



## Assets, Regeneration and Growth Committee

16 September 2019

<b>Title</b>	<b>Quarter 1 (Q1) 2019/20 Delivery Plan Performance Report</b>
<b>Report of</b>	Councillor Richard Cornelius – Chairman of Committee
<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 a thematic overview of performance for Quarter 1 (Q1) 2019/20 focusing on the budget forecasts and activities to deliver both corporate and committee priorities in the ARG Committee Annual Delivery Plan.

### Officer Recommendations

- 1. The Committee is asked to review the budget, performance and risk information for Q1 2019/20 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. INTRODUCTION

- 1.1 The Assets, Regeneration and Growth (ARG) Committee has responsibility for regeneration strategy and overseeing major regeneration schemes, asset management, employment strategy, business support and engagement.
- 1.2 This report provides a **thematic overview of performance** for **Q1 2019/20** focusing on the budget forecasts and activities to deliver the **priorities** in the **ARG Committee Annual Delivery Plan**, which can be found online at:  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9484&Ver=4>

## 2. BUDGET FORECASTS

- 2.1 The **Revenue Forecast** (after reserve movements) for Re Guaranteed Income and Management Fee is set out in table 1. The Re Managed Budget has been reported to Environment Committee.

**Table 1: Revenue Forecast (Q1 2019/20)**

Service	Revised Budget	Q1 19/20 Forecast	Variance from Revised Budget Adv/(fav)	Reserve Movements	Q1 19/20 Forecast after Reserve Movements	Variance after Reserve Movements Adv/(fav)
	£000	£000	£000	£000	£000	£000
Guaranteed Income	(15,469)	(16,287)	(818)	0	(16,287)	(818)
Management Fee	17,467	19,467	2,000	(1,000)	0	1,000

*\*Excludes Re managed Budget, which has been reported to Environment Committee*

- 2.2 The net variance of £0.818m for Guaranteed Income relates to expenditure which falls to the council for void properties, the difference in income from developers that was allowed against Re's contractual target and additional income of £1million for the deferral of the Guaranteed Income from 2017/18 to the current year. Subject to Policy and Resources Committee approval in October 2019, it is proposed that £1m be transferred from reserves for the net impact of the deferral of the management fee (£2m) and guaranteed income (£1m) from 2017/18.

- 2.3 The **Capital Forecast** for Re (Regeneration) is **£288.749m** (see table 2).

**Table 2: Capital Forecast (Q1 2019/20)**

Service	19/20 Revised Budget	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Q1 19/20 Forecast	Forecast variance from Approved Budget
	£000	£000	£000	£000	£000
BXC - Funding for Land Acquisition	16,918	0	0	16,198	0
Colindale – Highways and Transport	6,062	0	(2,762)	3,330	(2,762)
Colindale – Parks, Open Spaces and	4,500	0	0	4,500	0

Service	19/20 Revised Budget	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	Q1 19/20 Forecast	Forecast variance from Approved Budget
	£000	£000	£000	£000	£000
Sports					
Colindale and Rushgrove Parks	903	0	(103)	800	(103)
Colindale Station Works	11,000	0	1,300	12,300	1,300
Grahame Park – Community Facilities	2,013	0	(1,973)	40	(1,973)
Town Centre	2,374	0	(2,263)	111	(2,263)
Thameslink Station	212,287	0	0	212,287	0
Brent Cross Critical Infrastructure	12,200	0	0	12,200	0
Development Pipeline	13	(13)	0	0	(13)
Strategic Infrastructure Fund	23,000	0	0	23,000	0
Disabled Facilities Grants Programme	1,899	0	643	2,542	643
Refurbish and regenerate Hendon Cemetery and Crematorium	1,435	0	0	1,435	0
Hendon Cemetery & Crematorium Enhancement	32	0	0	32	0
Decent Homes Programme	224	0	(224)	0	(244)
DECC - Fuel Poverty	4	0	0	4	0
<b>Re (Regeneration)</b>	<b>294,144</b>	<b>(13)</b>	<b>(5,382)</b>	<b>288,749</b>	<b>(5,395)</b>

2.4 The **Re (Regeneration)** capital programme is forecasting a slippage of £5.395m. The Colindale - Highways and Transport (£2,762m) slippage is dependent on the completion of Colindale Station; Grahame Park Community Facilities (£1.973m) slippage results from a new programme having to be developed; and Town Centre (£2.263m) slippage is the result of re-profiling to tailor resources to support the project. Colindale Station Works (£1.300m) acceleration reflects payments expected to be made in line with the funding agreement and award of contract.

