

MEETING

BUDGET AND PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE

DATE AND TIME

MONDAY 9TH DECEMBER, 2013

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, NW4 4BG

TO: MEMBERS OF BUDGET AND PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE (Quorum 3)

Chairman: Councillor Anthony Finn BSc (Econ) FCA
Vice Chairman: Councillor Joan Scannell

Councillors

Brian Gordon	John Marshall	Hugh Rayner
Andrew Harper	Arjun Mittra	Alan Schneiderman
Ross Houston	Alison Moore	

Substitute Members

Geof Cooke	Andrew Strongolou
Brian Schama	Barry Rawlings

You are requested to attend the above meeting for which an agenda is attached.

Andrew Nathan – Head of Governance

Governance Services contact: Ash Tadjrishi 020 8359 2368 ash.tadjrishi@barnet.gov.uk

Media Relations contact: Sue Cocker 020 8359 7039

ASSURANCE GROUP

ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	MINUTES OF THE PREVIOUS MEETING a) To confirm the Minutes of the meeting held on Tuesday 26 November 2013 as a correct record; and, b) To note any update on matters for which follow-up action had been requested.	
2.	ABSENCE OF MEMBERS	
3.	DECLARATION OF MEMBERS' INTERESTS a) Disclosable Pecuniary Interests and Non Pecuniary Interests b) Whipping Arrangements (in accordance with Overview and Scrutiny Procedure Rule 17)	
4.	PUBLIC QUESTION TIME (IF ANY)	
5.	MEMBERS' ITEMS (SUBMITTED IN ACCORDANCE WITH OVERVIEW AND SCRUTINY PROCEDURE RULE 9) (IF ANY)	
6.	QUARTER TWO FINANCE AND CORPORATE PERFORMANCE	1 - 58
7.	ONE BARNET - WASTE AND STREET SCENE	59 - 80
8.	ONE BARNET - SPORT AND PHYSICAL ACTIVITY REVIEW	81 - 118
9.	ONE BARNET PROGRAMME HIGHLIGHT REPORT	119 - 128
10.	BUDGET AND PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE FORWARD WORK PROGRAMME	129 - 136
11.	ANY OTHER ITEMS THE CHAIRMAN DECIDES ARE URGENT	

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Meeting	Budget and Performance Overview and Scrutiny Committee
Date	9 December 2013
Subject	Budget and Performance Report Quarter 2 2013/14
Report of	Scrutiny Office / Corporate Performance
Director/Chef Officer	Deputy Chief Operating Officer
Summary of Report	The report and enclosures at Annex A provide Quarter 2 Monitoring 2013/14 report which is due for consideration by Cabinet Resources Committee at its meeting of 16 December 2013.

Contributing officers	Tom Pike (Head of Programmes and Resources) and Oliver Jones (Performance Manager)
Status (public or exempt)	Public
Wards Affected	All
Key Decision	N/A
Reason for urgency / exemption from call-in	N/A
Function of	Budget and Performance Overview and Scrutiny Committee
Enclosures	Annex A: Budget and Performance Report Quarter 2 2013/14, Report to Cabinet Resources Committee, 16 December 2013
Contact for Further Information:	Contact for further information: Ash Tadjrishi: ☎ 020 8359 2368 Ash.Tadjrishi@Barnet.gov.uk

1 RECOMMENDATION

- 1.1 **That the committee consider the Budget and Performance Report Quarter 2 2013/14 (as set out in Annex A) and make comments and recommendations as appropriate.**

2 RELEVANT PREVIOUS DECISIONS

- 2.1 Annual Council meeting 19 May 2009 – agreed the new scrutiny arrangements, which includes the reporting of Corporate Plan performance measures to this Committee.
- 2.2 Contract Monitoring Overview and Scrutiny Committee met for the first time on 18 June 2013 for scrutinising the group of services provided by the New Support and Customer Services Organisation, Development and Regulatory Services, The Barnet Group Ltd and HB Public Law.

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 This report presents the quarter 2 outturn for all finance and performance indicators in relation to the three Corporate Priorities in the Corporate Plan 2013-14, which are:
- Promote responsible growth, development and success across the borough
 - Support families and individuals that need it – promoting independence, learning and well-being
 - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study

4 RISK MANAGEMENT ISSUES

- 4.1 Review of finance and performance issues by this Committee should contribute to performance improvement, and therefore mitigate the risk of non-improvement and failure to meet Corporate Plan performance targets.

5 EQUALITIES AND DIVERSITY ISSUES

- 5.1 As set out in the use of resource issues raised in section 5 of the CRC report contained in Annex A.

6 USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 As set out in the use of resource issues raised in section 6 of the CRC report contained in Annex A.

7 LEGAL ISSUES

- 7.1 As set out in the use of resource issues raised in section 7 of the CRC report contained in Annex A.

8 CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non Key Decision)

- 8.1 The scope of Overview and Scrutiny Committees are contained within Part 2, Article 6 of the Constitution;
- 8.2 Overview and Scrutiny Procedure Rules (Part 4 of the Constitution). The Budget and Performance Overview and Scrutiny Committee has, amongst other duties, responsibility for scrutinising the overall performance, effectiveness and value for money of Council services, including the planning, implementation and outcomes of all corporate improvement strategies.

9 BACKGROUND INFORMATION

- 9.1 Annex A of this report contains the Quarter 2 2013/14 Budget and Performance Report which is due to be considered by the Cabinet Resources Committee on 16 December 2013. It contains information on revenue, capital, performance and projects.

Financial Performance

- 9.2 Revenue budget overspend of £3.509m, this is an increase of £1.1m from quarter 1. Capital budget slippage of £22.519m, this is an increase of £2.2m.

Corporate Performance

- 9.3 The Corporate Plan 2013/14 set out the Council's direction and strategy for the year. Throughout the year, every service undertakes a range of activities to deliver these priorities, ensuring that the Council provides effective, efficient, and value for money services to residents.
- 9.4 The Council measure and publish progress against the Corporate Plan quarterly. This information is available via the Council's website. In accordance with current practice, Quarter 2 performance data will be circulated to Committee Members via e-mail as far in advance of the meeting as is possible. Committee Members are requested to highlight any areas of concern and refer these to the Chairman who will request written responses to the issue(s) raised. Where the Chairman considers it appropriate, Cabinet Members and/or officers will be invited to attend the Committee meeting to respond to specific performance issues. The Committee can request in-depth performance reports on specific performance issues to be present to future if they consider this appropriate.

Successes

- 9.5 Quarter 2 has seen performance improvements across:
- The performance of the telephone contact centre has improved; where the proportion of calls answered within 20 seconds has improved from 61% to 69% between Q1 to Q2, while calls volumes have increased by 5% compared to quarter 2 2012/13.
 - Mobilisation and commencement of the Customer and Support Group contract, mobilisation of the Re joint venture and preparatory work for the in-sourcing of the recycling service.
 - The provisional results for the 2012-13 academic year show 69.4% of pupils achieving 5 or more GCSEs A*-C, a 0.3% improvement from last year.

- Significant increase in the proportion of waste sent for reuse, recycling and composting between April and June 2013. This now stands at 35.99%. The revised collection scheme being rolled out from the 14 October 2013.
- Reduction in the level of domestic burglary with a 7.1% decrease from June 2012 to May 2013.
- Increase in the response to intervention level potholes reported by members of the public, with 91.8% made safe within 48 hours, a 25.9% increase from quarter 1.
- The most up-to-date value for money assessment showed 50% of services were rated as high performance, low spend. Only 2 other authorities had a higher percentage of services in the high performance, low spend category.

Areas of concern

9.6 During quarter 2 there are areas which have been highlighted during officer challenge sessions as areas of concern:

- Homelessness and Emergency Accommodation – continues to be a concern with an increase in the number of households in temporary accommodation and the length of time households are staying in nightly-purchased accommodation increasing.
- Ensuring implementation of the Parking improvement plan to address public concerns and operational issues.
- Projected overspends in Family Services and Street Scene are being closely monitored and subject to in year recovery plans.

9.7 There are emerging challenges of:

- A decline in the percentage of children making 2-levels of progress in reading between Key Stages 1 and 2.
- A decrease in proportion of looked after children making the expected level of progress in English and Maths between Key Stages 2 and 4.

9.8 There are a number of established challenges which have previously been reported (in addition to the areas of concern in 9.6):

- Staff absence remains high and above the corporate target.

9.9 As requested by the Chairman of this committee, officers have highlighted areas of challenge which require further action; these are set out above in 9.6.

10 LIST OF BACKGROUND PAPERS

10.1 Quarter 2 Corporate Performance Report

www.barnet.gov.uk/info/725/corporate_plan_and_performance/270/corp

Cleared by Finance (Officer's initials)	JH
Cleared by Legal (Officer's initials)	JF

ANNEX A

Meeting	Cabinet Resources Committee
Date	16 December 2013
Subject	Quarter 2 Monitoring 2013/14
Report of	Cabinet Member for Resources and Performance
Summary	To consider the Quarter 2 Monitoring 2013/14 report and instruct officers to take appropriate action.
Officer Contributors	Phil Brown – Assistant Director, Financial Services Nickie Morris – Finance Manager, Closing & Monitoring
Status (public or exempt)	Public
Wards affected	Not applicable
Key decision	Yes
Enclosures	Appendix A – Performance Report Appendix B – Revenue Monitoring by Directorate Appendix C – Capital Programme Adjustments Appendix D – Capital Monitoring Analysis Appendix E – Corporate Risk Register Appendix F – One Barnet Programme Appendix G – Library Fees and Charges Appendix H – Prudential Indicator Compliance Appendix I – Investments outstanding as at 30 Sept 2013
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in	Not applicable
Contact for further information:	Nickie Morris, Finance Manager, Closing & Monitoring, 020 8359 7210

1. RECOMMENDATIONS

- 1.1 That the Performance in Paragraph 9.1 and Appendix A be noted
- 1.2 That Directors take appropriate action to ensure costs are kept within budget and income targets are met. (Paragraph 9.3.2)
- 1.3 That Directors take appropriate action to improve performance against those corporate performance, Human Resources (HR), project, and risk measures where quarter two performance remains a challenge. (Paragraphs 9.1 and Appendix A)
- 1.4 That Directors ensure that those capital projects in their services are managed closely to ensure they are delivered within budget and in accordance with the agreed timeframe. (Paragraph 9.3.13)
- 1.5 That the proposed 2013/14 capital additions/deletions totalling £19.271m and slippage of £22.519m as set out in Table 3 (Paragraph 9.3.14) and Appendix C and the related funding implications summarised in Table 4 (Paragraph 9.3.15) be approved.
- 1.6 That the Agency Costs for the second quarter be noted. (Paragraph 9.5.1)
- 1.7 That the Corporate Risk Register at Appendix E be noted.
- 1.8 That the One Barnet Programme (Paragraph 9.10 and Appendix F) be noted.
- 1.9 That the changes to Fees and charges for a new size of room rental within the Library service in 2014/15 be approved. (Paragraph 9.7.1 and Appendix G)
- 1.10 That the following virements for this financial year and on-going be approved:
 - £1.842m within the Waste and Recycling service. This is required to realign the budgets to reflect the latest organisational structure within Streetscene including the efficiencies from the 13/14 savings initiatives. There is a nil impact on budgets. (Paragraph 9.4.1)
- 1.11 That the following transfers from Contingency for this financial year and on-going be approved (Paragraph 9.6.1):
 - £1m transfer from contingency to the Family Services to support on-going demographic pressures in Children's Social Care; and
 - £0.500m transfer from contingency to support the reactive maintenance budget.
- 1.12 That the following funding from the transformation reserve be approved (Paragraph 9.6.2):
 - Children's service transformation £0.200m
 - Children's income SEN and complex needs £0.250m
 - Children's transformation scoping £0.024m
 - Priorities and spending review £0.250m;
- 1.13 That £0.1m draw down is approved from the risk reserve to cover costs associated with the judicial review (Paragraph 9.10.3)
- 1.14 That the Treasury position in 9.8 be noted.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Council, 5 March 2013 (Decision item 8.1.1) – approved the Council Budget and Council Tax 2013/14.
- 2.2 Cabinet Resources Committee, 24 June 2013 (Decision item 7) – approved the Outturn Report 2012/13.
- 2.3 Cabinet Resources Committee 24 September 2013 (Decision item 6) – approved quarter 1 monitoring 2013/14

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Robust budget and performance monitoring are essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximised.
- 3.2 Relevant Council strategies and policies include the following:
 - Corporate Plan 2013-14;
 - Medium Term Financial Strategy;
 - Treasury Management Strategy;
 - Debt Management Strategy;
 - Insurance Strategy;
 - Risk Management Strategy; and
 - Capital, Assets and Property Strategy.

4. RISK MANAGEMENT ISSUES

- 4.1 The revised forecast level of balances needs to be considered in light of the risk identified in 4.2 below.
- 4.2 Various projects within the Council's revenue budget and capital programme are supported by time-limited grants. Where there are delays to the implementation of these projects, there is the risk that the associated grants will be lost. If this occurs either the projects will be aborted or a decision to divert resources from other Council priorities will be required.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Under the Equality Act 2010, the Council and all other organisations exercising public functions on its behalf must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation. With respect to a) the 'protected characteristics' also include marriage and civil partnership.
- 5.2 Having 'due regard' means: (i) consciously thinking about the three aims as part of the decision-making process; (ii) that an incomplete or erroneous appreciation of the duties will mean that due regard has not been given to them; and (iii) that the duty must be

exercised in substance, with rigour and with an open mind.

5.3 In response to the public sector Equality Duty (as specified in the Equality Act 2010), quarter 2 data for the Corporate Plan equalities measures is used to assess whether there are any notable gaps between different groups. This is published on our website at: www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity

5.4 Financial monitoring is important in ensuring resources are used to deliver equitable services to all members of the community.

5.5 The changes to Fees and charges for a new size of room rental within the Library service in 2014/15 will allow groups of 6-15 people to hire a room at a lower rate than previously. There is no evidence to suggest the addition of the medium meeting room would affect any particular protected equality groups by a disproportionate advantage or disadvantage.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance and Value for Money, Staffing, ICT, Property, Sustainability)

6.1 Robust budget and performance monitoring plays an essential part in enabling an organisation to deliver its objectives efficiently and effectively.

6.2 Use of Resources implications are covered within Section 9 of the body of the report and in the attached appendices.

6.3 The projected overspend of £3.09m is forecast to reduce General Fund balances from £15.830m to £12.321m. The General Fund balances are therefore forecast to fall below the recommended target level of £15m.

7. LEGAL ISSUES

7.1 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.

7.2 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. Definition as to whether there is a deterioration in an authority’s financial position is set out in sub-section 28(4) of the Act.

8. CONSTITUTIONAL POWERS

8.1 The Council’s Constitution, in Part 3, Responsibility for Functions, states in paragraph 4.6 the functions of the Cabinet Resources Committee including:

- (a) Monitor the trading position of appropriate Council services, carry out debt analysis and look at income sources and charging policies;
- (b) To write off debt;
- (c) To determine external or cross-boundary trading limit; and
- (d) Approval of schemes not in performance management plans but not outside the

Council's budget or policy framework.

- 8.2 The Council's Constitution, Part 1, Financial Regulations Part 4 section 4.4.13 states the Chief Finance Officer will report in detail to Cabinet Resources Committee at least four times a year on the revenue and capital budgets and wider financial standing in addition to two summary reports at the beginning and end of the financial year.
- 8.3 The Council's Constitution, Part 1, Financial Regulations Part 4 section 4.4.3 states virements can only be made after following the rules in the table below:

Approval by Cabinet or Cabinet Resources Committee is required if any of the	
	The virement affects any the following budget types: - Financing charges - Rates and other taxes - Recharges - Insurances
	The virement is for contingent budgets for amounts over £250,000 (as determined by the Section 151 Officer in consultation with the appropriate Chief Officer)
	The virement would cause the total budget head to be exceeded in the current year or increase the commitment in future years
	The virements are to be financed from savings arising from competitive tendering
Approval by Cabinet Member is required if any of the following conditions exist:	
	The virement will transfer funds for the creation of new staff posts
If none of the above conditions apply, then the following approval levels apply:	
	Virements within a service that do not alter the staffing by more than 10% are approved by Service Director
	Virements up to a value of £50,000 must be approved by the relevant Chief Officer
	Virements over £50,000 and up to £250,000 must be approved by the appropriate Cabinet Member
	Virements over £250,000 and up to £2,500,000 must be approved by Cabinet or Cabinet Resources Committee
	Virements over £2,500,000 or over 10% of the net service budget must be approved by Full Council

Capital Virements	
Cabinet or Cabinet Resources Committee approval is required for all capital budget and funding virements and yearly profile changes (slippage) between approved capital programmes i.e. as per the budget book. The report must show the proposed: i) budget transfers between projects and by year ii) funding transfers between projects and by year and iii) a summary based on a template approved by the Section 151 Officer	
Funding substitutions at year end in order to maximise funding are the responsibility of the Section 151 Officer.	

9. BACKGROUND INFORMATION

9.1 Summary of Financial and Performance Monitoring

9.1.1 Revenue Monitoring

The Council's overall position has declined since Quarter 1. The quarter 2 forecast has resulted in a projected overspend of £3.509m. The Council's General Fund Balances are forecast to fall below the recommended level of £15m, and are currently projected to be £12.321m.

9.1.2 Capital Monitoring

The Council's 2013/14 Capital Programme is showing slippage of £22.519m and

additions/deletions of £19.271m against a budget of £158.823m at the end of quarter 2.

9.1.3 Successful service changes

- Mobilisation and commencement of the **Customer and Support Group** contract (2 September).
- Mobilisation of the **Re joint venture** (1 October)
- Preparatory work for the in-sourcing of the **recycling service** (7 October).

9.1.4 Value for Money Benchmarking

The London Councils' value for money assessment has not been updated since quarter 1, where 50% of services were rated as high performance, low spend. Only 2 other authorities had a higher percentage of services in the high performance, low spend category.

9.1.5 Areas of concern

There are four areas of concern identified during officer challenge sessions. Further detail is provided in section 9.2.3:

- A continuation of the **Housing, homelessness and emergency accommodation** challenge from quarter 1
- **Family Services** projected year end revenue overspend, see table 3 for more detail
- **Street Scene** projected year end revenue overspend, see table 3 for more detail
- **Delivery of Parking scope and improvement plan**

9.1.6 Programmes update

One Barnet

Customer and Support Group contract was mobilised and commenced. This contract sets out to transform customer access, improve services, increase capacity and provide £125m financial benefits. The Re contract was mobilised (aiming to enhance the built environment, and deliver £39.1m guaranteed financial benefit). The preparatory work for the in-sourcing of the recycling service (7 October) and commencement of the new waste offer (14 October) was undertaken. One project, Mortuary Service, was flagged as red at the end of Q2 with risks related to delivery of the project to the agreed schedule.

Capital

Most of the projects are on track to deliver on time. Moss Hall, Martin, Oakleigh and Brunswick Park School Expansions have successfully handed over the early classroom on 3rd Sept. Etz Chaim scheme has been handed over and is now in defects phase. The School Opening Ceremony is to take place in October. However one project, Copthall Secondary School project, is facing additional strain on the tight delivery programme. Work is underway to scope work on four further schools to increase capacity. Work is progressing to develop a full planning application for the site at Pinkham Way with the intention to submit to the Planning Authority for consideration in mid-2014. The Council has a contractual obligation to vacate the current Depot facility at Mill Hill East by December 2016 so the successful relocation to an alternative site is a key risk for the Council.

Regeneration

There are 8 open projects of which none are red-rated projects. Planning consent for Dollis Valley has been issued and Barratts have started on site with the next phase of Stonegrove Spur Road. Brent Cross Development Partners were preparing to submit an application to vary the existing planning permission granted in 2010 to enable the re-phasing of the comprehensive development of Brent Cross Cricklewood. The Skills and

Enterprise project remains amber. The size and complexity of individual projects, and dependencies external development partners result in 'amber' ratings for the majority of the projects.

9.1.7 Human Resources (see section 2.7 of appendix A)

The transfer out of CSG and Re staff is the major change in workforce data since the previous quarter. This has led to a reduction in the total of full-time equivalents (FTE) to just over 2,200. This reduction has not had any material impact on the profile in workforce data that have been in place for some time. The profile of the workforce is very similar in terms of gender and ethnicity to that in 2012/13 and the impact of transfer of staff and normal turnover has not affected the overall profile.

Vacancy rates continue to be high (25%), however much of this reflects underlying flexible resourcing and agency costs rather than active recruitment as the general stability of the workforce continues to be good in Q2. Sickness also continues to be higher than target (7.7 days compared to a target of 6 days), although this is better than the Chartered Institute for Public Finance and Accountancy (CIPFA) benchmark.

9.1.8 Customer Experience

The proportion of **calls answered within 20 seconds improved** from 61% to 69% between Q1 to Q2, while call volumes have increased 5% compared to quarter 2 2012/13. The overall customer satisfaction level increased to 53% for quarter 2 (an 8% increase on Q1).

During quarter 2, a disparity has arisen between the **waiting times** at the Council's face to face customer service locations, with a 7.26mins average waiting time at Barnet House compared to 2.78mins at Burnt Oak. CSG are altering staffing patterns during the lunch period to increase capacity during this busy part of the day.

9.2 Quarter 2 Performance Monitoring

9.2.1 This is the second time that information on the 2013/14 Corporate Plan indicators will be reported (see appendix A). A total of 27 indicators out of 37 indicators were required to report in quarter 2. Of the indicators that reported, the balance of met and missed targets was 56% met (15 targets rated as green) and 41% missed (11 targets rate as red, red-amber, or green-amber). There is one new indicator that does not have a target this quarter. 13 CPIs show a positive or neutral direction of travel, 10 CPIs demonstrate a negative direction of travel.

9.2.2 Successes

A total of 15 indicators achieved their target for Quarter 2 2013/14. There are a number of areas which have reported strong performance:

- The provisional results for the last academic year show 69.4% of **pupils achieving 5 or more GCSEs A*-C**, a 0.3% improvement from last year.
- Street Scene showed a significant increase in the proportion of waste sent for **reuse, recycling and composting** up to 35.99% and a 3.7% increase in transactions for **car parks** in Town centres since quarter 1 (17% above target).
- In Family Services, there has been an increase in the number of **early year places** available for eligible 2 year olds from 433 to 532, and an increased proportion of **young offenders in education, training or employment** to 76.4% (increase of 25.8% and 1.9% above target).

- In Adults and Communities there has been a reduction in the level of **domestic burglary** with a 7.1% decrease since June 2012 to May 2013 (the previous outturn).
- In quarter 2 there was an increase in the response to intervention level **potholes** reported by members of the public, with 91.8% made safe within 48 hours, a 25.9% increase from quarter 1. Furthermore the good weather during the summer has facilitated an 80% increase in the **completion of work on roads and footpaths** identified for resurfacing and maintenance work.
- The **Planning** Service has seen further improvement in performance on determining applications in statutory timescales. There has been particular improvement in performance on major applications, with 62% of major applications determined in statutory timescales in quarter 2. This has ensured the performance over the last 24-months is above the threshold set by the Department of Communities and Local Government for special measures.

9.2.3 Established challenges

There are a number of performance issues in quarter 2 that have been subject to challenge previously:

- The **Parking service** has been subject to detailed review during quarter 2; the review highlighted that our service offer and communication with residents needs improvement.
- Housing, homelessness and emergency accommodation:
 - The number of **households placed in emergency accommodation** has remained high. In quarter 2 there were 638 households in emergency accommodation. This is 1.3% increase from quarter 1 and 27.6% above target. Barnet Homes have initiated plans to increase supply of affordable supply including revised direct-let scheme and a revised letting scheme to provide an additional 40 units.
 - The **average time spent in short-term nightly purchased accommodation** has increased by a further 9.1% since quarter 1 (up to 34.6 weeks), 33.1% above target.
- **Budget pressures** in Street Scene and Family Service remained in quarter 2, with considerable year end revenue variances projected (see section 9.3.1).
- **Staff absence** remains high and above the corporate target. Sickness absence for the rolling 12 month period to September 2013 is 7.7 days, 28% above the corporate target of 6 days.

9.2.4 Emerging challenges

There were a number of new and emerging challenges in quarter 2:

- There has been a decline in the percentage of children making 2-levels of progress in **reading between Key Stages 1 and 2**. Although this remains above the England average, performance has declined from the previous year.
- There has been a decrease in the proportion of **looked after children making the expected level of progress in English and Maths between Key Stages 2 and 4**. It should be noted that this is a small number of children (less than 5).
- Analysis of the Customer Experience in quarter 2 has shown increased call volumes in **Youth Services, Environment & Operations (E&O), Assisted Travel and Parking** have all received increases in call volumes during quarter 2, where a decline in performance has also been experienced.

9.3 Quarter 2 Financial Monitoring

9.3.1 2012/13 Revenue Monitoring

Table 1 below provides a summary of the 2013/14 outturn analysis compared to the revised budget position. As at the end of Quarter 2 the actual net General Fund spend was £128.879m. This represents 44% of the revised budget (54% excluding Housing Benefit where Grants income and expenditure are not yet aligned). The position for the end of the year is currently anticipated to be forecast as an overspend of £3.509m. A breakdown of revenue monitoring by each service directorate is set out in Appendix B.

Note that the overall overspend projected at quarter 2 in the prior year 2012/13 was £2.067m. The final overspend in the prior year 2012/13 in the final outturn was £0.690m.

Table 1: 2013/14 Revenue Quarter 2 Analysis – Summary

Description	Original Budget	Revised Budget as at 30/09/2013	Forecast Outturn as at 30/09/2013	Forecast Outturn Variation as at 30/09/2013
	£'000	£'000	£'000	£'000
Adults and Communities	96,023	96,985	97,091	106
Assurance	3,611	4,045	3,995	(50)
Children's Education	8,227	8,103	8,397	294
Children's Family Service	49,621	50,681	51,843	1,162
Commissioning Group	7,314	7,460	7,707	247
Streetscene	14,898	15,219	16,891	1,672
Public Health	13,799	13,766	13,766	-
HB Public Law	1,908	1,932	2,226	294
Barnet Group	2,937	3,393	4,122	729
DRS	821	1,171	1,171	-
CSG	24,178	24,546	24,546	-
Central Expenses	69,736	65,650	64,705	(945)
Total 2012/13 General Fund Forecast	293,073	292,951	296,460	3,509
Allocations agreed from GF Balances	-	-	-	-
General Fund Balances as at 01/04/13	-	-	-	(15,830)
Projected General Fund Balances (excluding schools balances) at 31/03/13	-	-	-	(12,321)

Description	Original Budget	Revised Budget as at 30/09/13	Forecast Outturn as at 30/09/13	Forecast Outturn Variation as at 30/09/13
	£'000	£'000	£'000	£'000
Housing Revenue Account	-	-	697	697

9.3.2 Directors are accountable for any budget variations within their services and the associated responsibility to ensure costs and income are managed within agreed budgets. To ensure this is successfully achieved, it is essential that Directors develop action plans for all significant emerging variances, with the aim of ensuring that overall expenditure is kept within their total budget available.

9.3.3 Commentary about Revenue Outturn

The Council's overall position has declined since quarter 1. The quarter 2 forecast has resulted in a projected overspend of £3.509m. The Council's General Fund Balances are

forecast to fall below the recommended level of £15m, and are currently projected to be £12.321m. Service recovery plans should be aiming to ameliorate any significant budget variances and bring the forecast level of balances back up to the recommended level. Concerns exist across the organisation, but are most significant in Street Scene and Family Services.

