

Decisions of the Budget and Performance Overview and Scrutiny Committee

9 December 2013

Members Present:-

Councillor Anthony Finn (Chairman)
Councillor Joan Scannell (Vice-Chairman)

Councillor Brian Gordon	Councillor Alison Moore
Councillor Andrew Harper	Councillor Hugh Rayner
Councillor John Marshall	Councillor Alan Schneiderman
Councillor Arjun Mittra	Councillor Barry Rawlings

Also in attendance

Councillor Daniel Thomas - Cabinet Member for Resources and Performance
Councillor Robert Rams - Cabinet Member for Customer Access and Partnerships
Councillor Dean Cohen - Cabinet Member for Environment
Councillor Helena Hart – Cabinet Member for Public Health

Apologies for Absence

Councillor Ross Houston

1. MINUTES OF THE PREVIOUS MEETING

RESOLVED that:

1. **Subject to an amendment to record that apologies had been received from Councillor Brian Gordon, the minutes of the meeting held on 26 November 2013 be approved as a correct record;**
2. **Responses to resolutions which were passed by Budget & Performance Overview and Scrutiny Committee at its meeting of 16 September 2013 were noted as follows:**
 - a. **That the Cabinet Member for Resources and Performance be requested to provide Members with a breakdown of assets targeted for capital receipts by site. *Provided to Committee Members via email on 4 December 2013.***
 - b. **That the Cabinet Member for Resources and Performance be requested to provide Members with details of outstanding S106 projects and funding. *A response was being considered and to follow.***
 - c. **That the Director for Place is requested to provide detail of any performance related fines incurred by NSL since the start of the contract. *Provided to Committee Members via email on 9 December 2013.***

- d. That the Cabinet Member for Education, Children and Families be requested to provide detail on the number of additional school places that had been provided in the last five years. *Provided to Committee Members via email on 21 November 2013.*

2. ABSENCE OF MEMBERS

Apologies for absence had been received from Councillor Ross Houston (who was substituted for by Councillor Barry Rawlings).

3. DECLARATION OF MEMBERS' INTERESTS

Member	Subject	Interest declared
Councillor John Marshall	Agenda Item 6 (Quarter Two Finance and Corporate Performance – The Barnet Group Ltd.)	Non-pecuniary interest as a Council appointed representative on the Board of The Barnet Group Ltd.
Councillor John Marshall	Agenda Item 8 (One Barnet Sport and Physical Activity Review)	Non-pecuniary interest as a Saracens season ticket holder
Councillor Joan Scannell	Agenda Item 8 (One Barnet Sport and Physical Activity Review)	Non-pecuniary interest as a Saracens season ticket holder

4. PUBLIC QUESTION TIME (IF ANY)

None.

5. MEMBERS' ITEMS (SUBMITTED IN ACCORDANCE WITH OVERVIEW AND SCRUTINY PROCEDURE RULE 9) (IF ANY)

None.

6. QUARTER TWO FINANCE AND CORPORATE PERFORMANCE

The Cabinet Member for Resources and Performance, Councillor Daniel Thomas, the Head of Programmes and Resources, Tom Pike and the Assistant Director for Finance (Capita), Phil Brown, presented the Quarter Two Financial and Corporate Performance report.

Alongside established and emerging challenges it was noted that changes to the local demographic and the consequences of welfare reforms had been identified as carrying a significant risk to financial performance. The Cabinet Member for Resources and Performance, in response to a question on value for money, confirmed that the most recently reported figures showed Barnet to be in the top three amongst London Boroughs in relation to its Value for Money services; with 50% of services rated as high performance, low spend.

Members discussed the report that the Council would recover an amount in excess to the principal of funds deposited with Icelandic banks (9.8.6, p.20). The Cabinet Member for Resources and Performance advised that an excess on principal was expected but that this excess would not be to the same value as originally projected to have been returned through interest growth. Committee noted that the total value in sterling to be returned to the Council would be subject to currency exchange rates. A Member asked for a comparison between the expected excess on principal and the interest value that had originally been anticipated. It was agreed that this information, presented alongside information on other local authorities' performance in this regard, be provided subsequent to the meeting. The Cabinet Member for Resources and Performance highlighted that the Council's treasury management policy, revised since the Icelandic banking crisis, was stringent and fit for purpose.

A Member questioned the rationale of budget cuts in light of the fact that some service areas regular reported recurring overspend. The Cabinet Member for Resources and Performance agreed that the budgeting process should forecast and account for known expenditure insofar as possible, however, as in previous years, recovery plans were in place to bring expenditure back within budget over the following two quarters. Moreover, it was noted that environmental factors could also create need for additional investment in areas such as road maintenance. The Cabinet Member for Resources and Performance highlighted that the total variance on budget was less than one percent and expected this to be brought back in line by year end.

The Committee invited the Family Services Director, Nicola Francis, to comment on matters relating to performance of the Children's Family Services. Members noted that, despite revisions to the budget to include an additional £1m as at 30 September 2013, a further £1.162m have been projected to be overspent by year end (Table 1, p.13). The Family Services Director attributed the overspend primarily as being driven by the cost of providing residential care for looked-after children which would place sustained pressure on the budget.

