

Assets, Regeneration and Growth Committee

Commissioning Plan- Commissioning Plan 2015 - 2020

1. The Context for the development of this plan.

Public services in England during the decade 2010-2020 face an unprecedented challenge as the country deals with the impact of the financial crisis of 2008, alongside the opportunities and challenges that come from our changing and ageing population.

Despite a growing economy, the UK budget deficit is forecast to be £75bn at the 2015 General Election, with cuts set to continue to the end of the decade no matter who is in Government. At the same time, demand on local services continues to increase, driven by a growing population, particularly the number of young and older residents. We therefore must plan for the fact that austerity will affect all parts of the public sector to the end of the decade and that we will not be able to meet increasing levels of demand from simply doing more of what we are currently doing.

The public too, does not expect simply more of the same. Expectations of local services are increasing, advances in customer services and technology provide the ability to interact with services 24/7. Local residents as a result expect better services and more prompt responses from the Council. However satisfaction with the Council and local services remains relatively high in Barnet, and over recent years resident satisfaction with a number of local services has increased, despite these challenges.

In thinking about how the Council lives within its means, the Council needs to recognise that residents are also facing wider financial pressures, from high energy bills, increasing housing costs, continued wage restraint, and benefit reforms, so the ability of many households to absorb the impact of reductions from public sector funding through increased financial contributions is constrained.

We can however expect over the duration of this plan that significant opportunities will flow from Barnet being part of a growing and arguably booming London economy. Unemployment levels have fallen by a third in the last year, the number of 16-18 year old 'NEETs' in Barnet is, at 2.3%, the fourth lowest in England and fewer Barnet residents are claiming out-of-work benefits than the London average. This plan needs to ensure that all residents of Barnet can benefit from the opportunities of growth, whether through new employment opportunities, increased investment in infrastructure such as roads and schools, or enjoying new neighbourhoods and places in which all people can live and age well.

Barnet Council's Overarching Approach to meeting the 2020 Challenge

The Council's Corporate Plan sets the framework for each of the Commissioning Committees five-year commissioning plans. Whether the plans are covering services for vulnerable residents or about universal services such as the environment and waste there are a number of core and shared principles which underpin the commissioning outcomes.

The first is a focus on fairness.

Fairness for the Council is about striking the right balance between fairness towards the more frequent users of services and fairness to the wider taxpayer and making sure all residents from our diverse communities - young, old, disabled, and unemployed - benefit from the opportunities of growth.

The Council must 'get the basics right' so people can get on with their lives – disposing of waste, keeping streets clean, allowing people to transact in more convenient ways, resolving issues promptly in the most cost effective way.

We must shift our approach to earlier intervention and demand management. Managing the rising demand for services requires a step change in the Council's approach to early intervention and prevention. Across the public sector, we need to work with residents to prevent problems rather than treating the symptoms when they materialise.

The second is a focus on responsibility.

Continue to drive out efficiencies to deliver more with less. The Council will drive out efficiencies through a continued focus on workforce productivity; bearing down on contract and procurement costs and using assets more effectively. All parts of the system need to play their part in helping to achieve better outcomes with reduced resources.

Change its relationships with residents, with residents working with the Council to reduce the impact of funding cuts to services In certain circumstances, residents will also need to take on more personal and community responsibility for keeping Barnet a great place particularly if there is not a legal requirement for the Council to provide services. In some cases users will be required to pay more for certain services as the Council prioritises the resources it has available.

The third is a focus on opportunity.

Prioritise regeneration, growth and maximising income – Regeneration revitalises communities and provides residents and businesses with places to live and work. Growing the local tax base and generating more income through growth and other sources makes the Council less reliant on government funding; helps offsets the

impact of service cuts and allows the Council to invest in the future infrastructure of the Borough.

Redesign service and deliver them differently through a range of models and providers. The Council has no pre-determined view about how services should be designed and delivered. The Council will work with providers from across the public, private and voluntary sectors to provide services which are more integrated, through a range of models most appropriate to the service and the outcomes that we want to achieve.

Planning ahead is crucial... The Council dealt with the first wave of austerity by planning ahead and focusing in the longer-term, thus avoid short-term cuts - the Council is continuing this approach by extending its plans to 2020.