- 9.3.4 The Street Scene delivery unit is forecasting an overspend of £1.672m which includes:
- An overspend of £0.701m in the Special Parking Account. This overspend has reduced since quarter 1, and is as a result of an increased recovery of income from PCN's, CCTV, Bus Lanes and Bailiffs. The remaining overspend is due to cost pressure on the NSL contract of £0.701m.
 - An overspend of £0.438m in the Recycling service is as a result of a reduction in demand for recyclables.
 - The Parking service is forecasting an overspend of £0.342m, due to shortfalls in off street parking.
 - A Highway Maintenance overspend of £0.159m is as a result of winter maintenance pressures.
 - The Street Scene delivery unit are pulling together a recovery plan which will take corrective action to address the overspend position reported.
- 9.3.5 Family Services are forecasting an overspend of £1.162m and includes:
- An overspend of £1.207m in Children in Care & Provider services. This is due primarily to external residential care where demand and the complexity of cases has increased. There are also emerging pressures in Remand services and kinship and special guardianship orders, part of which is as a result of legislative changes.
 - Social Care Management is forecasting an overspend of £0.521m which relates to Market Factor Supplements to Social workers and also legal costs anticipated to be £500k.
 - There is a £138k pressure in the payment by results element of the Children Centres budget
 - A recovery plan is in place for the Family Service budget. £0.500m savings have already been included in the forecast and further additional savings have been identified which expect to reduce the total forecast overspend from £1,162k to £1,000k
- 9.3.6 An overspend of £0.294m in the Education Service. There are shortfalls in savings that will not be fully achieved during the financial year, these relate primarily to Transport. This overspend has reduced since quarter 1 and is primarily due to staff vacancies.
- 9.3.7 HB Public Law is forecasting an overspend of £0.294m, this is due to the cost of additional hours purchased and a shortfall on income recovery such as Section 106 due to the introduction of the community infrastructure levy. This overspend was forecast in quarter 1 and has increased marginally since that point.
- 9.3.8 The Barnet Group is forecasting an overspend of £0.729m. This is as a result of increased temporary accommodation numbers. The overspend was forecast in quarter 1 however it has increased significantly. Funding was set aside in contingency at the start of the financial year to recognise that pressures in temporary accommodation are a London wide issue, and, if necessary, a draw down from contingency will be made in quarter 3.

9.3.9 The Commissioning Group is forecasting an overspend of £0.247m. This relates to the interim structure within the commercial team due to the Judicial Review. Steps are now being taken to recruit permanent staff.

9.3.10 The overspends are reduced slightly by savings in Central expenses of £0.945m. The savings relate to a reduction in budget requirements for the North London Waste Authority and the London Pension Fund Authority.

9.3.11 Specific areas for concern (highlighted above) are high risk areas and it is important to ensure the budget and performance of the service is managed so that it does not continue to be a budget pressure next year.

9.3.12 The Council approved saving of £13.727m as part of the 2013/14 budget setting process. Of this total, £0.784m shown in Table 2 below, is still being identified as high risk. The remainder have been implemented or are on course to being implemented in line with original timescales. For the high risk savings, alternative proposals or action plans are being developed by services.

Table 2: Savings Monitor – key risks and remaining issues outstanding

Directorate	Service area	Savings Type	Description of saving	Comments and risks	2013/14 £'000
Children's Services	Social Care	Efficiencies	Reconfigure services to deliver improvements, efficiencies and savings in children's social care	Increase in demand for staff covering contact sessions for families, as a result of an increase in the number of court directed activity. The service continues to work to reduce costs in this area.	(22)
Children's Services	Transport	Efficiencies	Achieve efficiencies within transport costs for children in care and children with Special Educational Need through improved contracting and demand management	Shortfall in Transport savings. Action being taken to target individual clients which achieve long-term savings. The current years savings will be met from underspends in other areas	(316)
Streetscene	SPA	Efficiencies	Savings resulting from alternative service provision	The saving for the SPA is not expected to be achieved and will be reviewed	(349)
Streetscene	Parking	Efficiencies	Savings resulting from alternative service provision	The saving for Parking is not expected to be achieved and will be reviewed	(69)
Streetscene	Streetscene	Income	Textile bring bank consortium contract	Textile income to be reviewed in light of in - house service provision	(28)

9.3.13 2013/14 Capital Programme Monitoring

Directors will need to closely monitor and manage capital projects during 2013/14, to ensure that they are delivered within budget and in accordance with the agreed timeframe.

9.3.14 2013/14 Capital Monitoring Analysis

Table 3 below summarises the 2013/14 capital programme. The capital monitoring summary and scheme details by service directorate is set out in Appendix D.

Table 3: 2013/14 Capital Quarter 1 Analysis – Summary

Service	2013/14 Latest Approved Budget	Additions/ (Deletions) - Quarter 2	(Slippage) / Accelerated Spend - Quarter 2	2013/14 Budget (including Quarter 2)	Forecast to year end	Variance from Revised Budget
	£'000	£'000	£'000	£'000	£'000	£'000
Adults and Communities	2,142	-	(700)	1,442	1,442	(700)
Children's education	66,990	140	(12,459)	54,671	54,671	(12,319)
Children's family services	2,129	862	(280)	2,711	2,711	582
Commissioning Group	4,608	17,150	(3,353)	18,405	18,405	13,797
Street Scene	12,933	1,224	(48)	14,109	14,109	1,176
DRS delivery unit	26,817	(378)	(5,159)	21,280	21,280	(5,537)
CSG delivery unit	6,838	-	(20)	6,818	6,818	(20)
The Barnet Group	567	273	-	840	840	273
General Fund Programme	123,024	19,271	(22,019)	120,276	120,276	(2,748)
HRA	35,799	-	(500)	35,299	35,299	(500)
Total Capital Programme	158,823	19,271	(22,519)	155,575	155,575	(3,248)

9.3.15 Proposed changes to the 2013/14 Capital Programme

Table 4 below summarises the proposed funding changes to the Capital Programme. A detailed analysis of the proposed changes including additions, deletions and budget movements is provided in Appendix C.

Table 4: 2013/14 Capital Funding Changes

	Grants	S106 / Other	Capital Receipts	Revenue	Borrowing	Total
	£000	£000	£000	£000	£000	£000
Adults and Communities	(700)					(700)
Children's education	(2,300)	(174)	(2,547)		(7,298)	(12,319)
Children's family services	785		(280)	77		582
Commissioning Group			(3,410)	17,868	(661)	13,797
Street Scene	(54)	427		803		1,176
DRS delivery unit	(1,191)	(2,308)	(913)	(87)	(1,038)	(5,537)
CSG delivery unit					(20)	(20)
The Barnet Group			151	122		273
General Fund Programme	(3,460)	(2,055)	(6,999)	18,783	(9,017)	(2,748)
HRA	-	-	-	(500)	-	(500)
Total Capital Programme	(3,460)	(2,055)	(6,999)	18,283	(9,017)	(3,248)

The main changes are

- Increase in Revenue Funding for the Commissioning Group £17.9m for the CSG and Re transformation.
- Reduction in borrowing in Children's Education of £7.3m as a result of slippage on Urgent Primary places.
- Reduction in the use of capital receipts in Children's Education £2.5m and Commissioning Group £3.4m as a result of slippage on Urgent Primary places and the customer access centre respectively.
- Reduction in Grants in Children's Education £2.3m due to slippage on General School Organisation.

- Reduction in the use of s106/other funding in the DRS delivery unit £2.3m due to slippage on the Graham Park Regeneration (£1.6m) and Housing association development programme (£0.7m).

9.3.16 There has been a 2% reduction in the Capital programme this quarter. Since the beginning of the year, there has been £42.863m of Slippage (25% of the original budget) and £17.703m of additions. The main projects affected by the slippage this quarter are as follows:

- Commissioning Group for depot relocation where work can not start until the planning application is approved which is due for submission in early 2014 (£1.303m) and the customer access centre where a Strategic review of the transformation is required to identify the detailed allocation of the budget. The review is now planned for the end of the calendar year (£2.050m).
- Children's Education for:
 - Urgent Primary Places. Projects for the London, Wren, Osidge and St Joseph's schools are at the early planning & feasibility stage and are intended to be complete by 2015/16. Funding is being re-profiled (slipped) to match the project timeframe (£8.629m).
 - General Schools Organisations as a result of delays in the construction of the Grahame Park regeneration programme (£3.830m).
- Children's Family Services for the implementation of libraries Strategy to re-align with the project plan (£0.280m).
- Housing Revenue Account due to further consultation required with residents on the West Hendon project (£0.500m).
- DRS Delivery Unit for:
 - General Fund regeneration slippage on Grahame Park / Colindale Regeneration due to delays on the major junction works as a result of strategic discussion with London Borough of Brent on the A5. Major works on Colindale Avenue delayed awaiting master plan proposals from appointed developer for peel centre site. (£4.250m).
 - Highways non-TFL due to reprofiling of the Colindale development project (£0.300m).
 - Disabled Facilities Projects due to supply and demand issues (£0.300m).
 - Other EPR projects within the Housing Association Development Programme (New Affordable Homes & Catalyst Housing) due to delay in identifying projects (£0.504m).

This spend is planned to be incurred in future years and has been re-profiled appropriately.

9.4 Virement

9.4.1 A virement for £1.842m is requested within the Waste and Recycling service. This is required to realign the budgets to reflect the latest organisational structure within Street Scene, including the efficiencies from the 2013/14 savings initiative. There is a nil impact on budgets (Recommendation 1.10)

Table 5: Virement request

Cost Centre	Account Group	Amount £'000
10655 Domestic Refuse	Employee Related	1,842
10656 Recycling	Employee Related	(245)
10656 Recycling	Supplies & Services	(1,597)
TOTAL		-

9.5 Agency Costs

9.5.1 The table below details all agency staff costs incurred for quarter 1 of 2013/14.

Table 6: Agency Costs to 30 September 2013

Directorate	2012/13	2013/14 Quarter 1	2013/14 Quarter 2		
	Total Agency & Consultants expenditure	Total Q1 Agency and Consultants Expenditure	Agency Spend	Consultants Spend	Total Q2 Agency and Consultants Expenditure
	£000	£000	£000	£000	£000
Adults and Communities	4,413	911	964	186	1,150
Assurance	63	15	4	-	4
Children's Education	4,897	793	442	5,314	5,756
Children's Family Service	2,446	610	626	53	679
Commissioning Group	6,175	637	705	431	1,136
Streetscene	1,417	759	370	42	412
Public Health	-	7	-	10	10
HB Public Law ***	234	-	-	-	-
Barnet Group	189	-	-	5	5
DRS	1,730	869	429	378	807
CSG	4,549	1,593	1,376	115	1,491
Central Expenses	152	-	-	-	-
HRA	1,713	1,055	112	136	248
Total	27,979	7,250	5,028	6,670	11,698

* Data as at 30th September 2013 includes revenue (£5.198m) and capital spend (£6.500m)

** Commissioning Group includes "One Barnet" project expenditure £0.376m (Agency) and £0.430m (Consultants) for 13/14.

***prior year figures are for Internal Legal Services

9.6 Transfers from Contingency and Reserves

9.6.1 That the following transfers from Contingency for this financial year and on-going be approved (Recommendation 1.11):

- £1m transfer from contingency to the Family Services to support on-going demographic pressures in Children's Social Care and legislative changes; and
- £0.500m transfer from contingency to support the reactive maintenance budget following a reduction in investment in carriageways in the last couple of years combined with several harsh winters an addition of £500k is required for the continuation of service delivery and to meet the council's statutory obligations to maintain a safe highway.

9.6.2 In June 2012, it was reported to CRC that the funding requirement for the extension of the corporate change programme, the One-Barnet Wave 2 programme, was forecast at £11m. As at Quarter 2, the total projected spend on the programme to date amounts to

£7.83m, meaning £3.2m of the original allocation is not expected to be spent. However, detailed programmes to implement the agreed MTFs savings in Children's services require additional funding to enable them to be successfully implemented. As such, it is recommended that the following draw-downs from the transformation reserve are approved:

- £0.250m for Children's income SEN and complex needs;
- £0.024m for Children's transformation scoping;
- £0.200m draw down to fund the implementation of a Children's transformation programme to implement current MTFs savings (totalling over £7m); and
- £0.250m draw down to fund project costs associated with the priorities and spending review.

9.7 Fees and Charges

9.7.1 The Library Service has provided 3 new intermediate-sized meeting room spaces for which a new charge rate is required. A charge of £10.00 per hour (£7.00 for concessions) is proposed which is mid-way between the existing large and small room hire rates (£15 and £6 respectively). This charge will contribute to the Library service income generation strategy.

9.7.2 The addition of the medium meeting room will allow groups of 6-15 people to hire a room at a lower rate than previously. There is no evidence to suggest the addition of the medium meeting room would affect any particular protected equality groups by a disproportionate advantage or disadvantage.

9.7.3 Further details can be found in Appendix G to this report.

9.8 Treasury

9.8.1 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary report of the treasury management activity during the period to 30 September 2013. The Prudential Indicators have not been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield. Further details of compliance with prudential indicators are contained in Appendix H. The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of its indebted status. This is a limit which should not be breached. During the year to 30 September 2013 there were no breaches of the Authorised Limit and the Operational Boundary.

9.8.2 The Council's timeframes and credit criteria for placing cash deposits and the parameters for undertaking any further borrowing are set out in the Treasury Management Strategy (TMS). The TMS 2013-14 was approved by Council on 6 March 2013 and the revised strategy applied with immediate effect. The TMS demands regular compliance reporting to this Committee to include an analysis of deposits made during the review period. This also reflects good practice and will serve to reassure this Committee that all current deposits for investment are in line with agreed principles as contained within the corporate TMS.

9.8.3 This report therefore asks the Committee to note the continued cautious approach to the current investment strategy: to note also, that as a result of considerable stabilisation and in some cases improvement in credit metrics, the revised treasury strategy for 2013/14 has extended the maximum duration to 2 years, albeit with maximum recommended duration of deposits for different banks depending on risk assessment.

Investment Performance

- 9.8.4 Investment deposits are managed internally. At 30 September 2013, deposits outstanding amounted to £213.606 million (excluding Icelandic deposits), achieving an average rate of return of 0.55 per cent (adjusted for Icelandic deposits) against a benchmark (LIBID) of 0.38 per cent. A list of deposits outstanding as at 30 September 2013 is attached as Appendix I.
- 9.8.5 The benchmark, the average 7-day LIBID rate, is provided by the authority's treasury advisors Arlingclose. The LIBID rate or London Interbank Bid Rate is the rate that a Euromarket bank is willing to pay to attract a deposit from another Euromarket bank in London.

Icelandic Bank Deposits

- 9.8.6 On 28 October 2011, the Supreme Court of Iceland upheld the District Court judgment for the test cases that local authorities' claims are deposits that qualify in full for priority in the bank administrations. The latest indications are that the Council will recover an amount in excess of the principal deposited in Iceland.
- 9.8.7 **Glitnir** – in March 2012, approximately 82p/£ was recovered from a mixture of Sterling, Euro and US Dollar payments. The Euro and US Dollar amounts were converted via a spot rate into GBP. The remaining 18 per cent remains held in Icelandic Krona. To date the Council has received £10.97 million from the Glitnir Winding-up Board with a further £2.5 million held in escrow in Icelandic Krona.
- 9.8.8 **Landsbanki** – To date the Landsbanki Winding up Board has made four partial distributions. Approximately 53 per cent has been recovered to date, via a mixture of Euro, US Dollars and Sterling payments. 2 per cent remains held in interest bearing escrow accounts in Icelandic Krona, as it is subject to Icelandic Krona currency export restrictions. The Council has received £8.6 million to date. A further £7.4 million is due to the Council. Further partial distributions are expected to be made annually up till 2019. Some of these further distributions may be held escrow accounts because of the currency export restrictions.
- 9.8.9 Fluctuations in currency rates against sterling since 2009 is likely to result in a potential shortfall on the deposits and interest expected to be returned to the Council. The potential shortfall can be met from within the existing risk reserve.

Debt Management

- 9.8.10 The total value of long term loans as at 31 March 2013 was £304.08m. There has been no external borrowing in the financial year to date. The average total cost of borrowing for the quarter ending 30 September 2013 was 3.89 per cent.

9.9 Corporate Risk Register

- 9.9.1 The Corporate Risk Register is a summary of the main risks that the Council faces and describes the Control Actions put in place to mitigate these risks. The Corporate Risk Register can be found as Appendix E to this report.

9.10 One Barnet programme

9.10.1 Wave 1:

Wave 1 total projected spend is £11.581m, a nil variance against CRC approved budgets. Spend to date amounts £11.123m, with expected commitments totalling £0.458m.

9.10.2 Wave 2:

Wave 2 total projected spend is £7.830m, a projected variance of £0.330m against CRC approved budgets totalling £8.160m. Spend to date amounts to £5.609m, with expected commitments totalling £2.221m. Projections include;

- Additional expenditure to be incurred on Early Intervention and Prevention, amounting to £185k, as previously approved by CRC
- Additional expenditure to be incurred on the strategic review of Sports and Physical Activity, amounting to £75k, as per CRC approval (4th November 2013)
- Additional expenditure to be incurred on the review of Registrars and Nationality service, amounting to £103k, as per CRC approval (4th November 2013)

9.10.3 Judicial Review

Total projected spend on the Judicial review is £609k, a projected variance of £109k against CRC approved budgets totalling £500k. It is recommended that this additional expenditure is funded from the risk reserve.

10. LIST OF BACKGROUND PAPERS

10.1 None.

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Cleared by Legal (Officer's initials)	JF

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1. Corporate performance overview

Performance Report: Quarter One 2013/14

Contents

1. Corporate performance overview	1
2. Whole council summary tables	3
3. Methodology for traffic light ratings.....	13

1.1 Corporate performance dashboard

The methodology for calculating these health ratings is explained in section 3 of this report.

Directorate	Corporate Plan performance	Revenue budget actual variance £'000	Capital actual variance £'000	Management Agreement/ Contract Performance
Adults and Communities	4.5	106	(700)	5.5
Assurance	-	(50)	n/a	-
Children's Education and Skills	-1	294	(12,319)	3.5
Family Service	3	1,162	582	2.5
Commissioning Group	1	247	13,747	-
Street Scene	2	1,672	1,176	10
Public Health	0.5	0	n/a	-0.5
Barnet Group	2	729	273	15
DRS	2	0	(5,537)	9
CSG	-	0	(20)	10.5
HB Public Law	-	294	n/a	2.5
Central Expenses	-	(945)	n/a	-
Totals ¹	0.5	3,509	(2,798)	7.5

¹ Organisational totals are based on a simple sum of overall RAG ratings for each service, where each colour is given a number e.g. green equals 1, red equals -1 as set out in 3.2.

2. Whole council summary tables

2.1 Key finance indicators

Indicator		2013/14 Position as at 30/09/13)	2013/14 Position as at 30/06/13)	Achieved /Trend
1 Revenue Expenditure				
(a) Balances and Reserves:	£'m			
(i) General Fund Balance	£'m	11.63	13.45	
(ii) HRA Balances	£'m	15.38	16.07	
(iii) School Balances	£'m	14.76	14.76	
(b) Performance against Budget: Variations:				
(i) Overspends	£'m	7.52	5.96	
(ii) Underspends	£'m	3.40	3.58	
2 Capital Expenditure				
(i) Total Slippage	£'m	22.52	20.34	
3 Debt Management				
(i) Total Debt Outstanding over 30 days	£'m	8.03	7.56	
(ii) Total Debt Outstanding over 12 months	£'m	1.23	1.25	
(iii) Council Tax - % paid	%	56.87	30.19	
4 Creditor Payment Performance				
(i) % of Creditors paid within 30 days	%	99.00	98.48	

2.2 Revenue budget – corporate overview - see monitoring report

2.3 Capital budget – corporate overview - see monitoring report

2.4 Corporate Plan performance - corporate overview

1. Adults and communities

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
1001	Increase the percentage of eligible adult social care customers receiving self-directed support	Apr 13 - Sept 13	67.8%	75%	3,724/5,463	68.2%	9.1%	▲ 0.5%	64.3% LAPS Q4 2012/13 group average
1002	Increase the percentage (and number) of eligible adult social care customers receiving direct payments to 30%	Apr 13 - Sept 13	30.7%	30%	1,182/3,685	32.1%	6.9%	▲ 4.5%	No benchmarking available - local Indicator
1003	Increase the number of carers who receive support services	Apr 13 - Sept 13	9%	8%	559/6,309	8.9%	10.8%	▼ 1.6%	Barnet comparator group average for 2012/13 = 8.98% (adjusted for outliers)
1004	Reduce the number of younger adults in residential and nursing care	Sept 2013	304	306	N/A	304	0.7%	↔ 0%	No benchmarking available - local Indicator
1009	Reduce adult reoffending for those under probation supervision	April 12 - March 13	5.9%	7.2%	N/A	6.6%	7.8%	▼ 12.5%	Home Office London Average April 12 - March 13 = 8.33%
1010	Reduce level of domestic burglary to 24.8 per 1,000 households	Sep 12 - Aug 13	25.4	24.8	N/A	23.05	7.1%	▲ 7.1%	Barnet comparator group average Sept 12 - Aug 13 = 17.77

Appendix A

2. Children's Education and Skills

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
3001	Increase the percentage of children achieving the early learning goals	Academic year	N/A	TBC	2,623/4,364	60.11% (P)	N/A	N/A	Provisional national data - 51.7% (NCER)
3003 a	Increase the percentage of children making two levels progress in Reading between Key Stages 1 and 2 to 93 per cent	Academic year	92%	93%	2,807/3,085	91% (P)	2.2%	▲ 1.1%	England - 88% (Source: DfE Statistical First Release)
3003 b	Increase the percentage of children making two levels progress in Writing between Key Stages 1 and 2 to 93 per cent	Academic year	92%	93%	2,831/3,087	92% (P)	1.1%	↔ 0%	England - 91% (Source: DfE Statistical First Release)
3004	Increase the percentage of pupils achieving 5 or more GCSEs A*-C (or equivalent) including English and Maths	Academic year	69.2%	69.2%	2,494/3,593	69.41% (P)	0.3%	▲ 0.3%	England - 51.9% (Source - NCER via EPAS)
3006a	Reduce the achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stage 2	Academic year	16%	14%	N/A	16.1% (P)	15%	▲ 0.6%	England: 17.3% Provisional data. (Source: NCER via EPAS) 83% of Non-FSM children achieved L4+ in RWM combined, compared to 66.9% of FSM eligible students. Provisional only.
3006b	Increase the percentage of looked after children making the expected level of progress in English and Maths between Key Stages 2 and 4	Academic year	28%	35%	2/17	11.8% (P)	66.4%	▲ 58%	Results relate to FSM-6 students. Provisional benchmarking No benchmarking submitted

Appendix A

3. Children's Family Service

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
3002	Increase the number of early years places available for eligible two year olds from 350 to 700	Jul 13 - Sept 13	433	525	N/A	532	1.3%	▲ 22.9%	No national data available at present.
3008	Reduce the number of first time entrants to the Youth Justice System aged 10 to 17 ²	Jan 13 – Mar 13	408	428	N/A	383	10.5%	▲ 6.1%	London 540 England 514 YJMIS YOT Data Summary for England
3009	Increase the proportion of young offenders in education training or employment	Apr 13 - Sept 13	60.7%	75%	55/72	76.4%	1.9%	▲ 25.8%	London - 64.1% National - 60.6% YJMIS YOT Data Summary for England (Apr-Jun)

4. Street Scene

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
4002a	Increase the percentage of household waste sent for reuse, recycling and composting to 40%	Apr 13 - Jun 13	35.7%	35.79%	13,344.27/ 37,070.99	35.99%	0.6%	▲ 0.8%	Ranked 13th out of 23 London Boroughs (Waste DataFlow as at 14/10/2013)
4003	Launch 10 new 'Adopt a place' community schemes at different locations within the borough	Apr 13 - Sept 13	New indicator	5	N/A	2	60%	N/A	Not benchmarking available - local indicator
4004a	Increase transactions for parking bays (on-street) in Town centres	Jul 13 - Sep 13	420,445	405,500	N/A	417,471	3%	▼ 0.7%	No benchmarking available - local indicator
4004b	Increase transactions for car parks in Town Centres	Jul 13 - Sep 13	80,761	71,300	N/A	83,709	17.4%	▲ 3.7%	No benchmarking available - local indicator

² Please note this indicator is now sourced from IQuanta (the national Police database) resulting in an increased time delay to reporting.

Appendix A

5. Public Health

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
2003	Increase the number of eligible people who receive an NHS Health Check to 9000 (target profiled across year)	Apr 13- Jun 13	N/A	1,800	N/A	1,520	15.2%	N/A	No benchmarking submitted

6. Barnet Homes

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
8001a	Reduce the number of households placed in emergency accommodation to 500	Rolling Month	630	500	N/A	638	27.6%	▲ 1.3%	Q1 13/14: Barnet ranked 29 out of 32 London boroughs for numbers in EA (B&B, shared facilities and self-contained TA). Figures range from 0 to 881 households. Neighbours: Hackney (19th), Brent (20th), Enfield (27th) and Haringey (32nd). Overall, 22 of the 32 boroughs had an increase in Q1 compared to Q4 of the previous year. In Q1 LBB had 0 households with shared facilities and had 0 households in B&B.
8001b	Reduce the average length of time spent by households in short-term nightly purchased accommodation to 26 weeks	Rolling Month	31.7	26	N/A	34.6	33.1%	▲ 9.1%	No Benchmarking available - local indicator

Appendix A

7. DRS

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
6001	Completion of work on all roads and footpaths identified for resurfacing and maintenance work	July 13- Sept 13	15	15	N/A	27	80%	▲ 80%	No Benchmarking available - local indicator
6002	Completion of new affordable homes	July 13- Sept 13	N/A	116	N/A	63	45.7%	N/A	No Benchmarking available - local indicator
6003	Bring empty properties back into use	July 13- Sept 13	290	25	N/A	186	644%	▼ 35.9%	No Benchmarking available - local indicator
4001	Make Safe within 48 hours all intervention level potholes reported by members of the public	July 13- Sept 13	73%	83%	304/331	91.8%	10.7%	▲ 25.9%	No Benchmarking available - local indicator

8. Commissioning Group

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
5001	Increase residents' satisfaction with their local area as a place to live	Sept 13 – Oct 13	88%	90%	1385/1599	86.6%	3.8%	▼ 1.6%	TBC

Appendix A

2.5 Council project portfolio

The Council has three programme portfolios: the One Barnet transformation programme; the Capital programme, including school builds and refurbishment; and the Regeneration Programme.

Portfolio	Red Status	Amber Status	Green Status	Comments
One Barnet	1	1	9	Progress has been made across a number of Wave 2 projects. During quarter 2, the Customer and Support Group contract was mobilised and commenced. This contract sets out to transform customer access, improve services, increase capacity and provide £125.4m financial benefits. The Re contract was mobilised (aiming to enhance the built environment, and deliver £39.1m guaranteed financial benefit). The preparatory work for the in-sourcing of the recycling service (7 October) and commencement of the new waste offer (14 October) was undertaken. One project, Mortuary Service, was flagged as red at the end of Q2 with risks related to delivery of the project to the agreed schedule.
Capital Programme	-	6	15	Most of the projects are on track to deliver on time. Moss Hall, Martin, Oakleigh and Brunswick Park School Expansions have successfully handed over the early classroom on 3rd Sept. Etz Chaim scheme has been handed over and is now in defects phase. The School Opening Ceremony is to take place in October. However one project, Copthall Secondary School project, is facing additional strain on the tight delivery programme as planning are still yet to issue the decision notice on the temporary classrooms. Work is underway to scope work on four further schools to increase capacity.
Regeneration	-	5	3	There are 8 open projects of which none are red-rated projects. One project, Granville Road, which was previously Green is now rated Amber due to slippages in producing an acceptable masterplan and signing the Development Agreement. Planning consent for Dollis Valley has been issued and Barratts have started on site with the next phase of Stonegrove Spur Road. Brent Cross Development Partners were preparing to submit an application to vary the existing planning permission granted in 2010 to enable the re-phasing of the comprehensive development of Brent Cross Cricklewood. The Skills and Enterprise project remains Amber. The size and complexity of individual projects, and dependencies external development partners result in 'amber' ratings for the majority of the projects.

