

ANNEX A

Meeting	Cabinet
Date	4 November 2013
Subject	Business Planning 2014/15 – 2015/16
Report of	Leader of the Council Cabinet Member for Resources and Performance
Summary of Report	This report sets out the Corporate Plan objectives, Medium Term Financial Strategy (MTFS) and budget headlines for the period 2014/15 – 2015/16

Officer Contributors	Chris Naylor, Chief Operating Officer John Hooton, Deputy Chief Operating Officer Stephen Evans, Assistant Director Strategy Anisa Darr, Head of Finance
Status (public or exempt)	Public
Wards Affected	All
Key Decision	Yes
Reason for urgency / exemption from call-in	N/A
Function of	Executive
Enclosures	Appendix A – Medium Term Financial Strategy Appendix B – Savings and pressures
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1. RECOMMENDATION

- 1.1 To note the 1% council tax reduction in 2014/15 and a council tax freeze in 2015/16 as a proposal for consultation;
- 1.2 To note the updated Medium Term Financial Strategy (MTFS) as set out in Appendix A;
- 1.3 To approve the budget proposals set out in Appendix B as “budget headlines” for consultation, covering the period from 2014/15 to 2015/16;
- 1.4 To allocate £4m to the Cabinet Member for Environment to be spent on roads and pavements as set out in paragraph 9.4.6, with spending plans to be finalised in consultation with the Cabinet Member for Performance and Resources;
- 1.5 To request that Cabinet come forward with proposals against the £1m set out in 9.4.6, with specific proposals to be agreed as part of the quarterly monitoring report to Cabinet Resources Committee;
- 1.6 To approve the savings re-profiling recommended in 9.4.8 subject to consultation;
- 1.7 To note the impact on performance, staff and equalities as set out in sections 5, 6 and 7 of the report; and
- 1.8 To note the process for development of the capital programme.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet on 25 February 2013 approved three years of budget proposals spanning 2013/14 to 2015/16.
- 2.2 Council on 5 March 2013 approved three years of budget proposals spanning 2013/14 to 2015/16.
- 2.3 Cabinet on 18 July 2013 agreed the budget setting process for 2014/15 and 2015/16.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The annual business planning process enables Members to set the strategic direction of the Council – based on the priorities of residents - and for that direction to be reflected in the Council’s Corporate Plan. The Corporate Plan stands as the primary document against which Council policy considerations are evaluated in Committee and Delegated Powers Reports.
- 3.2 The Council’s strategic priorities and performance targets were refreshed for the period 2013/14 to 2015/16 as part of last year’s business planning process and set out in the Council’s Corporate Plan which was published in April. The Council’s strategic priorities up to 2015/16, as reflected in the Corporate Plan, are as follows:

- To create the right environment to promote responsible growth, development and success across the borough;
- To support families and individuals that need it – promoting independence, learning and well-being; and
- To improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.

The Council's budget is focused on delivering these strategic objectives, ensuring that resources follow strategy.

- 3.3 The Corporate Plan forms an overarching framework for more detailed Delivery Unit plans, team plans, and for setting performance objectives for individual officers, ensuring that all elements of the Council's business planning process are focused on achieving the strategic priorities agreed by Cabinet.

4. RISK MANAGEMENT ISSUES

- 4.1 There is a risk that service delivery cuts have a disproportionate impact on residents when combined with the impact of welfare reform and increasing cost of living. The Council has put in place support for people who will be affected by welfare reform, including supporting people into work and looking for sustainable housing options. Analysis of budget proposals and the following consultation will consider the cumulative impact of changes.
- 4.2 As we continue to transform and adjust to austerity, the risk of Judicial Review is increasingly present, with an increasing number of claims against Local Authorities on grounds that a proper process was not followed in making the decision or relevant information was not taken into account. It is important that the Council considers its overarching statutory duties when considering budget planning and that processes are conducted in a rigorous and open minded way.
- 4.3 On 26 June, the Government announced further cuts for the 2015/16 Financial Year as part of Spending Review 2013. This included a further cut to Local Government funding of around 10% in that year, as well as indicating that austerity is likely to continue until the end of the decade. Current modelling suggests that this is likely to equate to further annual reductions of between £15m and £20m to the Council's budget. For this reason, it is important that the Council continues to be prudent with its use of reserves and contingency to mitigate against future cuts.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Equality and diversity issues are a mandatory consideration in the decision making of the Council. This requires elected Members to satisfy themselves that equality considerations are integrated into day to day business and that all proposals emerging from the finance and business planning process have properly taken into consideration what impact, if any, there is on any protected group and what mitigating factors can be put in train.
- 5.2 The projected increase in the borough's population and changes in the demographic profile will be key factors that need to be considered when determining both the corporate strategy and service responses. Both of these need to also reflect the aspirations and contributions of current residents.

