

<b><u>MEETING</u></b> <b>GENERAL FUNCTIONS COMMITTEE</b>
<b><u>DATE AND TIME</u></b> <b>MONDAY 4TH NOVEMBER, 2013</b> <b>AT 8.00 PM</b> <b>OR AT THE CONCLUSION OF THE CABINET MEETING, WHICHEVER IS LATER</b>
<b><u>VENUE</u></b> <b>HENDON TOWN HALL, THE BURROUGHS, NW4 4BG</b>

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
4.	Public Question Time	1 - 6

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# GENERAL FUNCTIONS COMMITTEE - 4 NOVEMBER 2013

## ITEM 4 - PUBLIC QUESTION TIME

### AGENDA ITEM 4

#### **Note**

The time allowed for questions shall be limited to 30 minutes or a maximum of 20 questions, whichever occurs first.

The questioner at the meeting may ask one supplementary question to the original question, which will be answered without discussion.

From Ms Barbara Jacobson

#### **Agenda Item 6: People implications of the budget headlines for 2014/15**

1. 9.1 'Capita plan to relocate or reduce by circa 150 posts'  
There is a difference between relocating and reducing: in the first case there are jobs for people and in the second case there are not. This makes a difference to the delivery of services and to individuals who have been in the posts affected. Of the 150 jobs in question, how many will be relocated and how many cut?

#### **Response**

**A detailed response has been provided to a public question to Cabinet which also covers the question above. This is as follows:**

**In the early part of this year, Capita shared the proposed measures it would take to achieve these outcomes with London Borough of Barnet management, staff, and unions. Capita plan to improve technology and processes, and use their shared service centres to achieve better economies of scale. These measures reduce the operating cost of CSG services by at least 45%. This will save the council £126 million over the next 10 years. Achieving these savings will require a reduction in the levels of staffing required overall and the relocation of some services and jobs to these shared Services outside the Borough. On the 7 October, Capita announced to employees its proposed plans to do this and that, subject to 90 days consultation, it would move forward with these plans.**

**Of the 385 staff transferred to Capita CSG on 1<sup>st</sup> September, the proposed transformation plans affects 256 employees across Customer Services, HR, HR Pensions, Information Systems, and Revenues and Benefits. Of the 256 are affected by the proposals**

- a. 120 posts will be relocated
- b. 29 will be reduced and removed from the structure
- c. 107 are affected but will be retained in Barnet

The remaining 129 are not affected by the proposals and so are also being retained in Barnet meaning that the total number of posts remaining in the borough will be 236.

DRS – there are no proposals to relocate jobs outside of Barnet, indeed the joint venture plans to expand and grow the business in Barnet, creating additional jobs over the term of the contract.

2. 9.1 Are the 150 posts in question calculated against the number of posts staffed now or against some earlier time, and if the latter, what is that earlier time?

**Response**

**This is against the current established posts.**

3. 9.4 Who will pay the redundancies?

**Response**

**Capita will pay the costs of redundancy.**

4. 9.5 If Barnet is paying the redundancies, why is it doing so when it will be Capita reducing the posts?

**Response**

**Barnet is not paying the redundancies.**

5. 9.5 If Barnet is paying the redundancies, how many jobs could be saved by not cutting and freezing the council tax?

**Response**

**Barnet is not paying the redundancies.**

#### **Appendix 4: Business Planning**

6. Does 'an inclusive approach to engagement' mean public consultation? If so, why not say so in plain English, and, if not, what does it mean and shouldn't 'public consultation' be added to this list?

**Response**

**The council defines engagement as: understanding, informing, consulting, involving and empowering. The council will carry out specific consultation on the budget, including consultation with service users where services change, an open public consultation and use of the Citizens' Panel as a representative group of Barnet residents. The council also references the many consultation and engagement events it runs each year (around 45 per annum) in setting the budget.**

**We can review the wording of this section in future years in the light of the questioner's advice.**

7. 6.3 'most of the efficiencies in 2014/15 are being achieved from third party contracts'

What are these efficiencies, how are they achieved, and from which contracts?

**Response**

**Appendix 2 to the budget report sets out the detail of where savings are being realized. Significant savings are being made through the CSG and Re contracts. Within Adults and Communities, nearly all of the budget in this service is on third party contracts, so most of the savings in this area come from these contracts. There are also savings coming from commissioned spend in Children's services, and from the legal contract.**

8. 6.4 What savings are a result of income generation, and how is this income generated?

**Response**

**Appendix 2 to the budget report sets out the detail of each income generation proposal. The most significant are in Streetscene, where income is being generated from trade waste, the existing policy in place for events in parks, and income from the government to maintain weekly bin collection.**

9. 9.2.1 If council budgets will continue to reduce for the foreseeable future, what is the financial justification for reducing and freezing council tax?

