

MEETING

PERFORMANCE AND CONTRACT MANAGEMENT COMMITTEE

DATE AND TIME

MONDAY 15TH FEBRUARY, 2016

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ

**TO: MEMBERS OF PERFORMANCE AND CONTRACT MANAGEMENT COMMITTEE
(Quorum 3)**

Chairman: Councillor Anthony Finn
Vice Chairman: Councillor Sury Khatri

COUNCILLORS

Councillor Geof Cooke	Councillor Rohit Grover	Councillor Anne Hutton
Councillor Kathy Levine	Councillor John Marshall	Councillor Arjun Mittra
Councillor Reema Patel	Councillor Shimon Ryde	Councillor Peter Zinkin

SUBSTITUTE COUNCILLORS

Councillor Paul Edwards	Councillor Dr Devra Kay	Councillor Ammar Naqvi
Councillor Gabriel Rozenberg	Councillor Lisa Rutter	Councillor Caroline Stock

In line with the Constitution's Public Participation and Engagement Rules, public questions or comments must be submitted by 10.00AM on the third working day before the date of the committee meeting. Therefore, the deadline for this meeting is 10.00AM on 10 February 2016. Requests must be submitted to Sarah Koniarski 020 8359 7574 sarah.koniarski@barnet.gov.uk.

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

Andrew Charlwood – Head of Governance

Governance Service contact: Sarah Koniarski 020 8359 7574 sarah.koniarski@barnet.gov.uk

Media Relations contact: Sue Cocker 020 8359 7039 sue.cocker@barnet.gov.uk

ASSURANCE GROUP

ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of the Previous Meeting	To follow
2.	Absence of Members	
3.	Declarations of Members Disclosable Pecuniary Interests and Non-Pecuniary Interests	
4.	Report of the Monitoring Officer (if any)	
5.	Public Questions and Comments (if any)	
6.	Members' Items (if any)	
7.	Report of the Audit Committee	1 - 20
8.	The Barnet Group Annual Report 2014/15	21 - 74
9.	Members' Enquiries Service: Progress Report	75 - 88
10.	Quarter 3 Performance Monitoring 2015/16	89 - 220
11.	Committee Forward Work Programme	221 - 226
12.	Any Other Items that the Chairman Decides are Urgent	

FACILITIES FOR PEOPLE WITH DISABILITIES

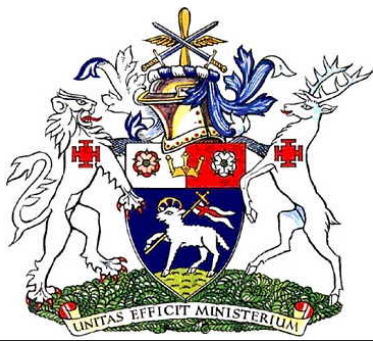
Hendon Town Hall has access for wheelchair users including lifts and toilets. If you wish to let us know in advance that you will be attending the meeting, please telephone Sarah Koniarski 020 8359 7574 sarah.koniarski@barnet.gov.uk. People with hearing difficulties who have a text phone, may telephone our minicom number on 020 8203 8942. All of our committee rooms also have induction loops.

FIRE/EMERGENCY EVACUATION PROCEDURE

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by uniformed custodians. It is vital you follow their instructions.

- You should proceed calmly; do not run and do not use the lifts.
- Do not stop to collect personal belongings.
- Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions.
- Do not re-enter the building until told to do so.

This page is intentionally left blank



Performance and Contract Management Committee

15 February 2016

Title	Report of the Audit Committee Issue raised in the Internal Audit Exception Recommendations Report up to 31 December 2015
Report of	Head of Governance
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: Excerpt from Internal Audit Progress Report 2015-16 Quarter 3
Officer Contact Details	Kirstin Lambert, Governance Team Leader Email: kirstin.lambert@barnet.gov.uk Tel: 020 8359 2177

Summary

The report informs the Committee of an item the Audit Committee has recommended for consideration by the Performance and Contract Management Committee.

Recommendation

1. That the Performance and Contract Management Committee consider the matter referred by the Audit Committee.

1. WHY THIS REPORT IS NEEDED

- 1.1 At the meeting on 28 January 2016, the Audit Committee considered the 'Internal Audit Exception Recommendations Report up to 31 December 2015'. The report included a no assurance audit of the Street Scene Operations Review covering 'Recruitment – conflicts of Interest' and 'Workforce Management – Governance Arrangements'.
- 1.2 Audit Committee discussed the issues identified in the no assurance audit opinion of the Street Scene Operations Review, and the HR Director CSG responded to Members' questions regarding whether the issues uncovered could attest to wider weaknesses in HR procedures. Following this discussion the Committee noted that robust monitoring needs to be in place to ensure policies are being implemented across the Council. The Committee requested that these matters be brought to the attention of the Performance and Contract Management Committee to determine whether there are contract compliance issues which need attention.
- 1.3 Performance and Contract Management Committee is therefore requested to consider these matters. The relevant excerpt of the Internal Audit Exception Recommendations Report is attached as Appendix A.

2. REASONS FOR RECOMMENDATION

- 2.1 No recommendations have been made.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable.

4. POST DECISION IMPLEMENTATION

- 4.1 Post decision implementation will depend on the decision taken by the Committee.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 As and when issues raised and progressed, they will need to be evaluated against the Corporate Plan and other relevant policies.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 None in the context of this report.

5.3 Social Value

- 5.3.1 Not applicable in the context of this report.

5.4 Legal and Constitutional References

5.4.1 The Council's Constitution Responsibility for Functions, Annex A, sets out the terms of reference of the Audit Committee including that the purpose of the Audit Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process.

5.4.2 The Performance and Contract Management Committee terms of reference includes Risk Management and the Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group Ltd (including Barnet Homes and Your Choice Barnet); HB Public Law; NSL; Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance.

5.5 Risk Management

5.5.1 None in the context of this report.

5.6 Equalities and Diversity

5.6.1 None in the context of this report.

5.7 Consultation and Engagement

5.7.1 None in the context of this report.

5.8 Insight

5.8.1 None in the context of this report.

6. BACKGROUND PAPERS

6.1.1 Audit committee, 28 January 2016, Agenda Item 7, Internal Audit Exception Recommendations Report up to 31 December 2015. <http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=144&Mid=8415&Ver=4> (pages 5-17).

This page is intentionally left blank

Appendix A

Internal Audit

Progress Report 2015-16 – Quarter 3

Caroline Glitre, Head of Internal Audit

Contents

1. Introduction.....	3
2. Final Reports Issued.....	3
3. Key Findings from Internal Audit Work with No or Limited assurance	5
4. Advisory reviews for management purposes	51
5. Work in progress	58
6. Implementation of Internal Audit recommendations	59
7. Internal Audit effectiveness review.....	65
8. Changes to our plan.....	66
9. Risk Management.....	66

1. Introduction

The Internal Audit Plan was approved by the Audit Committee on the 30th April 2015. As previously requested by the Committee, this report covers audit reports with limited or no assurance which are summarised into key messages with some detail.

2. Final Reports Issued

This report covers the period from 1st October 2015 to 31st December 2015 and represents an up to date picture of the work in progress to that date. The Internal Audit service has over this period issued 15 reports as final in accordance with the 2015-16 Internal Audit Plan. In summary, the assurance ratings provided were as follows:

Substantial ✓✓✓	0
Satisfactory	8
Limited	3
No	2
N/A	2
Total	15

Table 1: 2015-16 work completed during quarter 3 including assurance levels		
Systems Audits		Assurance
1	Financial Assessments	Satisfactory
2	Shared Legal Service – Clienting and Governance	Satisfactory
3	Information Security Governance review	Satisfactory
4	Client Affairs	Limited
5	Accounts Payable	Limited
6	Procurement – Contract Procedure Rules (CPR) Compliance	Limited
7	Street Scene Operations Review	No
8	Better Care Fund (BCF) and Section 75 agreement review	No
Advisory Reviews		Assurance
9	Capital Development Pipeline	N/A
10	Data Quality - Face to Face Wait Times (CS1a & CS1b)	N/A
School Audits		Assurance
11	Northgate Pupil Referral Unit (PRU)	Satisfactory
12	Mathilda Marks Kennedy	Satisfactory

13	Trent	Satisfactory
14	St Catherine's	Satisfactory
15	St Mary's CE High	Satisfactory

The summary detail of those reports issued as Limited or No assurance is included within section 3.

3. Key Findings from Internal Audit Work with No or Limited assurance

Title	Street Scene Operations Review (Joint Internal Audit & CAFT review)
Audit Opinion	No Assurance
Date of report:	November 2015
Background & Context	<p>An audit was undertaken to confirm the adequacy and effectiveness of HR, Fleet Management, Waste and Recycling, Trade Waste and depot management processes.</p> <p>Recent CAFT investigations have been undertaken of which relevant findings were included within this report where appropriate.</p>
Summary of Findings	<p>There are 6 priority one and 6 priority two recommendations.</p> <p>The following issues, in order of significance, were noted:</p> <p>1. Recruitment - Conflicts of interest. Control processes to ensure the identification of personal relationships, close relatives and other potential conflicts of interest in relation to recruitment exercises were inadequate and ineffective. Instances were noted where interviewers had interviewed close relatives as defined in the Staff Code of Conduct. (Priority 1)</p> <p>2. Workforce Management – Governance arrangements (Priority 1)</p> <ul style="list-style-type: none"> ○ Instances were noted where there was no evidence of documented policies / procedures governing key processes. For example, there were no formal documented policies/procedures evident for the collection of side waste, the use of fuel pumps on site and fuel key management. ○ We found a lack of awareness of workforce policies by staff. ○ Records of appraisals recorded on HR Core indicated that appraisers had appraised close relatives as defined in the Staff Code of Conduct (see also recommendation 1).

Title	Street Scene Operations Review <i>(Joint Internal Audit & CAFT review)</i>
	<ul style="list-style-type: none"> ○ There were a significant number of instances where records of “Return to Work” interviews with sickness details and actions were not recorded on HR Core or scanned and sent to HR for central review and scrutiny. ○ Where staff had requested annual leave that had been refused due to a lack of alternative staff being available, we noted instances of the requesting officer then calling in sick. ○ We found weaknesses in the record keeping of senior management approval of workforce related decisions. ○ There was a lack of transparent approval or recording of training needs and subsequent attendance at training courses. ○ There were inconsistencies between local HR paper files held within Street Scene and what has been recorded centrally in HR Core. ○ Overtime payments in the Waste and Recycling Service and the overtime earned as a percentage of pay for 2 officers, potentially ‘close relatives’ as defined in the Staff Code of Conduct, were considered inappropriately high. <p>3. Risk of illicit payments. Control processes for identifying any non-compliant behaviour of waste operatives on waste collection routes were inadequate. Pro-active reviews of CCTV vehicle camera recordings were not done. In addition there was limited rotation of operatives on waste collection routes allowing the potential to develop arrangements with businesses for illicit payments. (Priority 1)</p> <p>4. Trade and residential waste - Refuse vehicle tracker monitoring. Control processes for identifying out of borough movements of refuse vehicles were inadequate. Pro-active reviews of related reports were not done. (Priority 1)</p> <p>5. Council fleet vehicles - Mileage / fuel usage records and monitoring. Mileage reporting and review processes were inadequate for identifying any misuse of council vehicles for private purposes other than travel between home and the workplace. (Priority 1)</p>

Title	Street Scene Operations Review <i>(Joint Internal Audit & CAFT review)</i>
	<p>6. Mill Hill depot site security – The CCTV system in operation at the site was not fully operational. 8 of the 32 cameras covering the site were not working when we undertook a site visit on 2/10/2015. We were also informed that night vision was poor rendering the system ineffective in the dark. There were no arrangements for the identification of people or physical inspection of vehicles entering/leaving the site to mitigate the risk of theft or other criminal activity. (Priority 1)</p> <p>7. Side waste policy – We were provided with a Memo governing the process for the identification of side waste but this was not dated or subject to version control as we would have expected for a formally approved key procedure. The Memo was also not considered complete in our view as it did not define the approach for ensuring that excess waste was charged promptly. (Priority 2)</p> <p>8. Policies and procedures – staff use of all Council fleet vehicles The Drivers Handbook setting out the policy in relation to the personal/private use of Council fleet vehicles by staff was not clear as to when vehicles could be used for private purposes. The approach being adopted is inconsistent across the service. (Priority 2)</p> <p>9. PAYE for taxable benefit from private use of Council fleet vehicles - HR confirmed that Street Scene employees' PAYE calculations did not take into account the taxable benefit associated with the private use of vehicles which could lead to a potential liability to HMRC. HMRC guidance suggested that officers using vehicles for private travel between home and work are liable for PAYE on this benefit. (Priority 2)</p> <p>10. Policies and procedures – staff use of all Council fleet vehicles - There was no formal documented policy or procedure governing the use of the fuel pumps and fuel key operation. (Priority 2)</p> <p>11. Trade Waste Market share - The methodology for the calculation of the Council's share of the trade waste market being 30% was considered suitable. However, the percentage was considered low when compared to other boroughs and we were informed that there were plans to embed a process to improve market share involving Enforcement officers. (Priority 2)</p>

Title		Street Scene Operations Review (<i>Joint Internal Audit & CAFT review</i>)	
	<p>12. Trade Waste Invoicing Follow-up – The follow-up of a recommendation made in March 2015 was considered partly implemented. Our sample test confirmed that there were no errors within our sample but records of checks to ensure the accuracy of invoices in line with agreements were not retained for referral as per the original recommendation. (Priority 2)</p>		
Priority 1 recommendations, management responses and agreed action dates			
1. Recruitment - conflicts of interest			
Recommendation	Management Response	Responsible Officer	Deadline
a) CSG HR officers should review returned job application forms to identify, communicate and address any interest or close relatives declared on application forms. The action should ensure that the interview and evaluation panel is structured to ensure an unbiased objective assessment of the candidate for the role in line with the Employment of Relatives policy paragraph 2.1.	a. Agreed. This requires the introduction of a new process which CSG will introduce and pilot for a 2 year period. During that time the impact of the additional control will be monitored and the results after the pilot will be brought back to Audit Committee.	Human Resources Director Customer and Support Group(Capita)	February 2016
b) The Staff Code of Conduct should be updated to require officers involved in the interview, evaluation and selection of candidates to formally complete a recruitment declaration of interest form, for example in relation to “close	b. Agreed. The wording within the Code of Conduct will also be clarified around relationships.	Human Resources Director Customer and Support Group(Capita)	February 2016

Title	Street Scene Operations Review (Joint Internal Audit & CAFT review)		
<p>relatives” as defined, similar to the requirement at paragraph 9.10 of the Code of Conduct to complete a procurement declaration of interest form at the start of each procurement exercise.</p>			
<p>c) The recruitment declaration of interest form should formally record/confirm the existence or non-existence of conflicts which could compromise objective selection of a candidate, for example, where the candidate is a “close relative” as defined. This would prevent the lack of awareness of policy being raised as a defence for not declaring interests where necessary.</p>	<p>c. Agreed.</p>	<p>Human Resources Director Customer and Support Group(Capita)</p>	<p>February 2016</p>
<p>d) The relevant Assistant Director / Director should sign off the declaration as evidence of appropriate review.</p>	<p>d. Agreed. HR to devise a summary recruitment form which includes names of the members of the interview panel, declaration of no conflict of interest, who has been appointed and rejected. Reason for rejection to be included. Where a relationship has been declared the Director should sign off the declaration as evidence of appropriate review. The completed signed form to be scanned and sent to HR in Belfast.</p>	<p>Human Resources Director Customer and Support Group(Capita)</p>	<p>February 2016</p>

Title		Street Scene Operations Review (Joint Internal Audit & CAFT review)	
2. Workforce Management – Governance Arrangements			
Recommendation	Management Response	Responsible Officer	Deadline
a) Policies and procedures governing key processes should be formally documented and communicated.	a. Agreed.	Human Resources Director Customer and Support Group (Capita)	February 2016
b) Governance arrangements for Workforce Management in Street Scene should be reviewed and approval sought from the Workforce Board for the documented changes, for example, to ensure that appraisals and overtime authorisations are not undertaken by management who are close relatives of the relevant officer.	b. Agreed. Governance arrangements will be reviewed to ensure that, alongside recommendation 1 above, proper protocols are in place.	Street Scene Director	March 2016
c) All sickness should be recorded in Core and records of return to work interviews and related issues should be recorded in HR Core after each period of absence. Where this is not possible a corporate Return to Work form should be completed, scanned and sent to HR to be held on the employee's file.	c. Agreed. Return to work interviews will be recorded by scanning in copies of employer / employee signed returns for centrally held CSG HR records.	Street Scene Director	December 2015

Title	Street Scene Operations Review (<i>Joint Internal Audit & CAFT review</i>)		
d) For workforce related decisions, records of approval for example, to attend training that could lead to an enhanced salary, should be retained for referral.	d. Agreed. HR will devise a corporate form which includes the workforce related decision, to record approval to attend training that could lead to an enhanced salary, and is counter signed by a Director or Assistant Director where there could be a conflict of interest. HR will update and amend the Post-Entry Training guidance to reflect this requirement.	Human Resources Director Customer and Support Group (Capita)	February 2016
e) Documented training needs assessments should be undertaken prior to officers attending training courses.	e. Agreed. Documented training needs assessments will be included on the HR Form as detailed in (d) above and should be undertaken prior to officers attending training courses and documented in mid-year and final year Appraisals.	Human Resources Director Customer and Support Group (Capita)	February 2016
f) A review of HR Records Management in Street Scene should be undertaken and local HR records held by Street Scene should be scanned and held centrally by CSG HR to avoid unnecessary duplication, inconsistency or lack of appropriate records.	f. Agreed. HR records will no longer be retained locally. Street Scene will scan the documents currently held locally and will provide them to CSG HR for retention on the appropriate employee files to enable timely access and retrieval of these documents as and when required.	Street Scene Director and Human Resources Director Customer and Support Group (Capita)	March 2016
g) The approach / policy for allowing overtime should be reviewed, updated	g. Agreed.	Human Resources Director	February 2016

Title		Street Scene Operations Review (Joint Internal Audit & CAFT review)	
	and communicated where necessary to ensure that it is only used in the appropriate circumstances where work genuinely required cannot be done during normal work hours.		Customer and Support Group (Capita)
h)	Instances where a period of sickness absence was taken after a request for annual leave was refused should be recorded as part of the Return to Work interview process and investigated further by line management as appropriate.	h. Agreed. The Return to work form and revised Sickness Policy will include reference to instances where a period of sickness absence was taken after a request for annual leave was refused and the need for this to be investigated further by line management as appropriate.	Human Resources Director Customer and Support Group (Capita) Return to Work form - February 2016 Sickness Policy - October 2016 (current estimate, dependent on Unified Reward)
3. Risk of Illicit Payments - Vehicle CCTV monitoring / Route rotation			
Recommendation	Management Response	Responsible Officer	Deadline
a)	A process should be introduced and documented to review camera recordings pro-actively on a sample basis to ensure that cameras are operating correctly at all times and to identify non-compliant behaviour, such as accepting amounts for private collections from businesses with whom the Council does	a) Agreed – A process for correct positioning of cameras is already underway. A matrix of risk-assessed intelligent sampling will be introduced to ensure compliant operations.	Street Scene Director March 2016

Title		Street Scene Operations Review (Joint Internal Audit & CAFT review)			
not have trade waste agreements or for identifying non-attendance at work.					
b) The 'Data Protection Council Vehicle Mounted CCTV, Vehicle Tracking and Electronic Data Management Systems Policy' should be updated, in conjunction with the Council's Data Protection team, to facilitate the use of such pro-active monitoring.		b) Agreed - The council's policy will be refreshed, consulted and communicated.	Head of Business Improvement and Contract Management	March 2016	
c) The procedure should also emphasize the implications of such misconduct and should be communicated to all refuse collection operatives as a deterrent to such misconduct.		c) Agreed – The policy will clearly reference the Council's conduct procedure as a deterrent.	Head of Business Improvement and Contract Management	March 2016	
d) Waste collection operatives should be rotated between collection crews periodically to prevent the development of rogue relationships with businesses on routes.		d) Agreed – A process for rotating waste collection operatives will be undertaken which ensures a balance between good customer service, knowledge of rounds and bin locations, as well as ensuring the prevention of rogue relationships.	Waste & Recycling Manager	February 2016	
4. Refuse vehicle tracker monitoring					
Recommendation		Management Response		Responsible Officer	Deadline

Title		Street Scene Operations Review (Joint Internal Audit & CAFT review)		
a) A process should be introduced and documented to pro-actively review vehicle tracker output reports on a sample basis to ensure that tracking systems remain on/operational at all times and to identify and challenge potential non-compliant behaviour, such as leaving designated routes without authorisation.	a) Agreed – Tracker output reports will be produced on a regular basis to identify and challenge non-compliance. This will be documented and communicated.	Head of Business Improvement and Contract Management / Supervisors	January 2016	
b) The vehicle tracker reports and vehicle CCTV camera recordings should be used together to optimise pro-active monitoring of movements.	b) Agreed – Ref 3a above, risk-assessed intelligent sampling will be utilised alongside tracker output reports to pro-actively review vehicle movements.	Heads of Service / Supervisors	March 2016	
c) The procedure should also emphasize the implications of inappropriate conduct and should be communicated to all operatives as a deterrent to such unauthorised operation.	c) Agreed – The revised procedure will clearly reference the Council’s conduct procedure as a deterrent.	Head of Business Improvement and Contract Management	March 2016	
5. Mileage / fuel usage records and monitoring				
Recommendation	Management Response	Responsible Officer	Deadline	
The Delivery Unit should investigate the viability	Agreed - Tracking devices are fitted to the	Head of Business	January 2016	

Title		Street Scene Operations Review (Joint Internal Audit & CAFT review)		
of fitting vans with trackers for a precise record of vehicle movements to allow for the more effective monitoring of private misuse of vehicles. Alternatively, arrangements should be introduced for more specific monitoring - on a random basis - of vehicle travel over controllable periods, reconciled to odometer readings and known distances between home and work to identify and challenge for gaps/discrepancies.	majority of council vehicles and will be fitted to all council vehicles inclusive of vans. There is an exception where vehicles are hired on a short term basis and fitting of trackers would not be financially viable. Vehicle mileages will also be monitored to ensure they are reconciled to known averages by type.	Improvement and Contract Management / Heads of Service		
6. Risk Management (CCTV and Mill Hill depot site security)				
Recommendation	Management Response	Responsible Officer	Deadline	
a) The implementation of a fit for purpose CCTV system should be investigated as part of the move to the new site, planned in December 2016.	(a) Agreed. This requirement is part of the specification for the new site.	Head of Corporate Programmes, CSG	Implemented	
b) In the interim, the broken cameras should be repaired immediately to ensure that the entire site is visible during the day.	(b) Full repairs to the inoperable cameras have been scheduled to take place on 26th and 27th November 2015. This will also include a service to the DVR reader and monitor.	Acting Facilities Manager CAPITA Customer and Support Group	27/11/2015	
c) Security processes such as maintaining a physical presence at the fuel pump should be implemented in line with risks,	(c) It has now been implemented that Security carry out spot checks at the diesel pump to reduce risk of theft. This will be at sporadic	Acting Facilities Manager CAPITA Customer and	Implemented on 18/11/2015 and will	

Title	Street Scene Operations Review <i>(Joint Internal Audit & CAFT review)</i>			
<p>for example the increased risk of theft of fuel when the pump is hidden from CCTV cameras by vehicles or not visible via CCTV due to poor light.</p>	<p>times including when the pump is not visible from the gatehouse.</p> <p>Security have increased their hourly patrols to every 30 minutes to improve visibility and to act as a deterrent. Just to add, the patrols that are carried out at night cover the whole Mill Hill Depot site and allow security to visit areas that are not clearly visible on camera.</p>	<p>Support Group</p>	<p>continue.</p> <p>Has been in operation since May 2012. Increased patrols from 18/11/2015</p>	
<p>d) Spot checks of people and vehicles entering and leaving the site should be introduced as should increased site patrols.</p>	<p>(d) Security will continue to carryout spot checks on site which will involve checking of visitors to the site. If ID is not displayed or supplied upon request then contact will be made with Service Managers. Security to be informed of any visitors prior to the visit.</p> <p>Spot checks will be undertaken on/in vehicles entering and leaving the site, for example, to identify illegal substances being brought on site or the theft of items being taken off-site.</p>	<p>Acting Facilities Manager CAPITA Customer and Support Group</p>	<p>Implemented on 18/11/2015 and will continue.</p> <p>23/11/2015</p>	

	AGENDA ITEM 8
	<p>Performance and Contract Management Committee</p> <p>15 February 2016</p>
Title	The Barnet Group Annual Report 2014/15
Report of	Troy Henshall, The Barnet Group Chief Executive
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: The Barnet Group Annual Report 2014/15
Officer Contact Details	Troy Henshall, The Barnet Group Chief Executive troy.henshall@thebarnetgroup.org 0208 359 5208

Summary

This report provides the financial position of the Barnet Group for the year ending March 2015, and asks the Committee to note the Annual Report. The financial year 2014/15 was The Barnet Group’s third full year of operation. The result for the year is a loss of £115,000, before taking into account adjustments required in relation to pensions. After adjustments for pensions and taxation, the group recorded a net loss of £1.286 million.

Recommendation

1. The Performance and Contract Management Committee is asked to note the Barnet Group Annual Report 2014/15

1. WHY THIS REPORT IS NEEDED

1.1 In accordance with the Council’s Constitution, the Performance and Contract Management Committee is asked to note the Barnet Group Annual Report.

2. REASONS FOR RECOMMENDATION

2.1 To allow Council scrutiny of the annual report provided by The Barnet Group.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None.

4. POST DECISION IMPLEMENTATION

4.1 None.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 This report presents the annual report and financial statement of the Barnet Group for the year ended 31 March 2015.

5.1.2 The Barnet Group trades through its subsidiary organisations. The principal source of income for Barnet Homes is the management fee from the London Borough of Barnet. The principal source of income for Your Choice (Barnet) is the fee from the London Borough of Barnet based on the use of Your Choice services.

5.1.2 The Barnet Group provides services to support Council policies and procedures.

5.1.3 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 its Corporate Plan.

5.1.4 Performance continues to be strong in 2015/16 with one of the highlights being the significant reduction in the number of households in emergency temporary accommodation reducing from 455 in the attached report to 314 as at the end of December 2015.

5.1.5 Relevant Council strategies and policies include the following:
Corporate Plan
Housing Strategy
Risk Management Strategy
Council's Constitution
Risk Management Strategy.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 The financial performance for the Barnet Group for 2014/15 is provided in the attached appendix A.

5.2.2 The financial year 2014/15 was The Barnet Group's third full year of operation. The result for the year is a loss of £115,000 before adjustments for

pensions and taxation, and was an improved position from the £871,000 loss reported in 2013/14. The Barnet Group Board had approved a loss of making budget as Barnet Homes has seen financial pressures from pension auto enrolment, cost of living increases and a reduction in the management fee as part of a planned efficiency programme.

5.2.3 After the adjustments for pensions and taxation, the company recorded a net loss of £1.286 million for the year, with the increased loss position as a result of pension accounting transactions of £1.171 million. The Barnet Group's usable revenue reserve as presented in the Statement of Financial Position is £1.330 million.

5.2.4 For 2015/16 the Barnet Group Board approved a budget with a surplus of £112,000. The half year position was reported to The Barnet Group Board in November and estimated the end of year surplus to be £578,000 due to additional income received and one off savings being realised in year.

5.3 **Social Value**

5.3.1 With our main partners we employ over 220 staff within borough and over 15 apprentices. With our main partners we spend over £2m through local suppliers and we estimate that 44% of our staff will spend on average over £100 per month in local shops.

5.3.2 We believe that we can increase the contribution to the local economy through both our own spend and that of our contractors to the benefit of the local community and will look to do so over the coming year. In addition, our new build programme gives a chance to develop further employment creation and to use small and medium sized local enterprises.

5.3.3 We provide employment and training support to our customers and are involved in a number of initiatives such as:

- 'Loveburntoak Network' comprising of over 30 organisations and individuals who are committed to working together to improve the life chances of local residents.
- Burnt Oak Opportunity Support Team (BOOST) helps local residents to get into work and stay in employment.
- The Welfare Reform Task Force is helping Barnet residents affected by the Benefit Cap, Universal Credit and other welfare reforms. The team provides extra help to move people into work and more suitable accommodation.

5.4 **Legal and Constitutional References**

5.4.1 Under the Council's Constitution ([Annex A to the Responsibility for Functions](#)) the Performance and Contract Management Committee has, amongst others, the following responsibilities:

- monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group Ltd (including Barnet Homes and Your Choice Barnet); HB Public Law; NSL;

Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance; and to

- note the Annual Report of the Barnet Group Ltd.

5.4.2 The Performance and Contract Management Committee is being asked to note the Annual Report rather than approve it. The reason for this is that the Articles of Association of The Barnet Group Limited authorise its directors to be responsible for the management of its business and to exercise all the powers of the company, and there has been no special resolution approved to require approval of the annual report by the shareholders. Under the Companies (Model Articles) Regulations 2008, Schedule 1, which apply to the Articles of Association of The Barnet Group Limited, 'the shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.'

5.5 Risk Management

5.5.1 The Barnet Group trades through its subsidiary companies and the majority of risks sit with them.

5.5.2 Barnet Homes and Your Choice (Barnet) are responsible for their own register for risks identified within their business and management processes. The London Borough Barnet (the Council) records risks pertaining to its corporate objectives in the Council's risk management system (JCAD). A small number of risks may be joint risks, i.e. a shared risk where both parties have a role in managing the risk. Joint risks are recorded in the Council's risk management system (JCAD) with the responsibilities and actions of each party clearly defined.

5.5.3 All risks are monitored through regular performance review meetings, as part of business as usual and escalated whenever required including new emerging risks and/or any serious risk incidents that occur.

5.5.4 Quarterly contract performance reporting includes significant joint and operational risks (both with a rating of 12 or more using the London Borough of Barnet's scoring methodology) and are included in the performance summary for Barnet Homes and for Your Choice (Barnet) provided to the Performance and Contracts Monitoring Committee.

5.6 Equalities and Diversity

5.6.1 The Barnet Group is required to support the Council in meeting its public sector equality duty (as set out in the Equality Act 2010). This means having 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 who share a relevant protected characteristic and those who do not;
- c) foster good relations between those who share a relevant protected characteristic and those who do not.

5.6.2 The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation. The duty also covers marriage and civil partnership, but to a limited extent.

5.6.3 Effective contract management is vital to ensuring that the Council's duties under the Equality Act 2010 are supported by its partners.

5.6.4 Equality performance is monitored by collecting data on service usage, customer feedback and specific performance indicators. Where service changes affecting residents or service users are proposed, equality impact assessments will be undertaken, and where needed, these will include consultation with residents or service users.

5.6.5 The Barnet Group's objective is to ensure that services are provided fairly to all the communities they serve and that all employees have equality of opportunity.

5.7 Consultation and Engagement

5.7.1 The Annual Report of the Barnet Group has been reviewed and approved by the Barnet Group Board.

5.7.2 The Barnet Group Board consists of a Chair appointed by the London Borough of Barnet, plus 11 members including 2 Councillors appointed by the Council, and members from Your Choice (Barnet) and Barnet Homes including residents.

5.8 Insight

5.8.1 This report presents the actual performance of The Barnet Group in the financial year 2014/15.

6. BACKGROUND PAPERS

6.1 None.

This page is intentionally left blank

The Barnet Group Limited

Annual Report, Strategic Report and Financial Statements



Year ended 31 March 2015

Contents

4

1. Company information



5

2. Report of the Directors



10

3. Strategic report



20

4. Independent Auditors' report to the members of The Barnet Group Limited.

22

5. Statement of Comprehensive income - consolidated

23

6. Statement of financial position - consolidated

24

7. Statement of cash flow - consolidated

25

8. Statement of changes in equity - consolidated

26

9. Statement of comprehensive income - company

27

10. Statement of financial position - company



28

11. Accounting policies and explanatory notes to the financial statements



1. Company Information

Directors

Terry Rogers (Chair)
Jeff Baker (Vice Chair)
Nigel Turner
Sharon Slotnick (to 3 November 2014)
Councillor John Marshall
Councillor Ross Houston
Troy Henshall (from 30 March 2015)
Tracey Lees (to 30 March 2015)

Changes since last annual report:

Directors - Resigned

Sharon Slotnick
Tracey Lees

To

3 November 2014
30 March 2015

Directors - Appointed

Troy Henshall

From

30 March 2015

Chief Executive Officer

Tracey Lees to 30 March 2015

Interim Chief Executive Officer

Troy Henshall from 30 March 2015

Executive Officers

Troy Henshall	(Interim Chief Executive Officer) from 30 March 2015
Troy Henshall	(Deputy Chief Executive Officer) to 29 March 2015
Derek Rust	(Director of Operations)
Julie Riley	(Director of Care & Support)

Company Secretary

Troy Henshall

Registered Office

1255 High Road
Whetstone
London, N20 0EJ

Registered Number

07873964

Grant Thornton UK LLP
Grant Thornton House
202 Silbury Boulevard
Milton Keynes, MK9 1LW

Bankers

Santander UK PLC
T54 Ground Floor Ops
Bridle Road
Bootle
Liverpool, L30 4GB

2. Report of the Directors

The Board is pleased to present the financial statements of The Barnet Group Limited for the year ended 31 March 2015.

Principal activities

The Barnet Group Limited (the 'Company') is a Local Authority Trading Company (LATC) created in 2012 and has two subsidiary organisations; Barnet Homes an Arms Length Management Organisation (ALMO) and Your Choice (Barnet) a LATC.