### 3. SAVINGS

3.1 The total amount of **savings** identified for ARG Committee in 2019/20 is **£1.064m**. This is shown in table 3.

**Table 3: Savings forecast delivery (Q1 2019/20)**

Ref	Service area	Description of Savings	Savings for 19/20	Q1 19/20 Forecast	Comment
ARG1	Estates	Exiting NLBP2 lease at lease termination (part year benefit in 20/21 ramping up to full benefit in 21/22)			Not applicable for 19/20 but planning is underway to cleanly exit NLBP2 in mid-2020
ARG2	Estates	Moving from rented accommodation to new offices in Colindale will generate savings. In addition, further savings could be generated by utilising other assets more efficiently	(250)	(100)	Savings from partially exiting NLBP and Barnet House (reduced utilities etc.) have been re-estimated, taking into account delays to moving Housing Options and Family Services to Colindale, which is now not expected to take place until early 2020
<b>Total</b>			<b>(250)</b>	<b>(100)</b>	
ARG3	Growth and Development	Regeneration and development schemes across the borough are projecting an increase in Council Tax over the MTFS. This increase is above current baseline projections and can therefore be used to reduce savings targets for other theme committees	(657)	(657)	Updated Council Tax property data is submitted to MHCLG in October, the comprehensive annual review will inform an understanding of progress against this saving. Forecasts were anticipating a shortfall compared with the MTFS and a clearer picture should emerge in November 2019
ARG4	Estates	Income to be generated through leasing out surplus buildings / space across the portfolio	(150)	(150)	Good progress has been made identifying new tenants for vacant space in assets. Actual additional income is low at this point, whilst leases are finalised, but the project is on-track to deliver all savings by the end of the financial year
ARG5	Estates	Income from renting out spare space within building on an ad-hoc basis i.e. room hire	(7)	(40)	Excellent progress has been made and the target figure has already been exceeded. Further income is expected as the year progresses
ARG6	Estates	Lease for modular build			Not applicable for 19/20 but opportunities are being investigated as part of the Development & Disposals workstream
ARG7	Estates	Increased ground rent from potential development (Bunn's Lane & Hendon Campus)			Not applicable for 19/20 but work is well underway to substantiate initial plans for the development of Hendon, Bunn's Lane and other sites

Ref	Service area	Description of Savings	Savings for 19/20	Q1 19/20 Forecast	Comment
ARG8	Estates	Commercial property acquisitions for improved place shaping and to meet other strategic in-borough objectives, resulting in incidental income. (estimate based on £50m capital investment)			Not applicable in 19/20 but potential acquisitions have been identified and a property investment strategy drafted to support a programme of acquisitions over time
<b>Total</b>			<b>(814)</b>	<b>(847)</b>	
<b>Overall Savings</b>			<b>(1,064)</b>	<b>(947)</b>	

#### 4. PRIORITIES

4.1 This section provides an update on the Committee's priorities as follows:

- A summary of progress on Actions<sup>1</sup> to deliver the priority
- Performance of Key Performance Indicators (KPIs)<sup>2</sup>
- Risks to delivering the actions and priority
- High (15 to 25) level risks from the Corporate Risk Register<sup>3</sup>

4.2 The Q1 performance for each of the Committee's priorities is shown in table 4. This reflects the *overall performance on Actions, KPIs and Risks*<sup>4</sup> for each priority.

**Table 4: Priorities for ARG Committee**

Section	Corporate Priority	Q1 Overall Performance
5.	Responsible delivery of major regeneration schemes	Good
6.	Investing in community facilities	Satisfactory
7.	Helping people into work and better paid employment	Satisfactory
8.	Supporting local businesses to thrive	Good
9.	Efficient and cost-effective asset management	Satisfactory

<sup>1</sup> A Summary of the Actions is provided for each priority. These are RAG rated as follows: Complete or Good progress = GREEN (where no Actions RAG rated RED); Satisfactory progress = AMBER (where no more than one Action RAG rated RED) or Limited progress = RED (where two or more Actions RAG rated RED).

<sup>2</sup> KPI 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 19/20 result minus Q1 18/19 result equals difference; then difference divided by Q1 18/19 result multiplied by 100 = percentage variation. Any results not for Q1 19/20 are illustrated by (s) snapshot at end of year or (r) rolling 12 months.