- 5.3 Similarly, all human resources implications will be managed in accordance with the Council's Managing Organisational Change policy that supports the Council's Human Resources Strategy and meets statutory equalities duties and current employment legislation. Full equality impact assessments have been completed on the Customer and Support Group (CSG) contract and the Re joint venture to ensure that section 149 of the Equalities Act is complied with. Included as part of background papers.
- 5.4 Since the last budget round there have been changes to the council structure, with the set-up of the Customer and Support Group and Development and Regulatory Services grouping. As the Council transitions to the new structure and operating model the approach to Equalities is being strengthened, in line with the proposed changes to the constitution, to ensure that roles and responsibilities are clear. A common approach to equalities will be taken across internal and external Delivery Units.
- 5.5 Any decision (for example reductions to service budgets or service redesigns) is potentially open to challenge. Whilst no public body is immune from challenge through a judicial review, the risk can be significantly reduced by adopting best business planning practice, an inclusive approach to engagement, a clear understanding of the impact of proposed changes, consideration of mitigations and monitoring of outcomes.
- 5.6 At this stage of the budget planning process Delivery Units have conducted a preliminary high level review of the equalities impact of initial proposals. Some budget savings are continuing from previous years and a small proportion are new.
- 5.7 To meet the requirements outlined at paragraph 5.1 Delivery Units will develop their equality analyses as proposals are developed and in response to consultation feedback. Savings that are continuing from previous years will require on-going analysis and new savings will require initial analysis. The Policy Unit will work with Delivery Units to:
- ensure the Council takes a consistent approach to assessing the equalities impact of their proposals including any cumulative impact on any particular group and what mitigating actions should be put in place;
 - refine equality assessments as proposals develop.
- 5.8 A number of proposals have been flagged as having a high equalities impact. These are the community offer in Adults and Communities, the traded service model for non-statutory educational welfare and educational psychology and the renegotiation of the housing needs and resources management agreement. There are a number of other savings proposals that have a range of expected outcomes depending on the outcome of further savings development work. This includes seven proposals in Children's Services and two proposals in Adult's and Communities. Should Capita and Capita Symonds propose service change proposals these will need to be properly considered to ensure that due regard has been given to the Equality Duty, including appropriate communication and consultation and equalities impact assessments, prior to decision making (in accordance with the Council's scheme of delegation) and the implementation of any changes.

5.9 Appendix B to this paper outlines budget pressures and savings by Service area / Delivery unit, together with a preliminary assessment of the anticipated equalities impact of those savings. Further work is required to refine and develop these proposed savings and to assess the specific and cumulative equalities impacts of these proposals. This work will be carried out as part of the budget consultation exercise to enable a fuller consideration of equalities impact assessment. It will inform the final decision on next year's budget at Cabinet in February.

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

6.1 This report covers the Council's Medium-Term Financial Strategy and business planning process. This report updates Cabinet on the details of the budget for 2014/15 and 2015/16. Although the Spending Round 2013 broadly, by central government department, gave indications of the scale of grant reductions at this stage, it is necessary to make assumptions about the likely settlement for Barnet for the financial year 2015/16. At this stage, no certainty exists over grant funding levels beyond 2014/15.

6.2 In addition to continued austerity, demographic change and the resulting pressure on services poses a significant challenge to the Council. The organisation is facing significant budget reductions at the same time as the population is increasing, particularly in the young and very old demographics. Given that nearly two thirds of the Council's budget is spent on Adult Social Care and Children's Services, this poses a particular challenge as these services are predominantly 'demand led'. There will also be costs related to infrastructure development. The annual allocation of New Homes Bonus funding will be allocated to the infrastructure reserve as a contribution towards these costs.

6.3 There are a number of staffing implications as a result of implementing the savings proposals. These are detailed below:

- TUPE transfer in: The savings resulting from alternative service provision in Street Scene will mean all in-scope employees working for May Gurney PLC at the time of transfer will automatically become employees of the Council under the TUPE Regulations when their work transfers in October 2013;
- TUPE transfer out: as part of the Customer and Support Group (CSG) and Development and Regulatory Services (DRS) contracts staff have been TUPED to Capita and Capita Symonds Ltd respectively. There were 429 managers and staff in scope for CSG and 256 for DRS;
- Staffing reductions: compared to previous years the proposed numbers of staffing reductions are not significant. This is partly due to the staffing changes detailed above and also because most of the efficiencies in 2014/15 are being achieved from third party contracts. There are 10.4 proposed reductions across 2014/15 and 2015/16, which are detailed in Appendix B.

