



## Housing Committee

10 October 2018

<b>Title</b>	<b>Quarter 1 2018/19 Housing Performance Report</b>
<b>Report of</b>	Councillor Gabriel Rozenberg – Committee Chairman
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
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### Summary

This report provides an update on the Theme Committee priorities in the Corporate Plan 2018/19 Addendum for **Quarter 1 (Q1) 2018/19**, including budget forecasts for revenue and capital, progress on activities, performance of key indicators and any high level risks.

### Officer Recommendations

1. The Committee is asked to review the financial, performance and risk information for Q1 2018/19 and make any referrals to Policy and Resources Committee or Financial Performance and Contracts Committee in accordance with the terms of reference of these Committees.

## 1. PURPOSE OF REPORT

### Introduction

- 1.1 The Housing Committee has responsibility for housing matters including housing strategy, homelessness, social housing and housing grants, and commissioning of environmental health functions for private sector housing. The priorities for the year ahead (see table 1) are set out in the Corporate Plan 2018/19 Addendum, which is available online at <https://www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance>
- 1.2 This report provides an update on these priorities for **Q1 2018/19**, including budget forecasts for revenue and capital, progress on activities, performance of key indicators and any high level risks.
- 1.3 This report is in addition to the Q1 2018/19 Strategic Performance Report to Policy and Resources Committee on 23 October 2018 and the Q1 2018/19 Contracts Performance Report to Financial Performance and Contracts Committee on 9 October 2018. These reports can be found on the committee section of the council's website at <https://barnet.moderngov.co.uk/ieDocHome.aspx?bcr=1>

**Table 1: Housing Committee priorities for 2018/19**

Priorities	Key activities
<b>Building compliance and fire safety</b>	<ul style="list-style-type: none"><li>• Implement the enhancements to tower block fire safety</li><li>• Ensure that commercial tenants understand their responsibilities in relation to keeping buildings safe</li></ul>
<b>Tackling homelessness</b>	<ul style="list-style-type: none"><li>• Explore the proposal to develop up to 200 units of factory-built temporary accommodation on N11 site</li><li>• Install the Qmatic appointment system to enable Housing Options to better manage demand by moving to an appointment-only service</li><li>• Create new referral pathways with partners to improve housing and support options for key customer cohorts</li></ul>
<b>Driving up the quality of the private rented sector</b>	<ul style="list-style-type: none"><li>• Implement the new policy for issuing Civil Penalties under the Housing and Planning Act 2016</li><li>• Review the dataset for HMOs in the borough to inform targeted enforcement action at non-licensed premises</li><li>• Monitor compliance by landlords with their licence conditions on a risk basis</li></ul>
<b>Providing suitable housing to support vulnerable people</b>	<ul style="list-style-type: none"><li>• Open the extra care scheme at Moreton Close (renamed Ansell Court)</li><li>• Deliver 330 homes for affordable rent by Open Door Homes, including 10% wheelchair accessible</li><li>• Build an additional two extra care housing schemes</li><li>• Implement the Severe Weather Emergency Protocol and the joint protocol with Onwards and Upwards</li></ul>

### Budget forecasts

- 1.4 The forecast **revenue outturn** (after reserve movements) for **Housing Needs and Resources** and the **Housing Revenue Account (HRA)** is set out in table 2.

**Table 2: Revenue forecast (Q1 2018/19)**

Service	Revised Budget	Q1 18/19 Forecast	Variance from Revised Budget Adv/(fav)	Reserve Move-ments	Q1 18/19 Forecast after reserve movemen ts	Variance after Reserve Move-ments Adv/(fav)	Variance after Reserve Move-ments Adv/(fav)
	£000	£000	£000	£000	£000	£000	%
Housing Needs and Resources (Barnet Homes)	6,859	6,872	13	0	6,872	13	0.2

