

Decisions of the Financial Performance and Contracts Committee

23 November 2021

Members Present:-

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

Councillor Alex Prager
Councillor Kathy Levine
Councillor Arjun Mitra

Councillor Barry Rawlings
Councillor Gabriel Rozenberg

Also in attendance:
Councillor Golnar Bokaei (Substitute)
Councillor John Marshall (Substitute)

Apologies for Absence:
Councillor Nick Mearing-Smith
Councillor Julian Teare
Councillor Anthony Finn

1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Financial Performance and Contracts Committee Councillor Peter Zinkin welcomed all attendees to the meeting. The Chairman read out the Covid-secure arrangements which were in place throughout this meeting, to ensure the safety of all those in attendance.

It was RESOLVED that the minutes of the previous meeting of the Financial Performance and Contracts Committee held on 7 October 2021 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies were received from Councillor Nick Mearing-Smith, Councillor Anthony Finn who was substituted by Councillor Golnar Bokaei and Councillor Julian Teare who was substituted by Councillor John Marshall.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

Councillor Arjun Mitra declared a disclosable pecuniary interest in relation to item 10 by virtue of being a Barnet Homes tenant.

Councillor John Marshall declared a disclosable pecuniary interest in relation to item 8 by virtue of being a Director of Re and informed the Chairman that he would not partake in the discussion and abstain from the vote.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

The response to the Public Question was published and circulated to the Committee prior to the meeting. Upon invitation of the Chairman, Mr Dix asked a supplementary question which was responded to by Officers and the Chairman.

6. MEMBERS' ITEMS (IF ANY)

None

7. CHIEF FINANCIAL OFFICER REPORT FORECAST FINANCIAL OUTTURN AT MONTH 6 (SEPTEMBER 2021)

The Chairman invited Anisa Darr (Director of Finance), Ben Jay (Assistant Director of Finance) and Ashley Hughes (Assistant Director of Finance) to present and summarise the report.

Officers presented the report which provides summary of the Council’s forecast outturn for revenue, capital budgets in the financial year 2021/22, as at Month 6 (30 September 2021) and information on the level of debt as at 30 September 2021.

The Committee noted the report and commended the ongoing work delivered to reduce the level of debt.

It was RESOLVED that the Committee noted:

- 1. the current financial forecast outturn for 2021/22 and the review of the half-year position in key budget areas;**
- 2. the ongoing costs of the pandemic and the overall level of commitments against available funding;**
- 3. the forecast of use of reserves;**
- 4. the current position against ringfenced grant funding;**
- 5. the current forecast for capital expenditure in the year;**
- 6. the current debt position and related actions.**

8. REVIEW OF CAPITA CONTRACTS

The Chairman invited John Hooton (Chief Executive) and Deborah Hinde (Commercial and Customer Services Director) to present the item to the Committee.

In response to a query about publication of information Officers noted that information will be considered for publicly reporting to the Committee in consultation with legal and the Chairman once it is permissible to publish the relevant information without any risk of compromising the Councils negotiating position.

The Chairman moved to vote on the recommendations as set out in the report.

Votes were recorded as follows:

For	4*
Against	4
Abstentions	1

*The Chairman used his casting vote and voted for the recommendations.

It was RESOLVED that the Financial Performance and Contracts Committee:

- 1. Noted that extension proposals have been received from Capita;**
- 2. Noted the evaluation approach that will be applied to those proposals, as set out in paragraphs 2.1 to 2.6;**
- 3. Noted the content of the performance packs attached at Appendix B;**
- 4. Made the following recommendations to the next meeting of the Policy and Resources Committee:**
That the Policy and Resources Committee agrees that:
 - a. the council does not seek to extend those elements of the RE and CSG contracts that relate to the procurement service, regulatory services, the regeneration service and highways;**
 - b. upon expiry of those elements of the contract, these services be returned to the council;**
 - c. the future strategy for the highways service should be the subject of a separate report to the Environment Committee;**
 - d. the recruitment service be returned to the council in February 2022; and**
 - e. the chief executive be authorised to take the necessary action to transfer the recruitment service back to the council, subject to the conclusion of the necessary due diligence, and to prepare for the transfer of other returning services in 2023; and**
- 5. Noted the next stages of activity, as set out in paragraphs 4.1 and 4.2.**

9. REVIEW OF CAPITA CONTRACTS - PUBLIC ENGAGEMENT

The Chairman invited Deborah Hinde (Commercial and Customer Services Director) to introduce the report.

Deborah Hinde summarised the report which provides an overview of the public engagement activity on the Capita Contracts Review and sets out the council's initial response to the comments received as well as the proposals regarding the next phase of resident engagement.

Following a query from the Committee about wider engagement, Ms Hinde spoke about the various methods for engagement which will be considered including elements of digital engagement and working with client leads for customer services as well as the public engagement lead in order to reach out to a wider group.

The Committee welcomed the report and commended the level of engagement received from residents.

It was RESOLVED that the Financial Performance and Contracts Committee:

- 1. Noted the content of this report and the ORS report attached at Appendix A;**
 - 2. Recorded its appreciation for those residents that participated in the process;**
- and;**

3. Agreed the revised approach to ongoing resident engagement, as set out in section 4 of this report.

10. Q2 2021/22 CONTRACTS PERFORMANCE REPORT

The Chairman welcomed Tim Campbell (Head of Commercial Management) to present the Q2 Contracts Performance report for 2021/22.

The Committee noted the efforts towards the improvement of customer satisfaction with phone, face-to-face, email and post case closure, particularly in light of the volume of contact made with the council.

The Committee highlighted the need to enhance the target and result in relation to the web satisfaction KPI as set out in paragraph 2.10 of the report.

It was RESOLVED that the Committee noted the Quarter 2 (Q1) 2021/22 performance for the Customer and Support Group (Capita); Regional Enterprise (Capita); Barnet Homes (The Barnet Group); and HB Public Law.

11. CAPITAL PROJECTS

The Chairman invited Matthew Waters (Assistant Director Capital Delivery) who joined the meeting and presented the report noting that the Capital Delivery Programme remains on track to deliver live schemes within the defined time, cost, quality envelopes and that new risks are materialising for both current and prospective projects within the programme.

Members noted the importance of ensuring that the ecology issues are monitored effectively as part of the overall cemetery project. The Committee also requested that the variance between current estimates and estimates at Full Business Case stage are reviewed in relation to the project portfolios.

It was RESOLVED that the Committee is asked to note the content of this report updating on the current status of the Council's Capital Projects.

12. BRENT CROSS UPDATE

The Chairman welcomed Karen Mercer, Brent Cross Programme Director to summarise the report.

Karen Mercer presented the item which provides an update on the delivery and financial performance across the Brent Cross programme and update on emerging issues relating to the Brent Cross West station works contract and the Anticipated Final Cost review.

It was RESOLVED that The Committee noted delivery progress across the Brent Cross (BX) programme as set out in the presentation to the HM Government Assurance Board on 17 November 2021 and the emerging issues relating to the Brent Cross West station works contract and the Anticipated Final Cost review.

13. 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 for 2021.

14. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

15. 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 item will involve discussion of confidential information. The public gallery was cleared.

16. REVIEW OF CAPITA CONTRACTS (EXEMPT)

It was RESOLVED that the Committee noted the exempt information as set out in the report.

17. BRENT CROSS (EXEMPT)

It was RESOLVED that the Committee noted the exempt information as set out in the report.

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

None.

The meeting finished at 9.45 pm