector leasing prepayments and an increase in the bad debt provision.

Capital						
Service	2017/18 Budget £000	Additions/ (Deletions) £000	(Slippage) / Accelerated Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Slippage %
Housing Needs & Resources (Barnet Homes)	45,424	-	-	45,424	-	-
HRA (Barnet Homes)	90,014	-	(800)	89,215	(800)	(0.9)

B.30 The capital outturn for Housing Needs and Resources is currently expected to be in line with budget.

B.31 The HRA capital forecast shows a decrease of £0.800m, which is due to anticipated delays in projects which are now expected to complete in 2018/19.

Progress on key activities

B.32 With Barnet now having the largest population of any borough in London and continuing to grow, the Commissioning Plan outlines the council's housing priorities (as in B.27 above). A progress update on the key activities has been provided below.

- **Grenfell fire** - in response to the tragic fire at Grenfell Tower in Kensington, Barnet Homes responded immediately in order to reassure residents of their safety by updating the fire risk assessments for all tower blocks and putting enhanced fire safety measures in place where required. Residents of all tower blocks six storeys or above and all blocks with cladding of five storeys or above have received several letters to provide reassurance and inform them of the programme agreed by the Housing Committee to invest an initial £10m in a Barnet Homes delivered fire safety enhancement programme in the 24 managed high rise blocks.
- **Tackling homelessness** - new mitigations put in place, focusing on early intervention, prevention, family mediation and use of Temporary Accommodation (TA), have delivered positive results. Notwithstanding demand and new placements, overall numbers in TA have reduced to 2,692 and increased targets for both Private Rented Sector acquisitions and homelessness preventions have been met. The second phase of the acquisitions programme to purchase up to 50 units out of London, which will deliver increased affordable supply, have been approved by ARG Committee and P&R Committee.
- **Driving up the quality of the private rented sector** – during the quarter, 37 mandatory HMO licences have been issued bringing the total up to 275. 64% of these are compliant with their major conditions. 78 additional HMO licences have been issued bringing the total up to 186. 643 landlords have been accredited through the London Landlord Accreditation Scheme. 40 empty properties have been brought back into residential use through a combination of advice and/or enforcement action.
- **Providing suitable housing to support vulnerable people** – the new build extra care scheme at Moreton Close remains on schedule for completion in 2018. As no new wheelchair units have been scheduled for 2017/18, Barnet Homes have been undertaking an enhanced adaptations scheme to adapt properties for vulnerable clients.

Performance indicators

B.33 All Corporate Plan indicators for Housing Committee have met the quarterly target. However, one Commissioning Plan indicator for Housing Committee has not met the quarterly target:

- **BH/S4 Current arrears as a percentage of debit (RAG rated GREEN AMBER)** – 3.23% against a target of 3.12%. This equates to £67k of a £58m annual debit. Performance in June 2017 had been impacted by IT system issues belonging to both CSG and Barnet Homes, including Payenet system failure that impacted on collection; internet payment issues; Housing Benefit payments failing to load onto the housing management system; and difficulties in using Paypoint facilities in local vendors due to limitations on maximum payments and requests for charges for

using these services. The service is looking to mitigate this by switching customers over to direct debit payments wherever possible. A number of actions have been put into place to resolve these matters, including the development of a new IT risk log and a cross-organisational working group designed to identify and successfully resolve any future IT system issues. Performance is expected to be back within target by Q2 2017/18.

Corporate Plan Indicators³³

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	CG/S6 (RPS - Biannual)	Percentage of residents who list affordable housing as a concern	Smaller is Better	Monitor (Autumn and Spring)	Monitor	28% (Spring 2017)	34% (Autumn 2016)	Improving	41% (Spring 2016)	Improving	No benchmark available
CPI	REGEN KPI05	Delivery of affordable housing completions	Bigger is Better	112	Monitor	68	474	Worsening	3	Improving	No benchmark available
CPI	BH/S2	Number of homelessness preventions	Bigger is Better	1,050	225	249 (G)	972	Worsening	232	Improving	Rank 2 nd quartile (2016/17, DCLG)
CPI	BH/C4	Numbers of households in Temporary Accommodation	Smaller is Better	2,600	2,750	2,692 (G)	2,757	Improving	2,934	Improving	Rank 28 (out of 33 London Boroughs) (Q4 2016/17, DCLG)
CPI	BH/KPI 9	Families with Children in Temporary Accommodation ³⁴	Smaller is Better	Monitor	Monitor	65.1%	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available

³³ The Monitor indicators have been included for information.

³⁴ New indicator – target set as Monitor for 2017/18 whilst baseline identified.

Corporate Plan Indicators³³

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	EH021	Compliance with licensing requirements for Houses in Multiple Occupation	Bigger is Better	60%	60.0%	64.0% (G)	73.1%	Worsening	74.9%	Worsening	No benchmark available

Commissioning Plan indicators (not met target)³⁵

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	BH/S3	Length of stay in Emergency Temporary Accommodation (ETA)	Smaller is Better	Monitor	Monitor	56.1	67.8	Improving	65.0	Improving	No benchmark available

³⁵ The Monitor indicators have been included for information.

Commissioning Plan indicators (not met target)³⁵

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	BH/KPI 2	Percentage of those households in ETA pending enquiries or found to be intentionally homeless	Smaller is Better	Monitor	Monitor	32.9%	28.9%	Worsening	28.9%	Worsening	Rank 25 (out of 33 London Boroughs (Q4 2016/17, DCLG)
SPI	BH/S4	Current arrears as a percentage of debit	Smaller is Better	2.90%	3.12%	3.23% (GA)	3.04%	Worsening	3.31%	Improving	Rank 2 (Q4 2016/17, Housemark)
SPI	CG/S21	Delivery of 10% affordable homes as wheelchair or accessible units	Bigger is Better	Monitor	Monitor	0 units	0 units	Same	2 units	Worsening	No benchmark available
SPI	EH04A	Number of empty properties brought back into residential use	Bigger is Better	100	Monitor	40	120	Worsening	21	Improving	No benchmark available

Commissioning Plan indicators (not met target)³⁵

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	EH04B	Number of private tenanted properties with Category 1 Hazards reduced to Category 2 Hazards	Bigger is Better	165	Monitor	44	396	Worsening	54	Worsening	No benchmark available

Risk management

B.34 The Barnet Group joint risk register includes eight risks overall, which are being managed in line with the council's risk management framework. None of these are high level risks with a residual risk score of 15 or above. Overall the majority of risks have the "same" residual risk score as last quarter, with one risk "reducing" and one risk "increasing". No new risks have been added to the risk register during the quarter.

ENVIRONMENT COMMITTEE

B.35 The priorities for Environment Committee are parks and open spaces; recycling and waste collection; using street cleaning and more enforcement; parking and highways management.

Budget position

Revenue					
Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Parking and Infrastructure	9,155	9,259	9,412	153	1.65
Street Scene	12,881	12,881	13,471	590	4.6

B.36 Parking and infrastructure is forecast to overspend by £0.153m (1.65%).

B.37 The projected overspend of £0.590m for Street Scene represents 4.6% of the total Delivery Unit budget (£12.881m). The overspend is partially due to a need to increase resources due to higher demand for refuse collection services for new developments, and partially due to a delay in the implementation of MTFS projects. The Street Scene service is developing initiatives to deal with these issues, and will track progress through future quarterly reports.

Capital						
Service	2017/18 Budget £000	Additions/ (Deletions) £000	(Slippage) / Accelerat ed Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Slippage %
Parking and Infrastructure	3,886	-	(1,200)	2686	(1,200)	(30.9)
Street Scene	4,663	-	-	4,663	-	-

B.38 The forecast capital outturn for Parking and Infrastructure shows slippage from budget of £1.2m. This is due to an additional £2m approved by P&R Committee in June 2017 for highway works being allocated in 2017/18 when only £0.8m is actually expected to be spent in 2017/18 and the remainder over the following two financial years.

Progress on key activities

B.39 Barnet is a green and leafy borough and this is one of the reasons people want to live here. The council is modernising environmental services to help keep the environment green, clean and safe; whilst delivering highways improvement and

investing in parks and open spaces. A progress update on key activities has been provided below.

- **Modernising our environmental services** - in May 2017, the Environment Committee made the decision to run Street Scene services in house. Following the senior management restructure Street Scene has now joined the newly formed Environment Directorate. A Street Scene director was appointed in June 2017 and an 18-month Business Plan is being developed to deliver modernised resilient services. Operational staff have been trialling new cleansing machinery and are assessing which will be the best to use in Barnet, while continuing to carry out a deep cleanse of the borough. Commercial Waste services are reviewing how they will offer expanded recycling collections for customers, with the introduction of time banded collections in local high streets. Work preparing the move to the new Depot at Oakleigh Road has been ongoing, and by the end of Q2 2016/17 Street Scene services will have a modern facility from which it will manage services. Further improvements for Green Spaces satellite depots are also in progress.
- **Delivering highways improvements** – Year 3 of the £50m Network Recovery Programme (NRP) has commenced with an additional £1.5m investment in a road patching programme, which will supplement the investment that had already been approved. The programme began on 2 May 2017 and 165 patch repairs, across 28 roads, had been completed at the time of writing.

The carriageway resurfacing programme is due to start in September 2017, with the majority of micro asphalt schemes having already been completed. The substantial footway relay programme has already completed five streets, with a further 11 sites underway.

Highways activity to monitor works on the public highway and minimise disruptions to the flow of traffic has included the processing of 8,045 permit applications/variations and 212 fixed penalty notices. £36,400 has been invoiced in charges for overrunning works, reflecting the council's commitment to address occasions of poor practice by utility companies operating on the road network.

- **Investing in parks and open spaces** – the Playing Pitch Strategy has been approved. Various projects have progressed, including the development of the design for the refurbishment of Silkstream Valley Park; commencement of the Copthall and Mill Hill Open Spaces master planning process; and transfer of the Greenspaces Governance functions into the Commissioning Group.
- **Delivering regulatory services** – see paragraph C.17 for an update on services delivered by the Re contract.

Performance indicators

B.40 Two Corporate Plan indicators and two Commissioning Plan indicators for Environment Committee have not met the quarterly target:

- **KPI 2.1-2.3 (NM) Highways defects made safe within agreed timescales (RAG rated RED AMBER)** – 98.38% against a target of 100%. This is a composite indicator made up of three indicators, of which two have not met target this quarter

(KPI 2.2 and KPI 2.3). See paragraph C.21 below. This composite indicator has been reported as a “fail” since Q2 2016/17 due to an ongoing issue with the contractor’s ability to update the system. The data provided by the contractor this quarter covers the majority of the reactive defects instructed by Re. For those works reported, there has been 100% compliance. The elements not reported primarily relate to instances when the highway was “made safe” e.g. a temporary repair that required a further visit to undertake a permanent repair. There have been a smaller percentage of instances where relief has been given for non-completion of works outside timescales e.g. where works could not be completed because of flooding, road closures, parked cars etc. Re has been updating the system to allow multiple site visits to the same issue to be reported and tracked, which will be tested and go live in August 2017.

- **SS/S3 Percentage of household waste sent for reuse, recycling and composting (RAG rated RED)** - 32.70% against a target of 40.17% for Q4 2016/17. The annual result for household waste recycled, composted or reused for 2016/17 is 37.39%. This is a 0.56% increase on 2015/16 (36.83%). Further changes to the service offer, including policy changes, would be required to deliver a step change in performance towards the target to recycle compost or reuse 50% of waste by 2020.
- **SS/C1 Waste tonnage – residual per household (RAG rated RED AMBER)** – 150.23kg per household against a target of 139.51kg per household. Residual waste has decreased by 7.31kg per household in the past year. However, the tonnage of residual waste being disposed of by households continues at a high level. Current residual waste bin capacity at houses remains high, with standard capacity being 240 litres per week, and a number of properties having in excess of this capacity. A report on proposed Household Recycling and Waste policies will be considered at Environment Committee in November 2017, with the aim of increasing recycling and reducing residual waste.
- **SS/C2 Waste tonnage – recycling per household (RAG rated RED)** - 72.99kg per household was recycled against a target of 93.65kg per household for Q4 2016/17. There is less material available to be recycled due to the lightweighting of packaging such as glass, plastics and cans by manufacturers, and a decline in the use of paper as consumers use more digital media. In addition, the recycling performance for this quarter has been affected by a new mechanism for the apportionment of tonnages of recycling from the Reuse and Recycling Centre introduced in Q4 2016/17 by North London Waste Authority (NLWA). The tonnage of waste collected at the site, including that which is recycled, is now partly apportioned to other neighbouring boroughs, via a formula based on the proportion of site visitors coming from those boroughs. As more of the waste received at the site is recycled than disposed of, there is an overall loss in the contribution the site makes to Barnet’s recycling performance when comparing it to previous years.

Corporate Plan Indicators											
Ref	Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking	
CPI	SS/S1 (RPS - Biannual)	Percentage of residents who are satisfied with parks and open spaces	Bigger is Better	73% (Autumn and Spring)	73% (+/- 4.4%pt tolerance)	74% (Spring 2017) (G)	72% (Autumn 2016)	Same	66% (Spring 2016)	Improving	No benchmark available
CPI	SS/S6 (RPS - Biannual)	Percentage of residents who are satisfied with street cleaning	Bigger is Better	60% (Autumn and Spring)	60% (+/- 4.4%pt tolerance)	65% (Spring 2017) (G)	51% (Autumn 2016)	Improving	59% (Spring 2016)	Improving	London 76% National 70% (February 2017, LGA)
CPI	KPI 2.1-2.3 (NM)	Highways defects made safe within agreed timescales	Bigger is Better	100%	100.0%	98.38% (RA)	Fail (data not available)	Not available	99.86%	Worsening	No benchmark available
CPI	CG/S11 (RPS - Biannual)	Percentage of residents who are satisfied with road maintenance	Bigger is Better	35% (Autumn and Spring)	35% (+/- 4.4%pt tolerance)	38% (Spring 2017) (G)	33% (Autumn 2016)	Improving	27% (Spring 2016)	Improving	London 56% National 42% (February 2017, LGA)

Corporate Plan Indicators											
Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	CG/S12 (RPS - Biannua l)	Percentage of residents who are satisfied with pavement maintenance	Bigger is Better	35% (Autumn and Spring)	35% (+/- 4.4%pt tolerance)	36% (Spring 2017) (G)	34% (Autumn 2016)	Same	33% (Spring 2016)	Same	London 58% London 51% (February 2017, LGA)
CPI	PI/S3 (RPS - Biannua l)	Percentage of residents who are satisfied with parking services	Bigger is Better	30% (Autumn and Spring)	30% (+/- 4.4%pt tolerance)	31% (Spring 2017) (G)	24% (Autumn 2016)	Improving	28% (Spring 2016)	Same	No benchmark available
CPI	SS/S3	Percentage of household waste sent for reuse, recycling and composting	Bigger is Better	42%	40.17% (Q4 2016/17)	32.70% (Q4 2016/17) (R)	36.73% (Q3 2016/17)	Worsening	33.23% (Q4 2015/16)	Improving	Rank 11 (out of 28 London Boroughs) (Q4 2016/17, Wasteflow
CPI	SS/S4 (RPS - Biannua l)	Percentage of residents who are satisfied with waste collection services	Bigger is Better	82% (Autumn and Spring)	82% (+/- 4.4%pt tolerance)	83% (Spring 2017) (G)	76% (Autumn 2016)	Improving	77% (Spring 2016)	Improving	London 78% National 77% (February 2017, LGA)

Commissioning Plan indicators (not met target)											
Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	SS/C1	Waste tonnage – residual per household	Smaller is Better	602kg per HH	139.51kg (Q4 16/17 Target)	150.23kg HH (Q4 2016/17) (RA)	154.06kg per HH (Q3 2016/17)	Improving	157.54kg (Q4 2015/16)	Improving	Rank 21 (out of the 28 London Boroughs) (Q4 2016/17, Wasteflow)
SPI	SS/C2	Waste tonnage – recycling per household	Bigger is Better	402kg per HH	93.65kg (Q4 16/17 Target)	72.99kg HH (Q4 2016/17) (R)	89.42kg per HH (Q3 2016/17)	Worsening	78.40kg per HH (Q4 2015/16)	Worsening	No benchmark available

Risk management

- B.41 Risks in relation to Environment are managed by both Parking and Infrastructure and Street Scene.
- B.42 The Parking and Infrastructure risk register includes 14 risks, which are being managed in line with the council's risk management framework. There are no high level risks (residual risk score of 15 or above); and there has been no movement of residual risk scores this quarter.
- B.43 The Street Scene risk register includes 13 risks, which are being managed in line with the council's risk management framework. There are no high level risks (residual risk score of 15 or above). Overall the majority of risks have the "same" residual risk score as last quarter, with four risks "reducing" and two risks "increasing".

COMMUNITY LEADERSHIP COMMITTEE

B.44 The priorities for Community Leadership Committee are to co-ordinate a partnership approach for addressing persistent anti-social behaviour, crime, domestic violence (DV) and violence against women and girls (VAWG); emergency planning, preparedness and response; and supporting community activity, including grant funding and use of assets.

Progress on key activities

B.45 The council's vision for the community is to ensure crime levels remain low and people feel safe to live and work in Barnet; communities are stronger and more cohesive; whilst being prepared for an emergency and responding quickly should a situation arise. A progress update on the key activities has been provided below.

- **Community safety** - Barnet is one of London's safest boroughs with a low crime rate. 68 crimes per 1000 residents were reported in 2016/17, which was the 8th lowest rate of total crime per person out of the 32 London boroughs. The rate of violent crime was even lower. Barnet had the 3rd lowest rate of violent crime, with 5.9 Violence with Injury offences per 1000 population. The overall rate of crime in Barnet per 1000 population is 23% lower than the London average.

In addition to having a low rate of crime, Barnet had 590 fewer burglaries in 2016/17 than in the preceding year (equating to a reduction of 26%, the largest reduction in London) and a 159 fewer robberies (equating to a reduction of 15%, again the largest reduction out of all London boroughs).

During the quarter, a successful joint test purchase operation has been undertaken by Trading Standards and the Police. The exercise took place in Golders Green and West Hendon as part of initiatives to respond to increasing knife crime across London. Two traders have been identified for selling age restricted items, namely a knife to an under 18 and received cautions from the Police. Further operations are planned for the coming months.

The first Community Protection Notices (CPNs) have been served in relation to anti-social behaviour towards neighbours; and a second successful prosecution has been brought by the Community Protection team to the Crown Court for unlicensed street trading with more in the pipeline.

- **Supporting those with multiple and complex needs** - on 21 July 2017 the Safer Communities Partnership Board signed off the new Barnet Violence against Women and Girls Strategy. The new strategy emphasises the importance of work to engage with those victims of domestic abuse facing additional barriers that might prevent them from seeking help – this includes those with complex multiple needs such as mental health and substance misuse. In order to take this work forward the Domestic Abuse and Violence against Women and Girls Board has set up a sub group which will carry out an analysis of the interrelationship between multiple complex needs: domestic violence, mental health, and substance misuse. Based on the findings of the analysis the sub group will a) develop recommendations to improve service co-ordination and referral pathways across Domestic Abuse, mental health, substance misuse services; and b) provide an evidence base to guide future commissioning of services relating to these needs.

- **Co-ordinating a package of measures to support community activity** – work has begun on evaluating the Community Participation Strategy six workstreams, via the Community Participation and Engagement Network, and exploring the support required to build a sustainable and resilient Voluntary and Community Sector and empowered residents who take responsibility for their areas as per the strategy’s objectives. The findings from the evaluation, as well as the recommendations for a next phase of the Community Participation Strategy will be shared with the Community Leadership Committee in November 2017. The Network has also been consulting on the development of the final measures in the Community Participation Strategy - a volunteer policy/management toolkit and a community participation webpage - whilst promoting partnership working and information sharing across the council. During the quarter, Volunteers Week (1-7 June) has helped to raise awareness of volunteer opportunities as part of the Employee Supported Volunteering Scheme.
- **Emergency planning, preparedness and response** – 176 staff have received training in April 2017 by the local Counter Terrorism team on what to do should they be caught up in a terrorist incident. This has been followed by a ‘Move to Critical’ exercise for business continuity leads in May 2017 and a review of business continuity plans. A further exercise is planned for November 2017 and will focus on a potential malware or ransom ware attack and response.

In May, the Emergency Planning team, along with partners from the emergency services and Environment Agency, have represented the Borough Resilience Forum at the Barnet Festival of Faiths in Burnt Oak to showcase joint planning and response and encourage residents to build resilient communities by preparing for emergencies. The team continues to take part in live and table top exercises in neighbouring boroughs to inform the updating of plans and joint responses, and represent both North Central and London boroughs in attending London planning workshops and meetings including the multi-agency London Risk Advisory Group, Drain London, Mass Fatalities Planning Group and the London Faith Sector Panel.

The Barnet Emergency Response team have supported local live exercises and, when required, have mobilised timely and effective responses to a series of emergency incidents within the borough in support of the Police and Fire Brigade. Following the tragic Grenfell Tower incident on 14 June 2017, the Borough has been assisting the London Borough of Kensington and Chelsea and the London Borough of Camden with mutual aid to support the running of their Emergency Control Centre, Rest Centres, Local Authority Liaison function and have provided volunteers, Housing Assessment and Social Work staff to the Grenfell Assistance Centre, which still continues.

An update on the council’s emergency planning arrangements and the work of the Borough Resilience Forum will be provided to Community Leadership Committee in November 2017.

Performance indicators

B.46 One Corporate Plan indicator and one Commissioning Plan indicator for Community Leadership Committee have not met the quarterly target:

- **CG/S16 Percentage of residents who are satisfied with Barnet as a place to live (RAG rated RED)** – 82% against a target of 90%. There has been a fall in residents' satisfaction with Barnet as a place to live (from 89% in spring 2016 to 82% in spring 2017). Although this has remained on par with national and London averages (both at 80%).
- **CG/C6 Percentage of residents who feel that there is not a problem/ not a very big problem with people not treating each other with respect and consideration (RAG rated RED AMBER)** - 60% against a target of 81%. There has been a significant fall in residents' perception of being treated with respect and consideration. This result has been potentially influenced by national events such as the Murder of Jo Cox MP; EU referendum campaign; Brexit; and recent terror attacks.

Corporate Plan Indicators³⁶

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	CG/C33	Overall crime rate in Barnet – Total Notifiable Offences(per 1000 population)	Smaller is Better	Sustain reduction	Monitor	66.9	New for 2017/18	New for 2017/18	New for 2017/18	New for 2017/18	No benchmark available
CPI	CG/S9 (RPS - Annual)	Percentage of residents that volunteer at least once a month	Bigger is Better	29% (Spring Only)	29% (+/- 4.4%pt tolerance)	30% (Spring 2017) (G)	23% (Autumn 2016)	Improving	23% (Spring 2016)	Improving	No benchmark available
CPI	CG/S10 (RPS - Annual)	Percentage of residents who agree that people pull together to help improve their area	Bigger is Better	54% (Spring Only)	54% (+/- 4.4%pt tolerance)	51% (Spring 2017) (G)	Question not asked in Autumn 2016	Question not asked in Autumn 2016	50% (Spring 2016)	Same	No benchmark available

³⁶ The Monitor indicators have been included for information.

Corporate Plan Indicators³⁶

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
CPI	CG/S16 (RPS - Biannual)	Percentage of residents who are satisfied with Barnet as a place to live	Bigger is Better	90% (Autumn and Spring)	90% (+/- 4.4%pt tolerance)	82% (Spring 2017) (R)	85% (Autumn 2016)	Same	89% (Spring 2016)	Worsening	London 80% National 80% (February 2017, LGA)

Commissioning Plan Indicators (not met target)³⁷

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	CG/C2	Number of repeat cases of Domestic Violence to MARAC	Smaller is Better	Monitor	Monitor	8.3	12.8	Improving	13	Improving	National 25% (April 2015 - March 2016, Safelife)

³⁷ The Monitor indicators have been included for information.

Commissioning Plan Indicators (not met target)³⁷

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	CG/C3	Sanction Detection Rate of 'Domestic Abuse - Violence with Injury' Offences	Bigger is Better	Monitor	Monitor	30.4%	32.4%	Worsening	36.0%	Worsening	Met Police 34.5 (12 months to June 2017)
SPI	CG/C4	Proven re-offending rate (Ministry of Justice)	Smaller is Better	Monitor	Monitor	19.6%	20.2%	Improving	23.1%	Improving	London 24% (July 2014- June 2015, Ministry of Justice)

Commissioning Plan Indicators (not met target)³⁷

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
SPI	CG/C6 (RPS - Annual)	Percentage of residents who feel that there is not a problem/ not a very big problem with people not treating each other with respect and consideration	Bigger is Better	81% (Spring Only)	81% (+/- 4.4%pt tolerance)	60% (RA)	Question not asked in Autumn 2016	Question not asked in Autumn 2016	81% (Spring 2016)	Worsening	No benchmark available

Risk management

B.47 Risks in relation to Community Leadership are managed by the Commissioning Group. The Commissioning Group risks are reported in paragraph A.31 above.

PART C: CONTRACT PERFORMANCE

C.1 This section provides an overview of contract performance, focusing on information to demonstrate compliance and value for money. This is in addition to information already captured as part of Theme Committee Commissioning Plans.