Service	Revised Budget	Q1 18/19 Forecast	Variance from Revised Budget Adv/(fav)	Reserve Move-ments	Q1 18/19 Forecast after reserve movemen ts	Variance after Reserve Move-ments Adv/(fav)	Variance after Reserve Move-ments Adv/(fav)
	£000	£000	£000	£000	£000	£000	%
HRA Other Income and Expenditure	11	(152)	(163)	0	(152)	(163)	(1429.1)
HRA Regeneration	837	681	(156)	0	681	(156)	(18.6)
HRA Surplus/ Deficit for the year	(754)	(410)	343	0	(410)	343	(45.6)
Interest on Balances	(95)	(119)	(24)	0	(119)	(24)	25.6
Housing Revenue Account	0	0	0	0	0	0	0.0

- 1.5 The forecast **revenue outturn** (after reserve movements) for **Housing Needs and Resources** is £6.872m; a forecast overspend of £0.013m. The overspend reflects the ongoing cost pressures associated with the rising cost of temporary accommodation (TA) in the borough set against restrictions on rents that can be charged and remain eligible for housing benefit. Whilst current prevention activities and new affordable supply are projecting a long-term downward trend on the volume of households in TA, to sustain this, expenditure on preventative work has increased. This coupled with ongoing inflationary pressures, and the loss of affordable supply such as RSL leased and regeneration units means that although gross expenditure is decreasing, net expenditure remains high. Additional validation and assurance measures are in place to track and validate inputs into forecasting the overall homelessness budget pressure from period one, to include elements managed by all parties (The Barnet Group, Re and London Borough of Barnet) involved in managing homelessness expenditure. Mitigations in place include acquisition of affordable properties to replace temporary accommodation, additional Flexible Homelessness Support Grant and additional appropriate recharging of costs to the HRA.

The **HRA** has a forecast **revenue outturn** of £0.0m after a contribution of £0.410m from HRA balances. The net variation on **HRA Other Income and Expenditure** relates to additional rental income due to lower than expected stock loss to date, reduced housing management costs and reduced income from garage rentals and service charges. Whilst the net position on **HRA Regeneration** relates to income expected to be recovered from developer partners.

1.6 The projected **capital outturn** for **Housing Needs and Resources** is £69.631m (slippage of £2.793m) and for the **HRA** is £41.512m (slippage of £37.484m).

**Table 3: Capital forecast (Q1 2018/19)**

Service	18/19 Revised Budget	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Q1 18/19 Forecast	Forecast variance from Approved Budget	Forecast variance from Approved Budget
	£000	£000	£000	£000	£000	%
Empty Properties	2,843	0	0	2,843	0	0.0
Alexandra Road	0	0	0	0	0	0.0
Chilvins Court	60	0	(60)	0	(60)	(100.0)
Out of Borough Acquisition	7	0	(7)	0	(7)	(100.0)
Direct Acquisitions	10,000	0	(820)	9,180	(820)	(8.2)
Modular Homes	1,476	0	(1,176)	300	(1,176)	(79.7)
Open Door	53,913	0	0	53,913	0	0.0
Pinkham Way Land Release	1,500	0	0	1,500	0	0.0
Microsites	2,625	0	(730)	1,895	(730)	(27.8)
<b>Housing Needs and Resources (Barnet Homes)</b>	<b>72,424</b>	<b>0</b>	<b>(2,793)</b>	<b>69,631</b>	<b>(2,793)</b>	<b>(3.9)</b>

Service	18/19 Revised Budget	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Q1 18/19 Forecast	Forecast variance from Approved Budget	Forecast variance from Approved Budget
	£000	£000	£000	£000	£000	%
Major Works (excl. Granville Road)	5,496	0	174	5,670	174	3.2
Regeneration	1,366	0	(166)	1,200	(166)	(12.2)
Misc - Repairs	2,706	0	79	2,785	79	2.9
M&E/GAS	5,406	0	309	5,715	309	5.7
Voids and Lettings	3,677	0	(72)	3,605	(72)	(2.0)
Advanced Acquisitions (Regen Estates)	4,729	0	(4,454)	275	(4,454)	(94.2)
Moreton Close	5,914	0	0	5,914	0	0.0
Dollis Valley	5,107	0	(5,077)	30	(5,077)	(99.4)
Extra Care Pipeline	26,638	0	(26,588)	50	(26,588)	(99.8)
Burnt Oak Broadway Flats	1,435	0	(1,185)	250	(1,185)	(82.6)
Upper and Lower	1,669	0	0	1,669	0	0.0