<sup>3</sup> The Corporate Risk Register includes strategic risks (strategic and business critical risks) and high (15 to 25) 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 19/20 Corporate Risk Register provides a snapshot in time (as at end June 2019). The risk ratings are: Low = 1 to 3 (GREEN); Medium/Low = 4 to 6 (YELLOW); Medium/High = 8 to 12 (AMBER); and High = 15 to 25 (RED).

<sup>4</sup> The Overall Performance reflects Actions, KPIs and Risks as follows: Complete or Good progress = GREEN (where no Actions or KPIs RAG rated RED and no more than one high level risk); Satisfactory progress = AMBER (where no more than one Action or KPIs RAG rated RED and/or no more than two high level risks) or Limited progress = RED (where two or more Actions or KPIs RAG rated RED and/or more than two high level risks).

5. Responsible delivery of major regeneration schemes	Q1 Overall Performance
	Good

**5.1 Summary of Actions** Good progress

- 5.1.1 The draft Growth Strategy was approved for consultation by ARG Committee on 13 June 2019 and the final version will be submitted in November 2019.
- 5.1.2 Progress has been made across the regeneration programme. Highlights include the approval of the Outline Business Case for Upper and Lower Fosters by ARG Committee on 13 June 2019 and submission of the planning application in May 2019. Phase 3b of the regeneration scheme at West Hendon completed in June 2019. This has delivered 207 homes, of which 101 are affordable.
- 5.1.3 Q1 saw another big step forward for the Brent Cross Cricklewood programme, with the Infrastructure Re-phasing application and update to the Indicative Construction Programme approved at Planning Committee on 24 June 2019. This approval creates a separate phase within the wider planning permission that allows the council and Brent Cross South to proceed ahead of the Brent Cross North development. Physical works on the Brent Cross Thameslink programme have progressed with delivery of the pre-fabricated facility buildings for the Train Operating Company (TOC) successfully completed despite challenging weather conditions. The procurement of the Brent Cross West station contractor has progressed and the initial tender submissions have been evaluated. The final stages of negotiation with the three preferred bidders is proceeding.

**5.2 KPIs**

- 5.2.1 There is one KPI for this priority, which monitors delivery of the regeneration programme. This has achieved target for Q1, with one milestone being delivered earlier than expected.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19	Benchmarking
				Target	Result	DOT	Result	
Delivery of regeneration projects	Bigger is Better	90%	90%	90%	117% (G)	↑   +17%	100%	No benchmark available

**5.3 Risks**

- 5.3.1 There are two risks to delivery of the actions for this priority. Both have been assessed at a medium/high (8 to 12) level and have controls/mitigations in place to manage the risks.
  - **G&CS029 - Community facilities stakeholder relationship schemes (risk score 9).** Stakeholder engagement plans are being developed to mitigate the risk of opposition to regeneration schemes which could result in delays.
  - **G&CS030 - Market conditions (risk score 12).** Market conditions are being regularly monitored to mitigate the risk of impact on the viability of regeneration schemes and delays to housing delivery should market uncertainty grow.
- 5.3.2 In addition to the risks in the Annual Delivery Plan, there was a *strategic risk* linked to this priority that was scored at a high (15 to 25) level in Q1.

- **STR08 - Major regeneration schemes (risk score 15).** This was a new risk, identified as part of the refresh of the strategic risk register in June 2019, and relates to the potential failure to effectively manage the major regeneration schemes such as Brent Cross. Governance arrangements and controls are in place to regularly review the viability and delivery of the regeneration schemes.

6. Investing in community facilities	Q1 Overall Performance
	Satisfactory

### 6.1 Summary of Actions Satisfactory progress

- 6.1.1 As above, the draft Growth Strategy was approved for consultation by ARG Committee on 13 June 2019 and the final version will be submitted in November 2019. The strategy encompasses infrastructure, including community facilities, to support new housing developments. Community facilities will be delivered on a scheme by scheme basis, as part of the regeneration programme. Development of the council's Infrastructure Delivery Plan is also underway.
- 6.1.2 An engagement plan is being developed in partnership with Argent Related for the delivery of schools, community facilities, leisure and improved parks as part of the Brent Cross South business plan.

### 6.2 KPIs

- 6.2.1 There are no KPIs for this priority.