THE BARNET GROUP

C.2 The Barnet Group is a Local Authority Trading Company (LATC) created in 2012 and has three subsidiary organisations:

- Barnet Homes is an Arms' Length Management Organisation, which manages the council's housing stock and is responsible for the maintenance of residential stock; housing management; and homelessness assessments and procurement of property. It has a subsidiary organisation, TBG Open Door, which is a registered provider with the Homes and Communities Agency
- Your Choice Barnet (YCB) is another LATC, which delivers specialist care and support services to adults with a range of physical and learning disabilities
- TBG Flex is a company for the recruitment and employment of staff.

A progress update on Barnet Homes, TBG Open Door and YCB has been provided below³⁸.

Service	Update on service area
Barnet Homes	<p>Barnet Homes has completed the best practice implementation of its housing management system QL on time and on budget, putting in place a number of improvements from its original installation in 2013.</p> <p>Significant efforts have gone into the response to the fire at Grenfell which affected a number of teams across Barnet Homes.</p> <p>Performance across Barnet Homes remains strong with only one area of performance slightly outside of its target - BH/S4 Current arrears as a percentage of debit (see paragraph B.33 above). Contact centre, homelessness and development all had strong performance.</p> <p>Satisfaction with the new caretaking service is not on target and work is being undertaken to ensure this improves.</p> <p>It has been confirmed that the Homelessness Reduction Act will commence from April 2018 and work is already underway to ensure the service reflects the changes arising from the Act.</p>
TBG Open Door	<p>The Opendoors development programme has continued to gain momentum. Over half of the 320 homes have now been procured and is on target to be delivered within the business plan parameters.</p> <p>Work has commenced on two sites and work continues on the other sites to achieve planning and complete the procurement so that works can commence as soon as possible.</p>
Your Choice	Your Choice has continued to implement its new service model as agreed

³⁸ There is no update on TBG Flex. As an internal employment company, it does not have any performance or activity measures.

Service	Update on service area
Barnet	with the council in 2016 and performance in this area remains ahead of target. Issues with the speed of recruitment and referrals has affected the viability of the new Enablement service and reduced income on some of the established services; however action is being taken to improve this position.

C.3 Corporate Plan and Commissioning Plan indicators and risks for The Barnet Group have been captured as part of the Housing Committee section (see paragraphs B.33-B.34). One Commissioning Plan indicator has not met the quarterly target - **BH/S4 Current arrears as a percentage of debit** - and has been reported in paragraph B.33.

	Green	Green Amber	Red Amber	Red	Improved/ Same	Worsened
The Barnet Group	94% (15)	6% (1)	0% (0)	0% (0)	76% (13)	24% (4)

C.4 The Barnet Group also reports on a number of operational indicators (KPIs). All KPIs have met the quarterly target.

CAMBRIDGE EDUCATION

- C.5 In April 2016, Barnet entered into a new seven year strategic partnership with Cambridge Education to provide the council's education services. The partnership was established in consultation with Barnet schools to maintain Barnet's excellent education offer; the council's relationship with Barnet schools; and achieve the budget savings target for the service up to 2020.
- C.6 Cambridge Education's budget, key activities, indicators and risks have been captured as part of the CELS Committee section (see paragraphs B.12-B.21). One Corporate Plan indicator has not met the quarterly target - **CES/S1 Percentage of primary schools rated as 'good' or better** - and has been reported in paragraph B.16.
- C.7 A particular focus of improvement since the start of the contract has been support for pupils with Special Educational Needs and Disabilities (SEND). There are two Commissioning Plan indicators in relation to SEND and Cambridge Education has met the targets in relation to both of these during the quarter:
- **CES/S32 Percentage of final Education, Health and Care Plans (EHCP) issued within 20 weeks including exceptions;** and **CES/S33 Percentage of final EHCPs issued within 20 weeks excluding exceptions** – both achieved 100% against a target of 100%.

In addition, transfers of SEN Statements to EHCPs have been on target (in accordance with the council's transition plan). There remains a challenge to ensure that all new plans continue to be completed within 20 weeks and that all remaining SEN statements are transferred to EHCPs by the end of the financial year (230 due by 31 August 2017 and a further 392 by 31 March 2018). A new KPI has also been agreed in relation to the quality of EHCPs, with quarterly reporting beginning in October 2017.

- C.8 The contract with Cambridge Education also includes a number of operational indicators (KPIs). A report on the KPIs in the first year of the contract (April 2016 to March 2017) was provided to PCM Committee on 4 July 2017. Cambridge Education has met all operational KPI targets this quarter.

Preliminary results for national examinations and assessments will be available from the Department for Education (DfE) later in the year.

CUSTOMER AND SUPPORT GROUP (CSG)

C.9 The CSG is delivered by Capita and includes the following services: Corporate Programmes, Customer Services, Estates, Finance, Human Resources, Information Systems, Procurement, Revenues and Benefits, and Safety, Health and Wellbeing. A progress update on each service area has been provided below.

Service	Update on service area
Corporate Programmes	Work has focused on initiating a project to upgrade all staff to Microsoft Office 365 to allow them to work more flexibly and collaboratively; supporting the go-live of full self-service across a further three libraries; continuing the design stages for primary, secondary and special educational needs school places; supporting the OJEU procurement process for a new leisure provider; and supporting management of Strategic Construction Partnership contract including value for money principles.
Customer Services	Web satisfaction (55%) has improved by 9% on Q1 last year. In May 2017, the web satisfaction score achieved 57%, the highest since the contract started, and led to 3 rd place in the GovMetric league table.
Estates	<p>All Priority 1 remedial works have been approved and the remainder of the budget will be approved once additional funding has been confirmed. An approved and funded works programme, based on a prioritised programme developed by CSG Estates for the council's maintained assets, has been agreed and is underway.</p> <p>The Oakleigh Road Depot has been completed and is in the process of becoming operational. The Facilities Management team have produced staff welcome packs and a detailed site induction for staff moving to the new site.</p> <p>A paper is being drafted on fire risk assessments, fire plans, external visual inspection and compartment survey of Barnet House.</p>
Finance	<p>The accounts have been presented for audit on 31 May 2017. The external audit was planned to take place during June and July 2017. The external auditor's findings will be presented to Pension Fund Committee and Audit Committee in respect of the relevant accounts.</p> <p>A new staff structure has been put in place, with most posts filled and others being recruited into. The Business Partner posts have been difficult to fill and an additional advert has been placed to attract suitable candidates.</p> <p>An upgrade of the finance system, Integra, has been carried out and went live on 3 July 2017.</p> <p>A regulatory intervention report has been issued by the Pensions Regulator in relation to the London Borough of Barnet Superannuation Fund. The report related to a fine of £1,000 being issued due to non-completion of the 2016 scheme return. The 2017 scheme return notice is due to be received in September 2017 and will be completed within six</p>

Service	Update on service area
	weeks of the date of issue of the notice.
Human Resources (HR)	Work has commenced on supporting the roll out of The Way We Work pilots and the recruitment and retention of social care staff through innovative employment packages, with a number of offers made to candidates for key positions in Adults and Communities. HR continue to support the agency spending reduction and expect to commence work on implementing the council's new recruitment system as well as inputting into the HR aspects of the Ofsted improvement action plan.
Information Systems	<p>ICT services have been unaffected by the recent malware and cyber-attacks that affected other public sector organisations. This has been the result of a robust patching regime. The team has also worked extended hours to ensure any residual risk has been minimised by securely managing emails from high risk sources.</p> <p>A new ICT service management system, Service Now, has been implemented and went live on the 1 June 2017. This will provide increased insight to the team, enabling ICT to deliver a better customer experience (including self-service) and resolve issues in a more structured and planned manner, using trends analysis to pinpoint re-occurring issues. The Blackberry server has been upgraded to allow newer Android based phones to be supported and a larger choice of devices in the future.</p>
Procurement	Work has progressed in line with the Procurement Forward Plan. Significant procurements supported in the quarter include the re-tender of leisure services, and of Master planning services. Other work, including soft market testing, has taken place across a range of areas such as Parking and Family Services to support the future delivery of services. The Procurement team has continued to work with the West London Alliance in developing a Dynamic Purchasing System for fostering.
Revenue and Benefits	<p>There has been an anticipated increase in Discretionary Housing Payment (DHP), as result of the latest changes to the Benefit Cap. One of the mitigating factors to the Cap is the award of DHP. The DHP funding for 2017/8 is £1.7m and spend is being closely monitored. It is expected that this initial demand for DHP will tail off.</p> <p>Council tax collection (29.59%) has been slightly down (by 0.08%) on last year; whilst NNDR collection (31.91%) has improved by 3.17% compared with last year. The new direct debit form on the website continues to see high usage, with more work planned to encourage customers to switch to this method of payment and online billing as part of the Customer Transformation Programme.</p>
Safety, Health and Wellbeing (SHaW)	<p>The SHaW team has supported the move to the new Depot and will be running a campaign to raise awareness of SHaW amongst operational staff and ensure any issues are reported correctly.</p> <p>A bulletin has been sent out to all schools in May 2017 providing</p>

Service	Update on service area
	guidance on educational visits and site security, including information on lockdown procedures, following the recent security threats. This has led to a significant increase in emails and telephone calls from schools for further advice on planned visits.

Budget position

Revenue					
Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
CSG	21,161	21,161	21,361	200	0.9

C.10 The projected overspend of £0.200m for CSG represents 0.9% of the total Delivery Unit budget (£21.161m). Income is forecast to be below budget due to a shortfall in schools traded income³⁹ and in print / photocopying recharges, offset by higher than budgeted recovery of court costs.

Performance indicators

C.11 Two Corporate Plan indicators for CSG - satisfaction with customer service and satisfaction with the website - have been captured as part of Central Services (see paragraph A.11). Both indicators have met the quarterly target.

	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
CSG	86% (25)	3% (1)	7% (2)	3% (1)	65% (13)	35% (7)

C.12 The contract with CSG also includes a number of operational indicators (KPIs). Four KPIs have not met the quarterly target:

- **CSG/C35 Staff are friendly and polite (RAG rated GREEN AMBER)** – 75% against a target of 80%. Residents' satisfaction with staff has decreased since spring 2016 (83%). This is primarily due to an increase in the "don't know" option, rather than a negative response to the question. Residents who feel they are kept informed about what the council is doing and those that agree that 'it is easy to access council services' were more likely to agree that staff are friendly and polite.
- **CSG/S1 Residents find it is easy to access council services (RAG rated RED AMBER)** – 60% against a target of 67%; **CSG/C36 Staff respond quickly when asked for help (RAG rated RED AMBER)** – 45% against a target of 55%. Residents' satisfaction with accessing council services and staff responding quickly

³⁹ This refers to traded services that CSG have with schools (e.g. providing finance support, HR support, payroll, etc.). The income meets the guarantee but is less than the budget.

when asked for help have decreased since spring 2016 (66% and 52% respectively).

- **CSG/C14 Payroll Accuracy - Payroll Error Rates (RAG rated RED)** – 0.12% against a target of 0.1%. Errors were the result of a human error where a tab on the expenses timesheet had not been uploaded. Going forward, additional quality checking will be carried out on this process.

Contract Indicators (not met target)											
Ref	Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking	
KPI	Super KPI35a CSG/C3 5	Resident Satisfaction - staff are friendly and polite	Bigger is Better	80%	80% (+/- 4.4%pt tolerance)	75% (GA)	Question not asked in Autumn 2016	Question not asked in Autumn 2016	83% (Spring 2016)	Worsening	No benchmark available
KPI	Super KPI35b CSG/S1	Resident Satisfaction - It is easy to access council services	Bigger is Better	80%	67% ⁴⁰ (+/- 4.4%pt tolerance)	60% (RA)	Question not asked in Autumn 2016	Question not asked in Autumn 2016	66% (Spring 2016)	Worsening	No benchmark available
KPI	Super KPI35c CSG/C3 6	Resident Satisfaction - Responds quickly when asked for help	Bigger is Better	55%	55% (+/- 4.4%pt tolerance)	45% (RA)	Question not asked in Autumn 2016	Question not asked in Autumn 2016	52% (Spring 2016)	Worsening	No benchmark available
KPI	HR17a CSG/C1 4	Payroll Accuracy - Payroll Error Rates	Smaller is Better	0.1%	0.1%	0.12% (R)	0.05%	Worsening	0.0%	Worsening	No benchmark available

⁴⁰ CSG target differs slightly from Corporate Plan target, as this was set at the start of the contract in 2013/14.

Risk management

C.13 The CSG risk register includes 39 risks overall which are being managed in line with the council's risk management framework. Four are high level risks with a residual risk score of 15 or above. One is a *business continuity* risk, one is an *information governance* risk, one is a *compliance* risk and one is *finance* risk. All are being managed as 'treat'. The latter two are new risks added during the quarter.

- **CSG13 - IT service adequacy (risk score 16).** This risk focuses on the inability of the infrastructure to handle multiple service applications due to the portfolio of systems not being managed properly. The risk is being mitigated by ensuring necessary certification and third party assurance in place; and capacity checks on the wireless network take place to increase speed and resilience. The implementation of Service Now will help to further mitigate the risk.
- **CSG26 - Inadequate awareness of LBB staff (risk score 15).** This risk focuses on inadequate security controls and governance training for LBB staff that could lead to a loss of sensitive personal information or breach of data protection. The risk is being mitigated through training and communications, along with ensuring PSN compliance is in place and security standards are applied to all projects.
- **CSG35 – Staffing resource (risk score 16).** The risk focuses on the high turnover of staff and the potential failure to follow council policies and procedures if inductions are not properly conducted in CSG Estates. The risk is being mitigated by ensuring an induction programme is put in place for new starters.
- **CSG38 - Failure to develop income quick wins (risk score 15).** The risk focuses on the failure to develop income quick wins to meet the budget income target. The risk is being mitigated by reviewing case priorities and identifying resources to lead on the quick win initiative programme, which will work in conjunction with the investment model.

C.14 As well as the two new high level risks (scoring 15 or above), a further nine new risks have been added to the risk register during the quarter. None of these are high level risks with a residual risk score of 15 or above.

C.15 Overall the majority of CSG risks have the "same" residual risk score as last quarter. Four risks have a "reduced" residual risk score; and one risk has an "increased" residual risk score. None of these are high level risks with a residual risk score of 15 or above.

Contract variations

C.16 There have been two variations to the CSG contract in the last quarter. These relate to Customer Services and refer to Hendon Town Hall and Libraries and Children's calls (see table 12 below).

Table 12: Contract variations (Q1 2017/18)

Ref	Title	Description	Change Raised by	Status as at 30 Jun 2017	Financial Impact (over the life of the contract)	Service Impacted
No financial impact						
CR118	Managed Budgets	Managed Budgets : Amendment to budget management activities and responsibilities stated in the CSG Contract	Service Provider	Approved	£0.00	Finance
CR116	IT Refresh CR	Placeholder this may change into several different CRs depending on work packages	Service Provider	Approved	£0.00	Information Systems
CR123	Disaster Recovery – Change of DR Banding (Phase 1)	To change the banding of applications hosted in the Capita Data Centre from Platinum/ Gold to Tier 1 and Silver/Bronze to Tier 2	Service Provider	Approved	£0.00	Information Systems
With financial impact						
CR121	DWP SFIS (Single Fraud Investigation Service)	Move SFIS from CAFT to CSG Revs & Bens	Service Provider	Approved	£112,291.67	Revenues and Benefits
CR124	Crisis Fund ⁴¹	Administration of the Crisis through CSG	Authority	Approved	£449,166.67	Revenues and Benefits
CR126	Burnt Oak	Late night	Authority	Approved	-£12,074.81	Customer

⁴¹ The Barnet Crisis Fund can help people who need extra help in an emergency or help to support or maintain themselves in the community following a stay in hospital or being released from prison. It can also help residents who are working but on a low income and people who have a pending Council Tax support or Housing benefit claim. More information can be found at <https://www.barnet.gov.uk/citizen-home/council-tax-and-benefits/grants-and-funding/barnet-crisis-fund.html>

Ref	Title	Description	Change Raised by	Status as at 30 Jun 2017	Financial Impact (over the life of the contract)	Service Impacted
	Library Opening Hours Change	opening hours at Burnt Oak Library are removed due to lack of customer footfall.				Services

REGIONAL ENTERPRISE (RE)

C.17 Re is the joint venture with Capita to deliver a full range of property, development and regulatory services. A progress update on each service area has been provided below, along with an update on the Re review.

Service	Update on service area
Re review	<p>A review of the contract has been taking place to ensure that it remains fit for purpose. The review will identify the benefits realised through the contract; and any changes that should be made to improve the management of the contract and ensure activities add value to the contractual arrangements. An evidence-based and collaborative approach has been taken to the review. The public were invited to submit their views on Re services for consideration by the Member Working Group at a public session on 26 June 2017. Interviews have been held with commissioners to identify their views on service provision and key issues for focus as part of the review. Views and experiences are being considered by the Member Working Group in consultation with Re. The final report will be submitted to PCM Committee by the end of 2017.</p>
Planning (Development Control)	<p>Statistics published by the Department for Communities and Local Government (DCLG) have shown Barnet to be the second busiest Planning team in London (7th in England) when measured by the number of decisions in this quarter. Performance has remained high, with 95% of major applications; 87% of minor applications; and 90% of other applications processed on time.</p> <p>There has been an increase in planning enforcement activity, with 79 enforcement notices authorised this year; along with 183 investigations concluded in June 2017. Re has supported the first wave of planning enforcement direct action at three sites in the borough, involving the clearance of waste, vegetation and stored materials. These sites had been unsightly for some time and despite notices being served, no works had been carried out by the land owners.</p> <p>There have been significant improvements in respect of the information being provided to Members. There has been a training session on prosecutions, which will be re-run later in the year, with monthly updates to Members generally and quarterly reports to Area Committees. Further improvements in Member communications will be driven through the use of Member Liaison Officers that have now been appointed.</p>
Building Control	<p>Support has been provided to the London Borough of Kensington and Chelsea (LBKC) in the aftermath of the Grenfell Tower fire. The team also assisted in the local response to checks on high rise buildings. Lists have been compiled of all buildings above six storeys in the borough; along with any buildings where a planning or building control application had been submitted for 'cladding'. Letters have been issued to freeholders, property managers and housing associations with</p>

Service	Update on service area
	<p>advice to refer to the DCLG guidelines for testing Aluminium Composite Material (AMC) cladding and to review their risk assessments. Contact has also been made with known owners of buildings that have AMC cladding as part of an initial notice. The team has also fielded a high level of calls with the manager and senior surveyors providing advice to the public. Barnet's Building Control team continues to be on standby by the Local Authority Building Control (LABC) to provide dangerous structure support to the LBKC.</p>
<p>Strategic Planning</p>	<p>The final report of an audit into Community Infrastructure Levy (CIL)/Section 106 collection processes has been published. This reported no significant issues and the main recommendation was to put into place a process for signing off CIL discount/relief.</p> <p>This quarter, CIL receipts have totalled £3.604m and TfL CIL collection has totalled £2.138m. This money will be spent on community infrastructure in Barnet. In addition, £3.161m has been collected in Section 106 payments. The majority of this money will be for offsite affordable housing from the 57-65 Bishops Avenue development.</p>
<p>Regeneration</p>	<p>The Growth and Regeneration Programme Annual Report has been approved by Asset, Regeneration and Growth Committee on 24 April 2017.</p> <ul style="list-style-type: none"> • Dollis Valley - progress has been made on the acquisition of the 45 remaining leasehold properties. The expectation is that most leasehold properties will be acquired by the council and to date Heads of Terms have been agreed with 20 leaseholders for sales of their properties to the council; and a further six resident leaseholders who want to acquire a home under the shared equity scheme. There has been a good turnout of residents to the Dollis Valley design exhibition event that took place between the 19 and 23 June 2017. • Grahame Park - the regeneration programme has received a boost with the confirmation of Greater London Authority (GLA) funding for the next phase of development. In addition to the earlier £56m Estate Regeneration Fund (ERF) loan, the GLA has confirmed £12m of recycled grant fund and £12.4m new grant to be deployed in the delivery of the concourse (on Grahame Park) programme. The planning application has been submitted and validated, and consultation events have taken place. The Noel block and lounge is vacated and ready for demolition. • West Hendon - the Phase 4 Reserved Matters Application (RMA) has been approved at Planning Committee on 26 April 2017. This will deliver over 600 new homes, including 193 affordable, a new play area for children and major Highway Works comprising of the removal of Perryfield Way gyratory, widening of Station Road to allow two-way traffic and junction improvements at Cool Oak Lane.

Service	Update on service area
	<p>The Reserved Matters Application for a new dedicated pedestrian and cycle bridge at Cool Oak Lane, West Hendon, was also approved.</p> <ul style="list-style-type: none"> • Granville Road - the recent fire safety assessment of the tower blocks in the wake of the Grenfell Tower fire and emergency cladding works resulted in delays to sending out letters about the Compulsory Purchase Order (CPO) process and related activities to Granville Road residents. A full CPO process has to be undertaken because a single Leaseholder has declined a voluntary sale. Consequently, this could result in a delay to the project. • Brent Cross (see paragraph B.23 above). • Mill Hill - sale of land successfully completed this quarter is expected to result in the comprehensive redevelopment of a brownfill site. The development, if approved, will deliver 2,240 new homes, retail and employment opportunities within the borough.
<p>Environmental Health/Trading Standards</p>	<p>A successful joint test purchase operation has been undertaken by Trading Standards and the Police. The exercise took place in Golders Green and West Hendon as part of initiatives to respond to increasing knife crime across London. Two traders have been identified for selling age restricted items, namely a knife to an under 18 and received cautions from the Police. Further operations are planned for the coming months.</p> <p>The first Community Protection Notices (CPNs) have been served in relation to anti-social behaviour towards neighbours; and a second successful prosecution has been brought by the Community Protection team to the Crown Court for unlicensed street trading with more in the pipeline.</p> <p>Private Sector Housing has won an appeal at the First Tier Tribunal (Property Chamber) against conditions attached to a licence for a house in multiple occupation. The appeal related to the refusal to allow a room of just over five square metres to be occupied by a tenant (well below the council's adopted standards and the government's proposed standard of 6.5 square metres). In a separate case, Emergency Prohibition Orders have been served due to very poor accommodation with no kitchen. The landlord had removed the circuit plug for the electrics and heating and hot water. The tenants were referred to Barnet Homes for assistance.</p> <p>A survey of over 1,480 long term empty properties has been completed, which will inform the revised empty property work programme and ensure properties in the worst condition are dealt with first.</p>
<p>Cemetery and Crematorium</p>	<p>Staff have been recognised for their high standards of customer service and positive feedback from service users at the Barnet Our Star awards</p>

Service	Update on service area
	<p>where the team won the Customer Choice Award.</p> <p>Following recruitment difficulties in filling Grave Digger vacancies, emergency temporary cover had to be secured to avoid a disruption to the service provided. A permanent solution has now been found with a third party grave digging company providing the service to the Cemetery. This should increase the capacity for more burials a day and increased flexibility in responding to burial requests.</p>
Highways Network Management	See paragraph B.39 above.

Budget position

Revenue					
Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Re	(824)	(824)	(752)	72	8.7

C.18 As at Q1 2016/17, Re is currently forecasting an overspend of £0.072m which relates to residual costs to be met by the council and additional works on public conveniences.

Capital						
Service	2017/18 Budget £000	Additions/ (Deletions) £000	(Slippage) / Accelerated Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Slippage %
Re	174,147	8	(34,331)	139,824	(34,323)	(19.7)

C.19 The Re capital programme has decreased by £34.323m. This is due largely to slippage on regeneration schemes to 2018/19.

Performance indicators

C.20 Corporate Plan and Commissioning Plan indicators for Re have been captured as part of the ARG, Housing and Environment Committee sections (see paragraphs B.33, B.40 and B.46). One Commissioning Plan indicator has not met the quarterly target - **KPI 2.1-2.3 (NM) Highways defects made safe within agreed timescales (RAG rated RED AMBER)** - and has been reported in paragraph B.40.

	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
Re	92% (46)	0% (0)	4% (2)	4% (2)	65% (31)	35% (17)

C.21 The contract with Re also includes a number of operational indicators (KPIs). Three KPIs have not met the quarterly target:

- KPI 2.2 (NM) Highways Category 1 Defects Rectification Timescales completed on time (48 hours) (RAG rated RED AMBER)** - 99.2% against a target of 100%. 490 of the 494 jobs were completed on time. In April 2017, two jobs were not completed on time by the contractor due to the Easter holidays and contractor delay. In May 2017, a further two jobs were not completed on time due to a delay in instructing work orders to the contractor because of an IT issue.
- KPI 2.3 (NM) Highways Category 2 Defects Rectification completed on time (RAG rated RED)** - 95.6% against a target of 100%. 175 of 183 jobs in April 2017 were completed on time. The third party contractor was unable to complete repairs within timescales for several jobs due to parked cars. Issues with individual sites have been raised and discussed at fortnightly meetings with the contractor. Data has not been submitted for May and June 2017. Re has been liaising with the contractor to resolve this issue.
- KPI 2.4 (NM) Highways Insurance Investigations completed on time (RAG rated RED)** - 96.6% against a target of 100%. 56 of 58 insurance investigations were completed on time. Re has reviewed their processes and determined that the errors made in both cases were down to human error and not procedural ones. These have been discussed within the team. The delays have had no negative impact on the Insurance team's timelines and ability to defend claims.