Service	18/19 Revised Budget	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Q1 18/19 Forecast	Forecast variance from Approved Budget	Forecast variance from Approved Budget
	£000	£000	£000	£000	£000	%
Fosters Community Led Design						
Development Pipeline Stag House	1,435	0	(504)	931	(504)	(35.1)
HRA Fire Safety Programme	13,418	0	0	13,418	0	0.0
HRA (Barnet Homes)	78,996	0	(37,484)	41,512	(37,484)	(47.5)

- 1.7 The **Modular Homes** project is forecast to slip as a masterplan is needed in order for the project to proceed. The **Direct Acquisitions** and **Microsites** projects are being reprofiled and are also showing slippage as at Q1.

The largest element of the **HRA** reduction is the **Extra Care Pipeline** project. This scheme is projected to reach the first stage - scoping stage milestone - this financial year and the majority of the projected costs will be Barnet Homes' development fees of £0.042m. The remainder of the budget (£26.588m) will slip to future years. The vast majority of the budgets for **Dollis Valley** and **Burnt Oak Broadway Flats** (£10.716m in total) will also be carried forward to future years. The majority of the **Advanced Acquisitions** (Regeneration Estates) budget is not required and will be removed from the Capital Programme.

## Committee priorities

- 1.8 The update on Committee priorities includes performance and risk information as follows:
- Progress on activities
  - Performance of key indicators<sup>1</sup>
  - High level risks from the Corporate Risk Register<sup>2</sup>
  - Strategic issues/escalations related to Theme Committee.
- 1.9 An overall status for each of the Committee's priorities is shown in table 4. This reflects the Q1 2018/19 position on budget forecasts, progress on activities, performance of key indicators and any high level risks.

<sup>1</sup> New RAG rating reflects the percentage variance of the result against the target as follows: On target = **GREEN (G)**; Up to 9.9% off target = **AMBER (A)**; 10% or more off target = **RED (R)**. The Direction of Travel (DOT) status shows the percentage variation in the result since last year e.g. Improving (**↑ I**), Worsening (**↓ W**) or Same (**→ S**). The percentage variation is calculated as follows: Q1 18/19 result minus Q1 17/18 result equals difference; then difference divided by Q1 17/18 result multiplied by 100 = percentage variation.

<sup>2</sup> The Corporate Risk Register includes strategic risks (strategic and business critical risks) and high level (scoring 15 and above) service/joint risks (service and contract delivery risks). All risks are managed in line with the council's risk management framework. The risk registers are live documents and the Q1 2018/19 Corporate Risk Register provides a snapshot in time (as at end June 2018). All risk descriptions for the strategic and high level service/joint risks are available in Appendix A.

**Table 4: Overall status for priorities (Q1 2018/19)**

Housing Committee priorities	Overall status
Building compliance and fire safety	Green
Tackling homelessness	Red
Driving up the quality of the private rented sector	Amber
Providing suitable housing to support vulnerable people	Amber

### Building compliance and fire safety

1.10 The replacement of the cladding system to the three blocks at Granville Road is progressing well and is ahead of schedule. A report recommending delivery of desirable fire safety works to high rise blocks was agreed by the Housing Committee in June 2018. This brings the total amount earmarked for fire safety works to £30m; however, it is anticipated that £7m will be made available from the Government for expenditure related to cladding replacement. The works will include the installation of sprinkler systems for blocks of flats with 10 or more floors and a single escape stairwell and the installation of fire detection systems. Surveying and design works to support the delivery of this programme has commenced.

The delivery of the initial phase of high priority fire safety works has been completed to blocks on the Whitefield Estate and Grahame Park. Mobilisation for works at Silk House and Shoelands Court is in progress. Work has also commenced on the development of a programme of fire safety works for low and medium-rise flats and the outcome will be reported to Housing Committee in October 2018.