### 6.3 Risks

- 6.3.1 There are two risks to delivery of the actions for this priority. These have been assessed at a medium/low (4 to 6) and medium/high (8 to 12) level and have controls/mitigations in place to manage the risks.
- **G&CS027 - Community facility sustainability (risk score 9).** This risk is about the long-term financial viability of newly constructed community facilities. Proposals are marked against the council's project management toolkit and any actions taken are determined on a case by case basis.
  - **G&CS028 – Community facilities stakeholder relationship (risk score 6).** This risk is also about the long-term financial viability of newly constructed community facilities. Engagement plans are being developed for each scheme to ensure communities are engaged throughout the lifetime of the schemes.

7. Helping people into work and better paid employment	Q1 Overall Performance
	Satisfactory

### 7.1 Summary of Actions Satisfactory progress

- 7.1.1 Active employment schemes have continued to support residents to find work on Barnet's regeneration estates, including Dollis Valley, West Hendon and Grahame Park.
- 7.1.2 Progress has been made to reduce levels of NEET (Not in Education, Employment or Training) and ensure Barnet's residents have access to employment and training.

- 7.1.3 The council is working to develop a new project with Cambridge Education to offer ‘Access for All’ routes into construction and funding for the project has been confirmed.
- 7.1.4 Work has continued with development partners to secure apprenticeships and training opportunities through development. This includes preparatory work for the Brent Cross Cricklewood programme employment and skills delivery.
- 7.1.5 Employment and training support was provided to council tenants by Barnet Homes through the Community Engagement and Floating Support services. In Q1, four people were helped into work.
- 7.1.6 Barnet Homes also leads on managing BOOST, which provides community-based help for Barnet residents from bases at Burnt Oak Library and 184 Cricklewood Lane or via outreach at libraries. In Q1, the service supported 52 people into work (14 of whom were under 25).
- 7.1.7 The Welfare Reform Task Force led by Barnet Homes engages with residents and provides support to help them manage the Benefit Cap and transition to Universal Credit. In Q1, 54 clients moved off the Benefit Cap as a result of finding work.
- 7.1.8 More detailed actions will be agreed by ARG Committee in November 2019, as part of the Growth Strategy Delivery Plan, to help people into work and better paid employment.

## 7.2 KPIs

- 7.2.1 There is one KPI for this priority, which monitors the local unemployment rate. The latest figures show Barnet’s unemployment rate at 4.8%, which is higher than last year (4.3%). Barnet’s figure is lower than the London average (4.9%) but higher than the national average (4.1%).

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19	Benchmarking
				Target	Result	DOT	Result	
Unemployment (of people on out of work benefits) (r)	Smaller is Better	4.7% (Jan - Dec 18)	Monitor	Monitor	4.8% <sup>5</sup>	↓ W +11%	4.3% <sup>6</sup>	London 4.9%, National 4.1% (Apr 18 – Mar 19, NOMIS)

## 7.3 Risks

- 7.3.1 There are two risks to delivery of the actions for this priority. Both have been assessed at a medium/high (8 to 12) level and have controls/mitigations in place to manage the risks.
- **G&CS031 - Team resource/capacity to deliver employment schemes (risk score 9).** To manage the risk to employment schemes from a lack of resources, residents’ needs are being prioritised to ensure that those furthest from employment remain the focus of scarce resources.
  - **G&CS032 - Economic uncertainty impact on training and apprenticeship (risk score 12).** To manage the risk to training and apprenticeship opportunities from an economic downturn, discussions have taken place with Argent Related regarding resources for

<sup>5</sup> Rolling 12 months to March 2019

<sup>6</sup> Rolling 12 months to March 2018

employment and skills co-ordination on the Brent Cross development, as well as other employment opportunities such as the BOOST project.

8. Supporting local businesses to thrive	Q1 Overall Performance
	Good

## 8.1 Summary of Actions Good progress

- 8.1.1 Local businesses have continued to be supported through construction contracts that form part of the regeneration programmes, with specific activities targeted at Brent Cross.
- 8.1.2 To support the sustainability of town centres and improvements to the public realm, the council has continued to offer support to the established Town Teams in main town centres: Chipping Barnet, Edgware and Cricklewood. In addition, the council has maintained support for Chipping Barnet pavement build-out to improve the public realm; continued the revitalisation of North Finchley through the development programme; and is progressing improvements at West Hendon Broadway.
- 8.1.3 The Colindale Business Engagement project supported the council's move to the area, with a 'Welcome to Colindale' flyer shared with all staff which showcased over 30 local businesses.
- 8.1.4 To facilitate the provision of appropriate and affordable workspace for small and micro businesses, the council is identifying suitable assets for workspace and is seeking to influence development to bring forward additional capacity.
- 8.1.5 Actions to deliver specialist support to entrepreneurs and business start-ups are on track for November 2019, and form part of a three-year programme of business school support.