Acknowledging Committee Members' concerns that less than 5 looked after children made the expected level of progress in English and Maths between Key Stages 2 and 4, the Family Services Director outlined aims to improve outcomes through the relaunched education champions scheme, the recruitment of a head teacher to the virtual school and linking this further to colleges in education services.

Committee considered that the Council's responsibility towards looked after children was a challenge requiring regular focus and requested that this be reported in more depth as part of the Quarter 3 monitoring report to this Committee.

Noting that the spend on consultants in children's education Q2 2013/14 was higher than the total for the year 2012/13 (Table 6, p.18), a Member asked for further explanation. The Cabinet Member for Resources and Performance outlines that the bulk of this cost related to the capital programme for schools and would include the cost of design consultants and architects.

In reference to recommendation 1.11, a Member questioned whether a £1m transfer from contingency to Family Services would be a one-off and suggested that future budget estimates take in to account the on-going cost of services.

On the reported improvement to call handling, with 69% of call answered within 20 seconds in Q2 from 61% in Q1 (9.1.8, P.11), Members commented that whilst the

direction of travel was positive, this was an area requiring further progress. The Cabinet Member for Resources and Performance agreed that issues relating to calls being dropped should be investigated and suggested that Q3 reporting would show a marked improvement as Capita made improvements and gains in customer services. Committee noted that performance targets were in place to improve on first point resolution of queries.

In responding to questions on the Street Scene delivery unit overspend (9.3.4, p.14) the Cabinet Member for Resources and Performance confirmed that the £701k overspend on NSL contract would include overtime payments to NSL staff that would correspond to more PCNs being issued. Committee noted that, as a result of budget profiling prior to the judicial review in relation to parking permit charges, the savings for the SPA and Parking were not expected to be achieved.

Responding to a question on capital spend slippage in Libraries, the Head of Programmes and Resources confirmed that £3m slippage was to allow for building works to complete in the next financial year.

Following a Member's proposal, it was agreed that challenges to cost-effective provision of temporary accommodation be considered in more depth as part of the Quarter 3 monitoring report to this Committee.

RESOLVED that:

- 1. The Quarter Two Financial and Corporate Performance report be noted;**
- 2. Members be provided information on the expected excess on principal investments compared to the interest value that had originally been anticipated and any corresponding performance of other local authorities';**
- 3. The Q3 Monitoring report to Committee in March 2014 to include additional focus in-depth on Council's challenges and responsibility towards and looked after children;**
- 4. The Q3 Monitoring report to Committee in March 2014 to include additional focus in-depth on the challenge of providing cost-effective temporary accommodation.**

7. ONE BARNET - WASTE AND STREET SCENE

The Cabinet Member for Environment, Director for Place, Pam Wharfe, and Street Scene Director, Lynn Bishop presented the update report on the StreetScene transformation.

The Street Scene Director gave an update on the status of negotiations with the company responsible for delivery of the new bins. Members noted that due to the delay in achieving full borough-wide roll-out, a rebate on a proportion of the cost of delivery was being sought.

Responding to a question on missed collections, the Street Scene Director highlighted that there were now three times as many bins being collected and that missed collections were reducing as the new waste programme settled in. The target (under 50 per 100,000 collections) was expected to be achieved by January 2014.

Referring to the cost pressure of £1.3m income not being achieved due to the change in market value of co-mingled recyclates, the Director for Place detailed how work with the West London Alliance was being done to find the best deal in a highly volatile market. Members heard that the complexity of the market made it difficult to determine whether fixed price contracts would prove valuable in the longer term.

Following a discussion on the recycling rates, the Street Scene Director attributed the increase (to 38% from 33% under the previous system) as being due to convenience for residents of co-mingling recyclates. A Member asked whether the sharp initial increase in food waste had settled to a manageable level. The Street Scene Director responded that the combined amount of waste and recyclates was still higher than had been expected but this was being handled through the use of a local tipping point at Frith Lane which would remain in operation until tonnages levelled out and could be reviewed in the new year. The Cabinet Member for Environment confirmed that the total volume of waste and recycling was over and above what had been projected in the business case and that a customer satisfaction survey was underway that was targeted to provide feedback from 40% of Barnet households.

Noting a Member's concern that early feedback from some residents had shown there to be a perception that food waste was being combined with general refuse at point of collection, the Cabinet Member for Environment acknowledged that this perception had been compounded by the fact that the colour of the transit or 'slave' bin for food waste on the waste collection vehicle had initially been the same as the recycling bin. This has now been changed to a brown transit bin. The Cabinet Member stated that letters had been sent to residents confirming that their food waste was being collected within a separate compartment of the waste collection vehicle. Members noted that a video was available online that illustrated how recyclates were processed.