Contract Indicators (not met target)

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q1 Target	2017/18 Q1 Result	2016/17 Q4 Result	DOT Short Term (From Q4 2016/17)	2016/17 Q1 Result	DOT Long Term (From Q1 2016/17)	Benchmarking
KPI	KPI 2.2 (NM)	Highways Category 1 Defects Rectification Timescales completed on time (48 hours)	Bigger is Better	100%	100%	99.2% (RA)	100%	Improving	99.8%	Worsening	No benchmark available
KPI	KPI 2.3 (NM)	Highways Category 2 Defects Rectification completed on time	Bigger is Better	0.0%	100%	95.6% (April 2017) (R)	100%	Improving	99.9%	Worsening	No benchmark available
KPI	KPI 2.4 (NM)	Highways Insurance Investigations completed on time	Bigger is Better	100%	100%	96.6% (R)	98.9%	Improving	100%	Improving	No benchmark available

Risk management

C.22 Risks on the Re joint risk register are reported under ARG in paragraphs B.26-B.27 above.

Contract variations

C.23 There has been one variation to contract in the last quarter. This relates to all services and refers to pre-payment of the periodic service payment (see table 13 below).

Table 13: Contract variations (Q1 2017/18)

Ref	Title	Description	Change Raised by	Status as at 30 Jun 2017	Financial Impact (over the life of the contract)	Service Impacted
With financial impact						
DRS026	Pre-payment of Periodic Service Payment September 2017 – June 2018	<p>As part of the Year 4 Review (clause 37.4 of the DRS contract) the council will prepay in June 2017 the Period Service Payments due for the Service Charge Payment Period September 2017- June 2018.</p> <p>This will allow for a net saving and creation of a credit to the council of £533,709 in recognition of the repayment profiling and reduced interest costs to the Service Provider.</p>	Service Provider	Approved	- £533,709.00	All services

2 REASONS FOR RECOMMENDATIONS

- 2.1 These recommendations are to provide this Committee with the necessary information to oversee the performance of the corporate plan and service and contract performance. This paper enables the council to meet the budget agreed by Council on 7 March 2017.

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 The report provides an overview of performance for the quarter, including budget position for revenue and capital, progress on key activities, indicators that have not met target and management of high level risks, along with information on staffing, customer experience and resident satisfaction, and any variations in CSG and Re contracts.

- 5.1.2 The quarterly results for all indicators are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>

- 5.1.2 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 and Commissioning Plans. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximised.

- 5.1.3 Relevant council strategies and policies include the following:

- Corporate Plan 2015-2020
- Corporate Plan - 2016/17 Addendum and 2017/18 Addendum
- Commissioning Plans
- Medium Term Financial Strategy
- Treasury Management Strategy
- Debt Management Strategy
- Insurance Strategy
- Risk Management Framework
- Capital, Assets and Property Strategy.

- 5.1.4 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)

5.3 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, sets out 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.
- 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 virements 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 2015-2020 onwards, four phases of consultation took place:

Phase	Date	Summary
Phase 1: Setting out the challenge	Summer 2013	The council forecast that its budget 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 ⁴² of council services. An online survey (17 December 2014 – 11 February 2015)

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 2016 (Decision item 13.1) – approved 2016/17 addendum to Corporate Plan
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8344&Ver=4>
- 6.5 Council, 7 March 2017 – approved 2017/18 addendum to Corporate Plan
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8819&Ver=4>

⁴² 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.

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Residual Risk (with controls in place)			Target Risk		Further actions	Direction of travel (from previous quarter)
						Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	
Strategic risks												
STR004	Future financial pressures and uncertainty	The uncertainty and therefore lack of clarity on impact of changes in the national and regional political landscape, legislative changes and local government funding changes (e.g. lack of new funding for pressures in Adult Social Care and business rates localisation) that affect LBB services could lead to further reduction of the in-year budget resulting in non-achievement of MTFS target, reduction in service quality, resident dissatisfaction, deterioration of services, use of reserves and reputational damage. This could also have an impact on the existing overspend by increasing it.	Chief Executive	Finance	We have some contingency and reserves in place to mitigate the short term impact. We undertake forward planning, regularly updating our budget assumptions and monitoring the Government's fiscal announcements. However, we also maintain flexibility within existing plans to instigate recruitment freezes in non-front line services whilst long term plans are being put into place. We also maintain good contacts with central Government, to remain as informed as possible.	5	4	20	5	2	Tolerate	Increased
STR003	Delivery of transformation programmes	If there are challenges with resource recruitment, changes in market conditions, changes in political decisions, change resistance, poor project management, budgetary management and engagement (staff and residents), this could lead to failure to deliver major transformation programmes, specifically Brent Cross, Mill Hill depot, Colindale office relocation, Adults & Communities ADM, Libraries programme and Social Care Practice Improvement and failure to maintain a balanced budget over the MTFS period resulting in resident dissatisfaction, disruption to services, financial loss, and reputational damage	Chief Executive	Finance	We have clear leadership in place through our Strategic Directors, and the decision-making process is well understood. Our governance structure is set up to support delivery, with member challenge. Our annual finance and business planning processes also support this.	5	3	15	5	2	Treat	Same
STR007	Significant safeguarding incident	If Council services and partners do not effectively manage their relevant safeguarding risks, this could lead to a safeguarding incident resulting in potential harm to individuals and/or families, potential legal challenge, resident dissatisfaction, public scrutiny	Chief Executive	Statutory duty	Children: elements of the Practice Improvement Plan have been implemented, including training. We also have a supervision policy and practice standards, and undertake quality assurance activity. We adhere to Pan London safeguarding procedures and processes, and ensure scrutiny and oversight of safeguarding via assurance reports to the lead member, SCB Assurance, Barnet Safeguarding Board, and the Social Work Improvement Board Adults: adherence to the London multi-agency safeguarding adults Policy & Procedures. Training programme. Supervision policy and practice standards. Quality assurance programme in place including case audit, supervision audit, performance monitoring. Assurance reports to SCB Assurance, Barnet Safeguarding Adults Board and PQA sub-group; also to Adults committee and HWB annually.	5	3	15	5	3	Treat	Same
STR001	Sufficient skilled and experienced resources in the marketplace	If there is a challenging recruitment market that impacts the ability to recruit and retain the right staff with the right skills, and causes a lack of stability of senior management, this could lead to limitations in the competency and capability of the workforce to deliver statutory responsibilities and / or corporate objectives resulting in potential legal challenge, impact on financial targets - savings and income, reduced service to residents, reduced residents satisfaction, loss of corporate memory and reputational damage	Assistant Chief Executive	Compliance	There is a new unified reward package, focused on improving the offer to the market. We are building the Council's reputation externally, and have a tailored recruitment programme in place, as well as a graduate and apprentice programme. Our "The Way We Work" programme includes new offices in Colindale, and we are overall making Barnet a better place to work.	4	3	12	4	2	Treat	Same
STR002	Capacity for business continuity responsiveness	If there is insufficient resource or capability to deal with crisis, such as those involving critical local infrastructure, and insufficient testing of Business Continuity Plans / incident response plans, the Council may be unable to respond effectively in the event of a crisis resulting in financial loss, disruption to services, resident dissatisfaction and reputational damage	Deputy Chief Executive	Business continuity	The Council has a corporate Business Continuity Strategy and Plan, and we maintain a network of business continuity leads, with quarterly meetings on this subject. We carry out bi-annual desktop tests, including live reporting. Plans are in development to test our arrangements through live scenarios.	4	3	12	4	2	Treat	Increased

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Residual Risk (with controls in place)			Target Risk		Further actions	Direction of travel (from previous quarter)
						Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	
STR006	Complexity of partnership working in the Borough	Differences of geographical footprint and governance structures of key strategic partners (e.g. NHS, NLWA) exacerbated by any changes in leadership may lead to conflicting priorities between partner agencies, including in the use of critical local infrastructure, resulting in non achievement of targets, increased risk of safeguarding incidents, resident dissatisfaction, ineffective allocation of resources and reputational damage	Chief Executive	Statutory Duty	We maintain good relationships with strategic partners, and have aligned our strategic plans where possible. We also hold regular update meetings with these partners, and members and senior officers are represented on key strategic boards.	4	3	12	4	2	Treat	Same
STR011	Impact of change in policies	If there is a change in policies or in priorities across the Council / for specific Committees, this would result in increased workloads across the council associated with reworking of strategies, impacting on finances and ability to operate within budget	Chief Executive	Business continuity	Decisions are made in accordance with legal advice, and the Council undertakes forward planning at the corporate level. The risk to the budget is controlled by the MTFS and business planning process, and members are fully engaged. A draft budget for 2017/18 is out for public consultation, and has been updated to reflect the Local Government Finance Settlement. Briefings have been sent to all councillors and senior management.	4	3	12	4	3	Tolerate	Same
STR012	Potential Health & Safety incident or negative impact on wellbeing of Barnet employees, Members and members of the public	If health & safety / compliance policies & procedures are not sufficiently developed, tested or adhered to by officers, Members or the Council's contractors, this could lead to an incident resulting in harm to Barnet employees/council members/members of the public, legal challenge and reputational damage	Chief Executive	Health and safety	H&S policies and processes around managing compliance are in place (available on the intranet), and the five civic buildings are being managed effectively. There are plans to identify gaps for other council stock (though these are not yet implemented). Training is undertaken so staff can find the right information, with some advertising on the intranet, and first team messaging to staff. Leaflets are distributed among the workforce. We have a web-based portal for referrals, with HR leading on some of these. There is a "split" service, allowing access to additional H&S advice available as required, but alongside Barnet-based staff with H&S knowledge of local issues carrying out monitoring activities (including H&S audits and inspections) as well as a statutory officer in place. We have systems to collect information on incidents, and undertake regular H&S audits and reports to senior officers and Committees.	4	3	12	4	3	Treat	Same
STR008	Successful challenge to the decision-making process	If statutory obligations to consult as are not considered as part of the decision making process by any part of the organisation (retained or commissioned) when they are required to be, this may lead to successful legal challenges to the decision-making process resulting in, judicial review of process, which has implications for officers and Members, and could lead to reputational damage	Chief Executive	Statutory Duty	Corporate advice and guidance on decision-making are in place, with a clearance process. Senior officers and members have oversight of decisions	5	2	10	5	2	Tolerate	Same
STR009	Contract management and clienting of contracts	If commercial and commissioning roles & responsibilities are not clearly defined and realisable or understood by officers and Members, and / or there are inadequate finance controls, this may lead to ineffective contract management & clienting, resulting in delivery of poor level of service, inappropriate decision-making weakening the negotiating position, and financial loss/overspend	Chief Executive	Statutory Duty	We have a contract management framework, with policy and procedures in place for commercial and commissioning activity. The Council's Commercial Team oversee this work, with SROs. We undertake contract monitoring, and members have oversight through the Performance and Contract Monitoring Committee and the Audit Committee. Opportunities for improving this work have been highlighted through the CSG contract review.	4	2	8	3	2	Treat	Same

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Residual Risk (with controls in place)			Target Risk		Further actions	Direction of travel (from previous quarter)
						Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	
STRO10	Potential Fraud, bribery or corruption incident	If there are ineffective internal controls, governance arrangements, and neither fit for purpose nor adhered to policies and procedures, this could lead to the Council being unable to prevent an incident of organised or high value fraud, bribery or corruption resulting in loss of revenue, cost to the business (disposal and prosecution), staffing issues and reputational damage	Section 151 Officer	Finance	<p>The Council observes financial regulations, internal controls and standing orders, and contract procedure rules. There is a counter-fraud framework, including a whistleblowing policy. The Council also has an employee code of conduct, which includes a gifts and hospitality policy, and other HR Policies are in place. There is oversight by the Audit Committee, a dedicated fully qualified independent fraud team (CAFT), and an internal audit team.</p> <p>The CAFT have a risk-based joint work plan (with Internal Audit) and also conduct proactive fraud drives and also the Fraud Awareness Programme and advice. CAFT conduct Fraud Risk Assessments and Data Matching initiatives (such as the National Fraud Initiative) in high fraud risk areas. They are able to respond to referrals of fraud and investigate them through to the appropriate outcome. They work closely with HR where internal fraud also raises disciplinary issues and also are the only authorised team to conduct financial investigations on behalf of the council under Proceeds of Crime Act.</p>	3	3	9	3	3	Treat	Same
STRO13	Effective response to internal and external changes (political and economic)	Due to the complex nature of services provided, demographic changes and macroeconomic changes, the Council may be unable to effectively respond in an agile way to internal and external changes (political and economic) resulting in not being able to deliver organisational objectives, financial impact and reputational damage	Chief Executive	Business continuity	The Council undertakes forward planning at the corporate level, as well as business planning. The corporate risk management framework and audit process also control this risk.	5	2	10	5	1	Treat	Same
STRO14	Implementation of Elections reviews	If the recommendations of the Smith Review into Barnet's election processes & procedures are not implemented, this could lead to an inability to deliver elections in compliance with national legislation and statutory guidance - raising the risk of: a successful challenge of election results, the loss of confidence in the electoral function, and ultimately a court ruling to re-run an election (with subsequent financial consequences and reputational damage)	Chief Executive as the Returning Officer	Statutory Duty	<p>The recommendations of the Heath review were implemented (May/June 2016).</p> <p>The wider electoral services review independent Smith review was completed in November and presented at the November General Functions Committee.</p> <p>In summary, Dr Smith's review found that the Electoral Registration and Elections Services in Barnet has strong and effective professional knowledge and experience and is compliant with both the law and Electoral Commission guidance, but that there are areas in which the services can be challenged to perform at a higher level and achieve beyond compliance.</p> <p>Dr Smith's report proposed 16 recommendations for Barnet's Electoral Registration and Elections services. These recommendations were all accepted by the Council and the Returning Officer and initial responses were presented with further work for full implementation of the review's recommendations within 2017.</p>	4	2	8	4	2	Treat	Same
STRO16	Neglecting Corporate Parenting duty	The Council and its partners neglecting to fulfil their duty as Corporate Parents could lead to poorer outcomes for children in care and care leavers across key areas including education, health and placements, resulting in an increased gap between children in 'care/care leavers' and their peers in the shorter term and poorer outcomes in the longer term.	Strategic Director of Children and Young People	Statutory Duty	<p>A joint motion by Councillors to Full Council in November 2015 resulted in a the Barnet Care Leavers Pledge. The Child in Care council has been refreshed and the advocacy service is active across Family Services. A Child in Care improvement plan is being implemented. The Virtual School has invested in a strong structure and resources are targeted to improve outcomes, including through the PEP process.</p> <p>The 'Onwards and Upwards' care-leaving service is located in a town centre, where care leavers can access support and a broad range of multi-agency services. Strategic links have been developed with key partners</p>	3	3	9	3	2	Treat	Same

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Residual Risk (with controls in place)			Target Risk		Further actions	Direction of travel (from previous quarter)
						Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	
STR017	Exposure to cyber-security attack	Connecting to untrusted networks (such as the Internet) exposes IT networks to attacks that seek to compromise the confidentiality, integrity and availability of ICT and the information they store and process.	Director of Resources	Business Continuity	Policies and risk management approaches to protect IT networks developed and implemented; and security controls applied, including patch upgrades.	4	2	8	4	1	Treat	NEW
STR018	Incident management	An information security incident (e.g. a cyber-security attack) disrupts IT networks leading to a loss of access to information assets and disruption to council services.	Director of Resources	Business Continuity	Incident management policies in place to improve resilience, and support business continuity, including regular assessment of information assets.	4	2	8	4	1	Treat	NEW
STR019	Fire health and safety	Failure to sufficiently manage policies and procedures around H&S (including fire) could lead to an incident that results in structural damage to property, litigation/compliance breach; financial loss, personal injury or death.	Director of Resources	Health and safety	H&S policies and processes for managing compliance in respect of the council's estate and homes are in place; H&S audits and inspections are carried out in accordance with policy; and fire risk assessment (FRAs) are undertaken and reported and actioned for all residential housing managed by Barnet Homes and main housing association partners.	4	2	8	4	1	Treat	NEW
High level service/joint risks												
Adults and Communities (5)												
AC001	Increased overspend to meet statutory duties	Adults & Communities Delivery Unit could have insufficient resources to meet its statutory duties due to operating in an environment in which there is inherent uncertainty in future demand for services, exacerbated by a potential inability to deliver savings, reduced ability to raise income from clients, the rising cost of care, other in year financial pressures due to unexpected demand, the increasing complexity and cost of care packages, and legislative changes. This could result in harm to individuals, legal challenge, worsening budget overspend, and reputational damage.	Adults and Communities Director	Compliance	The Council's budget management process (MTFS) forecasts demographic growth and pressures over a 3 year period. Budget and performance monitoring and management controls are used throughout the year. Work to reduce addressable spend (such as expenditure on agency staff) is being carried out in year. The Joint Strategic Needs Assessment will identify future demand pressures, and the Council will undertake initiatives focused on reducing and managing future demand in response, including the Adults' New Operating Model/ Alternative Delivery Vehicle which focus on reducing demand for services and finding more creative ways to manage complex need.	5	3	15	3	3	Treat	Same
AC002	Failure of care provider	A care provider could suddenly be unable to deliver services, due to: - provider going into administration - failure of regulatory inspection relating to quality of service - care provider chooses not to deliver services - HS&E breach leading to operational disruption to manage the situation, harm to individuals by not having their care and support needs met, unexpected financial consequences, breach of statutory duty,	Head of Integrated Care Quality	Business continuity	For contracted services, extensive due diligence is carried out before and during any contract. The Delivery Unit carries out ongoing contract management and monitoring to ensure it continues to engage with providers, complemented by relationship management work, and monitoring of individuals placed with providers. The Council also works with the market as a whole, making a programme of best practice and improvement initiatives available to the provider sector. A regular report setting out provider risks and concerns is circulated to the DASS and to the DU's Leadership team on a monthly basis and discussed through the regular DASS assurance meeting.	4	4	16	4	3	Treat	Same
AC003	Unacceptable level of quality services provided by care providers	Unacceptable levels of quality of services provided by care provider could lead to additional dedicated Barnet resource needing to be put in place to address the situation, resulting in reduced ability to manage BAU, financial consequences. If the additional resource is not able to address the underperformance of the care provider, this could also lead to harm to individuals, reputational consequences	Head of Integrated Care Quality	Compliance	For contracted services, extensive due diligence is carried out before and during any contract. The Delivery Unit carries out ongoing contract management and monitoring to ensure it continues to engage with providers, complemented by relationship management work, and monitoring of individuals placed with providers. The Council also works with the market as a whole, making a programme of best practice and improvement initiatives available to the provider sector.	4	4	16	3	3	Treat	Same

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Residual Risk (with controls in place)			Target Risk		Further actions	Direction of travel (from previous quarter)
						Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	
AC004	Surge in demand from NHS	An unpredictable surge in demand from the NHS in situations where there is limited capacity could lead to the DU being unable to meet this demand within the NHS's required timescales. This could result in financial consequences, operational disruption leading to rushed decisions being made that have unintended negative consequences, potentially for individuals that have been discharged, and increased central government scrutiny.	Assistant Director Adult Social Care	Compliance	System-wide resilience monies have been made available and these can be used to buy in extra capacity, subject to agreement by the NHS-led Improvement Board. There are monthly system resilience and operational resilience meetings between LBB, CCG and NHS Provider Trusts to discuss & manage pressures in the system, and to deliver action plans. Daily conference calls are in place to deal jointly with events as these happen.	3	5	15	3	3	Treat	Same
AC011	Breach of mental capacity act or code of practice	Insufficient competent staff (permanent and agency, at all levels) to meet rising demand and complexity could lead to breach of the Mental Capacity Act or Code of Practice, resulting in Barnet not acting in someone's best interest (Mental Capacity Act), and as a result serious harm to individuals and/or the ongoing impact of such a breach on an individual's life; legal challenge, financial loss (legal costs) and reputational damage.	Assistant Director Social Care	Compliance	As with safeguarding issues, staff training is in place, supported by practice forums. Quality assurance framework, led by the Quality Board, monitors supervision (and responds to, for example, supervision and other quality audits). Regular case file audits take place (using a pool of auditors from across the Department). Monthly reporting to leadership team on safeguarding activity Monthly quality and safeguarding meeting with DASS includes review of high risk cases. External case file audits are conducted. The Safeguarding Adults Board (multi-agency) meets regularly. Tools are available to support practitioners (e.g. recording templates, assessment tools etc.), as well as learning processes such as safeguarding adult reviews (SARs) and the domestic homicide review process.	4	4	16	5	2	Treat	Increased
Family Services (2)												
FS001	Significant child safeguarding incident	Inappropriate response or poor decision-making around a case leads to a significant children's safeguarding incident, resulting in increased risk of significant harm or death of a child, and reputational damage.	Interim Assistant Director, Family Service	Statutory Duty	The majority of the 2016/17 Practice Improvement Plan has been implemented, and new plan for 2017/18 has been introduced. Delivery of the plan is monitored regularly and overseen by a Board chaired by the Chief Executive. Signs of Safety training is being rolled out as part of the toolkit to implement resilience-based practice across the service and partnership, which supports purposeful practice Supervision and practice standards help to control this risk, as well as quality assurance activity. We provide assurance reports to the lead member, SCB Assurance, Barnet Safeguarding Board, and the Social Work Improvement Board, to ensure scrutiny and oversight. The lead member meets monthly with service leads to provide oversight.	4	4	16	4	3	Tolerate	Same
FS004	Serious gang-related incident	As a result of inappropriate decision making, which could be exacerbated by a lack of timely access to information, a gang and serious youth violence related incident could occur involving one or more young people within the borough resulting in a child death and reputational damage.	Interim Assistant Director, Family Service	Health & Safety	Our Gangs and Serious Youth Violence Strategy is overseen by the Community Safety Partnership Board and Youth Offending Partnership Board. We also have a gangs operational group, and a gangs, missing and child sexual exploitation strategic group. Our gangs operational protocol and screening tool helps control this risk, as well as the Keeping Young People Safe preventative project. A Gangs surgery is in place for professionals and prevention activity is taking place in schools. There is a Serious Incidence Response Protocol in place for the partnership. -A new multi-disciplinary team has been established to deliver intensive, wraparound interventions for high risk adolescents.	4	4	16	4	3	Treat	Same

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Residual Risk (with controls in place)			Target Risk		Further actions	Direction of travel (from previous quarter)
						Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	
Customer and Support Group (CSG) (4)												
CSG13	IT service adequacy	Inability of current infrastructure to handle multiple service applications due to portfolio of systems not being managed properly, with many approaching end-of-life, resulting in outdated and unusable systems, poor-performing systems and potential security breaches	Head of Information Management	Business continuity	Network design is validated through Public Services Network certification and Capita third party assurance. Dedicated infrastructure staff within Capita are focused on the control of the Barnet infrastructure. Capacity checks on wireless network are currently taking place to increase speed and resilience.	4	4	16	4	2	Treat	Same
CSG26	Inadequate Awareness of LBB staff	cause: Inadequate security controls & governance training for LBB staff event: Loss of sensitive personal information or breach of data protection consequence(s): Contractual & DPA breaches, breaches of PCI compliance obligations, penalties & compensation	Information Security Manager	Information Governance	Training and awareness of all LBB staff in place- regular briefings and reminders PSN compliance in place and Capita group security standards applied to all projects Council Security forum, PEN tests, PCI tests and PSN compliance assessments in place and reviewed annually Audits completed on processes and controls with good compliance reported	5	3	15	2	2	Treat	Same
CSG35	Staffing resource	Due to a high turnover of staff if the correct inductions are not conducted we are at risk of procedures not being adhered to. This can vary from incorrect DPR's being produced to procurement and spend of service providers	Head of Estates	Compliance	An induction programme for new starters is to be developed as soon as possible. This will include training and learning of authority policies and governance procedures. It will also include training on the use of all systems .	4	4	16	4	1	Treat	New (Jun 17)
CSG38	Income target	The current income projection may not be sufficient to cover the required income target in order to support the authorities forecasts which could place financial pressures on a budget that is already projecting an overspend resulting in reputational and financial damage.	Head of Estates	Finance	CSG is reviewing its case priorities to identify resources who will lead on the quick win initiative programme, this will work in conjunction with the investment model.	3	5	15	1	1	Treat	New (Jun 17)
Regional Enterprise (Re) (3)												
RE001	Development pipeline: Property build exceeds target cost	LBB are unable to commission the construction of the properties specified within the development pipeline at the target cost defined within the business plan due to: - construction inflation - team skills and experience - design that pushes up costs - team skills and experience - ineffective management of delivery - All of which could result in reduced profit or loss on properties, potential abandonment of the project and lose sunk costs, reputational damage - a sales/costs balanced design approach	Deputy Chief Executive (LBB)	Financial	Development Management provided by GL Hearn - Project management toolkit (gateway process) - Contingency within the target cost - competitive procurement process - current contractor prices are being challenged through a benchmarking process - Schemes have been re-appraised and value engineered at supply chain costs - negotiations with the selected contractor are continuing	4	4	16	3	3	Treat	Same
PB13	Development Tranche 1	Due to viability issues with Tranche 1, the wider growth targets for the Joint venture may not be achieved. This could lead to reduced stakeholder confidence, reputational damage, and reduced revenues.	Barnet Partnership Director (Capita)	Financial	A revised Business plan is to be agreed by ARG July 17. The progress of this and Tranche 1 is being monitored by the Development Pipeline Project board	4	4	16	3	3	Treat	Same
PB14	Development Tranche 4 Risk to BP	There could be a failure to take tranche 4 sites forward to Planning in 2017 to achieve the growth targets in the business plan as a result of our inability to identify the next tranche of sites, reach commercial agreements and progress to planning. This could lead to increased costs, reduced margins, reduced stakeholder confidence, reputational damage, reduced revenues.	Barnet Partnership Director (Capita)	Financial	The Development Pipeline Board has ring-fenced 13 sites for viability and affordability assessments to be undertaken. The progress of this and Tranche 1 is being monitored by the Development Pipeline Project board.	4	4	16	2	3	Treat	Same