2.6 Key projects – corporate overview

Delivery Units have a number of change projects allocated to them for delivery (74, excluding those listed in section 6 above). These projects are scored by a standard methodology, with a single RAG rating based in progress against time and budget. Lead Commissioner and Delivery Unit review has not proposed any escalations of projects.

Service Area	Red Status	Amber Status	Green Status	Total number of projects*
Adult and Communities	-	2	5	7
Assurance	-	-	1	1
Education and Skills	3	9	12	25**
Family Services	1	1	12	14**
Commissioning Group	-	-	2	2
Street Scene	1	-	-	1
Public Health	2	1	5	8
HB Public Law	-	-	-	-
Barnet Group	1	2	7	10
DRS	1	1	4	6
NCSO	-	-	-	-
Totals	9	16	48	74

Nine projects managed in Delivery Units have reported as red:

- **Education-**
 - Mill Hill East school remained a red change project this quarter. Delivery Unit are working with DfE to develop alternative proposer for the site.
 - Implement delegation of funding for PRU's is delayed pending the review of alternative provision and action will now be taken on delegation
 - Develop proposals for Studio School
- **Barnet Group-**
 - Potential telehealth project to develop existing ASSIST service into a telehealth service is delayed
- **Family**
 - Meeting MTFs and Barnet spending review. Significant change management capacity will be required to deliver on the MTFs and accordingly a bid is being developed to the Transformation Fund
- **Public Health**

recovery plan has been produced for the Review of Tobacco Control and Smoking Cessation services

- Required savings for the Sport and Physical Activity review cannot be met under current contract until renewal in 2016/17. Longer-term options are under consideration

**Excludes projects delivered by the Delivery Unit which are reported to One Barnet, Regeneration or Capital Programmes*
***Delivery Unit has change projects in management agreements which have not yet commenced.*

- **Street Scene**
 - North London Waste Authority Procurement meeting on the 26 September decided not to progress the procurement process for future waste services and facilities. NLWA now believes that a less expensive solution is continued use of the existing Energy from Waste facility at Edmonton in the medium term and a new Energy recovery solution in the longer term.
- **DRS**
 - Replacement of 2 cremators delayed and increase in costs (although containable within current budget).

2.7 Human Resource/People performance - corporate overview

Key corporate HR targets and indicators

Category	Indicator	Period Covered	Target	Outturn	Target Variance	DoT Variance	Benchmarking
Attendance	Average number of sickness absence days per employee (Rolling year)	Oct 12 - Sept 13	6	7.7	28%	▲	9 days (CIPFA, All Members & other Unitary Authorities 2012)
Performance Reviews	% objectives set for eligible staff only	Apr 13 - Mar 14	100%	77.7%	22.4%	Not previously reported	N/A : measure applicable to LBB only
Cost	Variance of total payroll to budget	Jul 13 - Sept 13	£19,809,864	9%	2.2%	▲	N/A : measure applicable to LBB only
Employee Relations	High Risk - Employee Relations cases as % of total cases	As at 30 September 2013	N/A	5.1%	N/A	▲	N/A : measure applicable to LBB only

As at 30 September 2013	ESTABLISHED POSITIONS AS FTE <i>Total number of Barnet Council Posts; these posts may be unoccupied, due to be deleted or held to be filled at a later date</i>	EMPLOYEES COVERING ESTABLISHED POSITIONS AS FTE <i>Total Number of employees, permanent, temporary and fixed working for Barnet and occupying an established post</i>	MSP RESOURCE AS HEADCOUNT <i>Total number of agency staff, interims or consultants provided by our Managed Service Provider (non Council employees)</i>	NON MSP RESOURCE AS Headcount <i>Total number of agency staff, interims or consultants provided through agencies outside or Managed Service Provider(non Council employees)</i>	AVAILABLE CASUAL RESOURCE AS FTE <i>Number of workers who undertake work on an ad hoc basis (Council employees)</i>			
	Total Established Positions (FTE)	Permanent	Fixed Term, Temporary, Seasonal	TOTAL	Resource paid in the quarter	Consultants paid in the quarter	TOTAL	Total
	1,705.77	1,458.94	232.71	1,691.65	39	5	44	256.69
Total excluding CSG and RE	2,245.11			491				

In London Borough of Barnet 60% of top earners are female, compared to 44% of women in leadership posts (CIPFA All Members & other Unitary Authorities 2012). Though, for the percentage of BME and disabled staff the council were below average with 33% and 3%, respectively, of the total number of employees. This is compared to the average of 35% of BME employed in the borough, and 4% of declared disabled staff (CIPFA All Members & other Unitary Authorities 2012).

3.1 Thresholds for awarding directorate-level health rating traffic lights

	Green	Green Amber	Red Amber	Red
Revenue & capital budget mgt - variance % (above and below)	Good performance	Good, with some concerns	Some concerns	Serious concerns
Corporate Plan & HR performance scores	0% More than 2	< 0.5% 0.5 to 2	0.5 - 1% -1 to 0.	More than 1% Less than -1

3.2 Method for producing the Corporate Plan, HR/People and Project health ratings

Each individual performance indicator is traffic lighted according to the same four point traffic light scale: Green, Green Amber, Red Amber and Red. Points for each are awarded, as shown in the table below, and then added together to produce the overall health rating score for each directorate.

	Points for each indicator
Green	1
Green Amber	0.5
Red Amber	-0.5
Red	-1

For example, if there were four indicators in a particular directorate and each achieved one of the four traffic lights, the net result would be a score of 0 and this would produce a Red Amber overall health rating, based on the table above.

3.3 Method for producing individual performance indicator traffic light ratings

Any target that is met achieves a Green traffic light. Targets that have not been met, but where 80% or more of the targeted improvement has been achieved, will be given a Green Amber traffic light.

Appendix A

If the targeted improvement is below 80% but above 65% the indicator will get a Red Amber rating.
 For example, if the baseline is 80 people and the target is 100 people, the targeted improvement is 20. 80% of 20 is 16, so the outturn would need to be at least 96 people to achieve Green Amber and at least 93 people to achieve a Red Amber.

Whilst initial traffic lights will be based on this objective criterion, they may subsequently be changed through discussion between Directorates and the Performance team, based on the individual circumstances and prospects for each target. Where this has occurred it will be clearly stated in the report with the reasons given.

Traffic Light	% of targeted improvement achieved	Description
Green	100% or more	Meeting or exceeding target
Green Amber	>80% <100%	Near target with some concerns
Red Amber	>65% <80%	Problematic
Red	<65%	Serious concerns

The criteria for red and amber traffic lights for HR/People measures differ for each indicator; the amber criterion for each is shown alongside the indicator in the individual data tables.

In addition to the above criteria, Any performance indicator that is less than 10% off target and has a positive direction of travel will automatically qualify to be amber rated. Both of the following criteria need to be met if a service is to have a red-rated performance indicator amended to either a green-amber or a red-amber:

For an indicator to be rated as Green amber:

1. No more than 5% off target, and;
2. A positive direction of travel

For an indicator to be rated as Red amber:

1. Between >5% and no more than 10% off target, and;
2. Positive direction of travel or negative direction of travel not in excess of 2.5% (if the service has a clear story and improvement activity in place)

Directorate Revenue Breakdown

Adults and Communities

Description	Original Budget	Variations		Comments
		Budget V1	Q2 forecast	
	£000	£000	£000	£000
Births Deaths & Marriages	(260)	(348)	(348)	-
Community Well-Being Trans & Res Team	464	458	448	(10)
Community Safety	1,969	1,965	1,792	(173)
Prevention & Well Being	7,670	8,491	8,035	(456)
Social Care Commissioning	1,279	1,629	2,058	429
Social Care Management (Adults)	1,281	1,196	1,379	183
Care Quality	1,926	1,188	1,409	221
Integrated care - Learning Disabilities & Mental Health	41,938	41,939	41,722	(217)
Care Services - Older Adults - Physical Disabilities	39,572	40,282	40,428	146
Dir Adult Soc.Serv. & Health	184	185	168	(17)
Total	96,023	96,985	97,091	106

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- a) 31 cost centres over £100,000
- b) 45 cost centres over £50,000 where the cost centre's gross budget is less than £1m
- c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Assurance

Description	Original Budget	Variations		Comments
		Budget V1	Q2 forecast	
	£000	£000	£000	£000
Assurance Management	561	563	563	-
Governance	2,177	2,601	2,526	(75)
Internal Audit & CAFT	873	881	906	25
Total	3,611	4,045	3,995	(50)

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- a) 0 cost centres over £100,000
- b) 0 cost centres over £50,000 where the cost centre's gross budget is less than £1m
- c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Children's Education

Description	Original Budget	Variations		Comments
		Budget V1	Q2 forecast	
	£000	£000	£000	£000
Edu Partnership & Commercial Services	1,392	1,423	1,149	(274)
High Needs Support	6,835	6,680	7,248	568
Schools Direct Management	-	-	-	-
Children's Education	8,227	8,103	8,397	294
Total (excluding SDM)	8,227	8,103	8,397	294

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- a) 3 cost centres over £100,000
- b) 4 cost centres over £50,000 where the cost centre's gross budget is less than £1m
- c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Children's Family Service				
Description	Variations			Comments
	Original Budget	Budget V1	Q2 forecast	
	£000	£000	£000	Variation
Management Team	792	678	656	(22)
Social Care Management	2,589	2,041	2,562	521
Assessment & Children in Need	6,941	7,154	7,164	10
Children in Care & Provider services	20,157	20,641	21,848	1,207
Safeguarding & Quality Assurance	2,839	2,972	2,668	(304)
Commissioning & business improvement	1,033	2,326	2,205	(121)
Family Support & Early Intervention	7,199	6,799	6,801	2
Youth & Community	8,071	8,070	7,939	(131)
Total	49,621	50,681	51,843	1,162
<p>Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:</p> <p>a) 7 cost centres over £100,000</p> <p>b) 9 cost centres over £50,000 where the cost centre's gross budget is less than £1m</p> <p>c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.</p>				
Commissioning Group				
Description	Variations			Comments
	Original Budget	Budget V1	Q2 forecast	
	£000	£000	£000	Variation
Commissioning Group	2,465	1,571	1,527	(44)
Commercial	537	765	1,040	275
Deputy Chief Operating Officer	3,995	4,686	4,685	(1)
Commissioning Strategy	317	438	455	17
Total	7,314	7,460	7,707	247
<p>Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:</p> <p>a) 1 cost centre over £100,000</p> <p>b) 0 cost centres over £50,000 where the cost centre's gross budget is less than £1m</p> <p>c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.</p>				

Streetscene	Description	Variations			Comments
		Original Budget	Budget V1	Q2 forecast	
		£000	£000	£000	
Street Scene Management Team	647	650	587	(63)	
Business Improvement	332	335	349	14	
Mortuary	136	137	142	5	
Street Lighting	6,243	6,340	6,384	44	Current rollout of lighting columns meters anticipated to deliver savings. However a further £44k of savings yet to be identified
Transport	(131)	(67)	(67)	-	
Highways Inspection/Maintenance	508	512	671	159	Winter maintenance pressure of £159k will be funded corporately.
Parking	(747)	(747)	(405)	342	Off street parking income shortfall will not be recovered in 13.14 and will be a recurring problem in future years
Parks, Street Cleaning & Grounds Maintenance	5,052	5,071	5,102	31	Shortfall in income due to loss of self-let allotments
Street Cleansing	4,236	4,255	4,256	1	
Waste	2,911	2,929	2,929	-	Based on the waste & recycling benefits realisation (submitted to waste Management Board), previously reported overspend will be contained within new employment terms and conditions, in-house service provision, and weekly collection scheme grant.
Recycling	3,186	3,279	3,717	438	Shortfall in recycling income due to reduced market demand for recyclables.
Streetscene	22,373	22,694	23,665	971	
Special Parking Account	(7,475)	(7,475)	(6,774)	701	Reduction in Parking O/s due to increased PCNs/CCTV/ Bus Lanes and Ballif income recovery and inclusion of Saracens PCNs income (weekend events)
Total	14,898	15,219	16,891	1,672	
<p>Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:</p> <p>a) 6 cost centres over £100,000</p> <p>b) 8 cost centres over £50,000 where the cost centre's gross budget is less than £1m</p> <p>c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.</p>					
Public Health					
Public Health	Description	Variations			Comments
		Original Budget	Budget V1	Q2 forecast	
		£000	£000	£000	
	13,799	13,766	13,766	-	Any underspend will be placed in a reserve and carried over for PH (ring fenced) hence full spend quoted here includes transfer of underspend to a specific reserve, at present this is likely to be £0.7m unallocated (with a further £1m underspend potentially on allocated items).
Total	13,799	13,766	13,766	-	
<p>Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:</p> <p>a) 0 cost centres over £100,000</p> <p>b) 0 cost centres over £50,000 where the cost centre's gross budget is less than £1m</p> <p>c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.</p>					
HB Public Law					
Legal Services	Description	Variations			Comments
		Original Budget	Budget V1	Q2 forecast	
		£000	£000	£000	
	1,908	1,932	2,226	294	Purchase of additional hours and shortfall in projected income.
Total	1,908	1,932	2,226	294	
<p>Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:</p> <p>a) 1 cost centres over £100,000</p> <p>b) 0 cost centres over £50,000 where the cost centre's gross budget is less than £1m</p> <p>c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.</p>					

Barnet Group	Description	Variations			Comments
		Original Budget	Budget V1	Q2 forecast	
		£000	£000	£000	
Barnet Group		2,937	3,393	4,122	729 Over spend due predicted increase in Temporary Accommodation numbers
Total		2,937	3,393	4,122	729

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- 1 cost centres over £100,000
- 1 cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

DRS	Description	Variations			Comments
		Original Budget	Budget V1	Q2 forecast	
		£000	£000	£000	
Managed Budgets	47	115	82	(33)	All managed budgets other than OLF will deliver half year savings
Management Fee	774	1,056	528	(528)	Revised budget includes PIT team allocation from Adults
Blocked DRS	-	-	561	561	DRS block contract residual spend will be funded from risk reserve
Total		821	1,171	1,171	-

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- 13 cost centres over £100,000
- 18 cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

CSG	Description	Variations			Comments
		Original Budget	Budget V1	Q2 forecast	
		£000	£000	£000	
CSG	24,178	24,546	24,546	-	
Total	24,178	24,546	24,546	-	

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- 0 cost centres over £100,000
- 0 cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Central Expenses	Description	Variations			Comments
		Original Budget	Budget V1	Q2 forecast	
		£000	£000	£000	
Corporate Subscriptions	314	314	-	-	
Levies	28,460	28,460	27,515	(945)	NLWA & LPFA budget higher than actual
Central Contingency	13,245	8,863	8,863	-	
Rate Relief	3	3	3	-	
Capital Financing	21,470	21,316	21,316	-	
Early Retirement costs	5,427	5,427	5,427	-	
FRS17 Adjustment	-	-	-	-	
Car Leasing	799	799	2	-	
Corporate Fees & Charges	16	466	799	466	
Miscellaneous Finance					
Total	69,736	65,650	64,705	(945)	

Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:

- 0 cost centres over £100,000
- 0 cost centres over £50,000 where the cost centre's gross budget is less than £1m
- Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.

Dedicated Schools' Grant					
Description	Original Budget	Variations		Variation	Comments
		Budget V1	Q2 forecast		
	£000	£000	£000	£000	
Childrens Social Care (DSG)	427	427	427	-	
Early Intervention & Prevention (DSG)	13,031	11,108	10,974	(134)	Current commitments/take up are lower than target in the 2 year old entitlement
Education (DSG)	(13,550)	(11,567)	(11,266)	301	There are increasing pressures in the complexity of cases in independent special schools.
Schools Funding DSG	-	-	-	-	
Total	(91)	(32)	135	167	
<p>Within the revenue monitoring above, the number of cost centres that are projecting net overspends or underspends are:</p> <p>a) 9 cost centres over £100,000</p> <p>b) 7 cost centres over £50,000 where the cost centre's gross budget is less than £1m</p> <p>c) Actions proposed to ensure that these overspends or underspends are not realised are reflected in the commentary above.</p>					
Housing Revenue Account					
Description	Original Budget	Variations		Variation	Comments
		Budget V1	Q2 forecast		
	£000	£000	£000	£000	
LBB Retained	175	175	120	(55)	Underspend on Salaries
HRA Regeneration	1,126	1,126	1,057	(69)	Higher than budgeted recoverable of costs from developers
HRA Other Income and Expenditure (net)	(556)	(556)	265	821	Shortfall on HRA dwelling rents & HRA tenants service charges income
Support Service recharges	576	576	576	-	
Interest on Balances	(80)	(80)	(80)	-	
HRA Surplus/Deficit for the year	(1,241)	(1,241)	(1,241)	-	
Total	-	-	697	697	

2013/14 Capital Programme Adjustments

Appendix C – Capital Programme Adjustments

Service	Year	Capital Programme	Funding Type	If Additions/Deletions £,000's	If Slippage/Accelerated Spend £,000's	Explanation for request
DRS delivery unit	2013/14	DECC - Fuel Poverty Grant	Grant	100		New approved capital programme
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt	(21)		Change in programme categorisation of existing CPZ project
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt	17		New permit additions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		2	Change in programme categorisation of existing CPZ project
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(2)	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(252)	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		68	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		184	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		65	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		3	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(65)	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(3)	Change in funding type, nil overall effect
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(340)	Reprofiled spend
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		262	New Pedestrian Improvements programme
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		30	New travel plan additions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		5	Final adjustments on the TIL account
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		1	Final adjustments on the TIL account
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		35	Re-profiled spend
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		21	Change in programme categorisation of existing CPZ project
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(2)	Change in programme categorisation of existing CPZ project
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(13)	Final adjustments on the TIL account
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(743)	Final adjustments on the TIL account
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		267	Final adjustments on the TIL account
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		25	New bus stand addition & increases to the principle road network programme
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(60)	Addition of s106 funding
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		650	Reduction in the TIL element of the programme
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		147	Re-profiled spend
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		6	New parking machines addition to the programme
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(54)	Re-profiled spend
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(16)	Project completed
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(29)	Project not going ahead
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(28)	Project Closed
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(646)	Project Closed
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(500)	Re-profiled spend
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(300)	Projects to be identified. S106 affordable housing money. Slipped 2014/5
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(442)	Projects to be identified. S106 affordable housing money. Slipped 2014/5
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		238	Accelerated Spend from 2014-15 - Project completing faster than expected.
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(300)	Re-Profile of spend Slippage to 2014-15
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(1,000)	Re-Profile of spend Slippage to 2014-15
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		16,118	Investment as part of CSG contract
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		1,700	Investment as part of RE contract
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(20)	make safe this year. Procure the main works in 2014/15 as listed building
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(1,303)	Remainder of project will be carried out in 2014/15
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(650)	Project delay's resulting in funding being CFwd
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(1,653)	Project delay's resulting in funding being CFwd
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(947)	Project delay's resulting in funding being CFwd
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(700)	Grant
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		700	Grant
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(700)	Project delay's resulting in funding being CFwd into 14/15
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(170)	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(190)	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(30)	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		390	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		170	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		190	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		30	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(390)	Moving from permanent primary places to temporary primary places
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		175	Reprofiling of funding, from borrowing to revenue contributions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(175)	Reprofiling of funding, from borrowing to revenue contributions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		300	Reprofiling of funding, from borrowing to revenue contributions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(300)	Reprofiling of funding, from borrowing to revenue contributions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		20	Reprofiling of funding, from borrowing to revenue contributions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(20)	Reprofiling of funding, from borrowing to revenue contributions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		488	Reprofiling of funding, from borrowing to grants
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		297	Reprofiling of funding, from borrowing to grants
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(785)	Reprofiling of funding, from borrowing to grants and capital receipts
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(488)	Reprofiling of funding, from borrowing to grants
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(257)	Reprofiling of funding, from borrowing to capital receipts
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		(495)	Reprofiling of funding, from borrowing to revenue contributions
Development Regulatory Serv	2013/14	Road Traffic Act - Controlled Parking Zones	Capital Receipt		1,280	Reprofiling of funding, from borrowing to grants and capital receipts

Service	Year	Capital Programme	Funding Type	If Additions/ Deletions £000's	If Slippage/ Accelerated Spend £000's	Explanation for request
Children's education	2013/14	Permanent Expansions - London Academy	Grant	140		Additional grant allocation for London Academy
Children's family services	2013/14	IS - Education systems	Revenue	77		Funding agreed for project from Q1 revenue monitoring - new project
Children's education	2013/14	Modernisation - Danegrove Winsor Drive- Replace Mobiles	Capital Receipt	192		Reprofiling of UCR from temporary expansions to modernisation
Children's education	2013/14	Temporary Expansions - Danegrove Junior - Demountables	Capital Receipt	(192)		Reprofiling of UCR from temporary expansions to modernisation
Children's education	2013/14	Temporary Expansions - Summerside - modular classroom	Grant	83		Reallocating money from unallocated to Summerside Modular Classroom
Children's education	2013/14	Temporary Expansions - Unallocated	Grant	(83)		Reallocating money from unallocated to Summerside Modular Classroom
Children's education	2013/14	Permanent Expansions - Oakleigh - increase capacity	Revenue	20		Reallocating money from Permanent unallocated to Oakleigh - Increase capacity in line with cost of project
Children's education	2013/14	Permanent Expansions - Unallocated	Revenue	(20)		Reallocating money from Permanent unallocated to Oakleigh - Increase capacity in line with cost of project
Children's education	2013/14	Permanent Expansions - Moss Hall Infants and Juniors	Grant	19		Reprofiling of funds in line with project construction
Children's education	2013/14	Permanent Expansions - Brunswick Park	Capital Receipt	(202)		Reprofiling of funds in line with project construction
Children's education	2013/14	Permanent Expansions - Martin Primary	Grant	(43)		Reprofiling of funds in line with project construction
Children's education	2013/14	Permanent Expansions - Oakleigh - increase capacity	Capital Receipt	203		Reprofiling of funds in line with project construction
Children's education	2013/14	Permanent Expansions - Oakleigh - increase capacity	Grant	24		Reprofiling of funds in line with project construction
Children's education	2013/14	Permanent Expansions - Memorah Foundation	Borrowing	250		Reprofiling unallocated funds to Memorah Foundation
Children's education	2013/14	Permanent Expansions - Unallocated	Grant	(250)		Reprofiling unallocated funds to Memorah Foundation
Children's education	2013/14	PCP - Edgware	Grant	(5)		Reprofiling of funds in line with project construction
Children's education	2013/14	PCP - Goldheaters	Grant	(8)		Reprofiling of funds in line with project construction
Children's education	2013/14	PCP - Foulds School P1 - Replacement nursery (Modn)	Grant	13		Reprofiling of funds in line with project construction
Children's education	2013/14	PCP - Foulds School P1 - Replacement nursery (Modn)	Capital Receipt	113		Reprofiling of funds in line with project construction
Children's education	2013/14	PCP - Foulds School P1 - Replacement nursery (Modn)	Borrowing	5		Reprofiling of funds in line with project construction
Children's education	2013/14	14-19 SEN - Hendon Autistic Resource Centre	Borrowing	33		Reprofiling of funds in line with project construction
Children's education	2013/14	14-19 SEN - Targeted capital 14 - 19 & SEN	Capital Receipt	(113)		Reprofiling of funds in line with project construction
Children's education	2013/14	14-19 SEN - Targeted capital 14 - 19 & SEN	Borrowing	(38)		Reprofiling of funds in line with project construction
Children's education	2013/14	GSO - Cophall	Grant	150		Reprofiling of Unallocated funds to Cophall School
Children's education	2013/14	GSO - Unallocated	Grant	(150)		Reprofiling of Unallocated funds to Cophall School
Children's family services	2013/14	Children's family services	Grant	785		Funding received from the DFE in 12/13 rolled forward into 13/14
Children's education	2013/14	PCP - Colindale	Borrowing	(150)		Employers agency role on primary school expansions
Children's education	2013/14	Permanent Expansions - Moss Hall Infants and Juniors	Borrowing	150		Employers agency role on primary school expansions
Children's education	2013/14	Primary Capital Programme (DIES Primary Pathfinder)	Grant	(1,000)		Reprofiling of Oak lodge special school to GSO
Children's education	2013/14	Primary Capital Programme (DIES Primary Pathfinder)	Borrowing	(1,500)		Reprofiling of Oak lodge special school to GSO
Children's education	2013/14	General Schools Organisation - Oak Lodge Special School	Grant	1,000		Reprofiling of Oak lodge special school to GSO
Children's education	2013/14	General Schools Organisation - Oak Lodge Special School	Borrowing	1,500		Reprofiling of Oak lodge special school to GSO
Children's education	2013/14	Temporary expansions - unallocated	Capital Receipt	(1,232)		Reallocating of temporary expansions to Allocated
Children's education	2013/14	Orion Primary/ blessed Dominic	Capital Receipt	1,232		Reallocating of temporary expansions to Allocated
Children's education	2013/14	Permanent expansions - Brunswick Park	Grant	2,409		Accelerating spend from 14/15 to 13/14 in line with project construction, project due for completion April 93
Children's education	2013/14	Permanent expansions - Brunswick Park	Borrowing	(398)		Slippage due to reprogramming of works at phase 2 of the project
Children's education	2013/14	Permanent expansions - Martin Primary	Capital Receipt	(183)		Slippage has been reprofiled due to finish end of April
Children's education	2013/14	Permanent expansions - Oakleigh - Increase capacity	Borrowing	(258)		Slippage due to reprogramming of works at phase 2 of the project
Children's education	2013/14	Permanent expansions - Wren Academy	Borrowing	(215)		Feasibility costs in 13/14, new project, reprofiling in line with project construction
Children's education	2013/14	Permanent expansions - Wren Academy	Capital Receipt	(297)		Feasibility costs in 13/14, new project, reprofiling in line with project construction
Children's education	2013/14	Permanent expansions - Wren Academy	Grant	(1,232)		Feasibility costs in 13/14, new project, reprofiling in line with project construction
Children's education	2013/14	Permanent expansions - London Academy	Borrowing	(2,000)		Feasibility costs in 13/14, new project, reprofiling in line with project construction
Children's education	2013/14	Permanent expansions - London Academy	Grant	(744)		Feasibility costs in 13/14, new project, reprofiling in line with project construction
Children's education	2013/14	Permanent expansions - St. Joseph's Junior & St. Joseph's RC Infant School	Grant	(152)		Feasibility costs in 13/14, new project, reprofiling in line with project construction
Children's education	2013/14	Permanent expansions - St. Joseph's Junior & St. Joseph's RC Infant School	Borrowing	(200)		Reprofiling money from 2013/14 to 2014/15 in line with project construction
Children's education	2013/14	GSO - Christs Collage	Grant	(278)		Reprofiling money from 2013/14 to 2014/15 in line with construction programme
Children's education	2013/14	GSO - Cophall	Grant	93		Accelerating spend from 14/15 to 13/14 in line with project construction
Children's education	2013/14	GSO - Compton	Grant	(1,445)		Reprofiling money from 2013/14 to 2014/15 in line with construction programme
Children's education	2013/14	Oak Lodge Special School	Grant	(800)		Delay in project therefore slip to 14/15
Children's education	2013/14	Oak Lodge Special School	Borrowing	(1,500)		Delay in project therefore slip to 14/15
Children's family services	2013/14	Libraries Strategy	Capital Receipt	(280)		Reprofiling money from 2013/14 to 2014/15 in line with project programme
Children's education	2013/14	Temporary Expansions Unallocated	Borrowing	(1,030)		Slippage to 14/15 to fund future projects
Children's education	2013/14	Temporary Expansions Unallocated	Capital Receipt	(1,853)		Slippage to 14/15 to fund future projects
Children's education	2013/14	Temporary Expansions Unallocated	s106	(174)		Slippage to 14/15 to fund future projects
Children's education	2013/14	Temporary Expansions Unallocated	Grant	(438)		Slippage to 14/15 to fund future projects
Commissioning Group	2013/14	Customer access Centre	Capital Receipt		(2,050)	
DFS delivery unit	2013/14	Hostel Refurbishment Programme	Capital Receipt	(151)		
DFS delivery unit	2013/14	Hostel Refurbishment Programme	Revenue	(122)		
The Barnet Group	2013/14	Hostel Refurbishment Programme	Capital Receipt	151		
The Barnet Group	2013/14	Hostel Refurbishment Programme	Revenue	122		
Street Scene	2013/14	Parks & Open Spaces and Tree Planting	s106	427		New s106 additions to the programme
Commissioning Group	2013/14	Community Centre	Revenue	50		New building for community centre
Total				19,271	(22,519)	