To ensure that commercial tenants understand their responsibilities in relation to keeping buildings safe, a plan has been drafted that identifies measures for reviewing the leases and evaluating the implementation of necessary actions. Letters will be sent to tenants when the leases have been reviewed advising them to respond within 14 working days to confirm whether they have completed the recommended works from the last fire risk assessment or that they will carry out the works within an approved period. If there is no response to the letter, and if the lease allows it, the council will seek permission to enter the property to inspect and possibly carry out outstanding works and recharge the tenant. If tenants deny access then legal advice on potentially gaining injunctions to facilitate access will be sought. Advice is being sought from the London Fire Brigade on whether they can contact tenants in higher risk properties and issue formal notices to complete any outstanding work.

1.11 There are two key indicators linked to this priority in the Corporate Plan. Both indicators have met the quarterly target.

Indicator	Polarity	17/18 EOY	18/19 Target	Q1 18/19			Q1 17/18	Benchmarking
				Target	Result	DOT	Result	
Scheduled fire risk assessment completed (council housing) on time	Bigger is Better	96.7%	100%	100%	100% (G)	New for Q3	New for Q3	No benchmark available
Priority 0 and 1 fire safety actions completed on time	Bigger is Better	100%	90%	90%	100% (G)	New for Q3	New for Q3	No benchmark available

1.12 There are no high level risks linked to this priority.



## Tackling homelessness

- 1.13 The Homelessness Reduction Act 2017 (the HR Act) has had a significant impact on the delivery of the statutory homelessness service, with an increase in the volume of calls and emergencies, particularly from single applicants. The new requirements of the HR Act, which are administratively burdensome, have impacted on the ability of officers to focus on preventions, resulting in a drop in performance in this area. Homelessness preventions have fallen by 52 to 197, compared with 249 last year. There is a risk that the amount of time taken to progress applications will not only impact on preventions but increase admissions to temporary accommodation and length of stays. Mitigations have been put in place to address this with additional agency staff recruited by Barnet Homes. Other London Authorities have also reported a fall in preventions and an impact on staff morale. This has been fed back to the Ministry for Housing Communities and Local Government and they have agreed to visit the frontline service.

A Qmatic appointment system has been installed to enable Housing Options to better manage demand by moving to an appointment-only service. Without this the pressures of the HR Act would have had a far greater impact particularly around waiting times. Work is underway to improve referral pathways with partners ahead of the implementation of the duty to refer, which comes into force in October 2018.

There has been a continued focus on improving supply through the private rented sector and acquisitions. 87 'out of London' properties were procured through phases 1 and 2 of the acquisitions programme; phase 3 is underway with two completions, 45 legal instructions and over 30 more in the pipeline. In respect of the modular housing proposal for 200 units at the Pinkham Way site, a planning brief has been prepared in advance of formal competition to select a preferred partner developer.

- 1.14 There are ten indicators linked to this priority in the Corporate Plan; and **new homes completed** (linked to another priority for ARG Committee) has been included for information. The **new homes completed** and **affordable housing completions** are 'Monitor only' indicators for the quarter; both have worsened since last year. Of the remaining nine indicators, one is monitored annually and will be reported later in the year; four have met the quarterly target; and three have not met the quarterly target.
- **New homes completed** - the London Plan annual target for Barnet is 2349 and Barnet has projected that 3100 new homes will be completed in 2018/19. Surveys are undertaken in July/August of each year to confirm the number of completions in the preceding year, whereby progress on all outstanding planning consents is undertaken. The Q1 completions (65) is based on Building Control records and does not take into account records of Approved Inspectors (private building control companies) or allow for a time-lapse in properties being completed and paperwork being recorded. New homes will only be counted as completed where a phase or the total development is completed, which means a number of completed new homes may not be counted until the wider scheme is at completion stage. The number of housing completions is also dependent on the number of schemes granted planning permission. In 2017/18, 3109 new homes recommended by officers for approval were refused by Planning Committee or the Mayor of London.
  - **Affordable housing completions** - 10 affordable houses were completed in Q1 compared with 68 last year. The target of 294 is expected to be achieved by year-end.
  - **Homelessness preventions (RAG rated RED)** – 197 against a target of 276. The Homelessness Reduction Act has impacted on staff capacity to deliver on casework, which

has reduced prevention outcomes. Barnet Homes have put in place interventions to increase the capacity for casework, including recruiting additional agency staff; streamlining administrative processes in Jigsaw; and opening up a customer portal for engagement in Jigsaw.

