

Decisions of the Financial Performance and Contracts Committee

27 October 2020

Members Present:-

Councillor Peter Zinkin (Chairman)
Councillor Thomas Smith (Vice-Chairman)

Councillor Anthony Finn
Councillor Kathy Levine
Councillor Arjun Mitra

Councillor Alex Prager
Councillor Barry Rawlings

Also in attendance

Councillor Golnar Bokaei (Substitute)

Apologies for Absence

Councillor Julian Teare

1. MINUTES OF THE PREVIOUS MEETING

Councillor Peter Zinkin, Chairman of the Financial Performance and Contracts Committee welcomed all attendees to the virtual meeting.

2. ABSENCE OF MEMBERS

Apologies were received from Councillor Julian Teare who was substituted by Councillor Golnar Bokaei.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS

The following declarations were made:

Councillor	Agenda Item(s)	Declaration
Peter Zinkin	13	Declared Other Interest in relation to agenda item 13 by virtue of being a Council-appointed Member of the North London Waste Authority.
Barry Rawlings	7	Declared Other Interest in relation to agenda item 7 by virtue of being a School Governor for Hollickwood School

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

Responses to the Public Questions were circulated and published prior to the meeting. The Committee noted the supplementary questions and the verbal responses given by the Chairman and Officers.

6. MEMBERS' ITEMS (IF ANY)

There were none.

7. CHIEF FINANCIAL OFFICER REPORT FORECAST OUTTURN MONTH 5

The Chairman welcomed the report and invited Ben Jay, Assistant Director for Finance and Anisa Darr Chief Finance Officer to present and summarise the report.

Ms Darr referred to the Addendum to the report and the updated information on the funding announcement. Mr Jay provided a summary of the Council's revenue and capital forecast outturn for the financial year 2020/21 as at Month 5 and information on the level of debt and the top 10 debtors as at 31 August 2020.

The Committee queried about the level of payments made to support local businesses. Mr Jay noted that the scheme had closed at the end of September and that some businesses who were previously listed as eligible for grant funding had closed.

Members requested an update on the reported data set out under paragraph 3.3 p.15 of the report. Officers agreed to circulate information to Committee Members on the final figures for levels of payments made to support local businesses and number of businesses eligible. (**Action:** Finance)

In reference to Table 7 on p.18 which sets out the Housing Revenue Account Forecast Outturn, Councillor Levine noted that the Budget for the service area 'Repairs & Maintenance Non-Core' was significantly lower in comparison to the Outturn figure.

It was agreed that Officers provide further detail and clarity on the difference between the figures to Councillor Levine and the Chairman. (**Action:** Finance)

The Committee referred to section 6.6 of the report and requested to receive additional explanatory information on the Housing Revenue Account reserve balance within the next CFO report. (**Action:** Finance CFO Reporting)

Ms Darr briefed the Committee about the Public Health Grant and noted that the due to Covid-19 the additional spending was offset by the additional funding received.

Councillor Rawlings noted the Mosaic IT overspend set out in section 7.4 of the report towards continued support for implementation and requested additional information about the projected spend. Officers agreed to provide information on the overspend to the Chairman and Councillor Rawlings. (**Action:** Finance)

Councillor Mitra made a request for an update on the next steps in respect of the discussions with HBPL regarding the Comer Homes debt as set out under section 8.9. Officers were requested to provide an update to the Chairman and Councillor Mitra. (**Action:** Finance, Assistant Director of Estates)

It was **RESOLVED** that the Committee:

1. **Noted the significant pressure placed on the Council's finances by the pandemic and the operational response to it.**
2. **Noted the level of government financial support received in support of the local pandemic response.**
3. **Noted the current view on use of reserves, and the outlook.**
4. **Noted the current financial forecast outturn for 2020/21 for General Fund services, Housing (HRA), Schools (DSG) and capital budgets, and also notes the level of uncertainty within that forecast.**

8. Q1 2020/21 CONTRACTS PERFORMANCE REPORT

The Chairman invited Tim Campbell, Head of Commercial Management to present the report. Mr Campbell presented the report and provided an overview of the Q1 performance of services.

Councillor Rawlings welcomed the report and commended the work delivered considering the increase in demand for services, particularly the Cemetery & Crematorium service.

In relation to the potential underreporting of rough sleepers, Officers agreed to provide an update to Councillor Rawlings and the Chairman on the 'Everyone In' directive response and the number of rough sleepers who were provided with safe and secure accommodation. (**Action:** Head of Commercial Management, Deputy Chief Executive)

Following a query from Councillor Rawlings about the increase in Universal Credit awards as set out in paragraph 2.33 of the report, it was agreed that Officers provide additional information to the Committee on the upward trend and increase in UC awards. (**Action:** Head of Commercial Management, Chief Finance Officer)

Councillor Mitra asked Officers to provide background information on the KPI indicator for compliance with Authority Policies, particularly around the non-compliances. Officers agreed to provide information to Councillor Mitra and the Chairman as to the function of the KPI and non-compliances. (**Action:** Head of Commercial Management)

The Committee queried whether the target for indicator 'meeting religious burial requests timescales' set out under paragraph 3.10 should be 100%. It was agreed that Officers address this point as part of future Quarterly Performance reports. (**Action:** Head of Commercial Management, Director Commercial and Customer Services)

Officers were instructed by the Committee to review whether the 71% target under section 3.23 for indicator 'Compliance with Licensing Requirements for HMOs' could be improved. The Chairman requested that this action be addressed as part of the next Y6/7 Capita Contracts Review. (**Action:** Director Commercial and Customer Services)

Members queried whether the figures set out in the table on p.47-48 were provided by Capita or independently verified. The Chairman moved a motion which was seconded and agreed by the Committee to refer the figures set out in the [table](#) on p.47-48 of the agenda to the Environment Committee for review. (**Action:** Governance)

It was **RESOLVED** that:

The Committee reviewed the Quarter 1 (Q1) 2020/21 performance for the backoffice functions delivered by the Customer and Support Group (Capita); Building Control, Hendon Cemetery & Crematorium, Environmental Health, Strategic Planning, Regeneration and Highway Service delivered by Regional Enterprise (Capita); the housing services delivered by The Barnet Group; the legal services delivered by HB Public Law and education and skills service delivered by Cambridge Education.

