

Decisions of the Budget and Performance Overview and Scrutiny Committee

16 September 2013

Members Present:-

Councillor Anthony Finn (Chairman)
Councillor Joan Scannell (Vice-Chairman)

Councillor Brian Gordon	Councillor Ross Houston
Councillor Andrew Harper	Councillor Arjun Mittra
Councillor John Marshall	Councillor Alison Moore
Councillor Hugh Rayner	Councillor Alan Schneiderman

Also in attendance

Councillor Daniel Thomas - Deputy Leader /
Cabinet Member for Resources and Performance
Councillor Dean Cohen - Cabinet Member for Environment
Councillor Reuben Thompstone – Cabinet Member for Education,
Children and Families

1. MINUTES OF THE PREVIOUS MEETING

RESOLVED that:

1. The minutes of the meeting held on 20 June 2013 be approved as a correct record; and,
2. Actions and responses to resolutions passed by Budget & Performance Overview and Scrutiny Committee at its meeting of 20 June 2013 be noted as follows:
 - a. Detailed analysis of balances held by Schools was provided to Members on 7 August 2013;
 - b. School Financial Planning was referred to the Education Overview and Scrutiny Committee as an item to be considered on their Forward Work Programme; and,
 - c. The response from the Deputy Leader of the Council / Cabinet Member for Resources and Performance to the request that consideration be given to the ways in which debt write off could be reduced for future years was:

“The Council recently adopted a debt management strategy which aims to reduce write-offs and make debt collection more efficient. The result is a downward trend in write-offs. In addition, I have asked services to look at those activities which put the Council in a position of 'creditor' and

establish ways to minimise instances where we are owed monies. Given that much of the write-offs relate to adult social care, where we have a statutory duty to deliver some services whether or not a user can pay, this will not be an easy task. Similarly, council tax collection is at an all-time high and many of those who do not pay are of limited means and in difficult circumstances. Clearly, collection in these sensitive circumstances is also a challenge.

That said, the debt management strategy in itself is making progress and I have asked officers to review this in 6 months' time." It is also worth noting that the level of write offs in 2012/13 increased due to the changes in accounting treatment of parking income and debts.

2. ABSENCE OF MEMBERS

Apologies for lateness were received from Councillor Brian Gordon, Councillor Hugh Rayner and Councillor Alison Moore.

3. DECLARATION OF MEMBERS' INTERESTS

Member	Subject	Interest declared
Councillor Ross Houston	Agenda Item 6 (Quarter One Performance)	Non-pecuniary interest as a Council appointed representative on the Board of The Barnet Group Ltd
Councillor John Marshall	Agenda Item 6 (Quarter One Performance)	Non-pecuniary interest as a Council appointed representative on the Board of The Barnet Group Ltd

4. PUBLIC QUESTION TIME (IF ANY)

None.

5. MEMBERS' ITEMS (SUBMITTED IN ACCORDANCE WITH OVERVIEW AND SCRUTINY PROCEDURE RULE 9) (IF ANY)

None.

6. QUARTER ONE FINANCE AND CORPORATE PERFORMANCE

The Cabinet Member for Resources and Performance, Councillor Daniel Thomas, the Deputy Chief Operating Officer, John Hooton, and the Head of Programme and

Resources, Tom Pike, presented the Quarter One Financial and Corporate Performance report.

Officers reported a correction to the cover report which had stated that the number of children adopted or placed permanently through another route had been five, out of a target of ten for Quarter One (Page 16, 9.1.4). The actual number had been 11 for this quarter. Members noted the correction and that the tables in the appendices accurately reflected the performance in this area was above target. The Committee requested the corrected information be reported to Cabinet when it considers this item.

The Committee were encouraged to note that Barnet ranked joint third amongst London Boroughs for 2012/13 in relation to its Value for Money services; with 50% of services rated as high performance, low spend (9.5, p9). Members advised against complacency in this regard.

On a question regarding projected overspend and the impact this has on the General Fund balance (6.3, p14) the Cabinet Member for Resources and Performance advised that, as had happened in the previous year, he expected that measures would be taken to correct the overspend before the end of the financial year. The Committee noted that this would leave the General Fund at the £15m target level as recommended by the external auditor.

A Member questioned why the performance and satisfaction in Customer Service had fallen since the previous quarter. The Cabinet Member for Resources and Performance stated that the level was not acceptable, but understood it had been caused by a high volume of calls in April due to the annual billing period. The Cabinet Member asserted his expectation that, as a result of the transfer of this service to Capita, there would be a greater capacity to deal with variations in call volumes and a consequential improvement in performance reported in the next quarter. It was further noted that Capita was contractually obliged to meet specific standards in this area.

The Committee noted key areas of challenge requiring further action as being: homeless preventions; the number of households in emergency accommodation; and the average length of time spent by households in short-term nightly purchased accommodation.