Capital Monitoring Analysis

Appendix D – Capital Monitoring Analysis

Service	2013/14 Latest Approved Budget	Additions/ (Deletions) - September CRC	(Slippage)/ Accelerated Spend - September CRC	2013/14 Budget	Forecast to year end	Variance from Approved Budget	% slippage of 2013/14 Approved Budget
	£000's	£000's	£000's	£000's	£000's	£000's	%
Adults and Communities	2,142	-	(700)	1,442	1,442	(700)	(33%)
Adults and Communities	2,142	-	(700)	1,442	1,442	(700)	(33%)
Schools Modernisation & Access Improvement Programmes	3,262	192	-	3,454	3,454	192	0%
Urgent Primary Places	2,480	(951)	-	1,529	1,529	(951)	0%
Temporary Expansions - Allocated	3,592	759	(3,500)	851	851	(2,741)	(97%)
Other Temporary Expansions	417	-	-	417	417	-	0%
Broadfields	5,050	-	-	5,050	5,050	-	0%
Mill Hill East	6,313	-	2,409	8,722	8,722	2,409	38%
Orion Primary/ blessed Dominic	3,528	169	93	3,790	3,790	262	3%
Moss hall Infants and Juniors	3,242	(202)	(398)	2,642	2,642	(600)	(12%)
Brunswick Park	1,953	250	-	2,203	2,203	250	0%
Menorah Foundation	5,215	-	-	5,215	5,215	-	0%
St Mary's and St Johns	2,963	(43)	(183)	2,737	2,737	(226)	(6%)
Martin Primary	1,732	247	(258)	1,721	1,721	(11)	(15%)
Oakleigh School	1,000	-	-	1,000	1,000	-	0%
Holly Park, Deansbrook, Beis Yakov	170	(170)	-	-	-	(170)	0%
All Saints N20	190	(190)	-	-	-	(190)	0%
Holy Trinity	30	(30)	-	-	-	(30)	0%
St Vincents - Toilets	452	-	(152)	300	300	(152)	(34%)
St Joseph's RC Junior & St Joseph's RC Infant School	452	-	(152)	300	300	(152)	(34%)
Osidge Primary School	4,044	-	(3,744)	300	300	(3,744)	(93%)
Wren Academy	2,904	140	(2,744)	300	300	(2,604)	(94%)
London Academy	750	120	-	870	870	120	0%
Unallocated	462	-	-	462	462	-	0%
Primary Schools Capital Investment Programme	634	-	-	634	634	-	0%
East Barnet Schools Rebuild	12,612	2,500	(3,830)	11,282	11,282	(1,330)	(30%)
General Schools Organisations	3,543	(2,651)	-	892	892	(2,651)	0%
Other Schemes	66,990	140	(12,459)	54,671	54,671	(12,319)	(19%)
Childrens Education	66,990	140	(12,459)	54,671	54,671	(12,319)	(19%)
Children's Family Service	2,129	862	(280)	2,711	2,711	582	(13%)
Childrens Families Service	2,129	862	(280)	2,711	2,711	582	(13%)
Commissioning Group	4,608	17,150	(3,353)	18,405	18,405	13,797	0%
Commissioning Group	4,608	17,150	(3,353)	18,405	18,405	13,797	0%
Greenspaces	497	427	(48)	924	924	427	0%
Waste	12,436	650	-	13,086	13,086	602	(0%)
Parking	-	147	-	147	147	147	0%
Street Scene	12,933	1,224	(48)	14,109	14,109	1,176	(0%)
Highways TfL	6,207	(489)	195	5,913	5,913	(294)	3%
Highways non-TfL	5,657	267	(300)	5,624	5,624	(33)	(5%)
Parking	305	17	-	322	322	17	0%
General Fund Regeneration	9,326	-	(4,250)	5,076	5,076	(4,250)	(46%)
Disabled Facilities Project	2,322	-	(300)	2,022	2,022	(300)	(13%)
Housing	2,727	100	(273)	2,323	2,323	(404)	(18%)
Other Projects	26,817	(378)	(5,159)	21,280	21,280	(5,537)	(19%)
DRS delivery unit	26,817	(378)	(5,159)	21,280	21,280	(5,537)	(19%)
CSG delivery unit	6,838	-	(20)	6,818	6,818	(20)	(0%)
CSG delivery unit	6,838	-	(20)	6,818	6,818	(20)	(0%)
Housing	567	273	-	840	840	273	0%
The Barnet Group	567	273	-	840	840	273	0%
Sub total - General Fund	123,024	19,271	22,019	120,276	120,276	(2,748)	(18%)
Housing Revenue Account	35,799	-	(500)	35,299	35,299	(500)	(1%)
Housing Revenue Account	35,799	-	(500)	35,299	35,299	(500)	(1%)
Total Capital Programme	158,823	19,271	22,519	155,575	155,575	(3,248)	(14%)

Corporate Risk Register – Q2

The following risk register represents those risks in place at the time of reporting at quarter 2, the mitigation strategies in place for each risk and the proposed treatment of each risk. The risk register has been compiled as a result of risk champions across the Council and is subject to challenge and discussion at Delivery Board and Strategic Commissioning Board prior to reporting to Members.

Quarter 2 has seen a substantial transfer of risks from LBB to our Capita partners in line with the commencement of the CSG and Re contracts. Relevant retained risks have been captured and joint risks will be managed through the contract and clienting function and reported on quarterly. This Quarter there are only minor changes to the Strategic Commissioning Board (SCB) risk register. There is a new homelessness risk which incorporates the issues previously held in the housing supply risk and the homelessness aspect of the welfare and benefit reform risk, into one dedicated risk. Subsequently, welfare and benefit reform has been updated to capture current and emerging uncertainties. The remaining risks on the risk register such as waste management and sustainability, demographic changes and population growth, financial position, information management; resident engagement and Barnet's position as a prosperous suburb remain relevant and an accurate reflection of the current risks facing the achievement of the strategic objectives of the council.

IMPACT	SCORE	PROBABILITY				
		1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
5 Catastrophic		0	0	0	0	0
4 Major		0	0	6	1	1
3 Moderate		0	0	1	0	0
2 Minor		0	0	0	0	0
1 Negligible		0	0	0	0	0

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
<p>Homelessness: There is a risk that homelessness and the subsequent provision of short term temporary accommodation will continue to rise.</p> <p>Cause: The Council has an obligation to assist people that are homeless and advise/support families who are intentionally homeless. Unemployment, economic downturn exacerbated by welfare and benefit reform and high market rents are the</p>	<p>Major 4</p> <p>Almost Certain 5</p> <p>High 20</p>	<p>Preventative: Developing plans around three areas:</p> <ol style="list-style-type: none"> 1. increasing prevention activities, joint working with job centre plus 2. increase opportunities of affordable housing supply 3. Develop options of affordable supply in more affordable locations 	Treat	Quarterly	<p>Major 4</p> <p>Likely 4</p> <p>High 16</p>

APPENDIX E

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
<p>primary causes of homelessness, increasing gap between temporary accommodation subsidy rates and cost of the accommodation. Increasing the demand for housing and putting pressure on the supply of affordable housing.</p> <p>Consequence: Substantial increase in homelessness including intentional homelessness where children are involved and the subsequent provision of affordable housing at a significant and increasing cost to the Council.</p>		<p>Defective: Action plan being monitored by Lead Commissioner and reported to Delivery Board monthly.</p> <p>Welfare and Benefit Programme (including partners) in place to determine impact; performance indicators in place to monitor impact.</p>			
<p>Waste Management and Sustainability: without consideration of alternative ways of improving recycling and changing behaviours around sustainability, costs will escalate in the future. Procuring value for money waste disposal and managing waste collection services both need to be considered in order to ensure quality services at an affordable price delivering optimum customer satisfaction.</p> <p>Cause: Failure to mitigate rising costs of waste disposal.</p> <p>Consequence: Increasing costs to Council exacerbating budget pressures.</p>	<p>Major 4</p> <p>Likely 4</p> <p>High 16</p>	<p>Preventative: In-house delivery with stretch model underway for delivery October 2013. NLWA partnership</p> <p>Defective: Performance Indicators for recycling and customer satisfaction. Waste Project Board for oversight of delivery of plan. One Barnet Programme Management until Business as Usual phase</p>	Treat	Quarterly	<p>Possible 3</p> <p>Major 4</p> <p>Medium-High 12</p>

APPENDIX E

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
<p>Demographic Changes and Population Growth: There is a risk that the organisation will not be prepared or able to respond to the impacts of demographic changes (e.g. gender, age, ethnicity, disability, education, employment) and/or population growth rate (birth, death, immigration, emigration) with insufficient social infrastructure (schools, older people homes), physical and green spaces, services and affordable housing to meet demand</p> <p>Cause: Uncertainty of demographic changes and population growth, insufficient planning, monitoring and management of demand internally and externally where reliant on partner organisations.</p> <p>Consequence: Increased demand for public services generally, changing demand for types of services, costs spiral, reactive decision making, cuts to front line services or service failure.</p>	<p>Major 4</p> <p>Likely 4</p> <p>High 16</p>	<p>Preventative: Test demographic change and population growth hypothesis against insight on customer profile, deeper interrogation of specific data sets (in/out migration) and identify potential gaps in data sets (availability of data, deficiency of existing data)</p> <p>Understand approach and dependencies with resident engagement, equalities and health and wellbeing impact assessments.</p> <p>Growth Strategy, Housing Strategy, Regeneration Strategy and respective governance structures.</p> <p>Defective: The Commissioning Group supports the setting of strategic outcomes and development of commissioning strategies with a particular focus on cross cutting themes and risks. The Commissioning Board will review underpinning risk analysis at regular intervals to consider data, revisit assumptions, outcomes and controls.</p>	Treat	<p>Quarterly</p> <p>Major 4</p> <p>Possible 3</p>	<p>Medium-High 12</p>
<p>Welfare and Benefit Reform: there is a risk that government policy may have unintended consequences set in the wider context of service reductions and social change. Possibility of increase in service pressures following implementation of reforms/new system, risk of judicial review and potential reputational damage around supporting affected residents to move to</p>	<p>Major 4</p> <p>Possible 3</p> <p>Medium-High 12</p>	<p>Preventative: Welfare Reform Steering Board (chaired by Chief Exec and attended by senior colleagues from within LBB and other partners) focused on identifying, quantifying and mitigating risk to LBB and partners. Actions include establishment of joint taskforce with JCP, Barnet Homes and others to support those affected by Benefit Cap. Actions to manage housing supply in</p>	Treat	<p>Quarterly</p> <p>Moderate 3</p> <p>Possible 3</p>	<p>Medium-High 9</p>

APPENDIX E

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
<p>affordable accommodation, potential for cost pressures transferred from central government to local government, and there may be a transfer of costs from one council to another. In addition, implementation of Universal Credit may require changes to Revenues and Benefits Service which will have contractual impact.</p> <p>Cause: Central Government has committed to a programme of welfare reform, aiming to simplify the benefits systems, create the right incentives to get more people into work, protect the most vulnerable, and deliver fairness to tax payers and to those claiming benefits.</p> <p>Consequence: potential to negatively affect those economically disadvantaged within the community.</p> <p>People: There is a risk that the organisation's people (competence, skills, knowledge) and culture are not aligned with its medium and long term strategic direction and will not be able to deliver the improvements in service delivery and on-going change and innovation required to achieve its long term goals.</p> <p>Cause: The context in which the organisation operates is rapidly changing and demands continual service improvements. This requires the right organisational and</p>	<p>Major 4</p> <p>Possible 3</p> <p>Medium-High 12</p>	<p>appropriate way. Research on impact of Universal Credit</p> <p>Detective: Performance indicators in place to monitor impact on housing and social care demand Financial analysis on the potential cost of impact of welfare reform underway</p> <p>Preventative: To understand the current and required corporate capabilities and develop corporate and delivery unit plans to respond to gaps, recognising the need to create an internal environment that facilitates the generation of new ideas and entrepreneurship. To support change through leadership and people engagement (including through partners), to provide results for the organisation, its people and customers.</p> <p>Detective: Through the risk management</p>	Treat	Quarterly	<p>Moderate 3</p> <p>Possible 3</p> <p>Medium-High 9</p>

APPENDIX E

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
developmental interventions to ensure the competence, knowledge and skills necessary to deliver the strategic objectives. Failure to ensure the right learning, knowledge sharing, career development, training and commitment to generating new ideas will cause the risk to escalate and negatively impact service delivery.		framework and robust and continuous risk analysis and monitoring of delivery unit risk profiles and action plans it will be possible to identify and ensure the right interventions and to identify 'early warning systems' where failure in this respect is impacting negatively on service delivery and strategic change.			
Consequence: The consequence of failure in this respect and the escalation of risk will be a skills/knowledge/competence gap in the organisation that will result in poorer service performance in the medium term and/or longer term strategic failure.					
Financial Position: Given the overall economic position, it is clear that cuts to government funding will continue until at least 2018 and more likely to the end of the decade. Alongside this the Council now bears additional risks as a result of business rate reforms, whereby a contraction in economic activity in Barnet will see a reduction in Council funding. The economic position also impacts on the costs of Council services, for example in terms of pressure on temporary accommodation and increases in benefit caseloads. Demographic changes mean that the Council faces a growing population, an ageing population and increasing numbers of young people, which adds further to the pressure and demand on services.	Major 4		Tolerate	Quarterly	Medium High 9
	Possible 3	Preventative: The Council's financial planning cycle mitigates the risks associated with reductions in funding and increases in demand for services. Planning ahead enables the Council to mitigate the impact of increases in demand and ensure that the Councils overall financial position on reserves and contingency is sufficient. A piece of work is being undertaken to understand the extent of financial challenges up to 2020, and the options for meeting those challenges (as set out in the July 2013 Cabinet report).			Possible 3
	Medium High 12				
		Defective: Budget monitoring (revenue and capital) and financial management standards being adhered to. Recovery plans and alternative options			

APPENDIX E

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
<p>Cause: Further government cuts, uncertainty over the local economic position for business rates and demographic changes.</p> <p>Consequence: Additional pressure and by implication cost in the delivery of services. Reduction in income. Together these provide a challenge for the Council's economic position.</p> <p>Information Management:</p> <p>There is a risk we will not be able to get appropriate data and information through insight, self service to support the customer access strategy</p> <p>Cause: Variable accessibility and quality of data means we don't know what information we hold, its value or sensitivity.</p> <p>Consequence: Data is not good enough to drive self service, single view of customer to deliver customer access vision</p>	<p>Major 4</p> <p>Possible 3</p> <p>Medium High 12</p>	<p>reviewed in areas with overspend. Review capital programme profiling. Value for money indicators in use across the business. Monitoring delivery of Medium Term Financial Strategy.</p> <p>Information Management Strategy approved (August 2013) and includes a data quality work stream.</p> <p>Preventative: Fair processing notices to enable us to compliantly get data we want.</p> <p>Beginning to understand data sources and constraints on them</p> <p>Phased delivery approach for insight allowing us to assess and baseline data issues and plan improvements in quality and accessibility accordingly</p> <p>Detective: Customer Access and Information Board to monitor progress and delivery. Will continually assess progress with decision to continue to move forward at each phase boundary</p>	Treat	Quarterly	<p>Major 4</p> <p>Unlikely 2</p> <p>Medium High 8</p>

APPENDIX E

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
<p>Barnet's position as a prosperous suburb is under threat from wider threats to London as a world city and infrastructure improvements connecting more and new places to London.</p> <p>Cause: Existing infrastructure near capacity, other places benefiting from new infrastructure digital technology making physical proximity less important wider threats to London as a world city</p> <p>Consequence: Barnet becomes less desirable as a place to live and work</p>	<p>Major 4</p> <p>Possible 3</p> <p>Medium High 12</p>	<p>Preventative: Develop 21st century suburb vision joining up the relevant strategies/initiatives</p> <p>West London Alliance: Working with five other West London Boroughs through community budget programme to develop growth, skills, and jobs. Through this process, will also be in a position to take a broader view of the transport infrastructure on an orbital basis.</p> <p>Detective: Regular meetings with place based services already exist to discuss strategies (housing, street scene). The overarching document will enable more effective monitoring and on-going identification of risks, opportunities and dependencies to be managed.</p>	Treat	<p>Quarterly</p> <p>Major 4</p> <p>Unlikely 2</p>	<p>Medium High 8</p>
<p>Resident Engagement: Failure to engage properly with residents</p> <p>Cause: The lack of an engagement policy, comprehensive plan and coordinated approach to consulting with residents</p> <p>Consequence: Consultations not contributing to service design, do not deliver the services resident want, lack of transparency on outcomes, customer satisfaction declines.</p>	<p>Moderate 3</p> <p>Possible 3</p> <p>Medium High 9</p>	<p>Preventative: Finance and Business Planning – feeding consultations into service design. Ensuring equalities is embedded within the Commissioning Group.</p> <p>Governance: Constitutional Review will look at Public Participation and improvements.</p> <p>Social media – alternative methods of engaging with residents to be explored through future updates to the website included in phase 2.</p> <p>Detective:</p>	Treat	<p>Quarterly</p> <p>Moderate 3</p> <p>Unlikely 2</p>	<p>Medium Low 6</p>

APPENDIX E

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating
	<div style="background-color: #f4a460; width: 100%; height: 100%;"></div>	<p>Common understanding of the citizen engagement within the Council through review of complaints data analysis and prior consultations. Performance indicators for customer satisfaction and customer care.</p>			<div style="background-color: #ffff00; width: 100%; height: 100%;"></div>

WAVE 1	SAVINGS													
	Base budget savings												Cumulative saving 2010-19	
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22		2022/23
£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
AdSS (LATC)	0.0	0.0	0.0	0.0	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	2.3
Community Coaches	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Com Budgets, Childrens Projects	0.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	16.3
CSO Transformation	0.0	0.1	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	4.8
DRS*	0.0	0.0	0.0	0.8	2.3	3.5	4.2	4.4	4.4	4.4	4.4	4.4	4.4	19.7
E-Recruitment	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	2.8
Housing Project	0.0	0.0	0.4	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	3.8
Legal Services	0.0	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.2
Libraries	0.0	0.1	0.3	1.0	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	7.2
CSG*	0.0	0.0	0.0	1.1	3.3	5.5	12.0	16.0	16.0	16.0	16.0	16.0	16.0	53.8
Parking	0.0	0.0	0.4	0.8	0.7	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	5.4
Passenger Transport	0.1	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	4.0
Procurement Project	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	8.3
RIO	0.3	1.8	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	17.1
Total	1.4	5.7	7.7	11.0	15.0	18.9	26.2	30.4	30.4	30.4	30.4	30.4	30.4	146.7

*CSG and DRS will generate savings beyond 2019 to contract end in 2023 of £125m and £39m respectively

Wave 1 Projects	Total Budget	2010/11		2011/12		2012/13		2013/14		2014/15		Total Projected Spend	Variance
		Outturn		Outturn		Outturn		Actual to Date	Committed expenditure	Projected outturn			
Closed Projects													
e-Recruitment	40,000	40,000		-		-		-		-		40,000	0
Procurement Project	70,058	70,058		-		-		-		-		70,058	0
Prototyping Project	77,129	77,129		-		-		-		-		77,129	0
Revenue & Income Optimisation	197,662	197,662		-		-		-		-		197,662	0
Your Choice Barmet	553,156	163,279		313,895		41,478		-		-		518,652	(34,504)
Housing Needs Resources	87,966	-		23,750		23,626		-		-		47,376	(40,590)
Parking Procurement	170,537	29,159		113,085		15,423		-		-		157,668	(12,869)
Rapid Improvement Project	22,000	18,500		3,500		60,000		-		-		22,000	0
SAP Optimisation	375,533	174,375		127,147		22,205		-		-		361,522	(14,011)
Community Coaches	70,000	-		42,186		34,178		-		-		64,390	(5,610)
Libraries Strategy	148,181	60,000		54,003		-		-		-		148,181	0
Right to Control	-	-		-		-		-		-		-	0
Legal Services	140,000	-		54,639		106,330		-		-		160,969	20,969
Customer Service Organisation Transformation	543,113	236,379		309,351		-		-		-		545,730	2,618
Development & Regulatory Services	1,744,019	319,493		701,617		1,359,275		-		-		2,380,385	636,365
New Support & Customer Services Organisation	1,654,439	307,446		641,733		1,805,266		-		-		2,754,445	1,100,006
Programme Management	2,411,433	450,919		1,593,258		367,256		-		-		2,411,433	0
Community Budgets, Childrens Projects	247,493	39,386		29,749		-		-		-		69,136	(178,357)
Passenger Transport	272,106	57,966		111,602		97,001		781		-		267,350	(4,756)
Contingency allocated for Wave 1 variances	1,503,481	-		-		-		-		-		-	(1,503,481)
Open Projects													
NSCSO/DRS Mobilisation	1,253,257	-		-		125,850		703,147		-		1,287,476	34,219
Total	11,581,562	2,241,753	4,119,515	4,057,887	10,419,155	4,358,430	6,361,267	703,928	458,480	-	-	11,581,562	(0)
Cumulative spend		2,241,753	6,361,267	10,419,155	11,123,082	11,581,562							

Wave 2 Projects	Total Budget	2010/11		2011/12		2012/13		2013/14		2014/15		Total Projected Spend	Variance
		Outturn		Outturn		Outturn		Actual to Date	Committed expenditure	Projected outturn			
Closed Projects													
CSO Transformation	1,422,000	-		-		1,302,876		49,941		-		1,352,817	(69,183)
Information Management System	565,190	-		148,729		392,785		27,276		-		568,789	3,599
Open Projects													
Programme Management Office	1,353,000	-		-		1,071,993		87,350		-		1,171,923	(181,077)
Early Intervention	510,000	-		77,825		126,992		15,136		192,569		489,593	(20,407)
Re-organisation of the Senior Officer and Council Structures	1,147,000	-		127,138		1,019,609		-		-		1,146,747	(253)
CCTV	247,000	-		-		52,096		61,367		-		245,828	(1,172)
Health & Social Care Integration	100,000	-		38,881		7,197		36,605		-		100,000	0
Review of the Mortuary Service	70,000	-		-		-		10,807		-		30,819	(39,181)
Review of the Registrars Service	199,845	-		-		27,560		15,359		-		199,645	(0)
Safer Communities	287,300	-		39,765		125,347		4,300		90,000		265,220	(22,080)
Strategic Review of Sports & Leisure Activity	303,400	-		48,445		90,171		29,435		-		303,400	(0)
Waste & Recycling - (Phase 1)	1,788,668	-		110,612		141,804		320,421		-		1,788,668	(0)
Greenstreets & Wave Stretch Targets	153,332	-		-		-		-		-		153,332	0
Contingency - Wave 2	13,000	-		-		-		-		-		13,000	0
Total	8,159,535	0	591,395	4,358,430	6,361,267	4,358,430	6,361,267	659,506	1,937,880	282,569	7,829,780	(329,755)	

Other Projects	Budget	2010/11		2011/12		2012/13		2013/14		2014/15		Total Projected Spend	Variance
		Outturn		Outturn		Outturn		Actual to Date	Committed expenditure	Projected outturn			
Judicial Review	500,000	-		-		226,986		382,157		-		609,143	109,143

Hall Hire Charges 2014 – 15

Table 1

Charges	Capacity up to 5	Capacity 6 - 15	Capacity 16 - 30	Capacity 31 +
<u>Full Rate</u>				
Anyone not covered by the Concession Rate	£6.00 per hour (Library open) £25.50 per hour (Library closed)	£10.00 per hour (Library open) £25.50 per hour (Library closed)	£15.00 per hour (Library open) £25.50 per hour (Library closed)	£30 per hour (Library open) £45.50 per hour (Library closed)
<u>Concession Rate</u>				
Discount of 1/3 rd standard rate - only available during library opening hours - Registered Charity - Non-Profit Making Organisation - Educational (Non-Profit Making)	£4.00 per hour (Library open)	£7.00 per hour (Library open) £25.50 per hour (Library closed)	£10.00 per hour (Library open) £25.50 per hour (Library closed)	£20.00 per hour (Library open) £45.50 per hour (Library closed)
<u>Display cabinets</u>	£20.00 per week			
<u>Display windows</u>				
External	£25.00 per week (£16.00)			
Internal	£20.00 per week (13.00)			
Concessions	Shown in brackets			

Other Monies To Be Included In the Booking Charges As Appropriate

Public Liability Insurance (if not already in place) to be arranged by hirer or by library at 5.25% of the Hire Charge

Appendix H : Prudential Indicator Compliance

Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.
- The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

	Limits for 2013/14 %
Upper Limit for Fixed Rate Exposure	100
Compliance with Limits:	Yes
Upper Limit for Variable Rate Exposure	40
Compliance with Limits:	Yes

Maturity Structure of Fixed Rate Borrowing

- This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

Maturity Structure of Fixed Rate Borrowing	Upper Limit %	Lower Limit %	Actual Fixed Rate Borrowing as at 30/9/13	% Fixed Rate Borrowing as at 30/9/13	Compliance with Set Limits?
Under 12 months	0	50		0	N/A
12 months and within 24 months	0	50	0	0	N/A
24 months and within 5 years	0	75		0	N/A
5 years and within 10 years	0	75	0	0%	N/A
10 years and above	0	100	304,080,000	100%	Yes

DEPOSITS OUTSTANDING AS AT 30 SEPTEMBER 2013 FOR LONDON BOROUGH OF BARNET

Deal Number	Counter Party	Start Date	Maturity Date	Rate of Interest %	Principal Outstanding
Local Authorities					£
2000011404	Peterborough Borough Council	25-Oct-12	25-Oct-13	0.42	5,000,000
2000011421	Birmingham City Council	19-Mar-13	19-Dec-13	0.50	5,000,000
2000011422	Doncaster Metropolitan Council	22-Mar-13	22-Mar-15	0.76	2,000,000
2000011423	Salford City Council	22-Mar-13	22-Mar-14	0.53	5,000,000
2000011438	Newcastle City Council	28-Jun-13	29-Jun-15	0.70	10,000,000
2000011442	LB Islington	02-Sep-13	02-Sep-15	0.70	5,000,000
2000011444	North Somerset Council	27-Sep-13	01-Oct-13	0.50	2,000,000
					34,000,000
MMF's					
2000011251	Aviva	26-Apr-13		0.38	18,500,000
2000011284	Goldman Sachs	15-Apr-13		0.36	21,500,000
2000011238	Federated Prime Rate	12-Apr-13		0.38	6,000,000
					46,000,000
MMF's Non specified					
2000112434	Federated Prime Rate Cash	15-May-13	15-May-14	0.50	10,000,000
UK Banks & Building Societies					
2000010341	BANK OF SCOTLAND	09-Sep-12	CALL A/C	0.75	25,000,000
2000010527	BARCLAYS COMMERCIAL BANK	11-Feb-10	CALL A/C	0.35	10,600,000
2000010425	LLOYDS BANK PLC	09-Apr-13	09-Oct-13	0.80	5,000,000
2000010426	LLOYDS BANK PLC	10-Apr-13	10-Oct-13	0.80	5,000,000
2000010429	LLOYDS BANK PLC	15-Apr-13	15-Oct-13	0.80	2,500,000
2000011431	NATIONWIDE BUILDING SOCIETY	01-May-13	31-Oct-13	0.62	16,500,000
2000011433	HSBC	13-May-13	13-Nov-13	0.40	10,000,000
2000011435	NATIONWIDE BUILDING SOCIETY	18-Jun-13	18-Dec-13	0.50	8,500,000
2000011443	STANDARD CHARTERED BANK (CD)	27-Sep-13	27-Mar-14	0.54	15,000,000
2000011378	CO-OPERATIVE Bank	30-Sep-13	overnight reserve	0.38	506,000
					98,606,000
Non UK Banks & UK Building Societies					
2000011437	NATIONAL AUSTRALIA BANK	21-Jun-13	23-Dec-13	0.46	15,000,000
2000011439	BANK OF NOVA SCOTIA	25-Jul-13	27-Jan-14	0.43	10,000,000
					25,000,000
Average rate of return				0.55	213,606,000

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Meeting	Budget and Performance Overview and Scrutiny Committee
Date	9 December 2013
Subject	StreetScene transformation update
Report of	Cabinet Member for Environment
Summary of Report	The report provides an update on progress with the One Barnet Wave 2 StreetScene transformation with a particular focus on the Waste Transformation project, which has been the main focus of the activity to date.