Appendix B - Revenue Monitoring by Delivery Unit

Adults and Communities

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Performance & Improvement	1,411	1,457	342	1,418	(39)		-2.7%
Safeguarding	682	656	118	793	137	Deprivation of Liberty Safeguards (DOLS) service continues to have significant pressures in 2017/18, as a result of Supreme Court judgements in 2014/15 and a loss of grant funding since 2015/16.	20.8%
Care Quality	3,675	3,100	1,011	3,100	(0)		0.0%
Community Well-being	541	604	(1,769)	598	(7)		-1.1%
Customer Care	254	246	88	234	(12)		-5.0%
Customer Finance	840	851	148	852	0		0.0%
Dir Adult Soc Serv & Health	518	115	40	129	14	Overspend in relation to staffing	12.1%
Integrated care - LD & MH	35,972	39,479	6,373	39,478	(0)	Adult social care has experienced significant and increasing demand for services and increasing complexity in those supported since 2014/15. Following intensive work within the service to implement effective financial controls and substantial corporate investment by the Council, as well as allocation of funding from the BCF/iBCF to mitigate this increased demand, care costs are currently being forecast to come in on budget. Because social care is a demand led service, careful management will be needed to maintain this level of expenditure and the position may change if demand or complexity increases during the year.	0.0%
Integrated care - OP & DP	41,946	39,488	6,247	39,488	(0)	Adult social care has experienced significant and increasing demand for services and increasing complexity in those supported since 2014/15. Following intensive work within the service to implement effective financial controls and substantial corporate investment by the Council, as well as allocation of funding from the BCF/iBCF to mitigate this increased demand, care costs are currently being forecast to come in on budget. Because social care is a demand led service, careful management will be needed to maintain this level of expenditure and the position may change if demand or complexity increases during the year.	0.0%
Prevention & Well Being	561	490	122	472	(18)	Underspend due to staffing	-3.8%
Social Care Management	741	696	249	751	56	Overspend in relation to staffing	8.0%
Total	87,141	87,184	12,968	87,313	129		0.1%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- cost centres over £100,000
- cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Assurance

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Elections	358	358	(21)	358	0		0.0%
Assurance Management	579	557	104	557	0		0.0%
Governance	2,158	2,158	462	2,158	0		0.0%
Internal Audit & CAFT	752	775	212	775	0		0.0%
HB Law	2,011	2,011	(206)	2,211	200	£380 overspend in direct income - An underachievement in direct / ad-hoc income from Harrow of £380k is forecast. The income target set is challenging to achieve by the service. This is partially offset by a £180k underspend in core hours .	9.9%
Total	5,859	5,859	551	6,059	200		3.4%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- cost centres over £100,000
- cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Central Expenses

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Capital Financing	16,780	16,780	37	16,780	0		0.0%
Car Leasing	2	0	0	2	2		0.0%
Central Contingency	12,403	12,387	0	11,087	(1,300)		-10.5%
Corporate Fees & Charges	234	234	(18)	234	0		0.0%
Corporate Subscriptions	194	194	152	194	0		0.0%
Early Retirement	3,577	3,577	80	3,577	0		0.0%
Local Area Agreement	105	105	0	105	0		0.0%
Levies	18,688	18,688	4,400	18,688	0		0.0%
Miscellaneous Finance	740	742	1,382	740	(2)		0.0%
Total	52,723	52,707	6,033	51,407	(1,300)		-2.5%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- a) cost centres over £100,000
- b) cost centres over £50,000 where the cost centre's gross budget is less than £1m
- c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Commissioning Group

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Adults transformation programm	0	0	16	0	0		0.0%
SMART WK	0	0	(3)	0	0		0.0%
Resources	930	887	(8,468)	1,041	154	There is no budget for HR Strategic Lead. Best Hub has no budget for costs but this is offset by Finance underspend of £55k.	17.3%
Strategic Commissioning	0	0	14	0	0		0.0%
Adults and Health	1,276	1,276	339	1,271	(4)		-0.3%
Communications	639	639	217	642	3		0.5%
Commissioning Strategy	655	501	(1)	501	0		0.0%
Children & Young people	256	323	292	373	50	Staffing overspend on Joint Commissioning Unit.	15.4%
Growth & Development	218	218	118	218	0		0.0%
Information Management	878	878	319	878	0		0.0%
Programme & Resources	820	820	204	772	(48)	Underspend in salaries to meet overspend in Commercial Management.	-5.8%
Strategic Commissioning Board	560	560	148	560	0		0.0%
Commercial							
- Commercial management	901	901	309	1,067	166	No budget for out of hours service. Additional staff to undertake RE and CSG review and no budget for non-salary costs	18.4%
- Registrar service	(61)	(61)	(44)	69	130		213.5%
- Public Health	17,610	17,610	4,582	17,610	0		0.0%
Environment, Parking and Infrastructure							
- Environment	13,430	13,533	2,896	13,534	1		0.0%
- Highway Inspection/Maintenance	255	255	169	407	152	Overspend mainly due to the depot relocation leading to higher staff, vehicle and gritting costs due to longer routes.	59.4%
- Parking	(538)	(538)	(322)	(538)	0	Parking (off-street) is projected to achieve its income target, offset by an overspend due to car park cleansing and maintenance costs.	0.0%
- Special Parking Account	(10,210)	(10,210)	2,058	(10,210)	0	Although there has been an increase in On Street Parking, Parking Suspension and PCN income, there has been an increase in staffing costs due to additional resources required to deal with customer contact. There is also an expectation that overhead costs will increase this year.	0.0%
- Street Lighting	6,218	6,218	981	6,218	(0)		0.0%
Total	33,838	33,811	3,823	34,414	603		1.8%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- a) cost centres over £100,000
- b) cost centres over £50,000 where the cost centre's gross budget is less than £1m
- c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Customer Support Group

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
CSG Managed Budget	4,637	4,637	888	4,637	0		0.0%
CSG Management Fee	28,545	28,620	47,882	28,620	0		0.0%
CSG Income	(12,021)	(12,096)	(1,585)	(11,896)	200	Schools traded income shortfall	-1.7%
Total	21,161	21,161	47,185	21,361	200		0.9%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- a) cost centres over £100,000
- b) cost centres over £50,000 where the cost centre's gross budget is less than £1m
- c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Education and Skills

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Education & Skills Management	6,525	6,483	4,320	6,483	0		0.0%
Edu Partnership & Commercial	0	0	(1,040)	0	0	Actuals relate to grant income received that will be fully used	0.0%
Post 16 Education & Skills	0	0	(53)	0	0		0.0%
School Improvement	0	0	(7)	0	0		0.0%
SEND & Inclusion	0	0	60	0	0	Actuals relate to costs that will be transferred to Cambridge Education	0.0%
Total (excluding SDM)	6,525	6,483	3,279	6,483	0		0.0%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- a) cost centres over £100,000
- b) cost centres over £50,000 where the cost centre's gross budget is less than £1m
- c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Family Service

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Family Services Management	351	351	88	(231)	(582)	Early MTFS savings held here to offset pressures in Placements	-165.9%
Commissioning & Business Imp.	3,520	3,520	425	3,270	(250)	Underspend due to a number of vacancies and contract savings	-7.1%
Early Years	3,352	3,352	840	3,326	(26)	£290k childcare income shortfall mitigated through vacancies. Projected overspend to be reviewed moving forward	-0.8%
Youth & Family Support	3,565	3,565	165	3,391	(174)	Third party payment and general underspend	-4.9%
Libraries & Comm.Engagemnt	4,142	4,142	1,223	4,491	349	Built in prior year savings to be covered from underspends in Commissioning and Business Improvement and from Family Services Management	8.4%
Social Care Management	1,745	1,671	590	1,122	(550)	Budget held here to cover spend on agency staff.	-32.9%
Intake and Assessment	3,076	3,161	743	3,376	215	Team structure currently reliant on agency staff due to staff secondments and maternity leave cover (DAT team 2)	6.8%
Intervention and Planning	3,287	3,358	726	3,750	392	Overspend due to use of agency staff, number of staff who are above the budgeted mid-point and recruitment and retention.	11.7%
Permanence Trns & CorParenting	3,419	3,488	1,119	3,498	11	Overspend in Unaccompanied Asylum seeking Children (UASC) as the demand continues to increase. Government grant does not cover full costs.	0.3%
Placements	16,768	16,618	4,473	17,343	725	Built in contingencies for new inflows of £800k. Overspend in Semi-Independence due to increase in numbers and an increase in accommodation costs.	4.4%
Safeguarding & Quality	2,126	2,126	444	2,114	(12)	Additional training needs identified resulting in increased projected spend	-0.6%
CSC 0-25	7,093	7,093	1,110	6,995	(98)	Underspend in Respite and Home care.	-1.4%
Total	52,445	52,445	11,948	52,444	(1)		0.0%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- cost centres over £100,000
- cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Housing Needs and Resources

Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Housing Needs Resources	5,560	5,560	7,277	7,175	1,615	The overspend is largely due to a shortfall in rental income as a result of temporary accommodation rents being fixed at January 2011 Local Housing Allowance rates, in addition to income loss from hostels, temporary accommodation preventions, one-off private sector leasing prepayments and an increase in the bad debt provision.	29.1%
Total	5,560	5,560	7,277	7,175	1,615		29.1%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- cost centres over £100,000
- cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Regional Enterprise							
Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
RE Management Fee	77	77	24,418	131	54	Residual Barnet costs	70.0%
Re Managed Budgets	(901)	(901)	(365)	(883)	18	Additional works on public conveniences	2.0%
Total	(824)	(824)	24,053	(752)	72		8.7%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- cost centres over £100,000
- cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Streetscene							
Description	Variations					Comments	% Variation of revised budget
	Original Budget	Revised Budget	Actuals to 30/06/2017	Q1 Forecast	Variation		
	£000	£000	£000	£000	£000		
Business Improvement	327	327	111	306	(20)	Forecast underspend due to staff vacancies.	-6.2%
Green Spaces	3,956	3,956	814	4,054	99	Overspend mainly due to staffing costs and King George Playing Fields.	2.5%
Recycling	364	364	61	274	(90)		-24.7%
Waste	6,861	6,861	1,600	7,360	499	Previous year saving not achieved.	7.3%
Street Cleansing	2,835	2,835	822	3,361	526	Overspend is due the delay in implementing the MTFs – changes to the delivery of the service.	18.5%
Street Scene Management	542	542	3	538	(5)	Overspend due to £0.200m ADM savings previously allocated to Refuse now included here while further work on the Street Scene restructure is carried out.	-0.9%
Trade Waste	(1,960)	(1,960)	(2,237)	(2,423)	(463)	Projected to over achieve income target by £0.213m, and an overall over achievement of £0.464m as additional recharges to operation teams have not been included in this budget or the operation budgets	-23.7%
Transport	(45)	(45)	1,465	0	45		100.4%
Total	12,881	12,881	2,639	13,471	590		4.6%

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- cost centres over £100,000
- cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

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Appendix C - Capital outturn 2017/18

	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Adults and Communities	2,035	-	-	2,035	-	0.0%	
Adults and Communities	2,035	-	-	2,035	-	0.0%	
	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Commissioning Group	51,863	-	-	51,863	-	0.0%	
Commissioning Group	51,863	-	-	51,863	-	0.0%	
	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Modernisation Primary & Secondary	4,203	-	-	4,203	-	0.0%	
Urgent Primary Places							
Temporary Expansions - Allocated	1,127	-	-	1,127	-	0.0%	
Millbrook Park (MHE)	139	-	-	139	-	0.0%	
Orion Primary	75	-	-	75	-	0.0%	
Blessed Dominic/St James	488	-	-	488	-	0.0%	
Menorah Foundation	210	-	-	210	-	0.0%	
St Mary's and St Johns	196	-	-	196	-	0.0%	
Martin Primary	9	-	-	9	-	0.0%	
Oakleigh School	24	-	-	24	-	0.0%	
Beis Yakov	18	-	-	18	-	0.0%	
St Joseph's RC Junior & St Joseph's RC Infants School	27	-	-	27	-	0.0%	
Monkfrith	347	-	-	347	-	0.0%	
Wren Academy	234	-	-	234	-	0.0%	
London Academy	368	-	-	368	-	0.0%	
St Agnes School expansion	770	-	273	1,043	273	35.5%	
Childs Hill	(273)	-	-	(273)	-	0.0%	
East Barnet Schools Rebuild	200	-	-	200	-	0.0%	
Permanent Secondary Expansion Programme	21,036	-	-	21,036	-	0.0%	
Primary Programme	4,807	-	(273)	4,534	(273)	-5.7%	
Secondary Programme	2,783	-	-	2,783	-	0.0%	
SEN	3,692	-	-	3,692	-	0.0%	
Alternative Provision	4,647	-	-	4,647	-	0.0%	
Other Schemes	6,362	-	-	6,362	-	0.0%	
Education and Skills	51,489	-	-	51,489	-	0.0%	

	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Family Services	19,004	-	(399)	18,605	(399)	-2.1%	Delay of 2 months in Youth Zone programme will lead to the project slipping into 18/19
Family Services	19,004	-	(399)	18,605	(399)	-2.1%	
	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Housing Needs Resources	45,424	-	-	45,424	-	0.0%	
Housing Needs Resources	45,424	-	-	45,424	-	0.0%	
	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Parking and Infrastructure	3,886	-	(1,200)	2,686	(1,200)	-30.9%	£2m approved by P&R June 2017. The £2M allocation should be split £800K in yr 1, £600K in yr 2 and £600k in yr 3
Parking and Infrastructure	3,886	-	(1,200)	2,686	(1,200)	-30.9%	
	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Highways TfL	5,331	-	-	5,331	-	0.0%	
Highways non-TfL	17,369	-	-	17,369	-	0.0%	
General Fund Regeneration	141,957	8	(32,220)	109,745	(32,212)	-22.7%	Slippage to 2018-19 because of delays with major service providers
Disabled Facilities Project	4,287	-	(2,000)	2,287	(2,000)	-46.7%	Unlikely full budget will be spent based on number of referrals
Other Projects	5,202	-	(110)	5,092	(110)	-2.1%	Construction will continue into 18/19
Regional Enterprise	174,147	8	(34,331)	139,824	(34,323)	-19.7%	

	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Greenspaces	874	-	-	874	-	0.0%	
Waste	3,729	-	-	3,729	-	0.0%	
Fuel storage	60	-	-	60	-	0.0%	
Street Scene	4,663	-	-	4,663	-	0.0%	
General Fund Programme	352,511	8	(35,930)	316,589	(35,922)	-10.2%	
	2017-18 Revised Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	2017/18 Quarter 1 forecast	Forecast Variance from Approved Budget	% slippage of 2017/18	Comments
	£000	£000	£000	£000	£000	%	
Housing Revenue Account	90,014	-	(800)	89,215	(800)	-0.9%	New build - anticipated delays in project resulting in completion in 18/19
Housing Revenue Account	90,014	-	(800)	89,215	(800)	-0.9%	
Total Capital Programme	442,525	8	(36,729)	405,804	(36,721)	-8.3%	

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Appendix D - Use of Reserves

Description	Reserves B/fwd 01 April 2017	Reserves C/fwd 30th June 2017	Approved reserve funding included in the forecast	Assumed but not yet approved reserve funding included in the forecast	Assumed reserve funding not yet included in the forecast	Assumed reserve funding - but not Revenue	Projected New Reserves Raised	Projected Year End Balance 31 March 2018
	£000	£000	£000	£000	£000	£000	£000	£000
Central - Capital Financing	1,575	1,575	-	-	(938)	(302)	938	1,273
Central - Community Infrastructure Levy	16,178	16,103	-	-	(200)	(18,943)	9,200	6,160
Central - Infrastructure	20,393	20,393	-	-	-	(13,422)	8,903	15,874
Central - Medium Term Financial Strategy	15,425	15,425	-	-	(7,669)	-	-	7,756
Central - Risk	1,000	1,000	-	-	-	-	-	1,000
Central - Service Development	6,308	6,308	-	768	-	-	-	7,076
Central - Transformation	6,754	6,754	-	-	-	(2,254)	-	4,500
Service - Other Central Expenses	7,268	7,268	-	(665)	-	-	-	6,603
Service - Other Children's Education & Skills	14	14	-	(14)	-	-	-	0
Service - Other Commissioning	4,913	4,913	-	(24)	-	(2,874)	-	2,015
Service - Other	2,631	2,631	-	(305)	-	-	-	2,326
Sub Total General Fund Earmarked Reserves	82,459	82,384	-	(239)	(8,807)	(37,795)	19,041	54,584
Service - Dedicated Schools Grant (DSG)	4,225	4,225	-	-	-	-	-	4,225
Service - Housing Benefits	1,030	1,030	-	-	-	-	-	1,030
Service - North London Sub-Region (NLSR)	605	605	-	-	-	-	-	605
Service - Private Finance Initiative (PFI)	4,286	4,286	-	-	-	-	-	4,286
Service - Public Health	2,358	2,358	-	(1,300)	-	-	-	1,058
Special Parking Account (SPA)	1,835	1,835	-	-	-	(1,525)	-	310
Sub-Total Ring-Fenced Reserves	14,339	14,339	-	(1,300)	-	(1,525)	-	11,514
Total Earmarked Reserves	96,798	96,723	-	(1,539)	(8,807)	(39,320)	19,041	66,098

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Appendix E: Prudential Indicator Compliance

Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.
- The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

	Limits for 2017/18 %
Upper Limit for Fixed Rate Exposure	100
Compliance with Limits:	Yes
Upper Limit for Variable Rate Exposure	30
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 30/06/17	% Fixed Rate Borrowing as 30/06/17	Compliance with Set Limits?
Under 12 months	0	50	0	0	N/A
12 months and within 24 months	0	50	0	0	N/A
24 months and within 5 years	0	75	0	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 F - Investments Outstanding as at 30 June 2017

Deal Number	Counter Party	Start Date	Maturity Date	Rate of Interest %	Principal Outstanding
					£
2000011542	Lancashire County Council	04-Nov-15	06-Nov-17	1.05	5,000,000
	Local Authorities				5,000,000
2000011482	Ignis Liquidity Fund	30-Jun-17		0.24	6,800,000
2000011238	Federated Investors	30-Jun-17		0.23	6,800,000
2000011377	Invesco	30-Jun-17		0.23	400,000
	Money Market Funds				14,000,000
2000010341	Bank of Scotland	22-Apr-13	CALL A/C	0.40	500,030
2000011572	Standard Chartered Bank	15-May-17	31-Jul-17	0.26	7,000,000
2000011571	Goldmans Sachs	15-May-17	CALL A/C	0.40	22,000,000
	UK Banks & Building Societies				29,500,030
2000011434	Federated Subs Red Account	30-Jun-17	28-Jul-17	0.23	20,000,000
	Non UK Banks & UK Building Societies				20,000,000
	TOTAL				68,500,030
			Average rate of return	0.38	

Summary Investments as at 31 March 2017	£'000
Local Authorities	5,000
Money Market Funds	23,700
UK Banks & Building Societies	51,500
Non UK Banks & UK Building Societies	0
TOTAL	80,200

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Appendix G - Customer and Support Group Benefits Realisation

FINANCIAL YEAR		2013/14	2014/15	2015/16	2016/17	2017/18	Other years	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
1)	CSG baseline - revenue	17,573	30,125	30,125	30,125	30,125	171,809	309,881
	CSG baseline - capital	3,400						3,400
	CSG managed budget	5,036	8,633	8,633	8,633	8,633	38,128	77,695
	Total baseline	26,009	38,758	38,758	38,758	38,758	209,937	390,976
1b	Payments made to Capita	35,963	24,482	26,672	48,571	6,363	123,545	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	(24,870)	2,094	(511)	(20,924)	21,690	22,521	-
	Prepayment Discount					(471)		
	Managed budgets payments / Forecast	5,036	8,633	6,225	4,073	4,275	15,845	44,087
	Total in year cost of transferring services comparable to baseline	25,831	35,208	32,386	31,720	31,857	161,911	319,385
	Savings on core contract	177	3,549	6,372	7,038	6,901	48,027	72,063
2)	Reducing number of Single Persons Discounts (net)	191	382	509	509	509	2,543	4,643
	Reductions in SPD achieved (net)	714	409	733	733			2,589
	Gainshare paid on achieving reductions and contractor costs	259	254	151	151			815
3)	Additional Council Tax Income	0	81	377	484	484	2,420	3,846
	Additional CT income achieved (net)	0	148	174	25			347
	Gainshare paid on additional income	0	148	174	12			334
4)	Additional income achieved (net)	359	411	447	418			1,635
	Gainshare paid on additional income	209	350	412	304			1,275
CONTRACT YEAR		2013/14	2014/15	2015/16	2016/17	2017/18	Other years	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
5)	Procurement savings on wider council spend guaranteed	624	5,916	2,634	3,393	4,234	30,173	46,974
	Procurement savings achieved (net)	1,030	6,684	2,834	3,383			13,931
	Gainshare paid on savings achieved	482	1,092	1,867	2,481			5,922
	Savings expected	992	9,928	9,892	11,423	12,128	83,163	127,526
	Savings made	2,280	11,201	10,559	11,597	6,901		35,637
FINANCIAL YEAR		2013/14	2014/15	2015/16	2016/17	2017/18	Other years	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
6)	Actual Payments made to Capita in relation to contractual adjustments	324	1,680	1,754	4,511	709		8,977
7)	Project Spend							
	Capital -							
	Schools build	535	2,182	1,350	995	71		5,133
	Non Schools Investment	295	840	935	1,989	246		4,305
	Transformation programme -							
	Childrens & Families Portfolio	630	1,951	1,561	2,439	714		7,295
	Adults & Health Portfolio	322	1,481	3,511	1,907	105		7,326
	Environmental Portfolio	301	602	290	1,124	111		2,428
	Growth & Development Portfolio		158	83				241
	Central	344	3,062	4,308	4,865	1,031		13,610
	Programme Management		717	698	2,452	70		3,937
	Accrual Adjustment for payment in advance					1,254		
	Additional chargeable work outside of the contract							
	Print and Postage, DBS checks, Occupational Health, etc.	381	837	911	1,040	115		3,284
	IT requests (over and above refresh)		652	196	350	188		1,386
		2,808	12,483	13,843	17,161	3,905	0	50,200
	Payments to Capita in relation to CSG	54,977	40,488	44,873	73,191	10,977		224,506
	Actual amounts paid for current year to 31/03/16							

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	<p align="center">Performance and Contract Management Committee</p> <p align="center">12 September 2017</p>
<p align="center">Title</p>	<p>Performance of the contract for Specialist Information Advice and Advocacy</p>
<p align="center">Report of</p>	<p>Assistant Director Adults and Communities</p>
<p align="center">Wards</p>	<p>All</p>
<p align="center">Status</p>	<p>Public</p>
<p align="center">Urgent</p>	<p>No</p>
<p align="center">Key</p>	<p>No</p>
<p align="center">Enclosures</p>	<p>None</p>
<p align="center">Officer Contact Details</p>	<p>Sam Raffell, Care Quality Service Manager, Adults and Communities, Sam.Raffell@barnet.gov.uk</p>

Summary

At its meeting on 4 July 2017, the Performance and Contract Management Committee requested a report on the performance of the Specialist Information Advice and Advocacy service and the Barnet CAB. This paper presents an overview of the performance of the Specialist Information Advice and Advocacy contract provided by Barnet Citizens Advice Bureau. The paper outlines the performance of the contract in 2016/17 and details further information in regard to levels of satisfaction and how satisfaction with the service is measured.

Recommendations

- 1. That the Committee notes the quality of performance of the Specialist Information and Advice service provide by Barnet Citizen’s Advice Bureau.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This paper provides Members with an overview of the performance of the Specialist Information, Advice and Advocacy service provided by Barnet Citizens Advice Bureau (BCAB). The report was requested by the Performance and Contract Management Committee at the meeting of 4th July 2017, to outline the performance of the contract with particular reference to the issues raised at this meeting. Below is a list of the key issues raised and details of where they are responded to in this paper;
 - 1.1.1 BCAB did not provide the right level of support for people with disabilities in Barnet (Performance information provided 1.9 – 1.13, Quality assurance process 1.19-1.21)
 - 1.1.2 Disabled residents of Barnet are dissatisfied with the service offered by BCAB (Satisfaction levels provided in 1.15)
 - 1.1.3 More detail was requested in regard to how satisfaction levels are calculated (Approach to quantifying satisfaction scores outlined in 1.16 – 1.19)
 - 1.1.4 More detail was requested on the level of training offer to staff and volunteers (Training details provided in 1.23 – 1.26)
 - 1.1.5 BCAB did not provide a sufficient Outreach Service (Provided in 1.14)

Contract Information

- 1.2 The service provides specialist information, advice and advocacy for people in Barnet with adult social care needs. It aims to provide information, advice and advocacy to help people maximise their independence and give them choice and control over the support they receive. BCAB has delivered the Specialist Information, Advice and Advocacy (SIAA) Service since 1st July 2015. BCAB sub-contract to Mind in Barnet and Advocacy in Barnet to deliver the advocacy elements of the contract.
- 1.3 The current contract with BCAB has a value of £936,984 over 3 years. The value of the contract per annum is £312,328, with £126,000 spent on information and advice and £186,000 spent on advocacy. The initial contract period ends on 30th June 2018, with the option to extend by a maximum of 2 years. The council will soon be undertaking a service review of the contract as part of the process to decide whether to extend the current contract or re-procure the service.
- 1.4 BCAB provide the specialist information and advice service through a telephone helpline, face to face services and online information. The telephone phone line is open Monday to Friday from 9:30am – 4:00pm and until 7:30pm on Wednesday. Face to face services are available at the Hendon Hub (40-44 Church End) Monday to Friday as well as New Barnet (30 Station Road) on a Wednesday. Sessions at Hendon on Tuesday, Wednesday and Thursday are by appointment only. Drop-in sessions are at Hendon on Monday and Friday morning and Wednesday morning in New

Barnet. The service is staffed by a mix of paid staff and volunteers, who combined provide over 800 hours of support a week.