Barnet Homes is owned indirectly by the London Borough of Barnet (the 'Council') via The Barnet Group, and commenced its operations on 1 April 2004. The Council has delegated the management of its housing stock to the Company under Section 27 of the Housing Act 1985 (as amended by the Housing and Urban Development Act 1993). Under that delegation the Company is responsible for the following functions:

- Maintenance of the Council's residential stock including stock investment decisions and procurement, planned maintenance and responsive repairs
- Housing Management of the Council's residential stock, including rent collection, leasehold management, enforcement of tenancy and lease conditions, managing voids and estate management
- Homelessness assessments, acceptances and procurement of property [Contract varied on 1 April 2012 to include these services
- Home Ownership services
- Calculation and collection of leasehold charges
- Financial management of the Housing Revenue Account (HRA)
- Services under the Supporting People Programme
- Tenant involvement and resident participation

Barnet Homes Limited's original ten year management agreement expired on 31 March 2014 and continuation of the services was agreed via a one year delivery plan

and this was further renewed for the year 2015/16. In June 2015, London Borough of Barnet's Housing Committee approved the provisional Heads of Terms for a new 10 year management agreement, commencing 1 April 2016. The new 10 year management agreement takes effect on expiry of the member agreed 2015/16 Delivery Plan which ends on 31 March 2016

Barnet Homes Limited is a subsidiary of The Barnet Group, a wholly owned local authority trading company of London Borough of Barnet. Barnet Homes became part of The Barnet Group on 01 February 2012 and The Barnet Group acts as an agent for Barnet Homes Limited in transacting with the Council. In substance, the company operates as an ALMO per its original structure on 1 April 2004, but is under the direct ownership of The Barnet Group. London Borough of Barnet is the ultimate controlling party.

Your Choice (Barnet) Limited is owned indirectly by the London Borough of Barnet (the 'Council') via The Barnet Group, which commenced its operations on 1 February 2012 delivering specialist care and support to adults with a range of physical and learning disabilities. These services were transferred in order to enable the company become more cost effective and compete in the Adult Social Care marketplace.

Your Choice (Barnet)'s services include:

- Rosa Morison Day Service for adults with profound and complex learning and physical disabilities
- Flower Lane Autism Service helping people on the autism spectrum to gain confidence and become more independent.
- Valley Way Respite Centre for adults with complex learning disabilities, physical disabilities, autism or challenging behaviour
- Community Space Day Service offering community support, activities and care for adults with a wide range of learning disabilities
- Supported Living Service helping people

2. Report of the Directors

with learning disabilities to live as independently as possible in their own home.

- Barnet Independent Living Service for adults with a range of physical and sensory impairments

Your Choice (Barnet) remains part of The Barnet Group Care & Support Division which brings together all of the services within Your Choice (Barnet) and the Assist and Sheltered Housing services within Barnet Homes Limited. This enables working together, sharing best practice, allowing opportunities for synergies and enables the Group to bid more robustly.

Results for the year

The result for the year is a loss of £115,000 before taking account of the adjustments required in relation to pensions. After the adjustments for pensions, the company recorded a net loss of £1.286 million for the year, with the increased loss position as a result of pension accounting transactions of £1.171 million.

Dividends

The directors did not propose a dividend for the year (2014: £nil).

Directors

There were three Director changes in the 2014/15 year, with Sharon Slotnick resigning on 3 November 2014 at the company's Annual General Meeting. Tracey Lees resigned on 30 March 2015, on departure from the company as Chief Executive Officer. Troy Henshall was appointed as a Director on 30 March 2015, as he took the post of Interim Chief Executive Officer.

The names of the Directors who served during the year can be found on page 3.

3rd party indemnity provision for directors

Directors had provision via The Barnet Group Limited Insurance policy for Officials Indemnity, Personal Accident and Directors & officers.

Disabled persons

The Barnet Group is committed to equality and diversity and our goal is to embed it into our practices and everything we do. We want to provide the best possible service and value the contribution our employees make to achieving this. Our objective is to ensure that services are provided fairly to all the communities we serve and that all our existing and future employees have equal opportunities.

For our residents and service users we will:

- Understand that some groups of people experience more disadvantage than others and will target our services to meet particular needs
- Treat all service users with dignity and respect
- Consult and involve service users in planning the delivery of services
- Do our best to engage with hard to reach groups to get their views

As an employer we will:

- Take positive action to develop a workforce that reflects the communities we serve

Employee information

We aim to achieve and promote equality of opportunity in all aspects of our recruitment, training, policy and practice and to facilitate a working environment where employees feel safe, supported, able to challenge, feel engaged with the organisation and where any discrimination is dealt with effectively.

All applicants with disabilities receive fair treatment and are considered solely on their ability to do the job, taking into account any reasonable adjustments required. We also ensure appropriate training for employees with disabilities as for other employees.

We strive to ensure that our resources support the delivery of our business plan and to this end we are committed to developing our people to deliver our business aims. In keeping with our culture we value feedback from our employees on people management issues. The Chief Executive holds regular

“meet the CEO” sessions with cross sections of different staff to hear their views directly on management and service related issues. It is recognised that effective leadership is critical to achieving our aspirations and so we have invested considerably in developing our leadership capability and focussing on our leadership values which are built around our core values. We also continue to invest in our staff through our performance management process.

The employee awards, designed around our Core Values continued in 2014/15 at our staff awards day and there were many excellent examples of our staff living our values.

In Barnet Homes Limited, sickness absence saw a slight increase from 8.3 days in 2013/14 up to 9.7 days (average sickness absence per staff member) by the end of March 2015. The average for Not for Profit – Housing Association Sector was 8.3 days in 2014. Robust sickness management actions are in place and the company is working with managers and staff with the aim of reducing the work days lost through sickness absence. In Your Choice (Barnet) Limited, Sickness absence saw a slight reduction from 12.5 days in 2013/14 down to 11.13 days (average sickness absence per staff member) by the end of March 2015. The average for Not for Profit – Care Sector was 10.3 days in 2014 and whilst we accept that sickness will be higher than in other organisations due to the types of services we deliver, we continue to try and reduce this to more acceptable levels.

As a learning organisation we value the experiences that new employees bring and continue to engage their integration into the organisation through a well structured induction programme. Our existing staff are also encouraged to make suggestions on how we can improve as an organisation and our Innovations Fund makes it possible for staff to test their ideas. . The purchase of the Eye Gaze equipment for Your Choice (Barnet)’s service users, which was funded through the Innovation Fund in 2014, is a great example of

staff using this fund for customers’ benefit.

Our comprehensive internal communication strategy aims to encourage two way communication within the organisation and enhances learning and development. Initiatives have included the Chief Executive’s fortnightly newsletters, a regular staff newsletter, Managers’ Corporate Brief, Lunch and Learn Sessions open to all staff, corporate induction for new staff and a staff recognition scheme. Managers also meet regularly with recognised trade unions both informally and formally, for the purposes of furthering involvement, consultation and negotiation and the we hold monthly staff group meetings in Barnet Homes Limited and Your Choice (Barnet) Limited

We aim to achieve and promote equality of opportunity in all aspects of our recruitment, training, policy and practice and to facilitate a working environment where employees feel safe, supported, able to challenge, feel engaged with the organisation and where any discrimination is dealt with effectively.

Charitable donations

The Barnet Group Limited, Barnet Homes Limited and Your Choice (Barnet) Limited made no charitable donations in the year ending 31 March 2015. Barnet Homes donated £975 in the year ending 31 March 2014.

EU Political donations and expenditure

No political donations or expenditure were made by the Group or its subsidiaries in the year ending 31 March 2015.

Donations to non-EU political parties

No political donations or expenditure were made by the Group or its subsidiaries in the year ending 31 March 2015.

Payment policy

The Group pays suppliers where possible within suppliers’ credit terms. Payments to suppliers were made on average within 19

2. Report of the Directors

days of receipt of the invoice, compared to 28 days in 2013/14.

Awareness of relevant audit information

The Directors of The Barnet Group Limited can confirm that at the time of approving this report there is no relevant audit information of which the auditors are unaware and that we have taken all necessary steps to ensure we are aware of any relevant audit information and to establish that the auditors were also aware.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position

of the company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors Remuneration Report

The Directors are defined as being the members of The Barnet Group's Main Board. The Independent Directors received emoluments from the creation of the company in 2012 and were entitled to reimbursement of incidental expenses incurred when attending board meetings and other formal events in their capacity as board members. The Independent Directors are not entitled to pension benefits. These are the only transactions with independent directors of the Company. Executive Directors, who are fully employed as officers in the company, receive pension benefits.

Going concern

The financial statements have been prepared on a going concern basis.

Due to the application of IAS19, the Group's pension deficit of £391 million is recognised in full on the consolidated statement of financial

position. However, the London Borough of Barnet has fully guaranteed the deficit in respect of Barnet Homes Limited at the point of its incorporation (on 1 April 2004). Furthermore, the London Borough of Barnet has also guaranteed the pension deficit in respect of Your Choice (Barnet) Limited at the point that the employees were transferred to Your Choice (Barnet) (on 1 February 2012). The Directors have reviewed the company's forecasts for next the financial year from the date of formally approving the annual report and financial statements. Therefore the Board considers preparation on a going concern basis to be appropriate.

International Accounting Standard 19 relates to the assessment of the employer's liability in respect of the pension scheme, which has the impact of increasing or reducing the pension deficit on the Statement of Financial Position. This is an accounting rule which shows the current estimate of future pension costs and has no impact on the company's current liquidity.

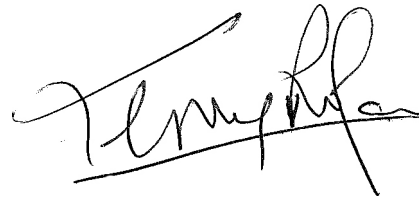
In addition, the London Borough of Barnet has provided a letter of comfort to the Directors of Barnet Homes Limited, setting out its intention to fund Barnet Homes Limited's ongoing operational cash flow requirements from the point of incorporation onwards via the timing of the payment of the agreed monthly management fee. Therefore the Board considers preparation on a going concern basis to be appropriate.

Auditors

Grant Thornton UK LLP has expressed their willingness to remain in office. In accordance with s485(4) of the Companies Act 2006 as resolution to reappoint Grant Thornton UK LLP as auditors will be proposed at the Annual General meeting to be held on 11 November 2015.

Approval and signature

The report of the Directors was approved by the Board on 28 September 2015 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Terry Rogers', written over a horizontal line.

Terry Rogers, Chair

3. Strategic Report

Review of results

The Financial Year 2014/15 was The Barnet Group's third full year of operation. Before taking account of the adjustments required in relation to pensions, a loss of £115,000 was made on the Statement of Comprehensive Income. After the adjustments for pensions, the company recorded a net loss of £1.286 million for the year, with the increased loss position as a result of pension accounting transactions of £1.171 million. The Barnet Group's usable revenue reserve as presented in the Statement of Financial Position is £1.330 million.

The activities carried out between The Barnet Group and London Borough of Barnet has been recognised by Her Majesty's Customs and Excise as non-trading for corporation tax purposes. These activities are therefore not subject to corporation tax.

Principal Risks and Uncertainties

The Barnet Group is a non trading parent company and therefore the majority of the risks sit within the individual companies within the Group.

Barnet Homes' Management Agreement with the Council was for a ten year period to April 2014, with a break clause at 31 March 2009 which was not exercised, although some revisions were made to the Agreement and again from April 2012 to reflect the transfer of the homelessness service. In June 2015, London Borough of Barnet's Housing Committee approved the provisional Heads of Terms for a new 10 year management agreement, commencing 1 April 2016, on expiry of the agreed delivery plan ending 31 March 2016. The details of the new ten year management agreement will be worked on from July 2015 with an anticipated date for conclusion in October 2015.

Barnet Homes Limited's principal source of income is a fixed management fee from the London Borough of Barnet, which is paid monthly in advance in accordance with the Agreement. The fee is set in advance, and the

main risk to the Company is that it is not able to deal with inflationary pressures in excess of that allowed for or is unable to maintain levels of rents and service charge income collection for the Council due to the economic situation. The absence of inflationary increases on the management fee income has caused an impact with public sector pay increases now being reintroduced and pension auto enrolment continues to have an impact. The Council is also embarking on a five year savings programme aimed at delivering over £90 million of efficiencies of which Barnet Homes will have to contribute its own share. Barnet Homes level of Housing Revenue Account (HRA) efficiencies to be delivered from its management fee income is £2.8 million over a five year savings programme. £240,000 of HRA efficiencies have been delivered in year 2015/16 with outstanding efficiencies of £2.6 million to be delivered by year 2019/20.

The levels of stock managed under the Agreement continue to reduce as the Council's regeneration programme gains momentum and Right To Buy (RTB) increases. With RTB sales unit exceeding 100 units per year and rising, the Company is assessing opportunities to replace this loss of activity with new business. However the present economic climate has led to uncertainty around the regeneration timetable and a need for investment in the management and maintenance of properties that was not previously planned. We continue to work closely with the Council and its development partners in seeking to improve our service to residents on the regeneration estates.

This year has seen three significant challenges to Barnet Homes Limited which have required a strong response to mitigate:

1. The continued high level of demand for housing through pressures of homelessness and the lack of availability of affordable accommodation, placing further General Fund pressures on the Council and resource pressures on our services.
2. Pressures on income collection through

the general squeeze on incomes and the impact of welfare reform.

3. Introduction of our new housing management system and the inevitable result of practical issues that follow such a sizeable change.

Health and Safety of our employees and customers is another significant risk with electrical rising main replacement and fire risk safety in our homes becoming major issues and requiring major investment over the next few years.

Your Choice (Barnet)'s current contract with the Council runs until February 2017. Communications with the London Borough of Barnet about the future arrangements are being progressed. Our principal source of income is the management fee from the London Borough of Barnet, which is now paid monthly in arrears and is based on its client's use of our services.

Your Choice (Barnet)'s cost saving activities completed on 1 April 2014 in relation to the 9.5% pay reduction for employees has led to on-going strike actions. The Unions balloted for industrial action and there were 11 days of strike action in the financial year. The dispute has not been resolved and the last strike action occurred in March 2015. The company was able to provide services for some service users in alternative locations to the Centres that were closed during the days of industrial action.

Despite the 9.5% pay reduction for employees, generally Your Choice (Barnet) still makes relatively high rates of pay to employees (which includes the London Living Wage) when compared with the Social Care Sector.

The Adult Social Care marketplace is extremely challenging with reviews of service users and the rates paid generally resulting in reduction of income. If this trend continues it could impact on our ability to attract and retain good employees. The pay reduction for employees was put in place to ensure we

can be competitive in the marketplace on both the rates being paid but also our employees salaries and wider terms and conditions.

It is widely accepted that Local Authority budgets for services like those delivered by Your Choice (Barnet) will face more significant cuts in the coming years and Your Choice (Barnet) will need to further align its costs with the market, without affecting quality of services. In addition Your Choice (Barnet) will need to ensure it has sufficient financial strength to repay the loan made by Barnet Homes in 2013.

Health and Safety and safeguarding of our employees and our service users is a major activity, especially as the majority of our service users have a significant range of disabilities.

Information Technology systems

In the year, the Group successfully implemented a new Finance System. This included an automated procure to pay purchase ordering system and an automated invoice approval system. The new automated purchase ordering system will further reduce the risk of procurement fraud and supplier payment fraud. It also ensures a more efficient and stream lined invoice approval process.

A new Housing Management System for rent services in Barnet Homes Limited was also implemented in the year and this included an integrated customer contact management system.

Barnet Homes Limited

Key financial performance indicators

Our robust financial management has ensured that our expenditure was broadly in line with budget and that we were able to divert resources during the year to areas where they were most needed. On the capital programme expenditure, we are working to the Council's five year programme and so fluctuations compared to budget are expected between financial years. The Capital programme

3. Strategic Report

expenditure is a budget we manage for the Council and is not reflected in our financial statements.

Key Performance Indicator	Target	2015	2014	2013	2012	2011
Percentage of total expenditure to budget on housing management/homelessness (homelessness from 2012)	+/-2% of budget	0.49%	+0.14%	-1.09%	-0.47%	-1.40%
Percentage of expenditure to budget on repairs and maintenance	+/- 2% of budget	0.01%	+0.27%	+0.30%	+0.02%	-0.01%
Percentage of expenditure to budget on the Council's capital works programme	+/- 2% of budget	-7.28%	-2.10%	-11.51%	-0.26%	-5.42%

The significant underspend in the Council's 2014/15 capital works programme was as a result of a number of factors which resulted in delays to capital works schemes including;

- some schemes required extended consultation with leaseholders to address concerns resulting in these schemes commencing later than initially planned,
- schemes being subjected to further options appraisals around alternative proposals for works,
- budgets being based on stock condition database information which primarily works on estimated component life. Once on site surveys were undertaken, the components were found to be in a condition where their life expectancy could be extended and

therefore the proposed works deferred.

The key performance indicators (KPIs) used to monitor achievement of the company's key objectives are set out below. The Board and London Borough of Barnet agree targets each year that are designed to manage development and deliver continuous improvement as outlined in the management agreement. The key performance indicators listed below do not impact on the company's operational and financial status as they are delivered for the Council. They however represent key indicators in the company's role as a homelessness and housing management agent for the Council.

General Key Performance Indicators for Housing Management and Homelessness

	2014/15	2013/14
Households in Emergency Temporary Accommodation (ETA)	455	471
Private Sector Lettings	392	324
Per cent of Households in ETA pending enquiries or intentionally homeless	31%	41%
Per cent of Major Works Voids	0.15%	0.22%
Annual Service Charge Collection	105%	102%
Gas compliancy	100%	99.7%
Gas repairs satisfaction	97.2%	97%
Reality Checks	98%	96%
Families in B&B over 6 weeks	0	0

Improvements against 2013/14 have been achieved on all comparable indicators in the table, excluding families in bed and breakfasts for over six weeks which remains nil as in prior year.

We have continued with strong performance on the indicator percentage of households in Emergency Temporary Accommodation (ETA) pending enquiries or intentionally homeless. This indicator aims to drive the efficiency of

decision making so that there should be limited numbers of households in ETA, to whom the council may not have a duty to assist either because they are not eligible for assistance or because a negative decision should be made on their application. At the end of the year, we exceeded the target of 37 per cent with 31 per cent of households in ETA (Prior year 41%) who are pending decision, have been made intentionally homeless or whose case has been cancelled.

Homelessness

Demand Indicators:	Q1 – Q4 2013/14	Q1 – Q4 2014/15	% Change
Number of homeless preventions completed	894	832	-7%
Number of regeneration decants	101	191	+89%

In 2014/15 we completed 832 preventions. The Welfare Reform Task Force continues to contribute to sustain people in their homes by getting them into employment and out of the overall benefit cap. The Domestic Violence and Sanctuary Coordinator works in enabling preventions by installing safety measures in households at risk of domestic

violence. Funding has also been obtained for a new refuge which will help with prevention in the coming year. The Youth Mediation Co-ordinator continues to work with families and their children to resolve conflict and where resolution is not possible, ensuring that there are planned moves into suitable accommodation.

Supply Indicators:	Q1 – Q4 2013/14	Q1 – Q4 2014/15	% Change
Percentage of emergency temporary accommodation units acquired above LHA rates	66%	70%	+4%
Total council housing lettings (Barnet Homes managed properties)	676	524	-22%
Total regeneration property lettings*	168	136	-19%
RSL Lettings	371	331	-11%

Households in emergency accommodation

Contextual Figures:	01/03/14	01/03/15	% Change
No' households in emergency accommodation (self contained accommodation)	471	455	-3%
No' households in Bed & Breakfast (B&Bs)	0	0	n/a

Significant progress was achieved in 2014/15 with mitigation activities against ever increasing temporary accommodation costs and the number of households in emergency accommodation falling to 455. The pan

London cap on the maximum rates paid for emergency accommodation by London Councils has helped to contain costs for emergency accommodation, with average net costs falling almost 15% since its introduction.

3. Strategic Report

Despite there being significant challenges faced in meeting demand, including additional pressure placed on services due to decants,

teams rose to the challenge in delivering affordable supply to meet demand.

Allocations and lettings

Average Re-let Times	Q1-Q4 2013/14	Q1-Q4 2014/15	% Change	2014/15 Target
All Barnet Homes	18	18.5	+3%	21
Non-Regeneration	18.3	17.1	-7%	17
Regeneration	15.3	19.9	30%	21
Hostels	14.4	9.9	-31%	10
Sheltered	32.8	34.1	+4%	45

The above table shows the average re-let times performance for the year 2014/15 in comparison to 2013/14. Apart from the non-regeneration units, where the target was missed by just 0.1 per cent, the performance on all other tenures was within target. This resulted in an overall performance of 18.5 days against a target of 21 days in 2014/15. Although the target for the average re-let time for 2014/15 was achieved, the performance of 18.5 days is slightly behind performance of 18 days in 2013/14. An area of challenge continues to be the letting of sheltered units,

which achieved 34.1 days in 2014/15 against 32.8 days in 2013/14. It appears that the specific requirements and preferences of the sheltered decants may be contributing to delays experienced in re-letting the units. To minimise the impact of this on the turnaround of the void properties, and to enable the vacant possession dates for the schemes to be met, we may need to review our approach and perhaps consider introducing a limit to the number of offers made, whilst retaining as much flexibility as possible, given the vulnerable nature of the client group.

Contextual Figures:	March 2014	March 2015	% Change
Number of tenants in arrears	3,324	4,277	+29%
Average arrears of those tenants in arrears	£405	£442	+9%
Number of tenants more than 7 weeks in arrears	479	587	+23%
Arrears as % debit	2.40%	3.53%	1.1%

At year end, HRA tenants rent arrears as a percentage of debit stands at 3.53% against a target of 2.83%.

Underlying trend analysis has shown that Housing Benefit (HB) contributions continue to decline significantly. For 2014/15 financial year, 55.5% of rent charges were paid by HB for our permanent stock. This has fallen from 57.2% for the 2013/14 financial year and 58.9% for the 2012/13 financial year. As a result of this drop, as at year end, we have received £1 million less in HB payments

compared to 2013/14 and this debt now needs to be collected at source. In this economic climate, this is proving to be a challenge where households on low incomes are already being squeezed and some of those on HB also have to fund payment for a percentage of their council tax bill for the first time, as a result of recent policy changes.

Temporary Accommodation rent collection - At year end, arrears as a percentage of debit stands at 6.63% against a target of 4.60%. This area of work remains an on-

going challenge with a continued increase in the numbers of households in Temporary Accommodation.

Similarly to HRA rent collection above, trend analysis shows a reduction in HB contribution. In the 2014/15 financial year, 86.1% of temporary accommodation rent charges were paid by HB. Again this has fallen from 87.0% for the 2013/14 financial year and 89.2% for the 2012/13 financial year. As a result of this drop, for the whole of the 2014/15 financial year, HB payments are £160,000 less than the payments received in 2013/14. In response, operational plans have been developed to ensure increased activity in relation to cash collections. This includes the use of discretionary housing fund and homeless prevention fund payments wherever possible and appropriate.

We expect reduced housing benefit payments to be a continuing trend for rent collection going forward.

Repairs & Gas Servicing

Responsive Repairs Satisfaction: Result: 97.2% (vs. target 95.0%) .

Tenant satisfaction for repairs for the year averaged 97.2% against a target of 95%. This is a considerable achievement given the introduction of a new IT system in May 2014 which had a significant impact on operational delivery. There were over 4,000 surveys undertaken in the year.

Quality assurance figures assessed by way of post inspection on repairs undertaken also ended the year on a positive note. Of the smaller reactive repairs, a pass rate of 98.8% has been achieved for the year against a target of 95%. On the larger planned works undertaken by the service, a pass rate of 94.4% has been achieved against a target of 95%.

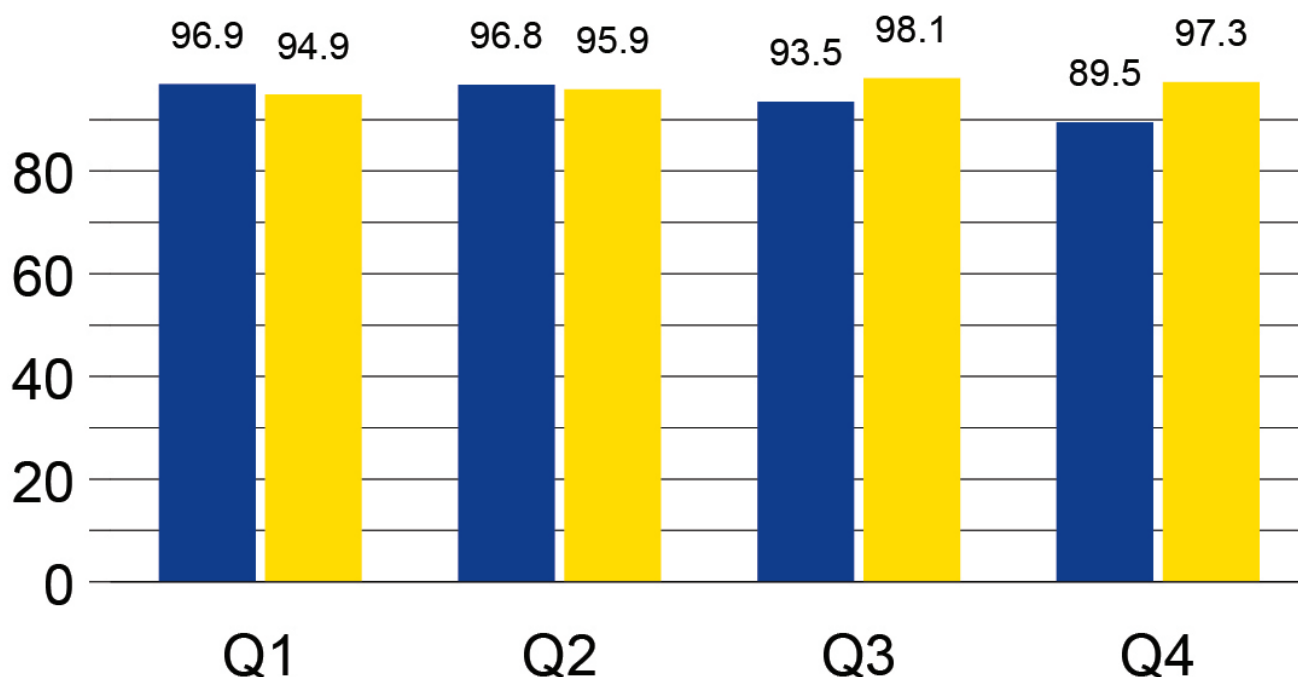
A strong performance has been maintained on gas servicing compliancy and we end the year with a 100% compliancy without any properties having gas servicing as overdue.

Major works satisfaction

Resident satisfaction levels for the year end exceeded the 94% target set for the year. Satisfaction levels at year end (quarter 4) reached 97.3% overall. The trend throughout the year had been relatively stable each month with performance only dipping below target during the first month (April 14). Performance

peaked in quarter 3 with 98.1%.

Satisfaction surveys were received for works relating to and completed by our partner contractor, Lovell for fire safety, electrical rising mains, electrical rewiring, roofing & window replacement works. There were also surveys from a partner contractor for external redecoration.



There were a total of 2,140 resident satisfaction surveys completed in the reporting year, with 1,574 tenant responses and 566 leaseholders. Overall leaseholder satisfaction in relation to major works for the year reached 98.1%. For all quarters, the satisfaction survey result exceeded the target of 94%.

Future Developments

The provisional Heads of Terms for the 10 year management agreement approved by the Council in June 2015 will be finalised by October 2015 with a start date from 1 April 2016.

The company continues to undertake a building programme for the Council after delivering the first newly built council homes in Barnet in the previous year. A further programme of 91 properties is underway and due to be fully completed in the next 2 years. The Council has provisionally agreed for the

company to undertake a new build programme on its behalf and there is a pipeline of 400 – 500 new homes to be built under the new ten year management agreement.

Further work is required on the All Systems Go Project housing management system which went live in May 2014 and this will continue in the coming year with the aim of delivering further improvements to our services and implementing the system for leasehold services.

On behalf of the Council, Barnet Homes successfully bid for £750,000 Right To Buy Social Mobility grant funding from the Department of Communities and Local Government. The successful bid has resulted in the allocation of funding to run the scheme initially for 12 months, providing 25 qualifying tenants (including those in Housing Association accommodation with the

preserved Right to Buy) with £30,000 each to give up their Council property and secure tenancy. The grant must be used towards the purchase of another home on the open market in the UK. The aim of the scheme is to

make available 25 properties to social housing clients, in an environment where there is a shortage of housing supply.

Your Choice (Barnet) Limited

Key Financial Performance Indicators

As a result of the significant cost reduction programmes implemented in the prior year and the increased income in this year, the actual

outturn against the annual budget has seen a significant improvement. The increased growth income and favourable terms in relation to the escorting income have mainly materialised in the improved position against budget.

Key Performance Indicator	Target	2013	2014	2015
Percentage of expenditure to budget	+/-2% of budget	2.97%	++11.86%	-2%
Percentage of income to budget	+/-2% of budget	+1.39%	-1.55%	+2.14%

The facilities within our services are generally modern and very well equipped and our staff are dedicated and provide high quality services. It is obviously important for the success of Your Choice (Barnet) to more

effectively utilise the available facilities. Even where we are close to capacity, small changes to the facilities or changes in working practices should allow us to further expand capacity.

Service utilisation

	2013/14 Utilisation	2014/15 Utilisation	2014/15 Target	% Delivered within commissioned	% Delivered incl. over- delivered
Barnet Independent Living Service (BILS)	90%	90%	95%	80%	80%
Community Space	98%	97%	95%	91%	91%
Flower Lane	98%	97%	95%	94%	94%
Rosa Morison	99%	98%	95%	88%	88%
Supported Living	98%	99%	95%	97%	98%

Percentage utilisation (units delivered plus undelivered but billable, divided by units commissioned) has remained fairly stable for Year 2014/15 compared to 2013/14. BILS continues to be the service which has missed its target. The other utilisation indicators have remained stable against the previous year.

Valley Way voids utilisation

In addition, our respite service Valley Way saw an overall void rate of 19% in 2014/15, with Mondays to Thursdays at 23% and Friday to Sunday at 12%. Valley Way whilst missing target for the year has shown considerable improvement vs. 2013/14 Year with the overall vacancies decreased from 27% to 19%.

	2013/14 Outturn	2014/15 Outturn	Target
Valley Way	27%	19%	5%
Monday -Thursday	32%	23%	5%
Friday - Sunday	22%	12%	5%

3. Strategic Report

Referrals

2014/15 saw a positive number of referrals for our services which resulted in the company

exceeding the overall annual target set for referrals.

Indicator description	2013/14 Outturn	2014/15 Outturn	2014/15 Target
Number of referrals from within the London Borough of Barnet	15	34	20
% of total	29%	51%	n/a
Number of referrals from other LAs	22	23	20
% of total	42%	34%	n/a
Number of other referrals (e.g. self)	15	10	20
% of total	29%	29%	n/a
Total Number of Referrals	52	67	60

Overall, the referral rate has exceeded the target set for 14/15 (60) with an actual outturn of 67 in the year. We have met out full year target in two of the three referral areas and

have significantly received more referrals overall than 2013/14 (an increase of 29 per cent).

New Clients

	2013/14	2014/15
Your Choice	30	50
BILS	0	1
Community Space	4	5
Flower Lane	5	8
Rosa Morison	7	11
Supported Living	1	3
Valley Way	13	22

We have seen a significant increase in the total number of new clients joining the company over the year, in comparison to 2013/14. This has been partly driven by

increased referrals and a total of 20 new clients above 2013/14 trend were achieved in the year.

Outcomes

Indicator description	2013/14 Outturn	2014/15 Outturn
Receiving a lower service level	0	22
Receiving a higher service level	9	21
Moved on / left the service	7	7

The annual reviews for each service user measured outcomes across generic areas. 22 service users received funding for a lower service level, whilst 21 service users received funding for a higher service level. This

represents a small net reduction. A total of 7 service users left the company's services, the same as last year.

In the year, the company only had eleven

safeguarding alerts and only two of these alerts were upheld by care management as safeguarding issues.

Care Quality Commission (CQC)

Inspections

During 2014/15 the CQC carried out inspections at both of the YCB regulated services, Supported Living and Valley Way, the inspections were part of the second wave of the new style inspection regime that CQC have introduced in order to improve the way that they inspect and regulate services.

CQC reviews the service against the regulations to assess whether it is Safe, Effective, Caring, Responsive and Well-Led; a rating is then applied of, Outstanding, Good, Requires Improvement or Inadequate to each area.

The **Supported Living** service was inspected on the 6th and 7th August 2014 and the draft report was received on the 02nd February 2015 giving the service an overall rating of 'Inadequate'.

There were areas of the service that the report highlighted that required improvement, and an action plan was put in place to ensure that these were made in a timely manner, the action plan has been successfully implemented.

Valley Way respite service was inspected on the 25th March 2015 and the draft report was received on the 20th May 2015 giving the service an overall rating of 'Good'.

This report was very positive and highlighted the good quality person-centred service that is being provided by the team at Valley Way. Reference was also made to the excellent relationships that the manager and her team has with family members, which is vital to the success of respite services in delivering strong and measurable outcomes for the people we support.

Future Developments

Your Choice (Barnet) continues to offer competitive pay scales and staff benefits that are at the higher end in comparison to other social care providers and the sector in general. These benefits include a commitment to paying the London Living Wage as a minimum with the majority of staff above this level, generous annual leave and a Local Government Pension Scheme. Strategically, we are well placed and will be unaffected by the governments recently announced National Living Wage scheme, which could provide a challenge for some of our competitors to implement within their business plans.

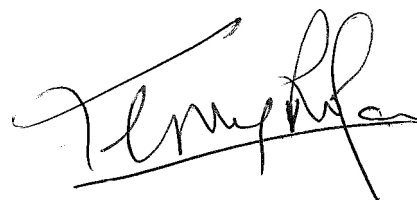
Following an exceptional year of growth last year the YCB services will aim to maintain the service levels achieved with growth targets concentrated at Valley Way respite service and Community Space day services.

Discussions about the services that the organisation provides continue with the Council and future developments will be aligned to the key priorities identified by Adult Social Care Services.

Due to the savings that have been realised over the past two years, Your Choice (Barnet) is better placed to bid for new business in Barnet and surrounding Boroughs and opportunities will be reviewed for suitability to tender as they arise.

Approval and signature

The strategic report of the Directors was approved by the Board on 28 September 2015 and signed on its behalf by



Terry Rogers, Chair

4. Independent auditor's report to the members of The Barnet Group Limited

We have audited the financial statements of The Barnet Group Limited for the year ended 31 March 2015 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flow, the consolidated statement of changes in equity, the company statement of comprehensive income, the company balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

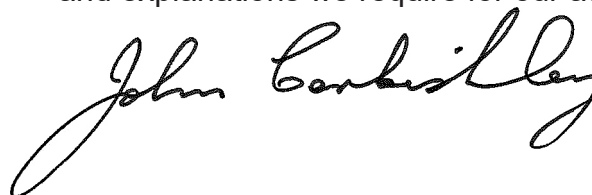
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' and Strategic Reports for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



John Corbishley
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP

29/10/2015.