6.4 Savings consist of a number of efficiency, service reduction and income generation proposals. Broadly, performance is not anticipated to be negatively

impacted for the efficiency proposals, however given the scale of the efficiencies to be found the on-going impact will be closely monitored post implementation. The most significant service reduction proposals are in Children's Services and the service delivery impact has been considered and mitigating actions have been put in place where necessary. An assessment of impact on service delivery is contained in Appendix B.

7. LEGAL ISSUES

7.1 All proposals emerging from the business planning process must be considered in terms of the Council's legal powers and obligations, including its overarching statutory duties such as the public sector equality duty.

7.2 Any proposals to reduce or fundamentally change service delivery would require the decision makers to have due regard to the public sector equality duty and to complete equality impact assessments.

CONSULTATION

7.3 As a matter of public law the duty to consult with regards to proposals to vary, reduce or withdraw services will arise in 3 circumstances:

- Where there is a statutory requirement in the relevant legislative framework;
- Where the practice has been to consult or where a policy document states the Council will consult then the Council must comply with its own practice or policy; and
- Exceptionally, where the matter is so important that there is a legitimate expectation of consultation.

7.4 Regardless of whether the Council has a duty to consult, if it chooses to consult, such consultation must be carried out fairly. In general, a consultation can only be considered as proper consultation if:

- Comments are genuinely invited at the formative stage;
- The consultation documents include sufficient information about the proposal to allow those being consulted to be properly informed and to give an informed response;
- There is adequate time given to the consultees to consider the proposals; and
- There is a mechanism for feeding back the comments and those comments are conscientiously taken into account by the decision maker / decision making body when making a final decision.

7.5 Finally there will be staff consultation about these proposals in compliance with s188 of the Trade Union and Labour Relations (Consolidation) Act 1992. This collective and individual staff consultation will take place during the period 24 October 2013 to 25 November 2013.

PUBLIC SECTOR EQUALITY DUTY

7.6 The general duty on public bodies is set out in section 149 of the Equality Act.

(1) A public authority must, in the exercise of its functions, have due regard to the need to:

(a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(2) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

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

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

(4) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, the need to:

- (a) Tackle prejudice, and
- (b) Promote understanding.

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

(6) The relevant protected characteristics are:

- Age;
- Disability;
- Gender reassignment;
- Pregnancy and maternity;
- Race;
- Religion or belief;
- Sex;
- Sexual orientation.

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

7.7 The duty is a continuing duty. Through the process of finalising the budget and corporate plan, the Council will need to satisfy itself that these requirements have been adhered to in formulating the proposals referred to in this report.

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

8.1 Council Constitution, Responsibility for Functions, Section 4 sets out Responsibility for Executive Functions. Paragraph 4.8 provides for the Cabinet to recommend to the Council for adoption the Council's budget.

9. BACKGROUND INFORMATION

9.1 Executive Summary

- 9.1.1 In March 2013, the Council agreed its MTFs, which set a three year budget for the period 2013/14 – 2015/16. As a result of signing the CSG and Re contracts this report re-affirms proposals for the years 2014/15 and 2015/16.
- 9.1.2 The deal with Capita for the provision of the Customer and Support Group (CSG) contract and with Capita Symonds for Re Services has been better than envisaged and the level of savings being delivered is earlier than profiled in the MTFs. Due to the up-front savings secured as a result of signing the contracts the Council is able to use these funds to reduce the council tax burden for 2014/15 and then freeze it for 2015/16.
- 9.1.3 The total budget gap is £36.584m over the next 2 years (2014-16). The 2 year budget gap has been updated to reflect recent announcements and CSR 2013.
- 9.1.4 **Savings of £39.012m and pressures of £2.428m** have been identified to enable a balanced budget to be set. The two year budget position is set out in **Appendix A**, with pressures and savings included in **Appendix B**.
- 9.1.5 The budget proposals within this report are predicated on a **1% reduction** in council tax for 2014/15 and a council tax freeze for 2015/16.