- 1.5 Barnet Citizen's Advice Bureau also provide the Community Advice Service (CAS) which supports people in being independent by enabling them to deal with their civil, legal, financial and other problems by providing high quality advice and informing them of their legal rights and responsibilities. The current contract commenced on 1 April 2015 with a value of £1,016,460, an annual spend of £338,820.

Contract Monitoring and Performance Management

- 1.6 Contract monitoring meetings with BCAB occur quarterly and BCAB submit performance monitoring information to the council prior to the meeting which includes;

- Quarterly performance information (submitted on the performance framework template)
- Narrative update on the SIAA contract for the quarter
- Quarterly engagement update from BCAB.

- 1.7 The performance framework in place for this contract covers;

- Timetable for reporting (this lays out dates for scheduled meetings and reports)
- Workforce Data
- Demographics
- Service Delivery
- Satisfaction (compliments/complaints and with commentary)
- Service Outcomes

- 1.8 The council has set a range of targets, including total number of enquiries for information, advice and advocacy and timescales for dealing with cases. The council also measures satisfaction levels, receives case studies, and works with BCAB to achieve stretch targets to increase the number of people supported by 10% year on year.

Contract Performance

- 1.9 Barnet Citizens Advice Bureau is performing well against the targets set for the contract. This section provides a summary of performance of the contract for the period April 2016 – March 2017.

- 1.10 In the last year, BCAB dealt with over 6,000 enquiries regarding specialist information and advice (SIAA) service. In addition to this, 635 clients and carers received advocacy support. The numbers supported continue to grow and satisfaction levels continue to increase, with 98% of those surveyed stating they have received appropriate and relevant advice and advocacy.

- 1.11 BCAB offer support to residents through a number of methods including a telephone help line, face to face meetings (via drop in sessions at specific times during the week in a number of locations and via appointments) and online. Additionally, BCAB have carried out 3 home visits in the past year where they identified that this was necessary for the adult they were working with based on the needs presented. The service offers a drop-in service in Hendon and New Barnet.
- 1.12 The service supports people with a range of issues. In the last year users of the service reported having the following disabilities / issues;
- 2,161 - Long term health conditions
 - 1,359 - Physical impairment (including age related frailty)
 - 112 - Mental health issues
 - 248 - Sensory impairment
 - 124 - Learning Difficulty (including Autism)
- 1.13 BCAB engagement with the wider voluntary and community sector is extensive and they are pro-active in keeping in contact with the wider voluntary sector (attending the VCS Forum and numerous events held by other community partners) as well as arranging quarterly partnership meetings with the sector.
- 1.14 BCAB are not commissioned to provide an outreach service but are commissioned to provide home visits where it is not possible for a resident to engage with BCAB on the telephone or face to face. In 2016/17 BCAB carried out 3 home visits where the needs of residents required a home visit.

Service Satisfaction

- 1.15 Satisfaction with the SIAA service is very high. The table below provides satisfaction levels across the last year, from Quarter 1 (April – June 2016) through to Quarter 4 (January – March 2017).

Measure	Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
A. Number of adults who feel that they have received appropriate and relevant advice and advocacy following support from BCAB and its sub-contractors	90%	97%	98%	97%	98%
B. Number of adults who report improved quality of life by being able to manage their disability	90%	78%	84%	94%	98%

better following support from BCAB and its sub-contractors					
C. Number of adults who report that they are making best use of resources (benefits, finance, employment, transport, healthier options and digital know-how) following support	90%	91%	91%	93%	96%
D. Number of adults who feel supported and are able to self-manage at end of service	90%	87%	90%	92%	98%
E. Number of adults who feel they are able to recommend the service to friends and family	90%	95%	98%	99%	100%

1.16 Satisfaction scores are based on an anonymous feedback process for people who have accessed information and advice provided by BCAB. Residents are asked to feedback their thoughts on the service either after receiving advice over the telephone or are asked to complete a feedback form following a face to face meeting. In the case of feedback forms, residents complete the form and then place the form into a feedback box.

1.17 Each quarter the feedback is collated and the satisfaction scores are based on the number of people who stated they are satisfied with the service received. Satisfaction is measured by a scaled answer for measures A and B, with those answering 'Very' or 'slightly' to either question being categorised as satisfied. For questions C, D and E the questions are a simple Yes / No response, with 'Yes' responses being used to calculate the level of satisfaction.

1.18 The sample size used to calculate satisfaction levels varies for each quarter and in Quarter 4 the sample size was 449, with 184 giving feedback over the telephone and 265 on feedback forms. Satisfaction scores cover both the SIAA contract and the Community Advice Service. The reason the satisfaction scores cover both contracts is that the services are offered from the same location and the forms are anonymous so it is not possible to breakdown feedback accurately.

- 1.19 Over the past year BCAB have received five complaints in regard to the SIAA service. Three of these complaints have been resolved and two are under investigation. BCAB keep a log of complaints and lessons learnt following complaints which is reviewed as part of the contract monitoring process.

Quality Assurance

- 1.20 Barnet Citizens Advice Bureau follow the quality monitoring procedure of the national Citizens Advice organisation to ensure a quality service is being delivered. Nationally, the Citizens Advice network has recently adopted a more robust and continuous system of auditing the quality of advice. A sample of cases are randomly selected and scored against a comprehensive review matrix. These are then externally audited.
- 1.21 Citizen's Advice also undertake audits of local branches, who are RAG rated (Red, Amber, Green) across four areas of performance. In a recent audit BCAB received Green across all areas, these being;
- Quality of Advice (internally checked)
 - Customer Service (internally checked)
 - Quality of Advice (externally, independently verified)
 - Customer Service (externally, independently verified)

This means that 'cases are consistently good and BCAB might be asked to share best practice or experience with others'.

- 1.22 BCAB also carry out case checking and complete independent file reviews (IFRs), to ensure the competence and development of individual advisers who undertake casework. All client records are written up and a proportion checked by supervisors depending on the experience/competency of the adviser. Where issues are picked up, these are fed back to the advisers and corrective action taken.

Training

- 1.23 All staff and volunteers employed by BCAB to give information and advice have completed, or are in the process of completing, the Citizens Advice Adviser training – a learning course equivalent to NVQ level 3. This course contains extensive training in dealing with vulnerable client groups and disability benefits. Those giving debt advice have all completed the Money Advice Service 'Giving Good Debt Advice' courses. Additionally, those giving initial information and carrying out triage assessments also complete the Assessor learning route.
- 1.24 Front line staff and supervisory staff have also completed, as a minimum, training in Health and Social Care advice, the Care Act and safeguarding. This is done using e-learning from the Social Care Institute of Excellence (SCIE), and updates and refreshers are regularly given at staff meetings and by e-mail.

- 1.25 Barnet Citizens Advice Bureau has an ongoing programme of professional development and training, and group training is provided in specific enquiry areas or complex but recurring issues. Recent training has covered Right to Reside and Mental Health awareness.

REASONS FOR RECOMMENDATIONS

- 2.1 Barnet Council will continue to pro-actively monitor the contract for Specialist Information, Advice and Advocacy provided by Barnet Citizens Advice Bureau. The current contract expires on 30 June 2018 and we will shortly be undertaking a more in-depth review of the service performance which will inform the council's decision as to whether to extend the current contract or re-commission the service through a competitive tender. This review will include talking to users of the service and other stakeholders. The council has encouraged Disability Action in the borough of Barnet to share details of the issues they have raised so these can be taken into consideration and investigated during the review.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4. POST DECISION IMPLEMENTATION

- 4.1 None.

5. IMPLICATIONS OF DECISION

Corporate Priorities and Performance

- 5.1 As detailed in the Adults and Safeguarding Commissioning Plan, 2016 – 2020:

- Fairness in adult social care means that services respond to the needs of diverse communities. It means ensuring that older and disabled people, including adult social care service users and their carers, are able to participate in community life just as other residents can and that services provided by the Council are accessible and welcoming to older and disabled people, adult social carer service users and carers.
- Responsibility in adult social care means that services will work with older and disabled people to remain as independent and self-reliant as possible.
- Opportunity in adult social care means that disabled people have the right to work as much as any other Barnet resident. The Council's services will actively support adult social care service users to access employment and volunteering opportunities

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

- 5.2 There are no specific financial and value for money, procurement, staffing, IT,

property and sustainability implications associated with this paper.

Social Value

- 5.3 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. As part of the contract monitoring process reviews the social value added by each contract.

Legal and Constitutional References

- 5.4 Under Article 15 of the council's Constitution, Responsibility for Functions (Annex A), the terms of reference of the Performance and Contract Management Committee include the following responsibilities:

- 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.
- Receive and scrutinise contract variations and change requests in respect of external delivery units.
- 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.
- To receive reports on relevant performance information on Delivery Units providing services under the remit of the Committee.

Risk Management

- 5.5 Risk management is a key part of contract monitoring of all Adults and Communities contracts. Third party providers are clear on how to escalate potential risks to service users and concerns, risks and issues are discussed at quarterly monitoring meetings.

Equalities and Diversity

- 5.6 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

Consultation and Engagement

- 5.7 As part of the service review planned for the Specialist, Information, Advice and Advocacy service the Council will engage with users of the service to getting a more detailed picture of performance.

6. BACKGROUND PAPERS

- 6.1 Performance and Contract Management Committee, 4 July 2017 Agenda item 6a - Member's Item
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=9326&Ver=4>

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Performance and Contract Management Committee

12 September 2017

Title	Procurement - reviewing changes to wider procurement procedures
Report of	Procurement transformation lead Customer and Support Group
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	Chris Dawson, Procurement transformation lead, Email: chris.dawson2@capita.co.uk , Work mobile: 07788303525

Summary

A procurement exercise was undertaken for an Adults enablement homecare service in 2016. A new supplier was selected, as a result of a compliant procurement exercise and contracted to perform the services.

The selected supplier failed to perform the duties set out at a very early point in the contract, with particular failings identified in the service transfer, mobilisation, and implementation phase of the contract.

Following the Performance and Contract Management Committee meeting on 15 November 2016 a review report was presented to Adults and Safeguarding Committee on 23 January 2017. The service review of the provision of the adult enablement homecare service was also reported to the Performance and Contract Management Committee Agenda on 27 February 2017.

As a result of this supplier failure a lessons learnt exercise was conducted and procurement procedures have been reviewed. This paper sets out 7 improvements which have been identified for future procurements and contract mobilisation of new services.

Recommendations

- 1. The Performance and Contract Management Committee is asked to note the outcome of the procurement review**
- 2. The Committee is asked to note that officers will implement the improvements that will be made to wider procurement procedures as set out under section 4 of this report.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Performance and Contract Management Committee received a report on the service review of the provision of the adult enablement homecare service on 27 February 2017. At the meeting the Committee agreed to receive a report at a future meeting setting out the findings of a wider review around the procurement processes in place.
- 1.2 This report identifies improvements that will be implemented for the mobilisation of newly contracted services. This report explains seven identified areas, which will reduce the risk of future supplier failures and support new contract mobilisation plans.
- 1.3 Being able to efficiently move complex services to suppliers offering better quality or price is an important part of the Council ensuring it can effectively approach the market for value for money services. It is therefore key that the Council continues to have confidence in its processes for selecting new suppliers and supporting the process of new supplier implementation, mobilisation, or transfer of duties.
- 1.4 Multiple processes are already in place to ensure that capable suppliers are selected through a procurement process, but lessons learnt and a focus on continuous improvement is vital for future success.
- 1.5 Compliant procurement processes are in place including use of the e-portal for procurement exercises in excess of £10,000, advertising requirements in excess of £25,000 and undertaking OJEU procedures in accordance with threshold value and Public Contracts Regulations 2015. These are in place to deliver compliancy and identify suppliers capable of delivering the contract requirement.

Procurement has undertaken a review of the procurement exercise to identify lessons learnt from the procurement and mobilisation of the enablement homecare service. This included:

- Review of portal audit trail

- Review of clarifications
- Review of contract mobilisation to identify lessons learnt and improve mobilisation guidance for service areas
- Review of contract management to identify lessons learn and improve contract management guidance for service areas
- Ensure contract management training in accordance with Contract Procedure Rules is highlighted to all service areas to promote importance of service area responsibilities and contract manager's completion of training prior to delivery of role.

2. REASONS FOR RECOMMENDATIONS

- 2.1 These recommendations are required to ensure a high standard of contract mobilisation is implemented and areas of risk are mitigated. This will in turn deliver better quality services for the residents of Barnet.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Review of the procurement procedures was recommended at the Performance and Contract Management Committee meeting on 15 November 2016. Alternative options were not considered, as these were not the recommendation.

4. POST DECISION IMPLEMENTATION

The following seven recommendations for further enhancements to the process are made.

1. Early identification of tenders with high-risk mobilisation plans:

This will take place through the options appraisal process, which is a procurement form, which is completed at initial meeting with commissioning lead. It provides an audit trail for procurement exercise, which is held by both procurement, commissioning lead and service area. This form includes identification of possible high-risk service mobilisations, particularly those services with:

- High reliance on a successful TUPE process
- Resident facing activities
- High need for service continuity (care support services etc.)
- Services subject to Equality Impact Assessment (EIA) to inform future service delivery and procurement activity¹

2. Resilience and Business Continuity:

¹ Procurements on their own do not require an EIA. When the service has community/resident impact then it is the service areas responsibility to undertake and confirm to procurement the outcome to inform the procurement exercise. The Options Appraisal seeks confirmation of what consultation (including EIA) has taken place.

Focussed discussions will take place, as part of the project options appraisal, with the commissioning and service leads to ensure that if a supplier failure did occur there is a sufficient business continuity plan and resilience measures in place.

The business continuity plan and resilience measure requirements are owned by the service, and through discussions with procurement it may be highlighted to the commissioning lead that these are to be considered, as they may need to inform the specification/final contract dependent on requirement need.

3. Tender Documents:

The tender documents will emphasise the need for seamless service transition and ask specific questions on:

- How the supplier will ensure the seamless transition
- Where have they had experience of this before
- Lessons learnt from previous transitions

4. Evaluation:

Specific attention will be paid to the evaluation scoring weightings to ensure suppliers with weaker responses and implementation plans score significantly less and are screened out. All implementation/mobilisation plans submitted as part of the tender documentation will form part of the evaluation process, with the appropriate scoring weightings added.

5. References:

References are already sought in relation to new suppliers. References will be sought from other local authorities, which have undergone similar project mobilisations and implementations. – Prior to awarding a contract to a new supplier a due diligence exercise will be conducted and references obtained. Where there are concerns raised regarding the preferred supplier additional assurances and information will be sought from the supplier before awarding. When taking references from other local authorities, specific questions will be asked regarding each supplier's track record on:

- Implementation of similar sized projects
- Quality of service delivered
- Safeguarding and performance issues
- Lessons learned

6. Contractual terms:

A review of the terms and conditions that the Council uses to contract for the above service types will be conducted with HB Public Law to ensure there are robust enforceable contractual remedies available for supplier failure, and terms are unequivocal.

7. Internal commercial support:

A discussion with the Council Commercial Team is already underway to establish how the wider Council may support delivery units when going through high-risk service changes or implementation projects

5. IMPLICATIONS OF DECISION

- 5.1 To ensure the recommendations take place, a number of small workshops will take place with Commissioning and the Delivery Unit. These workshops will be led by procurement. Procurement undertake delivery of regular training workshops covering Contract Procedure Rules, Governance, and Contract Management and have identified additional workshops to be delivered which are service specific relating to contract management and contract mobilisation

6. Corporate Priorities and Performance

- 6.1 All procurement requirements directly reference the Corporate Priorities within the Options Appraisal form.
- 6.2 Procurement require that tender documents cross reference with Council strategy documents and these are available as support information to tender exercises.

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

- 7.1 All procurements are undertaken in accordance with the Contract Procedure Rules Appendix 1 Table A.

Confirmation of approved budget is required to enable proceeding to contract award following procurement exercises.

Implementation of the seven recommendations will not require any additional resourcing or incur additional cost to the Council. The improvements however, are likely to reduce future risks in procurement exercise and therefore help to underpin the Council's achievement of value for money.

8. Social Value

- 8.1.1 The procurement options appraisal form already asks the project leads to consider social value and how the project could further enhance and secure social value and link this to the Council constitution and objectives.

9. Legal and Constitutional References

- 9.1 Under the Council's Constitution, Responsibility for Functions (Annex A) the Performance and Contract Management Committee has responsibility for contract management and performance and to receive reports on relevant performance information on Delivery Units providing services under the remit of the Committee.

- Council Constitution 22 Contract Procedure Rules define procurement and contract management requirements for delivery units and service areas of the Council.

10. Risk Management

- 10.1 Risk management is identified by the service area and supports completion of Procurement's Options Appraisal. Identification of procurements which may involve high risk procurements is central to the improvements being made as a result of this review.

11. Equalities and Diversity

- 11.1 Procurement exercises have regard to the 2010 Equality Act and the provisions of the Public Sector Equalities Duty. Award of contract authorisation is subject to appropriate declaration of delivery of this duty.

12. Consultation and Engagement


- 12.1 The recommendations within this report will be submitted to the Procurement Board on the 21 September 2017 for endorsement and implementation.

13. Insight

- 13.1 Not relevant in the context of this report.

14. BACKGROUND PAPERS

- 14.1 Performance and Contract Management Committee 27 February 2017
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8797&Ver=4>

	<p>Performance and Contract Management Committee</p> <p>12 September 2017</p>
<p>Title</p>	<p>The Barnet Group Annual Report 2016/17</p>
<p>Report of</p>	<p>Mike Gerrard, Finance Director, The Barnet Group</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>No</p>
<p>Enclosures</p>	<p>Appendix A: The Barnet Group Annual Report 2016/7</p>
<p>Officer Contact Details</p>	<p>Mike Gerrard, Finance Director, The Barnet Group mike.gerrard@thebarnetgroup.org 0208 359 7428</p>

Summary

This report outlines the financial position of The Barnet Group Ltd for the year ending March 2017, and asks the Committee to note the Annual Report. The financial year 2016/17 was The Barnet Group's fifth full year of operation. The result for the year is a surplus of £118,000, before taking into account adjustments required in relation to pensions. After adjustments for pensions, the group recorded a net loss of £1.375 million.

Recommendation

The Performance and Contract Management Committee is asked to note The Barnet Group Annual Report 2016/17.

1. WHY THIS REPORT IS NEEDED

- 1.1 In accordance with the Council's Constitution, the Performance and Contract Management Committee is asked to note the Barnet Group Annual Report.

2. REASONS FOR RECOMMENDATION

- 2.1 To enable the Committee to undertake its responsibilities in respect of monitoring the performance and noting the annual report provided by The Barnet Group.

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 annual report and financial statement of the Barnet Group for the year ended 31 March 2017.

- 5.1.2 The Barnet Group trades through its subsidiary organisations. The principal source of income for Barnet Homes is the management fee from the London Borough of Barnet. The principal source of income for Your Choice (Barnet) is fees from the London Borough of Barnet based on the use of Your Choice services.

- 5.1.3 During 2016/17, two new businesses became operational within The Barnet Group: TBG Open Door Limited which is a new subsidiary of Barnet Homes and will build 320 homes over the next three years, and TBG Flex Limited which provides employment services to the Barnet Group and the London Borough of Barnet.

- 5.1.4 Robust budget and performance monitoring are essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in its Corporate Plan 2015-2020.

- 5.1.5 Performance continued to be strong in 2016/17 with some of the Barnet Homes highlights as follows:

- Number of households in emergency temporary accommodation reduced from 251 in 2015/16 to 149 in 2016/17
- Homelessness preventions increased from 870 in 2015/16 to 972 in 2016/17
- Number of tenants in arrears of 3,703 in 2015/16 reduced to 3,546 in 2016/17, though average arrears increased from £488 to £500
- Responsive repairs satisfaction was virtually unchanged at 99.2% (99.1% in 2015/16)
- Via the annual Housemark benchmarking across our peer group, Barnet Homes' total costs per property of housing management and level of overheads is the lowest in London. In the areas of rent arrears and rent loss from void properties, performance is top quartile.

5.1.6 Your Choice (Barnet) also had a successful year with utilisation across the full range of services very close to target.

5.1.7 The new Barnet Homes Management Agreement went live from 1 April 2016 and the review of Your Choice concluded with the Council's Adults and Safeguarding Committee approving a new five year contract in their meeting of 16 June 2016.

5.1.8 The Barnet Group delivered a management service to the Council's Streetscene services from 1 March 2016 through to May 2017.

5.1.9 Relevant Council strategies and policies include the following: Corporate Plan Housing Strategy, The Adults and Communities Commissioning Plan and the Risk Management Strategy.

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

5.2.1 The financial performance for the Barnet Group for 2016/17 is provided in the attached appendix A.

5.2.2 The financial year 2016/17 was The Barnet Group's fifth full year of operation. The result for the year is a surplus of £118,000 before adjustments for pensions and taxation. This was against a budgeted surplus of £255,000, reflecting in large part the early costs of TBG Open Door and a reduced surplus at Your Choice (Barnet) as new services of Personal Assistance and Enablement build to a viable level. Barnet Homes made a surplus of £83,000, slightly ahead of budget (£75,000).

5.2.3 After the adjustments for pensions and taxation, the Group recorded a net loss of £1.375 million for the year. The Barnet Group's usable revenue reserve as presented in the Statement of Financial Position is £2.11 million, increased from £1.992 million in the previous year. These reserves are in place to support growth within the Group.

5.2.4 As The Barnet Group are a wholly owned subsidiary of the London Borough of Barnet, the accounts described within this report are consolidated within the Council's group accounts. As such the finance performance of The Barnet Group directly impacts the Council's consolidated Balance Sheet.

5.3 **Social Value**

5.3.1 In 2016-17 we continued to drive social value commitments from our contractors to support a variety of activities that benefit our residents and the borough of Barnet more widely. In 2016-17, TBG received a total of £23k (through funds, contributions and staff time) from our contractors to help deliver a variety of events, initiatives and works, including:

- First time access fund (Robert Heath)
- Refurbishment of IT room at Cheshire Hall (Mears)
- Door step challenge Burnt Oak (Mears)

5.3.2 The contractors sub-contract locally and also employ a number of local people. Mears are spending on average £360k per annum with local suppliers in the borough of Barnet directly. For Morgan Sindall the figure is £250k.

5.3.3 Mears have 68 employees working on the Barnet contract 20 of those live in the borough of Barnet. Those 20 are paid approximately £600k in salaries.

5.3.4 Morgan Sindall have 5 staff who live in borough. This includes only directly employed staff and contract staff who work on a long term basis.¹ Those 5 are paid approximately £150k in salary.

5.3.5 In 2016-17, 9 local apprentices were employed by our contractors through contract agreements with Barnet Homes. Average salary for these apprentices is £8k.

5.3.6 In 2016-17 TBG invested, accessed funding and brokered opportunities through partners to help deliver employment and skills training for our residents to the value of £61k.

6. Legal and Constitutional References

6.1 Under the Council's Constitution ([Annex A to the Responsibility for Functions](#)) the Performance and Contract Management Committee has, amongst others, the following responsibilities:

- 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; and to
- note the Annual Report of the Barnet Group Ltd.

6.2 The Performance and Contract Management Committee is being asked to note the Annual Report rather than approve it. The reason for this is that the Articles of Association of The Barnet Group Limited authorise its directors to be responsible for the management of its business and to exercise all the powers of the company, and there has been no special resolution approved to require approval of the annual report by the shareholders. Under the Companies (Model Articles) Regulations 2008, Schedule 1, which apply to the Articles of Association of The Barnet Group Limited, 'the shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.'

7. Risk Management

7.1 The Barnet Group trades through its subsidiary companies and the majority of risks are identified and managed through them.

7.2 The Group maintains a register for risks identified within the business and management processes. The London Borough Barnet (the Council) records risks pertaining to its corporate objectives in the Council's risk management system. A small number of risks may be joint risks, i.e. a shared risk where both parties have a role in managing the risk. Joint risks are recorded in the Council's risk management system with the responsibilities and actions of each party clearly defined.

7.3 All risks are monitored through regular performance review meetings, as part of business as usual and escalated whenever required including new emerging risks

¹ Many operatives work on a short term basis via a sub-contractor but this data is not available.

and/or any serious risk incidents that occur.

- 7.4 Quarterly contract performance reporting includes significant joint and operational risks (both with a rating of 12 or more using the London Borough of Barnet's scoring methodology) and are included in the performance summary for Barnet Homes and for Your Choice (Barnet) provided to the Performance and Contracts Monitoring Committee.