The Barnet Group Limited
Financial Statements for the year ended 31 March 2015

Consolidated Statement of Comprehensive Income
for the year ended 31 March 2015

	Notes	2015 £'000	2014 £'000
Revenue	3	56,011	52,469
Employee benefits expense	13	(16,594)	(17,231)
Retirement pension obligation		62	(175)
Depreciation	8	(163)	(172)
Amortisation	9	(299)	(101)
Other expenses	4	(39,069)	(36,030)
Operating loss		<u>(52)</u>	<u>(1,240)</u>
Finance income	7	1,946	1,377
Finance costs	7	(3,155)	(2,677)
Loss before tax		<u>(1,261)</u>	<u>(2,539)</u>
Income tax expense	16	(23)	(19)
Loss after tax		<u>(1,284)</u>	<u>(2,558)</u>
Other comprehensive income			
Actuarial (loss)/profit on pension scheme	13	(8,874)	4,953
Total comprehensive income for the year		<u>(10,158)</u>	<u>2,395</u>
Total comprehensive income is attributable to:			
London Borough of Barnet		<u>(10,158)</u>	<u>2,395</u>

Reconciliation of total loss for the year after tax		
	2015 £'000	2014 £'000
Loss for the period	(116)	(871)
Loss from IAS19 pension fund accounting entries	(1,168)	(1,687)
Total loss for the year after tax	<u>(1,284)</u>	<u>(2,558)</u>

Consolidated Statement of Financial Position

as at 31 March 2015

	Note	2015 £'000	2014 £'000
ASSETS			
Non-current assets			
Tangible Assets			
Property, plant and equipment	8	595	488
Intangible Assets			
Computer Software & Development	9	1,820	1,384
		<u>2,415</u>	<u>1,872</u>
Current assets			
Trade and other receivables	10	13,244	14,707
Cash and cash equivalents	11	8,932	3,725
		<u>22,176</u>	<u>18,432</u>
Total assets		<u>24,591</u>	<u>20,304</u>
EQUITY and LIABILITIES			
EQUITY			
Revenue reserve (excluding IAS 19 provisions)		1,329	1,445
Pension fund		(39,001)	(28,957)
Retained earnings		(37,672)	(27,512)
Total Equity		<u>(37,672)</u>	<u>(27,512)</u>
LIABILITIES			
Non-current liabilities			
Pension and other employee obligations	13	39,001	28,957
Provisions	14	122	194
		<u>39,123</u>	<u>29,151</u>
Current liabilities			
Trade and other payables	15	23,117	18,644
Current tax liabilities	16	23	21
		<u>23,140</u>	<u>18,666</u>
Total liabilities		<u>62,263</u>	<u>47,817</u>
Total equity and liabilities		<u>24,591</u>	<u>20,304</u>

The financial statements were authorised and approved by the Board on 28 September 2015 and signed on its behalf by:

Terry Rogers, Chair

Company Number: 07873964

Consolidated Statement of Cash Flow
for the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Cash flows from operating activities			
Loss before tax		(1,261)	(2,540)
Interest income		(46)	(40)
Depreciation of property, plant and equipment		163	172
Amortisation of intangible assets		299	101
Loss on disposal of non-financial assets		-	2
Change in pension assets		(6,531)	(6,388)
Change in pension liabilities		16,575	3,123
Actuarial loss on pension scheme		(8,874)	4,953
Change in provisions		(72)	(74)
Taxes paid		(23)	(22)
Other			
Net cash from operating activities		<u>229</u>	<u>(713)</u>
Net changes in working capital:			
Change in trade and other receivables		1,456	(5,732)
Change in trade and other payables		4,601	1,868
Change in other employee obligations		(119)	84
Total changes in working capital		<u>5,937</u>	<u>(3,780)</u>
Cash flows from investing activities			
Interest received	7	46	40
Purchases of equipment	8	(1,005)	(1,248)
Decrease in short term investment		-	507
Net cash used in investing activities		<u>(959)</u>	<u>(701)</u>
Net increase/(decrease) in cash and cash equivalents		5,207	(5,194)
Cash and cash equivalents at beginning of year		3,725	8,919
Cash and cash equivalents at end of year	11	<u>8,932</u>	<u>3,725</u>

Consolidated Statement of Changes in Equity

	Revenue Reserve (excl IAS19 provisions) £'000	Pension Fund £'000	Total retained earnings £'000
Balance as at 1 April 2013	2,316	(32,223)	(29,907)
Profit/ (loss) for the year	(871)		(871)
Increase in retirement pension obligation		(1,687)	(1,687)
<i>Other comprehensive income:</i>			
Actuarial gain on pensions scheme		4,953	4,953
Total comprehensive income for the year	(871)	3,266	2,395
Balance as at 31 March 2014	1,445	(28,956)	(27,511)
Balance as at 1 April 2014	1,445	(28,956)	(27,511)
(loss) for the year	(116)		(116)
Increase in retirement pension obligation		(1,168)	(1,168)
<i>Other comprehensive income:</i>			
Actuarial loss on pensions scheme		(8,874)	(8,874)
Total comprehensive income for the year	(116)	(10,042)	(10,157)
Balance as at 31 March 2015	1,329	(38,998)	(37,668)

Company Statement of Comprehensive Income
for the year ending 31 March 2015

	Note	2015 £'000	2014 £'000
Revenue		-	-
Employee benefits expense		-	-
Retirement pension obligation		-	-
Depreciation		-	-
Other expenses	3	(26)	(38)
Operating loss		<u>(26)</u>	<u>(38)</u>
Finance income	4	9	8
Finance costs		(1)	(1)
Loss before tax		<u>(18)</u>	<u>(31)</u>
Income tax expense	9	-	1
Loss after tax		<u>(18)</u>	<u>(31)</u>
Other comprehensive income			
Actuarial profit/(loss) on pension scheme		-	-
Total comprehensive income for the year		<u><u>(18)</u></u>	<u><u>(31)</u></u>
Total comprehensive income is attributable to:			
London Borough of Barnet		<u><u>(18)</u></u>	<u><u>(31)</u></u>

Reconciliation of total profit for the year after tax		
	2015 £'000	2014 £'000
Loss for the period	(18)	(31)
(Loss)/profit from IAS19 pension fund accounting entries	-	-
Total loss for the year after tax	<u><u>(18)</u></u>	<u><u>(31)</u></u>

Company Statement of Financial Position

as at 31 March 2015

	Note	2015 £'000	2014 £'000
Current assets			
Trade and other receivables	5	12,434	9,526
Cash and cash equivalents	6	1,880	1,854
		<u>14,314</u>	<u>11,380</u>
Total assets		<u>14,314</u>	<u>11,380</u>
EQUITY and LIABILITIES			
EQUITY			
Revenue reserve		(82)	(65)
Total Equity		<u>(82)</u>	<u>(65)</u>
LIABILITIES			
Current liabilities			
Trade and other payables	8	14,396	11,444
Current tax liabilities	9	-	1
		<u>14,396</u>	<u>11,445</u>
Total liabilities		<u>14,396</u>	<u>11,445</u>
Total equity and liabilities		<u>14,314</u>	<u>11,380</u>

The financial statements were authorised and approved by the Board on 28 September 2015 and signed on its behalf by:

Terry Rogers, Chair

Company Number: 07873964

Accounting policies and explanatory notes to the financial statements

Year ended 31 March 2015

1. General information and statement of compliance with IFRS

This is the Barnet Groups third accounting period. The Barnet Group is a local authority controlled company of the London Borough of Barnet limited by shares. The Company is incorporated and domiciled in England. The address of the registered office is Barnet House, 1255 High Road, Whetstone, London N20 0EJ. The company's registration number is 07873964.

The financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and as developed and published by the International Accounting Standards Board (IASB) and on a historical cost basis.

Implementation of new accounting standards and policies

The financial statements have been prepared using accounting policies specified by those IFRSs that are in effect at 31 March 2015.

The significant accounting policies that have been applied in preparation of the financial statements are summarised below.

These accounting policies have been used throughout all periods presented in the financial statements.

New standards and interpretations currently in issue but not effective, based on EU mandatory effective dates, for accounting periods commencing on 1 April 2014 are:

- IFRS 9 Financial Instruments (IASB effective date 1 January 2018)
- IFRS 14 Regulatory Deferral Accounts (effective 1 January 2016)
- IFRS 15 Revenue from Contracts with Customers (effective 1 January 2017)*
- IFRIC Interpretation 21 Levies (IASB effective 17 June 2014)
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) (IASB effective date 1 Feb 2015)
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (IASB effective date 1 January 2016)
- Clarification of Acceptable Methods of Depreciation and Amortisation – Amendments to IAS 16 and IAS 38 (IASB effective date 1 January 2016)
- Annual Improvements to IFRSs 2010-2012 Cycle (IASB effective date generally 1 Feb 2015)
- Annual Improvements to IFRSs 2011-2013 Cycle (IASB effective date 1 January 2015)
- Annual Improvements to IFRSs 2012-2014 Cycle (effective 1 January 2016)
- Amendments to IAS 16 and IAS 41: Bearer Plants (effective 1 January 2016)
- Amendments to IAS 27: Equity Method in Separate Financial Statements (effective 1 January 2016)
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception (effective 1 January 2016)
- Disclosure Initiative: Amendments to IAS 1 Presentation of Financial Statements (effective 1 January 2016)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (effective 1 January 2016)**

* IASB is to defer the effective date of IFRS 15 to 1 January 2018.

** Not likely to be adopted in its current form as the IASB is redeliberating this issue and is likely to defer the effective date indefinitely.

However, many of these are not yet adopted by EU.

- IFRS 9 Financial Instruments (IASB effective date 1 January 2018)
- IFRS 14 Regulatory Deferral Accounts (effective 1 January 2016)
- IFRS 15 Revenue from Contracts with Customers (effective 1 January 2017)
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (IASB effective date 1 January 2016)
- Clarification of Acceptable Methods of Depreciation and Amortisation – Amendments to IAS 16 and IAS 38 (IASB effective date 1 January 2016)
- Amendments to IAS 16 and IAS 41: Bearer Plants (effective 1 January 2016)
- Amendments to IAS 27: Equity Method in Separate Financial Statements (effective 1 January 2016)
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception (effective 1 January 2016)
- Disclosure Initiative: Amendments to IAS 1 Presentation of Financial Statements (effective 1 January 2016)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (effective 1 January 2016)

The aforementioned have not been adopted early by the Company. Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policy for the first period beginning after the effective date of the pronouncement. Certain other new standards, amendments and interpretations have been issued but are not expected to have a material.

Presentation of financial statements

The financial statements are presented in accordance with IAS 1 presentation of financial statements (Revised 2007). The Company has elected to present the statement of comprehensive income in one statement: the 'statement of comprehensive income'.

2. Summary of significant accounting policies

Basis of preparation

These financial statements are for the year ended 31 March 2015 and are presented in Pounds Sterling rounded to the nearest thousand.

The principal accounting policies of the Company are set out below and have been consistently applied to all years presented in these financial statements.

The principal accounting policies have remained unchanged from prior year except where stated.

Basis of consolidation

The company was incorporated on 7 December 2011 and is controlled by the London Borough of Barnet. On 1 February 2012, the company became the sole member of Barnet Homes Limited, a company previously controlled directly by the London Borough of Barnet. The services provided by Barnet Homes Limited remained unchanged, however, these services are now carried out under an agreement between The London Borough of Barnet and The Barnet Group Limited, who in turn have a management agreement with Barnet Homes Limited.

The Barnet Group Limited also holds 100% of the issued share capital of Your Choice (Barnet) Limited, a company which was also incorporated on 7 December 2011. On 1 February 2012, the London Borough of Barnet transferred certain services over to Your Choice (Barnet) Limited under a contract between The London Borough of Barnet and The Barnet Group Limited, who in turn have a management agreement with Your Choice Barnet Limited.

The directors considered the above restructuring to represent a business combination between entities under common control. This is because the London Borough of Barnet remained the ultimate controlling party of Barnet Homes Limited and therefore in substance, no change in control had occurred. Business combinations between entities under common control are outside the scope of *IFRS 3 Business Combinations (revised 2008)* and therefore acquisition accounting does not apply. The directors are therefore required to develop a suitable accounting policy under which to account for such a transaction.

In preparing these financial statements, the directors have adopted a policy of applying capital reorganisation accounting as this best represents the substance of the transactions which have taken place. In applying the capital reorganisation accounting, the consolidated balance sheet presented in the financial statements incorporates the assets and liabilities of Barnet Homes Limited at their pre-combination carrying amounts, without any fair value adjustments.

Going concern

The financial statements have been prepared on a going concern basis.

Due to the application of IAS19, the Groups pension deficit of £39.001m (2014: £28.957m) is recognised in full on the consolidated statement of financial position. However, the London Borough of Barnet has fully guaranteed the deficit in respect of Barnet Homes Limited at the point of its incorporation (on 1 April 2004). Furthermore, the London Borough of Barnet has also guaranteed the pension deficit in respect of Your Choice Barnet Limited at the point that the employees were transferred to Your Choice Barnet (on 1 February 2012).

In addition, the London Borough of Barnet has provided a letter of comfort to the Directors of Barnet Homes Ltd, setting out its intention to fund Barnet Homes Ltd's ongoing operational cash flow requirements from the point of incorporation onwards via the timing of the payment of the agreed monthly management fee. The directors have also prepared cash flow forecasts up to March 2017 which demonstrate that the group will have sufficient resources to continue as a going concern for the foreseeable future. Therefore the Board considers preparation on a going concern basis to be appropriate.

Revenue

Revenue represents the value (excluding value added tax) of services supplied and management fee to which the Group was entitled in respect of the financial year. The Group's main source of income is the management fee received from London Borough of Barnet in line with the approved management agreement which is fixed and also based on payment by usage for the adult social services arm of the business. The level of the fixed component of the annual management fee has been negotiated with the Council for a 5 year period ending in Year 2019/20, and thereafter will be negotiated either on an annual basis or over a longer period for the housing management arm of the business.

Sundry income is recognised so as to match revenue to the cost of delivering the relevant services in the same accounting year.

Grants received in respect of resident participation and other projects have been credited to the statement of comprehensive income in the same period as the expenditure to which they relate. Any surplus grant is held in deferred income as a current liability until such time that it is used to pay for future expenditure in relation to that project.

Interest income

Interest received on bank deposits is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable. Any interest receivable that is due has been accrued accordingly.

Operating expenses

Operating expenses are recognised in the statement of comprehensive income upon utilisation of the service or at the date of their origin.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at historic cost less accumulated depreciation. Depreciation is provided on all property, plant and equipment at rates calculated to write off the costs on a straight-line basis over their expected useful lives (with no charge in the year of acquisition) as follows:

Vehicles, plant & equipment: 5 years

Furniture, fixtures & fittings: 5 years

Computer equipment and software: 3 years - 5 years

The Group elected to change its estimation of the expected useful economic live for computer equipment and software from 3 years to 5 years from Year 2013/14. Assets purchased are depreciated over a 5 year period and the outstanding balances on existing assets are depreciated over a 3 year period.

Any obsolete assets with a net book value will have all costs written off immediately to the Statement of Comprehensive Income.

The profit or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

Leases

All current leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straight line basis over the lease term. Associated costs are expensed as incurred.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value, except for financial assets and financial liabilities carried at fair value through profit and loss, which is measured initially at fair value.

Financial assets and financial liabilities are measured subsequently as described below.

Financial assets

For the purpose of subsequent measurement, financial assets are classified into categories upon initial recognition.

The category determines subsequent measurement and whether any resulting income and expense is recognised in ascertaining the profit or loss or in other comprehensive income.

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income and are presented within 'finance cost', 'finance income' or 'other financial items', except for impairment of trade receivables which is presented within 'other expenses'.

Loans and receivables

All of the Groups financial assets are classified as loans and receivables.

Trade and other receivables are initially recognised at fair value and subsequently carried at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cashflows.

Movements in the provision for doubtful debts are recognised in the statement of comprehensive income.

Generally, this results in their recognition at their nominal value less any allowance for any doubtful debts.

Financial liabilities

Financial liabilities include borrowings and trade and other payables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Financial liabilities are contractual obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are recorded initially at fair value, net of direct issue costs.

Financial liabilities are recorded at amortised cost using the effective interest method, with interest related charges recognised as an expense in finance cost in profit or loss. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to profit or loss on an accruals basis using the effective interest method, and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost.

Generally, this results in their recognition at their nominal value.

Income tax

The relationship between the Group and the London Borough of Barnet has been recognised as one of mutual trading. Consequently, any activities between the Group and the London Borough of Barnet are not liable to corporation tax. Albeit not under a direct ALMO Structure, HM Revenue and Customs states that in substance the Group's trading activities are that of an ALMO, therefore profits and losses incurred as a result, fall outside the scope of corporation tax. Income tax expense represents the sum of tax currently payable and deferred tax where applicable. The corporation tax currently payable is based on the taxable profit for the year from taxable ordinary activities, which have been generated from trading with third parties and investment income (interest received).

Deferred tax is provided on timing differences that have arisen but not reversed by the statement of financial position date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the statement of financial position date. Deferred tax assets and liabilities are not discounted.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits repayable on demand and other short term liquid resources maturing within 3 months.

Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Short term liquid resources are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. They comprise term deposits with financial institutions.

Short term investment

Cash invested in fixed deposit accounts to obtain a higher rate of interest, with a notice period, which are not readily convertible to cash and with no maturity date are classified as short term deposits.

Equity and reserves

Retained earnings include all current and prior period retained profits.

Post employment benefits and short term employee benefits

During the year, the Group operated a contributory defined benefit statutory pension scheme covering its present and past employees. International Accounting Standard 19 (IAS19) requires the net pension asset or liability of a company's pension scheme to be recognised in full on the statement of financial position. Accordingly, the Group's full net pension liability has been recorded in the consolidated statement of financial position of The Barnet Group Limited. The Company does not have any employees and therefore does not operate a pension scheme.

The regular service cost of providing pension benefits to employees during the year, the costs or gain of any benefits relating to past service, together with the loss on settlements and curtailments is charged to "Employee salaries and benefits" in the statement of comprehensive income in the year. Past service costs or gain arises when the Group awards additional discretionary benefits. A change in benefits may result in either a past service cost or a past service gain. Loss on settlements and curtailments arise as a result of some members transferring from another employer over the year, and as a result of the early payment of accrued pensions on retirement on the grounds of redundancy or early retirement.

Interest on the pension scheme liabilities is charged to "Finance costs" in the consolidated statement of comprehensive income in the year.

The expected return on the assets of the pension scheme during the year is based on the bid value of the assets at the start of the financial year and is recognised within "Finance income" in the statement of comprehensive income in the year.

Provisions, contingent liabilities and contingent assets

Provisions and contingent liabilities are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date, and are discounted to present value where the effect is material. The Group has no contingent assets.

Significant management judgements in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgements, estimates and assumptions made by management, and will seldom equal estimated results.

Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below.

Defined benefit liability

Management estimates the defined benefit liability annually with the assistance of independent actuaries; however, the actual outcome may vary due to estimation uncertainties. The defined benefit liability of £39,001,000 (2014: £28,957,000) is based on standard rates of inflation and mortality. It also takes into account the Company's specific anticipation of future salary increases. Assumptions are set with reference to market conditions at the year end. The discount rate is the annualised yield at the 25 year point on the Merrill Lynch AA rated corporate bond yield curve which has been chosen to meet the requirements of IAS19 and with consideration of the duration of the Employer's liabilities. Estimation uncertainties exist as the anticipated assumptions could vary.

Provisions

Provisions are mainly in relation to insurance excess on public liability claims, staff redundancy costs and disrepair claims. The disrepair provision is based on Management's estimate of all potential outstanding claims at the year end (many of which originated in prior years). The estimate includes potential legal and compensation costs. It is possible that some of the claims may take several years to process through the legal system. Estimation uncertainties exist particularly with regard to the timing and amount of expenditure.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date based on the expected utility of the assets to the Group. The carrying amounts are analysed in note 9. Actual results, however, may vary due to technical obsolescence, particularly for software and IT equipment.

3. Revenue

Revenue is attributable to the principal activities of the Group and arises solely within the United Kingdom.

	2015	2014
	£'000	£'000
Management fee paid by the London Borough of Barnet in respect of:		
Barnet Homes housing management, homelessness and support services	41,040	37,725
Barnet Homes repairs and maintenance	7,650	7,800
Your Choice (Barnet) adult social care services	4,766	4,522
Total fee received from London Borough of Barnet	<u>53,456</u>	<u>50,047</u>
Capital works carried out directly by Barnet Homes	1,085	1,118
Total income from the London Borough of Barnet	<u>54,541</u>	<u>51,165</u>
Other operating income	1,470	1,304
Total revenue	<u><u>56,011</u></u>	<u><u>52,469</u></u>

4. Other expenses

	2015	2014
	£'000	£'000
Housing, estate, hostel repairs & maintenance	8,318	8,317
Third party landlord and temporary accommodation costs	17,219	14,240
Agency Staff	4,059	3,860
Information Technology	1,300	1,198
Grounds Maintenance	659	610
Utility	1,454	1,517
Legal	567	705
Auditors remuneration - statutory audit	42	44
Auditors remuneration - for other services	19	22
Other	5,429	5,517
	<u>39,069</u>	<u>36,030</u>

The other services provided by the auditors relate to a corporation tax compliance, online services to file the statutory accounts with HMRC and Companies House.

5. Loss for the year

The loss for the year has been arrived at after charging the following,

	2015 £'000	2014 £'000
Depreciation of property, plant and equipment	457	273
Employee salaries and benefits	16,594	17,231
Auditors remuneration - statutory audit	35	35
Auditors remuneration - for other services	13	11
	<u>17,099</u>	<u>17,650</u>

6. Commitments under operating leases

Group

	2015 £'000	2014 £'000
Within one year	139	129
Later than one year but within five years	73	98
	<u>212</u>	<u>227</u>

The Group leases several vehicles under operating leases from the Council. The vehicle leases vary from a period of less than one year to two years with a fixed lease and overhead cost for the same period. There is an annual service level agreement with the Council to cover the lease of the vehicles. The total number of vehicles with operating leases in 2015 is 17 (2014: 16).

The total number of plant and equipment with operating lease in 2015 is nil (2014: 17).

Company

The Company does not have any commitments under operating leases.

7. Finance income and finance cost

	2015 £'000	2014 £'000
Finance income:		
- bank deposit and short term investment interest	46	40
- return on retirement benefit scheme assets	1,900	1,337
	<u>1,946</u>	<u>1,377</u>
Finance cost - interest on retirement benefit obligation	<u>(3,155)</u>	<u>(2,677)</u>

8. Tangible Assets

Property, plant and equipment

Group

	Vehicles, plant & equipment £'000	Furniture, fixtures & fittings £'000	Mobile Devices	Computer equipment £'000	Total £'000
Gross carrying amount					
Balance 1 April 2014	135	277	-	1,260	1,672
Reclassifications	-	-	-	-	-
Additions	9	13	45	203	270
Balance 31 March 2015	<u>144</u>	<u>290</u>	<u>45</u>	<u>1,463</u>	<u>1,942</u>
Depreciation and impairment					
Balance 1 April 2014	63	262	-	861	1,185
Charge for year	23	7	-	133	163
Balance 31 March 2015	<u>86</u>	<u>269</u>	<u>-</u>	<u>994</u>	<u>1,348</u>
Carrying amount 1 April 2014	73	15	-	399	488
Carrying amount 31 March 2015	<u>58</u>	<u>21</u>	<u>45</u>	<u>470</u>	<u>595</u>

At the balance sheet date the group was not committed to purchasing any fixed assets.

9. Intangible Assets

Group

	Computer Software & Development £'000	Total £'000
Gross carrying amount		
Balance 1 April 2014	1,485	1,485
Reclassifications	-	-
Additions	735	735
Disposals	-	-
Balance 31 March 2015	2,220	2,220
Amortisation		
Balance 1 April 2014	101	101
Charge for year	299	299
Disposals	-	-
Balance 31 March 2015	400	400
Carrying amount 1 April 2014	1,384	1,384
Carrying amount 31 March 2015	1,820	1,820

10. Trade and other receivables

Group

	2015 £'000	2014 £'000
Amounts receivable within one year:		
Trade receivables, gross	184	267
Provision for doubtful debt	(10)	(6)
Trade receivables	<u>173</u>	<u>261</u>
Amounts due from the London Borough of Barnet	11,400	12,861
Financial assets	<u>11,573</u>	<u>13,122</u>
Other debtors	290	6
Prepayments and accrued income	<u>1,380</u>	<u>1,579</u>
Non-financial assets	<u>1,671</u>	<u>1,585</u>
Trade and other receivables	<u>13,244</u>	<u>14,707</u>

The trade receivables ageing analysis is as follows:

	2015 £'000	2014 £'000
Current		
0-30 days	8,830	12,720
31-60 days	2,140	69
> 60 days	<u>603</u>	<u>333</u>
	<u>11,573</u>	<u>13,122</u>

The Group's management considers that all of the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

Company

	2015 £'000	2014 £'000
Amounts receivable within one year:		
Amounts due from the London Borough of Barnet	10,196	8,808
Amounts due from subsidiaries	<u>2,236</u>	<u>714</u>
Financial assets	<u>12,432</u>	<u>9,522</u>
Other debtors		
Prepayments and accrued income	<u>1</u>	<u>4</u>
Non-financial assets	<u>1</u>	<u>4</u>
Trade and other receivables	<u>12,433</u>	<u>9,526</u>

The trade receivables ageing analysis is as follows:

	2015 £'000	2014 £'000
Current		
0-30 days	11,825	9,027
31-60 days	179	267
> 60 days	<u>430</u>	<u>228</u>
	<u>12,434</u>	<u>9,522</u>

The Group's management considers that all of the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

11. Cash and cash equivalents

Group

	2015 £'000	2014 £'000
Bank accounts	7,420	2,705
Cash in hand	8	9
Short term deposits	1,504	1,011
	8,932	3,725

Short term deposit represents cash held in a 31 Day Notice fixed deposit account (2014: Short term deposit represents cash held in instant access corporate bonus and business reward accounts).

Company

	2015 £'000	2014 £'000
Bank accounts	1,880	1,854
	1,880	1,854

12. Equity

12.1 Share Capital

The Barnet Group is a company limited by shares, with 100 £1 shares owned by The London Borough of Barnet. The Barnet Group is a local authority controlled trading company under the control of London Borough of Barnet.

13. Employee remuneration

13.1. Employee benefits expense

	2015 £'000	2014 £'000
Wages and salaries	12,876	13,241
Social security costs	990	1,037
Pensions costs	2,728	2,953
	16,594	17,231

Directors' salary costs are included in total employee costs.

In this financial year, wages and salary costs include redundancy costs of £241,642 (2014: 278,302) and pension costs include early retirement pension strain costs of £131,859 (2014: £98,777).

13.2. Employees

The average number of permanent employees (excluding agency staff) employed by the Group during the year was:

Service	2015	2014
Chief Executive Office	2	2
Growth & Development	48	47
Care & Support (Barnet Homes)	52	42
Operations Directorate	357	370
Non Executive Directors	7	7
	466	469

The Operations Directorate represents the permanent employees in both Barnet Homes Ltd and Your Choice (Barnet) Ltd.

13.3. Pension and other employee obligations

The Group operates a local government pension defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations 2007/08, as amended. It is contracted out of the State Second Pension.

The basis on which the net pension liability is recognised in the financial statements is set out in the accounting policies (note 1).

A full actuarial funding valuation was carried out at 31 March 2013 and updated to 31 March 2015 by a qualified independent actuary.

The actuarial report states that it was prepared in accordance with the International Accounting Standard 19 (IAS 19).

This forms the basis of the balance sheet and funding status disclosures to be made in respect of its pension obligations under the Local Government Pension Scheme.

For the year ending 31 March 2015, Barnet Homes Limited contributed to the Scheme at an equivalent rate of 25.8% of pensionable salaries. (2014: 25.8%)

For the year ending 31 March 2015, Your Choice (Barnet) Limited contributed to the Scheme at an equivalent rate of 24.3% of pensionable salaries (2014: 24.3%)

The financial assumptions used by the actuary were:

	31 March 2015		31 March 2014	
	% p.a.	% Real	% p.a.	% Real
RPI Increases	3.3	-	3.6	-
CPI Increases	2.5	-0.8	2.8	-0.8
Salary Increases	4.3	1	4.6	1
Pension Increases	2.5	-0.8	2.8	-0.8
Discount Rate	3.4	0.1	4.5	0.9

	31 March 2013	
	% p.a.	% Real
RPI Increases	3.4	-
CPI Increases	2.6	-0.8
Salary Increases	4.8	1.4
Pension Increases	2.6	-0.8
Discount Rate	4.7	1.3

For accounting years beginning on or after 1 January 2013, the expected return and the interest cost has been replaced with a single net interest cost, which effectively sets the expected return equal to the IAS19 discount rate.

Life expectancy from age 65 (years)		31 March 2015	31 March 2014
Retiring today	Males	22.1	22.0
	Females	24.4	24.3
Retiring in 20 years	Males	24.2	24.1
	Females	26.8	26.7

The post retirement mortality tables adopted are the S1PA tables with a multiplier of 110%. These base tables are then projected using the CMI 2012 Model, allowing for a long term rate of improvement of 1.5% per annum. Assumptions made were;

- Members will exchange half of their commutable pension for cash at retirement;
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age;
- 10% of active members will take up the option under the new LGPS to pay 50% of contributions for 50% of benefits.

Net pension liability as at	31 March 2015	31 March 2014
	£'000	£'000
Present Value of Funded Obligation	(86,277)	(69,641)
Fair Value of Scheme Assets (bid value)	47,884	41,353
Net liability	(38,393)	(28,288)
Present Value of Unfunded Obligation	(608)	(669)
Unrecognised Past Service Cost		
Net liability in statement of financial position	(39,001)	(28,957)

The amounts recognised in the profit and loss statement are as follows:

	31 March 2015	31 March 2014
	£'000	£'000
Service cost	2,627	2,967
Net interest in defined liability/ asset	1,246	1,459
Administration expenses	47	40
Total	3,920	4,466
Actual return on scheme assets	4,789	1,268

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	31 March 2015	31 March 2014
	£'000	£'000
Opening Defined Benefit Obligation	70,310	67,188
Current service cost	2,519	2,730
Interest cost	3,146	3,160
Change in financial assumptions	11,892	3,835
Change in demographic assumptions	-	(705)
Experience gain on defined benefit obligation	(129)	(5,850)
Liabilities extinguished on settlements	-	-
Estimated benefits paid (net of transfers in)	(1,667)	(979)
Past service cost	108	237
Contributions by Scheme participants	729	717
Unfunded pension payments	(23)	(23)
Closing Defined Benefit Obligation	86,885	70,310

Reconciliation of opening and closing balances of the fair value of scheme assets

	31 March 2015	31 March 2014
	£'000	£'000
Opening fair value of scheme assets	41,353	34,965
Interest on assets	1,900	1,701
Return on assets less interest	2,889	(433)
Other Actuarial gains/(losses)	-	2,666
Administration expenses	(47)	(40)
Contributions by employer including unfunded benefits	2,750	2,778
Contributions by scheme participants	729	717
Estimated benefits paid (net of transfers in)	(1,690)	(1,001)
Settlement prices received/ (paid)	-	-
Fair value of scheme assets at end of period	47,884	41,353

Re-measurements and Other Comprehensive Income

	31 March 2015	31 March 2014
	£'000	£'000
Return on plan assets in excess of interest	2,889	(433)
Other actuarial gains/(losses) on assets	-	2,666
Change in financial assumptions	(11,892)	(3,835)
Change in demographic assumptions	-	705
Experience gain/(loss) on defined benefit obligation	129	5,850
Changes in effect of asset ceiling	-	-
	(8,874)	4,953

Sensitivity analysis

	£'000	£'000	£'000
	+0.1%	0.0%	-0.1%
Adjustment to discount rate			
Present Value of Total Obligation	85,238	86,885	88,566
Projected Service Cost	3,031	3,098	3,166
Adjustment to long term salary increase			
	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	87,158	86,885	86,614
Projected Service Cost	3,099	3,098	3,097
Adjustment to pension increases and deferred revaluation			
	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	88,307	86,885	85,493
Projected Service Cost	3,165	3,098	3,032
Adjustment to mortality age rating assumption			
	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	83,809	86,885	89,990
Projected Service Cost	2,991	3,098	3,207

Projections for year to 31 March 2015

	Year to 31 March 2015 £'000
Service cost	3,098
Net interest cost	1,281
Administration	55
Total	4,434
Employer contributions	2,649

These projections are based on the actuarial assumptions as at 31 March 2015.

Assets

The estimated asset allocation for Barnet Homes Ltd as at 31 March 2015 is as follows;

Employer Asset Share - Bid Value	31 March 2015		31 March 2014	
	£'000	%	£'000	%
Equities	31,947	67%	28,121	68%
Gilts	-	-	-	-
Other Bonds	15,451	32%	12,819	31%
Cash	486	1%	414	1%
Alternative Assets	-	-	-	-
Total	47,884	100%	41,353	100%

The bid values are estimated where necessary. No allowances for rounding in the figures presented. The final asset allocation of the Fund assets as at 31 March 2015 is likely to be different from that shown due to estimation techniques. Based on the above, the Employer's share of the assets of the Fund is approximately 4%.

14. Provisions

Group

	Insurance claims	Disrepair claims	Other provision	Total provisions
	£'000	£'000	£'000	£'000
4				
Carrying amount at 1 April 2014	85	0	108	195
Utilised	-	-	(106)	(106)
Released	(2)	-	-	(2)
Increase in provisions	-	-	37	37
Carrying amount at 31 March 2015	83	0	39	122

Insurance claims are provisions in respect of public liability claims which are outstanding at 31 March 2015. The Group's liability is restricted to the amount of the claim or the policy excess, whichever is the greater. The policy excess is currently £2,500. Disrepair claims are estimates relating to outstanding disrepair cases. The Group has provided for any such challenges where at the end of the year it is more likely than not that there is an obligation to be settled.