9.2 Strategic Context

- 9.2.1 Despite recent signs of more positive economic data, the economic climate remains extremely challenging. At the Spending Review in October 2010, central Government set out plans for cutting total public spending by £81bn over four years from 2011 to 2015 in order to eradicate the national budget deficit. This translated to a cut of 27% - or £72m – to the Council's budget over that period. The Government has levied further cuts on Local Government since the 2010 Spending Review. An additional 2% will be cut from Council funding in 2014/15 and June's announcement for the 2015/16 Financial Year translates to a further cut of 10% to Local Authority budgets. The Government has made it clear that austerity is likely to continue until, at least, the end of the decade. The UK's budget deficit will continue to exist regardless of the political party is in power which will mean that council budgets will continue to reduce for the foreseeable future. The Council forecasts that the cut to its grant, after factoring in increases due to inflation and demographic pressures, over the four year period from 2016 to 2020 will result in a budget gap of £73.6m.
- 9.2.2 In spite of the on-going financial challenges, the Council continues to provide high quality services to residents. The Council's Residents Perception Survey, conducted in November 2012, shows that, compared to 2010, resident satisfaction with the majority of council services has improved. Nine services – including the repair of roads and social services for adults and children - saw significant increases in satisfaction and the majority of these out-performed other outer London Boroughs. Overall resident satisfaction with the local area remains high and significantly above the national average – 88% of residents are satisfied with their local area as a place to live.

- 9.2.3 Overall resident satisfaction with the Council has increased by 12% since 2010. Compared to 2010, residents think the Council is doing a better job, offering better value for money, is working to improve the local area, listening to concerns of local residents and responding quickly when asked for help. In addition, 91% of schools in Barnet are rated as 'good' or 'excellent' by Ofsted – the second best performance in the country - and Adults and Children's services are recognised as 'excellent' by external inspectors. The Borough remains an attractive and successful place to live, with household incomes totalling almost £6bn last year and 86% of residents satisfied with their local area.
- 9.2.4 During these challenging times, the Council does not want to increase the financial burden on families and individuals. This is why the Council has frozen Council Tax for four years from 2010/11 to 2013/14, and will reduce Council Tax in 2014/15, representing a real terms cut in Council Tax of 20% over the five year period.

9.3 Strategic objectives and the Corporate Plan

- 9.3.1 The Corporate Plan is the overarching strategic document for the Council, setting out its strategic priorities and objectives. The latest Corporate Plan which covers the period 2013/14 to 2015/16 was published in April and has been revised to reflect the new freedoms offered by the Localism Act.
- 9.3.2 The revised Plan is more focussed, with a reduced number of objectives, refined performance targets, and clear lines of accountability. The Corporate Plan sits above published Service Plans for each directorate providing a clear link between the Council's strategic objectives and the actions each service will take to deliver them. The Council's strategic objectives reflect the concerns of residents following a consultation exercise to understand the views of residents in relation to service priorities.
- 9.3.3 The strategic objectives set out in the Corporate Plan reflect the priorities of residents and achieving them will require collaboration between the Council and its public sector partners. For example, an objective to keep Barnet safe sets out how the Council will work with the Police and others to achieve this.

Overarching priorities

- 9.3.4 The Corporate Plan includes the three overarching priorities, and these will remain unchanged for the forthcoming year. They are:
- To create the right environment to promote responsible growth, development and success across the borough;
 - To support families and individuals that need it – promoting independence, learning and well-being; and
 - To improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study

These top three strategic priorities are underpinned by a number of priority outcomes and performance indicators against which success is monitored which together forms the Council's strategic framework. This framework is set out below:

Barnet Council will work with local partners to:

<p>1. Create the right environment to promote responsible growth, development and success across the borough.</p>	<p>2. Support families and individuals that need it – promoting independence, learning and well-being.</p>	<p>3. Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.</p>
<p><i>This means...</i></p> <ul style="list-style-type: none"> • Creating jobs and new homes in the next five years via regeneration • Increasing skills, encouraging enterprise and reducing unemployment. <p><i>Measure:</i></p> <ul style="list-style-type: none"> • Business growth and retention. 	<p><i>This means...</i></p> <ul style="list-style-type: none"> • Encouraging families and individuals to live as healthily and independently as possible, giving targeted services to those who most need it. <p><i>Measure:</i></p> <ul style="list-style-type: none"> • Managing demand for services. 	<p><i>This means...</i></p> <ul style="list-style-type: none"> • Giving excellent services to residents • Protecting the unique character of the borough and providing sustainable infrastructure to support success. <p><i>Measure of success:</i></p> <ul style="list-style-type: none"> • Resident satisfaction with the borough as a place to live work and study • Satisfaction with the Council.