Officer Contributors	Lynn Bishop, Street Scene Director Andrew Cox, Senior Project Manager
Status (public or exempt)	Public
Wards Affected	All
Key Decision	N/A
Reason for urgency / exemption from call-in	N/A
Function of	Budget and Performance Overview and Scrutiny Committee
Enclosures	Appendix A:- Waste Transformation Update report
Contact for Further Information:	Lynn Bishop, Street Scene Director, 0208 359 7557, lynn.bishop@barnet.gov.uk

1. RECOMMENDATION

- 1.1 That the Budget and Performance Overview and Scrutiny Committee consider the progress of StreetScene Transformation and make comments and/or recommendations as appropriate.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet, 4 April 2012, Decision Item 11, approved Waste Collection Options for the Future.
- 2.2 Cabinet Resources Committee, 7 November 2012, Decision Item 5, approved the Outline Business Case and Options Appraisal for Waste and Street Scene Services.
- 2.3 Cabinet Resources Committee, 18 April 2013, Decision Item 13, approved Waste Collections for the Future.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Overview and Scrutiny Committees, Panels and Task and Finish Groups must ensure that the work of Scrutiny is reflective of the Council's priorities.
- 3.2 The three priority outcomes set out in the 2013 – 2016 Corporate Plan are: –
- Promote responsible growth, development and success across the borough.
 - Support families and individuals that need it – promoting independence, learning and well-being.
 - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.
- 3.3 The contents of this report supports the following priorities in the Corporate Plan 2013-2016:

To maintain a well-designed, attractive and accessible place, with sustainable infrastructure across the borough. Barnet's waste and recycling service is highly regarded, with 82 per cent of residents satisfied with the service. We have committed to providing a weekly bin collection. By adding weekly food waste collection and a mixed recycling collection this October, we aim to make it easier for residents to recycle, reducing the amount of waste sent to landfill and cutting costs.

4. RISK MANAGEMENT ISSUES

- 4.1 The implementation of these new initiatives mitigates significant financial risks for the council as they are designed to increase recycling rates and therefore are anticipated to reduce the amount of residual waste that the council has to send for disposal.

- 4.2 The costs for treating residual waste are increasing, and forecasts show that these are likely to increase substantially, as beyond 2016 the council will no longer have use of a cheap waste disposal outlet in the form of the Edmonton incinerator as it is projected to be coming to the end of its life.
- 4.3 The North London Waste Authority (NLWA) procurement, the National Waste Strategy 2007 and European legislation (the Waste Framework Directive) seek to achieve a 50% recycling rate by 2020. There are currently no financial penalties for non-achievement of this target. However the more that is recycled and composted, the less the council has to pay for waste disposal.
- 4.4 Over the last four years, Barnet has made only incremental improvements in recycling performance and waste reduction. Barnet is currently 15th out of 33 London Boroughs in relation to the percentage of its household waste that is recycled, reused or composted. Barnet is currently 27th out of 33 in relation to the amount of household waste per household that is sent for disposal. Other authorities are overtaking Barnet in performance terms and projections show that without significant changes to our services there will be no step change in our performance. This is therefore a reputational risk to the Council. In order to mitigate this risk it is essential that the planned communications activity is delivered successfully and achieves its expected outcomes.
- 4.5 Risks associated with the delivery of the Waste Transformation project have been managed and reported in accordance with corporate risk and project management processes and through existing democratic processes around One Barnet. A formal Programme Board is in place chaired by the Chief Operating Officer.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Pursuant to section 149 of the Equality Act, 2010, the council has a public sector duty to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between those with a protected characteristic and those without; promoting good relations between those with a protected characteristic and those without. The, relevant, 'protected characteristics' are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to elimination discrimination.
- 5.2 The Corporate Plan (2013-2016) sets out a commitment that policies, functions and activities will be analysed for their equalities and diversity risks.
- 5.3 Any equalities and diversity Issues associated with these changes were addressed in the 4 April 2012 Cabinet Paper. It was not, and still is not envisaged that any option will result in a detrimental effect on any resident(s) with 'protected characteristics', over and above the effect on those without 'protected characteristics', due to the universal nature of the service being

provided. The challenge to the council is to ensure that the accompanying communications plan includes both targeted and general messaging mechanisms to ensure that people with 'protected characteristics' understand the proposed options as well as those from non-protected groups. The council understands its obligation to pay due regard to the Equality Act 2010 and will do everything necessary to ensure this duty is met throughout the process. The council remains committed to providing an efficient, user friendly and cost-effective service for the benefit of all residents.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1 Finance

6.1.1. A total implementation budget of £1,942,000 was allocated to implement the changes identified. The spend to date is outlined in the table below.

Area	Amount / £
To Outline Business Case	199,000
Implementation committed	1,590,000
Implementation uncommitted	153,000
Total	1,942,000

6.1.2 The project is expected to deliver operational savings from the new model, with further savings as the new service embeds. The table below shows the anticipated savings that will be delivered.

	2013/14	2014/15	2015/16	Total reduction
Target / £	333,000	723,000	213,000	1,269,000
Anticipated savings / £	333,000	668,357	460,609	1,461,966

6.1.3. The anticipated income from disposal of co-mingled recyclates has not been achieved due to a change in the market since the decision in April 2012. This will introduce a pressure of approximately £1.3m annually through to 2015/16.

6.1.4 In 2016/17 this is anticipated to become a £1.9m reduction, against the baseline, in the cost of waste disposal. This is as anticipated in April 2012 and will be delivered because of the expected change in waste disposal mix to a considerably increased proportion of the cheaper recyclable materials (48%) (and therefore less residual waste) and changes in waste disposal charging methodology.

6.1.5 New operational fleet has been purchased through the project. The cost of this fleet is capitalised in the Council's accounts and will be paid for by the Street Scene revenue budget over five years. The capital purchase model was assessed to provide better value for money than the current lease model.

6.1.6 Additionally new bins, caddies, sacks and food waste vehicles have been purchased funded from the Council's Capital Programme (£2.1m) and Weekly Collection Support Scheme grant (£837k).

6.2 Procurement

All procurement activity in the project proceeded in accordance with the requirements of the council's Contract Procedure Rules, EU Procurement Rules and the principles of the Treaty on the Functioning of the European Union.

6.3 Performance and Value for Money

6.3.1 Implementation of Waste Collections for the Future is intended to increase participation in the recycling and organic waste services.

6.3.2 Over the last four years Barnet has made only incremental improvements in recycling performance and waste reduction. In 2011/12 Barnet was 18th out of 33 London Boroughs in relation to the percentage of its household waste that is recycled, reused or composted and 29th out of 33 in relation to the amount of household waste per household that is sent for disposal.

6.3.3 The costs for treating residual waste are increasing, and forecasts show that these are likely to increase substantially, as beyond 2016 the Council will no longer have use of a cheap waste disposal outlet in the form of the Edmonton incinerator as it is projected to be coming to the end of its life.

6.3.4 In order to keep future costs to a minimum it is therefore financially beneficial to recycle, compost or reduce waste as much as possible. Greater resident participation in the recycling and organic waste services is essential.

6.4 Staffing

6.4.1 All internal staffing changes were be managed in accordance with the council's Managing Organisational Change Policy and individual staff contracts of employment.

6.4.2 The transfer of staff from May Gurney to the Council was conducted in accordance with the council's obligations under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE)

6.4.3 Permission to implement the TUPE transfer of staff from May Gurney to the Council was sought from the General Functions Committee.

6.4.4 The pensions implications were put to the Pension Fund Committee.

6.5 IT

There were no IT issues.

6.6 Property
There were no Property Issues

6.7 Sustainability
The changes to the waste service provided to Barnet residents seek to increase recycling rates in line with the national target to achieve a 50% recycling rate by 2020.

7. LEGAL ISSUES

7.1 The transformation was achieved in accordance with procurement and TUPE requirements.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

8.1 The scope of the Overview & Scrutiny Committees is contained within Part 2, Article 6 of the Council's Constitution.

8.2 The Overview and Scrutiny Procedure Rules are set out in Part 4 of the Constitution.

8.3 The Terms of Reference of the Budget and Performance Overview Scrutiny Committee are contained within Part 4 of the Constitution (Overview and Scrutiny Procedure Rules). The Committee has the following responsibilities:

"To perform the overview and scrutiny role in relation to the One Barnet transformation programme, particularly performance and financial issues; with the exception of external contracts which are in the remit of the Contract Monitoring Overview and Scrutiny Committee;
To receive and consider options appraisals, business cases and closure report for the One Barnet projects; and
To monitor the implementation of the One Barnet programme throughout the programme lifecycle.
To engage with partner organisations, other relevant public sector bodies, private sector organisations, trade unions, local residents or any other appropriate witnesses when fulfilling the overview and scrutiny role in relation to the One Barnet programme".

9. BACKGROUND INFORMATION

9.1 In approving Waste Collections for the Future in April 2012 Cabinet agreed to the following model for household waste collection in Barnet:

- Residual waste collection to remain as weekly collections
- Dry recycling to move to co-mingled and to be collected weekly
- Kitchen waste to be collected in an external caddy on a weekly basis (this is currently co-mingled with Garden Waste)
- Garden waste to be collected fortnightly (currently this is collected weekly)

- 9.2 The council was been awarded £4,492,000 by DCLG from the Weekly Collections Support Scheme to enable:
- The separate collection of kitchen waste from houses and flats on a weekly basis
 - The retention of weekly refuse collections (i.e. to cover the savings that could have been made by moving to alternative weekly collections)
 - A reward scheme for dry recycling.
- 9.3 The One Barnet Wave 2 Waste and Street Scene project, the Outline Business Case for which was approved in November 2012, approved that Street Scene services should be retained and developed in-house and that in doing this the baseline cost of services would be reduced by approximately £2.5million.
- 9.5 The Waste Transformation Project was initiated in March 2013 to:
- Implement “Waste Collections of the Future”
 - Manage the end of the May Gurney Recycling contract and all associated activity
- Appendix A provides an update on the project.
- 9.6 Additional stretch projects have not yet been initiated due to the need to maintain full focus on Waste Transformation. The planned projects will investigate:
- A new model for bringing streets and green spaces together and furthering the adopt a place community involvement.
 - Development of a commercial approach to trade waste and recycling option
 - Development of a commercial approach to sign shop

10. LIST OF BACKGROUND PAPERS

10.1 None

Cleared by Finance (Officer’s initials)	JH
Cleared by Legal (Officer’s initials)	LC

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Appendix A: Waste Transformation Project Update

Contents

1. BACKGROUND	2
2. PROGRAMME OF WORK	3
2.1. Project Structure	3
2.2. Achievement of Critical Success Factors	4
2.3. Delivery of project plan.....	8
3. ACHIEVEMENT OF EXPECTED BENEFITS.....	10
4. ACHIEVEMENT OF OBJECTIVES.....	11
5. INVESTMENT ANALYSIS	13
6. OUTSTANDING TASKS	13
7. CONCLUSIONS	13

1. Background

On 4 April 2012 Cabinet approved the “Waste Collections for the Future”, which includes a number of initiatives to transform the way waste is collected in Barnet. The recommendations in the report, which were agreed by Cabinet were:

- Implementation of targeted communication work, enforcement of waste requirements (except when certain criteria are met) and provision of internal containers, with this work to start in 2012/13 once a communication plan has been agreed by the Cabinet Member for Environment.
- Implementation of the provision of 240 litre wheeled bins to households for the collection of mixed dry recycling on a weekly basis, to replace the current black and blue boxes. The provision of internal and external kitchen caddies to households for the separate collection of kitchen waste on a weekly basis and the provision of a fortnightly garden waste collection using the current green 240 litre wheeled bins, with the changes to take place from the end of the May Gurney Recycling Contract on or after 4 October 2013.
- Agreements that the mixed dry recycling will be:
 - consigned to the North London Waste Authority for processing from the end of the May Gurney Recycling Contract on or after 4 October 2013, provided that menu pricing is in place; or,
 - In the event that menu pricing is not in place, consigned to NLWA from the date that menu pricing is in place.
- Agreement that kitchen waste will be consigned to the North London Waste Authority for processing from the end of the May Gurney Recycling Contract on or after 4 October 2013.
- Agreement that garden waste will be consigned to the North London Waste Authority for processing from the end of the May Gurney Recycling Contract on or after 4 October 2013 provided that garden waste is charged for at the market rate for an outdoor facility.

The One Barnet Wave 2 Waste and Street Scene project assessed the preferred future delivery option for the Street Scene service. Cabinet Resources Committee, in November 2012, approved the Outline Business Case, including Options Appraisal, which recommended that the service should be retained in-house and undergo internal transformation with stretch (to ‘stretch’ transformation to a level beyond the existing initiatives within the Medium Term Financial Strategy (MTFS)).

The Council has initiated the Street Scene Internal Transformation Programme to bring together the delivery of these changes under one governance structure under the One Barnet Programme.

The Waste Transformation Project is one of the projects within this programme with responsibility for:

- Implementation of “Waste Collections of the Future”

- Management of the end of the May Gurney Recycling contract

2. Programme of work

2.1. Project Structure

The project was divided into three workstreams as follows.

1. May Gurney Contract end

This workstream was to deliver all the activity required to bring the May Gurney contract back in-house. It was therefore concerned with all legal activity required to end the contract, managing the transition of physical assets to the council and managing the TUPE transfer of staff from May Gurney to the Council. This workstream was not concerned with transforming service delivery.

2. New Waste Offer Implementation

This workstream was concerned with all activity to deliver a re-modelled waste and recycling service as agreed by Cabinet in April 2012. This workstream also aimed to enable the realisation of (financial and non-financial) benefits through reducing the operating costs of the service, increasing income from recyclates and reducing the costs from disposal of residual waste.

Key to this workstream was procurement activity, to ensure that all of the necessary items are available to support the implementation of the new waste offer, and communications activity to ensure that residents know about and are able to make use of the new opportunities for recycling.

3. Household Waste and Recycling Centre Re-modelling

This workstream was concerned with ensuring that the Household Waste and Recycling Centre could operate as an in-house service delivered by the council at the end of the May Gurney contract. Key components of the workstream were therefore concerned with ensuring that the necessary Health and Safety and legislative requirements are met with appropriately trained and qualified staff, reviewing the operational model and working practices to ensure they are as efficient as possible and are compliant with council policies and procuring/purchasing all required equipment to operate the site.

2.2. Achievement of Critical Success Factors

The Project as a whole has the following critical success factors.

Critical Success Factor	Achieved?	Comment
New waste offer (co-mingled dry recycling, new kitchen waste collection) goes live on 14 October 2013	Achieved	New model went live as planned on 14 October 2013.
New operating models deliver financial benefits to support the programme's benefit targets	Expected	See section 3.
Effective communications activity supports uptake by residents of the new recycling services and therefore enables the expected financial and non-financial benefits around reduction of residual waste and increase of recycling	Achieved / Expected	Communication activity has delivered successful uptake for the first month of the scheme and the initial indications are positive that the expected benefits will be delivered.
The number of missed collections per 100,000 collections across each individual waste service to remain below 50 in the following two months after the implementation of the new waste offer	Not achieved	Missed bins in the first month of new collections were 88 per 100,000. Plans are in place to enable a return to expected performance by month four of the new service (mid-January 2014)
The number of missed collections per 100,000 collections across each individual waste service to remain below 20 in the months leading up to the transfer of services, and in the months after implementation of the new waste offer (excluding the first two months)	Achieved / unlikely	Performance was maintained up until the point of change. It is not yet possible to assess the performance in month three (starting 14/12/13); however given the issues in the first month of operation it is anticipated that this performance will not be achieved until month 4.

Each of the workstreams also had its' own individual Critical Success Factors defined:

1. May Gurney Contract End

Critical Success Factor	Achieved?	Comment
Transition of service (kerbside recycling and HWRC) from May Gurney to the Council occurs seamlessly, with no disruption to service (except that specifically agreed and planned for) and accordance with the council's legislative obligations	Achieved	
All physical assets required by the council transfer to council ownership at the end of the May Gurney contract	Achieved	
All risks associated with transferring staff are mitigated so there is sufficient workforce with the right skills and qualifications when the May Gurney contract end	Achieved	
All required council governance processes will be completed to enable the transfer of staff from May Gurney to the council	Achieved	
May Gurney will have exited council premises in accordance with the agreed timescales	Achieved	

2. New Waste Offer Implementation

Critical Success Factor	Achieved?	Comment
All bins are procured in time to enable distribution to households by 4 October 2013	Achieved	This critical success factor was defined when one of the key risks to the project's success was the procurement and manufacturing timeline of new bins. As such this critical success factor was achieved; however it should be noted that the bin delivery was delayed (due to factors beyond the procurement process)
Fleet is procured/ordered in time to be delivered and operational by 8 October 2013	Achieved	All required new fleet was operational for 8 October except three vehicles for which short term hire arrangements were put in place pending the delivery of these vehicles by the end of 2013.
All procurement processes are compliant	Achieved	
New operating model delivers financial benefits to support the programme's benefit targets	Expected	See section 3
Communications activity ensures residents are informed about and make use of the new opportunities for recycling	Achieved	The collection data from the first month of the new operation and insight from Doorstepping shows that residents have understood and are using the new opportunities for recycling

Critical Success Factor	Achieved?	Comment
Changes to staffing are managed in accordance with the council's Managing Organisational Change policy	Not applicable	The initial project plan involved restructuring activity, which it was decided during the project would occur later, and therefore be managed by business as usual once the project was complete.
Re-modelling reduces routes and improves efficiency	Achieved	There are less routes with the new model for collection and these are anticipated to provide efficiencies (see section 3)
Implementation of Muniround enables more effective communication with residents online and through the Contact Centre	Delayed	Complexities and the volume of change for operational staff resulted in a decision to delay the implementation until January 2014. This is an outstanding activity which will be the Service's responsibility to introduce.

3. Household Waste and Recycling Centre re-modelling

Critical Success Factor	Achieved?	Comment
To provide the seamless transfer of the HWRC at the end of the May Gurney contract to an in-house provision	Achieved	
All required Health and Safety and legislative requirements are maintained at the HWRC	Achieved	

Critical Success Factor	Achieved?	Comment
New model for the HWRC is efficient and operates good practice	Achieved	

2.3. Delivery of project plan

The high-level milestones for the project as set out in the PID, with their actual delivery data and an assessment of their delivery is discussed in the table below.

Deliverable	Baseline	Date delivered	Comments
New fleet business case complete	22/3/13	22/3/13	
New Model for Waste services complete	1/4/13	4/7/13	New operating model emerged as the project progressed
Communications Programme start	1/4/13	1/4/13	
Formal notice of contract end served to May Gurney	8/4/13	8/4/13	
HR meetings (TUs, May Gurney, NSCSO) start	1/5/13	1/5/13	
Fleet procurement complete (order placed)	2/5/13	3/5/13	
New Recycling Containers procurement complete (orders placed)	24/5/13	24/5/13	
Outlets for Recyclates procurement complete (contract in place)	19/7/13	24/9/13	Arrangement was made with NLWA following unsuccessful procurement process

Deliverable	Baseline	Date delivered	Comments
General Functions Committee – approval to TUPE May Gurney staff	22/7/13	22/7/13	
Review of May Gurney’s Right to Work process complete	9/8/13	9/8/13	
Final Measures Letter sent	6/9/13	6/9/13	
Pensions Committee – impact of transfer of May Gurney staff	9/9/13	9/9/13	
New Recycling Containers roll-out start	9/9/13	9/9/13	
New staffing model for Waste Services implemented	30/9/13	Delayed	The initial project plan involved restructuring activity, however it was decided during the project, this would occur later, and therefore be managed by business as usual once the project was complete.
New Recycling Containers roll-out complete	4/10/13	18/10/13	This critical milestone was missed, which had a significant impact on the first fortnight of the new waste collection service.
Kerbside contract with May Gurney end	5/10/13	5/10/13	
Kerbside staff first day as LBB employees	7/10/13	7/10/13	
HWRC contract with May Gurney ends	8/10/13	8/10/13	
HWRC staff first day as LBB employees	9/10/13	9/10/13	

Deliverable	Baseline	Date delivered	Comments
HWRC delivered by Barnet reopens	11/10/13	11/10/13	
New household waste collection model go live	14/10/13	14/10/13	
Barnet kerbside collection restarts	14/10/13	14/10/13	

3. Achievement of Expected Benefits

Ref	Benefit Type	Benefit Description	Benefit owner	RAG	Comment	Saving
SIT-B01	Financial	Reduction in baseline cost of Service 2013/14 - £333,000 2014/15 - £723,000 2015/16 - £213,000 Total £1,269,000 baseline reduction by 2015/16.	Lynn Bishop	G	The Board agreed the following as the latest iteration of a layered model of benefits: 2013/14 - £333,000 2014/15 - £668,357 2015/16 - £460,609 n.b. presented here are the savings that are expected to be delivered. Further savings may be delivered as the service embeds.	Baseline reduction - £1,461,966
SIT-B02	Non-financial	Increase in recycling rates	Lynn Bishop	G	First three standard weeks of collection have seen an average weekly tonnage of 543 tonnes recyclates collected compared to approximately 350 tonnes per week with the previous methodology	NA

Ref	Benefit Type	Benefit Description	Benefit owner	RAG	Comment	Saving
SIT-B03	Non-financial	Reduction in residual waste	Lynn Bishop	G	Data is not yet available from NLWA; however given the increase in volume of recycling and food waste, and assuming that the total quantum of waste remains constant this benefit is expected to be on track.	NA
SIT-B04	Non-financial	Increase in tonnage of organic waste and change in mix from co-mingled to separate food and garden	Lynn Bishop	G	Data is not yet available from NLWA to fully assess this benefit; however the average weekly tonnage of food waste collected across the first three standard weeks of the new service is 160 tonnes, which otherwise would have been included with garden waste, or more likely in residual waste.	NA

4. Achievement of Objectives

Objective	Achieved?	Comment
To provide the seamless transfer of the service's operated by May Gurney at the end of the contract to an in-house provision. Services include the kerbside operation to houses, flats and schools, recycling bring bank service and the Household Waste and Recycling Centre.	Achieved	
To roll out the new waste services agreed at the meeting of the Cabinet on 4 April 2012.	Achieved	

Objective	Achieved?	Comment
To streamline all future waste services to provide maximum efficiencies and improved service delivery, by the rationalisation of rounds, the introduction of the Muniround database network and operating system and the provision of clear policies relating to all waste services.	Partial	The new service has been implemented as planned; however the implementation of Muniround has been delayed (for operational change readiness reasons).
To provide outlets for comingled dry recyclates to 31 March 2016, and outlets for all materials collected at the HWRC (excluding residual waste).	Achieved with caveats	Arrangements are in place with NLWA and Kier/May Gurney rather than the planned new commercial arrangements due to the procurement processes being unsuccessful.
To manage a comprehensive communications plan that describes the change of offer and fully engages residents in order to manage an effective change of behaviour.	Achieved / expected	
To enable the delivery of the StreetScene Internal Transformation Programme financial benefits (£1.5million) allocated to Waste and Recycling	Expected	The expected benefits to be realised have been agreed by the Board – it will be the responsibility of the Service to deliver these financial benefits.

5. Investment Analysis

The project has a total agreed budget of £1,942k. To date £1,789k of this is spent/committed. Before the project can close the final budget outturn needs to be agreed.

Area	Amount / £
To Outline Business Case	199,000
Implementation committed	1,590,000
Implementation uncommitted	153,000
Total	1,942,000

6. Outstanding tasks

- Implementation of Muniround – Street Scene Director / Head of Waste and Recycling
- Restructure of Waste and Recycling – Street Scene Director / Head of Waste and Recycling
- Ensuring the delivery of the expected benefits around increased recycling rates and reduced residual waste rates – Street Scene Director / Head of Waste and Recycling
- Delivery of layered efficiencies to realise financial benefits – Street Scene Director / Head of Waste and Recycling

7. Conclusions

Despite all the challenges the project delivered and the new waste offer went live as planned on 14 October 2013.

The majority of the project's Critical Success Factors have been achieved or are on track and are expected to be achieved. The two that have not been achieved are:

1. *The number of missed collections per 100,000 collections across each individual waste stream to remain below 50 in the following two months after the implementation of the new waste offer.*

This was missed in the first month and robust plans are in place and being delivered to ensure the required performance is achieved and a return to pre-transformation performance is achieved by 14 January 2014.

2. *Implementation of Muniround enables more effective communication with residents online and through the Contact Centre*

This has been delayed in implementation for operational reasons. This is an outstanding task that has been handed back to business as usual to manage and plans are in place for the implementation in January 2014.

The project has delivered on the majority of its objectives, or these objectives are on track and are expected to be delivered.

The majority of the milestones in the project plan were delivered as planned. However the significant issue that occurred in the project was the failure of the bin delivery contractor to complete the deliveries as planned and expected within the contract. No payment has yet been made to the contractor and discussions between the council and contractor are ongoing.

It is still early to draw definitive conclusions about the delivery of benefits; however in the case of the expected non-financial benefits the early indications from the data available are that these are on track to be delivered. The delivery of these benefits will require significant ongoing work from the Service to maintain the positive initial behaviour change and to improve recycling performance still further.

The Target Operating Model has delivered the baseline reduction to enable the required financial benefits for 2013/14 to be delivered. The layered approach to realisation of financial benefits, which has been agreed by the project board, indicates that it is likely that the expected benefits from the project for 2014/15 and 2015/16 will be realised and potentially exceeded. The delivery of these financial benefits will be the responsibility of the Service.

A full Lessons Learned Review is underway and will be completed as part of Project Closure.

AGENDA ITEM 8

Meeting	Budget and Performance Overview and Scrutiny Committee
Date	9 December 2013
Subject	Sport and Physical Activity Review Project
Report of	Cabinet Member for Customer Access and Partnerships and Cabinet Member for Public Health
Summary	The Sport and Physical Activity Outline Business Case at Appendix 1 was approved at CRC on 4 th November 2013.