**Response**

**All Councils across the country face significant budget challenges between now and the end of the decade. Barnet Council has made significant savings mainly through improvements in efficiency in the running of services, and will continue to do so in the future to meet the budget gap set out in the question.**

**The council would be failing in its responsibility to residents if we viewed council tax bills in isolation from other household cost. The Council is acutely aware of rising costs of living, and the financial pressures that people are facing. As a result, it is committed to ensuring that Council Tax is as low as possible, demonstrated by the proposal to reduce Council Tax for 2014/15, and freeze for 2 years after that.**

10. 9.2.1 How many households are in each band of council tax, and how many people receiving housing benefit are in each band?

**Response**

**There are the following number of households in each band**

<b>Band</b>	<b>Number of Households</b>
<b>A</b>	<b>3,418</b>
<b>B</b>	<b>9,936</b>
<b>C</b>	<b>27,840</b>
<b>D</b>	<b>32,801</b>
<b>E</b>	<b>29,938</b>
<b>F</b>	<b>19,048</b>
<b>G</b>	<b>15,632</b>
<b>H</b>	<b>4,016</b>
<b>Total</b>	<b>142,629</b>

**There are a total number of 27,756 households receiving Housing benefit in the following Council Tax bands. Additionally there are approximately 5,000 claims that do not have a Council Tax band associated with them. This is because they are not directly liable for Council Tax (as they could be boarders, lodgers, residents of houses in multiple occupation or otherwise not liable).**

<b>Band</b>	<b>Number of HB Households</b>
<b>A</b>	<b>1,586</b>
<b>B</b>	<b>4,659</b>
<b>C</b>	<b>9,264</b>
<b>D</b>	<b>7,820</b>
<b>E</b>	<b>3,159</b>
<b>F</b>	<b>996</b>
<b>G</b>	<b>266</b>
<b>H</b>	<b>6</b>
<b>Total</b>	<b>27,756</b>

11. 9.2.3 Why resident satisfaction in 2012 compared to 2010 instead of 2011, and what are the figures for the comparison with 2011?

**Response**

**The council did not carry out a Residents' Perception Survey in 2011. We now carry out the RPS annually and will publish the 2013 results next month.**

12. 9.2.4 How much money would the council have raised in four years if it had raised council tax by the amount permitted by central government each of those years?

**Response**

**If the Council had raised council tax in the period 2010-14 to the levels permitted, the council would have received additional income but would not have received the CT freeze grant from government. The additional income that would have been raised net of CT freeze grant is £20.5m. However this would have meant that individual bills would have increased by £110 (Band D equivalent) which is approximately a 10% increase.**

13. 9.2.4 How many jobs could have been saved if the council had raised council tax by the permitted maximum in each of the last four years?

**Response**

**The Council has managed budget reductions over the last 4 years with comparatively small numbers of redundancy however it does not necessarily follow that raising council tax would have not resulted in restructures in a drive for efficiency. Increased council tax could have been spent on commissioned services and not necessarily jobs.**

14. 9.4.5 'The deal with Capita for the provision of the Customer and Support Group (CSG) contract and with Capita Symonds for Re Services has been better than envisaged'

In what way has it been better than envisaged? Is it costing Barnet less or saving Barnet more, and if the answer to either is 'yes', please provide details.

**Response**

**A response that covers this question was also provided to Cabinet questions and is set out below:**

**For CSG, the budgeted savings in our financial strategy were for annual reductions in the CSG budget of £1.9m, £2.4m and £2m for 2013/14, 2014/15 and 2015/16 respectively. The final CSG contract achieved a saving of £5.8m in 2013/14 which was significantly more than was in the plan. The judicial review process meant that 5 out of 12 months savings for 2013/14 were not achieved, but overall for 2013/14 savings were still in excess of what is in the budget.**

**The additional saving was achieved through ensuring that the procurement process was as competitive as possible and bidders were challenged to deliver significant savings for the Barnet taxpayer.**

- 15. 9.4.5 'and the level of savings being delivered is earlier than profiled in the MTFS'**

What level of savings was profiled and for when, and what has been delivered and when in comparison?

**Response**

**A response that covers this question was also provided to Cabinet questions and is set out below:**

**For CSG, the budgeted savings in our financial strategy were for annual reductions in the CSG budget of £1.9m, £2.4m and £2m for 2013/14, 2014/15 and 2015/16 respectively. The final CSG contract achieved a saving of £5.8m in 2013/14 which was significantly more than was in the plan. The judicial review process meant that 5 out of 12 months savings for 2013/14 were not achieved, but overall for 2013/14 savings were still in excess of what is in the budget.**

**The additional saving was achieved through ensuring that the procurement process was as competitive as possible and bidders were challenged to deliver significant savings for the Barnet taxpayer.**