Responding to a question from a Member on how homeless preventions performance could be improved given the likely impact resulting from welfare reform, the loss of Grahame Park and a shortage of homes, the Cabinet Member for Resources and Performance acknowledged that it was a significant challenge which Barnet Homes were considering how to address. The Cabinet Member advised that one solution being investigated was for Barnet Homes to work closely with external agencies in order to source provision of accommodation outside of the borough.

It was noted that performance in the area of waste and recycling (9.1.3, p15) was reported as lower in Q4 2012/13 (27.8%) than it was for the same period in 2011/12 (29.5%). The Cabinet Member for Resources and Performance attributed this to a lower than usual level of green waste being collected and composted, due in part to sustained bad weather during the collection period. The target for 2013/14 was 40% which the Cabinet Member agreed was a high target, but one that was expected to be met once the new recycling service commenced from October 2013.

Members asked questions about the contract for the disposal of waste and recycling. Responding to these and a question on whether the new recycling service would prove

easier for households, the Director for Place stated that co-mingling was easier and would lead to an increased volume of recyclates. However, as it took longer to sort, the income per unit was lower. Officers confirmed that the original tendering exercise undertaken for the waste and recycling contract had elicited a poor response from the market. Procurement had advised that the North London Waste Authority offered best value at a time when income from recyclates was less than before. The Cabinet Member for Resources and Performance confirmed that this was a temporary position until a better value contract could be identified. The Director for Place commented that there appeared to be an uneven picture across London with some authorities in West London having a more positive response from the market when tendering.

In discussing the average length of time spent in emergency accommodation being 32 weeks, Officers responded that the target was 26 weeks or less and action proposed to address this would be through increased prevention activities, increased supply through block booking and via the private market.

Cllr Alison Moore joined the meeting at 7.30pm.

A Member commented that it was important to recognise the human impact of poor performance in this area, purporting that Barnet had one of the worst records in London. Another Member ascribed the challenges to affordable housing as being a result of the regeneration project figures not being realised since being projected 11-12 years previously.

The Committee expressed concern and questioned the reason for the £2.163m overspend forecast in Streetscene (Table 1, p18). The majority of projected overspend in this area was noted as being £1.081m in the Special Parking Account. The Director for Place stated that NSL were expected to meet targets which had not been met in the previous year. The Committee were also advised that Street Lighting energy savings had been delayed for six months due to proposed changes having been referred to the European Commission for review. This had since been cleared and work was underway which would begin to realise these savings.

The Cabinet Member for Resources and Performance responded to questions on the risk that projected cost savings in Children's Services Transport would not be met (Table 2, p 19). Committee heard that a reduced demand for these services had been projected but not been realised. One Member expressed disappointment that collaborative arrangements with neighbouring authorities for the provision of SEN transport had been slow to materialise. Members stressed the importance of being able to find efficiencies in the service that would not lead to reduced opportunities for SEN children to travel and participate in a wide range of cultural activities.

The Cabinet Member for Resources and Performance, in answer to a question on Planning Services performance, stated that a recovery plan was in place which would mean that special measures would not be required.

Councillor Brian Gordon and Councillor Hugh Rayner joined the meeting at 7.45pm.

RESOLVED that:

- 1. Subject to an amendment to correct the reported number of children adopted or placed permanently through another route for Q1 (Page 16, 9.1.4) from 5 to 11; the Quarter One Financial and Corporate Performance report be noted;**

- 2. Officers be asked to ensure accuracy of this report prior to it being considered by Cabinet on 24 September; and,**
- 3. The Director for Place is requested to provide detail of any performance related fines incurred by NSL since the start of the contract.**

7. CAPITAL PROGRAMME UPDATE

The Deputy Chief Operating Officer introduced the report which provided Committee with an update on the management of the capital programme and proposed improvements for 2013/14. Committee was directed to the statement from the External Auditor's Report for the year 2012/13 which identified capital programme management as an area for the Council to take action to improve its performance. The Deputy Chief Operating Officer stated that this was due to capital programme slippage from year to year rather than resource issues.

Committee heard that profiling the capital budget for schools was particularly challenging and, given that Barnet coordinated one of the larger schooling budgets in London, a significant proportion of the capital allocation.

Responding to a question from a Member on the current programme of capital projects for schools, Officers reported that there had been 12 permanent expansions since September 2012 and 9 temporary classes for 2013/14, each with space for 30 pupils. Capital improvements for St. Mary's and St. John's school would be realised once targeted funding from the Department of Education had been received.

Committee Members questioned whether a prudential approach to treasury management could generate income through investing capital project funds that were not presently being used. The Cabinet Member for Resources and Performance agreed that any opportunity for investment should be considered but that capital projects were usually complex and it would be difficult to determine when access to funding would be required. The Cabinet Member stated that 25-30% slippage overall was not an acceptable figure.

The Cabinet Member for Education, Children and Families was asked how many children applying for school places had not been placed at the start of the academic year for 2013/14 and how many additional school places that had been provided in the last five years. The Cabinet Member responded that all on-time application had been placed and those moving in to the area were being placed as and when required, the number of additional school places provided in the last five years would be provided following the meeting.