8. Equalities and Diversity

- 8.1 The Barnet Group is required to support the Council in meeting its public sector equality duty (as set out in the Equality Act 2010). This means having due regard to the need to:

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- b) advance equality of opportunity between those who share a relevant protected characteristic and those who do not;
- c) foster good relations between those who share a relevant protected characteristic and those who do not.

- 8.2 The 'protected characteristics' referred to are: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity, race, religion or belief; sex and sexual orientation.

- 8.3 Effective contract management is vital to ensuring that the Council's duties under the Equality Act 2010 are supported by its partners.

- 8.4 Equality performance is monitored by collecting data on service usage, customer feedback and specific performance indicators. Where service changes affecting residents or service users are proposed, equality impact assessments will be undertaken, and where needed, these will include consultation with residents or service users.

- 8.5 The Barnet Group's objective is to ensure that services are provided fairly to all the communities they serve and that all employees have equality of opportunity.

9. Consultation and Engagement

- 9.1 The Annual Report of the Barnet Group has been reviewed and approved by the Barnet Group Board.

10. Insight

- 10.1 This report presents the actual performance of The Barnet Group in the financial year 2016/17.

11. BACKGROUND PAPERS

- 11.1 The Barnet Group Annual Report 2015/16, 6 September 2016, agenda item 8:
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CIId=693&MIId=8795&Ver=4>

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Company No. 07873964

The BarnetGroup Limited

Annual Report

Strategic Report

Year ended 31 March 2017

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1. Company Information

Directors

Terry Rogers (Chair)
Nigel Turner (Vice Chair)
Rebecca Toloui-Marks
Councillor John Marshall
Councillor Ross Houston
Jeff Baker (Vice Chair)
Troy Henshall
Jack Stephen
Sharon Slotnick

Chief Executive Officer

Troy Henshall

Executive Officers

Derek Rust	Deputy Chief Executive
Julie Riley	Director of Care & Support
Trudi Kleanthous	Director of Corporate Services
Mark Jones	Interim Finance Director Resigned June 2016
Mike Gerrard	Finance Director Appointed September 2016
Elliott Sweetman	Director of Operations

Company Secretary

Troy Henshall	Resigned 7 November 2016
Trudi Kleanthous	Appointed 7 November 2016

Registered Office

1255 High Road
Whetstone
London
N20 0EJ

Registered Number

07873964

Auditor

Grant Thornton UK LLP
Grant Thornton House
202 Silbury Boulevard
Milton Keynes
MK9 1LW

Bankers

Santander UK PLC
T54 Ground Floor Ops
Bridle Road
Bootle
Liverpool
L30 4GB

2. Report of the Directors

The Board is pleased to present the financial statements of TheBarnetGroup Limited for the year ended 31 March 2017.

Principal activities

TheBarnetGroup Limited (the 'Company') is a Local Authority Trading Company (LATC) created in 2012 and has three subsidiary organisations, being Barnet Homes Limited, an Arms' Length Management Organisation (ALMO), Your Choice (Barnet) Limited, another LATC and TBG Flex Limited, a company for the recruitment and employment of staff. Barnet Homes Limited has a subsidiary organisation, TBG Open Door Limited, a registered provider with the Homes and Communities Agency.

Barnet Homes Limited is owned indirectly by the London Borough of Barnet (the 'Council') through TheBarnetGroup Limited, and commenced its operations on 1 April 2004. The Council has delegated the management of its housing stock to Barnet Homes Limited under Section 27 of the Housing Act 1985 (as amended by the Housing and Urban Development Act 1993). Under that delegation Barnet Homes Limited is responsible for the following functions:

- Maintenance of the Council's residential stock, including stock investment decisions and procurement, planned maintenance and responsive repairs;
- Housing Management of the Council's residential stock, including rent collection, leasehold management, enforcement of tenancy and lease conditions, managing voids and estate management;
- Homelessness assessments, acceptances and procurement of property;
- Home Ownership services;
- Calculation and collection of leasehold charges;
- Financial management of certain aspects of the Housing Revenue Account (HRA);
- Tenant involvement and resident participation.

The original ten year management agreement expired on 31 March 2014 and continuation of the services was agreed via a one year delivery plan for the year 2015/16. In June 2015, the London Borough of Barnet's Housing Committee approved the provisional Heads of Terms for a new ten year management agreement which came into effect on 1 April 2016.

Barnet Homes Limited is a subsidiary of TheBarnetGroup Limited, a wholly owned local authority trading company of the London Borough of Barnet. Barnet Homes Limited became part of TheBarnetGroup Limited on 1 February 2012. TheBarnetGroup Limited acts as an agent for Barnet Homes Limited in transacting with the Council. In substance, the Company operates as an ALMO in line with its original structure on 1 April 2004, but is under the direct ownership of TheBarnetGroup Limited. The London Borough of Barnet is the ultimate controlling party.

Your Choice (Barnet) Limited is a Local Authority Trading Company (LATC) ultimately owned by the London Borough of Barnet (the 'Council') via

TheBarnetGroup Limited, that commenced its operations on 1 February 2012 delivering specialist care and support services to adults with a range of physical and learning disabilities. These services were transferred in order to enable the company to become more cost effective and compete in the Adult Social Care marketplace.

The services include:

- **Rosa Morison Day Service** for adults who have profound and multiple learning and physical disabilities (PMLD);
- **Flower Lane Autism Service** providing support to adults who are on the autistic spectrum and have additional complex behaviour support needs;
- **Valley Way Respite Centre** for adults with PMLD, physical disabilities, autism and complex behaviour support needs;
- **Community Space Day Service** offering community support for adults who have a wide range of learning disabilities;
- **Supported Living Service** supporting people with learning disabilities to live as independently as possible in their own home;
- **Barnet Independent Living Service** for adults with a range of physical and sensory impairments;
- **PA Choices** a matching service for people who are on direct payments and who require a personal assistant to provide them with support with their daily activities, set up January 2016.
- **Your Choice Enablement Service** was set-up in December 2016. This service has successfully provided high quality enablement packages to support people to regain skills and their independence.

Your Choice (Barnet) Limited is part of the Group's Care & Support Directorate which brings together all of the services within Your Choice (Barnet) Limited and the Assist, Sheltered Housing and Floating Support services within Barnet Homes Limited. This enables working together, sharing best practice, allowing opportunities for synergies and ensures the Group is able to provide seamless 'wrap-around' services where required.

TBG Flex Limited is a new company within the Barnet Group structure for the recruitment and employment of staff. TBG Flex Limited will be the Group's preferred vehicle for employing new permanent and temporary staff, when needed, and will be fundamental to making our business growth strategies commercially viable in the future.

The Company was incorporated on 26 October 2015 and started trading in February 2016. These are the first financial statements for the Company.

TBG Flex Limited offers flexible benefits for all its employees.

TBG Open Door Limited is a new company within the Barnet Group structure and subsidiary of Barnet Homes for the development and management of affordable housing. The Company was registered with the Homes and Communities Agency as a registered provider of social housing on 7th March 2017.

The Company was incorporated on 29 October 2015. These are the first Financial Statements for the Company covering the seventeen month period from 29 October 2015 to 31 March 2017.

The services offered by TBG Open Door Limited will strongly support the London Borough of Barnet in the delivery of its new Housing Strategy 2015 – 2025 by seeking to:

- Increase the housing supply, thereby preventing homelessness, including making a financial contribution towards general fund pressures arising from homelessness demand;
- Provision of homes that people can afford;
- Sustain quality, particularly in the private rented sector;
- Support vulnerable people and
- Provide efficient and effective housing services.

Group results for the year

Before taking account of the adjustments required in relation to pensions, a trading surplus of £118,000 was achieved (2016: £663,000 surplus). After the adjustments for pensions, the Group recorded a net deficit of £1,375,000 (2016: £1,079,000 deficit) before the actuarial gain on the pension scheme of £6,870,000 (2016: £4,229,000 actuarial gain).

Accumulated revenue reserves, before the pension liability, now stands at £2,110,000 (2016: £1,992,000).

Directors

The names of the Directors who served during the year can be found on page 2.

3rd party indemnity provision for Directors

Directors are provided with indemnity insurance procured through TheBarnetGroup Limited for Personal Accident and Directors' and Officers' liability.

Disabled persons

TheBarnetGroup Limited and its subsidiary companies are committed to equality and diversity and our goal is to embed it into our practices and everything we do. We want to ensure that all of the people we support receive the best possible service and that everyone is supported to develop and achieve to the best of their abilities.

Our objective is to ensure that services are provided fairly to all the people we support and that all of the people we support have equal opportunities.

For the people we support, we will:

- Treat all of the people we support with dignity and respect;
- Consult and involve the people we support in planning the delivery of services;
- Engage with hard to reach groups to get their views;

- Target our services in a person centred way to ensure they reflect the needs of the people we support.

Employee information

We aim to achieve and promote equality of opportunity in all aspects of our recruitment, training, policies and practice and to facilitate a working environment where employees feel safe, supported, able to challenge, engaged with the organisation and where any discrimination is dealt with effectively.

As an employer we will:

- Take positive action to develop a workforce that reflects the people we support;
- Ensure that all employees are supported to develop and grow to the best of their ability;
- Value the contribution our employees make toward achieving our objectives;
- Ensure that all our existing and future employees have equal opportunities.

Charitable donations

No charitable donations were made by the Group or the Company for the year ended 31 March 2017, (2016: £nil).

EU Political donations and expenditure

No political donations or expenditure were made for the year ended 31 March 2017, (2016: £nil).

Donations to non-EU political parties

No political donations or expenditure were made for the year ended 31 March 2017, (2016: £nil).

Payment policy

The Company pays suppliers where possible within suppliers' credit terms. Payments to suppliers were made on average within 18 days of receipt of the invoice (2016: 18 days).

Directors' Remuneration Report

The Directors are defined as being the Board members of TheBarnetGroup Limited. The Independent Directors receive emoluments and are entitled to reimbursement of incidental expenses incurred when attending board meetings and other formal events in their capacity as board members. The Independent Directors are not entitled to pension benefits. These are the only transactions with the Independent Directors of the Company. Executive Directors who are fully employed as officers of the Company receive pension benefits. Directors' remuneration is disclosed in note 18 to the financial statements.

Code of Governance

The Group and its subsidiary Boards have adopted and complied with the National Housing Federation code of governance, Excellence in Governance 2015. The Group complies with its new code apart from two technical instances of non-compliance in relation to the overall length of service as a Board member within the

Group. These date back to events that took place before the code was adopted and at that time were compliant with the code of governance then in use:

- One of the Council nominees who joined the Group Board in 2012 had previously served on the Barnet Homes Limited Board between 2007 and 2012. This member was assessed before joining the Board in 2012, and found to have the requisite skills, experience, and the ability to contribute to the work of the Board. Following the findings of a comprehensive governance review, this issue has been included in a prioritised governance improvement plan for further consideration.
- An independent member was appointed as Chair of the newly formed TBG Open Door Limited Board and Group Board Member in 2015. This individual had previously been a member of the Barnet Homes Limited Board between 2006 and 2014, and has particular valuable specialist skills and chairing experience. In the light of this, the appointments were approved by the Group Governance & Remuneration Committee. The individual will serve one full term as Chair of TBG Open Door Limited Board, and will then step down from both Boards. This will give the Group time to fully develop the TBG Open Door Limited Board and to make appropriate plans for succession.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, (United Kingdom Accounting Standards and applicable laws), including International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence

for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- as far as each Director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

The accounts are prepared on a going concern basis. In line with International Accounting Standard 19, the Group's pension deficit is recognised in full in the Consolidated Statement of Financial Position and this is stated at £31,137 million at 31 March 2017 (2016: £36.514 million). However, the London Borough of Barnet has fully guaranteed Barnet Homes Limited's pension deficit at the point of its incorporation (on 1 April 2004) and has provided a letter of comfort to the Directors of Barnet Homes Limited, setting out its intention to fund Barnet Homes Limited's on-going operational cash flow requirements from the point of incorporation onwards, through the payment of the agreed monthly management fee. Furthermore, the London Borough of Barnet has also guaranteed the pension deficit in respect of Your Choice (Barnet) Limited at the point that the employees were transferred to Your Choice (Barnet) Limited (on 1 February 2012). The Directors have reviewed the Group's budget for the next financial year. Therefore, the Board considers preparation of the Financial Statements on a going concern basis to be appropriate.

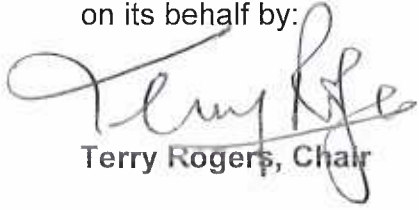
International Accounting Standard 19 relates to the assessment of the employer's liability in respect of the pension scheme, which has the impact of increasing or reducing the pension deficit on the Statement of Financial Position. This is an accounting rule which shows the current estimate of future pension costs and has no impact on the Company's current liquidity.

Auditor

Grant Thornton UK LLP has expressed their willingness to remain in office. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditor will be proposed at the Annual General Meeting.

Approval and signature

The Report of the Directors was approved by the Board on 28 June 2017 and signed on its behalf by:



Terry Rogers, Chair

3. Strategic Report

Review of Group results

The year to 31 March 2017 was the fifth year of operation for the Group. Before taking account of the adjustments required in relation to pensions, a Group surplus of £118,000 was achieved (2016: £663,000 surplus).

After the adjustments for pensions, the Group recorded a net loss after tax of £1,375,000 (2016: £1,079,000 deficit) before the actuarial gain on the pension scheme of £6,870,000 (2016: £4,229,000 actuarial gain).

Accumulated revenue reserves, before the pension liability, now stand at £2,110,000 (2016: £1,992,000).

The principal risks and uncertainties and key performance indicators for TheBarnetGroup Limited reflect those in the subsidiary companies, Barnet Homes Limited, Your Choice (Barnet) Limited, TBG Flex Limited and TBG Open Door Limited.

Barnet Homes Limited

Principal Risks and Uncertainties

The Company's principal source of income is a fixed management fee from the London Borough of Barnet, which is paid monthly in advance in accordance with the Agreement. The fee is set in advance, and the main risk to the Company is that it is not able to deal with inflationary pressures and planned efficiencies in the management fee of £2.1 million annually by 2020.

The collection of rents and service charge income does not affect the Company directly, as such payments are made to the Council's Housing Revenue Account (HRA), but it is a key performance measure for the Company.

The number of homes managed under the Agreement continues to reduce. The Council's regeneration programme gains momentum with 119 properties decanted for regeneration purposes in the year (2016: 174). Right to Buy (RTB) sales amounted to 66 units (2016: 76 units).

The continuing high level of demand for housing and the lack of availability of affordable accommodation, results in additional General Fund expenditure for temporary accommodation and resource pressures on the Company's services.

The HRA Business Plan is under pressure arising from Government Policy resulting in a 1% rent cut each year in the period up to 2020.

The original implementation of the QL Housing Management system does not comply with best practice, which has resulted in operational and reporting issues. Accordingly, a re-implementation of this system has progressed during the year. In this year's financial statements £270,000 of intangible assets relating to the original implementation has been written off.

The Company has established a new Registered Provider (RP) to deliver the first phase of 320 new homes in the borough. The RP is a subsidiary of Barnet Homes Limited. The draft Business Plan for the RP has identified risks associated with property development, construction costs, managing a debt facility, inflation and rent increase assumptions.

These risks have been reported to and reviewed by TheBarnetGroup Limited's Audit and Risk Committee during the year.

Key financial performance indicators

Overview

Barnet Homes Limited's performance is marginally better than its budget in 2016/17, showing a positive variance of £8,000 against budget, resulting in a surplus of £83,000 before pension adjustments (2016: £276,000 surplus). This is a satisfactory result.

Key non-financial performance indicators

The key performance indicators (KPIs) used to monitor achievement of the Company's main objectives are set out on the following pages. The Board and London Borough of Barnet agree targets each year that are designed to manage and deliver continuous improvement as outlined in the management agreement. The key performance indicators do not impact on the Company's financial results as they are delivered by the Company for the Council and mostly accounted for in the HRA. They are however, the key indicators in determining the Company's performance acting in its role as a homelessness and housing management provider for the Council.

Allocations and lettings

Average re-let times in days	2016/17	2015/16
Routine lettings (2017 Target 24 days)	13.5	20.9
Major works lettings (2017 Target 60 days)	37.2	46.0
All lettings	21.4	27.6

The above table shows the average re-let times performance for the year 2016/17 compared to performance from the previous year. Barnet Homes' year end performance for re-letting routine voids of an average of 13.5 days is a circa 7 day improvement on the 15/16 performance.

In 2016/17 performance improved for both routine lettings and major works lettings – with a reduction in turnaround time against target. When benchmarked with peer organisations through HouseMark, Quarter 3 2016/17 performance for routine re-letting of properties was in the top quartile.

The 2016/17 annual performance is the best voids performance for routine lettings in the history of Barnet Homes and the improvement is due to the implementation of the findings of a review of the voids service.

Households in emergency accommodation

	2016/17	2015/16
Number of households in Emergency Temporary Accommodation (ETA)	149	251
Number of households in bed and breakfast accommodation	0	2

A number of successful supply measures were delivered throughout 2015/16 to reduce the number of households in Emergency Temporary Accommodation (ETA). By the end of March 2017, there were just 149 households in ETA, the lowest number for over 5 years and a 41% reduction on the 2015/16 outturn.

	2016/17	2015/16
Number of lettings to Barnet Homes managed properties	517	519
Number of regeneration property lettings	104	139
Number of private sector lettings	646	492

Despite sustained high levels of demand, with over 1,400 placements into forms of interim temporary accommodation for the third consecutive year, the delivery of over 400 new units of affordable long-term temporary accommodation and supply of 646 private sector lettings meant that Barnet Homes was able to reduce reliance on Emergency Temporary Accommodation, creating better outcomes for both our customers and the Council.

Homelessness

	2016/17	2015/16
Number of homelessness preventions	972	870
Number of regeneration decants	104	174

In 2016/17 we completed 972 homelessness preventions which is an improvement on the 870 achieved in 2015/16 especially when considering the difficult climate in the private rented sector.

- The Barnet Homes Welfare Reform Task Force prevented homelessness in 89 households last year, helped 165 people into work and off the benefit cap, assisted 70 people to move to more affordable accommodation, gave out 1,027 discretionary housing payments, helped 130 clients to move onto disability benefits and off the benefit cap, received 288 referrals for help with universal credit and made 618 appointments for welfare benefit advice
- The Youth Mediation Co-ordinator has delivered 39 homelessness preventions by working with families and their 16 and 17 year old children to either keep them at home or arrange planned moves into suitable alternative accommodation.
- The Sanctuary Scheme installed 58 security measures into the properties of domestic violence and abuse victims which enabled them to remain in their homes.
- A domestic violence and abuse one stop shop now provides weekly surgeries, which further supports early intervention and prevention. 330 victims approached this service for support, advice and information over last financial year.

Rent collection and arrears performance

	As at:	31-Mar-17	31-Mar-16
Number of tenants in arrears		3,546	3,703
Average arrear		£500	£488
Number of tenants more than 7 weeks in arrears		500	593
Arrears as a percentage of the debit		3.04%	3.24%

At 31 March 2017 arrears expressed as percentage of debit stands at 3.04% against a target of 3.00%. This is an excellent outcome following a challenging start to the year brought on by the payment failures in last year's fourth quarter. It is also pleasing to note that for nine out of the last twelve months the target has been achieved.

The high risk areas of tenant evictions and high level arrears cases continued to be addressed in line with our arrears improvement plan.

Evictions - all avenues are explored to support tenancy sustainment and maximise income for the customer and the Council. Whilst we have had increased success in obtaining funding from the Homeless Prevention Fund (HPF) and Discretionary Housing Payment (DHP) fund, we had anticipated that there would be an increase in evictions due to non-engagement from customers and those that had the ability to pay but had not. A total of 17 evictions were carried out during the year.

The number of current tenants in arrears for 7 weeks or more was 500 (2016: 593 cases). This area of work continues to be targeted with extra resources.

We are continuing to work with the Corporate Anti-Fraud Team (CAFT), the Neighbourhood Management Team and the DHP Section of the Task Force to support the management of these high level arrears cases.

Repairs and gas servicing

Responsive repairs satisfaction was 99.2% (2016: 99.1%) against a target of 96%. This is arrived at from a combination of contractor undertaken surveys and Barnet Homes' internal validation.

Gas servicing achieved 100% compliance in both years.

Major works satisfaction

Resident satisfaction with major works was 96% (2016: 94.8%) against a target of 94%.

Future Developments – Barnet Homes Limited

The application for registration with the Homes and Communities Agency for TBG Open Door Limited was completed in February 2017. This company is planning to develop 320 new homes for the Council in the period to 2021, and is a subsidiary of Barnet Homes Limited.

Your Choice (Barnet) Limited

Your Choice (Barnet)'s principal source of income is the fees from services that are commissioned by the London Borough of Barnet, which are paid monthly in arrears and based on an hourly, daily or nightly rate. The services are also commissioned by other local authorities, Clinical Commissioning Groups and privately through direct payments. These fees account for around 18.4% of the total income.

The Adult Social Care marketplace is extremely challenging and it is important for YCB to provide services that people will access and that the Council wants to commission. It is with this in mind that proposals for some of the services to be transformed have been submitted to and accepted by the Council.

The transformed services will provide support for people to gain greater independence when accessing the community and enable people to be in paid employment. In addition some people will move from supported living into mainstream housing. This in turn will provide opportunities for people who have more complex support needs to be in a supported living environment as an alternative to residential or hospital settings. The proposed changes have led to the contract being renewed from February 2017 for a further five years. There is a risk that the proposals will not be acceptable to the people we support or their families.

There is however, a significant risk that if YCB does not make the proposed changes, a number of the current services will no longer be commissioned as they

are not in the longer term fit for purpose. There are a number of reasons for this, including:

- a) The difficulty in attracting younger people to the services as they often have differing expectations, namely to move-on to their own accommodation (not in a block with others) and to get a job.
- b) The Supported Living Service provides 24/7 staffing levels and not all of the people living in the flats require this and there is a risk that people will come to rely on higher levels of support that are not needed and will go on to lose some of their independence skills.
- c) Benchmarking has shown that YCB respite and day services are relatively expensive compared to others, although some of the services are unique in providing for people who have profound or complex needs. The transformation of services will support the future plan to become more competitive in the longer term.

Health and safety and safeguarding of service users and employees is a priority, especially as the majority of the people we support have a significant range of disabilities. There are a number of performance indicators that measure the health and safety of the service provision and all have been consistently rated as Green throughout 2016/17.

Key performance indicators

2016/17 has been a good year in terms of performance with 17 (85%) performance indicators are rated green, 2 are green/amber (10%) and 1 red (5%). The number of referrals from other local authorities is still rated red as the cumulative total for the year is 9 against a target of 20. YCB continues to work closely with neighbouring authorities and continues to actively market its services.

Of the Green/Amber KPIs one relates to the use of agency staff which has remained fairly static at 12.9% (2015/16: 13.1%) against a target of 10%. The second green/amber related to utilisation at Valley Way which has been at 89% throughout the year against a target of 90%

Service utilisation

Overall, service utilisation is good, with strong performance at Independent Living Service (99%) and Flower Lane (98%).

The two new services, Personal Assistance and Enablement are growing towards target levels of utilisation though there have been challenges in recruiting staff quickly enough to respond to demand for the services.

	2016/17 Utilisation	2015/16 Utilisation	Target
Independent Living Service	99%	96%	96%

Community-Space	97%	97%	96%
Flower Lane	98%	97%	96%
Rosa Morison	95%	97%	96%
Supported Living	97%	99%	96%
Valley Way Personal Assistance Enablement	89%	94%	90%

At year end, there are 4 voids in the Supported Living Services, three of which have been allocated and are in the process of being filled.

Staffing

The use of agency staff has decreased in 2016/17, but is still behind target.

Indicator description	2016/17 Outturn	2015/16 Outturn	Target
Agency staff (%age of total FTEs)	12.9%	13.1%	10.0%
Sickness absence - days per FTE	7.6	12.7	10.0

Sickness levels have also improved; however it is important that staff do not attend work if they have infectious symptoms due to the vulnerability and health needs of the people we support.

Referrals

Two of the three targets for referrals have been met with only referrals from other local authorities at amber.

Indicator description	2016/17 Outturn	2015/16 Outturn	Full Year Target
Number of referrals from within the London Borough of Barnet	28	22	20
Number of referrals - other LAs	9	13	20
Number of referrals - other sources	29	22	20
Total number of referrals	66	57	60

Safeguarding

The table below presents the position on alerts raised:

	Indicator description	2016/17 Outturn	2015/16 Outturn
Alerts raised about YCB issues	Alerts raised	13	8
	Incidents under investigation	1	0
	Incidents closed and upheld	1	1
	Incidents closed and not upheld	11	7

Future Developments – Your Choice (Barnet) Limited

The discussions with the Council regarding the future of the Your Choice (Barnet) Limited services have provided the opportunity for remodelled services that are fit for the future, for the people we support now and those we will support in the future.

The Flower Lane service will continue to support people who have autism and complex behavioural support needs. This service is developing greater opportunities for people to access the community and is extending its outreach service in order to provide a service for more people as demand requires. This service will support people with autism as they age; adapting the type of support provided as their needs change.