Other provision is the redundancy and early retirement pension strain costs (£36,522, £2014: 108,548) as a result of organisational restructure.

Company

The company had no provisions at 31 March 2015 (2014: nil)

15. Trade and other payables

Group

	2015	2014
	£'000	£'000
<i>Current:</i>		
Trade payables	4,403	293
Amount owed to the London Borough of Barnet	2,432	863
Financial liabilities	6,835	1,156
Other payables	68	114
Other taxation and social security	1,262	1,380
Accruals and deferred income	14,953	15,994
	23,117	18,644

The Group aims to pay all suppliers within the contract or invoice payment terms and within the limits set by the late payment legislation.

Company

	2015	2014
	£'000	£'000
<i>Current:</i>		
Trade payables	-	44
Amount owed to subsidiaries	10,726	7,431
Amount owed to the London Borough of Barnet	20	739
Financial liabilities	10,746	8,214
Other payables	-	32
Other taxation and social security	3,634	3,184
Accruals and deferred income	16	15
	14,396	11,445

16. Income tax expense

Tax charge per accounts

	2015 £'000	2014 £'000
Analysis of tax charge/(credit) for the period		
Current tax		
UK corporation tax at 23.00% (PY:24.00%)	23	20
Deferred tax		
Origination and reversal of temporary differences	-	-
Tax on profit on ordinary activities	<u>23</u>	<u>20</u>
Reconciliation of tax charge		
Loss on ordinary activities before tax	(1,263)	(2,539)
Tax on loss on ordinary activities at standard CT rate of 23.00% (2013/14 :21.00%)	(264)	(584)
Effects of:		
Expenses not deductible for tax purposes	289	590
Other permanent differences	-	1
Deferred tax not recognised	-	14
Marginal relief	(1)	(2)
Tax charge/(credit) for the period	<u>23</u>	<u>19</u>

17. Financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

Group

	Note	2015 £'000	2014 £'000
Financial assets			
Loans and receivables:			
Trade and other receivables	10	11,573	13,122
Cash and cash equivalent	11	8,932	3,725
		<u>20,506</u>	<u>16,847</u>
Financial liabilities			
Financial liabilities measured to amortised cost:			
Trade and other payables	15	<u>6,835</u>	<u>1,156</u>

Company

	Note	2015 £'000	2014 £'000
Financial assets			
Loans and receivables:			
Trade and other receivables	10	12,432	9,522
Cash and cash equivalent	11	1,880	1,854
		<u>14,312</u>	<u>11,376</u>
Financial liabilities			
Financial liabilities measured to amortised cost:			
Trade and other payables	15	<u>10,746</u>	<u>8,214</u>

18. Related party transactions

18.1 Transaction with controlling party/related parties

	2015	2014
	£'000	£'000
Invoices to London Borough of Barnet	100,780	88,756
Invoices from London Borough of Barnet	2,811	3,927
Amount owed to London Borough of Barnet	1,891	737
Amount owed by London Borough of Barnet	11,038	8,803
Payments to London Borough of Barnet Pensions	2,735	-
Invoices from London Borough of Barnet Pensions	172	95
Amount owed to London Borough of Barnet Pensions	-	2
Amount owed by London Borough of Barnet Pensions	-	-

The London Borough of Barnet owns 100% of the share capital of the Barnet Group Ltd. The Barnet Group Ltd owns 100% of the share capital of Your Choice (Barnet) Ltd. The Barnet Group Ltd is the sole member and guarantor of Barnet Homes Ltd, a company limited by guarantee. The London Borough of Barnet contracts with The Barnet Group Ltd for the provision of Adult Social Care Services, Housing Management and Homelessness Services. The Barnet Group Ltd then contracts on a back to back basis with Your Choice (Barnet) Ltd and Barnet Homes Ltd in respect of Adult Social Care Services, Housing Management and Homelessness Services respectively. As a result, The Barnet Group Ltd receives the management fee from The London Borough of Barnet on behalf of Barnet Homes Ltd and Your Choice (Barnet) Limited. It also invoices for ad hoc services on behalf of the two companies and for the capital works programme carried out by Barnet Homes on behalf of the London Borough of Barnet.

As at 31 March 2015, The Barnet Group Ltd owed £1,891,000 to The London Borough of Barnet in respect of expenses on behalf of Barnet Homes Ltd and The Barnet Group was owed £11,038,000 by the London Borough of Barnet in respect of management and other fees in respect of services provided by the Group.

All outstanding balances with these related parties are due to be settled in cash. None of the balances are secured.

18.2. Key Management Personnel

18.2.1 Non Executive Directors

The Non Executive Directors are defined as being the members of the Groups Main Board's who are not executive officers of the Group. The Non Executive Directors received emoluments for the financial year and were entitled to reimbursement of incidental expenses incurred when attending board meetings and other formal events in their capacity as board members. The Non Executive Directors are not entitled to pension benefits.

These are the only transactions with the Non Executive Directors of the Group.

	2015	2014
	£'000	£'000
Salaries	42	33
Incidental expenses	-	2
	42	35

18.2.2 Executive Directors

	2015	2014
	£'000	£'000
Salaries	440	351
Performance Bonus	21	13
Social security costs	57	43
Pensions costs	30	63
Car Lump Sum	(45)	-
	503	470

The Executive directors are defined as being the members of the Group's Main Board's who are executive officers of the Group.

The Executive Directors consists of the Chief Executive Officer, Deputy Chief Executive Officer, Director of Operations and Director of Care and Support (see Company Information - page 3).

Three of the executive directors have retirement benefits accruing under the defined benefit pension scheme in respect of qualifying services.

19. Contingent Assets and Liabilities

At 31 March 2015, a possible liability existed as a result of Connaught Ltd going into administration in relation to the Group's pension deficit for staff transferred from Barnet Homes Limited to Connaught Ltd in prior years. The Local Authority Pension Scheme could make a claim to Barnet Homes in respect of the pension deficit not met by Connaught Ltd.

20. Financial instrument risks

Risk management and objectives and policies

20.1 Interest rate sensitivity

Other than cash held in bank accounts, all of the Group's cash and cash equivalents are fixed rate, fixed term deposits, and so are not sensitive to variations in interest rates.

20.2 Credit risk analysis

The Group's principal financial assets are bank balances, cash and trade and other receivables. Liquid funds are placed with financial institutions with high credit ratings, as assigned by credit rating agencies. The Group's primary credit risk relates to its fee receivables. The amount presented in the statement of financial position are net of provisions for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on past experience and management's forecasts, is evident of a reduction in the recoverability of the cash flow. See note 2 above for further information on impairment of financial assets that are past due. The Group's risk in relation to its income receivable is low as the main income is receivable from London Borough of Barnet. Placement of liquid funds are currently across three banks and this has helped to lower the risk associated with such placements.

20.3 Liquidity risk analysis

The Group manages its liquidity by carefully monitoring and reviewing the cash cycle and credit control efficiency. Control of the Trade Receivables element involves a fundamental trade-off between the cost of providing credit to customers and the additional net revenue that can be earned in doing so. We aim to keep the former to a minimum with effective credit control policies which will require setting and enforcing credit terms, efficient invoicing and statement generation and prompt query resolution, by continuous review of the receivables position by generating an 'aged receivables' report and effective monitoring and collection procedures. The credit periods granted vary between suppliers with usual terms. Cash flows from trade and other receivables are contractually due within 30 days. Trade creditors and other payables are also monitored to ensure that payments are made in a timely manner to avoid any interest charges or penalties. Payment terms range between 14 days to 30 days. A settlement policy is in place so that invoices are properly authorised for payment to ensure they are paid when due. Cash is the controlling element. The first control concerns efficient banking so that all monies received are banked immediately, making payments in the most efficient way and ensuring that any surplus balances are put to interest earning use. The fundamental aspect is cash flow control and ensuring funds are available when needed. This is achieved by preparation of monthly forecasts for comparisons with actual results. The Company is not affected by gearing as it does not owe any money to any financial institutions in the form of debt or borrowings and is therefore highly liquid.

21. Capital management policies and procedures

The Group's capital management objective is to maintain its assets in order to ensure ability to continue to provide improved quality of service to the residents at an affordable price and sustain itself as a going concern. As the Group is not set up for profit, it continues to strive to maintain a balance between liquidity and provision of value for money services. The main capital making owned by the Group are liquid cash and cash equivalent and cash held in fixed deposit notice accounts. The Group continues to monitor this investments with the Bank to ensure its going concern is not at risk.

The capital for the reporting period under review is as summarised below:

	2015 £'000	2014 £'000
Cash & cash equivalent	8,932	3,725
	<hr/>	<hr/>
	8,932	3,725
	<hr/> <hr/>	<hr/> <hr/>



	<p>Performance and Contract Management Committee</p> <p>15 February 2016</p>
<p style="text-align: right;">Title</p>	<p>Members' Enquiries Service: Progress Report</p>
<p>Report of</p>	<p>Bill Murphy, Barnet Partnership Customer Services Director</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>No</p>
<p>Enclosures</p>	<p>Appendix A: Initial Improvement Plan Appendix B: New Actions Arising From Workshops Appendix C: Members' Enquiries Service Performance Data Appendix D: Example of My Account Tracking Screen</p>
<p>Officer Contact Details</p>	<p>Jim Gibbs, Customer Services Operations Director, Capita Local Government, james.gibbs@capita.co.uk</p> <p>Bill Murphy, Barnet Partnership Customer Services Director, Capita Local Government, bill.murphy@capita.co.uk</p> <p>Kari Manovitch, Head of Customer Strategy & Programmes Commercial, Commissioning Group, London Borough of Barnet, Kari.Manovitch@barnet.gov.uk</p>

<h2>Summary</h2>
<p>CSG Customer Services provide and manage a Members' Enquires service. As a result of Members receiving an inconsistent service, a review of the service was requested by Members of this Committee to ensure that the service standards were understood and to identify areas for improvement.</p> <p>This report is the third report to this Committee on the subject of Members' Enquiries, and shows that the majority of improvement actions have now been completed and performance has significantly improved. It also includes details of improvements introduced to the Members' Enquiries process by Customer Services that will be incorporated into the "business as usual" operation.</p>

Recommendations

1. The Committee notes progress against the action plan.
2. The Committee notes the service improvement to date and agree that the on-going quarterly monitoring reports will provide regular updates on how the member enquiry service is performing.

1. WHY THIS REPORT IS NEEDED

- 1.1 This report was requested by Members in order to provide an update on the actions outlined in the previous reports.
- 1.2 Members perform a vital role for their wards, listening to residents' varied concerns and prioritising the problems in their ward that most urgently need resolution. The Members' Enquiries service is important because it provides a central controlled mechanism for ensuring every case raised by members is managed to a consistent set of standards, which includes a special level of monitoring and chasing that is not in place for standard enquiries and requests.
- 1.3 Customer Services has implemented a number of improvements, and the results can be seen in Appendix C. This illustrates an improvement in closure and response rates since March 2015 as follows
- % Responded to in 5 days has improved from 89% to 99%
 - % Closed in 5 days has improved from 61% to 80%
- 1.4 In addition, Customer Services has been actively encouraging officers in delivery units to close enquiries that were not closed within 5 days. Tables 1, 2 and 3 (below) shows that Members' Enquiries open for more than 10 days have substantially reduced, from 12 on 22 September 2015, to 4 when the most recent snapshot was taken on 14 January.

Table 1

Position 14/01/2016	Less than 10 days old	10 to 19 days old	20 to 29 days old	30 to 39 days old	40+ days old	Total > 10 Days
Assurance Group	1	0	0	0	0	0
Commissioning Group	1	2	0	0	1	3
CSG	20	0	0	0	0	0
Education & Skills	1	0	0	0	0	0
RE	38	1	0	0	0	1
Street Scene	12	0	0	0	0	0
Total	73	3	0	0	1	4

Table 2

Position at 22/10/15	Less than 10 days old	10 to 19 days old	20 to 29 days old	30 to 39 days old	40+ days old	Total > 10 Days
Adults & Communities	3	0	0	0	0	0
Commissioning Group	13	1	0	0	0	1
CSG	7	0	0	0	0	0
Education & Skills	5	0	0	0	0	0
Family Services	0	0	0	0	0	0
RE	44	5	1	0	0	6
Street Scene	26	0	0	0	0	0
Total	98	6	1	0	0	7

Table 3

Position at 22/09/15	Less than 10 days old	10 to 19 days old	20 to 29 days old	30 to 39 days old	40+ days old	Total > 10 Days
Adults & Communities	3	0	0	0	0	0
Commissioning Group	8	0	0	1	2	3
CSG	6	2	0	0	4	6
Education & Skills	1	0	0	0	0	0
Family Services	2	0	0	0	0	0
RE	39	0	0	0	2	2
Street Scene	13	1	0	0	0	1
Total	72	3	0	1	8	12

The service will continue to focus on closing enquiries on time and actively 'chasing up' and escalating any enquiries that are taking time to close.

Table 4 below shows the volume and percentage of members enquiries closed within five days by delivery unit over the last 3 quarters, with the latest Q3 data showing a significant improvement in the rate of enquiries closure within five days.

Table 4

	% closed in 5 days in Q3 October		% closed in 5 days in Q2 July -		% closed in 5 days in Q1	
	Vol	%	Vol	%	Vol	%
Adults & Communities	13	69.2%	28	92.9%	17	70.6%
Assurance	5	60.0%	-	-	-	-
Commissioning Group	143	73.4%	73	72.6%	24	83.3%
CSG	93	82.8%	133	74.4%	190	76.3%
Education & Skills	26	84.6%	35	85.7%	39	61.5%
Family Services	14	85.7%	15	60.0%	14	78.6%
RE	542	70.3%	614	66.1%	514	58.0%
Street Scene	223	86.1%	260	88.8%	201	68.2%
Total	1,059	75.6%	1,158	73.7%	999	64.8%

It should be noted that non-priority requests to highways, such as non priority pavement repairs, will not be closed within 5 days and may take up to 30 days to be fully delivered.

The performance table Appendix C shows that there has been a steady improvement month by month, with the highest performance to date achieved in December.

Actions Already Taken or In Progress

- 1.5 Appendix A outlines the actions that have been taken and current status of each action.
- 1.6 Appendix B shows the additional actions we have undertaken as a direct result of member feedback from the two workshops that took place in October 2015.

Summary of Key Actions and Activity Since Last Report

- 1.7 The following is a summary of the key actions that have been completed since the last report:
 - The first of the new round of Ward meetings have been scheduled during January and February.
 - A communication was issued to Members in December with all the requested information about how the members enquiries process works and the standards applied.
 - A process for escalating enquiries that have not been resolved satisfactorily was communicated to members on 20 November 2015. 7 escalations have been received up to 14 January 2015.
 - During November and December two events were held at Hendon Town Hall for Members' to view how My Account can make it easier to report multiple environmental issues and track their progress in one place. An example of the My Account tracking screen can be seen in Appendix D.
 - The following process changes have been implemented to improve the management of members' emails:
 - Improved process to ensure emails are sent to the correct officer
 - Better escalation to senior officers if a response is late or unsatisfactory
 - Improved classification of cases so that they are sent to the correct recipient and reported on effectively
 - Diarise and track due dates for delayed or closed cases so that follow up actions are delivered and communicated
 - Improved management of emails with multiple stakeholders so that all relevant members are updated about a case
 - Better progress chasing of cases where a member emails an officer directly
 - Where cases involve multiple Delivery Units ensuring that a single case reference number is used when communicating with the member.
 - We are now monitoring misdirected enquiries and will be able to report on these from February 2016.
 - Induction – Following the feedback from the workshop on the induction process for the Councillors, we have provided feedback to the Assurance Director who is revising the induction materials. The updated process for Members' Enquiries has been added to the material.

- Progression of Works – The Chief Executive is currently holding weekly meetings where overdue cases are debated. In the main, they relate to planned works with budgetary implications.

1.8 These improvements are now incorporated into the normal day-to-date operations of the Coventry service centre to such ensure that the improvements are maintained.

2. REASONS FOR RECOMMENDATIONS

2.1 To continue to improve the Members' Enquiries Service to ensure it meets customer needs and expectations to support the residents of Barnet.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Not applicable.

4. POST DECISION IMPLEMENTATION

4.1 Many of the improvements described have already been implemented. The action plans in Appendices A and B provide more details of due dates.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 Customer Services is a corporate priority for Barnet as described in the Corporate Plan.

5.1.2 The Corporate Plan explains that Customer services will be intuitive and flexible, with increased user satisfaction:

- By 2020, the majority of customer interaction with the council will be via the web and other self-service channels which will be quicker and more flexible.
- Customers will experience a consistently high quality personalised service, focussed on achieving fast and effective resolution of queries and requests.
- Customer services will be intuitive, recognising the interests of users and sign-posting them to other services they might require.
- Resolution of issues raised at the first point of contact with the council will occur over 80% of the time and satisfaction with the services people receive will consistently exceed 90%.

5.1.3 The Performance Indicator for responding to Member Enquiries is 95% within five days, where responding includes advising of any delay. Customer Services is responsible for replying to delivery units' outstanding enquiries where delay is advised.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 The action plan utilises existing resources within Customer Services, there are no

additional resource implications, and no requirement for additional IT investment. There are a few minor configuration changes to the email and Lagan CRM (customer relationship management) system resulting from the action plan the costs of these will be managed within existing resources.

5.3 Social Value

5.3.1 Continued improvements to the Members' Enquiries process will ensure Members receive quicker and more accurate responses to enquiries which are raised in response to concerns from residents, or are raised for the benefit of residents.

5.3.2 The Committee is advised that the Public Services (Social Value) Act 2013 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

5.4 Legal and Constitutional References

5.4.1 [Council's Constitution, Responsibility for Functions, Annex A](#) details the functions of the Performance and Contract Management Committee which include (amongst other responsibilities):

- Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group Ltd (including Barnet Homes and Your Choice Barnet); HB Public Law; NSL; Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance.
- To receive and scrutinise contract variations and change requests in respect of external Delivery Units.
- To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.

5.5 Risk Management

5.5.1 The process review and the improvements being undertaken will reduce the risk of Members' Enquiries not being resolved in a timely manner.

5.5.2 There have been no new risks identified as result of the implementation of the improvements from the action plan.

5.6 Equalities and Diversity

5.6.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty

which requires Public Bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

5.6.2 The improvements described in this report support Members in their advocacy for all Barnet residents. Improved processes ensure that all residents have their cases managed effectively and that any protected characteristics are taken into account appropriately.

5.7 Consultation and Engagement

5.7.1 The improvements in this report do not require consultation with the public.

5.8 Insight

5.8.1 An effective Members' Enquiries process supports the council in understanding the concerns of residents and applying this to service improvement decisions.

6. BACKGROUND PAPERS

The following link can be used to access the report submitted to the committee on 1 September 2015:

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8401&Ver=4>

The following link can be used to access the report submitted to the committee on 17 November 2015:

[Agenda for Performance and Contract Management Committee on Tuesday 17th November, 2015, 7.00 pm](#)

Appendix A

INITIAL IMPROVEMENT PLAN

Plan updated as at 15 January 2016

ACTION	Owner	Due Date	Status
1	Improved escalation process to be agreed and implemented, and agreed with Delivery Units	CSG Operations Manager	12/06/2015 Complete
2	Generate an ME escalation mailbox (Barnet.gov.uk) for Members to use to escalate enquiries which have not been dealt with, which is to be monitored regularly and at least daily.	CSG Head of Business Assurance	12/06/2015 Complete
3	Identify the escalation points for each delivery unit service area with the lead officer and regularly check the accuracy of this list in Service Improvement Meetings on an annual basis for review.	CSG Customer Experience Manager	19/06/2015 Complete
4	Review the documented Members Enquiries process to reflect process improvements made, produce revised process document & training materials. Issue to the Head of Customer Strategy & Programmes with a proposal for dealing with categorisation issue and define deadline.	CSG Head of Business Assurance	30/11/2015 In progress
5	Review the Members' Enquiries process with appropriate Delivery Units / service areas. The process differs by service area and would be more efficient if all Members' Enquiries were managed with a common system.	CSG Operations Manager	14/08/2015 Complete & Ongoing
6	Ensure completed process improvements are communicated to Members.	CSG Operations Manager	31/08/2015 Complete
TRAINING			
7	Deliver scenario based training workshop based on actual real life examples and results of training needs analysis to colleagues that manage Members Enquiries. This is part of our regular training regime for staff dealing with Members Enquiries.	CSG Operations Manager	26/06/2015 Complete
PEOPLE			
8	Review resource allocated and existing skill set within Members' Enquiries team. Target Operating Model in place. Job advert issued and development plan discussed. Recruit and train new case officers.	CSG Operations Manager	31/08/2015 Complete
9	Organise a visit to the Coventry contact centre for Members to see the Members' Enquiry process and the quality procedures in place.	CSG Operations Manager	30/08/2015 Complete

MANAGEMENT INFORMATION				
10	Review the opportunities to deliver proactive reporting regarding delivery of Member enquiries by DU. This will be communicated via CSWG.	CSG Customer Experience Manager/Operations Manager	30/09/2015	Complete
11	Provide case data for the weekly customer bulletin.	CSG Customer Experience Manager	31/07/2015	Complete
12	Conduct additional investigation into Members Enquiries which are reported to have been incorrectly categorised, and give attention to correct categorisation of service requests & FOI with feedback on improvements being made to the operational team. <i>This Action ties into process document review.</i>	CSG Operations Manager	30/08/2015	Complete
QUALITY MANAGEMENT				
13	Continued implementation of improved quality management regime into the contact centre which includes all communication channels and services.	CSG Head of Business Assurance	30/10/2015	Ongoing
14	Continued monitoring of emails by the Business Assurance team, feedback and coaching to be delivered by the Team Manager, and root cause analysis to be included in Service Improvement Plans. Monitoring includes assessing misdirected enquiries and enquiries which have been incorrectly categorised.	CSG Head of Business Assurance	On-going	Ongoing
15	Investigate the use of systems to provide further analysis of Members' enquiries to enhance root cause analysis. Assign a CDT member to ME improvements	CSG Head of Business Assurance	31/10/2015	Ongoing
16	Identify opportunities to improve management information regarding the length of time taken to close cases.	CSG Management Information Manager	31/10/2015	Complete
ACTIONS ADDED SINCE LAST COMMITTEE REPORT				
17	ME case only to be re-opened or reclassified with appropriate approval – incorporate into the process	CSG Operations Manager / Contract Manager	14/09/2015	Ongoing
18	Take examples of categories and workshop them with Streetscene and Re to arrive at the robust solution (feedback and process improvement), feedback to Head of Customer Strategy & Programmes	CSG Operations Manager	15/11/2015	Ongoing
19	Create Customer Service working group with members	CSG Operations Director	31/10/2015	Complete
20	Diarise the due dates of enquiries that have been 'delay advised' and closed and follow up with Delivery Unit to ensure update is sent to the Member	CSG Contract Manager	31/10/2015	Complete (spreadsheet created)

21	New task to be added to LAGAN to allow tracking number of chasers. Reporting to include days to close. (process happening, have raw data – need a report)	CSG CDT / Operations Manager	31/10/2015	Process change dependent as current lagan functionality does not support this.
22	<p>Agree and document new processes with Delivery Units in particular the following</p> <p>Where a closed case requires an update to the Member implement a solution that flags the due date to the ME Team to follow up with the Delivery Unit. In the interim this will be managed via a spreadsheet process</p> <p>Work with Delivery Units to provide examples of enquiries that have not had the required follow up to satisfy Members expectations</p> <p>Work with Delivery Units to target responding on 4th day at the latest to ensure cases do not exceed the expected service level</p>	CSG Operations Manager	30/11/2015	Ongoing
23	Clarify with Bill Murphy and Head of Customer Strategy & Programmes the definition of a service request - include into workshop discussion with members	CSG Operations Manager	09/10/2015	Complete

Appendix B

ACTIONS ARISING FROM WORKSHOPS

Plan Formulated on 26 October 2015 and updated as at 15 January 2016

ACTION	Owner	Due Date	Status
1	Investigate how best to support members in resolving key complex issues affecting their wards, where the Members' Enquiries process is not the best vehicle	Strategic Commissioning Board	31/11/15 Complete
2	Ensure Members receive a communication that clarifies how to use the Members' Enquiries process and in particular how to escalate any issues	Head of Customer Strategy & Programmes CSG Operations Manager Barnet Partnership – Customer Services Director	30/11/15 Complete
3	Review process for keeping Members updated on progression of works	Barnet Partnership – Customer Services Director	31/12/15 Complete
4	Follow up Members feedback regarding induction process	Assurance Director	31/12/15 Complete
5	Ask the person responding to the member's enquiry to ensure all that those originally copied in by the Member are also copied into the response, unless the member requests otherwise or there is a confidentiality issue.	CSG Operations Manager	06/11/15 Complete
6	Identify how well the primary customer channels such as My Account can support members when they raise service requests (such as request to repair a road or clear fly tipping) on behalf of residents, so that key stakeholders can be kept informed and these items do not need to be duplicated through the members enquiries process – further drop in surgeries are planned	Head of Customer Strategy & Programmes	30/11/15 Complete
7	Ensure Members Enquiries team are adhering to the expectations of Members to progress chase enquiries that they are copied into	CSG Operations Manager	31/10/15 Complete
8	Where an Enquiry has generated multiple reference numbers due to more than one Delivery Unit being involved, emails back to Members should be clear on the originating issue/reference number, and should include the email trail for ease of reference. MC and BW to work through the scenarios (meeting on Monday to agree the next steps)	CSG Operations Manager	31/10/15 Complete

9	Work with Delivery Units to ensure responses to Service Requests and Members' Enquiries include notification of whether a budget issue is likely to arise in relation to the Request. Collate a sample of Re answers for analysis, particularly around the responses around programmed works. Collate them at the end of the month and feedback to Re Weekly meetings with CE/escalations	CSG Operations Manager Barnet Partnership – Customer Services Director	30/11/15	Complete
10	Look to track and report on sending an enquiry to the correct Officer and the time for the Officer to notify Customer Services if the enquiry is routed incorrectly. Work with Officers to ensure they triage all enquiries as soon as possible to prevent unnecessary delay in the event of being routed incorrectly. Write to all lead officers to advise of the process for triage and sending back (NP WC 23/11). Volume of emails sent to right place and how long it took to get them back. From 1 January to track and report in CS report	CSG Operations Manager Barnet Partnership – Customer Services Director	31/12/15	Ongoing
11	Review the content of emails and standard templates being sent to Members regarding the status of the enquiry to make sure that the update is more specific and less generic (template driven) and implement improvements.	CSG Operations Manager / Head of Business Assurance	30/11/15	Closed - monitoring
12	Update process document to account for all the changes implemented recently	CSG Operations Manager / Head of Business Assurance	30/12/15	Ongoing

Appendix C

Members' Enquiries Service Performance Data

The following table shows the total volume of enquiries submitted and the closure and response rates. This illustrates an improvement in both measures since March 2015 as follows

- % Responded to in 5 days has improved from 88.5% to 98.7%
- % Closed in 5 days has improved from 60.5% to 80.4%

Month	Items due	Closed in 5 days	% Closed in 5 days	Not closed in 5 days	% Not closed in 5 days	Delay advised	% Delay advised	Responded to in 5 days	% Responded to in 5 days
January	298	220	73.8%	78	26.2%	64	21.5%	284	95.3%
February	324	239	73.8%	85	26.2%	69	21.3%	308	95.1%
March	365	221	60.5%	144	39.5%	102	27.9%	323	88.5%
April	374	231	61.8%	143	38.2%	129	34.5%	360	96.3%
May	288	210	72.9%	78	27.1%	69	24.0%	279	96.9%
June	340	207	60.9%	133	39.1%	113	33.2%	320	94.1%
July	449	334	74.4%	115	25.6%	90	20.0%	424	94.4%
August	305	227	74.4%	78	25.6%	64	21.0%	291	95.4%
September	404	293	72.5%	111	27.5%	89	22.0%	382	94.6%
October	412	305	74.0%	107	26.0%	91	22.1%	396	96.7%
November	377	279	74.0%	98	26.0%	83	22.0%	362	96.6%
December	270	217	80.4%	53	19.6%	49	18.1%	266	98.7%
Total	4206	2983	70.9%	1223	29.1%	1012	24.1%	3995	95.0%

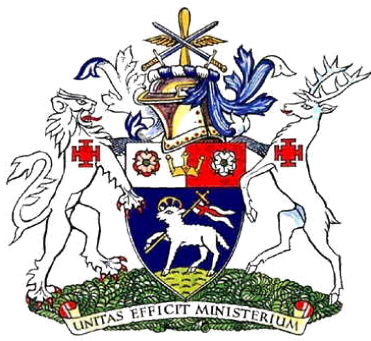
Example of My Account Tracking Screen

BARNET
LONDON BOROUGH

Search

Hi, Channel | [Log out](#)
[Select Language](#) | ▼

	Description	Reported	Location Near	Street Name	Status
<p>Local area </p> <hr/> <p>Council Tax </p> <hr/> <p>Benefits </p> <hr/> <p>Bins & waste collection </p> <hr/> <p>Parking and Travel </p> <hr/> <p>Libraries </p>	○ Pothole in road	08/12/2015	Large pothole - middle of the road	TOTTERIDGE LANE	open
	○ Domestic Waste and Recycling-Missed Collection	10/11/2015		BUILDING 4 NORTH LONDON BUSINESS PARK OAKLEIGH ROAD SOUTH	closed
	○ Domestic Waste and Recycling-Missed Collection	10/11/2015		BUILDING 4 NORTH LONDON BUSINESS PARK OAKLEIGH ROAD SOUTH	closed
	○ Offensive graffiti	10/11/2015	graffiti TEST	SPENCER ROAD	closed
	○ Offensive graffiti	10/11/2015	Test Report a problem - Graffiti	FOOTPATH FROM MOUNT PLEASANT TO BELMONT AVENUE	closed
	○ Domestic Waste and Recycling-Missed Collection	10/11/2015		BUILDING 4 NORTH LONDON BUSINESS PARK OAKLEIGH ROAD SOUTH	closed
	○ Domestic Waste and Recycling-Missed Collection	02/12/2015		BUILDING 4 NORTH LONDON BUSINESS PARK OAKLEIGH ROAD SOUTH	closed



Performance and Contract Management Committee

15 February 2016

Title	Quarter 3 Performance Monitoring 2015/16
Report of	Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	<p>Appendix A Customer Experience Report, including Web Action Plan</p> <p>Appendix B Corporate Plan Performance</p> <p>Appendix C Service Performance</p> <p>Appendix D Revenue Monitoring</p> <p>Appendix E Capital Programme</p> <p>Appendix F Capital Programme Funding Adjustments</p> <p>Appendix G Recovery Plans</p> <p>Appendix H Transformation Programme</p> <p>Appendix I Prudential Indicators</p> <p>Appendix J Investments Outstanding</p> <p>Appendix K Capita Payments</p> <p>Appendix L Contract Changes</p> <p>Appendix M Corporate Risk Register</p>
Officer Contact Details	<p>Tom Pike – Strategic Lead, Programmes and Performance, LBB Tom.Pike@barnet.gov.uk</p> <p>Paul Thorogood – Assistant Director of Finance, CSG Finance Service Paul.Thorogood@capita.co.uk</p>

Summary

This report outlines the **Quarter 3 2015/16** position of the Council's performance against the strategic priorities outlined in the Corporate Plan 2015-2020. The report highlights customer experience and residents' satisfaction, along with corporate and service (Delivery Units and Contractors) performance and the overall budget position.

Residents' perception

Residents' satisfaction with Barnet remains high. The autumn 2015 survey shows that residents' overall satisfaction with Barnet as a place to live remains at 88% (above the national average of 82%; October 2014) and most residents are satisfied with the way the Council runs things (74%; above the national average of 68%; October 2014). Satisfaction with performance of the Council remains on par with the previous survey in spring 2015. A further survey will be undertaken in spring 2016.

Customer experience

Customer satisfaction ratings across our main access channels remains unchanged at 77%, below the 80% target. We have closed more Members' Enquiries within 5 days than at any point in the past but aim to improve this further. We have also responded to more emails and webforms in time, but remain below the 90% target. Satisfaction with face-to-face service has improved. Customer satisfaction for webforms – transactions available on the website - has also improved, to 56% (the best recorded to date) and work continues to drive this higher. Satisfaction with the web improved during the quarter, but remains an area for improvement. A summary improvement plan is included in Appendix A.

Corporate performance

The Corporate Plan identifies a suite of indicators that help us to monitor performance; and targets have been set to encourage improvement against our strategic priorities. The key challenges/successes and an overview of performance are highlighted for Quarter 3. More detailed information can be found in Appendix B.

Service performance

An overview of performance for each service (Delivery Units and Contractors) is provided in relation to the suite of indicators outlined in the Council's key business plans (including the Corporate Plan, Commissioning Plans, Management Agreements and Contracts). More detailed information can be found in Appendix C. The full service reports, including an assessment of contracts and Inter Authority Agreements (Barnet Homes, CSG, HB Public Law and Re), are published on the website at www.barnet.gov.uk/currentperformance

Budget outturn

The forecasted general fund expenditure outturn (after reserve movements) is £280.804m, which is an adverse variance of £2.838m (1.02%) against the budget of £277.966m. This is also an improvement of £0.880m from the previous quarter.

The forecasted outturn expenditure as at 31st December 2015 on the Council's capital programme is £195.437m. £154.466m of this relates to the General Fund Programme and £40.971m to the HRA Capital Programme. This is a variance of £4.922m against the latest approved budget of £200.459m.

Transformation programmes

The Council's Transformation Programme consists of over 100 projects required to deliver the Medium Term Financial Strategy and the Corporate Plan. The majority of projects

within the Transformation Programme are on track to deliver to time, costs and quality. The Adults Alternative Delivery Model Strategic Outline Case was approved by Adults and Safeguarding Committee in December 2015; the preferred location for the leisure centre as part of Sport and Physical Activity project was approved by Policy and Resources in December 2015 and Full Council on 8 December 2015 approved recommendations to appoint Cambridge Education as a strategic partner to provide Education and Skills services, commencing on 1 April 2016. The Depot relocation project is likely to be delayed as a result of a Judicial Review application against the planning decision; and the new Adults IT system is now expected to go-live in April 2016. The current financial projection for the programme is £1.996m underspend.