Assets, Regeneration and Growth

Assets, Regeneration and Growth Committee is responsible for creating the right environment for economic growth to ensure Barnet is a successful place; for ensuring that the Council's asset strategy is aligned effectively to the development of the borough; and ensuring housing supply and provision that meets the Borough's needs. Included within this are particular responsibilities for the Council's regeneration programme, and for the health of town centres.

The Committee has made significant progress in agreeing the strategic framework for delivering its work. Consultation is complete on both the Strategic Asset Management Plan, including an approach to developing on Council land; and on *Entrepreneurial Barnet*, which sets out the approach the Council and its partners will take to supporting economic growth and town centres. Final versions of these reports will be considered for adoption at the meeting on 15 December 2014

The Council's approach to regeneration is set out in the November 2012 Growth Strategy, and substantial progress has been made in delivering the schemes highlighted in that report. Regeneration schemes aim to create cohesive communities in successful places, with high quality homes and infrastructure.

Outcomes

Priority	Key Outcomes
Regeneration	<ul style="list-style-type: none">• Regeneration schemes are delivered to a high standard, maximising benefits to the community.• New communities at Brent Cross Cricklewood and Colindale are desirable and attractive places to live, work and spend time, which set the standard for future development across London.• Regeneration and growth schemes are supported by appropriate, high quality infrastructure.
Economy	<ul style="list-style-type: none">• Barnet is established as the best place in London to be a small business. In particular:<ul style="list-style-type: none">- Business customers find it easy to deal with the Council- Barnet is a good place to do business, with good quality public realm and infrastructure that meets business' needs- Businesses can access the workforce they need; and entrepreneurs have the skills for success- Small and local businesses are able to access Council contracts- Business support in Barnet is effective, with businesses accessing the advice and guidance that they need.

Priority	Key Outcomes
Town Centres	<ul style="list-style-type: none"> • Key town centres are thriving, with reduced numbers of vacant units. • Residents and local businesses and residents play an active role in shaping their High Street as a place to live, work, shop and spend leisure time.
Assets	<ul style="list-style-type: none"> • The Council's asset portfolio is managed and considered as a whole rather than considering assets in isolation. • The Strategic Asset Management Plan (SAMP) drives a reduction in use of space to achieve savings. • The SAMP drives reduced running costs and increase energy efficiency. • The SAMP maximises letting income, balanced against community or social value. • Efficiency is achieved by sharing assets across the public sector. • The Council's assets are used to support longer term regeneration and growth. • Community assets are used transparently to support a range of activities that contribute to delivery of the Council's corporate objectives.
Housing growth	<ul style="list-style-type: none"> • New developments meet housing need, and contribute to Barnet's reputation as a desirable place to live. • Developments on Council land meet housing need and maximise benefits to the Council.

The commissioning plan has been developed in sections for the following Strategic Outcomes that make up the Assets, Regeneration and Growth Committee's remit:

- Growth and Regeneration
- Entrepreneurial Barnet
- Asset Management

Financial Consideration

The outcomes as set out above will support the delivery of the budget savings proposals for the Assets, Regeneration and Growth Committee. They are principally as follows:

- Savings in respect of reductions in the costs of office accommodation (£2m) – this will be achieved through relocation of the Council's offices to Colindale. It will also require a review of the Council's wider estate for savings and income generation opportunities.
- Additional income in respect of development opportunities (£1m) – the Council can generate income from residential developments which are then let in the private rented sector. The development approach will need to take this into account to deliver the required income target.
- Additional income from Council Tax and business rates resulting from the implementation of the Council's regeneration programme (£5m).

The identification of development opportunities which result in a capital receipt for the Council rather than a revenue stream (e.g. housing for private sale as opposed to rent), will also support the Council's financial position. An increase in capital receipts will enable the amount set aside for future borrowing to be reduced, and therefore will reduce the overall budget gap of £72m to 2020.

Service component: Growth and Regeneration

The London Borough of Barnet's growth and regeneration programme combines a programme of physical regeneration schemes and economic development initiatives. The overarching aim of the programme is to create cohesive communities that will meet the needs of all that live within them and that people are proud to be part of. In partnership with key stakeholders and local residents, the growth and regeneration programme will provide greater choice for all by:

- Creating a mix of high quality, affordable and private homes and more mixed communities;
- Creating new school places to meet the needs of the growing younger population;
- Ensuring services are available to support our increasing older population;
- Increasing the prospect of better paid employment by generating new jobs and providing residents and businesses with the tools and support to prosper and grow in Barnet;
- Providing new and replacement community, leisure, health and education facilities and open spaces for all residents to use; and
- Enhancing public transport, road networks and local cycle and pedestrian networks to provide improved accessibility for those who live in the regeneration areas and for the wider community.