Officer Contributors	Elodie Durand, Project Manager, Corporate Programmes
Status (public or exempt)	Public
Wards affected	All
Key Decision	N/A
Reason for urgency / exemption from call-in	N/A
Function of	Budget and Performance Overview and Scrutiny Committee
Enclosures	Appendix 1: Outline Business Case – Sport and Physical Activity Review

Contact for further information: Elodie Durand, Project Manager, Corporate Programmes
020 8359 5624, elodie.durand@barnet.gov.uk

1. RECOMMENDATIONS

- 1.1 That the Budget and Performance Overview and Scrutiny Committee consider the Sport and Physical Activity Outline Business Case as approved by CRC on 4th November 2013 and make comments and/or recommendations as appropriate.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet Resource Committee, 27 September 2011 (Decision item 15) – approved the negotiation of terms, with the Contractor, Greenwich Leisure Limited (GLL), for termination of the current Leisure Management Contract.
- 2.2 Cabinet Resource Committee, 18 October 2012 (Decision item 15) – approved the Sport and Physical Activity Strategic Outline Case.
- 2.3 Cabinet Resource Committee, 4 November 2013, agenda item 5 (Outline Business Case: Sport and Physical Activity Review) – approved the Outline Business Case.
- 2.4 The report was called in by the Business Management Overview and Scrutiny Committee on Monday 18th November. The decision from CRC was not referred back.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The three priority outcomes set out in the 2013/16 Corporate Plan are:
- Promote responsible growth, development and success across the Borough
 - Support families and individuals that need it – promoting independence, learning and wellbeing
 - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study
- 3.2 The three principles that underpin these priorities and the Corporate Transformation programme are:
- A new relationship with citizens
 - A one public sector approach
 - A relentless drive for efficiency
- 3.3 The sport and physical activity review key strategic objectives support these corporate priorities with the review setting out to:
- **Improve levels of participation in sport and physical activity within the borough by 3% (as measured by NI8)** by 2015 to ensure that key public health objectives¹ are achieved. In particular, the Barnet Health and Wellbeing Strategy identifies a commitment to make better use of the range of green spaces and leisure facilities in the borough to increase levels of physical activity.

¹ Inclusive of the health and wellbeing outcomes as incorporated into the current health and wellbeing strategy and public health commissioning strategy

- Consider options to reduce the Council's revenue expenditure on sport and physical activity services provided by GLL by looking at how the current Medium Term Financial Strategy (MTFS) **savings target of £967,000 per annum** can be achieved

4. RISK MANAGEMENT ISSUES

- 4.1 Risks associated with the delivery of this project are managed and reported in accordance with corporate risk and project management processes and will also be reported through existing democratic processes.
- 4.2 A risk assessment of the proposed options has been completed as part of the development of the outline business case.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The Council and all other organisations exercising public functions on its behalf are required under the Equality Act 2010 to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.
- 5.2 As part of the outline business case, initial consultation and engagement was conducted with a sample of Barnet's residents with representatives from the varied communities and user groups within the borough, including residents with protected characteristics, to understand their needs and views on the current and future leisure service provision.
- 5.3 An equality impact assessment (EIA) will be conducted as part of the full business case.
- 5.4 In addition to the Terms of Reference of the Committee, and in so far as relating to matters within its remit, the role of the Committee is to perform the Overview and Scrutiny responsibilities in relation to:
- The Council's leadership role in relation to diversity and inclusiveness; and
 - The fulfilment of the Council's duties as employer including recruitment and retention, personnel, pensions and payroll services, staff development, equalities and health and safety.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1 To date, approved expenditure of £228,000 has been allocated to develop the business cases (SOC and OBC) for the project. A further £75,000 is required to develop the full business case.

6.2 The results of the SPA review conclude that the Council should take a three step approach to address its objectives:

Addressing 2014/15

6.3 The Council is in contract with GLL until 30 December 2017. It is proposed that the immediate MTFs savings target for 2014/15 is achieved in the following way:

- £600,000 one-off public health funding based on a revised contract monitoring and performance schedule for the GLL contract based on the achievement of public health outcomes
- Up to £130,000 savings on the management fee paid to GLL
- The current budget for sport and leisure facilities includes a provision for any structural repairs for which the Council is responsible. With no structural repairs planned for 2014/15, this represents a saving of £181,000
- Remaining up to £186,000 funding from the Council's reserves to meet the MTFs £967,000 savings target

6.4 The Council will reinforce its contract management approach to ensure better value for money and improved health outcomes by monitoring performance closely and holding GLL to account if performance standards are not met.

Options for the medium term: 2015/16 to 2017/18

6.5 Through the development of the full business case, the Council will further explore with GLL options to reduce the management fee paid by the Council as well as continuing to discuss the possibility of agreeing an early termination of the GLL contract, as previously approved by CRC². The outcomes of these discussions will need to come back to the Cabinet Resources Committee for consideration in June 2014.

Longer term approach: post December 2017

6.6 The Council cannot continue with the current model for the delivery of sport and physical activity if it is to meet the objectives of the Sport and Physical Activity Strategy and achieve a reduction in expenditure. The Council will need to consider what is the best delivery model and mix of services when it comes to re-procure its leisure management contract.

6.7 This will be set out as part of the Full Business Case, which will be presented back to CRC in June 2014.

² Cabinet Resource Committee 27 September 2011

- 6.8 Procurement options: If the Council were to re-procure the leisure contract to come into effect post-December 2017, procurement will need to start significantly in advance of this date to allow enough time to complete the required procurement activities.

7. LEGAL ISSUES

- 7.1 As part of the review, the Council commissioned legal firm Trowers & Hamlins to provide advice on the existing leisure contract with GLL.
- 7.2 In the case of a re-procurement as a result of negotiations with GLL and/or in order to have a provider in place by 1st January 2018 when the contract ends, the Council will also need to consider and comply with its Contract Procedure Rules (CPR).

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

- 8.1 The scope of the Overview & Scrutiny Committees is contained within Part 2, Article 6 of the Council's Constitution.
- 8.2 The Overview and Scrutiny Procedure Rules are set out in Part 4 of the Constitution.
- 8.3 The Terms of Reference of the Budget and Performance Overview Scrutiny Committee are contained within Part 4 of the Constitution (Overview and Scrutiny Procedure Rules). The Committee has the following responsibilities:

“To perform the overview and scrutiny role in relation to the One Barnet transformation programme, particularly performance and financial issues; with the exception of external contracts which are in the remit of the Contract Monitoring Overview and Scrutiny Committee;

To receive and consider options appraisals, business cases and closure report for the One Barnet projects; and

To monitor the implementation of the One Barnet programme throughout the programme lifecycle.”

“To engage with partner organisations, other relevant public sector bodies, private sector organisations, trade unions, local residents or any other appropriate witnesses when fulfilling the overview and scrutiny role in relation to the One Barnet programme”.

9. BACKGROUND INFORMATION

- 9.1 The overall aim of the SPA review is to improve the participation levels of sport and physical activity within the borough. The project aims to review the Council's role in the delivery of leisure services including a review of the current contract provision, provided by GLL; and consideration of future

procurement options to assess how the MTFs savings target of £967,000 per annum can be achieved.

- 9.2 In parallel, the SPA review takes a wider strategic approach to SPA provision to ensure that key public health objectives are considered to ensure sustainably delivery in the long term. The core strategic outcomes expected from the SPA are:
- Improved levels of physical activity within Barnet, particularly in target geographical areas for both adults and children, leading to improvements in public health outcomes and general wellbeing.
 - Improved opportunities and access to sport and physical activities for individuals of all ages and abilities.
 - Evidence-based practice informed by public health review of evidence.
 - Optimised opportunities to improve the sport and physical activity landscape through planning gain and improvements to public realm via better understanding of need, supply, and demand on facilities.
 - A more coordinated approach to provision by external partners including ownership of a partnership-based sport and physical activity strategy by external partners.
 - Suitable governance arrangements to support the Council and key stakeholders delivering the SPA.
 - Reductions in direct expenditure by the Council on provision and services that could be provided through alternative provision, approaches and partnerships.
- 9.3 The contract with GLL started on the 31 December 2002 for a period of 15 years (expires 30 Dec 2017). The contract is set up in a way that means the Council subsidises GLL for the cost of running the Leisure facilities in Barnet. While another 4 years remain to run on the contract, the Council's MTFs for 2014/15 and 2015/16 sets a savings target of £967,000 per annum for leisure services, against a management fee of c. £1.2m per annum.
- 9.4 A sport and physical activity needs assessment was conducted in 2012 to support the development of a sport and physical activity strategy to provide strategic direction to shaping SPA provision in Barnet. The findings of a SPA needs assessment conducted in 2012 by Barnet have found that the current participation performance is poor compared to other London boroughs and England. Barnet is ranked 23rd out of 33 London boroughs for levels of adult physical activity, physical activity levels of school children in Barnet are below the national average and residents' overall satisfaction with the leisure provision is low.
- 9.5 A Strategic Outline Case (SOC) was approved by CRC in October 2012 to explore strategic options and outcomes required for new ambition for sport and physical activity; it clarified that a broader, holistic perspective is required to encompass sport and physical activity across Barnet. The SOC recommended that an Outline Business Case (OBC) be produced for further exploration and consideration of the potential options that will lead to improving the level of SPA and provide reduction in direct expenditure by Barnet on provision and services.

- 9.6 The OBC was informed by engagement with stakeholders (including the council's Place and People directorates, partners and providers) and residents, negotiations with GLL, a SPA needs assessment conducted by public health and input from further relevant parties such as legal and procurement advice.
- 9.7 The Outline Business Case was approved by CRC on 4th November 2013.
- 9.8 The report was called in by the Business Management Overview and Scrutiny Committee on Monday 18th November 2013.
- 9.8.1 Reason for call in: The Outline Business Case is based on £600k of Public Health money that has not been agreed by the Health & Well Being Board (HWBB), has not been included in the Public Health Commissioning Plan even by DPR even though it is over £500k and therefore a key decision.
- 9.8.2 Objective: The objective was to refer back to Cabinet to check if the decision could go ahead without agreement by the HWBB and without a decision to include the spend in the Public Health Commissioning Plan. In addition for recommendation 1.2 to be changed from £186k from contingency to £786k.
- 9.8.3 Response: The Committee resolved not to refer the item back to Cabinet Resource Committee.

10. LIST OF BACKGROUND PAPERS

10.1 None

Cleared by Finance (Officer's initials)	JH
Cleared by Legal (Officer's initials)	MA

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APPENDIX 1

Outline Business Case: Sport and Physical Activity Review

October 2013

Author:	Elodie Durand
Date:	October 2013
Service / Dept:	Corporate Programmes

Approvals

By signing this document, the signatories below are confirming that they have fully reviewed the Outline Business Case for the Sport and Physical Activity Review project and confirm their acceptance of the completed document.

Name	Role	Signature	Date	Version
Kate Kennally	Director for People – Project Sponsor			

DOCUMENT CONTROL

Version History

Version	02/10	Author(s)	Summary of Changes
0.1	30/09/2013	Elodie Durand	First draft
0.2	07/10/2013	Elodie Durand	Amends to all sections
0.3	09/10/2013	Elodie Durand	Project Board comments included
0.4	11/10/2013	Elodie Durand	Project Sponsor feedback
1.0	23/10/2013	Elodie Durand	Updates to sections 2 and 3
1.1	23/10/2013	Elodie Durand	Updates to section 1.2
1.2	28/10/2013	James Wills- Fleming	Updates to sections 2,3,4 and 5

Contents

1. Introduction and strategic context.....	4
1.1. London Borough of Barnet strategic direction	4
1.2. Barnet Council’s Sport and Physical Activity provision	6
2. Rationale	8
2.1. Poor participation	8
2.2. Low satisfaction with current leisure provision.....	9
2.3. Unsustainable model.....	11
2.4. Opportunities to increase the use of parks and green spaces to deliver SPA outcomes.....	11
2.5. Conclusion	12
3. Options.....	13
3.1. Addressing 2014/15 MTFS budget saving	13
3.2. Options for the medium term: 2015/16 to 2017/18	14
3.3. Longer term approach: post December 2017 (or sooner depending upon the success of early termination negotiations with GLL as outline in section 3.2).....	15
4. Expected Benefits.....	16
4.1. Strategic benefits.....	16
4.2. Non-financial benefits	16
4.3. Financial benefits	17
5. Financial Appraisal	18
5.1. Current position and future pressures	18
5.2. Short term strategy - addressing 2014/15.....	19
5.3. Medium and long term strategy – 2015/16 and beyond.....	20
6. Project approach	21
7. Risks, dependencies and constraints	23
7.1. Risks	23
7.2. Dependencies	24
7.3. Constraints.....	24
8. Appendix A – Draft Sport and Physical Activity Strategy 2013-18.....	25
9. Appendix B – Soft market test providers feedback.....	28

1. Introduction and strategic context

The Sports and Physical Activity (SPA) Review is part of the London Borough of Barnet (Barnet)'s corporate change programme (One Barnet Programme) supporting Barnet's corporate strategy through a focus on early intervention, prevention and community safety.

It supports the One Barnet key priorities of:

- A new relationship with citizens.
- A relentless drive for efficiency.
- A 'one public sector' approach.

The SPA review has two key strategic aims:

1. **Improve levels of participation in sport and physical activity within the borough by 3% (as measured by NI8) by 2015** to ensure that key public health objectives¹ are achieved. In particular, the Barnet Health and Wellbeing Strategy identifies a commitment to make better use of the range of green spaces and leisure facilities in the borough to increase levels of physical activity.
2. Consider options to reduce the Council's expenditure on sport and physical activity services by looking at how the current Medium Term Financial Strategy (MTFS) **savings target of £967,000 per annum** can be achieved.

In further detail, the core strategic outcomes expected from the SPA are:

- Improved levels of physical activity within Barnet, particularly in target geographical areas for both adults and children, leading to improvements in public health outcomes and general wellbeing.
- Improved opportunities and access to sport and physical activities for individuals of all ages and abilities.
- Evidence-based practices informed by public health review of evidence.
- Optimised opportunities to improve the sport and physical activity landscape through planning gain and improvements to public realm via better understanding of need, supply, and demand on facilities.
- A more coordinated approach to provision by external partners including ownership of a partnership-based sport and physical activity strategy by external partners.
- Suitable governance arrangements to support the Council and key stakeholders in delivering the SPA agenda.
- Reductions in direct expenditure by the Council on services that could be provided through alternative provision, approaches and partnerships.

1.1. London Borough of Barnet strategic direction

¹ Inclusive of the health and wellbeing outcomes as incorporated into the current health and wellbeing strategy and public health commissioning strategy

As a commissioning Council, the SPA review is an opportunity for the Council to look at how to deliver services differently and address customers' needs through an integrated approach, while focusing on outcomes in a manner that is affordable and sustainable for the Council. In the case of sport and physical activity, it is essential that the Council understands how it can deliver improved outcomes for residents in a way that makes services both more accessible and affordable. This can be achieved by providing opportunities through the use of other Council services such as information provided in libraries, encouraging activities such as walking, cycling in parks and co-location of leisure facilities with commercial facilities. In line with Councils across the country this must be achieved within the context of continued significant financial pressures and therefore the Council must aim for a cost-neutral provision and explore the potential for using public health budget to support strategic objectives for sport and physical activity. In November 2011, the Council set a savings target of £967,000 per annum against expenditure the leisure services provided by GLL as part of its Medium Term Financial Strategy (MTFS) for 2013/14 to 2015/16 to reflect its ambition of moving to a zero-subsidy provision over the next three years.

Barnet Sport and Physical Activity strategy

The Council is developing a Sport and Physical Activity Strategy to provide strategic direction and shape the sport and physical activity provision in Barnet.

The SPA Strategy's aim is that the Barnet population is physically active and the borough provides excellent opportunities for sports development and physical activity. The stated objectives are to:

- Widen access to sport and physical activity – ensuring that people who do not traditionally participate in sport and physical activity are supported to do so.
- Deliver an environment conducive to physical activity in a manner that is as cost neutral as possible to the public purse - ensuring residents have access to facilities, open spaces, and community and transport infrastructure that allows and encourages residents of all ages to be active.
- Strengthen organisations and partnerships - increasing the number and quality of volunteers, coaches and clubs and developing Fit and Active Barnet (FAB) as an umbrella brand and network to facilitate collaboration.
- Develop effective sport and physical activity pathways - encouraging and enabling people to engage and stay involved in sport and physical activity and achieve the highest standard that they want to and are capable of.

This will be achieved through partnership and collaboration; the vehicle for delivery of the SPA Strategy will be the Fit and Active Barnet (FAB) Partnership Board.

FAB is a public health initiative originally planned to be a campaign to encourage participation and physical activity across the borough. Following a campaign planned for the New Year to promote physical activity to support good health, the current Barnet Strategic Sport Group (BSSG) will become the FAB Partnership Board to sustain the initiative in the long term. FAB's is made up of representatives from key partner organisations including Barnet Community Volunteer Service, Barnet & Southgate College, Barnet FC in the Community, Barnet CCG, GLL, Middlesex

University, Pro-Active North London, Saracens Foundation and others. It is envisaged that all investments in physical activity and healthy weight in Barnet will be conducted under the FAB banner in 2014, supported by a communications' campaign to encourage participation.

The FAB Partnership Board will also share the responsibility for the delivery of the SPA strategy outcomes and is in the process of developing a delivery plan for the strategy, and responding to the feedback obtained from the consultation on sport and physical activity undertaken by the Council during Sep/Oct 2013.

1.2. Barnet Council's Sport and Physical Activity provision

GLL-run leisure² centre facilities

In 2003, Barnet entered a 15-year contract with Greenwich Leisure Limited (GLL) that delivers mainstream indoor sports provision and swimming through five leisure centre facilities:

- Cophall
- Burnt Oak
- Finchley Lido
- Church Farm
- Hendon

Of the five facilities, the Council owns the freehold of four, and one is a long lease. They are of mixed condition, with some sites nearing the end of their economic life. With the exception of Burnt Oak, facilities are currently operated at a loss for GLL. This is offset by the management fee paid by the Council, with GLL only just breaking even with a profit of less than £30,000 in 2012, once the cost from the initial capital investment made by GLL is recouped.³ Of the five centres, Cophall has the largest operating costs and also makes the biggest loss.

	Burnt Oak	Church Farm	Cophall	Finchley	Hendon	Cophall stadium	Compton	Total
Income	669,895	382,619	1,732,011	1,524,548	864,803	5,794	53,260	5,232,930
Expenditure	648,227	448,410	2,224,417	1,591,813	1,022,755	78,952	167,073	6,181,647
Surplus/(Deficit)	21,668	-65,791	-492,406	-67,265	-157,952	-73,158	-113,813	-948,717
Management fee								976,630
Surplus/(Deficit)								27,913

The wider Barnet Council provision

² Please note that all reference to leisure in this report is in relation to leisure centres whose prime purpose is for sport and physical activity.

³ Source: GLL management accounts 2012. Note that Compton and Cophall Stadium ceased to be managed by GLL in 2012.

Barnet is a green borough with a large number of parks and green spaces that have a high potential to support sport and physical activity:

- Over 200 parks and open spaces in total
- 2,466 hectares (28% of the borough) lying in the Green Belt
- 690 hectares (8% of the borough) which is metropolitan open land
- Most of the borough is within 1.2km of a playing pitch
- There are 50 children's play areas (although they are in less than 50% of Barnet's parks)

Barnet's parks and open spaces provision includes the following SPA facilities:

Facility	Number
11 a side Football	68
Jnr Football	13
Mini Football	31
Rugby	7
Gaelic Football	2
Cricket	18
Multi Use Games Areas	15
Netball	1
Tennis	61
Bowls	11

Future provision

Facility	Number
Marked and Measured Routes	10 completely new routes to be installed in parks across the borough during the finance year 2013/14.
Outdoor Gyms	1 currently operational in Oak Hill Park. An additional 5 will be installed by the 1st of April 2014 with a further 5 during 2014 (subject to review of utilisation and physical activity outcomes from the 6 outdoor gyms in situ).

2. Rationale

The strategic objectives the Council has set itself and the financial pressures it faces mean the current SPA model isn't sustainable and won't deliver the outcomes the Council seeks. There is a strong case for change, as outlined below.

The findings below were informed by key activities conducted by the project including:

- A Sport and Physical Activity Needs Assessment which was conducted in 2012 to examine sport and physical activity participation amongst the Barnet population and the health implications of these behaviours. The aim of the Need Assessment is to provide the necessary evidence to ensure planning for leisure is evidence-based and tailored to the specific needs of the borough and to facilitate the future leisure commissioning.
- A soft market test and discussions with providers and partners that took place over August and September 2013 to discuss the opportunities for Barnet leisure centres and best practice in the market to improve participation while reducing expenditure.
- A SPA consultation programme that took place with Barnet residents in September and October 2013. The Council conducted four area-based workshops across the Borough complemented by a telephone survey of 1,100 residents to engage with local residents and seek their opinion of the current services and facilities and explore with them what would support an increase in participation.

The sources of data and supporting evidence include:

- Sport England Active People Survey 5 Oct 2010 – Oct 2011
- Barnet SPA Needs Assessment 2012
- Interim results from Barnet SPA residents consultation 2013
- Barnet Residents Perception Survey 2012
- GLL annual user survey 2012

2.1. Poor participation

The findings of a SPA needs assessment conducted in 2012 by Barnet have found that the current participation performance is poor compared to other London boroughs and England. The changes in population (growing and aging) reinforce this trend:

- Barnet is currently ranked 23rd out of 33 London boroughs for levels of adult physical activity according to the Sport England Active People Survey 5 (Oct 2010-Oct 2011) with only 14.4% of adults participating at recommended levels. Barnet's neighbouring boroughs range from 10.5% (Enfield ranked 33) to 17.3% (Haringey ranked 13)⁴.

⁴ Sport England Active People Survey 5
http://www.sportengland.org/research/active_people_survey/idoc.ashx?docid=6dff52e3-73c3-4993-9762-a079e9f71410&version=1

- The interim report of the residents' consultation undertaken by Barnet in October 2013 confirms these findings with 11% of respondents saying they never do any exercise⁵.
- 11% of Barnet residents' never walk more than 5 minutes for any reason.
- In addition to low levels of activity there is a downward trend in contrast to national trends which are rising, though London trends are similarly downward.
- Of those groups who are the most sedentary – which is 48.8% of the population - the pattern is repeated with those with life limiting illness or disability, older than 55 years, in lower socio economic groups, women and non-white groups being the most likely to sedentary.⁶
- Physical activity levels of school children in Barnet are below the national average, with particular concerns relating to some faith schools and areas of deprivation⁷. Only 53.5% of children participate in at least three hours of sport/PE a week which is worse than England average.
- One in three children aged 10 to 11 in Barnet is overweight or obese.

2.2. Low satisfaction with current leisure provision

General satisfaction is low

Despite the high level of parks and open spaces in Barnet and a leisure provision that is comparable to other London boroughs, the overall satisfaction with provision is significantly lower than the national average.

- Only 30% of the Borough's residents are satisfied with Council-owned leisure centres in Barnet compared with 46% for London⁸. This is despite a significant cash injection into the facilities by GLL.
- 53% of those who actively use leisure centres are satisfied with leisure services compared to 59% in London in the Barnet Residents Perception Survey 2012. This is broadly in line with the findings from the SPA residents' consultation in October 2013 where only 55% of respondents were satisfied with the council-owned leisure in their area⁹.
- Many grassroots clubs that support young people in being involved in sport and physical activity are dependent on volunteers. However, the level of volunteering in sport and physical activity in Barnet is lower than the national average at 3.5% compared to 7.3% of people who spend an hour or more a week volunteering in sport¹⁰. In addition the infrastructure of community-based organisations is potentially threatened by low levels of volunteers.
- Stakeholder engagement highlighted that there is a strong interest in alternative activities – not just those based in leisure facilities. Dancing, Keep fit classes, using parks, cycling, and walking were all raised as activities

⁵ Barnet SPA residents consultation (workshops and telephone survey) October 2013

⁶ Sport and Physical Activity Needs Assessment September 2012

⁷ Schools Sports Partnership 2011

⁸ Barnet Residents' Perception Survey 2012-13

⁹ Barnet SPA residents consultation (workshops and telephone survey) October 2013

¹⁰ Sport and Physical Activity Needs Assessment September 2012

people felt that they might like to do if they could overcome some of the personal barriers and had the opportunity¹¹.

- The SPA residents consultation undertaken by the Council in October 2013 found that nearly three quarters (78%) of residents take part in more informal activities rather than activities organised by a club, leisure centre or fitness group.
- During the area-based workshops conducted by the Council as part of the SPA residents consultation, residents highlighted that the key barriers to participation were cost and accessibility (especially the geographic spread of facilities across Barnet) and that the Council should look into making better use of other facilities (e.g. at local schools). There was also a view that the quality of facilities and activities is declining.

This suggests that facilities and activities for sport in the borough are not meeting the requirements of Barnet's residents.

The current contract for leisure facilities doesn't deliver SPA outcomes

Although satisfaction with the leisure centres managed by GLL is generally good at 85% overall satisfaction based on GLL's own survey, it is lower than the average across all GLL-run centres, which is 87%¹². This contrasts with the Barnet Residents' Perception Survey 2012-13 which suggests lower levels of satisfaction with only 53% of users of Council-owned leisure services being satisfied with the provision compared to a London average of 59%.

From research undertaken in this review there is limited evidence of specific outcomes being targeted and delivered through the current leisure centre provision. During contract negotiations, GLL has indicated that they would consider delivering public health outcomes through GP referral, falls prevention and weight management health schemes. The need for such schemes was highlighted during the SPA residents' consultation with the idea of GP referral for exercise being widely supported by residents who consulted. However, these would be at an additional cost to the Council above and beyond the existing management fee, which doesn't address the value for money issue of the current contract and is not a solution the Council can afford.

The facilities, especially astro pitches and studios, also suffer from low utilisation rates, as shown in the table below. This indicates that more can be done to encourage and increase participation and/or that the facilities provided do not meet residents' needs and expectations. It also reflects the fact that the current contract with GLL doesn't provide the right incentive for them to deliver improvements to the service provision.

¹¹ Sport and Physical Activity Needs Assessment September 2012

¹² GLL Annual User Survey 2012

Usage Levels	Burnt Oak	Church Farm	Compton	Copthall	Finchley	Hendon
Sports Hall	77%	n/a	67%	n/a	n/a	72%
Astro Pitch	31%	n/a	39%	n/a	n/a	n/a
Studio	42%	n/a	n/a	45%	40%	28%
Leisure/Activity Pool	n/a	57%	n/a	58%	57%	n/a
Training Pool	n/a	n/a	n/a	65%	n/a	n/a
Gymnasium	n/a	n/a	n/a	n/a	n/a	92%

Finally, with a number of the facilities coming to the end of their economic life and the contract coming to an end, the timing is right for the Council to consider how it will provide and manage leisure centre facilities in the future.

2.3. Unsustainable model

As part of the SPA review, the Council met with partners and conducted a soft market test with the key players in the leisure management market. A mix of private and not-for-profit providers, including GLL, attended the event and contributed their views to how the Council could deliver a more efficient and effective leisure provision. The key findings from the event highlighted how the current model is outdated and unsustainable.

- Providers shared best practice they have seen implemented or are successfully delivering themselves in other boroughs whereby performance is monitored on the delivery of health outcomes.
- Two providers indicated they could operate the facilities on a cost-neutral basis and therefore it is legitimate for the Council to aim to deliver a cost-neutral provision.

In parallel to the soft market test, the Council undertook negotiations with GLL. Whilst GLL have provided a number of options/initiatives to reduce the management fee, it does not appear at this stage that they can deliver all of the savings required for 2014/15. However, as indicated above, further details have been requested and some initiatives still need to be evaluated as regards savings.

The contractual commitment includes a £1.2m management fee which the Council pays to GLL each year to operate and maintain the current leisure centre facilities. This expenditure is not proportionate to the benefits achieved by the contract delivery, especially in respect of increasing residents' health and wellbeing, and no longer represents value for money at a time where new models of leisure service provision are moving towards being on a zero management fee basis.