Treasury outturn

In compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice this report provides Members with a summary report of the treasury management activity during the period to 31 December 2015. 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.

Investment performance

As at 31 December 2015, deposits outstanding were £212.700 million (excluding Icelandic deposits), achieving an average annual rate of return of 0.68 percent (adjusted for Icelandic deposits) against a benchmark average (London Interbank Bid Rate - LIBID) of 0.48 percent.

Contract management

Appendix K provides the current position on spend with Capita and Appendix L summarises contract changes on the Council's key contracts.

Risk management

The report highlights current risks and the respective impact on the Council. There are eight corporate level risks that have a risk level of high or medium. Controls have been put in place to mitigate the risk and control the impact. The full risk assessment can be found in Appendix M.

Recommendations

- 1. The Committee is asked to scrutinise the performance of services (via delivery units and contractors) against the Corporate Plan and (if necessary) make recommendations to other committees on the policy and commissioning implications**
- 2. The Committee is asked to note the Quarter 3 2015/16 revenue budget and forecast position, as detailed in paragraph 1.24**
- 3. The Committee is asked to note the additions and deletions and to approve the accelerations and slippages to the Quarter 3 2015/16 capital position, as detailed in paragraph 1.31**
- 4. The Committee is asked to note the Transformation Programme position as at the 31 December 2015, as detailed in paragraph 1.32**
- 5. The Committee is asked to note the Treasury position outlined in paragraph 1.33**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report outlines the **Quarter 3 2015/16** position of the Council's performance against the strategic priorities outlined in the Corporate Plan 2015-2020. The report highlights customer experience and residents' satisfaction, along with corporate and service (Delivery Units and Contractors) performance and the overall budget position.
- 1.2 The report is structured to:
- Focus on customer experience and residents' perception (from the latest survey).
 - Show how the Council is performing against the outcomes and targets set out in the Corporate Plan, including a summary of the successes and challenges in Quarter 3; and how we compare against other local authorities.
 - Provide an overview of the Council's service indicators, reporting by exception and providing comments on those that have not met target.
 - Provide a summary of the status of key projects the Council is delivering.
 - Report on the budget position, including revenue and capital expenditure.
 - Demonstrate management of the Council's top level risks.
- 1.3. In addition to this report, the Council publishes 14 detailed reports on the performance of each service (Delivery Units and Contractors) on the website each quarter at www.barnet.gov.uk/currentperformance; along with the past three years' reports at www.barnet.gov.uk/performance

Performance for Customers

- 1.4 To ensure the Council maintains its focus on customers, the Council monitors a range of customer indicators and targets. Appendix A provides further detail. In addition, the Council has put in place a new weekly and monthly monitoring regime for senior management visibility of overdue complaints, Members' Enquiries and other customer data to drive further improvement.
- 1.5 In Quarter 3, the customer satisfaction ratings across our main access channels achieved 77%, below target of 80%. We have responded to more complaints and closed more Member Enquiries within 5 days than at any point in the past. However, there were increases in the number of complaints, 19% higher than the previous quarter and 53% higher than the same quarter the previous year, driven primarily by complaints about Streetscene and Parking. During this reporting period six of 13 targets have been achieved and performance has improved on nine measures since Quarter 2.
- 1.6 There are a number of notable successes within Quarter 3:
- The introduction of a new appointments system and ways of working for face-to-face contact has significantly decreased wait times at the Council's two main contact centres - Burnt Oak Library and Barnet House. Furthermore, these changes have increased satisfaction for the face-to-face channel, as 92% of 3,000+ customers rated the service they received as good (the highest percentage recorded to date).

- Customer satisfaction for the webforms available on the Council's website has improved again, to 56%. This performance, the best recorded to date, supports the Council's customer access strategy to increase the number of transactions completed online.
- The Council has responded to 90% of 892 complaints within the policy timeframes - this is significantly higher than the 80% target.
- 97% of the total recorded Members' Enquiries (1,245) were responded to within 5 days and 79% were closed within 5 days. The latter figure, the highest percentage recorded to date, despite an increased volume in Quarter 3.

1.7 The following areas are to be improved over the next three months:

- 58% of the website feedback left by customers is average or negative. Although this percentage is decreasing each quarter, the Council must continue using feedback to improve functionality and content. This will encourage more customers to self-serve, rather than contact the Council by phone or in person.
- Streetscene, Barnet Homes and Parking all recorded a significant increase in Stage 1 complaints in Quarter 3. Whilst this is a seasonal trend for **Streetscene**, the number has increased significantly to the same quarter last year (299, compared to 76 in Quarter 3 2014/15) largely related to waste and recycling collection. **Barnet Homes'** complaints volumes rise in the winter, with a number of gas-related problems in Quarter 3 and engineers missing appointments, which has led to a specific improvement plan on this. **Parking** complaints primarily reflect the introduction of a new e-permits system and problems associated with this, which is also subject to a resolution plan. It is worth noting that over half of the corporate complaints recorded in Quarter 3 were not upheld, including two thirds in Streetscene and a third in Barnet Homes.
- According to the data, only 70% of customer cases (across Customer Services, Revenues & Benefits and Streetscene) were responded to within the promised timescale (compared to 90% target).
- 20% of the 260,000+ desk calls presented in Quarter 3 have not been answered by Council staff and on-site staff in Re and CSG, slightly worse than the previous quarter. Of those that were picked up, only 73% were done so within 20 seconds.

More detailed information can be found in Appendix A.

Residents' Perception Survey

1.8 The most recent survey was undertaken in autumn 2015. The results show that residents remain satisfied with Barnet as a place to live (88%), significantly above the national average (82%). Satisfaction with the way the Council runs things is consistent with the spring 2015 survey (74%), which is eleven percentage points higher than autumn 2012. This is slightly above the London average and five percentage points above the outer London average. Since 2012 many Council services have seen significant increases in satisfaction which have been sustained. Quality of pavements and repair of roads increased (5% and 8% respectively) but note that this is consistent with the survey in autumn 2015. A further survey will be undertaken in spring 2016.

Corporate Performance

- 1.9 The Corporate Plan identifies a suite of indicators that help us to monitor performance; and targets have been set to encourage improvement against our strategic priorities. The key challenges/successes and an overview of performance are highlighted for Quarter 3. More detailed information can be found in Appendix B.

Key Successes and Challenges

- 1.10 This section of the report highlights the most significant successes and challenges within the Council during Quarter 3.

Key successes include:

- There are high-levels of satisfaction with Barnet as a place to live (88%).
- Overall, when compared with other London Councils, 77% of Council services are comparatively high performing.
- Schools in Barnet are high performing, ranked in the top 5 within the country for GCSE results.
- 96.7% of 17 year olds in Barnet are in education, training or work based learning.
- There has been a significant progress with a higher proportion of looked after children in Council foster care (39.4%).
- Over 57% of care leavers aged 19-21 are in education, employment or training (above the London benchmark of 53%).
- Work to prevent homelessness has had significant effect, with 698 homelessness preventions completed.
- 74% of the public are satisfied with the way the Council runs things.
- The Burnt Oak jobs team has supported 90 people into work.

Key challenges include:

- The overall budget variance is £2.838m (1.02%) against the budget of £277.966m. This is also an improvement of £0.880m from the previous quarter, but remains a challenge. Key areas of pressure are in Adults and Communities, Family Services and Homelessness. A recovery plan is in place for each of these service areas and provided in the appendix to this report.
- Waste and recycling performance remains below target, with 38.04% of waste recycled against a target of 41.92% for the quarter. This represents a 0.5% improvement on performance in the same quarter last year, but remains significantly below target. An action plan to improve performance was received by Environment Committee in November 2015 and a summary provided to Performance and Contract Management Committee. A range of actions are underway, including:
 - Expanding the dry recycling service at flats – we have rolled out recycling services to an additional 659 properties between October and December 2015 and this work is continuing
 - Piloting a food waste project at flats commencing during February 2016
 - Completing a range of trials in food waste behaviour change, for cost benefit evaluation. A progress report on the waste action plan will be

provided to Performance and Contract Management Committee at its next meeting.

- In January 2016 the Environment Committee approved the publication and associated consultation of the draft Waste and Recycling Strategy; the outcome of the consultation will form the basis of an action plan to deliver the longer-term 50% recycling rate.
- A new targeted street cleansing regime was implemented in April 2015, which aims to ensure that all roads (with the exception of the town centres that receive a permanent presence) receive as a minimum a thorough cleanse every six weeks. Adopting this approach has ensured the satisfaction standards have been maintained at c.53%. To ensure we have an effective inspection regime, an independent cleanliness assessment in partnership with the Council's in-house team was undertaken by the Keep Britain Tidy (KBT) group in December 2015 to inform future reporting. In the medium term it is proposed that a street cleansing framework, with embedded action plan, will be presented for approval to Environment Committee in March 2016. The approval of the cleansing framework, in conjunction with a strategic review of the cleansing regime, is anticipated to improve the effectiveness and efficiency of the service and raise overall satisfaction of the service. It is proposed that that a progress update be presented to Performance and Contract Management Committee at the next meeting.
- In January 2016 an audit of the Streetscene delivery unit was reported to the Audit Committee. The review highlighted a significant number of deficiencies around governance, which are currently being addressed by a new senior management structure that will implement the Audit Committee's recommendations.
- Customer satisfaction remains below target, with web satisfaction significantly contributing to this – albeit performance improved during Quarter 3. A detailed update on this is provided in Appendix A.
- Housing and homelessness remain challenging for London boroughs, including Barnet. High demand for homelessness services and an increasing reliance on temporary accommodation has had an associated costs to the Council's budget. Demand for temporary accommodation and inflationary pressures are being monitored closely but continue to increase. A range of mitigations are in place to maximise prevention, manage demand and increase affordable supply. These include funding additional prevention officers – with higher levels of prevention now at 698 - sourcing more accommodation outside London and increasing the volume of private sector lettings achieved. There are potential pressures in relation to arrears in future years.
- While the Residents' Perception Survey highlights an overall increase in the proportion of residents satisfied with roads and pavements, there have been challenges within the Highways Service. This includes delivery of the £15m Network Recovery Plan, where 88% of planned works were completed by Quarter 3 but with a high number of Member Enquiries and

resident contact relating to the works and effect of the works. Proposals for the approach for 2016/17 were reported to Environment Committee in January 2016. Re is working with the commissioners and the contractor to ensure all outstanding remedial works are completed to the required standard. In addition, the delivery of the annual TfL funded Local Implementation Plan (LiP) is behind schedule and forecasting an underspend, with Re working on alternative options to fully utilise the funding.

- Adults and Communities are reporting a number of areas of performance challenge, including the number of people with learning disabilities and mental health conditions who are in employment. A detailed improvement plan, including creating new opportunities and pathways into employment are underway. In addition, performance on completion of care reviews is below target but being addressed through additional project resource to complete this work. Adults and Communities is also implementing a service restructure and new IT system, requiring significant focus during Quarter 3.
- Recruitment to social work posts to reduce the number of vacant posts and locum cover remains a challenge. The first phase of a major recruitment campaign has concluded with a significant number of new social workers recruited with a second phase to be launched soon.
- Overall, across the Council each service area has a plan in place to reduce agency levels usage levels to 15% of the wage bill with a number of steps taken to achieve this – including tightening governance of decision-making to Assistant Director level for costly or longer-term deployments, reviewing progress each month and challenging service teams, and a detailed workforce plan in place for each Delivery Unit.
- There are specific challenges within support services, most notably ensuring there is effective capacity and capability in place to deliver IS and Estates projects, and within Quarter 3, underperformance of the IS service against the performance target on critical system availability. A project is underway to refresh the network to increase resilience and stability of the service.
- The introduction on an electronic parking permit system is intended to provide benefit to residents, making access easier. During implementation, 530 individual customers were unable to complete their applications online owing to technical challenges and were required to complete this through the CSG contact centre.

Corporate Plan Indicators

- 1.11 **65** indicators are reported in Quarter 3. Of these, **54** have been given a RAG rating: **72% (39)** are “on or above target” and **29% (15)** are “off target”. **65** have been given a Direction of Travel status: **66% (43)** have an “**improved or maintained**” DOT and **34% (22)** have a “**worsened**” DOT.

Table 1: Corporate Performance by Theme Committee

Theme Committee	No. reported in Q3	No. with a RAG rating in Q3	RAG Ratings				No. with a DOT in Q3	Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/maintained	Worsened
A&S	6	6	67% (4)	0% (0)	0% (0)	33% (2)	6	3	3
ARG	3	0	0% (0)	0% (0)	0% (0)	0% (0)	3	1	2
CELS	17	11	82% (9)	0% (0)	0% (0)	18% (2)	17	12	5
Community Leadership	3	3	67% (2)	0% (0)	0% (0)	33% (1)	3	1	2
Environment	16	16	69% (11)	0% (0)	19% (3)	13% (2)	16	12	4
Housing	7	5	80% (4)	20% (1)	0% (0)	0% (0)	7	2	5
Public Health & Wellbeing	9	9	78% (7)	0% (0)	0% (0)	22% (2)	9	8	1
Outstanding Customer Service	4	4	50% (2)	25% (1)	0% (0)	25% (1)	4	4	0
Total	65	54	39	2	3	10	65	43	22
Total %			72%	4%	6%	19%		66%	34%

1.12 The 10 indicators RAG rated as Red (significantly “off target”) are:

Adults and Safeguarding

- Percentage of adults with learning disabilities in paid employment
- Percentage of adults with mental health needs in paid employment

Children, Education, Libraries and Safeguarding

- Percentage of secondary schools rated as ‘good’ or better
- Achievement gap between pupils eligible for Free School Meals (FSM) and their peers achieving end of key stage expectations in nationally reported subjects (Reading, Writing and Maths) at Key Stage 2

Community Leadership

- Levels of crime across the Mayor’s Office for Policing and Crime set of crimes (burglary, vandalism, criminal damage, theft of/from motor vehicle, violence with injury, robbery and theft from a person).

Environment

- Percentage of household waste sent for reuse, recycling and composting
- Percentage of residents who are satisfied with street cleaning

Public Health and Wellbeing

- Cumulative percentage of the eligible population aged 40-74 who have received an NHS Health Check
- Number of people with mental health problems who have accessed the IPS employment support programme

Customer Experience and Effective Services

- Performance of services

More information is available in Appendix B.

Service Performance

- 1.13 The Council's key business plans (Corporate Plan, Commissioning Plans, Management Agreements and Contracts) identify a suite of indicators to help us monitor operational performance. The key challenges/successes and an overview of performance are highlighted for Quarter 3. More detailed information can be found in Appendix C. The full service reports, including an assessment of contracts and Inter Authority Agreements (Barnet Homes, CSG, HB Public Law and Re), are published on the website at www.barnet.gov.uk/currentperformance

Service Challenges and Successes

- 1.14 Key service challenges and successes include:

Adults and Communities

- Undergoing a significant period of change, including staff restructure and implementation of new IT system (Mosaic).
- Work to reduce the overspend and recover the budget position has been progressing.
- Staffing vacancies have been affecting performance, with resources allocated to priority areas such as reviews.
- New delivery approaches such as 'assessment hubs' are being piloted, which will help to deliver the new operating model agreed by Adults and Safeguarding Committee.
- Transformation programme is in progress with Shared Lives and Personal Assistant schemes recruiting; and the tender process for homecare and enablement underway.

Barnet Homes

- A new Chief Executive Officer has been appointed for The Barnet Group. Initial work has focused on finalising the new 10 year management agreement for Barnet Homes and the 5 year Barnet Group business plan.
- Barnet's first women's refuge has been opened. The facility can support 39 clients and will be managed by Solace Women's Aid. It complements the Domestic Violence One Stop Shop, which provides advice and guidance on domestic violence.
- High demand for homelessness services and an increasing reliance on General Fund temporary accommodation has exposed the Council to a greater risk of cost inflation in relation to the cost of accommodation. A range of mitigations are in place to maximise prevention, manage demand and increase affordable supply – including funding additional prevention officers, sourcing more accommodation outside London and increasing the volume of private sector lettings.

Children, Education and Skills

- Cambridge Education has been approved as the new delivery partner for the Education and Skills service at full Council on 8 December 2015.
- The OFSTED inspection framework puts schools at risk of an adverse judgement – requiring improvement or special measures. Continued tracking of individual schools causing concern and additional support to reduce the risk of an adverse judgement and move them to good or outstanding. School improvement partnerships will help to consolidate the increased use of school to school support.
- The Special Educational Needs (SEN) Reforms involve major transition from SEN statements to Education, Health and Care Plans (EHCPs). Budgets have been realigned and the SEN Reform Grant used to support statutory SEN functions in line with the SEN reforms. The proportion of pupils with an SEN statement or an Education, Health and Care Plan attaining level 4+ in reading, writing and maths has improved and is above the national benchmark.
- Attainment levels for primary school pupils at Key Stage 2 Level 4+ in reading, writing and maths has improved (from 83% to 84%) and remains just outside the top 10% of local authorities (ranked 17 out of 152).

Commissioning Group

- Several draft strategies have been considered by Committee prior to public consultation, including the Customer Access Strategy, Recycling and Waste Strategy and Parks and Open Spaces Strategy. In the meantime, focused actions are being taken to significantly improve performance of the website and residents' experience of accessing services online.
- The Joint Health and Wellbeing Strategy has been agreed and an implementation plan will be presented to the Health and Wellbeing Board for approval in January 2016.
- Regeneration schemes have progressed, including the Supplementary Planning Document for Grahame Park; and an updated business case for Brent Cross South. In addition, a number of key capital schemes have been recommended to Committee to proceed to the next stage, including Sport and Physical Activity for new and enhanced facilities, Daws Lane and Tarling Road Community Hubs and a new Youth Zone.

Customer Support Group

- Variable satisfaction with Customer Services – satisfaction with telephony and face-to-face channels has remained high but satisfaction with email and web channels has been low. A targeted improvement plan has been put in place, which focuses on issue and speed of resolution. The GovMetric scores continue to be monitored daily.
- One Super KPI failed during the quarter with service credits of £79,243 applied.
- Estates have been recommended for ISO 9001 accreditation following external audit by the British Standards Institute.
- Changes have been made to the pension fund investment strategy, including a revised asset allocation and fund benchmark. This has required a phased movement of assets between fund managers, £90 million in corporate bonds and £240 million diversified growth funds to

passive equities. Head of Treasury organised a PFC member training session to refine the investment strategy, resulting in member sub-group agreement on allocation to illiquid alternative assets, subject to approval in February.

Family Services

- A marked increase in demand via the front door/Multi Agency Safeguarding Hub (MASH) has meant that more social work resource has needed to be allocated here. The workload is being monitored.
- Ongoing issues with recruitment to social work posts. The first phase of a major recruitment campaign has concluded with a significant number of new social workers recruited. A second phase is to be launched soon.
- The service has been growing the number of nursery school places for 2 year olds and preparing for expansions of places for 3 and 4 year olds. The programme of work is being overseen by the Early Education Programme Board.
- Both children's homes within Barnet have received a 'Good' Ofsted rating under the new inspection framework.

HB Public Law

- An increased cost of locums has affected staffing. A recruitment campaign has resulted in some appointments, including their first legal apprentice.
- The Law Society's lexcel accreditation has been retained, with no non-compliances.
- Increased involvement in Barnet's regeneration schemes, including delivering the high profile planning inquiry for the West Hendon scheme over 8 days with a successful outcome.
- Property team acted on a number of high profile property acquisitions and disposals, including negotiation and completion of an agreement for a comprehensive development to provide 105 residential units plus a 15,000 sq. ft. retail unit and construction of a new public car park. The scheme has yielded a capital receipt of over £9 million.

Parking and Infrastructure

- It is not viable to refinance the PFI project, so unable to achieve planned financial savings from Street Lighting Budget within timescale. Discussions are taking place with the banks to agree changes to the structure of the contract, which will enable the Council to deliver planned ongoing savings.

Public Health

- Two schools (Mathilda Marks Kennedy and Parkfield Primary) have become the first in Barnet to achieve the Healthy Schools London (HSL) Gold Award.
- The post Health Checks interventions programme has begun to receive referrals from GPs.
- The Barnet Substance Misuse Service has been featured in the Public Health England report "Shooting Up: infections among people who inject drugs in the UK", which has resulted in an uptake of testing. Furthermore, the Substance Misuse Strategy has been agreed by the Health and Wellbeing Board, which focuses on improving safeguarding.

- The Ageing Well programme is being reviewed in light of funding uncertainties and strategic priorities. The programme is to be refocused on demand management (including early intervention) for high risk groups rather than wider community engagement.
- Barnet Local Medical Council has raised objections to the data sharing agreement (DSA) for the new Health Checks IT system. An alternative solution, which incorporates patient consent for data sharing, is to be introduced in January 2016.

Re

- Ongoing work to ensure outstanding remedial works are completed as part of the Network Recovery Plan. Re has committed to meeting ward members as part of consultation on the work programme for 2016/17.
- Delivery of the TfL funded Local Implementation Plan (LiP) is behind schedule and an underspend of £450,000 to £750,000 has been forecast against the £3.2m programme. Potential areas for budget transfer or other works, which can be brought forward to utilise maximum available funding are being identified. Additional resource has been secured to ensure that LiP funding is utilised.
- New Depot Planning permission granted in December has been subjected to a judicial review challenge.
- There has been a 50% increase in Shisha Bars in the past year; and 10 of 13 premises inspected by Environmental Health in the last two months were found not to be compliant. Options are being explored for a multi-agency approach to shisha control.
- The local impact of the Housing and Planning Bill and public consultation on revisions to the National Planning Policy Framework are being worked through.

Streetscene

- Significant challenges are set out in section 1.10 above.
- A new approach using existing Street Cleansing resources has been successfully adopted for the annual leaf clearance.
- Recycling facilities have been expanded at 43 flat blocks, serving 659 properties; and a range of interventions have been piloted in six roads to better understand how the Council can increase participation in food waste collection. Both schemes are being analysed, including the cost/benefits of various interventions.
- The Civic Amenity and Recycling Centre has been transferred to LondonWaste Ltd and renamed as the Reuse and Recycling Centre.

Your Choice Barnet

- The Care Quality Commission (CQC) has undertaken a follow-up inspection of the Supported Living Services with result awaited.
- Referrals from other local authorities has been lower than anticipated. YCB is continuing to market its services both within Barnet and neighbouring boroughs.

Service Indicators

1.15 **315** indicators are reported in Quarter 3. Of these, **217** have been given a RAG rating: **73% (159)** are “on or above target” and **27% (58)** are “off target”. **227** indicators have been given a Direction of Travel status: **63% (143)** have an “improved or maintained” DOT and **37% (84)** have a “worsened” DOT..

Table 2: Service Performance by Delivery Unit or Contractor

Service	No. reported in Q3	No. with a RAG rating in Q3	RAG Ratings				No. with a DOT in Q3	Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/maintained	Worsened
Adults & Communities	41	21	52% (11)	5% (1)	0% (0)	43% (9)	21	48% (10)	52% (11)
Assurance	0	N/A	N/A	N/A	N/A	N/A	0	N/A	N/A
Barnet Homes	15	13	85% (11)	8% (1)	0% (0)	8% (1)	15	60% (9)	40% (6)
Children, Education & Skills	30	27	70% (19)	7% (2)	4% (1)	19% (5)	28	61% (17)	39% (11)
Commissioning Group	20	10	60% (6)	10% (1)	10% (1)	20% (2)	14	64% (9)	36% (5)
CSG	44	22	82% (18)	9% (2)	5% (1)	5% (1)	19	68% (13)	32% (6)
Family Services	28	12	67% (8)	17% (2)	0% (0)	17% (2)	16	56% (9)	44% (7)
HB Public Law	12	12	83% (10)	17% (2)	0% (0)	0% (0)	12	83% (10)	17% (2)
Parking and Infrastructure	8	5	100% (5)	0% (0)	0% (0)	0% (0)	8	63% (5)	38% (3)
Public Health	36	36	69% (25)	8% (3)	8% (3)	14% (5)	36	67% (24)	33% (12)
Re	70	53	81% (43)	13% (7)	2% (1)	4% (2)	52	67% (35)	33% (17)
Registrars	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC
Streetscene	11	6	50% (3)	0% (0)	17% (1)	33% (2)	6	33% (2)	67% (4)
Total	315	217	159	21	8	29	227	143	84
Total %			73%			27%		63%	37%

Service	No. reported in Q3	No. with a RAG rating in Q3	RAG Ratings			No. with a DOT in Q3	Direction of Travel	
			Green	Amber	Red		Improved/maintained	Worsened
YCB*	24	19	84% (16)	11% (2)	5% (1)	-	-	-

1.16 Detailed information on the 27% of indicators that are “off target” is outlined in Appendix C, including comments on performance. Actions (or interventions) required to improve performance can be found in the full service reports published on the website at www.barnet.gov.uk/currentperformance

Benchmarking

- 1.17 The Council participates in both the London Councils (**LAPS**) and Local Government Association's (**LG Inform**) benchmarking clubs, so we can see how our performance on key indicators compares with other local authorities.
- 1.18 The most recent London Councils (**LAPS**) report (refers to quarterly data for Quarter 2 2015/16) provides comparative data for 31 indicators and shows that the Council is above benchmark for **77%** of these (24 out of 31).

Table 3: LAPS

Priority Area	Benchmark Position	
	Above Average	Below Average
Risk and Vulnerability	8	2
Improving life Chances	10	2
Quality of the Environment	2	2
Interest to the Public	4	1
Total	24 (77%)	7 (23%)

- 1.19 The seven indicators where we are below benchmark are:
- Robbery, dwelling burglary, and theft of/from a motor vehicle crime rate per 1,000 population
 - Percentage of adult with a learning disability who live in their own home or with their family
 - Percentage of children in need (CIN) achieving at least level 4 at KS2 in reading, writing and math
 - Carers (caring for someone aged 18+) receiving carer specific services, per 100,000 population aged 18+
 - Percentage of land assessed as having unacceptable levels of detritus
 - Percentage of land assessed as having unacceptable levels of fly-posting
 - Percentage of non-domestic rates collected
- 1.20 The most recent LGA (**LG Inform**) report (<http://lginform.local.gov.uk>) (refers to annual data from 2012/13 to 2014/15) provides comparative data for 17 indicators and shows that the Council is above benchmark for **71%** of these (12 out of 17). More information is available in Appendix C.

Table 4: LG Inform

Delivery Unit	Benchmark Position			
	1 st quartile (Top)	2 nd quartile (Middle)	3 rd quartile (Middle)	4 th quartile (Bottom)
Adults Services	1	1	0	2
Children's Services	2	4	0	0
Education Services	1	2	0	0
Housing Services	1	0	3	0
Total	5 (29%)	7 (41%)	3 (18%)	2 (12%)

- 1.21 The five indicators where we are below benchmark are:
- Adults: Social care-related quality of life; overall satisfaction of people who use services with their care and support
 - Housing: Vacant dwellings - all, as a percentage of all dwellings in the area; total revenue expenditure on Housing services(GFRA only) per head of population
 - CSG: Time taken to process housing benefit/council tax benefit new claims and change events (historic data - 2012/13)

Programmes

- 1.22 The Council has in place five portfolios of large programmes and projects: Adults and Health, Central, Children's and Young People, Environment and Regeneration and Growth. In total, 104 programmes and projects are currently underway. In addition, we have an Education Capital Programme in place to ensure successful delivery of new school places and improvements to schools.

Adults and Health Portfolio

Progress has been made across a number of projects in the Adults Transformation Programme, with a number of recommendations gaining Committee approval and no projects RAG rated as Red. Adults and Safeguarding Committee approved the strategic outline case and next steps for the adults' social care alternative delivery model on 12 November 2015. At the same committee, it was agreed that the meals subsidy would cease by 31 March 2016, after a review has taken place with existing users to identify alternative provision. Furthermore, on 16 December 2015 Policy and Resources Committee unanimously approved the Sports and Physical Activity paper recommending Victoria Recreation Ground and Copthall as the two sites for new leisure centres. In other areas of the Adults Transformation Programme, negotiations have commenced to deliver third party contract budget savings of £2.6m by 2019/20, with £400k to be delivered in 2016/17. Finally, a formal staff consultation has commenced within the Adults Delivery Unit on a proposed new structure.

Central Portfolio

There is a varied picture of progress across the Central portfolio with two projects RAG rated as Red. Firstly, the Colindale office accommodation project to develop a new corporate headquarters is Red owing to potential time delays. Additional resources have been brought in to strengthen programme oversight and delivery and engagement with the contractor and key stakeholders. Secretary of State approval for the headquarters has been received. Secondly, although the work to review existing and lapsed leases on community assets is underway, negotiations can only take place in mid-April, once the Council's new social benefits toolkit is finalised. Substantial progress has been made though on Customer Access, with the approval of a Customer Access Strategy by Policy and Resources Committee on 16 December 2015, and the subsequent set up of a Customer Transformation Programme to deliver the strategy. Also, Assets, Regeneration and Growth (ARG) Committee in November 2015 approved an outline business case and a strategic outline case for new community centres on Tarling Road and Daws Lane respectively. In terms of Unified Reward - the review of pay, grading and contractual arrangements - a position has been agreed with the Trade Union

bodies, which allows consultation to commence with staff. Furthermore, a new Employer Supported Volunteering (ESV) policy and guidelines have been developed as part of the delivery of the Community Participation Strategy, and have been approved by the Workforce Board.

Children's and Young People Portfolio

Good progress has been made across a number of projects in the portfolio with the majority of projects now RAG rated as Green. A number of Committee decisions have been taken in the last three months: firstly Full Council on 8 December 2015 agreed the Children, Education, Libraries and Safeguarding (CELS) Committee's recommendations to appoint Cambridge Education as a strategic partner to provide Education and Skills services, with the new arrangements due to commence on 1 April 2016; on 6 January 2016, CELS Committee approved the proposal to consult stakeholders on three options to provide the required additional SEN places; lastly on 30 November 2015 ARG Committee approved the core principles for the lease for the new state-of-the-art OnSide Youth Zone to be built on Montrose Playing Fields in Burnt Oak. Public consultation has taken place on the proposed changes to the library service.

Environment Portfolio

Projects within the Environment portfolio are largely progressing as expected, with the majority of projects RAG rated as Green. Issues holding up the Lagan Mobile project, which will allow service requests to be routed directly to an operative via a handheld device rather than the current paper-based system, have been resolved and also the new Passenger Transport IT system is now live. Furthermore, the Environment Committee agreed on 11 January to consult the public on draft Municipal Waste and Recycling and Parks and Open Spaces strategies. Work continues on assessing options for an alternative delivery model for all Streetscene services. The Depot project is the sole project to RAG rated as Red because of the delay expected while the Council responds to an application to initiate a Judicial Review against the planning decision.

Growth and Development Portfolio

Improvements have been made in many areas of the Growth and Development Portfolio, with a fewer number of projects RAG rated as Red. Firstly, progress has been made within Tranche 1 of the Development Pipeline programme to develop mixed tenure housing with pre-construction agreements signed with Wates with planning permission now being sought in February, which is inside the overall target timescales. Also, a new plan has been agreed for the redevelopment of Pocket sites. In the Regeneration programme, the draft Grahame Park Supplementary Planning Document (SPD) was approved by Policy and Resources Committee on 16 December 2015, and this document is now out for public consultation. The Granville Road project remains RAG rated as Red. The Planning Appeal Hearing will take place on 28 June 2016. Lastly, within Entrepreneurial Barnet, the new 'Business Support in Barnet' web pages have launched containing support, advice and networking information to help businesses grow in Barnet.

Schools Capital Programmes

Progress is being made across a number of projects and the overall programme is on target to achieve pupil places when required. Works have started on site for the two forms of entry London Academy new build and the expansion of the Oak Lodge Secondary Special School. The proposed scheme to expand Monkfrith primary school was also approved at the Educational Capital Board and work will commence shortly. There are some ongoing concerns with regards to the delivery of Blessed Dominic within the current funding envelopes. A number of projects RAG rated as Green are progressing through the defects period, with Compton School RAG rated as Amber due to concerns with the height of the spoil mound, and East Barnet due to a delay in production of an action plan to resolve the school's top 10 issues.

Human Resources

- 1.23 Sickness absence levels have remained relatively static for some time (at 8 days) and a robust action plan is in place to help support managers, including detailed monthly reports, analysis of trends and problem areas and HR business partner support for tackling sickness absence with regular monitoring at Workforce board. A Reasonable Adjustments policy and guidance has been introduced to support early return to work and the launch of a healthy workplace page on the intranet which provides a range of information for staff on how to remain healthy. All Delivery Units have targets for agency reduction with significant recent reductions in Streetscene and Adults. Work is underway to link agency use to the establishment so that there is accurate visibility of additional resource, reasons for usage and strict process for sign off and monthly monitoring.

Revenue Monitoring

- 1.24 Table 5 below provides the forecast outturn position for the financial year 2015/16. This analysis compares the forecast outturn for the financial year to the revised budget position.

The forecasted general fund expenditure outturn (after reserve movements) is £280.804m, which is an adverse variance of £2.838m (1.02%) against the budget of £277.966m. This is also an improvement of £0.880m from the previous quarter.

Directors are accountable for any budget variations within their services and the associated responsibility to ensure expenditure and income are managed within agreed budgets. To make sure that this is successfully achieved, it is essential that Directors develop action plans and review these throughout the financial year to identify all significant emerging variances to ensure that overall expenditure is kept within their total available budget.

A breakdown of revenue monitoring by each Delivery Unit is set out in Appendix D and summarised in the Table 5 below.

Table 5: 2015/16 Outturn Revenue Analysis – Summary

Description	Variations			
	Original Budget	Revised Budget	Q3 Forecast	Variance
	£000s	£000s	£000s	£000s
Adults and Communities	81,816	86,378	88,753	2,375
Assurance	4,110	4,199	4,189	(10)
Births Deaths & Marriages	(161)	(160)	56	216
Central Expenses	72,619	51,277	48,972	(2,305)
Children's Education & Skills	6,152	7,263	7,263	-
Children's Family Services	47,717	48,476	49,438	962
Commissioning	9,806	20,249	20,249	-
Customer Support Group	20,822	22,120	22,620	500
HB LAW	1,752	2,011	2,072	60
Housing Needs Resources	3,954	4,976	5,348	372
Parking & Infrastructure	(1,201)	(803)	(701)	102
Public Health	14,335	15,835	15,835	-
Regional Enterprise	730	1,134	1,637	503
Streetscene	14,014	15,010	15,072	62
General Fund Service Total	276,466	277,966	280,804	2,838

The Public Health budget has increased by £1.500m since quarter 2 and was approved by Policy and Resources Committee in December 2015.