9. YEAR 6/7 REVIEW OF CAPITA CONTRACTS

Having introduced the item, the Chairmen invited Deborah Hinde Director for Commercial and Customer Services to present the report. The Committee noted the summary of the report which provides an update on the Year 6/7 Contract Review and an overview of Capita's half-year results.

Ms Hinde noted that pressure on services remains high. She also noted that although work on the Review has restarted, the council's ongoing response to the pandemic is having an impact on officer capacity to engage effectively with the Review process.

The Committee requested to receive any information relating to Capita that involves major concern or urgent action. (**Action:** Director Commercial and Customer Services)

It was **RESOLVED** that the Committee:

- 1. Noted that work on the Year 6/7 Review has restarted;**
- 2. Noted that a further report on the detailed plan for conducting the Review will be brought to this Committee in December 2020; and**
- 3. Noted Capita's half-year results.**

10. LOAN AGREEMENT WITH SARACENS COPTHALL LLP - UPDATE REPORT

Upon invitation of the Chairman, the Committee received an overview and summary of the update report on the position of the Loan Agreement with Saracens Copthall LLP from Cath Shaw, Deputy Chief Executive.

In response to a query from the Committee about when loan drawdowns will resume, Ms Shaw informed that provided there are no further material changes in SCLLP's financial position, drawdowns are likely to resume in January 2021.

It was **RESOLVED** that the Committee:

- 1. Noted the position on the Loan Agreement with Saracens Copthall LLP.**
- 2. Noted the proposed next steps set out in paragraphs 4.1-4.3**

11. DEPOT RELOCATION

The Chairman welcomed the report on Depot Relocation and Matthew Waters, Assistant Director Capital Delivery, joined the meeting and summarised the report. Mr Waters spoke about the review of options for long-term arrangements at the NLBP and Harrow sites.

It was **RESOLVED** that:

The Committee noted the content of this Report updating on the relocation of the waste and street scene fleet depot from Mill Hill East to Oakleigh Road.

12. LEISURE CENTRE DELIVERY

The Chairman welcomed the report which sets out the current position of the project and the outcomes achieved. Mr Waters presented the report and noted the lessons learnt from this project exercise, particularly in respect of risk and improving on the ability to estimate risk.

It was **RESOLVED** that:

The Committee noted the content of this Report updating on the position of the Leisure Centre Projects at New Barnet and Barnet Copthall Leisure Centre.

13. BRENT CROSS

The Chairman invited Karen Mercer, Programme Director and Cath Shaw, Deputy Chief Executive to present the report. Ms Mercer stated that the report provides an interim update on the delivery responsibilities and construction contracts that the council has placed to meet its delivery obligations in respect of the Brent Cross project.

It was **RESOLVED** that the Committee noted:

- 1. The Train Operating Compound and replacement Sidings have now been completed and successfully handed back to Network Rail;**
- 2. The Contracts placed and changes since January 2020 as set out in paragraphs 1.9 of this Report.**
- 3. That the council working with Mace, Network Rail, HM Government (HMG) and its delivery partners are finalising the revised integrated programme. Once approved, this will form the baseline for future reporting and performance monitoring.**
- 4. The Brent Cross West delivery team (now transferred to Mace) are undertaking a deep dive review on the anticipated final cost as set out in paragraph 1.15 of this report. This will be subject to an independent peer review within Mace due to take place in November and will be reported to this Committee in December.**

14. FINCHLEY LIDO LEISURE CENTRE: REMEDIAL PROGRAMME

The Chairman invited Cassie Bridger Assistant Director Greenspaces & Leisure to present the report which outlines the extent of the remedial programme and the progress against delivering the priority works required.

In relation to communication with residents on the programme, the Committee noted that various channels have been used including GLL and LBB websites, email and newsletters providing updates on the progress and indicative timescales.

It was **RESOLVED** that:

The Committee noted the extent of the remedial programme at Finchley Lido Leisure Centre, associated delivery timescales and the Councils responsibilities as per the Leisure Management Contract (2018-2028).

15. COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the standing item on the agenda which lists the future reports to the Committee.

It was **RESOLVED** that the Committee noted the Forward Work Programme 2020.

16. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

17. MOTION TO EXCLUDE THE PRESS AND PUBLIC

The Chairman moved a motion, which was seconded and approved, to exclude the Press and Public on the basis that the exempt items will involve discussion of confidential information. The public meeting was concluded. The Committee moved to a separate private virtual session for the exempt report items.

18. BRENT CROSS (EXEMPT)

The Committee noted the exempt information as set out within the report.

19. FINCHLEY LIDO LEISURE CENTRE: REMEDIAL PROGRAMME (EXEMPT)

The Committee noted the exempt information as set out within the report.

20. ANY OTHER EXEMPT ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

The meeting finished at 9.05 pm