2.4. Opportunities to increase the use of parks and green spaces to deliver SPA outcomes

In terms of funding, the current traditional model for leisure services is under stress with local authorities seeking to reduce costs. Grant levels vary widely with funding subsidies ranging from 0-70%. In many places, the pressure is to keep facilities

open at all costs even if it is for a significant reduction in opening hours. Providers are also reducing overall costs of provision by maximising cash earning activities and reducing their outreach work. In meetings with partners, it was suggested that providers could be supported by helping them to be more diverse social enterprises and extending the services they provide as long as they are for a public purpose.

These pressures are bringing trusts and the private sector closer together in terms of their operating models.

There is also a view that current models are not good for accessing those members of the population that are inactive. Inactivity levels have hardly moved despite the Olympics last year. The design is the same as it was 20 years ago and there is a need for a culture change and a new offer.

As described in section 1.1, Barnet has a significant number of parks and open spaces that could be utilised more to support the delivery of sport and physical activity. Since the Council has become responsible for public health, investment has been made for a number of marked and measured routes and outdoor gyms to be installed in the borough's parks.

With the feedback received from stakeholders that they would be keen to see initiatives that go beyond the traditional model of sport being provided solely in leisure centres and with 58% of respondents saying they do take part in physical activities in parks and open spaces in their local area¹³, this feels like a missed opportunity for the Council to not use these assets to increase participation in sport and physical activity.

The findings from the interim report for Barnet's SPA residents' consultation indicated that 53% of residents do a majority of physical activity outdoor (compared to 29% only indoor – the remaining 18% doing both equally) and that there is a lot of support for outdoor gym facilities and for more organised activities such as walks, aerobics and fitness classes in parks and open spaces¹⁴.

2.5. Conclusion

The current delivery model for sport and physical activity will not deliver the Barnet Health and Wellbeing Strategy target of a 3% increase in participation and increases the risk of the current downward trend for participation in Barnet continuing. Residents' feedback¹⁵ has highlighted how the traditional model of relying on leisure centres only to address participation in sport and physical activity is not working and parks and green spaces should form a core part of the Council's SPA provision.

Finally, the Council cannot afford the current contract and the underpinning £1.2m annual management fee and needs to look at alternative delivery options to work towards a model that is both cost neutral and supports the effort to reduce expenditure.

¹³ Barnet SPA residents consultation (workshops and telephone survey) October 2013

¹⁴ Barnet SPA residents consultation (workshops and telephone survey) October 2013

¹⁵ Findings from area-based workshops conducted with residents in Sep/Oct 2013

3. Options

The review set out to inform how the Council would achieve the following objectives:

- Improve sport and physical activity provision to order to increase participation and support the health and wellbeing outcomes set in the SPA and Health and Wellbeing strategies for Barnet residents.
- Meet the immediate Medium-Term Financial Strategy saving for leisure provision of £967,000.

The results of the review conclude that the Council should take a three step approach to address its objectives:

- Address the immediate financial challenge of 2014/15
- Progress options to cover the period 2015/16 to 2017/18 (up to the end of the current GLL contract in December 2017)
- As part of the Priorities and Spending Review process, develop a full business case for the replacement of the current leisure management contract which is revenue neutral and increases sport and physical activity in the Borough.

3.1. Addressing 2014/15 MTFS budget saving

The immediate MTFS gap of £967,000 for 2014/15 will not be achieved solely through negotiating changes to the current contract with GLL. As a result, it is recommended that the Council funds the MTFS through the following:

1. There is a solid evidence base that establishes the benefits of sport and physical activity to public health. As such, **£600,000** funding is available from the public health grant in support of the borough commitment to physical activity to contribute to the leisure management fee for 2014/15.
2. A level of savings derived from the implementation of proposals put forward by GLL to reduce the current management fee. These savings are indicative only. GLL will only be able to commit to firm figures if the Council expresses an interest in exploring the options further. If these were all achievable following appropriate consultation with residents, the potential savings on the management fee from these proposals would be circa **£130,000** maximum, as detailed below.
3. The current budget for sport and leisure facilities includes a provision for any structural repairs for which the Council is responsible. With no structural repairs planned for 2014/15, the MTFS savings target for 2014/15 will be reduced by **£181,000**.

Proposed saving option	Saving potential
Amendment to opening hours at Hendon for the public (opening from 3pm) ¹⁶ .	£30,000
Efficiencies around payment of utility costs.	£60,000
Extending Burnt Oak opening hours ¹⁷	£40,000
	£130,000

4. Based on the figures above, there will be a remaining funding gap of between **£56,000** (if the Council chooses to accept all of GLL's proposals and GLL's estimates are not reviewed downwards as a result of further calculations) and **£186,000**. This will need to be funded from the Council's reserves.

Recommendation: The Council identifies up to £186,000 from reserves to address the short-term gap in funding for the MTFs for 2014/15.

3.2. Options for the medium term: 2015/16 to 2017/18

For the remainder of the contract with GLL (which runs until 30 December 2017), the Council will reinforce its contract management approach to ensure better value for money and improved health outcomes by monitoring performance closely and holding GLL to account if performance standards are not met.

In addition to this action, the Council will further explore with GLL options to reduce the management fee paid by the Council as well as continuing to discuss the possibility of agreeing an early termination of the GLL contract, as previously approved by CRC¹⁸. The outcomes of these discussions will need to come back to the Cabinet Resources Committee for consideration in June 2014.

Recommendation: Note that the medium-term options will be furthered explored and will be brought back to CRC for consideration by June 2014.

¹⁶ This was suggested by GLL as usage levels tend to be low throughout the day.

¹⁷ This would be subject to an amendment to planning restrictions which would rely on the results of a public consultation. It is therefore difficult to predict if savings could actually be achieved from this initiative. Currently planning permission is for opening during the hours of 8am to 9pm during the week and 9am and 6pm at the weekend. A previous application to extend opening hours from 8am at the weekend was previously rejected.

¹⁸ Cabinet Resource Committee 27 September 2011

3.3. Longer term approach: post December 2017 (or sooner depending upon the success of early termination negotiations with GLL as outline in section 3.2)

As discussed in section 2, the Council cannot continue with the current model for the delivery of sport and physical activity if it is to meet the objectives of the Sport and Physical Activity Strategy and achieve a reduction in expenditure. The Council will need to consider what is the best delivery model and mix of services when it comes to re-procure its leisure management contract.

This will be set out as part of the Full Business Case, which will be presented back to CRC in June 2014.

Indicative timelines for possible future procurement approaches is detailed in the table below:

Type of procurement	Timeline (including 3 months mobilisation)
Restricted Procedure (with initial Pre-Qualification Questionnaire)	Process to start 11 months prior to the end of the contract (Dec 2016).
Open Procedure (No Pre-Qualification Questionnaire)	Process to start 9 months prior to the end of the contract (Feb 2017).
Competitive Dialogue (Complex Procurement)	Process to start 21 months prior to the end of the contract (Feb 2016).

Note: Pending approval from the Cabinet Resource Committee, an Equality Impact Assessment and Health Impact Assessment will be carried out at full business case stage.

Recommendation: Agree the development of a full business case to explore the options to re-procure the leisure management contract as part of the Barnet Priorities and Spending Review.

4. Expected Benefits

4.1. Strategic benefits

Bundling together the leisure centre provision and other Council services that have the potential to reduce Council expenditure while increasing participation would support the SPA strategy and the Council’s corporate objectives to:

- Promote responsible growth, development and success across the borough.
- Support families and individuals that need it – promoting independence, learning and wellbeing.
- Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.

4.2. Non-financial benefits¹⁹

Benefits area	Overview
Public health benefits	<p>Physical inactivity is one of the major risk factors causing death and ill-health both globally and locally. Increasing physical activity has the potential to:</p> <ul style="list-style-type: none"> ▪ Improve the physical and mental health of residents, reduce all-cause mortality and improve life expectancy. ▪ Save money by significantly easing the burden of chronic disease on the health and social care services.
Adults and communities benefits	<ul style="list-style-type: none"> ▪ Improved opportunities for carers through the use of the leisure provision ▪ Increased provision of accessible activities and facilities ▪ Potential for cross-service provision within shared facilities e.g. day care being provided within leisure facilities rather than only in day care centres.
Residents’ satisfaction with services	<ul style="list-style-type: none"> ▪ More opportunities to be physically active and increased health and wellbeing. ▪ Increased satisfaction with the sport and physical activity provision. ▪ Increased visibility and understanding of what sport and physical activity services are available and easier access to information through the FAB partnership.
Wider economy benefits	<ul style="list-style-type: none"> ▪ Increasing cycling and walking will reduce transport costs, save money and help the environment. ▪ Fewer car journeys can reduce traffic, congestion and pollution, improving the health of communities. ▪ Positive impact on the economy through the reduction of sickness and premature death of productive individuals.
Children and young people	<ul style="list-style-type: none"> ▪ Other potential benefits linked to physical activity in children and young people include the acquisition of social skills through active play (leadership, teamwork and co-

¹⁹ Parks and open spaces have strategic benefits beyond the SPA objectives which will be reflected in the full business case if this option is agreed.

Benefits area	Overview
	operation), better concentration in school.
Barnet the place and community	<ul style="list-style-type: none"> ▪ Improved usage of parks and open spaces within the Council. ▪ Sport and physical activity provision that makes the borough a more attractive place to live and work. ▪ Displacement of anti-social and criminal behaviour.

4.3. Financial benefits

Any financial benefits in the short and medium term will be dependent on the outcome of the negotiations between GLL and the Council around the options set by GLL to reduce the management fee and to potentially terminate the current agreement. These options and their financial impact are presented in the financial analysis in section 5.

Long-term financial benefits derived from a new model of service provision considering delivering leisure and other Council services will be set out fully in the full business case. The examples of other Councils who have pursued this option indicate that there could be significant savings to be achieved through the use of this model while continuing to deliver Council priorities.

5. Financial Appraisal

5.1. Current position and future pressures

2012/13 and 2013/14 budget and outturn information as well as the medium term financial strategy (MTFS) baseline figures for the Council's provision of leisure facilities are depicted in table 1.

2012/13 outturn amounted to £1,302k, a variance of £82k against a base budget of £1,384k. It is anticipated that outturn will increase by £69k in 2013/14 to £1,371k, a variance of £25k against base budgets, totalling £1,371k. 2012/13 outturn and 2013/14 projections indicate that the management fee and other costs paid to GLL amounted to 93% and 81% respectively of total expenditure incurred in the provision of leisure facilities. The MTFS savings target of £967k from 2014/15 onwards targets a reduced budget for leisure centre provision amounting to £397k. Other leisure associated costs and fitness for life net budget information has been included for completeness, these are non-GLL costs/income incurred and received by the Council in regards to leisure provision.

Table 1.

	2012/13 actuals (£)			2013/14 (Plan and projections) (£)			MTFS
	Budget	Actuals	Variance	Budget	Projected actuals (as at month 7)	Projected variance (as at month 7)	
GLL contract	1,293,400	1,007,764	- 285,636	1,326,090	1,109,603	- 216,487	1,293,400
Early termination and legal costs (Cophall stadium)	-	205,335	205,335	-	-	-	-
Other leisure associated costs	86,520	86,315	- 205	66,420	257,547	191,127	66,420
Fitness for life	3,890	2,133	- 1,757	3,690	3,618	- 72	3,690
Total	1,383,810	1,301,547	- 82,263	1,396,200	1,370,768	- 25,432	1,363,510

MTFS savings target

- 967,000

Revised MTFS baseline

396,510

It has been identified that by adopting a cost neutral approach and effectively negating a need to pay a management fee, the Council could achieve its desired MTFS targets.

Table 2 depicts the future budgeting pressures for the service if current contractual management fee arrangements are continued. The contract with GLL is due to expire in December 2017.

Table 2.

	Forecasts 2014/15-1017/18 (£)				Total (£)
	2014/15	2015/16	2016/17	2017/18	
GLL contract (expires 31/12/2017)	1,135,798	1,241,405	1,333,700	1,148,921	4,859,824
Other Leisure facility related	43,270	43,270	43,270	43,270	173,080
Fitness for life	3,618	3,618	3,618	3,618	14,472
Total	1,182,686	1,288,293	1,380,588	1,195,809	5,047,376

Revised baseline 396,510 396,510 396,510 396,510

Funding gap from revised baseline 786,176 891,783 984,078 799,299

Contractual inflationary pressures to the current management fee from 2014/15 onwards have been accounted for within forecasts. However, corresponding budgetary increases are subject to approval by the Council, hence excluded from revised baselines.

In order to meet the Council's MTFs targets for the service, it is not viable to continue with the 'do-nothing' option, essentially set out in table 2. The following strategies are options the Council will want to consider from short to long term to achieve its desired objectives.

5.2. Short term strategy - addressing 2014/15

The original 2014/15 MTFs savings target of £967k is forecast to be met by savings envisaged from decreases in anticipated repairs and maintenance costs amounting to £181k. The remaining £786k required savings for 2014/15 will be met through a combination of public health funding, Council reserves and potential savings from the existing contract with GLL, the impacts of which are depicted in table 3.

Table 3.

	Forecasts (£)	
	2014/15	Total
GLL contract (expires 30/12/2017)	1,135,798	
Other Leisure associated costs	43,270	
Fitness for life	3,618	
Sub-total		1,182,686
Public Health*	- 600,000	
Council reserves*	- 56,176	
GLL contract savings*	- 130,000	
		- 786,176
Total		396,510

* Funding from Public Health are only available for 214-15

* GLL contract savings require further discussion and could end up being less than £130,000 resulting in an increased amount being required from the Council's reserves (maximum of £186,000)

Negotiations with GLL to date have yielded maximum potential savings of £130k for 2014/15. The breakdown of these savings was presented in section 3.1 and is shown in table 4. It is important to note that these are estimates provided by GLL through preliminary discussions and need to be explored further.

Table 4.

Proposed saving option	Estimated savings range (£)
Amendment to opening hours at Hendon for the public (opening from 3pm)	30,000
Council Efficiencies around payment of utility costs.	60,000
Extending Burnt Oak opening hours	40,000
TOTAL	130,000

5.3. Medium and long term strategy – 2015/16 and beyond

A full financial analysis of the options for the medium term and longer term alternative delivery models and options to 'bundle' leisure services with other Council services will be conducted at full business case stage.

6. Project approach

The project will be managed in accordance with Barnet's Project Management Methodology with the required documentation, monitoring and controls in place to ensure the project is delivered effectively. Project management will be undertaken by the Corporate Programmes team.

Project costs

To date, approved expenditure of £228,000 has been allocated to develop the business cases (SOC and OBC) for the project. A further £75,000 is required to develop the full business case as outlined below:

Resource	Cost
Project Management	£45,000
Subject matter expert/consultancy input	£15,000
Consultation	£15,000
Total	£75,000

Project resources

The core project team will have membership with expertise in health, leisure operations, wider adults and communities services, communications and consultation, procurement, legal, finance and corporate programmes for project assurance.

The table below covers the proposed membership of the Project Board and their roles.

Role	Responsibility
Project Sponsor	Responsibility for the project to ensure that the project is focused throughout its life on achieving its objectives and delivering to achieve the desired benefits. The key decision-maker on the project board.
Senior Users / Service Lead	Represent those delivering the project and are accountable for the quality of what is produced, provide strategic direction and ensure that the project is resourced appropriately.
Project Manager	Runs the project on a day-to-day basis on behalf of the Project Board within agreed controls and tolerances. Specifically responsible for delivering the project to the agreed quality within the agreed costs and timescales.
Senior Suppliers	Responsible for providing financial, legal, procurement/commercial and HR advice to the project.
Project Assurance	Responsible for providing project assurance and link across all Corporate Change Programme projects.

Key milestones

In the first instance, the project will proceed to full business case stage. The key milestones are outlined below.

Milestone	Date
Launch of FAB campaign (see section 1.2)	Jan 2014
Engagement with residents to support the development of full business case on proposed options for the long term	Ongoing
Full business case to Cabinet Resource Committee	Jun 2014

Project Reporting

Report	Frequency	Type	Circulation
Status Report	Fortnightly	Project snapshot, covering progress, budget, benefits, risks and issues completed by Project Manager	Programme Office and Project Board
Project Board	Monthly	Standard discussion items as set by Programme Office. Additional items submitted on an event driven basis.	Project Board
SCB Programme Board	Monthly	Project Manager to produce any reports as requested by the board or sponsor	Corporate Directors and Chief Executive
Council Meetings	As set by Democratic Services	Reports covering all key decisions	Councillor membership of relevant committee

7. Risks, dependencies and constraints

7.1. Risks

Risk	Mitigating action
There could be little interest from the market to take on other Council services together with the leisure management contract.	Review existing models/examples from other Councils and what approach they took. Consider supporting the brokerage of a partnership between commercial providers and the third sector/youth clubs/community organisations.
The Council has to pay for renovations / redevelopment of facilities at the end of the contract which will offset any potential financial savings.	Explore options for partner/private sector investment in the facilities and management fee savings to offset prudential borrowing.
The specification for the new model isn't robust enough and doesn't lead to the achievement of the Council's objectives for sport and physical activity.	Residents' consultation will be carried out at full business case stage to engage residents and get their views on the recommended option. Further research will be conducted into best practice and robust outcome-focused specification and contract management approach will be developed.
Residents' perception of the sport and physical activity across the borough doesn't change.	Fit and Active Barnet campaign to communicate all sport and physical activities across the Council under a common banner. Residents' consultation carried out at full business case stage to engage residents and get their views on the recommended option.
An early termination could lead to the Council having no provider in place to manage the services.	In the case of an early termination of the contract with GLL, the Council has an approach in place to ensure services are delivered while the contract is being re-procured.
The Council may not achieve its savings target against the MTFs.	This paper is exploring options available to the Council to achieve some savings in the medium and long term.

7.2. Dependencies

Dependency	Mitigating action
Savings for the Council will depend on the viability of the service bundle.	The full business case will explore the costs vs. income generation potential of any facility considered in the re-procurement to ensure any split in provision between the Council and another provider allows for the delivery of the Council provision cost neutral.
Potential financial savings for the short and medium term are dependent on GLL negotiations.	Secure budget to compensate if savings from GLL aren't achievable.
The new model's success will depend on its integration with wider Council transformation programmes.	Key stakeholders from the relevant Council transformation programmes will be invited to be part of the project board.
Residents views on the bundling of leisure facilities and other Council services.	Residents' views around the preferred option will be explored further through a consultation in Phase 3 (full business case stage).

7.3. Constraints

Constraint		Mitigating action
Time	The full business case needs to be produced in time to allow for savings from the medium and long term options to be realised from 2015/16.	The full business case as a key decision will be presented to elected members in June 2014.
Budget	The costs of procurement and implementation must be kept within the allocated budget to ensure maximum savings are realised.	A full project budget will be defined in the full business case and budget monitoring will be regularly reported to the project board.
Staff	Any option that may involve transfer of staff to a new provider will need to comply with TUPE legislation. Potential redundancies linked to the new model will need to comply with legislation.	Involvement of HR business partner on project team when developing the full business case.
Quality	Quality of the solution will depend on how robust the specification and contractual arrangements are for the new delivery model.	See procurement advice and subject matter expert input in the development of the specification and proposed contractual arrangements.

8. Appendix A – Draft Sport and Physical Activity Strategy 2013-18

Purpose of this strategy

The overall purpose for the Barnet Sport and Physical Activity Strategy is to provide strategic direction to shaping sport and physical activity provision in Barnet.

Aims

That the Barnet population is physical active and the Borough provides excellent opportunities for sports development and physical activity.

Objectives

- to deliver an environment conducive to physical activity in a manner that is as cost neutral as possible to the public purse - ensuring residents have access to facilities, open spaces, and community and transport infrastructure that allows and encourages residents of all ages to be active.
- to strengthen organisations and partnerships - increasing the number and quality of volunteers, coaches and clubs and developing Fit and Active Barnet (FAB) as an umbrella brand and network to facilitate collaboration.
- to develop effective sport and physical activity pathways - encouraging and enabling people to engage and stay involved in sport and physical activity and achieve the highest standard that they want to and are capable of.
- to widen access to sport and physical activity – ensuring that people who do not traditionally participate in sport and physical activity are supported to do so.

Outcomes

The Barnet Health and Wellbeing Strategy identifies a commitment to make better use of the range of green spaces and leisure facilities in the Borough to increase levels of physical activity. A target is specified of increasing the number of adults participating in regular physical activity (as measured by NI8) by 3% by 2015.

Barnet's Local Plan Core Strategy and Local Implementation Plan (LIP) of the Mayor's Transport Strategy both include the objective of making cycling and walking more attractive for leisure, health and short trips and a target to increase cycling in the borough significantly (from a current level of 1% of trips to 4.3% of trips by 2026).

There are other strategic commitments reflected in the Barnet Health and Wellbeing Strategy to which sport and physical activity contribute such as reducing obesity, hospital admissions due to falls, tackling social isolation and increasing a sense of physical and mental wellbeing.

Local context

The Barnet Sport and Physical Activity Needs Assessment 2012 demonstrates that whilst health behaviours and outcomes are more favourable in Barnet than in England as a whole, sport and physical activity rates and the use of outdoor space are below the national average. There are no clear reasons for this given that Barnet has a large number of parks and open spaces and leisure provision is comparable with other London Boroughs. Given the benefits to population health

and on reducing health and social care spend action to improve rates of sport and physical activity participation is essential.

Delivery plans

Areas of an SPA delivery plan are proposed below organised under each of the strategic objectives identified above. A detail action plan with leadership, measures of success and schedule will follow later.

- to deliver an environment conducive to physical activity in a manner that is as cost neutral as possible to the public purse - providing the facilities, open spaces, and community and transport infrastructure that allows and encourages residents of all ages be active.
 - Develop a cost neutral sport and leisure facilities plan including opportunities for partnerships between the Council and commercial providers
 - Develop a parks and green spaces enhancement plan to ensure desirability, accessibility and sustainability
 - Assessing current cycle infrastructure
 - To identify opportunities for sport and leisure facilities to be co-located with other Council and health services and commercial enterprises
 - Work strategically to secure investment

- to strengthen organisations and partnerships - increasing the number and quality of volunteers, coaches and clubs and developing Fit and Active Barnet (FAB) as an umbrella brand and network to facilitate collaboration.
 - Develop FAB as a brand and network that providers in Barnet can sign up to and creating a one stop shop for signposting facilities and physical activity opportunities for residents.
 - Champion and support the on-going growth and development of local, high-quality and safe sport & physical activity organisations as key providers of participation, education, coaching and competitive opportunities.
 - Encourage more people to volunteer their time, skills and expertise to support the delivery of sport and physical activity initiatives in the Borough.
 - Safeguard children, young people and vulnerable adults.
 - Develop the Barnet Strategic Sports Group to support the implementation of the sport and physical activity strategy.
 - Ensuring coordination between sports, physical activity and other services (Council, health and voluntary sector).

- to develop effective sport and physical activity pathways - encouraging and enabling people to engage and stay involved in sport and physical activity and achieve the highest standard that they want to and are capable of.
 - Encourage and support people who have lapsed to get back into sport and physical activity.

- Reducing dropping out of sport and helping people to reach their sporting potential by developing coordinated action plans to provide effective sport and physical activity pathways from entry level to elite status.
 - Ensure every child in the Borough can swim.
 - Increase career opportunities in sport for young people.
 - Improve support for talented athletes.
- to widen access to sport and physical activity – ensuring that people who do not traditionally participate in sport and physical activity are supported to do so.
 - Through an early identification and prevention approach, harness sport and physical activity opportunities to provide positive and diversionary activities for children and young people.
 - Consistently improve standards and embed quality assurance to increase public satisfaction with sport and leisure facilities in the Borough.
 - Improve the delivery of physical activity and sporting opportunities in neighbourhood settings.
 - Develop the role that sport and physical activity can play in promoting community cohesion and fostering pride in the Borough.
 - Support a strong and effective school sport infrastructure to assist schools in getting more children and young people regularly participating in sport and physical activity and to halt the rise in childhood obesity.

Governance

The sport and physical activity strategy is set and overseen by the Barnet Health and Wellbeing Board. Its implementation is led by the Director of Public Health.

Once the strategy has been agreed, implementation plans will be generated for those components of the strategy that are led by internal delivery units and those delegated to the Fit and Active Partnership Board.

9. Appendix B – Soft market test providers feedback

The Council conducted a soft market test in September 2013 to assess potential providers' interest for the re-procurement of the Council's leisure services and to gain some insight on best practice. To support the exercise, the Council asked providers to respond to the following commissioning questions:

Do you have access to funding capital to be able to fund any or all of the developments set out in this information pack? If so, what funding options are available, what is the value of the capital available and what would be the impact to the council (if any)?

How long should the contract be for? To what extent will the contract duration be driven by the cost of the redevelopment of facilities as set out in the information pack and the funding options you have given above?

How would you envisage the assets being owned/managed, what are the options from your perspective? Given the above developments what would be your preference? How would this affect the cost of service provision?

The Council would prefer to adopt a cost neutral option. Given the developments required to the current facilities, in your experience is this possible and if so how would the contract need to be structured?

All providers advised that they could access funding but this tended to be in the region of £2-5 million depending on the nature of the development. Some of the providers had done larger schemes but these invariably required some form of asset transfer or Council guarantees to the funders. In terms of asset transfers, providers either required the freehold or a long term lease of 50-99 years.

However, all providers stated that if they were to undertake the funding their interest payments would be approximately double those the Council would incur if it was to use prudential borrowing and hence they all recommended the cheapest mechanism to fund new developments would be if the Council was able to provide the funding. A number of providers indicated that funding could usually be raised through an asset transfer but that finance would only be available if the Council was also to provide guarantees to the funder to cover the provider going into liquidation – in such circumstances the asset would return to the Council's ownership but they would be responsible for the outstanding finance. One provider also indicated that they would not be able to recover the VAT on a new development and that this would also be passed on as part of the management fee unless a mechanism was included to enable the Council to meet directly the costs of the redevelopment.

Hence, the general consensus was that if the Council was the main funder of any new developments they could expect to be paid for the right to manage the facilities.

What is your experience of delivering the preventative type services the Council is considering including? Where you have provided such services in partnership with other agencies what issues did you face?

How could the Council support you in increasing levels of sport/leisure participation in Barnet? What opportunities do you see for increasing rates of sports and physical activity participation in Barnet?

How do you think that currently sedentary sections of the population are best approached to encourage participation in sports and physical activity and what can you contribute? Can you suggest ideas/share your experience related to inclusive provision for disabled people and BME groups?

Given the outcomes from healthy lifestyles are often realised many years in to the future how would you suggest measuring and monitoring outcomes?

In general, all of the providers gave similar responses to these questions highlighting a wide range of programmes including:

- GP referrals
- Cardiac/stroke rehabilitation
- Care after cancer
- Nutrition and weight management
- Healthy walks
- Smoking cessation
- Health checks

Various outreach activities were seen as key to attracting users with a general consensus being that working with schools was key to achieving a cultural change. Equally, close linkages with GPs, providing services in the community and using leisure facilities to host health related events were highlighted as important features.

There was also a general consensus in terms of the approach to reaching less active groups including older adults, disabled people and members of BME communities. Much of the approach related to education and marketing – letting potential users know what was available in each centre, what programmes were operated that were suitable for them and how cultural needs were being addressed.

Providers suggested that the following approaches worked well:

- Advocates programmes where previous users are trained up to support new users and have the ability to understand and empathise with new users concerns is seen as a good way of retaining new users on programmes. Also a wide range of community-based initiatives, co-hosting in a range of locations and driving services into local communities.
- Health and wellbeing centres in local communities with a high level of need which could need some seed funding but could operate at nil subsidy with 3 years. These centres could be based on hub/spoke model with current facilities managing the delivery into local communities.

Providers didn't provide much input on the measurement of outcomes other than focussing on national indicators and locally developed KPIs. Some providers give members and casual users a card to capture the use of all leisure facilities.