Impact on Balances

- 1.25 As set out in paragraph 1.7 services are in the process of formulating in year recovery plans to minimise the reported adverse variance of £2.838m. If this isn't achievable, then the Council's General Fund balances would need to be used to fund the variation at the end of the financial year as set out in Table 6 below:

Table 6: General Fund Balances

	£'000
General Fund Balances brought forward 1 April 2015	(14,871)
Budgeted use of balance	-
Outturn Variation	2,838
Forecast General Fund balances 31 March 2016	(12,033)

The recommended limit for the Council's General Fund balance is £15m and therefore the Council would be £2.967m below this recommended limit. This reduction in General Fund balances would need to be managed through the Council's medium term financial strategy to ensure the balance was replenished in 2016/17 as the reduced balance would not be feasible given the risks the Council faces over the short to long term.

Housing Revenue Account

- 1.26 The Housing Revenue Account (HRA) reserve is forecast to decrease by £6.634m to £8.308m, which will be factored into the Council's 30 year business planning process. The original budgeted deficit was £6.232, with an in year projected increase in contribution from the reserve of £0.402m largely due to rechargeable Adults and Community costs and additional Landlord Incentive Payment costs largely offset by increased income from developers in regards to regeneration.

Table 7: Housing Revenue Account Balances

	£'000
Housing Revenue Account Balances brought forward 1 April 2015	(14,942)
Budgeted use of balance	6,232
In-year (surplus)/deficit	402
Forecast Housing Revenue Account Balances 31 March 2016	(8,308)

Dedicated Schools Grant

- 1.27 The Dedicated Schools Grant (DSG) reserve is forecast to increase by £1.702m to £6.558m which will be used to manage future years risk and pressures. Additional information in regards to this variance is contained in Appendix D.

Table 8: Dedicated Schools Grant Balances

	£'000
DSG Balances brought forward 1 April 2015	(4,856)
Budgeted Use of Balance	-
Outturn Variation	(1,702)
Forecast DSG Balances 31 March 2016	(6,558)

1.28 Commentary for significant Budget Variances

Adults and Communities

The overspend for Adults and Communities of £2.375m represents 2.7% of the delivery unit budget (£86.378m). This is a decrease in overspend reported in the Quarter 2 position by £0.111m. The key drivers for this variance are as follows:

- There is an anticipated overspend of £2.228m within integrated care for older people and physical disabilities largely due to:
 - Pressures within EMI nursing and residential where packages of support are increasing reflecting Barnet's increasing older population. In the first 9 months of the year, packages of support have increased by 45 across OA and EMI.
 - Pressure from 2 clients who were self-funders whose funds have depleted and are now the responsibility of the Council, the Council has a legal duty to support clients unmet eligible needs.

- These additional cost pressures have been mitigated by a projected savings of £299k within staffing costs for older people through restructuring of staff.
- There is a projected overspend of £0.289m within integrated care for learning disabilities and mental health primarily due to:
 - An increase in demand since the beginning of the financial year with a further 21 clients being supported with learning disabilities. This area has also seen an increase in service users with learning disabilities, mainly in relation to transitions clients where over the last 4 years there has been pressure on the service due to clients transitioning over from Children's to Adults. This is made up of 2 elements – (1) New clients coming through and (2) an increase in cost for existing clients where there is no change in client needs. The projections include £315k for new clients coming through based on current trends of transitioning from Children's to Adult's.
 - Further, additional pressures exist from 32 new ordinary residence clients resulting in projected costs totalling £934k for new clients in 15/16. Ordinary Residence is individuals who become residence of Barnet from another local authority, who after a period of time, become Clients of Barnet.
 - Mental health has also seen an increase in demand with packages increasing by 12 since month 1. The majority of these packages (6) relate to Supported Living and Other Accommodation, 3 relate to nursing care and single packages exist in Nursing Care, Home Care and Direct Payments.
 - These additional cost pressures have been mitigated by a projected underspends of £313k in Mental Health and £29k in learning disabilities staffing budgets.

These costs pressures are slightly being mitigated from underspends within Prevention and wellbeing (£0.371m) primarily through rechargeable costs to the HRA.

Adults and Communities will continue to apply rigour to their budgets and attempt to secure additional savings opportunities to bring current overspend levels down.

Children's Family Services

The overspend for Children's Family Services of £0.962m represents 1.98% of the delivery unit budget (£48.476m). This is a decrease in the overspend reported in quarter 2 by £0.294m. The key drivers for this variance are as follows:

- Within social care there is an anticipated overspend of £2.741m. This is largely due to a number of contributing factors leading to the use of agency staff and its associated costs as well as the use of translation services and the DAT 4 team. Other pressures in the service that have contributed to the projected overspend include new clients within the Onwards and Upwards area resulting in a projected pressure of £278k and the current list of clients and commitments for Asylum Seekers resulting in an anticipated pressure of £501k. The Asylum Seekers list of Clients includes both 16-17 year olds and over 18, the current clients for 16-17 year olds totals 36.

- Placement costs are also contributing towards the projected overspend, totalling £290k. This is largely due to pressures associated with external placements (£304k), residential orders (£106k), special guardianship orders (£193k), in-house fostering (£178k) offset by savings identified within the DSG amounting to £299k.
- These costs pressures have been mitigated by anticipated underspends within Early Intervention and Prevention totalling £656k. These underspends are projected to materialise largely due to savings identified from the community Barnet contract, the use of substitution of funding and an existing vacancy all in the Business and Continuity area. Other significant underspends within Early Intervention and Prevention relate to Family and Youth Support where there is an anticipated underspend of £182k, largely due to the unsuccessful tender of the 'move-on' housing contract.
- Further underspends of £594k are also anticipated in the senior management team largely due to anticipated monies held against placements.

There have been some savings identified to support the in-year recovery plan. Social care overspend is continuing to increase every month. A long term plan is necessary in order to manage this beyond this financial year.

Housing Needs Resources

The overspend for Housing Needs Resources of £0.372m represents 7.48% of the delivery unit budget (£4.976m). This is a reduction in the reported Quarter 2 position by £0.647m.

The variance is primarily due to increased pressure on temporary accommodation. Demand for temporary accommodation has increased whilst the availability of lower cost units on regeneration estates and units held under the Housing Association Leased Scheme have reduced leading, along with other economic factors to an increased demand for more expensive short term accommodation.

A recovery plan from Barnet Homes to address the pressures has been developed, this involves increasing the number of direct lets and procuring new sources of temporary accommodation. The results of these initiatives will not be seen in the current year but will aid towards achieving a more sustainable budget position by 2019/20.

Re

The overspend for Re of £0.503m represents 44.36% of the delivery unit budget (£1.134m). This is an increase in overspend reported from the Quarter 2 position by £0.130m.

The overspend is largely due to an increase in activity relating to the highways LIP program which has resulted in an increase in expenditure and TUPE costs.

There is no recovery plan yet in place. Discussions continue between Commissioning Group and Re.

Customer Support Group

The Customer Support Group is forecasting an overspend of £0.500m, as reported in Quarter 2, which represents a 2.26% variance against the budget of £22.120m.

The overspend relates to the management fee increase as a result of the Civica contract for Revenues and Benefits not being part of the original transferring baseline.

Registrars Service

The Registrars service is forecasting an overspend of £0.216m, which represents 135% of the delivery unit budget of £(0.803)m. This is an increase in overspend reported in Quarter 2 by £0.022m.

The overspend is due to an exceptional reduction in demand for bookings of Citizenship Ceremonies and Marriages taking place before a change in legislation was administered. This in turn has resulted in the demand for such ceremonies to decrease. The Council is working with the London Borough of Brent as the service provider to review options to overcome this financial constraint.

Parking and Infrastructure

Parking and Infrastructure is forecasting an overspend of £0.102m, which represents a 2.26% variance against the budget of £22.120m. This is a reduction in overspend from the Quarter 2 position reported by £0.063m.

The overspend is largely due to additional resources being put in place for winter gritting.

Savings

1.29 In 2015/16 the Council was originally due to achieve £17.269m of savings. At the end of Quarter 3, £11.120m (64.39%) had been achieved and it is currently forecast that a further £3.575m will be achieved by the end of the financial year. The total achievable savings of £14.695m therefore represents 85.1% of this year's target and the remaining 14.9% (£2.574m) will not be achieved.

Table 9 below summarises the forecasting for the 2015/16 saving programme:

Table 9: Savings

Directorate	2015/16 Savings	Savings Achieved	Savings Achievable	Savings Unachievable	% 2015/16 Savings Unachievable
Adults and Communities	(8,424)	(4,730)	(6,882)	(1,542)	18.30%
Assurance	(175)	(75)	(75)	(100)	57.14%
Central Expenses	(249)	(249)	(249)	-	-
Childrens Education and Skills	(1,195)	(1,195)	(500)	(695)	58.16%
Childrens Family Serices	(2,199)	(2,199)	(2,199)	-	-
Commissioning Group	(276)	(276)	(276)	-	-
Customer Support Group	(2,100)	(700)	(2,100)	-	-
HB Public Law	(200)	(67)	(200)	-	-
Housing Needs and Resources	(300)	(300)	(300)	-	-
Parking & infrastructure	(170)	(80)	(80)	(90)	52.94%
Regional Enterprise	(300)	-	(300)	-	-
Street Scene	(1,681)	(1,249)	(1,534)	(147)	8.74%
Grand Total	(17,269)	(11,120)	(14,695)	(2,574)	14.91%

It is currently forecast that £2.574m of savings will not be achieved in this financial year. The savings that are currently identified as not being achievable this year have been reflected in the forecast outturn position in Table 9 and will have been mitigated as much as possible by the service. Directors are working on plans to alleviate the risk of these variances to ensure that the savings are delivered in full in 2016/17. A breakdown of the savings unachievable is provided below:

Table 10: Savings Achievable

Directorate	Amount	Description
Adults and Communities	26	Supporting people in appropriate housing
Adults and Communities	(201)	Sharing funding arrangements with MHT
Adults and Communities	7	Reduction in staff costs
Adults and Communities	(13)	HRA investment in new build
Adults and Communities	(1,500)	Working with CSG
Adults and Communities	139	Reduced placement costs
Assurance	(50)	Reduced canvassing costs
Assurance	(50)	Reduction in printing & courier costs
Childrens Education and Skills	(695)	Alternative service delivery
Parking & infrastructure	(80)	Transforming services eg. Sign shop
Parking & infrastructure	(10)	Winter Gritting efficiencies
Street Scene	(110)	revision of charging process to the HRA
Street Scene	(22)	Waste and Recycling route optimisation
Street Scene	(15)	Income from improved parks utilisation
Total Savings Unachievable	(2,574)	

Reserves

- 1.30 The Council has set aside specific amounts as reserves for future policy purposes or to cover contingencies. As at the 31st December 2015 the Council held reserves of £115.107m which is a £1.048m reduction since the start of the financial year. The reserve balances are managed by the Policy and Resources Committee.

Table 11: Reserves

Description	Reserve b/fwd 01 April 2015	In year related Movement	Reserve c/fwd 31 Dec 2015	Planned	Projected balance at 31st March 2016
	£'000	£'000	£'000	£'000	£'000
Central - Capital	1,457	-	1,457	(166)	1,291
Central - Financing	2,592	-	2,592	-	2,592
Central - Community Infrastructure Levy	5,316	423	5,739	(242)	5,497
Central - Infrastructure	29,455	-	29,455	(29,037)	418
Central - Risk	12,035	-	12,035	(2,125)	9,910
Central - Service Development	7,944	(21)	7,923	(1,822)	6,101
Central - Transformation	15,079	-	15,079	(13,529)	1,550
Service - Other	22,372	(1,446)	20,927	(1,959)	18,968
Sub Total General Fund Earmarked Reserves	96,251	(1,044)	95,207	(48,880)	46,327
Service - DSG	5,106	-	5,106	-	5,106
Service - Housing Benefits	6,600	(4)	6,596	-	6,596
Service - NLSR	794	-	794	-	794
Service - PFI	3,715	-	3,715	-	3,715
Services - Lighting	113	-	113	(113)	-
Service - Section 256 - NHS Social Care Funding	431	-	431	(431)	-
Service - Public Health	1,209	-	1,209	(510)	699
Special Parking Account (SPA)	1,936	-	1,936	-	1,936
Total Ring Fenced	19,905	(4)	19,901	(1,054)	18,846
Total All Earmarked Reserves	116,155	(1,048)	115,107	(49,934)	65,173

2015/16 Outturn Capital Monitoring

- 1.31 The forecasted outturn expenditure as at 31st December 2015 on the Council's capital programme is £195.437m, £154.466m of this relates to the general fund programme and £40.971m for the HRA capital programme. This is a variance of £4.922m against the latest approved budget of £200.459m. Table 12 below summarises the expenditure by each service, against the latest budget taking into consideration approvals made by the Performance and Resources Committee.

Table 12: 2014/15 Capital Programme Outturn Position

Directorate	2015/16 Latest Approved Budget	Additions/ (Deletions)	(Slippage) / Accelerated Spend	Proposed 2015/16 Budget	Forecast to year-end	Variance from Revised Budget
		£000	£000	£000	£000	£000
Adults and Communities	3,258	-	(208)	3,050	3,050	(208)
Children's Education and Skills	46,741	-	(3,629)	43,112	43,112	(3,629)
Children's Family Services	5,871	-	(1,434)	4,437	4,437	(1,434)
Commissioning Group	32,176	-	(1,025)	31,151	31,151	(1,025)
Housing Needs and Resources	783	-	(540)	243	243	(540)
Parking and Infrastructure	1,787	84	(337)	1,534	1,534	(253)
Regional Enterprise	68,581	(771)	769	68,579	68,579	(1)
Street Scene	2,460	-	-	2,460	2,460	-
General Fund Programme	161,656	(687)	(6,404)	154,566	154,566	(7,090)
HRA	38,803	-	2,168	40,971	40,971	2,168
Total Capital Programme	200,459	(687)	(4,236)	195,537	195,537	(4,922)

The capital monitoring summary and scheme details by service directorate is set out in Appendix E.

Table 13 below analyses the funding changes in the 2015/16 capital programme for the financial year. A detailed analysis of changes including additions, deletions and budget movements is provided in Appendix E.

Table 13: 2014/15 Capital Funding Outturn Changes

Directorate	Grants	S106 / Other	Capital Receipts	Reserves	Revenue	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000
Adults and Communities	-	-	-	-	(208)	-	(208)
Children's Education and Skills	(2,947)	-	(140)	-	-	(542)	(3,629)
Children's Family Services	-	-	(1,434)	-	-	-	(1,434)
Commissioning Group	(155)	-	-	(870)	-	-	(1,025)
Housing Needs and Resources	(540)	-	-	-	-	-	(540)
Parking and Infrastructure	-	-	84	(325)	(12)	-	(253)
Re delivery unit	(1,782)	3,440	(233)	3,389	(133)	(4,681)	(1)
Street Scene	-	-	-	-	-	-	-
General Fund Programme	(5,424)	3,440	(1,723)	2,194	(353)	(5,223)	(7,090)
HRA	-	-	572	-	1,596	-	2,168
Total Capital Programme	(5,424)	3,440	(1,151)	2,194	1,243	(5,223)	(4,922)

There is a 2.46% decrease in the forecasted capital programme compared with the approved budget. This movement of £4.922m is largely due to slippage and acceleration.

The predominant variances for 2015/16 are as follows:

- The Children's Family services programme is forecasting a slippage of £1.434m. This is largely due to slippage of the 'Implementation of Library Strategy' (£1.434m) projects (including information system transformation works and Golders Green Library refurbishment works) will not proceed until 2016/17.
- The Children's Education programme is anticipated to slip by £3.629m, this is largely due to projected slippage of £1.806m on works to the London Academy, now anticipated to take place in 2016/17 as a result of delays caused by asbestos contamination. There is also anticipated slippage of £1.026m on Oak Lodge Special School as the programme is being revised. Further, it is anticipated that the East Barnet and Project Faraday costs will slip by £0.463m and the Cophall school costs will slip by £0.176m as the due need for legal agreements are being drawn up for the payment of retention monies, now not anticipated to occur until after March 2016.
- HRA has forecast accelerated spend of £2.168m primarily on major works including mechanical, engineering and gas works and voids and lettings. The HRA major works capital programme was re-aligned to reflect the Council's 30-year business plan presented to Housing Committee in October 2015. Barnet Homes have advised that as the year has progressed, demands have been higher than anticipated, hence the need to accelerate spend.

The 'variance from revised budget' column in the report is a net figure based on slippage (budget required for future financial years), accelerated spend (budget required from future years) and underspends. As an example, a budget may be set for a school build but construction may not start until half way through the year and is due to continue into future financial years. As construction accounts for the majority of the budget, it needs to be re-profiled

(slipped) into the financial year it is required for. Slippage does not indicate an underspend, just a movement of budget into future financial years.

Transformation Programme

- 1.32 A summary of spend and projected expenditure is provided as (Appendix H). Policy and Resources Committee allocated use of the Transformation Reserve to fund activities required to deliver the Medium Term Financial Strategy and the Council's Corporate Plan. The funding of key projects is reviewed by relevant Committees at decision points. The current projection is for a £1.996m underspending across the Programme. The key projects that are leading to the underspend include legal projects (£1.200m) and contingency projects (£0.500), where underspend is planned to be used on alternative future projects.

Treasury Outturn

- 1.33 In compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice this report provides Members with a summary report of the treasury management activity during the period to 31st December 2015. 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 I.

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 period to 31st December there were no breaches of the Authorised Limit and the Operational Boundary.

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 Strategy 2015/16 was approved by Council on 3 March 2015. The Treasury Management Strategy 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 Treasury Management Strategy.

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 treasury strategy for 2015/16 has extended the maximum duration to 10 years with further diversification, albeit with maximum recommended duration of deposits for different banks depending on risk assessment.

Investment Performance

- 1.34 Investment deposits are managed internally. As at 31 December 2015, deposits outstanding were £212.700 million (excluding Icelandic deposits), achieving an average annual rate of return of 0.68 per cent (adjusted for Icelandic deposits) against a benchmark average (London Interbank Bid Rate - LIBID) of 0.48per cent. The list of deposits outstanding as at 31 December 2015 is attached as Appendix J and summarised in table below.

Table 14: Investments as at 31 December 2015

	£'000
Local Authorities	40,000
Money Market Funds	26,200
UK Banks & Building Societies	98,500
Non UK Banks & UK Building Societies	48,000
TOTAL	212,700

The benchmark, the average 7-day LIBID rate, is provided by the authority's treasury advisors Capita Asset Services who were appointed as treasury advisers in August 2015. The LIBID rate is the rate that a Euromarket bank is willing to pay to attract a deposit from another Euromarket bank in London.

The Council holds a balance of circa £2.9m in a third party bank account established the winding up board of the former bank Glitnir Icelandic Krónur. These funds cannot yet be accessed due to Icelandic Government currency export restrictions but they can be traded, though the market is illiquid. On 9th July 2015 Policy and Resources Committee agreed to delegate powers that would enable officers to process any sale, in consultation with the Committee Chairman, if an acceptable offer is made to the Council. The Council has not sold the escrowed funds in the third quarter.

Debt Management

- 1.35 The total value of long term loans as at 31 December 2015 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 31st December 2015 was 3.89%.

Risk Management

- 1.36 The report highlights current risks and the respective impact on the Council. There are eight corporate level risks that have a risk level of high or medium. Controls have been put in place to mitigate the risk and control the impact. The full risk assessment can be found in Appendix M.

Table 15: Risk Summary

Risk Level	Risk	Control Actions
High	There is a risk that homelessness and the subsequent cost of providing emergency short term accommodation will continue to rise.	LBB has agreed to fund a range of mitigations which Barnet Homes will deliver to reduce the Temporary Accommodation / Homeless demand focusing on maximising prevention, managing demand, and Increasing affordable supply.
Medium	Given the overall economic position, it is clear that cuts to government funding will continue until the end of the decade.	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.
Medium	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.	Through the risk management 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
Medium	If there is not a clearly defined approach to commissioning in place that ensures consistent application of Commissioning Cycle activities then objectives becomes difficult to monitor or achieve.	The Council's Commissioning Plans and priorities to 2020 are in place and agreed via Committees in 2014/15.
Medium	If there were a significant children's safeguarding incident then the commissioning council approach may be destabilised and undermined.	Governance arrangements are in place to provide assurance. Mock Ofsted inspection and safeguarding peer review are undertaken to assess risk.
Medium	Failure to engage properly with Residents.	Ensuring equalities is embedded within the Commissioning Group.

Risk Level	Risk	Control Actions
Medium	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.	Regular monitoring of resident and business satisfaction surveys West London Alliance: Implementation of the West London Alliance jobs, skills and growth programme.
Medium	There is a risk that the pressure on Adults budgets caused by increasing demographics and complexity will not be contained within existing budgets.	Ensuring effective information and advice is offered and promoting more independent living.

2 REASONS FOR RECOMMENDATIONS

- 2.1 These recommendations are to allow the Council to meet the budget agreed by Council on 3 March 2015.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4 POST DECISION IMPLEMENTATION

- 4.1 None.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This report presents the performance of the Council at meeting the measures of success for the Corporate Plan. This report also includes performance indicators for the delivery of services by the Council, such as the performance of contracts, Delivery Units and partners.

- 5.1.2 The past three years of performance information is available at: www.barnet.gov.uk/performance

- 5.1.3 Robust budget and performance monitoring are essential to ensure 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.

- 5.1.4 Relevant Council strategies and policies include the following:

- Corporate Plan 2015-2020
- Medium Term Financial Strategy

- Treasury Management Strategy
- Debt Management Strategy
- Insurance Strategy
- Risk Management Strategy
- Capital, Assets and Property Strategy.

5.1.5 The priorities of the Council are aligned to the delivery of the Health and Wellbeing Strategy.

5.2 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

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

5.3 **Social Value**

5.3.1 Not applicable in the context of this report.

5.4 **Legal and Constitutional References**

5.4.1 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.

5.4.2 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 deterioration in an authority’s financial position is set out in sub-section 28(4) of the Act.

5.4.3 The [Council’s Constitution, in Part 15 Annex A, Responsibility for Functions, states](#) the functions of the Performance and Contract Management Committee include (amongst other responsibilities):

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Streetscene; Public Health; Commissioning Group; and Assurance.
- c) Receive and Scrutinise contract variations and change requests in respect of external delivery units.

- d) To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.
- e) Specific responsibility for the following function within the Council:
 - a. Risk Management
 - b. Treasury Management Performance
- f) Note the Annual Report of the Barnet Group Ltd.

5.4.4 The [Council's Constitution](#), Part 21, Financial Regulations section 4. paragraphs 4.4.9 - 11 state:

- Allocations from the central contingency relating to planned developments will be approved by the Chief Finance Officer (section 151 officer), in consultation with the Chairman of the Performance and Contract Management Committee, following the receipt from a Chief Officer of a fully costed proposal to incur expenditure that is in line with planned development (including full year effect).
Where there is a significant increase in the full year effect, the contingency allocation must be approved by the Performance and Contract Management Committee.
- Allocations from the central contingency for unplanned expenditure, including proposals to utilise underspends previously generated within the service and returned to central contingency, will be approved by the Chief Finance Officer in consultation with the Chairman of Performance and Contract Management.
Where there are competing bids for use of underspends, additional income or windfalls previously returned to central contingency, priority will be given to the service(s) that generated that return.
- Allocations for unplanned expenditure over £250,000 must be approved by Performance and Contract Management Committee.

5.4.5 The Chief Finance Officer (section 151 officer) will report in detail to Performance and Contract Management Committee at least four times a year, at the end of each quarter, on the revenue, capital budgets and wider financial standing.

5.4.6 The Council's Constitution, Part 21, Financial Regulations section 4 paragraph 4.4.3 states amendments to the revenue budget can only be made with approval as per the scheme of virement table below:

Virements for allocation from contingency for amounts up to £250,000 must be approved by the Section 151 Officer in consultation with appropriate Chief Officer
Virements for allocation from contingency for amounts over £250,000 must be approved by Policy and Resources Committee
Virements within a service that do not alter the bottom line are approved by Service Director
Virements between services (excluding contingency allocations) up to a value of £50,000 must be approved by the relevant Chief Officer
Virements between services (excluding contingency allocations) over £50,000 and up to £250,000 must be approved by Chief Officer and Chief Finance Officer in consultation with the Chairman of the Policy and Resources Committee and reported to the next meeting of the Policy and Resources Committee
Virements between services (excluding contingency allocations) over £250,000 must be approved by Policy and Resources Committee
Capital Virements
Performance and Contract Management approval is required for all capital budget and funding virements and yearly profile changes (slippage or accelerated spend) between approved capital programmes i.e. as per the budget book. The report must show the proposed: <ul style="list-style-type: none"> 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.

5.5 Risk Management

5.5.1 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.

5.5.2 The revised forecast level of balances needs to be considered in light of the risk identified in 5.4.1 above.

5.6 Equalities and Diversity

5.6.1 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:

- Elimination of unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advancement of equality of opportunity between people from different groups.
- Fostering of good relations between people from different groups.

5.6.2 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity; race; religion or belief; sex and sexual orientation.

5.6.3 In order to assist in meeting the duty the Council will:

- Try to understand the diversity of our customers to improve our services.
- Consider the impact of our decisions on different groups to ensure they are fair.
- Mainstream equalities into business and financial planning and integrating equalities into everything we do.
- Learn more about Barnet’s diverse communities by engaging with them.

This is also what we expect of our partners.

5.6.4 This is set out in the Council’s Equalities Policy together with our strategic Equalities Objective - as set out in the Corporate Plan - that citizens will be treated equally with understanding and respect; have equal opportunities and receive quality services provided to best value principles.

5.6.5 Progress against the performance measures we use is published on our website at:

www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity

5.7 Consultation and Engagement

5.7.1 During the process of formulating budget and Corporate Plan proposals for 2015/20 onwards, three phases of consultation took place:

Phase	Date	Summary
Phase 1: Setting out the challenge	<i>Summer 2013</i>	The Council forecast that its budget would reduce by a further £72m between 2016/17 and 2019/20, setting the scene for the PSR consultation
Phase 2: PSR consultation to inform development of options	<i>October 2013 - June 2014</i>	<ul style="list-style-type: none"> • Engagement through Citizen's Panel Workshops which focused on stakeholder priorities and how they would want the Council to approach the Priorities and Spending Review • An open 'Call for Evidence' asking residents to feedback ideas on the future of public services in Barnet.
Phase 3: Engagement through Committees	Summer 2014	<ul style="list-style-type: none"> • Focus on developing commissioning priorities and MTFs proposals for each of the 6 committees • Engagement through Committee meetings and working groups

Phase 4: Strategic Plan to 2020 Consultation	December 2014 – March 2015	<ul style="list-style-type: none"> • A series of 6 workshops with a cross section of residents recruited from the Citizens Panel and Youth Board, plus two workshops with users¹ of Council services. • An online survey (17 December 2014 – 11 February 2015)
--	----------------------------	---

5.8 Insight

5.8.1 Not applicable in the context of this report.

6 BACKGROUND PAPERS

- 6.1 Performance and Contract Management Committee, 12 May 2015⁴ (Decision Item 7) – approved Final Outturn and Quarter 4 Monitoring Report 2014/15
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=7873&Ver=4>
- 6.2 Council, 3 March 2015 (Decision item 12) – approved Business Planning 2015/16 – 2019/20, including the Medium-Term Financial Strategy.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7865&Ver=4>
- 6.3 Council, 14 April 2015 (Decision item 13.3) – approved Corporate Plan 2015-20.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7820&Ver=4>

¹ One “service user” workshop was for a cross section of residents who are users of non-universal services from across the Council. The second workshop was for adults with learning disabilities.

This page is intentionally left blank

Appendix A: Customer Experience Report: Quarter 3 2015/16

1. Customer Experience

Executive summary

In quarter 3, six of thirteen targets have been achieved, as in the previous quarter. Nonetheless, performance has improved on nine measures and deteriorated on four since quarter 2. The biggest improvement has been in the CSG wait times in the two face to service centres which now average under 5 minutes as the result of a new system and new processes, and this is also reflected in much higher customer satisfaction ratings recorded via the GovMetric screens.

Other notable improvements include responding on time to complaints and members enquiries, and positive improvement in satisfaction with the website and webforms. Unfortunately completing general customer cases on time, and customer satisfaction with these cases has deteriorated.

Customer satisfaction ratings across our main access channels – including those managed by RE and Barnet Homes - remained unchanged with 77% of customers satisfied. Yet complaints levels hit a previously unseen level in Q3, 19% higher than the previous quarter and 53% higher than quarter 3 the previous year, driven primarily by complaints about Street Scene and Parking.

Successes

Noteworthy successes and performance improvements in quarter 3 are:

- **Customer satisfaction for the webforms available on the council's website has improved again, to 56%.** This performance, the best recorded to date, supports the council's customer access strategy to increase the number of transactions completed online.
- After further agent training and process change, **an additional 12 customer service type requests can now be resolved at the first point of contact**, bringing the total number of requests that do not need a hand off to any other person to 389. These changes were applied to Benefits, Council Tax, Libraries, Registrars, and School Admissions.
- The introduction of a **new appointments system (Qmatic) and operating model for face to face contact has significantly decreased wait times** at the councils two main contact centres, Burnt Oak Library and Barnet House. Furthermore, these changes appear to have increased satisfaction for the face to face channel, as **92% of 3,000+ customers rated the service they received as good (highest percentage recorded to date)**.
- The council has **responded to 90% of 892 complaints within the policy timeframes** - this is the best performance ever achieved and significantly higher than the 80% target, despite the 27% rise in volume.
- **97% of the total recorded Member Enquiries (1,245) were responded to within 5 days, and 79% were closed within 5 days.** The latter figure for closing Member Enquiries is the highest recorded to date, despite an increased volume this quarter.

Areas for improvement

The following areas are to be improved over the next three months:

- The volume of complaints rose by 27% this quarter, with Barnet Homes, Street Scene and Commissioning (Parking) all recording a **significant increase in stage 1 complaints**, but whilst this is a seasonal trend, for Street Scene the number also appears to have tripled compared to the same quarter last year (299 in Q3 compared to 76 for Q3 last year). This is thought to be due to staff recording practice, so that customers who are expressing dissatisfaction are now consistently offered the option of making a formal complaint. Barnet Homes' complaints volumes rise in the winter, but there have been a number of gas-related problems in Q3, and engineers missing appointments, leading to a specific improvement plan on this. Parking complaints primarily reflect the introduction of a new e-permits system and problems associated with this, which also is subject to a resolution plan. It is worth noting that over half of the corporate complaints recorded this quarter were not upheld, including two thirds in Street Scene and a third of those for Barnet Homes.
- **58% of the website feedback left by customers is average or negative**. Although this percentage has decreased since Q2, the council must continue using feedback to improve functionality and content, to encourage more customers to self-serve, rather than contact the council by phone or in person. There is a more in-depth update on the website included in this report, below.
- According to the data, **only 70% of customer cases (across customer services, revenues & benefits and street scene) were responded to within the promised timescale** (compared to 90% target) and only **83% of the 161 customers identified as needing additional support were responded to within the promised timescale**. However CSG customer services have discovered that agents are recording enquiries resolved in one contact as cases and leaving them open on the CRM system. This has now been fixed so Q4 data will be correct and hopefully show that performance is actually on target.
- The satisfaction levels of customers surveyed following case closure by CSG and Street Scene dipped **from 56% in Q2 to 47% in Q3**
- **20% of the 260,000+ desk calls presented this quarter have not been answered by council staff and on-site staff in RE and CSG**, slightly worse than the previous quarter. Of those that were picked up, only 73% were done so within 20 seconds. This has been a consistent issue all year.