A Member questioned whether an increase to the number of flats in the borough would cause a challenge for the handling and collection of waste and recycling. The Cabinet Member for Environment considered that appropriate arrangements for storing recycling and refuse would be part of any new building design. Following Members' questions on how the challenge for waste collection from narrower streets in the borough would be met, the Street Scene Director commented that, alongside innovative technologies being used to monitor collections and optimise routes, there were a number of restricted access vehicles within the fleet that would be intelligently utilised in these areas.

Following questions from the Committee on incidents of fly-tipping, which had risen since an increase to the price of bulky collections on 1 April 2013, it was agreed that the cost to Council of fly-tipping on a ward-by-ward basis be provided to Members subsequent to the meeting.

RESOLVED that:

- 1. The StreetScene transformation update report be noted; and,**
- 2. The cost to Council of fly-tipping on a ward-by-ward basis to be provided to Members subsequent to the meeting.**

8. ONE BARNET - SPORT AND PHYSICAL ACTIVITY REVIEW

The Cabinet Member for Access and Partnerships, the Cabinet Member for Public Health and the Director for People, Kate Kennally, presented the Sport and Physical Activity

(SPA) review outline business case report. The Cabinet Member for Public Health highlighted that physical activity was key to health to the same degree, if not more, as diet. Members heard that participation in simple physical activities could cut stroke, diabetes and some cancers by half and had been linked to prolonging mental health. The Cabinet Member for Public Health directed the Committee to the core strategic aims of the SPA (9.2, p.86) which outlined the approach being proposed to increase physical activity in Barnet, which currently ranked 23rd of 33 boroughs for physical activity in adults.

Responding to Members concerns surrounding the ambition of the proposals in light of the MTFs savings target of £967,000 and the historical low uptake from residents, the Cabinet Member for Access and Partnerships indicated that the plans included identifying other forms of physical activity that took place but currently not known and promoting these more widely. Members noted that providers to some councils across the county were contracted at zero cost and discussions with GLL were being held prior to the contract end to review costs. Given that satisfaction levels with the current offer under the GLL contract were lower than average, the Cabinet Member for Access and Partnerships agreed that this would need to be resolved going forward. Members heard that other potential avenues for delivery were being explored that included partnerships with other agencies such as Saracens. A Member questioned why, with the exception of the Burnt Oak facility, each of the leisure centres operated at a loss to GLL. The Director for People acknowledged that investment was required at Copthall if the facility was to be sustainable in the long-term. Members noted that those leisure centres with wet areas were cost more to run and work was currently underway to review use of the facilities in order to reduce overheads whilst maximising the resources available.

The Director for People outlined that, though one of the key purposes of Council owned leisure facilities was to promote SPA, walking and other activities were equally important. The Director for People informed the Committee that, in order to understand local need and barriers to participation, 1,013 residents had been surveyed and focus groups had been held. Key barriers were attributed by some residents as being cost and accessibility.

Members asked for further information on research undertaken to identify examples of best practice elsewhere in the country and the feasibility of adopting such practices in Barnet. It was agreed that this research be circulated to Members subsequent to the meeting.

A Member asked how the borough's parks could be promoted to encourage more use and what actions were being taken to promote cycling. The Cabinet Member for Public Health emphasised the ten marked and measured routes across the borough which provided a focus and interest to the parks. The Cabinet Member for Access and Partnerships acknowledged that innovative ways to generate interest should be considered such as interactive signs incorporating the use of QR codes. In response to the promotion of cycling the Director for People underlined that regeneration projects, such as Cricklewood Brent Cross, were designed with a focus on provision for cyclists.

Responding to a Member's concern that the 3% targeted increase in SPA appeared low, the Cabinet Member for Public Health commented that the targets were in line with the Barnet Health and Wellbeing Strategy, without which the participation rate was predicted to decline further. In response to a question as to whether a strategy for playing fields had been considered, the Cabinet Member for Public Health stated that this could be considered amongst other suggestions as part of the full business going forward.

Welcoming a Member's call for Councillors to be better role models for physical activity, the Cabinet Member for Public Health urged all Committee Members to become more visibly involved in sport and physical activity in the borough.

RESOLVED that:

- 1. The Sport and Physical Activity review outline business case be noted;**
- 2. The Cabinet Member for Access and Partnerships and the Cabinet Member for Public Health consider a strategy for the use of playing fields within the business case for Sport and Physical Activity; and,**
- 3. Members of the Committee to be provided with information on research undertaken to identify examples of best practice elsewhere in the country and the feasibility of adopting such practices in Barnet.**

9. ONE BARNET PROGRAMME HIGHLIGHT REPORT

The Head of Programmes and Resources, Tom Pike, and the Head of Corporate Programmes, Matt Waters, presented the One Barnet Highlight Report.

RESOLVED that the One Barnet Programme Highlight Report be noted.

10. BUDGET AND PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE FORWARD WORK PROGRAMME

RESOLVED that the Forward Work Programme be noted.

11. ANY OTHER ITEMS THE CHAIRMAN DECIDES ARE URGENT

None.

The meeting finished at 9.58 pm