Commissioning intentions:

	Commissioning intention	What needs to happen
1	Successful regeneration	<ul style="list-style-type: none">- Successful delivery of the existing regeneration programme- Ensure that the Brent Cross South Side development delivers a high quality new town centre for Barnet- Development of a successful approach to regeneration in Colindale- Identification and delivery of a number of development opportunities across the borough

Outcome measures

Measure	Baseline – 13/14	Target - 19/20
New homes completed (REGENKPI01)	1,527 (July 2013 - June 2014)	Increase
Affordable homes (REGENKPI05)	317 (July 2013 - June 2014)	Increase
Number of empty properties brought back into residential use (EH04A)	1,669	Sustain
Number of jobs	119,000 (BRES 2013)	Increase

Financial impact

The Regeneration programme is incorporated into the Re managed budgets line. The focus of the council's regeneration activity is on driving addition growth in income rather than on reducing expenditure e.g. through the creation of new homes and infrastructure, and by broadening the size of Barnet's tax base. This is reflected in the overall £5.9m target for the Committee.

A more detailed breakdown of the financial considerations associated with Assets, Regeneration and Growth Committee can be found on page 13.

Service component: *Entrepreneurial Barnet*

The overarching goal of *Entrepreneurial Barnet* is to make Barnet the best place in London to be a small business. There are five key ways in which partners in Barnet impact upon local economies, and the strategy therefore focuses on:

- Getting the basics right – ensuring that when businesses need to engage with the Council – whether to pay business rates, apply for a licence, or reporting a problem – the process is as efficient, transparent and painless as possible, and does not create any unnecessary constraints or costs on running a successful business;
- Stewardship of place – the Council is responsible for maintaining much of the built and natural environment in the borough including many aspects of our town centres, and so has a big influence on whether Barnet is a pleasant place for businesses and their staff to locate, and an efficient place to move around. Our regeneration programme alone will create 3,000 jobs directly, and commercial space for 27,000 more by 2030 as well as providing the space and flexibility for further growth;
- Shaping the labour market – although the Council has a less direct role in education than in the past, it retains overall responsibility for school improvement, and works closely with Barnet and Southgate College and Middlesex University to maintain the high standard of skills among Barnet residents. By developing a labour market with the skills and behaviours that employers are seeking, and with a strong culture of entrepreneurship, the desirability of Barnet as a place to start a business will grow and incomes will rise. A healthy workforce will also be more productive and the Council, through its public health responsibilities, will play a role in promoting this;
- Buying goods and services – the Council manages contracts that are collectively worth more than £1bn. Across the whole public sector, the figures are much higher, and it is important that local businesses have a fair chance of winning these contracts in a transparent and genuinely competitive environment. In some sectors, such as domiciliary care, the Council is a main player in the market and must clearly signal likely future needs so that providers can respond; and
- Providing or signposting business support services and premises – traditional economic development activity focuses on the provision of business support, premises and networking opportunities. While this is not the Council's primary focus, we do have a role in making sure that businesses know how to access these services and associated information in a transparent way, and that the Council is informed by a strong dialogue with the business community that allows us to respond to the changing economic climate in a way that maintains strong growth. Businesses create growth, and we will do what we can to encourage this at every opportunity.

Commissioning intentions:

	Commissioning intention	What needs to happen
1	Barnet is the best place in London to be a small business	<ul style="list-style-type: none"> - Streamlined planning, regulation and customer access for businesses - Develop Local Business Development Boards, develop business training and mentoring, and increase access to Council contracts for local businesses - Consider creation of a business development social enterprise - Provide appropriate affordable workspace for small and micro-businesses
2	Thriving town centres	<ul style="list-style-type: none"> - Identify major, district and local town centres and develop a tailored offer to support - Promote high quality development and public realm improvements - Reduce the number of vacant high street properties - Introduce free Wi-Fi for town centres - Secure additional external investment in town centres