Figure 1: Overall performance in Quarter 3 2015/16, compared to Quarter 2 2015/16

Performance Measure	Target	Performance previous quarter	Performance current quarter	DoT
% Complaints responded to within SLA	80%	86%	90%	↑
% Members Enquiries responded to within SLA	95%	95%	97%	↑
% Members Enquiries cases closed in 5 days	-	74%	79%	↑
% of cases delivered within SLA	90%	73%	70%	↓
% of cases delivered within SLA for customers needing additional support	90%	93%	83%	↓
Case Closure Survey (sum of 'Very good' and 'Good' ratings)	65%	56%	47%	↓
Single Agent Resolution - Lagan case types that can be fully resolved by the first customer agent	381 classifications (Q3)	374	389	↑
% FOIs resolved within SLA	90%	97%	99%	↑
% CSG contact centre calls answered in total, including IVR	-	96%	96%	↔
% council desk phones answered in total	95%	82%	80%	↓
% CSG Emails responded to within SLA	90%	70%	82%	↑
% CSG Webforms responded to within SLA	90%	59%	87%	↑
Non-appointment average wait (min)	5 mins	-	4.3	-
Appointment avg wait (min)	5 mins	-	4.5	-
GovMetric satisfaction	80%	77%	77%	↔
Mystery Shopping	90%	-	-	-

- % cases delivered within SLA covers CSG, Street Scene and Re – not other DUs
- Case closure survey data covers CSG, Street Scene and Re - not other DUs

Figure 2: Performance by Delivery Unit in Q3 (measured calls, emails & webforms handled by CSG Customer Services for other Delivery Units) *Key: green = target met, red = target not met, / = no data available, 0 = no instances recorded*

Performance Measure	Target	Adults	Assurance	Barnet Homes	Commissioning	CSG	Education & Skills	Family Services	Re	Streetscene
% Complaints responded to within SLA	80%	Green	Green	Green	Green	Green	Green	Green	Red	Green
% Members Enquiries responded to within SLA	95%	Red	Green	Green	Green	Green	Green	Red	Green	Green
% Members Enquiries cases closed in 5 days	-	68%	62%	89%	78%	77%	64%	66%	76%	81%
% of cases delivered within SLA	90%	Red	0	/	Red	Red	Red	Red	Red	Red
% of cases delivered within SLA for customers needing additional support	90%	0	0	/	Red	Red	Red	Red	/	Red
Case Closure Survey (sum of 'Very good' and 'Good' ratings)	65%	/	/	/	Red	Red	/	/	Red	Red
% FOIs resolved within SLA	90%	Green	Green	Green	Green	Green	Green	Green	Green	Green
% CSG contact centre calls answered in total, including IVR	-	94%	/	/	97%	96%	97%	97%	/	94%
% council desk phones answered in total	95%	Red	Red	/	Red	/	Red	Red	/	Red
% CSG Emails responded to within SLA	90%	/	/	/	Red	/	Red	Red	/	Green
% CSG Webforms responded to within SLA	90%	/	/	/	Red	/	Red	Green	/	Red
GovMetric satisfaction	80%	Green	/	Green	Green	Green	Red	Red	Red	Red
Mystery Shopping	90%	Grey background								

There is no equivalent email and webform data for Re or Barnet Homes currently

Special focus: Delivering a good online experience

Satisfaction with the council's website

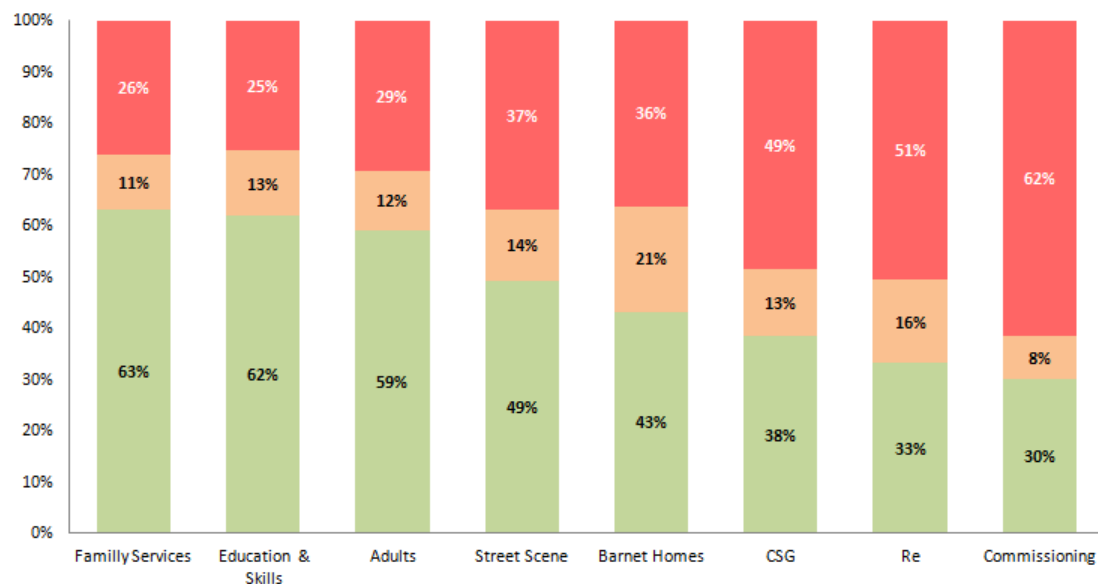
Of the 7,969 customers who completed a web GovMetric survey in quarter 3, 42% said they were satisfied with their experience of using the council's website. This represents another small improvement on an upwards trajectory over the past 10 months, reflecting a concerted effort by the council and CSG to improve the content and general functionality of the website.

October	November	December
41%	43%	46%

Nonetheless this satisfaction level remains below the 47% that is the average score for the group of 70+ councils that use GovMetric, and the council's objective is for our website to achieve ratings that are equal to the best performers, which would require satisfaction to rise to 55% and above. The improvement work will continue into 2016 to ensure customer satisfaction increases, and details of the actions being taken is provided below. A proportion of the negative scores reflect dissatisfaction with policies and service performance, rather than the functionality or content of the site.

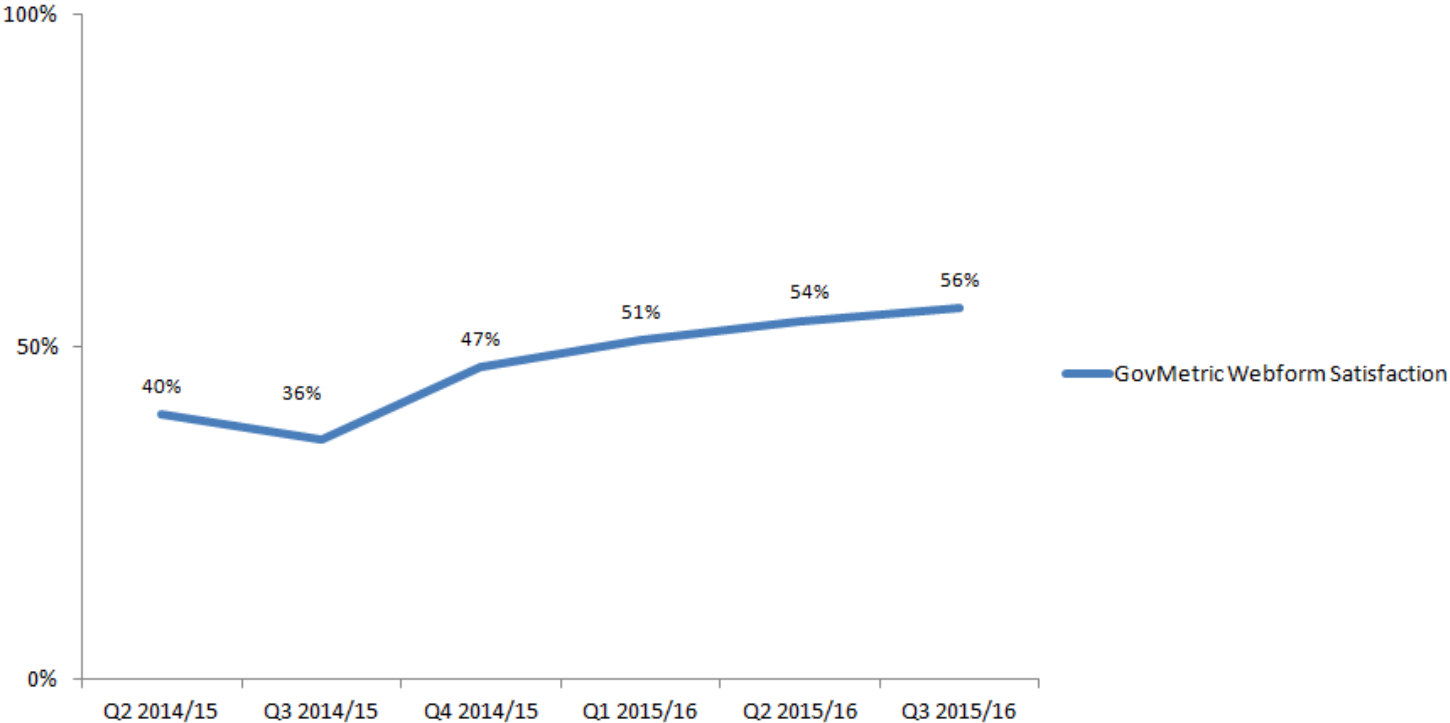
As in Q2, Family Services achieved the highest web satisfaction score (percentage of customers selecting the 'Good' Govmetric option). Apart from Education & Skills and Adults & Communities, all other Delivery Units achieved satisfaction ratings below 50%, with pages owned by the Commissioning Group, CSG and Re, having the lowest ratings of all.

Figure 3: Web ratings broken down by Delivery Unit, Quarter 3 2015/16 (Green = 'Good', Orange = 'Average', Red = 'Poor')



The percentage of customers rating the webforms available on the council’s website as ‘Good’ is continuing to increase with each quarter. This is good to see, as encouraging customers to self-serve by using webforms is a cornerstone of the council’s customer access strategy.

Figure 4: percentage of customers rating the webform channel as ‘Good’

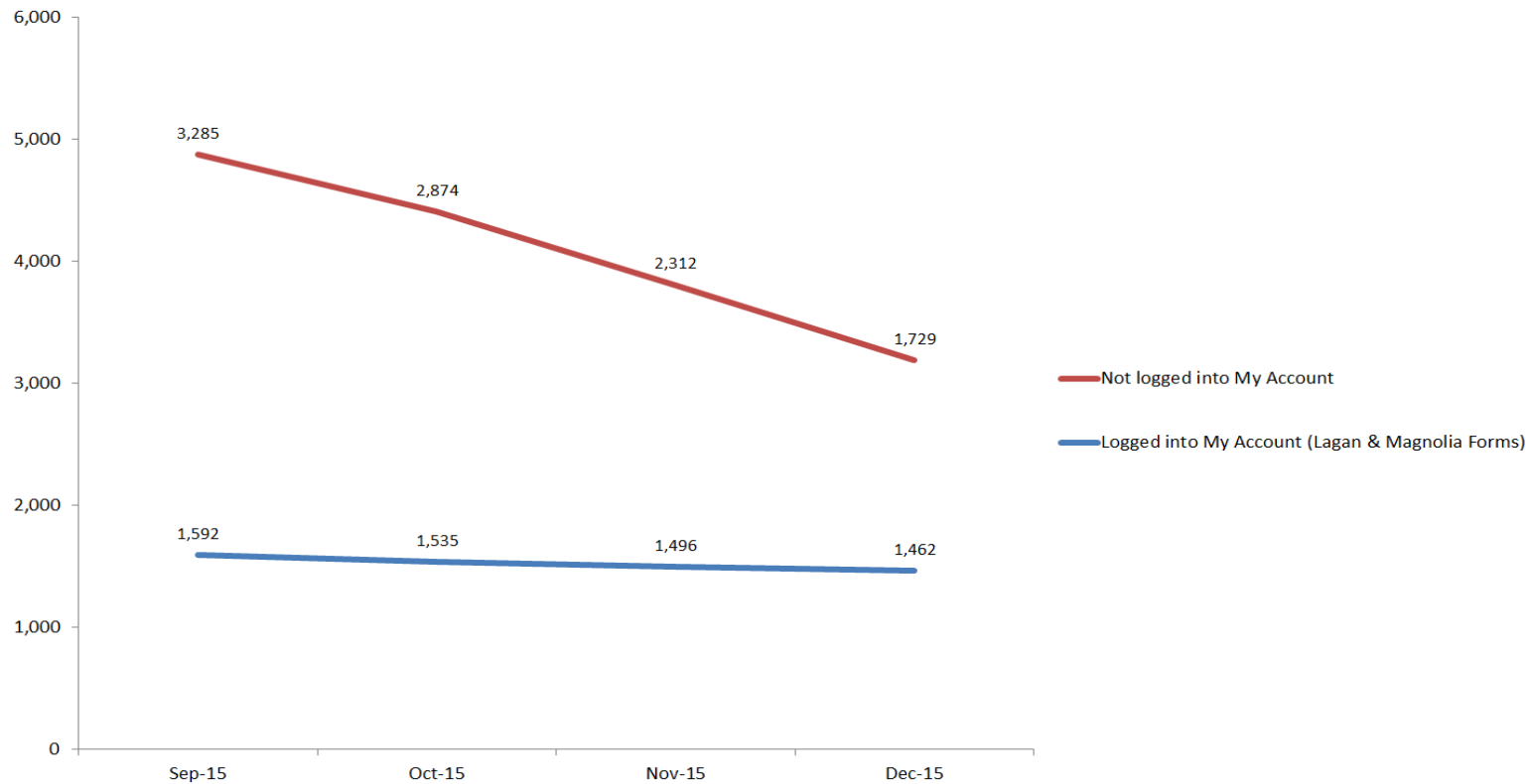


Progress on moving customer demand online

The council’s new website and My Account facility has been live for 10 months. For the first two quarters the number of webforms being submitted by customers increased, but this trend reversed in Q3. This can probably be attributed to fewer cases overall in Q3 rather than any issue with webforms, particularly as satisfaction with webforms has improved.

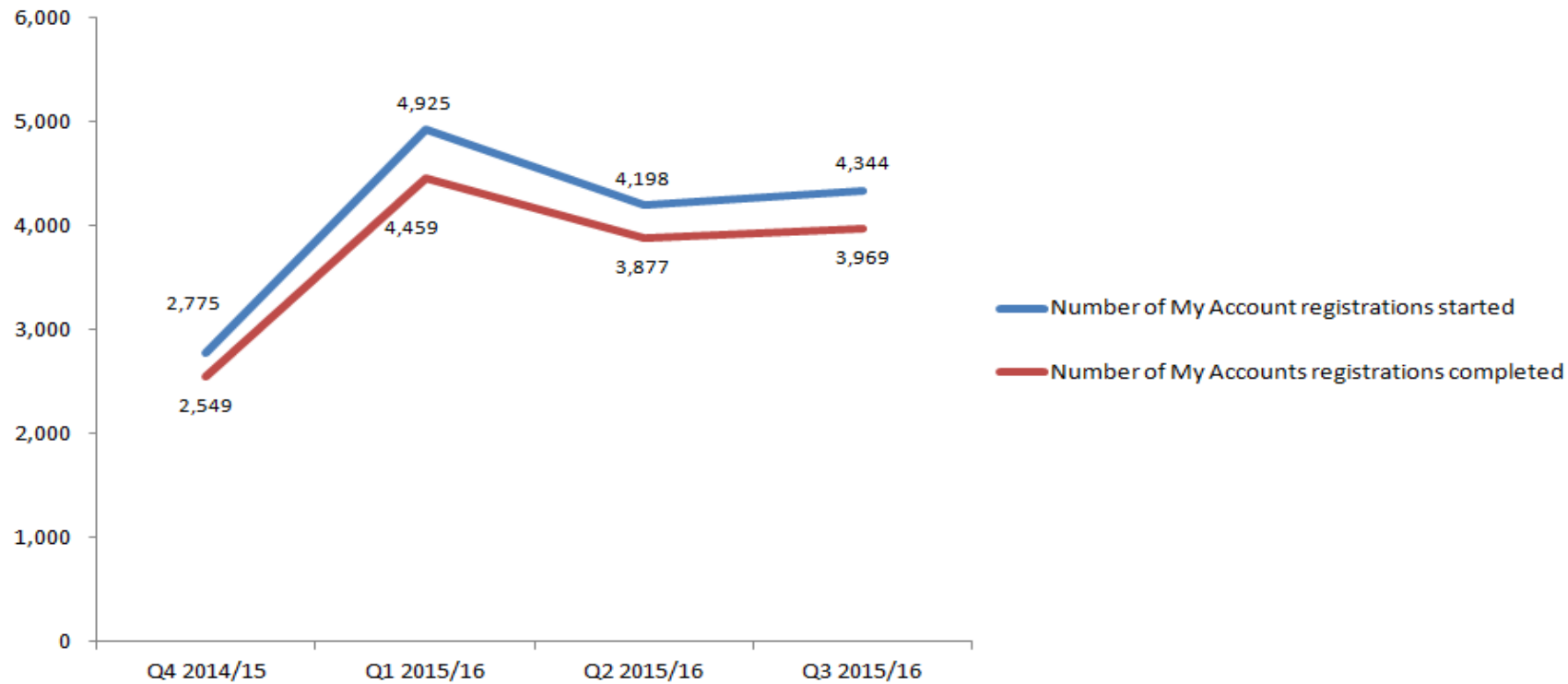
The majority of webforms are still completed outside of My Account, as the graph below shows, which means users are manually typing in their details rather than benefiting from the automatic population of My Account.

Figure 5: Webforms submitted whilst logged into MyAccount vs. Webforms submitted whilst not logged in (4 month period).



A marketing campaign, launched in October, began to have a noticeable impact on the number of customers registering for My Account towards the end of quarter 3. Overall there were slightly more registrations completed in Q3 than in Q2, bringing the total to 14,854 by the end of the quarter. Across the same period, over 8,591 unique users logged into their account at least 7 times, suggesting MyAccount is being used to access information on a regular basis.

Figure 6: number of My Accounts created per quarter



One of the key benefits of MyAccount is that it allows residents to securely access multiple accounts in one place: parking permits, library records, council tax and housing benefits. It also enables the progress tracking of reported environmental and waste issues. Unfortunately, these services are currently underutilised; only 3,252 out of 14,854 account holders have accessed their council tax information through My Account. The second most accessed service was parking permits, however only 1,011 of the total registered users have added their account. The marketing campaign will continue through Q4 to promote the benefits to customers.

Actions underway to improve the website

Action	Owner	Completion date
Monthly tracking of progress at Director level through the Council's Delivery Board and a weekly customer bulletin to all senior managers that includes all customer web feedback – this ensures that senior managers are aware of the feedback and that they can be held to account for taking the necessary action to address issues raised by resident.	Lead by Customer Services/ Delivery Unit Lead Officers	Monthly / weekly
Creation of a web content group attended by senior Delivery Unit leads to share best practice and increase awareness of need for improvements. This group has been tasked with reviewing the content of the most accessed pages on the website. This group will also receive refresher training in using the content management system to make sure they have the right skills to update content in a timely manner.	Lead by Customer Services with Delivery Unit input	Monthly
Refresh of GovMetric categorisation of data to reflect council's Delivery Unit structure. As the structure of the council has changed it is important to ensure that the feedback is getting to the right officers and that there is absolute clarity about who is responsible for each page of the website.	Web Manager	WB 11th January
Existing feedback sent to Delivery Unit contacts for responses that are published on the site at www.barnet.gov.uk/customer-web-feedback . This means that residents can see that we take their comments seriously and that we have a record of which DUs are responding and which are not.	Customer Services	Monthly
Ensure web technical issues are resolved quickly – there is work taking place to ensure there is clarity around the technical support for the website and for fixing problems in a timely manner.	Customer Services	End of January
Content rewriting: The top ten most complained about pages have already been rewritten Targets have been set for rewriting 60 most important pages - 'Importance' defined by GovMetric ratings volume, page views volume and statutory necessity	Web Manager	14th February
A range of activities to support officers writing content for the website has been established:	Web Manager	Ongoing

<ul style="list-style-type: none"> • New guidance circulated • Weekly internal meeting, with intensive content and analytics tutorials • Weekly web writing 'surgery' for drop-in from web leads 		
<p>Opportunities to get more qualitative feedback on opportunities for web improvement being explored:</p> <ul style="list-style-type: none"> • Options for resident focus groups • Staff testing and feedback • Usability session with adults from Barnet Centre for Independent Living 	Customer Services	Ongoing
Comparison and research into other websites being undertaken	Customer Services	Ongoing

Appendix B: Corporate Performance (Quarter 3 2015/16)

Overview of Performance and Finance

The table below provides an overview of performance and finance data for Delivery Units and Contractors.

Service (Delivery Unit or Contractor)	Service Indicators	Projected revenue budget variance £'000	Capital actual variance £'000
Adults & Communities	52% (11)	2,375	(208)
Assurance	N/A	(10)	N/A
Barnet Homes	85% (11)	372	1,628
Children, Education & Skills	70% (19)	0	(3,629)
Commissioning Group	60% (6)	0	(1,025)
CSG	82% (18)	500	N/A
Family Service	67% (8)	962	(1,434)
HB Public Law	83% (10)	61	N/A
Parking and Infrastructure	100% (5)	102	(253)
Public Health	69% (25)	0	N/A
Re	81% (43)	503	(1)
Streetscene	50% (3)	62	0
Registrars	N/A	216	N/A
Central Expenses	N/A	(2,305)	N/A
Totals	73% (159)	2,838	(4,922)

NB. The methodology for calculating the balanced scorecard is explained in Appendix C.

Corporate Indicators by Theme Committee

The Corporate Plan identifies a suite of indicators that help us to monitor performance; and targets have been set to encourage improvement against our strategic priorities. The tables below provide an overview of performance for the Council in relation to the suite of indicators set out in the Corporate Plan. More detailed information can be found in Appendix B.

65 indicators are reported in Quarter 3. Of these, **54** have been given a RAG rating: **72% (39)** are “on or above target” and **29% (15)** are “off target”. **65** have been given a Direction of Travel status: **66% (43)** have an “improved or maintained” DOT and **34% (22)** have a “worsened” DOT.

Theme Committee	No. reported in Q3	No. with a RAG rating in Q3	RAG Ratings				No. with a DOT in Q3	Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/maintained	Worsened
A&S	6	6	67% (4)	0% (0)	0% (0)	33% (2)	6	3	3
ARG	3	0	0% (0)	0% (0)	0% (0)	0% (0)	3	1	2
CELS	17	11	82% (9)	0% (0)	0% (0)	18% (2)	17	12	5
Community Leadership	3	3	67% (2)	0% (0)	0% (0)	33% (1)	3	1	2
Environment	16	16	69% (11)	0% (0)	19% (3)	13% (2)	16	12	4
Housing	7	5	80% (4)	20% (1)	0% (0)	0% (0)	7	2	5
Public Health & Wellbeing	9	9	78% (7)	0% (0)	0% (0)	22% (2)	9	8	1
Outstanding Customer Service	4	4	50% (2)	25% (1)	0% (0)	25% (1)	4	4	0
Total	65	54	39	2	3	10	65	43	22
Total %			72%	4%	6%	19%		66%	34%

Adults and Safeguarding

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/S3	Percentage of adults with learning disabilities who live in stable accommodation	Apr-Dec 2015	59.20%	60.00%	61.8% (G)	Improving	ASCOF 2014/15 comparator group average 68.3%	Working with Barnet Homes and landlords in the private rented sector to provide a range of opportunities for working age adults to step down from residential care into more suitable accommodation.
AC/S4	Percentage of adults with learning disabilities in paid employment	Apr-Dec 2015	8.9%	10.6%	9.5% (R)	Improving	ASCOF 2014/15 comparator group average 9.8%	Work is being undertaken to make sure LD and MH service users are able to take advantage of employment initiatives such as the Boost jobs team, the Twinings service and upcoming WLA trailblazers. The Delivery Unit is proactively identifying opportunities to give LD adults work experience, encouraging providers to offer more opportunities and supporting service users to volunteer within Barnet teams as a path to employment.
AC/S5	Percentage of adults with mental health needs in paid employment	Dec 2015	5.8%	7.0%	5.4% (R)	Worsening	ASCOF 2014/15 comparator group average 7.0%	
AC/S6	Percentage of adults with mental health needs who live in stable accommodation	Dec 2015	81.4%	75.0%	82.9% (G)	Improving	ASCOF 2014/15 comparator group average 79.6%	
AC/S8	Percentage of new clients, older people accessing enablement	Apr-Dec 2015	63.1%	50.0%	62.1% (G)	Worsening	N/A	
AC/S9	Permanent admissions to residential and nursing care homes, per 100,000 population age 65+	Apr-Dec 2015	155.1	300.0	292.8 (G)	Worsening	ASCOF 2014/15 comparator group average 408	

Assets, Regeneration and Growth

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S1	Unemployment	Oct-Dec 2015	6.2%	Monitor	6.6%	Worsening	London (6.6%) Nomis Jul 14-Jun 15	
CG/S2	Sickness benefit, as measured by the Employment Support Allowance (ESA) claimant count (0-65 weeks) or equivalent benefit	Oct-Dec 2015	4.6%	Monitor	4.5%	Improving	London 5.4% Nomis May 2015	
CG/S8	Residents' long-term sickness	Oct-Dec 2015	5800	Monitor	7900	Worsening	Barnet (11.9%), London (15.6%) Nomis Jul 14-Jun 15	

Children, Education, Libraries and Safeguarding

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
CES/S1	Percentage of primary schools rated as 'good' or better	As at 4 Jan 2016	93.1%	92.0%	92.0% (G)	Worsening	Outer London (88.2%), England (85.7%)	
CES/S3	Percentage of secondary schools rated as 'good' or better	As at 4 Jan 2016	84.0%	87.5%	84.0% (R)	Same	Outer London (84.1%), England (75%)	Ongoing challenge and monitoring strategy in place
CES/S8	The percentage of primary pupils achieving end of key stage expectations in nationally reported subjects-two levels progress in reading between key stages 1 and 2*	Academic year 2014/15	94.0%	94.0%	95.0% (G)	Improving	National (91%), London (93%)	
CES/S9	The percentage of primary pupils reaching achieving end of key stage expectations in nationally reported subjects-two levels progress in writing between key stages 1 and 2*	Academic year 2014/15	94.0%	94.5%	95.0% (G)	Improving	National (94%), London (96%)	
CES/S11 (Annual)	Achievement gap between pupils eligible for FSM and their peers achieving end of key stage expectations in nationally reported subjects (Reading Writing and Maths) at Key Stage 2	Academic year 2014/15	11.0%	10.0%	12.0% (R)	Worsening	National Gap (15pp), London Gap 10pp (Disadvantaged)	Narrowing the gap action plan is scheduled to investigate attainment gaps in more detail.
CES/S13	Percentage of pupils achieving 5 or more A*-C GCSE's including English and Maths	Academic year 2014/15	67.5%	68.0%	69% (G)	Improving	National (56.3%), London (59.5%)	

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
CES/S15 (Annual)	The percentage of looked after children making the expected level of progress in English between Key Stages 2 and 4*	Academic year 2014/15	50.0%	TBC	24.0%	Worsening		
CES/S16 (Annual)	The percentage of looked after children making the expected level of progress in Maths between Key Stages 2 and 4*	Academic year 2014/15	20.0%	TBC	24.0%	Improving		
CES/S17	Percentage of 17 year olds recorded in education and training (participation rates 17 year olds) (incl. part time) and work based learning	Oct-Dec 2015	97.4%	91.0%	97.6% (G)	Improving	Ealing (93.4%), Hillingdon (91.9%), Hounslow (93.2%)	
CES/S18	Percentage of young people who are not in education, employment or training (16 to 18 year olds)	Oct-Dec 2015	1.9%	2.3%	2.3% (G)	Worsening	Ealing (3.2%), Hillingdon (3.1%), Hounslow (3.3%)	
FS/S1	Number of children made subject to Child Protection Plans	Apr-Dec 2015	143	Monitor	206	Worsening		
FS/S2	Number of children made subject to Children Protection Plan for a second or subsequent time	As at 31 Dec 2015	35	Monitor	39	Same	Statistical Neighbours: (14.8%), London (13%), England (15.8%) LAIT	Note: marked increase in demand via the front door/MASH
FS/S3	Number of children subject to Children Protection Plans for two or more years	As at 31 Dec 2015	7	Perform in line with statistical neighbours (currently 5%)	2	Improving	Statistical Neighbours (5%), London (3.6%), England (2.6%) LAIT	

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
FS/S4	Number of referrals to social care (per 10,000 of the under-18 population)	As at 31 Dec 2015	407	Monitor	374	Improving	Statistical Neighbours (458.9), London (469), England (573) LAIT	
FS/S6	Percentage of children in LBB foster care	Oct-Dec 2015	39.4%	39%	41.3% (G)	Improving	Benchmarking data not available - this target is specific to Barnet	
FS/S7	Percentage of free entitlement early years places taken up by parents/carers that are eligible for a place	Oct-Dec 2015	43%	50%	52% (G)	Improving	N/A	
FS/S15	Proportion of care leavers age 19 – 21 in education, employment or training.	Oct-Dec 2015	55%	55%	57% (G)	Improving	Statistical Neighbours (52%), London (53%), England (48%). LAIT	

Community Leadership

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S3	Level of crime across the Mayor's Office for Policing And Crime set of crimes (burglary, vandalism, criminal damage, theft of/ from motor vehicle, violence with injury, robbery, and theft from the person)	Oct-Dec 2015	19.0%	20.0%	17.5% (R)	Worsening	N/A	The upward pressure on the volume of MOPAC7 offences is mainly driven by the higher rate of Violence with Injury Offences linked to changes in reporting. Barnet has the 4th lowest rate of violent crime per 1000 population of all 32 London boroughs and the rate of violent crime is 29% lower than the London average. For overall crime, Barnet has the 7th lowest rate of total crime out of all 32 London boroughs (a rate 24% lower than London average).
CG/S4 (RPS)	Public confidence in police and council in dealing with anti-social behaviour and crime issues that matter in their area	Oct-Dec 2015	72% (Autumn 2014)	68%	64% (G)	Worsening	N/A	Upated to Green due to 5% margin of error on sample size.
CG/S5 (RPS)	Percentage of residents who report feeling they belong to their neighbourhood	Oct-Dec 2015	78% (Autumn 2014)	74%	73% (G)	Same	National (72%) Community Life Survey, 2014/15	Upated to Green and DOT (same) due to 5% margin of error on sample size.

Environment

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S11 (RPS)	Percentage of residents who are satisfied with repair of roads	Oct-Dec 2015	27% (Autumn 2014)	34%	35% (G)	Improving	London (41%) Autumn 2014	
CG/S12 (RPS)	Percentage of residents who are satisfied with quality of pavements	Oct-Dec 2015	28% (Autumn 2014)	34%	37% (G)	Improving	No comparable information available	
PI/S1	Parking transaction in town centres and on street	Oct-Dec 2015	494,750	412,582	536,251 (G)	Improving	N/A	
PI/S2	Parking transactions in car parks	Oct-Dec 2015	123,237	69,509	138,234 (G)	Improving	N/A	
PI/S3 (RPS)	Percentage of residents who are satisfied with parking services	Oct-Dec 2015	26.0% (Autumn 2014)	28.0%	30.0% (G)	Improving	TBC	
EH01A	Compliance with Environmental Health Service Standards (Priority 2)	Oct-Dec 2015	96.9%	95.0%	96.5% (G)	Worsening	Ealing (75.7%) 2013/14 Q1 (81.5%) 2014/15, LBB Survey	
EH01B	Compliance with Environmental Health Service Standards (Priority 1)	Oct-Dec 2015	100.0%	100.0%	100.0% (G)	Same	Ealing (75.7%) 2013/14 Q1 (81.5%) 2014/15 LBB Survey	
KPI 1.2 NM	Annual Programme relating to Carriageway Resurfacing schemes	Oct-Dec 2015	100.0%	100.0%	100.0% (G)	Same	N/A	
KPI 1.3 NM	Annual Programme relating to Footway Relay schemes	Oct-Dec 2015	100.0%	100.0%	104.8% (G)	Improving	N/A	
KPI1001	Meet building regulation applications within statutory timescales	Oct-Dec 2015	96.8%	94.0%	95.8% (G)	Worsening	N/A	
KPI1001 (A&A)	Compliance with planning application statutory timescales	Oct-Dec 2015	90.9%	75.0%	91.6% (G)	Improving	Newham (97%), Brent (70%), Enfield (83%) Haringey (76%) DCLG, Q4	

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
KPI NM 2.1 (Re/C43), KPI NM 2.2 (Re/C44), KPI NM 2.3 (Re/C45)	Highways defects made safe (composite indicator - KPI 2.1-2.3NM)	Oct-Dec 2015	100.0%	100%	97.7% (RA)	Worsening	N/A	Performance affected by closure of contractor's office over Christmas. Steps taken to minimise impact ensuring all works raised and due to be completed prior to the closure were completed and work received in the week leading up to Christmas were prioritised in January 2016. Emergency repairs were covered by the in-house DLO team. 854 of 879 jobs were completed.
SS/S1 (RPS)	Percentage of residents who are satisfied with parks and open spaces	Oct-Dec 2015	72% (Autumn 2014)	72%	67% (RA)	Same	N/A	Upated to Red Amber and DOT (same) due to 5% margin of error on sample size.
SS/S3	Percentage of household waste sent for reuse, recycling and composting	Jul-Sep 2015	39.48%	41.92%	38.04% (R)	Worsening	Ranked 10 out of 33 reporting London Boroughs Waste DataFlow, 14 Jan 2016	There was a 17.81% drop in garden waste tonnage in 2014/15 compared to the average tonnage for the previous three years, and this is estimated to have reduced the overall 2014/15 recycling rate outturn by 2.28%. This is considered to be an outcome of the change from weekly to fortnightly garden waste collections, plus any underlying seasonal variations in the amount of garden waste available for collection. Analysis has been carried out to provide a better understanding of the relative tonnage arisings and recycling rate performance from the range of sources (including houses, flats, trade waste and schools) which will inform performance improvement
SS/S4 (RPS)	Percentage of residents who are satisfied with refuse and recycling services	Oct-Dec 2015	76% (Autumn 2014)	80%	76% (RA)	Same	N/A	Upated to Red Amber and DOT (same) due to 5% margin of error on sample size.

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
SS/S6 (RPS)	Percentage of residents who are satisfied with street cleaning	Oct-Dec 2015	53% (Autumn 2014)	58%	52% (R)	Same	N/A	DOT (same) due to 5% margin of error on sample size.