We will deliver this, by focussing our efforts on these outcomes:

- 1: To maintain a well designed, attractive and accessible place, with sustainable infrastructure across the borough.
- 2: To maintain the right environment for a strong and diverse local economy.
- 3: To create better life chances for children and young people across the borough.
- 4: To sustain a strong partnership with the local NHS, so that families and individuals can maintain and improve their physical and mental health.
- 5: To promote a healthy, active, independent and informed over 55 population in the borough so that Barnet is a place that encourages and supports residents to age well.
- 6: To promote family and community well-being and encourage engaged, cohesive and safe communities.

9.4 Medium Term Financial Strategy

9.4.1 The Medium Term Financial Strategy (MTFS) sets out all of the budget changes over a rolling two-year planning period, including assumptions around inflation, changes to levies, pressures, savings and grant funding. It is the model which underpins the council's financial strategy.

2014/15 – 2015/16

9.4.2 The budget covering the period 2014-16 reflects a budget gap of £33.934m over the two years, together with savings proposals to reach a balanced position.

	2014/15 £000	2015/16 £000	Total £000
Budget Gap before savings & pressures	18,021	18,562	36,584
Proposed Pressures	908	1,520	2,428
Proposed Savings	(18,930)	(20,082)	(39,012)
Budget Gap after savings	0	0	0

Funding from Central Government, Council Tax and Use of Reserves

9.4.3 The potential budget gap that the Council faces from 2014-16 includes assumptions about levels of expected Government grant, future levels of business rates and changes to the Council Tax base, along with a range of other assumptions about pay and non-pay inflation, future levies and other risks.

9.4.4 On 26 June, the Government announced further cuts for the 2015/16 Financial Year as part of Spending Review 2013. This included a further cut to Local Government funding of around 10% in that year, as well as indicating that austerity is likely to continue until the end of the decade. It is important to stress that modelling for 2015/16 is based on a number of assumptions and for now, a 19% reduction in the Revenue Support Grant (RSG) is deemed sufficient until further detail is released from Central Government.

9.4.5 The deal with Capita for the provision of the Customer and Support Group (CSG) contract and with Capita Symonds for Re Services has been better than envisaged and the level of savings being delivered is earlier than profiled in the MTFS. Due to the up-front savings secured as a result of signing the contracts the Council is able to use these funds, along with the service development reserve, to reduce the council tax burden for 2014/15 and then freeze it for 2015/16. The in-year increase in tax base is also greater than that budgeted for and therefore increases the income expected. This gives the Council £1.5m of additional funding to offset service pressures.

9.4.6 It is the administration's priority to allocate the use of savings as a result of signing the contracts and the council tax freeze grant, anticipated to be equivalent to a 1% increase, as follows:

- Council tax reduction and freeze: £2m
- Roads and pavements: £4m
- Other priority projects: £1m

Draft budget proposals for consultation

9.4.7 Savings proposals for 2013/14 and 2014/15 have been reviewed across the Council to ensure they remain deliverable and are in line with the direction of policy. These are set out in detail at Appendix B.

9.4.8 Following this review, it is recommended that the following savings are re-profiled:

- Adults and Communities: Savings linked to closer working with CSG provider (£1m in 2014/15, £2m in 2015/16) – due to the delay signing the CSG contract, work on identifying savings projects has only just begun. Due to the lead in time of implementing projects it is recommended that £500,000 is moved from 2014/15 to 2015/16 and £500,000 from 2015/16 to the following year.
- Children's Services: Transport savings (£500,000 in 2014/15) – Children's Services have taken out £1m efficiency savings in 2013/14 from the transport budget, however these savings have not been fully realised yet and therefore it is recommended that this saving is moved from 2014/15 to 2015/16.

9.4.9 The total savings from each delivery unit are set out below:

Delivery Unit	2014/15 'm	2015/16 'm
Adults and Communities	8.377	8.424
Assurance	0.04	0.175
Children's Service	4.44	6.207
Commissioning	0.72	0.525
Customer and Support Group	2.393	2.1
Housing Needs and Resources	0.055	0.3
Legal	0.15	0.2
Re	1.355	0.3
Street Scene (including parking)	1.4	1.851
Total	18.930	20.082

9.4.10 An allowance has been included within the budget envelope for demographic growth in line with population projections for Adults and Communities and Children's Services.