## 8.2 KPIs

- 8.2.1 There are two KPIs for this priority, which monitor the health of the local economy through the business survival rate and vacant high street properties. These are both annual indicators and will be reported in Q4.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19	Benchmarking
				Target	Result	DOT	Result	
Business survival rate (Annual)	Bigger is Better	63.6% (-3.0% pts <sup>7</sup> (R))	5%pts more than comparable boroughs	5%pts more than comparable boroughs	Due Q4 19/20	N/A	Annual	Comparable boroughs 73.7% (-1.5%pts) (2018, ONS)

<sup>7</sup> This indicator compares Barnet's rate of improvement (from a 2011 baseline) with comparable boroughs (Brent, Bromley, Harrow, Havering). The comparable boroughs business survival rate of 73.7% represents a 1.5%pts decline on their 2011 baseline position (75.2%). Barnet's business survival rate of 63.6% represents a 3.0%pts decline on its 2011 baseline (66.6%). The target was for Barnet to be 5%pts better than the comparable boroughs %pts position (2011 to 2018), so Barnet needed to achieve a 3.5%pts increase of the 2011 baseline – the equivalent of 69.5% business survival rate in 2018.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19	Benchmarking
				Target	Result	DOT	Result	
Vacant High Street Properties (Annual)	Smaller is Better	5.9% (-7.5%pts) <sup>8</sup> (A)	2.5%pts more than comparable boroughs	2.5%pts more than comparable boroughs	Due Q4 19/20	N/A	Annual	Comparable boroughs 6.8% (-5.9%pts) (2018, Experian)

### 8.3 Risks

8.3.1 There are three risks to delivery of the actions for this priority. These have been assessed at a low (1 to 3); medium/low (4 to 6) and medium/high (8 to 12) level and have controls/mitigations in place to manage the risks.

- **G&CS044 - Colindale business engagement (risk score 6).** The risk on planned business engagement from a delay in the council's office move to Colindale has not materialised and will be closed in Q2.
- **G&C033 – Flexible workspace delivery (risk score 12).** To manage the risk of delay to the delivery of business, enterprise and employment schemes suitable workspace not be identified for the Business, Employment and Skills team, work has been ongoing with the Estates team to identify workspace sites and locations.
- **G&CS034 – Co-ordinating business support activities (risk score 2).** To minimise the risk of delay to business support activities due to ineffective engagement of partners, an officer will be focused on partner engagement.

9. Efficient and cost-effective asset management	Q1 Overall Performance
	Satisfactory

### 9.1 Summary of Actions Satisfactory progress

9.1.1 Meetings are held regularly with Property Services to discuss the voids and vacant properties to seek updates on their status and to ensure that all are valued and marketed. There are some properties on the list that are currently unable to be let due to concerns over the condition, or because of redevelopment plans, but all that are viable have instructions to be re-let as soon as possible. The team also works on portfolio rationalisation, which involves identifying properties that are underutilised in order to assess the possibility of sharing with other users or allowing other users to use the space whilst it is unused. There is scope to improve the performance of the commercial (investment) estate, which will be investigated over Q2 and Q3.

### 9.2 KPIs

9.2.1 There is one KPI for this priority, which monitors income for assets. This is a bi-annual KPI and will be reported in Q2 and Q4.

<sup>8</sup> This indicator compares Barnet's rate of improvement (from a 2011 baseline) with comparable boroughs (Croydon, Havering and Hounslow). The comparable boroughs vacancy rate of 6.8% represents a 5.9%pts improvement on the 2011 baseline position (12.6%). Barnet's vacancy rate of 5.9% represents a 7.5%pts improvement on its 2011 baseline (13.3%). The target was for Barnet to be 2.5%pts better than the comparable boroughs %pts position (2011 to 2018), so Barnet needed to achieve an 8.4%pts decrease on the 2011 baseline – the equivalent of 4.9% vacancy rate in 2018.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19	Benchmarking
				Target	Result	DOT	Result	
Income for specific assets	Bigger is Better	New for 19/20	£157k	Due in Q2 19/20	Due in Q2 19/20	New for 19/20	New for 19/20	No benchmark available

### 9.3 Risks

9.3.1 There is one risk to delivery of the actions for this priority. This has been assessed at a medium/high (8 to 12) level and has controls/mitigations in place to manage the risks.