Committee noted that the budget strategy included a target of £50m capital receipts over the period 2013-16 (9.8, p59) and requested detail on which assets had been identified for possible sale.

Committee also requested detail on outstanding S106 projects and funding.

RESOLVED that:

- 1. The Report on Capital Programme Management be noted with a further update requested to be received in six months' time;**

2. **It be recommended to Officers that, when considering projects for entry to the capital programme, funding is carefully profiled so that it is not always front-loaded in year one;**
3. **The Cabinet Member for Resources and Performance be requested to provide Members with a breakdown of assets targeted for capital receipts by site; and,**
4. **The Cabinet Member for Resources and Performance be requested to provide Members with details of outstanding S106 projects and funding; and,**
5. **The Cabinet Member for Education, Children and Families be requested to provide detail on the number of additional school places that had been provided in the last five years.**

8. ONE BARNET PROGRAMME HIGHLIGHT REPORT

The Committee considered the One Barnet Programme Highlight report which was introduced by the Head of Programme and Resources and the Head of Corporate Programmes and provided a summary of the programme status as at 14 August 2013.

It was noted that the programme status was broadly positive, with two remaining Wave 1 projects being either complete (NCSCO transfer initiated 1 September 2013) or completing shortly (DRS transfer scheduled for 2 October 2013). The new waste service would commence on 14 October and three other Wave 2 projects, being Sport & Physical Activity (SPA), Safer Communities and Health & Social Care Integration, would shortly be recommended to Cabinet or CRC.

The Head of Corporate Programmes reported that following the successful conclusion of the Judicial Review brought against the One Barnet programme the overall programme status was 'Green' for the first time in over a year. Members were also advised that the reporting template will shortly be changed to ensure greater visibility of the status of each project within the programme and that this new format would be used for future meetings.

A Member asked when an update on proposals from the SPA review would be received and how much this project had cost so far. The Head of Corporate Programmes responded that a paper would be presented to CRC in November 2013 setting out the work completed to date and the options to be considered moving forward. and that it is anticipated that this stage of the project will be delivered within the allocated £198,000 budget. Committee noted that the report would set out a longer term strategy for SPA in Barnet linked to public health outcomes and any associated funding opportunities.

In response to a question on the status of the Education and Skills DU Review, Officers confirmed that the first meeting had been held that afternoon.

RESOLVED that the One Barnet Programme Highlight report be noted.

9. URGENT LATE ITEM - PARKING PILOT SCHEME - NORTH FINCHLEY

The Cabinet Member for Environment and the Highways Manager introduced the Parking Pilot Schemes report which provided Committee with an update on the changes made, on an experimental basis, to the parking arrangements in North Finchley Town Centre following the completion of a North Finchley Town Centre Parking Review.

The Cabinet Member for Environment reported that consultation and considerable engagement with the local community and traders had contributed to a scheme that set out to maximise parking opportunities and support local business.

Following a question on whether the scheme was sustainable, the Cabinet Member for Environment suggested that, as shown in the reported data, introduction of pay by card machines had contributed to increased patronage; which, in turn, would mitigate the impact of lower tariffs on income.

A Member noted that there had been a relatively low response to requests for feedback from the local community. The Cabinet Member for Environment commented that there had only been four objections overall and that feedback had been generally positive. From a question of whether cash payment would be an option for future consideration, Members heard that there were no plans to bring these meters back in to operation.

Members noted that the result of the parking schemes at Edgware and High Barnet would be reported at a future meeting and asked whether smaller commercial centres in the borough would be also be considered; acknowledging that parking was just one of many factors that would determine the viability of the high street. The Cabinet Member for Environment confirmed that other town centres would be considered in due course.

RESOLVED that the Parking Pilot Scheme Review for North Finchley be noted.

10. ADVANCE NOTICE OF EXECUTIVE DECISIONS

Committee considered the Advance Notice of Executive Decisions report. A Member expressed dissatisfaction with the fact that, although the statutory 28 days' notice deadline for publication had been met, the short timeframe between the Budget & Performance OSC and Cabinet/CRC made it impossible for Committee to request items for pre-decision scrutiny.

RESOLVED that:

- 1. The Advance Notice of Executive Decisions be noted; and,**
- 2. The Budget & Performance OSC Members be provided a copy of the Advance Notice of Executive Decisions as soon as published.**

11. FORWARD WORK PROGRAMME

The Committee considered the Budget and Performance Overview and Scrutiny Committee Forward Work Programme for 2013/14 as set out in the report.

RESOLVED that:

- 1. The Budget and Performance Overview and Scrutiny Committee Forward Work Programme for 2013/14 be noted;**
- 2. The meeting scheduled for 9 December 2013 to commence at the earlier time of 6.30pm; and,**
- 3. The following item be added to the Forward Work Programme for 13 March 2014:**
 - Parking Pilot Schemes – Edgware and High Barnet.**

12. ANY OTHER ITEMS THE CHAIRMAN DECIDES ARE URGENT

None.

The meeting finished at 9.42 pm