- **Emergency Temporary Accommodation (RAG rated RED)** – 312 against a target of 200. The number of households in Emergency Temporary Accommodation (ETA) has continued the same trend as the last three quarters due to a sustained lack of affordable supply of longer-term accommodation, providers requesting units be handed back at lease end and the Barnet Homes compliance programme ending lease arrangements. These challenges should be recognised in the context of the new Homelessness Reduction Act requirements introduced in April 2018, which have created increased levels of demand throughout Q1 with a significant increase in approaches from single applicants. However, despite the current ETA picture, the total number of households in temporary accommodation has reduced to 2608 in Q1 compared with 2692 in Q1 last year.
- **Current arrears as a percentage of debit (RAG rated AMBER)** – 3.4% against a target of 3.3%. This equates £117k of a £57.5m annual debit. Despite the challenges of the Universal Credit Full Service being implemented during Q1 and reducing Housing Benefit receipts, positive progress has been made with arrears levels reducing in real terms compared to last year. Improvement initiatives have begun to take effect evidenced by improved performance of the Income Team contact centre which answered 96.8% of calls in June 2018, along with a reduction of high level debt cases.

Indicator	Polarity	17/18 EOY	18/19 Target	Q1 18/19			Q1 17/18	Benchmarking
				Target	Result	DOT	Result	
New homes completed	Bigger is Better	1,183 <sup>3</sup>	3100	Monitor	65	↓ W -73%	241	No benchmark available
Affordable housing completions	Bigger is Better	303 <sup>4</sup>	294	Monitor	10	↓ W -85%	68	No benchmark available
Average re-let time for routine lettings (days)	Smaller is Better	10.7	12	14.5	14.2 (G)	↑ I -4.7%	14.8	Rank 1 (out of 7 London Boroughs) (Q4 17/18, Housemark)
Respondents very or fairly satisfied with repairs and maintenance	Bigger is Better	98.7%	96%	96%	98.6% (G)	↓ W -0.9%	99.5%	Rank 1 (out of 5 London Boroughs) (Q4 17/18, Housemark)
Homelessness preventions	Bigger is Better	1,140	1110	276	197 (R)	↓ W -20%	249	Rank 9 (out of 22 London Boroughs (2017,18, DCLG)

<sup>3</sup> This is a provisional result (1,183) as at March 2018. Further information on completions will be added to the GLA database over the summer; and the final result will be published in the GLA Annual Monitoring Report in May 2019.

<sup>4</sup> This is a provisional result (303) as at March 2018. The final result will be published in the GLA Annual Monitoring Report in May 2019.



Indicator	Polarity	17/18 EOY	18/19 Target	Q1 18/19			Q1 17/18	Benchmarking
				Target	Result	DOT	Result	
Households in Temporary Accommodation	Smaller is Better	2,579	2600	2700	2608 (G)	↑ I +3.1 %	2692	Rank 29 (out of 32) (Q4 17/18, DCLG)
Families with Children in Temporary Accommodation	Smaller is Better	62.9%	Monitor	Monitor	61.8%	↑ I +5%	65.1%	No benchmark available
Households placed directly into the private sector by Barnet Homes	Bigger is Better	644	625	156	164 (G)	↑ I +10%	149	No benchmark available
Emergency Temporary Accommodation	Smaller is Better	244	200	200 <sup>5</sup>	312 (R)	↓ W +109 %	149	Rank 12 (out of 33 London Boroughs) (Q4 17/18, DCLG)
Current arrears as a percentage of debit	Smaller is Better	3.3%	3.1%	3.3%	3.4% (A)	↓ W +6.2 %	3.2%	Rank 1 (out of 7 London Boroughs) (Q4 17/18, Housemark)

1.15 There are no high level risks linked to this priority.

### Driving up the quality of the private rented sector

1.16 Housing Enforcement Officers have been trained to serve Fixed Penalty Notices (FPNs) under the Housing and Planning Act 2016, with the first two FPNs issued in July 2018. A further four intentions were issued and four cases were reviewed prior to making a decision on whether a FPN should be served.