- **G&C035 - Income from the Estate (risk score 12).** This risk relates to income from the estate not being realised to its maximum potential. The MTFs identified opportunities to generate new income; and Property Services is focused on filling voids and vacant sites, as well as undertaking rent reviews and lease renewals.

## **10 REASONS FOR RECOMMENDATIONS**

10.1 These recommendations are to provide the Committee with relevant budget, performance and risk information in relation to the corporate and committee priorities in the Corporate Plan (Barnet 2024) and ARG Committee Annual Delivery Plan. This paper enables the council to meet the budget agreed by Council in March 2019.

## **11 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

11.1 None.

## **12 POST DECISION IMPLEMENTATION**

12.1 None.

## **13 IMPLICATIONS OF DECISION**

### **13.1 Corporate Priorities and Performance**

13.1.2 The report provides an overview of performance for Q1 2019/20, including budget forecasts, savings, progress on actions, KPIs and risks to delivering the Annual Delivery Plan.

13.1.3 The Q1 2019/20 results for all Corporate Plan and Delivery Plan KPIs are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>

13.1.4 Robust budget, performance and risk monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of corporate and committee priorities as set out in the Corporate Plan (Barnet 2024) and Annual Delivery Plans.

13.1.5 Relevant council strategies and policies include the following:

- Medium Term Financial Strategy
- Corporate Plan (Barnet 2024)
- ARG Committee Annual Delivery Plan
- Performance and Risk Management Frameworks.

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

13.2.1 The budget forecasts are included in the report. More detailed information on financial performance is provided to Financial Performance and Contracts Committee.

### **13.3 Social Value**

13.3.1 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.

#### **13.4 Legal and Constitutional References**

13.4.1 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 to take actions which are calculated to facilitate, or are conducive or incidental to, the discharge of any of their functions.

13.4.2 Section 28 of the Local Government Act 2003 (the Act) imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the authority must take such action as it considers necessary to deal with the situation. The definition as to whether there is deterioration in an authority’s financial position is set out in section 28(4) of the Act.

13.4.3 The Council’s Constitution (Article 7 – Committees, Forums, Working Groups and Partnerships) sets out the responsibilities of all council Committees. The responsibilities of the Assets, Regeneration and Growth Committee include:

- (1) Responsibility for regeneration strategy and oversee major regeneration schemes, asset management, employment strategy, business support and engagement.
- (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.

13.4.4 The council’s Financial Regulations can be found at:

<http://barnet.moderngov.co.uk/documents/s46515/17FinancialRegulations.doc.pdf>

#### **13.5 Risk Management**

13.5.1 The council has an established approach to risk management, which is set out in the Risk Management Framework. Risks are reviewed quarterly (as a minimum) and any high level (scoring 15+) risks are reported to the relevant Theme Committee and Policy and Resources Committee. In addition, the Annual Delivery Plan risks associated with the priorities for this Committee are outlined in the report.

#### **13.6 Equalities and Diversity**

13.6.1 Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty which requires a public authority (or those exercising public functions) to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.

- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not.
- Fostering of good relations between persons who share a relevant protected characteristic and persons who do not.

13.6.2 The broad purpose of this duty is to integrate considerations of equality into everyday business and keep them under review in decision making, the design of policies and the delivery of services. The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

13.6.3 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.

13.6.4 This is set out in the council's Equalities Policy, which can be found on the website at: <https://www.barnet.gov.uk/your-council/policies-plans-and-performance/equality-and-diversity>

## **13.7 Corporate Parenting**

13.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in carrying out any functions that relate to children and young people. There are no implications for Corporate Parenting in relation to this report.

## **13.8 Consultation and Engagement**

13.8.1 Consultation on the new Corporate Plan (Barnet 2024) was carried out in the summer 2018. The Corporate Plan was approved by Council in March 2019.

## **13.9 Insight**

13.9.1 The report identifies key budget, performance and risk information in relation to the ARG Committee Annual Delivery Plan.

## **14 BACKGROUND PAPERS**

14.1 Council, 5 March 2019 – approved Corporate Plan (Barnet 2024)

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=9456&Ver=4>

14.2 ARG Committee, 25 March 2019 – approved Annual Delivery Plan

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9484&Ver=4>