The Rosa Morison service will continue to support people with profound and multiple learning disabilities (PMLD). This service will support more people with PMLD to access mainstream community groups. There will be an even greater use of emerging technologies that the service will access in order to improve and enhance choice and control opportunities for people who have PMLD.

BILS and CommunitySpace support some people who have complex support needs and these individuals will be supported to continue to access their activities with improved outcomes. However there are a number of people for whom Your Choice (Barnet) proposes to develop new services.

The introduction of a progression into employment offer for adults with learning disabilities (where this is appropriate for the individual) and will include a prevention and intervention service, to ensure that all activities are sustainable.

The Supported Living Services currently provide 24/7 support. There are a number of people who do not need this level of support. Therefore additional step down services will be developed, and a new shared housing offer for adults with learning disabilities who wish to access more independent living.

The introduction of additional short-term accommodation and support offers for use with clients at risk of a placement breakdown or, for older people, following a period of illness or hospital admission.

The new Enablement service went live in December 2016 and during 17/18 will increase its capacity and make available at least 1,000 hours per week to provide 2-

6 weeks of high quality enablement packages to support people to regain skills and their independence.

TBG Open Door Limited

The company's principal source of income is the future rent from new built schemes. The main risks to income are variations in the permitted rent increases set by the government and also an increase in losses from bad debts, potentially from the impact of Welfare Reform.

The initial programme of 320 units in Barnet is part of a long-term strategy to position TBG Open Door Limited as a growing provider of affordable housing in the borough. Supplementing the current programme will provide mitigation for the programme-level risks.

In the construction of the properties, the company has made reasonable assumptions of costs across the whole programme to ensure all 320 units can be completed with the available funds. In addition, the company has invested in skilled staff to ensure the timely completion of the schemes.

In terms of funding, the company is partially funded by a loan facility of up to £65m for which interest is charged at the prevailing Public Works Loan Board rate, plus 1.24%. This rate is fixed from drawdown through to repayment and the company will ensure the development programme is completed to time to reduce the possibility of significant variations in interest cost.

Modelling of the business plan has demonstrated contingency to accommodate some variation in interest rate. The company benefits from £19m of grant funding which significantly contributes to the viability of each scheme.

Key performance indicators

2015/17 was an initial period of trading since incorporation on 29 October 2015 and has involved preparation and submission of information to ensure Housing Communities Agency (HCA) registration was successful. Registration was confirmed on 7th March 2017. There were no properties built or rental income received in the period.

Future Developments – TBG Open Door Limited

The discussions within the Group regarding the future of the TBG Open Door Limited services have provided the opportunity for achieving the following objectives as outlined in the TBG Open Door Limited 3 Year Business Plan:

- Develop quality new housing, including new types of construction and to deliver alternative tenure types
- Access grant opportunities and alternative funding streams
- Become asset owning and to use those assets over time to leverage further development and business opportunities

- Develop a new and more commercially orientated model of service delivery for landlord services, including the development of a “wrap around” facilities management company
- Develop bespoke viable service offerings for other stakeholders, landlords and tenure types
- Support the Council in delivering its housing strategy
- Support the Council in reducing or cross subsidising homelessness costs

This ambition, aimed at further supporting the Council in its strategic objectives, is also in keeping with The Barnet Group’s mission to operate with a “Public sector ethos but with a private sector commercial focus”.

TBG Flex Limited

TBG Flex's principal source of income is fees from group members and the London Borough of Barnet for the employment of staff.

Other members of the Barnet Group are charged a 4% annual fee by TBG Flex for the employment of staff. For the London Borough of Barnet, there is a one-off fee of £500 per new employee. The margin will be kept under review to ensure that it contributes to a viable surplus for TBG Flex.

Staff employed through TBG Flex are entitled to a benefits package of between 5% and 10% depending on their role which can be used flexibly, including for pension contributions.

Average number of staff employed through TBG Flex is as follows:

Employees at 31 st March 2017	
Barnet Homes Limited	22
Your Choice (Barnet) Limited	16
London Borough of Barnet	15
Total	53

The table above includes 14 employees who were formerly on an interim or contract basis.

Future Developments – TBG Flex Limited

Numbers of staff employed have increased substantially over the accounting period and there are plans to further increase the number of employees within the Barnet Group employed by TBG Flex over the five year budget period as follows:

TBG Flex staff	Annual increase				
	2017/18	2018/19	2019/20	2020/21	2021/22
Conversion of agency staff	44	10	10	10	0
Permanent appointments	25	20	20	15	10
Total employed	122	152	182	207	217

Approval and signature

The strategic report was approved by the Board on 28 June 2017 and signed on its behalf by:



Terry Rogers, Chair

Independent auditor's report to the members of The Barnet Group Limited

We have audited the financial statements of TheBarnetGroup Limited for the year ended 31 March 2017 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flow, the consolidated statement of changes in equity, the company statement of comprehensive income, the company statement of financial position, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with the provisions of Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on pages 7 and 8, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2017 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Directors' Report and Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



John Corbishley
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Milton Keynes

10/7/2017

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2017

	Notes	2017 £'000	2016 £'000
Revenue	3	68,144	61,876
Employee benefits expense	13	(18,327)	(16,262)
Retirement pension obligation		(88)	(337)
Depreciation	8	(136)	(193)
Amortisation	9	(369)	(448)
Asset impairment	9	(270)	(503)
Other expenses	4	(48,980)	(43,926)
Operating (loss)/profit	5	<u>(26)</u>	<u>207</u>
Finance income	7	1,877	1,701
Finance costs	7	(3,202)	(2,942)
Loss before tax		<u>(1,351)</u>	<u>(1,034)</u>
Income tax expense	16	(24)	(45)
Loss after tax		<u>(1,375)</u>	<u>(1,079)</u>
Other comprehensive income			
Actuarial gain on defined benefit on pension scheme	13	6,870	4,229
Total comprehensive income for the year		<u><u>5,495</u></u>	<u><u>3,150</u></u>
Total comprehensive income is attributable to:			
London Borough of Barnet		<u><u>5,495</u></u>	<u><u>3,150</u></u>

Reconciliation of total loss for the year after tax	2017 £'000	2016 £'000
Profit for the year	118	663
Loss from IAS19 pension fund accounting entries	(1,493)	(1,742)
Total (Loss) for the year after tax	<u><u>(1,375)</u></u>	<u><u>(1,079)</u></u>

The accompanying accounting policies and notes form part of these financial statements.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017
Consolidated Statement of Financial Position
as at 31 March 2017

	Note	2017 £'000	2016 £'000
ASSETS			
Non-current assets			
Tangible Assets			
Property, plant and equipment	8	531	624
Intangible Assets			
Computer Software & Development	9	1,750	1,432
		<u>2,281</u>	<u>2,056</u>
Current assets			
Trade and other receivables	10	15,491	12,728
Cash and cash equivalents	11	14,288	14,661
		<u>29,779</u>	<u>27,389</u>
Total assets		<u>32,060</u>	<u>29,445</u>
EQUITY and LIABILITIES			
EQUITY			
Revenue reserve (excluding IAS 19 provisions)		2,110	1,992
Pension fund		(31,137)	(36,514)
Retained earnings		(29,027)	(34,522)
Total Equity		<u>(29,027)</u>	<u>(34,522)</u>
LIABILITIES			
Non-current liabilities			
Pension and other employee obligations	13	31,137	36,514
Provisions	14	64	59
		<u>31,201</u>	<u>36,573</u>
Current liabilities			
Trade and other payables	15	29,841	27,349
Current tax liabilities	16	45	45
		<u>29,886</u>	<u>27,394</u>
Total liabilities		<u>61,087</u>	<u>63,967</u>
Total equity and liabilities		<u>32,060</u>	<u>29,445</u>

The financial statements were authorised and approved by the Board on 28 June 2017 and signed on its behalf by:



Terry Rogers, Chair

Company Number: 07873964

The accompanying accounting policies and notes form part of these financial statements.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017
Consolidated Statement of Cash Flow
for the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
Cash flows from operating activities			
Loss before tax		(1,351)	(1,034)
Interest income		(30)	(41)
Depreciation of property, plant and equipment		136	193
Amortisation of intangible assets		369	448
Fixed assets impairment		270	503
Change in pension assets		(16,425)	(937)
Change in pension liabilities		11,048	(1,551)
Actuarial loss on pension scheme		6,870	4,229
Change in provisions		5	(64)
Taxes paid		(24)	(22)
Other		-	-
Net cash from operating activities		<u>868</u>	<u>1,724</u>
Net changes in working capital:			
Change in trade and other receivables		(2,763)	(6,417)
Change in trade and other payables		2,581	11,218
Change in other employee obligations		(89)	(53)
Total changes in working capital		<u>(271)</u>	<u>4,748</u>
Cash flows from investing activities			
Interest received	7	30	41
Purchase of equipment	8	(43)	(221)
Addition of intangibles	9	(957)	(563)
Decrease in short term investment		-	-
Net cash used in investing activities		<u>(970)</u>	<u>(743)</u>
Net (decrease)/increase in cash and cash equivalents		(373)	5,729
Cash and cash equivalents at beginning of year		14,661	8,932
Cash and cash equivalents at end of year	11	<u>14,288</u>	<u>14,661</u>

The accompanying accounting policies and notes form part of these financial statements.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017
Consolidated Statement of Changes in Equity

	Revenue Reserve (excl IAS19 provisions) £'000	Pension Fund £'000	Total retained earnings £'000
Balance as at 1 April 2015	1,329	(39,001)	(37,672)
Profit for the year	663	-	663
Increase in retirement pension obligation	-	(1,742)	(1,742)
<i>Other comprehensive income:</i>			
Actuarial gain on pensions scheme	-	4,229	4,229
Total comprehensive income for the year	663	2,487	3,150
Balance as at 31 March 2016	1,992	(36,514)	(34,522)
Balance as at 1 April 2016	1,992	(36,514)	(34,522)
Profit for the year	118	-	118
Increase in retirement pension obligation	-	(1,493)	(1,493)
<i>Other comprehensive income:</i>			
Actuarial gain on pensions scheme	-	6,870	6,870
Total comprehensive income for the year	118	5,377	5,495
Balance as at 31 March 2017	2,110	(31,137)	(29,027)

The accompanying accounting policies and notes form part of these financial statements.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

Company Statement of Comprehensive Income
for the year ended 31 March 2017

	2017 £'000	2016 £'000
Revenue	-	-
Expenses		
Other expenses	(36)	(18)
Operating (loss)	(36)	(18)
Finance income	5	9
Finance costs	-	-
(Loss) before tax	(31)	(9)
Income Tax Expense	-	-
(Loss) after tax	(31)	(9)
Total comprehensive income for the year	(31)	(9)
Total comprehensive income is attributable to:		
London Borough of Barnet	(31)	(9)

Reconciliation of total loss for the year		
	2017 £'000	2016 £'000
Loss for the period	(31)	(9)
Total loss for the year	(31)	(9)

The accompanying accounting policies and notes form part of these financial statements.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

Company Statement of Financial Position
for the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
ASSETS			
Non-current assets			
Investment			
Current assets			
Trade and other receivables	10	26,187	20,945
Cash and cash equivalents	11	2,938	3,546
		<u>29,125</u>	<u>24,491</u>
Total assets		<u>29,125</u>	<u>24,491</u>
EQUITY and LIABILITIES			
EQUITY			
Revenue reserve		(122)	(91)
Pension fund		-	-
Retained earnings		(122)	(91)
Total Equity		<u>(122)</u>	<u>(91)</u>
LIABILITIES			
Non-current liabilities			
Provisions		-	-
		<u>-</u>	<u>-</u>
Current liabilities			
Trade and other payables	15	29,247	24,582
Current tax liabilities	16	-	-
		<u>29,247</u>	<u>24,582</u>
Total liabilities		<u>29,247</u>	<u>24,582</u>
Total equity and liabilities		<u>29,125</u>	<u>24,491</u>

The financial statements were authorised and approved by the Board on 28 June 2017 and signed on its behalf by:

Terry Rogers, Chair

Company Number: 07873964

The accompanying accounting policies and notes form part of these financial statements.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017
Accounting policies and explanatory notes to the financial statements
Year ended 31 March 2017

1. General information and statement of compliance with IFRS

This is the TheBarnetGroup Limited's fifth accounting period. TheBarnetGroup Limited is a local authority controlled company of the London Borough of Barnet limited by shares. The Company is incorporated and domiciled in England. The address of the registered office is Barnet House, 1255 High Road, Whetstone, London N20 0EJ. The Company's registration number is 07873964.

The financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and as developed and published by the International Accounting Standards Board (IASB) and on a historical cost basis.

Implementation of new accounting standards and policies

The following Standards and Interpretations which have been issued, but are not yet effective and have not been adopted early by the Group, will impact the Group in future years:

- IFRS 9 Financial Instruments which is effective for accounting periods commencing 1 January 2018. This will affect the measurement of the Groups financial assets and liabilities. Management have yet to assess the impact that this amendment is likely to have on the financial statements of the Group. Management does not expect to implement IFRS 9 until it has been completed and its overall impact can be assessed.

Presentation of financial statements

The financial statements are presented in accordance with IAS 1 presentation of financial statements (Revised 2007).

The Company has elected to present the statement of comprehensive income in one statement: the 'statement of comprehensive income'.

2. Summary of significant accounting policies

Basis of preparation

These financial statements are for the year ended 31 March 2017 and are presented in Pounds Sterling rounded to the nearest thousand.

The principal accounting policies of the Group are set out below and have been consistently applied to all years presented in these financial statements.

The principal accounting policies have remained unchanged from prior year except where stated.

Basis of consolidation

The Company was incorporated on 7 December 2011 and is controlled by the London Borough of Barnet. On 1 February 2012, TheBarnetGroup Limited (the 'Company') was created, it is a Local Authority Trading Company (LATC) and has 4 subsidiary organisations, Barnet Homes Limited, an Arms' Length Management Organisation (ALMO), Your Choice (Barnet) Limited, another LATC, TBG Flex Limited and TBG Open Door Limited, which is registered with the Homes and Communities Agency as a Registered Social Landlord. Barnet Homes Limited is indirectly owned by the London Borough of Barnet via TheBarnetGroup Limited, which in turn has a management agreement with Barnet Homes Limited.

TheBarnetGroup Limited also holds 100% of the issued share capital of Your Choice (Barnet) Limited, a company which was also incorporated on 7 December 2011. On 1 February 2012, the London Borough of Barnet transferred certain services over to Your Choice (Barnet) Limited under a contract between The London Borough of Barnet and TheBarnetGroup Limited, who in turn have a management agreement with Your Choice (Barnet) Limited.

The directors considered the above restructuring to represent a business combination between entities under common control. This is because the London Borough of Barnet remained the ultimate controlling party of Barnet Homes Limited and therefore in substance, no change in control had occurred. Business combinations between entities under common control are outside the scope of IFRS 3 Business Combinations (revised 2008) and therefore acquisition accounting does not apply. The directors are therefore required to develop a suitable accounting policy under which to account for such a transaction.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

2. Summary of significant accounting policies (continued)

In preparing these financial statements, the directors have adopted a policy of applying capital reorganisation accounting as this best represents the substance of the transactions which have taken place. In applying the capital reorganisation accounting, the consolidated Statement of Financial Position presented in the financial statements incorporates the assets and liabilities of Barnet Homes Limited at their pre-combination carrying amounts, without any fair value adjustments.

Going concern

The financial statements have been prepared on a going concern basis.

Due to the application of IAS19, the Group's pension deficit of £31.137 m (2016: £36.514 m) is recognised in full on the consolidated statement of financial position. However, the London Borough of Barnet has fully guaranteed the deficit in respect of Barnet Homes Limited at the point of its incorporation (on 1 April 2004). Furthermore, the London Borough of Barnet has also guaranteed the pension deficit in respect of Your Choice Barnet Limited at the point that the employees were transferred to Your Choice Barnet (on 1 February 2012).

In addition, the London Borough of Barnet has provided a letter of comfort to the Directors of Barnet Homes Limited, setting out its intention to fund Barnet Homes Limited ongoing operational cash flow requirements from the point of incorporation onwards via the timing of the payment of the agreed monthly management fee. The directors have also prepared cash flow forecasts up to June 2018 which demonstrate that the group will have sufficient resources to continue as a going concern for the foreseeable future. Therefore the Board considers preparation on a going concern basis to be appropriate.

Revenue

Revenue represents the value (excluding value added tax) of services supplied and management fee to which the Group was entitled in respect of the financial year. The Group's main source of income is the management fee received from London Borough of Barnet in line with the approved management agreement which is fixed and also based on payment by usage for the adult social services arm of the business. The level of the fixed component of the annual management fee has been agreed with the Council for a 5 year period ending in Year 2020/21, and thereafter will be agreed either on an annual basis or over a longer period for the housing management arm of the business.

Sundry income is recognised so as to match revenue to the cost of delivering the relevant services in the same accounting year.

Grants received in respect of resident participation and other projects have been credited to the statement of comprehensive income in the same accounting period as the expenditure to which they relate. Any surplus grant is held in deferred income as a current liability until such time that it is used to pay for future expenditure in relation to that project.

Interest income

Interest received on bank deposits is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable. Any interest receivable that is due has been accrued accordingly.

Operating expenses

Operating expenses are recognised in the statement of comprehensive income upon utilisation of the service or at the date of their origin.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at historic cost less accumulated depreciation. Depreciation is provided on all property, plant and equipment at rates calculated to write off the costs on a straight-line basis over their expected useful lives (with no charge in the year of acquisition) as follows:

Vehicles, plant & equipment: 5 years
Furniture, fixtures & fittings: 5 years
Computer equipment and software: 5 years

Assets purchased are depreciated over a 5 year period and the outstanding balances on existing assets are depreciated over a 3 year period.

Any obsolete assets with a net book value will have all costs written off immediately to the Statement of Comprehensive Income. The profit or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

Leases

All current leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straightline basis over the lease term. Associated costs are expensed as incurred.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

2. Summary of significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value, except for financial assets and financial liabilities carried at fair value through profit and loss, which is measured initially at fair value.

Financial assets and financial liabilities are measured subsequently as described below.

Financial assets

For the purpose of subsequent measurement, financial assets are classified into categories upon initial recognition.

The category determines subsequent measurement and whether any resulting income and expense is recognised in ascertaining the profit or loss or in other comprehensive income.

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income and are presented within 'finance cost', 'finance income' or 'other financial items', except for impairment of trade receivables which is presented within 'other expenses'.

Loans and receivables

All of the Group's financial assets are classified as loans and receivables.

Trade and other receivables are initially recognised at fair value and subsequently carried at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cashflows. Movements in the provision for doubtful debts are recognised in the statement of comprehensive income. Generally, this results in their recognition at their nominal value less any allowance for any doubtful debts.

Financial liabilities

Financial liabilities include borrowings and trade and other payables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Financial liabilities are contractual obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are recorded initially at fair value, net of direct issue costs.

Financial liabilities are recorded at amortised cost using the effective interest method, with interest related charges recognised as an expense in finance cost in profit or loss. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to profit or loss on an accruals basis using the effective interest method, and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost. Generally, this results in their recognition at their nominal value.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

2. Summary of significant accounting policies (continued)

Income tax

The relationship between the Group and the London Borough of Barnet has been recognised as one of mutual trading. Consequently, any activities between the Group and the London Borough of Barnet are not liable to corporation tax. Albeit not under a direct ALMO Structure, HM Revenue and Customs states that in substance the Group's trading activities are that of an ALMO, therefore profits and losses incurred as a result, fall outside the scope of corporation tax. Income tax expense represents the sum of tax currently payable and deferred tax where applicable. The corporation tax currently payable is based on the taxable profit for the year from taxable ordinary activities, which have been generated from trading with third parties and investment income (interest received).

Deferred tax is provided on timing differences that have arisen but not reversed by the statement of financial position date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the statement of financial position date. Deferred tax assets and liabilities are not discounted.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits repayable on demand and other short term liquid resources maturing within 3 months. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Short term liquid resources are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. They comprise of short term deposits with financial institutions.

Short term investment

Cash invested in fixed deposit accounts to obtain a higher rate of interest, with a notice period, which are not readily convertible to cash and with no maturity date are classified as short term deposits.

Equity and reserves

Retained earnings include all current and prior period retained profits.

Post employment benefits and short term employee benefits

During the year, the Group operated a contributory defined benefit statutory pension scheme covering its present and past employees. International Accounting Standard 19 (IAS19) requires the net pension asset or liability of a company's pension scheme to be recognised in full on the statement of financial position. Accordingly, the Group's full net pension liability has been recorded in the consolidated statement of financial position of TheBarnetGroup Limited. The Company does not have any employees and therefore does not operate a pension scheme.

The regular service cost of providing pension benefits to employees during the year, the costs or gain of any benefits relating to past service, together with the loss on settlements and curtailments is charged to "Employee salaries and benefits" in the statement of comprehensive income in the year. Past service costs or gain arises when the Group awards additional discretionary benefits. A change in benefits may result in either a past service cost or a past service gain. Loss on settlements and curtailments arise as a result of some members transferring from another employer over the year, and as a result of the early payment of accrued pensions on retirement on the grounds of redundancy or early retirement.

Interest on the pension scheme liabilities is charged to "Finance costs" in the consolidated statement of comprehensive income in the year.

The expected return on the assets of the pension scheme during the year is based on the bid value of the assets at the start of the financial year and is recognised within "Finance income" in the statement of comprehensive income in the year.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017
2. Summary of significant accounting policies (continued)

Provisions, contingent liabilities and contingent assets

Provisions and contingent liabilities are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date, and are discounted to present value where the effect is material. The Group has no contingent assets.

Significant management judgements in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgements, estimates and assumptions made by management, and will seldom equal estimated results.

Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below.

Defined benefit liability

Management estimates the defined benefit liability annually with the assistance of independent actuaries; however, the actual outcome may vary due to estimation uncertainties. The defined benefit liability of £31.137 m (2016: £36.514 m) is based on standard rates of inflation and mortality. It also takes into account the Company's specific anticipation of future salary increases. Assumptions are set with reference to market conditions at the year end. The discount rate is the annualised yield at the 25 year point on the Merrill Lynch AA rated corporate bond yield curve which has been chosen to meet the requirements of IAS19 and with consideration of the duration of the Employer's liabilities. Estimation uncertainties exist as the anticipated assumptions could vary.

Provisions

Provisions are mainly in relation to insurance excess on public liability claims, staff redundancy costs and disrepair claims. The disrepair provision is based on management's estimate of all potential outstanding claims at the year end (many of which originated in prior years). The estimate includes potential legal and compensation costs. It is possible that some of the claims may take several years to process through the legal system. Estimation uncertainties exist particularly with regard to the timing and amount of expenditure.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date based on the expected utility of the assets to the Group. The carrying amounts are analysed in notes 8 and 9. Actual results, however, may vary due to technical obsolescence, particularly for software and IT equipment.

3. Revenue

Revenue is attributable to the principal activities of the Group and arises solely within the United Kingdom.

	2017	2016
	£'000	£'000
Management fee paid by the London Borough of Barnet in respect of:		
Barnet Homes Limited housing management, homelessness and support services	52,757	46,606
Barnet Homes Limited repairs and maintenance	7,410	7,550
Your Choice (Barnet) Limited adult social care services	4,860	4,752
Total fee received from London Borough of Barnet	65,027	58,908
Capital works carried out directly by Barnet Homes Limited	1,112	1,093
Total income from the London Borough of Barnet	66,139	60,001
Other operating income	2,005	1,875
Total revenue	68,144	61,876

There is no revenue arising in the parent company.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

4. Other expenses
Group

	2017	2016
	£'000	£'000
Housing, estate, hostel repairs & maintenance	8,057	8,076
Third party landlord and temporary accommodation costs	26,586	22,133
Agency Staff	4,231	3,991
Information Technology	1,211	1,156
Grounds Maintenance	794	597
Utility	1,246	1,401
Legal	617	664
Auditor's remuneration - statutory audit	54	46
Auditor's remuneration - for other services	11	18
Other *	6,173	5,844
	48,980	43,926

The other services provided by the auditor relate to a corporation tax compliance and online services to file the statutory accounts with HMRC.

* Other costs include : Tenant Related Costs 2017 : £1,410,183 (2016: £1,757,923), Accommodation Costs 2017 : £928,760 (2016: £943,228), Consultancy 2017 : £1,039,766 (2016: £577,138), Other 2017 : £2,084,965 (2016: £2,140,174), Insurance 2017 : £422,148 (2016: £421,871), Provisions 2017 : £287,994 (2016: £3,769)

5. Group operating (Loss)/profit for the year

The loss for the year has been arrived at after charging the following,

	2017	2016
	£'000	£'000
*Depreciation and amortisation of property, plant and equipment and Intangibles assets	505	641
Intangible asset impairment	270	503
Employee salaries and benefits	18,415	16,262
Auditor's remuneration - statutory audit	54	46
Auditor's remuneration - for other services	11	18

* Depreciation £136,000, Amortisation £369,000

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

6. Commitments under operating leases

Group	2017 £'000	2016 £'000
Within one year	16	29
Later than one year but within five years	55	54
	<u>71</u>	<u>83</u>

The Group leased several vehicles under operating leases from the Council. The vehicle leases expired in the year and are now hired or owned. The total number of vehicles with operating leases in 2017 was 10 (2016: 17). The printers are leased for 5 years and commitment >1 to 5 years is all for printers.