9.4.11 The total pressures for each delivery unit are summarised below:

Delivery Unit	2014/15 'm	2015/16 'm
Adults and Communities	0.8	0.8
Children's Service	0	0.72
Street Scene	0.108	0
Total	0.908	1.52

Emerging risks over the next two years

9.4.12 There are a number of risks to the Council's financial position as a result of changes in demographics, changes to legislation and other factors. The Council

holds reserves and contingency balances to address future risks and concerns. These risks will be kept under review as they materialise.

- Welfare reform: the move towards universal credit is anticipated to have an impact on housing and social care services (in Adults and Communities and Children's Services). The introduction of the cap on benefits has already shown an increase in homelessness with a pressure on temporary accommodation;
- Social care funding reform and draft Care and Support Bill: introduction of a cap on contribution towards care costs and assessments and services for carers is likely to increase the pressure on the service. There will be additional funding for social care to local authorities however at this stage it is unclear if this will meet the likely pressure; and
- Children and Families Bill: expected to become law in 2014 and will extend the Local Authority's responsibility to ensure access to education for young people with special educational needs (SEN), from the current age limit of 19, up to the age of 25.
- New government guidance being consulted on in early 2014 regarding parking enforcement changes may have a negative impact on revenue collected.
- The creation of the integrated health fund is likely to have funding pressure for the Clinical Commissioning Group (CCG) and the creation of a pooled budget may mean the council reduces its control of the social care and health integration monies that has been funding demographic pressures in the service.

9.5 Consultation

9.5.1 Development of strategic objectives, business plans and savings options will be informed by consultation and engagement with residents. This year, the Council will use the Residents' Perception Survey to gain intelligence on residents' priorities and concerns, and also gather views on responses to service changes or reductions planned for 2014/15.

Residents' Perception Survey (September 2013 – October 2013)

9.5.2 The Residents' Perception Survey (RPS) will provide borough-wide understanding of residents' priorities, perception of public services and how the views and priorities of residents have changed over the last twelve months. This information will challenge and inform priorities for service plans, commissions and future budget options.

Formal Budget Consultations (8th November 2013 – 31st January 2014)

9.5.3 Service consultation: The Council has a duty to consult with services where proposals to vary, reduce or withdraw services in the following circumstances: where there is statutory requirement; where the practice has been to consult on changes or where a policy to consult is in place; or where the service reduction or change of a nature, where there is a legitimate expectation of consultation, regardless of statutory duties. Consultation is also recommended in other circumstances, for example to identify the impact of proposals or to assist with complying with the Council's equality duties.

- 9.5.4 Council budget consultation: The Council's proposed budget for 2014/15 will be published in November 2013. Residents will be invited to give their views on the budget via an online survey. Also as part of the Council's statutory duty to consult with National Non Domestic Rate Payers (NNDRPs), letters will be sent out to all the council's NNDRPs inviting them to take part in the consultation.
- 9.5.5 The Council's budget consultations will be published on the Engage Barnet and paper copies will be made available on request. The consultations will be widely promoted via the council's Residents' magazine, Barnet First, Residents Forums, Community Barnet, and various service user newsletters and partnership boards.

Staff consultation

- 9.5.6 There will be staff consultation about these proposals in compliance with s188 of the Trade Union and Labour Relations (Consolidation) Act 1992. This collective and individual staff consultation will take place during the period 24 October 2013 to 25 November 2013.

9.6 Capital programme and invest to save

- 9.6.1 A capital needs analysis is being undertaken to inform the capital investment strategy from 2014/15 to 2017/18. This exercise will also map the capital priorities of the authority to 2020.
- 9.6.2 The capital needs analysis will be governed through the Assets and Capital Board and progress driven by Lead Commissioners and Delivery Unit Directors. Strategic Commissioning Board will agree additions to the capital programme in principle before final approval at Cabinet in February 2014.
- 9.6.3 The CSG and DRS contracts contain provision for capital investment in the Council's infrastructure. The investment is mainly around system changes in order to aid efficiency and improved customer outcomes.
- 9.6.4 A fully worked up capital programme will be brought to Cabinet in February 2014 for approval. The emerging proposals are around:
 - Provision of sufficient pupil places (permanent and temporary);
 - Regeneration programmes;
 - Carriageway and resurfacing programmes;
 - Co-location of services; and
 - Parks infrastructure.

10. LIST OF BACKGROUND PAPERS

10.1

<http://barnet.moderngov.co.uk/documents/s9226/DRS%20Cabinet%20Report.pdf>

10.2 <http://barnet.moderngov.co.uk/documents/s6649/NSCSO.pdf>

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