Targeted enforcement action has been taken against non-licensed HMOs, with three successful cases taken against five landlords and associated companies for failure to license and manage their properties. The cases dealt with eighteen offences and £32,000 fines were granted plus £11,167 costs and £510 victim surcharge. Further cases are with HB Public Law for prosecution for failure to licence. A review is being undertaken with CAFT to obtain better data for targeted HMO enforcement action. The approach will be piloted in Burnt Oak and a week of action visiting properties thought to be unlicensed is planned for September 2018.

Compliance with HMO conditions are reviewed on a monthly basis and revisits/follow-up are prioritised to ensure that mandatory HMO licensed premises requiring major works or properties with Category 1 hazards identified under the Housing Act 2004 are inspected before lower risk premises. At the end of June 2018 64% of mandatory HMOs requiring major works had completed them. With the extension of the definition of mandatory HMOs in October 2018 to cover certain lower risk premises a revised coding system has been put in place on the data management system to ensure that the higher risk premises are still picked up as a priority over lower risk ones.

<sup>5</sup> The target is 200 at any point in time due to the supply of accommodation and demand availability.

- 1.17 There are four indicators linked to this priority in the Corporate Plan. Two are annual indicators and will be reported later in the year. Two indicators are 'Monitor only' for Q1. Both have worsened from last year.
- **Empty properties brought back into residential use** – 37 empty properties were brought back into residential use compared with 40 last year. This reduction is not considered to be significant and the service is on track to meet the end of year target.
  - **Private tenanted properties with Category 1 hazards reduced to Category 2 hazards** - 23 private tenanted properties compared with 44 last year. Fewer service requests and Category 1 hazards were received in Q1. In addition to the 23 Category 1 hazards reduced to Category 2 hazards, other enforcement tools have been used to protect the safety of tenants, including Prohibition Orders and Fixed Penalty Notices. A Hazard Awareness Notice was also served where Category 1 hazards were present but the occupying tenant did not want the necessary work completed.

Indicator	Polarity	17/18 EOY	18/19 Target	Q1 18/19			Q1 17/18	Benchmarking
				Target	Result	DOT	Result	
Empty properties brought back into residential use	Bigger is Better	224	100	Monitor	37	↓ W -7.5%	40	No benchmark available
Private tenanted properties with Category 1 hazards reduced to Category 2 hazards	Bigger is Better	170	165	Monitor	23	↓ W -48%	44	No benchmark available

- 1.18 There are no high level risks linked to this priority.

### Providing suitable housing to support vulnerable people

- 1.19 The new extra care scheme at Moreton Close (renamed Ansell Court) remains on track for completion in December 2018, with the handover taking place in January 2019. This will deliver 53 extra care homes for letting with an emphasis on dementia.

The first completions from the Open Door Homes programme are due in September 2018, which will deliver the first three wheelchair accessible homes with the completion of Elmshurst Crescent garage site.

- 1.20 There is one indicator linked to this priority in the Corporate Plan. This is a 'Monitor only' indicator for the quarter. No wheelchair or accessible units are expected to be delivered until September 2018.

Indicator	Polarity	17/18 EOY	18/19 Target	Q1 18/19			Q1 17/18	Benchmarking
				Target	Result	DOT	Result	
Delivery of 10% affordable homes as wheelchair or accessible units <sup>6</sup>	Bigger is Better	0% <sup>7</sup>	10%	Monitor	0 units	→ S	0 units	No benchmark available

<sup>6</sup> 330 homes are being delivered for affordable rent by Open Door Homes, including 10% wheelchair or accessible units.

<sup>7</sup> No wheelchair or accessible units were completed in 2017/18.

1.21 There are no high level risks linked to this priority.

#### **Strategic issues/escalations**

1.22 There are no strategic issues/escalations for P&R Committee.

## **2 REASONS FOR RECOMMENDATIONS**

- 2.1 These recommendations are to provide the Committee with relevant financial, performance and risk information in relation to the priorities in the Corporate Plan 2018/19 Addendum. This paper enables the council to meet the budget agreed by Council on 6 March 2018.