Outcome measures

Measure	Baseline – 13/14	Target - 19/20
Business survival rate (SK1)	To baseline in 2014/15	Increase
Vacant high street properties (SK3)	To baseline in 2014/15	Decrease
Planning Compliance (KPI001 A&A)	88.9% (July – September 2014)	Increase
Compliance with Environmental Health Service Standards (EH01)	96.8% (July – September 2014)	Sustain
Appropriate response to statutory deadlines in relation to the Licensing and Gambling Act (dealt with to pre-set	94.9% (July – September 2014)	Sustain

standards) (TSLPKI04)		
Average time taken to process requests for Full Official Searches (online and post) in Land Charges (days) (KPI001 LC)	1.78 (July – September 2014)	Sustain
Re – Service satisfaction	65% (July 2014)	Increase

Financial impact

Entrepreneurial Barnet does not have any savings associated with it. The intention is that it will be delivered within existing resources. Where it has a financial impact it will be in the form of addition income growth e.g. by increasing the size of the local tax base, or by increasing private sector investment in Barnet.

A more detailed breakdown of the financial considerations associated with Assets, Regeneration and Growth Committee can be found on page 13.

Service component: Asset Management

Effective asset management planning provides a framework within which the Council can deliver operational and financial benefits of an estate which aspires to standards of best practice. It will address the need to secure the maximum potential economic benefit whilst supporting delivery of the council's objectives through providing services, enabling community participation, delivery, growth and regeneration. The objectives of the Strategic Asset Management Plan are to:

- Articulate a vision for Council land and property assets over the next five years in support of the Council's objectives;
- Set out a strategic approach in respect of the Council's land and property assets so the portfolio is managed as a whole rather than considering assets in isolation;
- Shape the Council's operational estate to optimise service provision and meet the needs of customers;
 - a) Ensure that operational properties are appropriately located, provide flexible accommodation at appropriate cost, are in good condition and are accessible to all.
 - b) Achieve a reduction in the overall use of operational space to achieve savings.
 - c) Reduce the running costs of buildings and benchmark costs in use against peer groups.
 - d) Develop an Office Accommodation Strategy, achieving efficiency in the use of space through Agile / remote working, and to maximise co-location of services working with partners.
- Ensure that the procurement of works for buildings meets sustainable design criteria and those buildings are maintained and managed for maximum energy and resource efficiency;
- Support longer term regeneration and growth by preparing business cases for retaining, acquiring or disposing of assets ensuring best consideration is achieved and where relevant community and social value is taken into consideration;
- Provide a framework against which strategies for council assets such as highways, housing and parks can be developed;
- Develop an approach that maximises letting income and where relevant, this should be balanced against community or social value; and
- Achieve efficiencies by sharing assets across the public sector.

Commissioning intentions:

	Commissioning intention	What needs to happen
1	Reduced costs of office accommodation	<ul style="list-style-type: none"> - Move out of NLBP4 by October 2015 - Relocate to Colindale by 2017/18 - Identify opportunities to sell or develop Council assets that are surplus to requirements - Review all commercial asset holdings to ensure that income is maximised
2	Fit for purpose community assets	<ul style="list-style-type: none"> - Community asset strategy developed, consulted on an agreed - Development of a “community hub” approach for community assets with community groups identified to run these - Leases in place for all community assets, with discounts from full market rent fully identified

Outcome measures

Measure	Baseline – 13/14	Target - 19/20
Running costs of estate (like-for-like assessment)	<i>New – to be baseline</i>	Decrease
Income from the estate	<i>New – to be baseline</i>	Increase
CIPFA VfM – Estate Management	Baselining to be completed 2015/16	Increase
Value of operational assets, by asset type – Community assets	£369,000 (2012/13)	Increase
Total value of assets as a percentage of total spend	179.3% (2012/13)	Increase

Financial Impact

Area	2015/16			2019/20		
	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000
RE Management Fee	10,550	(10,964)	(414)	9,250	(10,964)	(1,714)
RE Managed Budgets	1,144	-	1,144	244	-	244
CSG Managed Budgets	6,446	-	6,446	1,787	-	1,787
Inflation				483	-	483
Increase in Council Tax / Business Rates				-	(4,877)	(4,877)
Development Opportunities				-	(1,000)	(1,000)
	18,140	(10,964)	7,176	11,764	(16,841)	(5,077)