Company

The Company does not have any commitments under operating leases.

7. Finance income and finance cost

Group	2017 £'000	2016 £'000
Finance income:		
- bank deposit and short term investment interest	30	41
- return on retirement benefit scheme assets	1,847	1,660
	<u>1,877</u>	<u>1,701</u>
Finance cost - interest on retirement benefit obligation	<u>(3,202)</u>	<u>(2,942)</u>

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

8. Tangible Assets

Property, plant and equipment

Group	Vehicles, plant & equipment £'000	Furniture, fixtures & fittings £'000	Mobile Devices £'000	Computer equipment £'000	Total £'000
Gross carrying amount					
Balance 1 April 2016	144	309	45	1,666	2,164
Reversal of accrued asset	-	-	-	(50)	(50)
Additions	44	15	-	34	93
Disposals	-	-	-	-	-
Balance 31 March 2017	188	324	45	1,650	2,207
Depreciation and impairment					
Balance 1 April 2016	105	273	15	1,147	1,540
Charge for year	18	3	15	100	136
Disposals	-	-	-	-	-
Balance 31 March 2017	123	276	30	1,247	1,676
Carrying amount 1 April 2016	39	36	30	518	624
Carrying amount 31 March 2017	65	48	15	403	531

At the statement of financial position date the group was not committed to purchasing any fixed assets.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

9. Intangible Assets

Group	<i>Total</i> £'000
Gross carrying amount	
Balance 1 April 2016	1,857
Reclassifications	-
Additions	957
Impairment	(679)
	<hr/>
Balance 31 March 2017	2,135
	<hr/>
Amortisation	
Balance 1 April 2016	425
Charge for year	369
Impairment	(409)
	<hr/>
Balance 31 March 2017	385
	<hr/>
Carrying amount 1 April 2016	1,432
	<hr/>
Carrying amount 31 March 2017	1,750
	<hr/> <hr/>

Summary of Depreciation, amortisation & assets impairment	2017	2016
	£'000	£'000
Depreciation	136	193
Amortisation	369	448
Impairment	270	503
	<hr/>	<hr/>
	775	1,144
	<hr/> <hr/>	<hr/> <hr/>

10. Trade and other receivables

Group	2017	2016
	£'000	£'000
Amounts receivable within one year:		
Trade receivables, gross	297	252
Provision for doubtful debt	(213)	(27)
Trade receivables	<hr/>	<hr/>
	84	225
Amounts due from parent undertaking	6,595	9,304
Provision for doubtful debt	(99)	-
Financial assets	<hr/>	<hr/>
	6,580	9,529
Other debtors	2,164	2,463
Prepayments and accrued income	6,747	736
Non-financial assets	<hr/>	<hr/>
	8,911	3,199
Trade and other receivables	<hr/>	<hr/>
	15,491	12,728
	<hr/> <hr/>	<hr/> <hr/>

The trade receivables ageing analysis is as follows:

	2017	2016
	£'000	£'000
Current		
0-30 days	3,918	8,679
31-60 days	1,540	203
> 60 days	1,122	647
	<hr/>	<hr/>
	6,580	9,529
	<hr/> <hr/>	<hr/> <hr/>

The Group's management considers that all of the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

10. Trade and other receivables (continued)

Company

	2017	2016
	£'000	£'000
Amounts receivable within one year:		
Amounts due from the London Borough of Barnet	6,595	3,296
Amounts due from subsidiaries	1,538	2,382
Financial assets	<u>8,133</u>	<u>5,678</u>
Other debtors		
Prepayments and accrued income from Parent undertaking	5,077	6,008
Prepayments and accrued income from Related Parties	12,974	9,217
Prepayments and accrued income	3	42
Non-financial assets	<u>18,054</u>	<u>15,267</u>
Trade and other receivables	<u>26,187</u>	<u>20,945</u>

The trade receivables ageing analysis is as follows:

	2017	2016
	£'000	£'000
Current		
0-30 days	6,054	5,212
31-60 days	1,497	123
> 60 days	582	343
	<u>8,133</u>	<u>5,678</u>

The Group's management considers that all of the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

11. Cash and cash equivalents

Group

	2017	2016
	£'000	£'000
Bank accounts	12,760	13,141
Cash in hand	5	6
Short term deposits	1,523	1,514
	<hr/>	<hr/>
	14,288	14,661
	<hr/> <hr/>	<hr/> <hr/>

Short term deposit represents cash held in a 90 Days Corporate Notice fixed deposit account.

Company

	2017	2016
	£'000	£'000
Bank accounts	2,938	3,546
	<hr/>	<hr/>
	2,938	3,546
	<hr/> <hr/>	<hr/> <hr/>

12. Equity

12.1 Share Capital

TheBarnetGroup Limited is a company limited by shares, with 100 £1 shares owned by The London Borough of Barnet.
TheBarnetGroup Limited is a local authority controlled trading company under the control of London Borough of Barnet.

13. Employee remuneration

13.1. Employee benefits expense

	2017	2016
	£'000	£'000
Wages and salaries	14,178	12,525
Social security costs	1,220	953
Pensions costs	2,929	2,784
	<hr/>	<hr/>
	18,327	16,262
	<hr/> <hr/>	<hr/> <hr/>

13.1.1 Directors remuneration

	2016	2016
	£'000	£'000
Wages and salaries	152	203
Social security costs	19	20
Pensions costs	-	-
	<hr/>	<hr/>
	171	223
	<hr/> <hr/>	<hr/> <hr/>

The highest paid director earned £171,571 (2016: £162,379)

In this financial year, wages and salary costs did not include any redundancy costs (2016: £9,379).

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

13.2. Employees

The average number of permanent employees (excluding agency staff) employed by the Group during the year was:

Service	2017	2016
Chief Executive Office	3	2
Growth & Development	67	51
Care & Support (Barnet Homes)	220	185
Operations Directorate	222	235
Non Executive Directors	13	14
	525	487

The Operations Directorate represents the permanent employees in both Barnet Homes Limited and Your Choice (Barnet) Limited.

13.3. Pension and other employee obligations

The Group operates a local government pension defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations 2007/08, as amended. It is contracted out of the State Second Pension. The basis on which the net pension liability is recognised in the financial statements is set out in the accounting policies (note 2).

A full actuarial funding valuation was carried out at 31 March 2013 and updated to 31 March 2016 by a qualified independent actuary. The actuarial report states that it was prepared in accordance with the International Accounting Standard 19 (IAS 19). This forms the basis of the balance sheet and funding status disclosures to be made in respect of its pension obligations under the Local Government Pension Scheme.

For the year ending 31 March 2017, Barnet Homes Limited contributed to the Scheme at an equivalent rate of 25.8% of pensionable salaries. (2016: 25.8%)

For the year ending 31 March 2017, Your Choice (Barnet) Limited contributed to the Scheme at an equivalent rate of 24.3% of pensionable salaries (2016: 24.3%)

The financial assumptions used by the actuary were:

	31-Mar-17	31-Mar-16
	% p.a.	% p.a.
Salary Increases	2.7	4.2
Pension Increases	2.4	2.4
Discount Rate	2.6	3.7

For accounting years beginning on or after 1 January 2013, the expected return and the interest cost has been replaced with a single net interest cost, which effectively sets the expected return equal to the IAS19 discount rate.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

13.3. Pension and other employee obligations (continued)

Life expectancy from age 65 (years)		31 March 2017	31 March 2016
Retiring today	Males	21.9	22.1
	Females	24.3	24.5
Retiring in 20 years	Males	23.9	24.4
	Females	26.5	26.9

The post retirement mortality tables adopted are the S1PA tables with a multiplier of 110%. These base tables are then projected using the CMI 2013 Model, allowing for a long term rate of improvement of 1.25% per annum. Based on these assumptions, the average future life expectancies at age 65 are summarised above;

An allowance is included for future retirements to elect to take 50% of the maximum additional tax free cash upto HMRC limits for pre-April 2008 service and 50% of the maximum tax free cash for post April 2008 service.

Net pension liability as at	31 March 2017	31 March 2016
	£'000	£'000
Present Value of Funded Obligation	(95,768)	(84,769)
Fair Value of Scheme Assets (bid value)	65,246	48,821
Net liability	(30,522)	(35,948)
Present Value of Unfunded Obligation	(615)	(566)
Unrecognised Past Service Cost		
Net liability in statement of financial position	(31,137)	(36,514)

The amounts recognised in the consolidated statement of comprehensive income are as follows:

	31 March 2017	31 March 2016
	£'000	£'000
Current Service cost	2,853	3,081
Net interest on net defined liability	1,358	1,281
Administration expenses	-	55
Total	4,211	4,417
Actual return on scheme assets	13,990	(877)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	31 March 2017	31 March 2016
	£'000	£'000
Opening Defined Benefit Obligation	85,335	86,885
Current service cost	2,853	3,056
Interest cost	3,205	2,941
Change in financial assumptions	12,213	(6,758)
Change in demographic assumptions	914	-
Experience gain on defined benefit obligation	(7,148)	(8)
Liabilities extinguished on settlements	-	-
Estimated benefits paid (net of transfers in)	(1,699)	(1,495)
Past service cost	-	25
Contributions by Scheme participants	734	714
Unfunded pension payments	(24)	(25)
Closing Defined Benefit Obligation	96,383	85,335

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

13.3. Pension and other employee obligations (continued)

Reconciliation of opening and closing balances of the fair value of scheme assets

	31 March 2017	31 March 2016
	£'000	£'000
Opening fair value of scheme assets	48,821	47,884
Interest on assets	1,847	1,660
Return on assets less interest	12,849	(2,537)
Administration expenses	24	(55)
Contributions by employer including unfunded benefits	2,670	2,675
Contributions by scheme participants	734	714
Estimated benefits paid (net of transfers in)	(1,699)	(1,520)
Fair value of scheme assets at end of period	65,246	48,821

Re-measurements and Other Comprehensive Income

	31 March 2017	31 March 2016
	£'000	£'000
Return on plan assets in excess of interest	12,849	(2,537)
Other actuarial gains/(losses) on assets	-	-
Change in financial assumptions	(12,213)	6,758
Change in demographic assumptions	(914)	-
Experience gain/(loss) on defined benefit obligation	7,148	8
Changes in effect of asset ceiling	-	-
	6,870	4,229

Sensitivity analysis

Change in assumptions at 31 March 2017:

	Approximate % increase to Employer Liability	Approximate monetary value
		£'000
0.5% decrease in Real Discount Rate	11%	10,551
0.5% increase in the Salary Increase Rate	2%	1,525
0.5% increase in the Pension Increase Rate	9%	8,884

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

13.3. Pension and other employee obligations (continued)

Projections for year to 31 March 2018

	Year to 31 March 2018
	£'000
Service cost	4,580
Net interest cost	818
Administration	-
Total	5,398
Employer contributions	2,704

These projections are based on the actuarial assumptions as at 31 March 2017.

Assets

The estimated asset allocation for The Group as at 31 March 2017 is as follows;

	31 March 2017		31 March 2016	
	£'000	%	£'000	%
Employer Asset Share - Bid Value				
Equities	24,204	37%	23,270	47%
Gilts	16,700	26%	4,820	10%
Other Bonds	22,698	35%	20,387	42%
Cash	1,644	2%	344	1%
Alternative Assets	-	-	-	-
Total	65,246	100%	48,821	100%

The bid value of the Fund's assets as at 31 March 2017 is £1,042,498 as provided by the Administering Authority.

14. Provisions

Group

	Insurance claims	Other provision	Total
	£'000	£'000	provisions £'000
Carrying amount at 1 April 2016	49	10	59
Utilised	-	(10)	(10)
Increase in provisions	-	15	15
Carrying amount at 31 March 2017	49	15	64

Insurance claims are provisions in respect of public liability claims which are outstanding at 31 March 2017. The Group's liability is restricted to the amount of the claim or the policy excess, whichever is the greater. The policy excess is currently £2,500.

Other provision is the redundancy and early retirement pension strain costs of £15,000 (2016:£10,000) as a result of organisational restructure.

Company

The company had no provisions at 31 March 2017 (2016: nil)

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

15. Trade and other payables

Group	2017	2016
	£'000	£'000
<i>Current:</i>		
Trade payables	2,641	1,781
Amount due to parent undertaking	14,846	11,743
Financial liabilities	<u>17,487</u>	<u>13,524</u>
Other payables	342	60
Other taxation and social security	4,128	4,218
Accruals and deferred income	<u>7,884</u>	<u>9,547</u>
	29,841	27,349

The Group aims to pay all suppliers within the contract or invoice payment terms and within the limits set by the late payment legislation.

Company	2017	2016
	£'000	£'000
<i>Current:</i>		
Trade payables	-	-
Amount due to parent undertaking	1,846	2,829
Amount owed to subsidiaries	5,552	2,522
Financial liabilities	<u>7,398</u>	<u>5,351</u>
Other payables	-	-
Other taxation and social security	3,770	3,989
Accruals and deferred income to Parent undertaking	12,974	9,234
Accruals and deferred income to Related party	5,078	6,008
Accruals and deferred income to 3rd party	<u>27</u>	<u>-</u>
	29,247	24,582

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017
16. Income tax expense

	Current period		Previous period	
	Derived £'000	Accounts £'000	Derived £'000	Accounts £'000
Analysis of tax charge/(credit) for the period				
Current tax				
UK corporation tax at 20.00% (2016: 20.00%)	45	45	45	45
Adjustments in respect of prior periods	-	-	-	-
	45	45	45	45
Deferred tax				
Origination and reversal of temporary differences	-	-	-	-
	45	45	45	45
Tax on profit on ordinary activities				
	45	45	45	45
Provision for deferred tax				
Movement in Provision:				
Provision at start of period	-	-	-	-
Deferred tax charged in the income statement for the period	-	-	-	-
	nil	nil	nil	nil
Deferred tax (asset)/liability not recognised				
	nil	nil	nil	nil
Reconciliation of tax charge				
Profit on ordinary activities before tax	(1,159)	(1,159)	(1,136)	(1,136)
Tax on profit on ordinary activities at standard CT rate of 20.00% (2016: 20.00%)	(232)	(232)	(227)	(227)
Effects of:				
Expenses not deductible for tax purposes	277	277	272	272
	45	45	45	45
Tax charge/(credit) for the period				

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

17. Financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

Group		2017	2016
	Note	£'000	£'000
Financial assets			
Loans and receivables:		-	-
Trade and other receivables	10	6,580	9,529
Cash and cash equivalent	11	14,288	14,661
		20,868	24,190
Financial liabilities			
Financial liabilities measured to amortised cost:			
Trade and other payables	15	29,841	27,349
Company			
	Note	2017	2016
		£'000	£'000
Financial assets			
Loans and receivables:			
Trade and other receivables	10	8,133	5,678
Cash and cash equivalent	11	2,938	3,546
		11,071	9,224
Financial liabilities			
Financial liabilities measured to amortised cost:			
Trade and other payables	15	29,247	24,581

18. Related party transactions

18.1 Transaction with controlling party/related parties

	2017	2016
	£'000	£'000
Invoices to London Borough of Barnet	123,786	115,193
Invoices from London Borough of Barnet	3,476	5,676
Amount owed to London Borough of Barnet	14,846	11,743
Amount owed by London Borough of Barnet	11,672	9,305
Payments to London Borough of Barnet Pensions	2,072	2,565
Invoices from London Borough of Barnet Pensions	-	17

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

18. Related party transactions (continued)

The London Borough of Barnet owns 100% of the share capital of TheBarnetGroup Limited. TheBarnetGroup Limited has three subsidiary organisations, being Your Choice (Barnet) Limited, Barnet Homes Limited and TBG Flex Limited. TheBarnetGroup Limited owns 100% of the share capital of Your Choice (Barnet) Limited. TheBarnetGroup Limited is the sole member and guarantor of Barnet Homes Limited, a company limited by guarantee. The London Borough of Barnet contracts with TheBarnetGroup Limited for the provision of Adult Social Care Services, Housing Management and Homelessness Services. TheBarnetGroup Limited then contracts on a back to back basis with Your Choice (Barnet) Limited and Barnet Homes Limited in respect of Adult Social Care Services, Housing Management and Homelessness Services respectively. As a result, TheBarnetGroup Limited receives the management fee from The London Borough of Barnet on behalf of Barnet Homes Limited and Your Choice (Barnet) Limited. It also invoices for ad hoc services on behalf of the two companies and for the capital works programme carried out by Barnet Homes Limited on behalf of the London Borough of Barnet. TBG Flex Limited is a company for the recruitment and employment of staff. Barnet Homes has a subsidiary organisation, TBG Open Door Limited, a registered provider with the Homes and Communities Agency.

As at 31 March 2017, TheBarnetGroup Limited owed £14,846k (2016: £11,743k) to The London Borough of Barnet in respect of expenses on behalf of Barnet Homes Limited and Your Choice (Barnet) Limited. TheBarnetGroup Limited was owed £11,672k (2016: £9,305k) by the London Borough of Barnet in respect of management and other fees in respect of services provided by the Group.

All outstanding balances with these related parties are due to be settled in cash. None of the balances are secured.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

18.2. Key Management Personnel

18.2.1 Non Executive Directors

The Non Executive Directors are defined as being the members of the Groups Main Board's who are not executive officers of the Group. The Non Executive Directors received emoluments for the financial year and were entitled to reimbursement of incidental expenses incurred when attending board meetings and other formal events in their capacity as board members. The Non Executive Directors are not entitled to pension benefits.

These are the only transactions with the Non Executive Directors of the Group;

	2017 £'000	2016 £'000
Salaries	98	57
Incidental expenses	-	-
	98	57

18.2.2 Executive Directors

	2017 £'000	2016 £'000
Salaries	542	338
Performance Bonus	12	12
Honorarium	7	7
Social security costs	78	44
Pensions costs	46	27
Interim Directors	98	98
Consultant fees	-	-
Car Lump Sum	-	-
Other Benefits	18	-
	801	526

The Executive directors are defined as being the members of the Group's Main Board's who are executive officers of the Group. The Executive Directors consists of the Chief Executive Officer, Deputy Chief Executive Officer, Director of Corporate Services, Director of Operations and Director of Care and Support (see Company Information - page 2). Three of the executive directors have retirement benefits accruing under the defined benefit pension scheme in respect of qualifying services.

19. Contingent Assets and Liabilities

At 31 March 2017, a possible liability existed as a result of Connaught Limited going into administration in relation to the Group's pension deficit for staff transferred from Barnet Homes Limited to Connaught Limited in prior years. The Local Authority Pension Scheme could make a claim to Barnet Homes Limited in respect of the pension deficit not met by Connaught Limited.

TheBarnetGroup Limited
Financial Statements for the year ended 31 March 2017

20. Financial instrument risks

Risk management and objectives and policies

20.1 Interest rate sensitivity

Other than cash held in bank accounts, all of the Group's cash and cash equivalents are fixed rate, fixed term deposits, and so are not sensitive to variations in interest rates.

20.2 Credit risk analysis

The Group's principal financial assets are bank balances, cash and trade and other receivables. Liquid funds are placed with financial institutions with high credit ratings, as assigned by credit rating agencies. The Group's primary credit risk relates to its fee receivables. The amount presented in the statement of financial position are net of provisions for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on past experience and management's forecasts, is evident of a reduction in the recoverability of the cash flow. See note 2 above for further information on impairment of financial assets that are past due. The Group's risk in relation to its income receivable is low as the main income is receivable from London Borough of Barnet. Placement of liquid funds are currently across three banks and this has helped to lower the risk associated with such placements.

20.3 Liquidity risk analysis

The Group manages its liquidity by carefully monitoring and reviewing the cash cycle and credit control efficiency. Control of the Trade Receivables element involves a fundamental trade-off between the cost of providing credit to customers and the additional net revenue that can be earned in doing so. We aim to keep the former to a minimum with effective credit control policies which will require setting and enforcing credit terms, efficient invoicing and statement generation and prompt query resolution, by continuous review of the receivables position by generating an 'aged receivables' report and effective monitoring and collection procedures. The credit periods granted vary between suppliers with usual terms. Cash flows from trade and other receivables are contractually due within 30 days. Trade creditors and other payables are also monitored to ensure that payments are made in a timely manner to avoid any interest charges or penalties. Payment terms range between 14 days to 30 days. A settlement policy is in place so that invoices are properly authorised for payment to ensure they are paid when due. Cash is the controlling element. The first control concerns efficient banking so that all monies received are banked immediately, making payments in the most efficient way and ensuring that any surplus balances are put to interest earning use. The fundamental aspect is cash flow control and ensuring funds are available when needed. This is achieved by preparation of monthly forecasts for comparisons with actual results. The Company is not affected by gearing as it does not owe any money to any financial institutions in the form of debt or borrowings and is therefore highly liquid.

21. Capital management policies and procedures

The Group's capital management objective is to maintain its assets in order to ensure ability to continue to provide improved quality of service to the residents at an affordable price and sustain itself as a going concern. As the Group is not set up for profit, it continues to strive to maintain a balance between liquidity and provision of value for money services. The main capital making owned by the Group are liquid cash and cash equivalent and cash held in fixed deposit notice accounts. The Group continues to monitor this investments with the Bank to ensure its going concern is not at risk.

The capital for the reporting period under review is as summarised below:

	Note	2107 £'000	2016 £'000
Cash & cash equivalent	11	14,288	14,661
		14,288	14,661
		14,288	14,661

	AGENDA ITEM 11
	<p>Performance and Contract Management Committee</p> <p>12 September 2017</p>
Title	Committee Work Programme
Report of	Head of Governance
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Committee Work Programme 2017-2018
Officer Contact Details	Salar Rida, Governance Officer salar.rida@barnet.gov.uk 020 8359 7113

Summary
The Committee is asked to consider and comment on the items included in the 2017-2018 work programme in Appendix A.

Recommendation
1. That the Committee consider and comment on the items included in the 2017-2018 work programme in Appendix A.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Performance and Contract Management Committee’s work programme 2017-2018 indicates forthcoming items of business.
- 1.2 The work programme of this Committee is intended to be a responsive tool which will be updated on a rolling basis following each meeting, for the inclusion of areas which may arise through the course of the year.

- 1.3 The Committee is empowered to agree its priorities and determine its own schedule of work within the programme having regard to its terms of reference.

2. REASONS FOR RECOMMENDATION

- 2.1 The compilation and review of work programme is intended to assist the Committee to plan and manage its work across the municipal year.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None

4. POST DECISION IMPLEMENTATION

- 4.1 Any alterations made by the Committee to its Work Programme will be published on the Council's website.

5. IMPLICATIONS OF DECISION

- 5.1.1 The Committee Work Programme is in accordance with the Council's strategic objectives and priorities as stated in the Corporate Plan 2015-20.

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 The Committee is advised that 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 The terms of reference of the Performance and Contract Management Committee is included in the Constitution Responsibility for Functions, Annex A:

[Section 15 London Borough of Barnet Constitution - Responsibility for Functions](#)

5.5 Risk Management

- 5.5.1 None in the context of this report.

5.6 Equalities and Diversity

5.6.1 The Committee is advised that 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.

5.6.2 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.

5.7 Consultation and Engagement

5.7.1 Not applicable.

6. BACKGROUND PAPERS

None

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**London Borough of Barnet
Performance and Contract
Management Committee
Work Programme 2017-2018**

Contact: Salar Rida 020 8359 7113 salar.rida@barnet.gov.uk

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
12 September 2017			
Quarter 1 2017/18 Performance Monitoring Report	To review and approve quarter 1 2017/18 finance and performance report for internal and external delivery units. This report includes treasury management outturn.	Commercial Director Head of Performance and Risk	Non key
Barnet Group Annual Report 2016/17	To note the Barnet Group Annual Report for 2016/17.	The Barnet Group Chief Executive	Non key
Procurement - reviewing changes to wider procurement procedures	The Committee, at its meeting in February, asked for a report setting out the findings of a wider review around the procurement processes in place based on the lessons learnt from enablement service.	Commercial Director Procurement Transformation Director, Capita	Non key
Performance of the contract for the provision of information and advice to disabled adults	At its meeting on 4 July 2017, the Committee considered a Members item about the contract for provision of information and advice to disabled people. The Committee agreed to receive a report setting out the performance of the service and information about the way surveys and complaints had been conducted.	Strategic Director for Adults, Communities and Health Adults and Communities Director	Non key

Subject	Decision requested	Report Of	Type
28 November 2017			
Quarter 2 2017/18 Performance Monitoring Report	To review and approve quarter 2 2017/18 finance and performance report for internal and external delivery units. This report includes treasury management outturn.	Commercial Director Head of Performance and Risk	Non key
Re Contract Review	To review and receive the update report.	Commercial Director	Non key
Risk Management Update- focusing on high impact risks	To notes the high level risks and mitigating actions being taken to manage the council's risks.	Commercial Director Head of Performance and Risk	Non key
16 January 2018			
Business Planning - Proposed indicators and targets for Corporate Plan – Addendum 2018/19	To receive and review the report on proposed indicators and targets for Corporate Plan – Addendum 2018/19	Commercial Director Head of Performance and Risk	Non key
27 February 2018			
Quarter 3 2017/18 Performance Monitoring Report	To review and approve quarter 3 2017/18 finance and performance report for internal and external delivery units. This report includes treasury management outturn.	Commercial Director Head of Performance and Risk	Non key
Risk Management Update – focus to be determined	To notes the high level risks and mitigating actions being taken to manage the council's risks.	Commercial Director Head of Performance and Risk	Non key

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