## **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 Q1, including budget forecasts for revenue and capital, progress on activities, performance of key indicators and any high level risks.
- 5.1.2 The Q1 2018/19 results for all Corporate Plan indicators are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>
- 5.1.3 Robust budget, performance and risk monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of council priorities and targets as set out in the Corporate Plan.
- 5.1.4 Relevant council strategies and policies include the following:
- Corporate Plan 2015-2020
  - Corporate Plan - 2016/17, 2017/18 and 2018/19 Addendums
  - Medium Term Financial Strategy
  - Performance and Risk Management Frameworks.
- 5.1.5 The priorities of the council are aligned to the delivery of the Health and Wellbeing Strategy.

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

- 5.2.1 The budget forecasts are included in paragraphs 1.4 to 1.7 above. More detailed information on financial performance will be provided to Financial Performance and Contracts Committee.

### **5.3 Social Value**

- 5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. The council's contract management framework oversees that contracts deliver the expected services to the expected quality for the agreed cost. Requirements for a contractor to deliver activities in line with Social

Value will be monitored through this contract management process.

## 5.4 Legal and Constitutional References

- 5.4.1 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.
- 5.4.2 Section 28 of the Local Government Act 2003 (the LG 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 LG Act.
- 5.4.3 The Council’s Constitution (Article 7, Article 7 – Committees, Forums, Working Groups and Partnerships) sets out the responsibilities of all council Committees. The responsibilities of the Housing Committee include:
- (1) Responsibility for housing matters including housing strategy, homelessness, social housing and housing grants, commissioning of environmental health functions for private sector housing.
  - (2) To submit to the Policy and Resources Committee proposals relating to the Committee’s budget for the following year in accordance with the budget timetable.
  - (3) To make recommendations to Policy and Resources Committee on issues relating to the budget for the Committee, including virements or underspends and overspends on the budget. No decisions which result in amendments to the agreed budget may be made by the Committee unless and until the amendment has been agreed by Policy and Resources Committee.
  - (4) To receive reports on relevant performance information and risk on the services under the remit of the Committee.
- 5.4.4 The council’s Financial Regulations can be found at:  
<https://barnet.moderngov.co.uk/documents/s47388/17FinancialRegulations.doc.pdf>
- 5.4.5 Section 2.4.3 states that 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 and including £250,000 must be approved by the Chief Finance 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 approved bottom line are approved by the Service Director
Virements between services (excluding contingency allocations) up to and including a value of £50,000 must be approved by the relevant Chief Officers
Virements between services (excluding contingency allocations) over £50,000 and up to and including £250,000 must be approved by the relevant 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.

## **5.5 Risk Management**

- 5.5.1 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.
- 5.5.2 The revised forecast level of balances needs to be considered in light of the risk identified in 5.5.1 above.

## **5.6 Equalities and Diversity**

- 5.6.1 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.
- 5.6.2 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.
- 5.6.3 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.

- 5.6.4 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.
- 5.6.5 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](http://www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity)

## **5.7 Corporate Parenting**

- 5.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

## **5.8 Consultation and Engagement**

- 5.8.1 During the process of formulating budget and Corporate Plan proposals for 2015-2020 onwards, four phases of consultation took place:

Phase	Date	Summary
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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 <sup>8</sup> of council services. An online survey (17 December 2014 – 11 February 2015)

## 5.9 Insight

- 5.9.1 The report identifies key budget, performance and risk information in relation to the Corporate Plan 2018/19 Addendum.

## 6 BACKGROUND PAPERS

- 6.1 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>
- 6.2 Council, 14 April 2015 (Decision item 13.3) – approved Corporate Plan 2015-2020.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7820&Ver=4>
- 6.3 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>
- 6.4 Council, 7 March 2017 – approved 2017/18 addendum to Corporate Plan.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8819&Ver=4>
- 6.5 Council, 6 March 2018 – approved 2018/19 addendum to Corporate Plan  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=9162&Ver=4>

<sup>8</sup> 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.