What is your experience of delivering other services such as parks, open spaces, libraries and children's centres? What have you seen done in other local authorities/countries? What other services do you think the Council should consider adding to the contract? What would be your preference in terms of the services to be provided?

This question probably resulted in the most diverse range of responses:

- Co-location with cultural activities in some places. Some providers had seen evidence that if managed correctly in a co-located position there is a big cross-over between leisure and library users.
- Operation of parks and open spaces, Children's Centres and crèches. Potential to take on some youth services.

What could the Council do to make a new contract attractive to you?

Again, this question had a number of similar themes coming from the differing providers. The key requirements being:

- To invest in developing high quality facilities in the right location.
- To provide contractual freedom and allow commercial models to work in the long term.

Some providers had specific preferences around asset transfer, the procurement timetable and evaluation process and a clear direction and commitment from the Council but the above two bullet point were raised in some form by all attendees.

AGENDA ITEM 9

Meeting	Budget and Performance Overview and Scrutiny Committee
Date	9 December 2013
Subject	One Barnet Programme Highlight Report
Report of	Chief Operating Officer
Summary	Appendix 1 provides a summary of the programme status of the One Barnet Programme, as at 4 November 2013.

Officer Contributors	James Wills-Fleming, Head of Corporate Programmes
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix 1: - One Barnet Programme Highlight Report Appendix 2: - One Barnet Programme Risk Register
For decision by	Budget and Performance Overview and Scrutiny Committee

Contact for further information: Tom Pike, Head of Programmes and Resources
020 8359 7058, tom.pike@barnet.gov.uk

1. RECOMMENDATIONS

- 1.1 That the Budget and Performance Overview and Scrutiny Committee consider the progress of the One Barnet work streams, as set out in the One Barnet Programme Board Highlight Report attached at Appendix 1 and make comments and/or recommendations as appropriate.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Budget and Performance Overview and Scrutiny Committee, 21 July 2011, agenda item 9 (One Barnet Highlight Report).
- 2.2 Budget and Performance Overview and Scrutiny Committee, 22 September 2011, agenda item 11 (One Barnet Highlight Report).
- 2.3 Budget and Performance Overview and Scrutiny Committee, 6 December 2011, agenda item 11 (One Barnet Highlight Report).
- 2.4 Budget and Performance Overview and Scrutiny Committee, 24 April 2012, agenda item 7 (One Barnet Highlight Report).
- 2.5 Budget and Performance Overview and Scrutiny Committee, 7 March 2013, agenda item 8 (One Barnet Highlight Report).
- 2.6 Budget and Performance Overview and Scrutiny Committee, 20 June 2013, agenda item 7 (One Barnet Highlight Report).
- 2.7 Budget and Performance Overview and Scrutiny Committee, 16 September 2013, agenda item 8 (One Barnet Highlight Report).

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Overview and Scrutiny Committees, Panels and Task and Finish Groups must ensure that the work of Scrutiny is reflective of the Council's priorities.
- 3.2 The three priority outcomes set out in the 2013 – 2016 Corporate Plan are: –
- Promote responsible growth, development and success across the borough.
 - Support families and individuals that need it – promoting independence, learning and well-being.
 - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.
- 3.3 One Barnet has three overarching aims: –
- A new relationship with citizens
 - A one public sector approach
 - A relentless drive for efficiency

4. RISK MANAGEMENT ISSUES

- 4.1 Risks are considered on project by project and programme level basis, in line with corporate risk management processes.
- 4.2 Appendix 2 provides the current One Barnet Programme-level Risk Register

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 In addition to the Terms of Reference of the Committee, and in so far as relating to matters within its remit, the role of the Committee is to perform the Overview and Scrutiny responsibilities in relation to:

- The Council's leadership role in relation to diversity and inclusiveness; and
- The fulfilment of the Council's duties as employer including recruitment and retention, personnel, pensions and payroll services, staff development, equalities and health and safety.

- 5.2 It is recognised that such a significant transformation of services is likely to have an impact on staff and service users in some, if not all cases. An evaluation of impact is carried out at the point of developing a business case for each project.

- 5.3 Completed Equalities Impact Assessments will be updated periodically throughout the project lifecycle, as appropriate, to assess the impact of service transformation.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 Resource implications for each work stream will be addressed at the appropriate stage of the projects.

- 6.2 The financial information in Appendix 1 reflects the indicative spend as at month 7 (Oct) 2013.

- 6.3 Appendix 1 also includes the latest projected expenditure figures for each project currently within 'Wave 1' of the programme. Expenditure to deliver Wave 1 of the programme is forecasting to be £11.581m. This is in-line with the £9.847m budget agreed by Cabinet on 29 November 2010 and subsequently amended by Cabinet Resources Committee on 17 December 2012 by a total of £1.734m

- 6.4 Appendix 1 also includes a table showing the Wave 1 programme budget, split by project, and the related savings achieved and projected to be achieved by each project over the period 2010-2019, the cumulative total of which is expected to be £146.7m.

- 6.5 Appendix 1 also includes a table showing the 'Wave 2' programme projected expenditure over the period 2011-2015, split by project, the total of which is

£7.83m. This is £0.33m under the currently approved £8.16 budget across the Wave 2 programme of activity.

7. LEGAL ISSUES

7.1 Legal issues, in respect of each work stream will be addressed at the appropriate stage of the projects.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

8.1 The scope of the Overview & Scrutiny Committees is contained within Part 2, Article 6 of the Council's Constitution.

8.2 The Overview and Scrutiny Procedure Rules are set out in Part 4 of the Constitution.

8.3 The Terms of Reference of the Budget and Performance Overview Scrutiny Committee are contained within Part 4 of the Constitution (Overview and Scrutiny Procedure Rules). The Committee has the following responsibilities:

“To perform the overview and scrutiny role in relation to the One Barnet transformation programme, particularly performance and financial issues; with the exception of external contracts which are in the remit of the Contract Monitoring Overview and Scrutiny Committee;

To receive and consider options appraisals, business cases and closure report for the One Barnet projects; and

To monitor the implementation of the One Barnet programme throughout the programme lifecycle.”

“To engage with partner organisations, other relevant public sector bodies, private sector organisations, trade unions, local residents or any other appropriate witnesses when fulfilling the overview and scrutiny role in relation to the One Barnet programme”.

9. BACKGROUND INFORMATION

9.1 **Appendix 1** provides a summary of the current programme status of the One Barnet Programme

9.2 **Appendix 2** provides the current One Barnet Programme-level Risk Register

10. LIST OF BACKGROUND PAPERS

10.1 None

Cleared by Finance (Officer's initials)	AD
Cleared by Legal (Officer's initials)	MA

Report Period:	09/10/2013 – 05/11/13
Programme Sponsor:	Andrew Travers
Programme Manager:	James Wills-Fleming
Report Summary: (Overall progress and what has changed since the last report)	<p>Programme Highlights:</p> <ul style="list-style-type: none"> New Waste offer is live OBC for Registration and Nationality Service approved by CRC OBC for Sport and Physical Activity approved by CRC CSG and Re closure reports are to be developed and reported to CMOSC in 2014 <p>Changes/Decisions since last reporting period:</p> <ul style="list-style-type: none"> SPA: Overall RAG has moved to Green following approval of OBC by CRC Waste: Formal separation for reporting purposes of the Waste transformation project and the Streetscene 'Greenstreets' transformation Safer Communities: Project to be closed as a One Barnet project following conclusion of RJP and Conditional Cautions procurement processes. Community Safety team to manage residual work (TBC if Corporate Programmes resource required). <p>Concerns:</p> <ul style="list-style-type: none"> Waste: Concerns remain over call/email volumes and response times within contact centre HSCI: Requirement to review governance and scope to reflect a target operating model for frail elderly services developed by LC and Ernst & Young Work underway between LBB and Capita for programme architecture and design for future transformation projects <p>Upcoming key milestones/activities next period (Nov/Dec 2013):</p> <ul style="list-style-type: none"> SPA: OBC to Budget and Performance Overview and Scrutiny Committee 9 Dec Waste: Update to Budget and Performance Overview and Scrutiny Committee 9 Dec Programme Highlight Report to Budget and Performance Overview and Scrutiny Committee 9 Dec Early Intervention and Prevention: Closure Report to be developed for end of 2013 Waste: Closure Report to be developed January 2014 CCTV: Full Business Case to CRC 16 Dec

Progress Summary

Key indicators & Direction of Travel

Direction of travel guidance			Rag guidance		
→	Horizontal	Same RAG as previous highlight report	G	Green	No deviation, plan is on track
↑	Upward	Better RAG than previous report	A	Amber	Deviation is likely – mitigation is being planned to remain on track
↓	Downward	Worse RAG than previous report	R	Red	Deviation has occurred – decision is needed immediately

OVERALL PROGRAMME	→		G
CATEGORY	Direction of Travel	Comment	RAG
TIME	→		G
COST	→		A
QUALITY	→		G
BENEFITS	→		G
RESOURCES	→		G
COMMUNICATIONS	→	Concerns across a number of projects relating to comms capacity	A
Project	Direction of Travel	Comment	RAG
Wave 1			
DRS	→	Go-live successful on Oct 1.	G
NSCSO	→	Service live.	G
Wave 2			
Health and Social Care Integration	→	<ul style="list-style-type: none"> Funding to initiate the Shared Care Record was approved by the Health and Well Being Financial Planning Group on the 17th October. Latest version of the Target Operating Model for integration approved by the Health and Social Care Integration Board 30 October 2013 	G
Sport & Physical Activity (SPA)	↑	OBC approved by CRC on 4 Nov. Covers savings position for 14/15. Further work to develop revised business case by June 2014, which will fully address medium and long term solutions. Resource request being developed for Project Management and transformation support to deliver the next stage of the project.	G
Safer Communities	→	<ul style="list-style-type: none"> Restorative Justice Panel bids returned. Evaluation panel selected recommended bidder. DPR to be agreed. Conditional cautions ITQ released and bids due to be returned 04.11.13. Evaluation to conclude 12.11.13. Procurement now advised a separate procurement process for community coaches. Three EOIs returned 04.11.13. Project to be closed as a One Barnet project following conclusion of RJP and Conditional Cautions procurement processes. Community Safety team to manage residual work (TBC if Corporate Programmes resource required). 	G
CCTV	→	Procurement has concluded and evaluation panel have selected preferred bidder. Full Business Case to be presented to this board meeting ahead of consideration by CRC in Dec. Public consultation on camera locations due to conclude this week.	G
Early Intervention & Prevention	→	Work underway to complete project closure activity.	G
Waste	→	Bin rollout issues resolved. Former May Gurney staff now successfully integrated into the Barnet workforce. Operationally there is still work under way to embed the new methodology and routes.	G

**One Barnet Programme
Highlight Report**

StreetScene	➔	Exploring option to initiate greenstreets project to improve efficiency.	G
Corporate Change Projects			
Priorities & Spending Review (PSR)	➔	Project underway to look at future efficiency options and capital requirements. Staff engagement activities underway.	G
Registration & Nationality Service	➔	OBC approved by CRC Nov 4. Implementation to proceed as planned with a go-live of April 1 2014. Detailed scoping of resource requirement underway.	G
Mortuary Service	➔	Commercial Review completed, key principles identified and the financial viability of the joint service assessed. However, the project has encountered delays while Haringey carry out a feasibility study. Revised timeline TBC following completion of work by Haringey.	R
Education & Skills Transformation	➔	Scope and options to be refined to feed in outcomes from challenge session.	G

WAVE 1	SAVINGS									
	Base budget savings									Cumulative saving 2010-19
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
AdSS (LATC)	0.0	0.0	0.0	0.0	0.3	0.5	0.5	0.5	0.5	2.3
Community Coaches	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Com Budgets, Childrens Projects	0.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	16.3
CSO Transformation	0.0	0.1	0.7	0.7	0.7	0.7	0.7	0.7	0.7	4.8
DRS*	0.0	0.0	0.0	0.8	2.3	3.5	4.2	4.4	4.4	19.7
E-Recruitment	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	2.8
Housing Project	0.0	0.0	0.4	0.5	0.5	0.6	0.6	0.6	0.6	3.8
Legal Services	0.0	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.2	1.2
Libraries	0.0	0.1	0.3	1.0	1.1	1.2	1.2	1.2	1.2	7.2
CSG*	0.0	0.0	0.0	1.1	3.3	5.5	12.0	16.0	16.0	53.8
Parking	0.0	0.0	0.4	0.8	0.7	0.8	0.9	0.9	0.9	5.4
Passenger Transport	0.1	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	4.0
Procurement Project	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	8.3
RIO	0.3	1.8	2.1	2.1	2.1	2.1	2.1	2.1	2.1	17.1
Total	1.4	5.7	7.7	11.0	15.0	18.9	26.2	30.4	30.4	146.7

*CSG and DRS will generate savings beyond 2019 to contract end in 2023 of £125m and £39m respectively

Section 2: Expenditure

Wave 1 Projects	Total Budget	2010/11	2011/12	2012/13	2013/14		2014/15	Total Projected Spend	Variance
		Outturn	Outturn	Outturn	Actual to Date	Committed expenditure	Projected outturn		
Closed Projects									
e-Recruitment	40,000	40,000	-	-	-	-	-	40,000	0
Procurement Project	70,058	70,058	-	-	-	-	-	70,058	0
Prototyping Project	77,129	77,129	-	-	-	-	-	77,129	0
Revenue & Income Optimisation	197,662	197,662	-	-	-	-	-	197,662	0
Your Choice Barnet	553,156	163,279	313,895	41,478	-	-	-	518,652	(34,504)
Housing Needs Resources	87,966	-	23,750	23,626	-	-	-	47,376	(40,590)
Parking Procurement	170,537	29,159	113,085	15,423	-	-	-	157,668	(12,869)
Rapid Improvement Project	22,000	18,500	3,500	-	-	-	-	22,000	0
SAP Optimisation	375,533	174,375	127,147	60,000	-	-	-	361,522	(14,011)
Community Coaches	70,000	-	42,186	22,205	-	-	-	64,390	(5,610)
Libraries Strategy	148,181	60,000	54,003	34,178	-	-	-	148,181	0
Right to Control	-	-	-	-	-	-	-	-	0
Legal Services	140,000	-	54,639	106,330	-	-	-	160,969	20,969
Customer Service Organisation Transformation	543,113	236,379	309,351	-	-	-	-	545,730	2,618
Development & Regulatory Services	1,744,019	319,493	701,617	1,359,275	-	-	-	2,380,385	636,365
New Support & Customer Services Organisation	1,654,439	307,446	641,733	1,805,266	-	-	-	2,754,445	1,100,006
Programme Management	2,411,433	450,919	1,593,258	367,256	-	-	-	2,411,433	0
Community Budgets, Childrens Projects	247,493	39,386	29,749	-	-	-	-	69,136	(178,357)
Passenger Transport	272,106	57,966	111,602	97,001	781	-	-	267,350	(4,756)
Contingency allocated for Wave 1 variances	1,503,481	-	-	-	-	-	-	-	(1,503,481)
Open Projects									
NSCSO/DRS Mobilisation	1,253,257	-	-	125,850	703,147	458,480	-	1,287,476	34,219
Total	11,581,562	2,241,753	4,119,515	4,057,887	703,928	458,480	-	11,581,562	(0)
Cumulative spend		2,241,753	6,361,267	10,419,155	11,123,082	11,581,562			
Wave 2 Projects		2010/11	2011/12	2012/13	2013/14		2014/15	Projected	Variance
Closed Projects									
CSO Transformation	1,422,000	-	-	1,302,876	49,941	-	-	1,352,817	(69,183)
Information Management System	565,190	-	148,729	392,785	27,276	-	-	568,789	3,599
Open Projects									
Programme Management Office	1,353,000	-	-	1,071,993	87,350	12,579	-	1,171,923	(181,077)
Early Intervention	510,000	-	77,825	126,992	15,135	77,072	192,569	489,593	(20,407)
Re-organisation of the Senior Officer and Council Structures	1,147,000	-	127,138	1,019,609	-	-	-	1,146,747	(253)
CCTV	247,000	-	-	52,096	61,367	132,365	-	245,828	(1,172)
Health & Social Care Integration	100,000	-	38,881	7,197	36,605	17,317	-	100,000	0
Review of the Mortuary Service	70,000	-	-	-	10,807	20,012	-	30,819	(39,181)
Review of the Registrars Service	199,645	-	-	27,560	15,359	156,725	-	199,645	(0)
Safer Communities	287,300	-	39,765	125,347	5,808	4,300	90,000	265,220	(22,080)
Strategic Review of Sports & Leisure Activity	303,400	-	48,445	90,171	29,435	135,349	-	303,400	(0)
Waste & Recycling - (Phase 1)	1,788,668	-	110,612	141,804	320,421	1,215,829	-	1,788,668	(0)
Greenstreets & Wave Stretch Targets	153,332	-	-	-	-	153,332	-	153,332	0
Contingency - Wave 2	13,000	-	-	-	-	13,000	-	13,000	0
Total	8,159,535	0	591,395	4,358,430	659,506	1,937,880	282,569	7,829,780	(329,755)
Other Projects		2010/11	2011/12	2012/13	2013/14	2013/14	2014/15	Total Projected Spend	Variance
	Budget	Outturn	Outturn	Outturn	Actual to Date	Committed expenditure	Projected outturn		
Judicial Review	500,000	-	-	226,986	382,157	-	-	609,143	109,143

Section 3: Summary of Top Risks

Note: grey boxes indicate risks and issues that have been previously reported but remain in the highlight report for on-going monitoring due to their overall probability and impact. **Bold** indicates new items.

Description	Cause/Consequence	Action(s) in place	Score
PROGRAMME RISKS			
<u>OB0045</u> Stakeholders are not identified, communicated with or managed effectively	<p>CAUSE:</p> <ul style="list-style-type: none"> - Project teams do not carry out effective stakeholder mapping - Communications Plans are not comprehensive - Stakeholders do not understand the importance and impact of their involvement in projects <p>CONSEQUENCE:</p> <ul style="list-style-type: none"> - Opportunities may be missed as they are not identified or understood - Projects may be delayed if further discussion and engagement with stakeholders is required - Incorrect decisions could be made if the views of all relevant stakeholders are not taken into account 	<ul style="list-style-type: none"> - Each project has a communications plan identifying stakeholders and setting out the communication strategy and approach - Programme Stakeholder Engagement and Communications Plan - Equalities Impact Assessments (Internal and external) completed to understand the impact of all changes - Programme level member engagement plan 	12
PROJECT RISKS			
<u>Mortuary Service</u> Detailed financial appraisal makes available options unviable.	<p>CAUSE:</p> <p>Haringey have indicated that the costs associated with the works required to accommodate the Barnet service may be higher than original estimates</p> <p>CONSEQUENCE:</p> <p>The amount of capital funding required may result in the business case for a shared service option with Haringey unviable.</p>	Continued dialogue with Haringey to ensure that the results of this are an accurate reflection of the requirement. Contingency planning in place through the assessment of alternative delivery models as part of the options appraisal.	20
<u>SPORT0006</u> : The current GLL contract will not allow LBB to make the c. £900k financial savings set out in the Medium Term Financial Strategy (MTFS) for 2014/15 and potentially up to 2017/18.	<p>CAUSE:</p> <p>LBB unable negotiate with GLL and come up with a suitable option; therefore unable to impact the current levels of spend with GLL.</p> <p>CONSEQUENCE:</p> <p>This would lead to the council being unable to reach its savings targets and may impact on current service provision.</p>	The OBC has been approved confirming that the council must finance this savings gap through the reserves or contingency. Continue negotiations with GLL to find a solution from 2015/16.	20
<u>Sport and Physical Activity</u> <u>SPORT0011</u> The Council are unable to influence or vary the current GLL contract for the remainder of the term or terminate the contract.	<p>CAUSE: GLL are unwilling to vary or negotiate the current contract and no defaults in contractual agreements are found.</p> <p>CONSEQUENCE: Inability to make potential savings and realise benefits.</p>	Negotiation strategy agreed by the Project Board, firstly to start undertaking strict management of the current contract to review what the scope is to negotiate with GLL on the basis they may not adhere to agreements in the contract. To undertake negotiations for the future of the contract looking at options to make savings. Some savings have been identified and negotiations will continue	16
<u>FCC0010</u> : Mobilisation period too short in order to completely upgrade CCTV system by go-live date as specified in Business Case	<p>Cause: ITT deadline extensions were requested by a number of bidders during the clarification questions process, and this was granted. The two week extension delayed governance processes by 6 weeks, meaning that likely contract award date is 27/01/14. With a go-live date of 01/04/14, this leaves only two months to install full system upgrade</p> <p>Consequence: technical upgrade of CCTV system (excluding staff transfer) could lead to delays in realisation of benefits (financial)</p>	<ol style="list-style-type: none"> 1. bidders informed of contracted mobilisation period as part of clarification response 2. bidders asked to provide transition plan that still aims for 01/04/14 completion of tech upgrade if possible 3. HR consulted and have advised that TUPE process will not be adversely affected by shortened transition period 4. change control CCTV01 completed and signed off by board highlighting risk of shortened mobilisation period 5. risk to be transferred 	12

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Meeting	Budget and Performance Overview and Scrutiny Committee
Date	9 December 2013
Subject	Budget & Performance Overview & Scrutiny Committee Forward Work Programme 2013/14
Report of	Scrutiny Office
Summary	This report outlines the Committee’s work programme for 2013/14

Officer Contributors	Ash Tadjrishi, Overview & Scrutiny Officer
Status (public or exempt)	Public
Wards affected	All
Key Decision	No
Enclosures	Appendix A – Budget and Performance Overview and Scrutiny Committee Work Programme 2013/14
Reason for urgency / exemption from call-in	N/A
Contact for Further Information:	Ash Tadjrishi, Overview & Scrutiny Officer 020 8359 2368, ash.tadjrishi@barnet.gov.uk

1. RECOMMENDATION

- 1.1 That the Committee consider and comment on the items included in the 2013/14 work programme of the Budget & Performance Overview & Scrutiny Committee (Appendix A).**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 None.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1. The Overview and Scrutiny Committees must ensure that the work of Scrutiny is reflective of the council's priorities.
- 3.2. The three priority outcomes set out in the 2013 – 2016 Corporate Plan are;
- Promote responsible growth, development and success across the borough;
 - Support families and individuals that need it – promoting independence, learning and well-being; and
 - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.

4. RISK MANAGEMENT ISSUES

- 4.1 None.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 In addition to the Terms of Reference of the Committee, and in so far as relating to matters within its remit, the role of the Committee is to perform the Overview and Scrutiny role in relation to:
- The Council's leadership role in relation to diversity and inclusiveness; and
 - The fulfilment of the Council's duties as employer including recruitment and retention, personnel, pensions and payroll services, staff development, equalities and health and safety.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 None in the context of this report.

7. LEGAL ISSUES

- 7.1 None in the context of this report.

8 CONSTITUTIONAL POWERS

- 8.1 The scope of the Overview and Scrutiny Committees is contained within Part 2, Article 6 of the Council's Constitution.
- 8.2 The Terms of Reference of the Scrutiny Committees are included in the Overview and Scrutiny Procedure Rules (Part 4 of the Council's Constitution).

9. BACKGROUND INFORMATION

- 9.1 The Budget and Performance Overview and Scrutiny Committee's Work Programme 2013/14 indicates items of business previously considered by the Committee and forthcoming items.
- 9.2 The work programme of this Committee is intended to be a responsive tool, which will be updated on a rolling basis following each meeting, for the inclusion of areas which may arise through the course of the year.
- 9.3 The Committee is empowered to agree its priorities and determine its own schedule of work within the programme.

10. LIST OF BACKGROUND PAPERS

- 10.1 None.

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Appendix A

**London Borough of Barnet
Budget and Performance
Overview and Scrutiny
Committee
Work Programme
May 2013 – May 2014**

Contact: Ash Tadjirishi 020 8359 2368 ash.tadjirishi@barnet.gov.uk

Appendix A

Subject	Decision requested	Cabinet Member / Officer	Author
20 June 2013			
Quarter Four and Year End 2012/13 Financial and Corporate Performance	The Committee to review Quarter Four and Year End 2012/13 Corporate Performance and Finance	Deputy Leader and Cabinet Member for Resources and Performance	Finance & Corporate Performance
One Barnet Programme Highlight Report	The Committee to consider the One Barnet Programme Highlight report	Cabinet Member for Customer Access and Partnerships	Head of Programme and Resources
16 September 2013			
Quarter One Finance and Corporate Performance	The Committee to consider the Quarter One Finance and Corporate Performance Reports.	Deputy Leader and Cabinet Member for Resources and Performance	Finance & Corporate Performance
Parking Pilot Schemes	The Committee to consider a report on findings arising from the parking pilot schemes in North Finchley, Edgware and High Barnet	Cabinet Member for Environment	Director for Place
Review of Capital Programme	The have requested to review a report which provides an update on the Capital Programme	Deputy Leader and Cabinet Member for Resources and Performance	Chief Operating Officer / Commercial Director
One Barnet Programme Highlight Report	The Committee to consider the One Barnet Programme Highlight report	Cabinet Member for Customer Access and Partnerships	Head of Programme and Resources

Appendix A

Subject	Decision requested	Cabinet Member / Officer	Author
26 November 2013 (Budget Scrutiny)			
Business Planning	The Committee to consider the Executive's budget and Medium Term Financial Strategy proposals for the period 2014/15 – 2016/17.	Deputy Leader and Cabinet Member for Resources and Performance	Chief Operating Officer
9 December 2013			
Quarter Two Finance and Corporate Performance	The Committee to consider the Quarter Two Finance and Corporate Performance Reports.	Deputy Leader and Cabinet Member for Resources and Performance	Finance & Corporate Performance
One Barnet – Waste and Street Scene	The Committee has requested to receive a report on the implementation of new waste offer and forward look at potential stretch projects	Cabinet Member for Environment	Director for Place
One Barnet – Sport and Physical Activity Review	The Committee has requested to receive a progress report on the Sport and Physical Activity Review project	Cabinet Member for Customer Access and Partnerships	Head of Programme and Resources
One Barnet Programme Highlight Report	The Committee to consider the One Barnet Programme Highlight report	Cabinet Member for Customer Access and Partnerships	Head of Programme and Resources
13 March 2014			
Quarter Three Finance and Corporate Performance	The Committee to consider the Quarter Three Finance and Corporate Performance Reports.	Deputy Leader and Cabinet Member for Resources and Performance	Finance & Corporate Performance

Appendix A

Subject	Decision requested	Cabinet Member / Officer	Author
Parking Pilot Schemes	The Committee to consider a report on the Parking Recovery Plan and findings arising from the parking pilot schemes in Edgware and High Barnet	Cabinet Member for Environment	Director for Place
Review of Capital Programme	The have requested to review a report which provides an update on the Capital Programme	Deputy Leader and Cabinet Member for Resources and Performance	Chief Operating Officer / Commercial Director
One Barnet Programme Highlight Report	The Committee to consider the One Barnet Programme Highlight report	Cabinet Member for Customer Access and Partnerships	Head of Programme and Resources
TBC - Long List			
One Barnet – Registration and Nationality Service	Committee to receive the Business Case for the Registration and Nationality Service project	Cabinet Member for Customer Access and Partnerships	Head of Programme and Resources
Libraries - Outline Proposals for Childs Hill & Grahame Park Libraries	The Committee to consider outline proposals for Childs Hill and Graham Park libraries.	Cabinet Member for Customer Access and Partnerships	Children's Service
Mill Hill Depot Relocation	The Committee have requested an update on the Mill Hill Depot Relocation project and the financial implications of the delay	Deputy Leader and Cabinet Member for Resources and Performance	Commercial Director
One Barnet Programme – Wave II Projects	The Committee to receive reports on Wave II Projects in the One Barnet Programme	TBC	Head of Programme and Resources