Housing

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
BH/S1	Numbers in Emergency Temporary Accommodation (ETA)	As at 31 Dec 2015	392	500	314 (G)	Improving	Ranked 17 in London (including City of London) London = 5% increase in households; Outer London = 6% increase compared to Barnet = 1% increase DCLG, Q2 2015/16	
BH/S2	Number of homelessness preventions	Apr-Dec 2015	539	525	698 (G)	Improving	2 nd quartile, Q2 2015/16, DCLG	
BH/S3	Length of stay in Emergency Temporary Accommodation	As at 31 Dec 2015	54.2	Monitor	59.5	Worsening	N/A	
BH/S4	Current arrears as a percentage of debit	As at 31 Dec 2015	3.89%	4.04%	4.08% (GA)	Worsening	London (lower quarter) Housemark, Q2 2015/16	£20k off target due to the loss of IT network access during the 'rent free' week. An improvement plan is in place to address all areas of risk and ensure the target is met at year end. Additional resources have been deployed to manage high level arrears to stem further escalation. The 'Rent Sense' reporting tool is being used to provide early insight to areas at risk, which will support future targeted work.
BH/S5	Temporary Accommodation arrears as a percentage of debit	As at 31 Dec 2015	5.62%	6.50%	6.11% (G)	Worsening	N/A	
CG/S6 (RPS)	% of residents who list affordable housing as a concern	Oct-Dec 2015	29.0%	Monitor	36.0%	Worsening	London (23%), Autumn 2014	

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
EH021	Compliance with licensing requirements for Houses in Multiple Occupation	Oct-Dec 2015	73.3%	60.0%	73.2% (G)	Worsening		

Public Health and Wellbeing

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
PH/S1	Smoking status at time of delivery	Jul-Sep 2015	4.4%	5.0%	3.7% (G)	Improving	England (11.4%) London (4.8%)	
PH/S2	Excess weight in 4-5 year olds (overweight or obese)	Jul-Sep 2015	21.0%	21.0%	21.0% (G)	Same	England (22.5%) London (23.1%)	
PH/S3	Excess weight in 10-11 year olds (overweight or obese)	Jul-Sep 2015	34.4%	36.7%	34.4% (G)	Same	England (33.5%) London (37.6%)	
PH/S4	Rate of hospital admissions related to alcohol	Jul-Sep 2015	404.78	458.76	404.78 (G)	Same	England (DSR) = 645 per 100,000; London (DSR) = 541 per 100,000	
PH/S5	Smoking Prevalence	Jul-Sep 2015	15.0%	15.0%	13.2% (G)	Improving	England (18.0%) London (17.0%)	
PH/S7	Physical activity participation	Jul-Sep 2015	58.5%	54.0%	58.5% (G)	Same	England (57.0%) London (57.8%)	
PH/S8	Cumulative percentage of the eligible population aged 40-74 who have received an NHS Health Check	Jul-Sep 2015	2,150	2,225	889 (R)	Worsening	England (2.3%), London (2.7%), Barnet (0.94%)	Performance impacted by teething problems with new IT system. Issues have been resolved and activity levels are expected to improve by Q4. It is anticipated that inclusion of these unrecorded Q2 2015/16 Health Checks will allow us retrospectively to meet our 2015/16 annual target of 9000 completed Health Checks.
PH/S9	Number of people with mental health problems who have accessed the MaPS employment support programme	Jul-Sep 2015	51	60	65 (G)	Improving	N/A	

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
PH/S10	Number of people with mental health problems who have accessed the IPS employment support programme	Jul-Sep 2015	18	38	25 (R)	Improving	N/A	Performance has improved since Q1. This is a new service and the initial focus has been to build relationships with secondary mental health services. An independent evaluation carried out during the summer 2015 indicated that the initial slow start is not a cause for concern. Both the IPS provider and commissioners are confident that the targets will be achieved, as demand for the service is strong.

Customer Experience and Effective Services

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
CG/S7	Spend (total net spend per head)	Oct-Dec 2015	£1272	£1239	£1272 (GA)	Same	N/A	
CG/S14 (RPS)	Percentage of residents who are satisfied with the way the Council runs things	Oct-Dec 2015	71.0%	72.0%	74.0% (G)	Improving	National (67%) LGA Survey, June 2015	
CG/S15	Performance of services	Oct-Dec 2015	73%	100%	77% (R)	Improving	N/A	The LGA's LG Inform benchmarking tool looks across a number of indicators; and allows comparison against other local authorities. Performance is linked with the cost of services.
CG/S16	Percentage of residents who are satisfied with Barnet as a place to live	Oct-Dec 2015	88%	89%	88% (G)	Same	National (82%), LGA Survey, June 2015	Upated to Green due to 5% margin of error on sample size.

Appendix C: Service Performance (Quarter 3 2015/16)

The tables below provide an overview of performance for each service (Delivery Units and Contractors) in relation to the suite of indicators set out in the Council's key business plans (including the Corporate Plan, Commissioning Plans, Management Agreements and Contracts). Detailed information is provided for those indicators that have not met target - RAG rated as Green Amber, Red Amber or Red. The full service reports are published on the website each quarter at www.barnet.gov.uk/currentperformance

315 indicators are reported in Quarter 3. Of these, **217** have been given a RAG rating: **73% (159)** are "on or above target" and **27% (58)** are "off target". **227** indicators have been given a Direction of Travel status: **63% (143)** have an "improved or maintained" DOT and **37% (84)** have a "worsened" DOT.

Service	No. reported in Q3	No. with a RAG rating in Q3	RAG Ratings				No. with a DOT in Q3	Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/maintained	Worsened
Adults & Communities	41	21	52% (11)	5% (1)	0% (0)	43% (9)	21	48% (10)	52% (11)
Assurance	0	N/A	N/A	N/A	N/A	N/A	0	N/A	N/A
Barnet Homes	15	13	85% (11)	8% (1)	0% (0)	8% (1)	15	60% (9)	40% (6)
Children, Education & Skills	30	27	70% (19)	7% (2)	4% (1)	19% (5)	28	61% (17)	39% (11)
Commissioning Group	20	10	60% (6)	10% (1)	10% (1)	20% (2)	14	64% (9)	36% (5)
CSG	44	22	82% (18)	9% (2)	5% (1)	5% (1)	19	68% (13)	32% (6)
Family Services	28	12	67% (8)	17% (2)	0% (0)	17% (2)	16	56% (9)	44% (7)
HB Public Law	12	12	83% (10)	17% (2)	0% (0)	0% (0)	12	83% (10)	17% (2)
Parking and Infrastructure	8	5	100% (5)	0% (0)	0% (0)	0% (0)	8	63% (5)	38% (3)
Public Health	36	36	69% (25)	8% (3)	8% (3)	14% (5)	36	67% (24)	33% (12)
Re	70	53	81% (43)	13% (7)	2% (1)	4% (2)	52	67% (35)	33% (17)

Service	No. reported in Q3	No. with a RAG rating in Q3	RAG Ratings				No. with a DOT in Q3	Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/maintained	Worsened
Streetscene	11	6	50% (3)	0% (0)	17% (1)	33% (2)	6	33% (2)	67% (4)
Total	315	217	159	21	8	29	227	143	84
Total %			73%	27%				63%	37%

Service	No. reported in Q3	No. with a RAG rating in Q3	RAG Ratings				No. with a DOT in Q3	Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/maintained	Worsened
YCB*	24	19	84% (16)	11% (2)		5% (1)	-	-	-

*YCB use a slightly different RAG rating

Adults and Communities

41 indicators are reported in Quarter 3. Of these, 21 have been given a RAG rating: 52% (11) are “on or above target” and 48% (10) are “off target”. 21 have been given a Direction of Travel status: 48% (10) have an “improved or maintained” DOT and 52% (11) have a “worsened” DOT. 8 of the 10 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
AC/S16	Proportion of people with a Direct Payment	As at 31 Dec 2015	39.2%	40.6%	39.5% (GA)	Improving	ASCOF 2014/15 comparator group average 28.4%	A significant number of new direct payments are being agreed at panel through an initiative to ensure a direct payment option is considered in all cases.
AC/S18	Percentage of service users receiving ongoing services with telecare	Apr-Dec 2015	12.5%	14.0%	12.0% (R)	Worsening	N/A	Identifying new opportunities to promote telecare to supported living and residential care service users.
AC/21	Carer assessments resulting in information, advice and services (end of year projection)	Apr-Dec 2015	946	1948	949 (R)	Improving	N/A	Low staffing levels are impacting on capacity to carry out carers' assessments.
AC/C7	Percentage of DoLS applications completed within statutory timeframes	Apr-Dec 2015	12.9%	100.0%	10.0% (R)	Worsening	N/A	The number of applications received continues at unprecedented rates. End of year projection is 1348 applications (a 103% increase on 2014/15). Struggling to meet statutory timescales with current resources
AC/C10	Percentage of clients receiving an ongoing package of care reviewed (end of year projection)	Apr-Dec 2015	68.5%	75.0%	64.4% (R)	Worsening	N/A	The projected proportion of clients reviewed has decreased since Q2. Additional resources have been identified through Adults Transformation Programme and priority groups for review are being identified.
AC/C11	Average number of days from contact to end of assessment	Apr-Dec 2015	26.9	18.0	24.9 (R)	Improving	N/A	Piloting 'assessment hubs' as an approach to improve the rate at which service users can proceed to assessment.

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
AC/C12	Number of delayed transfers of care from hospital per 100,000 population (aged 18+) which are attributable to both NHS and adult social care	Nov 14 - Oct 15	6.5	5.8	7.0 (R)	Worsening	ASCOF 2014/15 comparator group average 7.6	Undertaking work to increase the speed at which complex placements can be commissioned. Ongoing challenge in placing people due to local provider market being close to capacity.
AC/C13	Number of delayed transfers of care from hospital, and those which are attributable to adult social care per 100,000 population	Nov 14 - Oct 15	2.7	2.5	2.7 (R)	Same	ASCOF 2014/15 comparator group average 2.4	

Challenges	Successes
<ul style="list-style-type: none"> Continued progress to reduce the overspend and recover the budget position. Staffing vacancies continue to impact on activity. Additional resources are being identified for priority activity such as reviews, and new delivery approaches such as 'assessment hubs' are being tested Significant period of change including staff restructure and training for implementation of Mosaic. Undertaking staff communications and engagement in relation to the restructure and forward planning to minimise the impact of training requirements on business as usual activity. 	<ul style="list-style-type: none"> Achieved significant progress with transformation programme. Shared Lives and Personal Assistant schemes are recruiting; the staff restructure consultation is underway; the reviews programme is progressing; and the homecare and enablement tender is underway. Community 'assessment hubs' prototype has commenced, which will help to deliver the new operating model agreed by Adults and Safeguarding Committee. The Community Offer Team won the Social Work Team of the Year Award in December 2015.

Barnet Homes

15 indicators are reported in Quarter 3. Of these, 13 have been given a RAG rating: 85% (11) are “on or above target” and 15% (2) are “off target”. 15 have been given a Direction of Travel status: 60% (9) have an “improved or maintained” DOT and 40% (6) have a “worsened” DOT. 1 of the 2 indicators that are “off target” is a service indicator (see below).

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
BH/C7	Percentage of statutory homeless appeals completed on time	As at 31 Dec 2015	73.3%	100.0%	86.4% (R)	Improving	N/A	Additional resources have helped reduce the backlog from 47 (Q2) to 19 (Q3). Off target due to a number of complex appeals in the backlog that remain outstanding.

Challenges	Successes
<ul style="list-style-type: none"> High demand for homelessness services and an increasing reliance on General Fund temporary accommodation has exposed the Council to a greater risk of cost inflation in relation to the cost of accommodation. Demand for temporary accommodation and inflationary pressures are being monitored closely but continue to increase. A range of mitigations are in place to maximise prevention, manage demand and increase affordable supply. These include funding additional prevention officers, sourcing more accommodation outside London and increasing the volume of private sector lettings achieved. The loss of IT network at Barnet House at the end of December and slowness of network at the start of January has had an impact on the performance of frontline and high volume services (especially the contact centre and rental collection teams). The performance issues are being monitored and issues followed up with IT managers. 	<ul style="list-style-type: none"> Barnet’s first women’s refuge has been opened. The facility can support 39 clients and will be managed by Solace Women’s Aid. It complements the Domestic Violence One Stop Shop, which provides advice and guidance on domestic violence. Troy Henshall has been appointed as the new Chief Executive Officer for The Barnet Group (TBG). Initial work has focused on finalising the new 10 year management agreement for Barnet Homes and the 5 year Barnet Group business plan.

Children, Education and Skills

30 indicators are reported in Quarter 3. Of these, 27 have been given a RAG rating: 70% (19) are “on or above target” and 30% (8) are “off target”. 28 have been given a Direction of Travel status: 61% (17) have an “improved or maintained” DOT and 39% (11) have a “worsened” DOT. 6 of the 8 indicators that are “off target” are service indicators:

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
CES/S4	Percentage of pupils in secondary schools judged as good or better by Ofsted	As at 4 Jan 2016	88.2%	89.6%	88.2% (R)	Same	Outer London (86.8%), England (78.5%)	Ongoing challenge and monitoring strategy in place
CES/S21	Percentage of children offered one of their top three preferences of school (primary)	National Offer Day 2015	90.9%	92.0%	88.4% (R)	Worsening	London (89.4%), England (95%)	Continuing growth in demand for primary places means that it is increasingly difficult to meet parental preferences despite the provision of additional places and new schools.
CES/C2	Percentage making 3 levels of progress in English between KS2 and KS4	Academic year 2014/15	80.8%	83.6%	81.8% (GA)	Improving	National (71.4%), London (75.9%)	Provisional data.
CES/C5	Percentage of looked after children attaining 5 A*-C Grades including English and Maths	Academic year 2014/15	15.6%	20.6%	8.0% (R)	Worsening	National (15%), 2014	The virtual school team has been in place from July 2015 and is developing monitoring processes to improve outcomes for young people.
CES/C7	Percentage attendance levels at primary schools	TBC	95.9%	96.0%	95.8% (RA)	Worsening	England (96%), London (95.9%)	A co-ordinated approach is being used to target primary attendance across education and skills and other partner organisations.
CES/C8	Percentage attendance levels at secondary schools	Autumn Term 2014 to Spring Term 2015	95.5%	95.5%	95.3% (GA)	Worsening	England (94.8%), London (95.2%)	Secondary attendance remains well above the national average. This will be monitored by the School Improvement team.

Challenges	Successes
<ul style="list-style-type: none"> • The OFSTED inspection framework puts schools at risk of an adverse judgement – requiring improvement or special measures. Continued tracking of individual schools causing concern and additional support to reduce the risk of an adverse judgement and move them to good or outstanding. School improvement partnerships will help to consolidate the increased use of school to school support. (NB Within this, all Academies also have keep in touch meetings to follow a similar approach, and if the council has particular concerns about performance, this will be shared with the Trust, and Academy Trust will share its plans for improvement with the local authority e.g. through an appropriate statement of action. The local authority may offer advice about or broker locally recommended school improvement support services). • Primary attendance remains below the national average. Attendance conference held on 18 January; schools sharing good practice and now targeting authorised attendance, particularly appointments made for pupils during the school day. • The SEN Reforms involve a major transition from SEN statements to Education, Health and Care Plans (EHCPs). Realignment of budgets and use of SEN Reform Grant to support statutory SEN functions in line with the SEN reforms. 	<ul style="list-style-type: none"> • Primary attainment (Key Stage 2 at level 4+ in Reading, Writing and Maths) improved from 83% to 84% and remains just outside the top 10% of local authorities (ranked 17 out of 152) • The proportion of pupils with an SEN statement or an Education, Health and Care Plan attaining level 4+ in Reading, Writing and Maths improved by 3 percentage points and is above national. • Cambridge Education was approved as the new delivery partner for the Education and Skills service at full Council on 8 December 2015

Commissioning Group

14 indicators are reported in Quarter 3. Of these, 10 have been given a RAG rating: 60% (6) are “on or above target” and 40% (4) are “off target”. 14 have been given a Direction of Travel status: 45% (9) have an “improved or maintained” DOT and 25% (5) have a “worsened” DOT. 0 of the 4 indicators that are “off target” are service indicators.

Challenges	Successes
<ul style="list-style-type: none"> The Customer Access Strategy will be out for consultation in Quarter 4. At the same time, we are focusing on short-term actions to significantly improve performance of the website and residents’ experience of accessing services online. Ensuring effective delivery plans are in place for key areas of change, including IS and Estates projects, delivery of key programmes such as Highways and the Colindale office accommodation. 	<ul style="list-style-type: none"> Development of draft budget through to 2020 was approved for consultation by Policy and Resources Committee on 16 December. In addition, several key strategies were completed in draft for Committee consideration, including the Customer Access Strategy, Recycling and Waste Strategy and Parks and Open Spaces Strategy. A number of key capital schemes were recommended to Committees to proceed to the next stage, including Sport and Physical Activity for new and enhanced facilities, Daws Lane and Tarling Road Community Hubs and a new Youth Zone. Progressed with schemes within the Regeneration programme, including the Supplementary Planning Document for Grahame Park; and work continues on Brent Cross South, with an updated business case being developed for review by government. The Joint Health and Wellbeing Strategy was agreed in November 2015 and an implementation plan will be presented to the Health and Wellbeing Board for approval in January 2016.

Customer Support Group

44 indicators are reported in Quarter 3. Of these, 22 have been given a RAG rating: 82% (18) are “on or above target” and 18% (4) are “off target”. 19 have been given a Direction of Travel status: 68% (13) have an “improved or maintained” DOT and 32% (6) have a “worsened” DOT. All 4 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
CSG/C4	GovMetric Customer Services	Oct-Dec 2015	72.5%	80.0%	73.0% (RA)	Improving	N/A	Web and email satisfaction scores are the lowest across all channels, with telephony and face-to-face remaining higher due to the personal nature of the interaction. A targeted improvement plan has been initiated with weekly performance reviews.
CSG/C12	Critical System Availability	Oct-Dec 2015	99.9%	99.5%	98.2% (GA)	Worsening	N/A	The IS Service failed the Critical System Availability primarily due to a network outage impacting connectivity for Council staff. A transformation project is being undertaken to refresh the network to increase resilience and stability of the service.
CSG/C14	Payroll Accuracy - Payroll Error Rates	Oct-Dec 2015	0.1%	0.1%	2.9% (GA)	Worsening	N/A	In October, the payroll error rate was 8.6% against a target of 0.1%. There were 657 errors in October and 645 of them related to a software issue impacting pay increments applied to school employees. A manual process has been implemented to rectify the issue in the short term, whilst a long term software fix is being tested. The pay issues have been rectified through a supplementary run. Performance improved in November and December.
CSG/C37	Compliance with Authority Policy	Oct-Dec 2015	Pass	Pass	Fail (R)	Same	N/A	

Challenges	Successes
<ul style="list-style-type: none"> • Customer Services Satisfaction – performance targets for email and web satisfaction have been missed, resulting in a targeted improvement plan being put in place. For emails, the quality team are monitoring all outgoing emails with a particular focus on issue resolution and whether or not the GovMetric link has been included. Where an error is identified feedback is considered urgent and action taken to address this. New templates, which have been implemented for most services, are being monitored for effectiveness. For the web, an action plan has been set up to drive improvements, with a particular focus on content and speed of resolution for functionality issues. The GovMetric scores are being monitored daily. • One Super KPI failed during the quarter with service credits of £79,243 applied. 	<ul style="list-style-type: none"> • Customer Services improved customer journeys and channel shift - implemented an automated ticketing and appointment system for face-to-face customers; enabling waiting times to achieve target of 5 minutes. More complex customer enquiries now managed via appointment and other customers transferred to other channels. • Estates recommended for ISO 9001 accreditation following external audit by the British Standards Institute. • Pension fund investment strategy improvements, including a revised asset allocation and fund benchmark. This has required a phased movement of assets between fund managers, £90 million in corporate bonds and £240 million diversified growth funds to passive equities. Head of Treasury organised a PFC member training session to refine the investment strategy, resulting in member sub-group agreement on allocation to illiquid alternative assets, subject to approval in February.

Family Services

28 indicators are reported in Quarter 3. Of these, 12 have been given a RAG rating: 67% (8) are “on or above target” and 33% (4) are “off target”. 16 have been given a Direction of Travel status: 50% (8) have an “improved or maintained” DOT and 50% (8) have a “worsened” DOT. All 4 indicators that are “off target” are service indicators (see below):

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
FS/S10	The average time between a child entering care and moving in with its adoptive family (days)	As at 31 Dec 2015	473	487	495 (GA)	Worsening	N/A	This indicator was affected by a delay for two children with exceptional circumstances. Excluding these two children, the average number of days between entering care and moving in with the adoptive family was 454 (within target).
FS/S11	Percentage of children in external residential placements	Oct-Dec 2015	11.2%	10%	11.4% (R)	Worsening	N/A	The commissioning strategy for external placements focuses on reducing total spend on external placements by securing appropriate placements for children rather than the numbers of children in external placements, This indicator is being reviewed.
FS/C9	Percentage of families with child/ren under 5 within the borough are registered and accessing services at children's centres	Oct-Dec 2015	76.1%	84.0%	82.6% (GA)	Improving	N/A	Ofsted benchmark for good performance is 80%. Barnet is above this (82.6%).
FS/C15	Young offenders, in education, training or employment	Oct-Dec 2015	73%	76%	72% (R)	Worsening	London (65.3%), National (58.4%)	A low number of young people (25) finishing an order in Q3 has meant that the relatively small (7) number of NEET's represented a large percentage. Plans to increase numbers are in place. Barnet remains above the England and London averages, and is regarded by the Youth Justice Board as high performing for youth offending service.

Challenges	Successes
<ul style="list-style-type: none"> • Recruitment to social work posts to reduce the number of vacant posts and locum cover. First phase of major recruitment campaign has concluded with a significant number of new social workers recruited. Second phase to be launched soon. • Marked increase in demand via the front door/Multi Agency Safeguarding Hub, resulting in more social work resource being allocated here. Workload is being monitored. • Growing the number of nursery school places for 2 year olds and preparing for expansions of places for 3 and 4 year olds. Implementation of action plan overseen by the Early Education Programme Board. 	<ul style="list-style-type: none"> • A social worker in the Children in Care team won a silver medal at the Social Worker of the Year Awards. • Both children’s homes within Barnet received a ‘Good’ Ofsted rating under the new inspection framework. • 72% of young offenders are in education, training or employment; significantly above the average for London (65.3%) and Nationally (58.4%).

HB Public Law

12 indicators are reported in Quarter 3. Of these, 12 have been given a RAG rating: **83% (10)** are “on or above target” and **17% (2)** are “off target”. 12 have been given a Direction of Travel status: **83% (10)** have an “improved or maintained” DOT and **17% (2)** have a “worsened” DOT. All 2 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
HBPL/C1	Acknowledge emails within 1 working day	Oct-Dec 2015	97.0%	95.0%	92.9% (GA)	Worsening	N/A	Slightly below target. Emails not acknowledged within one working day are picked up the following day.
HBPL/C7	% of draft committee reports and delegated power reports cleared within 5 working days	Oct-Dec 2015	95.7%	95.0%	94.2% (GA)	Worsening	N/A	70% of the 156 reports were received with less than 5 days’ notice, placing additional pressure on the team. This meant that some non-urgent reports still met the deadline but were not cleared within five working days.

Challenges	Successes
<ul style="list-style-type: none"> 70% of Committee reports being submitted for legal clearance with less than the 5 days turnaround time. Report writers are being reminded of the agreement. Increased cost of locums affecting staffing. Some appointments made from recruitment campaign, including first legal apprentice. Availability of hot desks at North London Business Park (NLBP) affecting client liaison. Network upgrade due for completion early 2016 will enable use of Wi-Fi providing more flexibility for work location. 	<ul style="list-style-type: none"> Retained the Law Society’s lexcel accreditation, with no non-compliances. Increased involvement in Barnet’s regeneration schemes, including delivering the high profile planning inquiry for the West Hendon scheme over 8 days with a successful outcome Property team acted on a number of high profile property acquisitions and disposals, including negotiation and completion of an agreement for a comprehensive development to provide 105 residential units plus a 15,000 sq. ft. retail unit and construction of a new public car park. The scheme has yielded a capital receipt of over £9 million.

Parking and Infrastructure

8 indicators are reported in Quarter 3. Of these, 5 have been given a RAG rating: 100% (5) are “on or above target” and 0% (0) are “off target”. 8 have been given a Direction of Travel status: 63% (5) have an “improved or maintained” DOT and 38% (3) have a “worsened” DOT. 0 indicators are “off target”.

Challenges	Successes
<ul style="list-style-type: none"> • Not viable to refinance the PFI project, so unable to achieve planned financial savings from Street Lighting Budget within timescale. Discussions are taking place with the banks to agree changes to the structure of the contract, which will enable the Council to deliver planned ongoing savings. • Unexpected problems with the IT system data have delayed the transition to emissions based permits. • Insufficient quality of applicants impacting on implementation of staffing and contract operational changes within the parking service, including delaying the Change Control within the NSL Contract • Implementation of the CCTV Moving Traffic Enforcement Project within timescale. Resources assigned to manage the programme of works and co-ordinate across a number of partners. 	<ul style="list-style-type: none"> • Free Christmas parking implemented for all parking spaces over the three weekends leading up to Christmas. • Parking bay sensor pilot availability of the associated App has been launched with Communications team to promote the use and benefits to motorists • Programme to convert all illuminated bollards to non-illuminated bollards has been completed and associated energy savings are being derived from this

Public Health

36 indicators are reported in Quarter 3. Of these, **36** have been given a RAG rating: **69% (25)** are “on or above target” and **31% (11)** are “off target”. **36** have been given a Direction of Travel status: **67% (24)** have an “improved or maintained” DOT and **33% (12)** have a “worsened” DOT. **9** of the **11** indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
PH/C5	Number of people setting a quit date with SC services who successfully quit at 4 weeks	Jul-Sep 2015	76	120	64 (R)	Worsening	N/A	Barnet Stop Smoking service currently delivered via GPs and pharmacies. A service redesign is planned for later in the year.
PH/C7	Percentage of people with needs relating to STIs who are offered an HIV test at first attendance (excluding those already diagnosed HIV positive).	Jul-Sep 2015	95.2%	97.0%	95.1% (GA)	Worsening	N/A	Performance impacted by merger of Royal Free London with Barnet and Chase Farm and challenges of using one IT system for clinical services. Additional issue with coding of activity may have contributed to low performance. Training is being given and spot checks instigated to rectify this.
PH/C8	Percentage of people with needs relating to STIs who have a record of having an HIV test at first attendance (excluding those already diagnosed HIV positive).	Jul-Sep 2015	76.9%	80.0%	78.2% (GA)	Improving	N/A	
PH/C10	Percentage of drug users successfully completing drug/alcohol treatment - opiate users (as per DOMES report)	Jul-Sep 2015	9.7%	11.2%	7.8% (RA)	Worsening	National (7.2%)	Performance affected by the changeover of the treatment and recovery service and data system. The new Substance Misuse Service commenced on 1 October 2015 and will deliver a new treatment and recovery pathway.

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
PH/C11	Percentage of drug users successfully completing drug/alcohol treatment - non-opiate users (as per DOMES report)	Jul-Sep 2015	33.6%	36.2%	31.3% (RA)	Worsening	National (40.3%)	
PH/C13	Percentage of drug users successfully completing drug/alcohol treatment - non-opiate and alcohol users (as per DOMES report)	Jul-Sep 2015	31.2%	35.5%	30.7% (RA)	Worsening	National (35.3%)	
PH/C15	Percentage of service users who successfully completed treatment re-presenting to the drug/alcohol treatment services - non-opiate users (as per DOMES report)	July-Sept 2015	5.3%	0.0%	9.1% (R)	Worsening	National (5.3%)	
PH/C18	Number of people receiving brief advice about alcohol (ABI)	Jul-Sep 2015	403	350	170 (R)	Worsening	N/A	Administration of ABI transferred to new drug and alcohol service provider in October 2015. Performance may have been affected by pharmacies' late submission of returns. A recovery plan will be developed for agreement with commissioners with anticipated improvement in 2016.
PH/C27	Number of professional/ community representatives in contact with vulnerable groups training in recognising and tackling self-harm/ suicide prevention	Jul-Sep 2015	19	100	92 (GA)	Improving	N/A	Training on self-harm and suicide prevention is being provided by Young Minds for frontline staff working with children and young people. New dates been added and training promoted to boost numbers.

Challenges	Successes
<ul style="list-style-type: none"> • Reviewing the Ageing Well programme in light of funding uncertainties and strategic priorities. Programme to be refocused on demand management (including early intervention) for high risk groups rather than wider community engagement • Barnet Local Medical Council raised objections to the data sharing agreement (DSA) for the new Health Checks IT system. An alternative solution, which incorporates patient consent for data sharing, will be introduced in January 2016. Support will be offered through the provider to ensure the system is used correctly. • Sexual health and contraception services re-procurement work through to 2017. Challenges include council approval to participate in a joint collaborative procurement exercise; councils working together in sub-regions within an overall strategic approach; development of service specification; and negotiation with providers in a complex market. 	<ul style="list-style-type: none"> • Two schools (Mathilda Marks Kennedy and Parkfield Primary) became the first in Barnet to achieve the Healthy Schools London (HSL) Gold Award. • The post Health Checks interventions programme has begun to receive referrals from GPs. • The Barnet Substance Misuse Service was featured in the Public Health England report “Shooting Up: infections among people who inject drugs in the UK”. This highlighted plans to increase uptake of blood-borne virus testing and improve access to services and treatment to maximise clients’ chances of early treatment and a favourable prognosis. This resulted in 266 service users being tested (with 50 testing positive for one or more of hepatitis C, hepatitis B or HIV). • Substance Misuse Strategy agreed by Health and Wellbeing Board. This will improve safeguarding and community safety and help address domestic violence and violence against women and girls. It will also help ensure that opportunities for prevention of substance misuse are identified and utilised.

Re

70 indicators are reported in Quarter 3. Of these, **53** have been given a RAG rating: **81% (43)** are “on or above target” and **19% (10)** are “off target”. **52** have been given a Direction of Travel status: **67% (35)** have an “improved or maintained” DOT and **33% (17)** have a “worsened” DOT. **9** of the 10 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
KPI 1.1 NM	Implementation of the Annual programme relating to Highway Safety Inspections	Oct-Dec 2015	100.0%	100.0%	97.9% (GA)	Worsening	N/A	Performance affected by the absence of a highway inspector. Workload has been reallocated and additional resources brought in to complete outstanding inspections.
KPI 2.2 NM	Make Safe within 48 hours all intervention level potholes reported by members of the public	Oct-Dec 2015	100.0%	100.0%	93.7% (GA)	Worsening	N/A	
KPI 2.2 NM	Category 1 Defects Rectification Timescales completed on time (48 hours)	Oct-Dec 2015	100.0%	100.0%	90.4% (GA)	Worsening	N/A	
KPI 2.4 NM	Highways Insurance Investigations completed on time	Oct-Dec 2015	100.0%	100.0%	98.59% (GA)	Worsening	N/A	1 of 71 insurance investigation requests was responded to outside of timescales due to being misplaced. Going forward, insurance claims process will be included within new mobile working process removing possibility of paperwork and documentation going missing but allowing live time auditing to take place.
KPI 2.5 NM	Responses within timescales in dealing with complaints relating to weeds on the public highway	Oct-Dec 2015	100.0%	100.0%	73% (RA)	Worsening	N/A	Performance affected by three cases that were not forwarded to the contractor for investigation and action. Customer expectations of the process being managed.

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
KPI 2.8 NM	Construction of Vehicle Crossovers within timescales following receipt of payment	Oct-Dec 2015	100.0%	100.0%	88% (GA)	Worsening	N/A	Performance affected by closure of contractor's office over Christmas. Re worked with the contractor to get all qualifying cases to them by mid-December and 14 cases were completed within timescales during the month. Of the 10 cases not completed within the timeframes, two were completed outside timescales due to bad weather. In total, 70 out of the 80 cases were processed on time.
KPI 3.1 NM	Timely response to Highways works permit requests	Oct-Dec 2015	100.0%	100.00%	99.97% (GA)	Worsening	Timely response to permit requests Brent (98.62%), Enfield (99.99), Haringey (99.81%) London Permit Scheme, 2013/14	One application out of 3,724 was responded to outside of timescales due to a technical issue, which meant the application could not be accessed and assessed.
KPI 3.6 NM	Processing of Section 50 (S50) Highways Works Licences within timescales (as per the Traffic Management Act) (TMA)	Oct-Dec 2015	100.0%	100.0%	90.9% (GA)	Worsening	N/A	One license was not issued within the one month timescale. A contributing factor in the delay was the increase in volume of permit applications requiring a response due to the new national condition text that has been introduced. In total, 10 of 11 cases were processed on time.
SPKPI01	Percentage of Strategic Planning Documents completed and signed off by the Authority	Oct-Dec 2015	25.0%	100.0%	33.3% (R)	Worsening	N/A	Only one of three documents planned for Q3 was delivered to timescales due to changes or deferrals requested or agreed with the Council.

Challenges	Successes
<ul style="list-style-type: none"> • Delivery of the £15m Network Recovery Plan - 88% of planned works were completed by Q3. Re is working with the commissioners and the contractor to ensure all outstanding remedial works are completed to the required standard. Re has committed to meeting ward members and providing an opportunity to comment on the work programme for 2016/17. • Delivery of the annual TfL funded Local Implementation Plan (LiP) is behind schedule and forecasting an underspend against the £3.2m programme of between £450,000 to £750,000. Re is identifying possible areas for budget transfer or other works, which can be brought forward to utilise maximum available funding. Re has also secured additional resource to ensure that LiP funding is utilised. • New Depot Planning permission granted in December is subject to a judicial review challenge. • Commercial and delivery issues in relation to the Highways Service are being resolved, including Network Recovery Plan and the LiP programme. • Health risks associated with consumption of Shisha. Number of Shisha Bars offering the substance in Barnet increased by over 50% in a year. Ten of thirteen premises inspected by Environmental Health in the last two months were found not to be compliant. Previous prosecutions have proved costly, time-consuming and resulted in insufficient penalties to constitute an effective deterrent. Options being explored for a multi-agency approach to shisha control. • The Housing and Planning Bill and recent public consultation on revision to the National Planning Policy Framework, which sets guidance for local planning authorities, adding to uncertainty on the direction of any changes to Policy and impact at the local level. 	<ul style="list-style-type: none"> • Promoting sustainable transport - the first Council owned electric vehicle charge points (8 in total) have been installed; and a new car sharing scheme for staff and residents implemented. The installations were funded by TfL under the Local Implementation Plan (LiP) funding process. • Creating job opportunities for Barnet residents - 'Brent Cross Retail Job Shop' has been awarded a certificate of Exceptional Retailer Support, with 93 unemployed applicants gaining employment (81 from Barnet). As part of regeneration schemes, 22 new apprenticeships have commenced. • Approval for next phases of major regeneration and building schemes - regeneration of West Hendon moving ahead with Compulsory Purchase Order confirmed by the Secretary of State. Homes that do not meet the Decent Homes standard will be replaced with a mix of housing. 2,194 homes will be created by 2027. In addition, planning permission has been granted for building work to begin on the new Council HQ building (including café space as well as meeting rooms for community use) in Grahame Park. • Tackling fuel poverty amongst the most vulnerable residents - a grant of £325,000 has been secured for the partnership programme from the National Energy Action (NEA). The project will deliver heating and/or insulation measures to eligible individuals in Barnet who are at risk of cold related illness, have a disability or meet the responsibility for children criteria and are at risk of or living in fuel poverty. • Improving living conditions for private tenants - more HMOs have been licensed, protecting the rights of private tenants to safe and habitable living conditions.

Streetscene

11 indicators are reported in Quarter 3. Of these, 6 have been given a RAG rating: 50% (3) are “on or above target” and 50% (3) are “off target”. 6 have been given a Direction of Travel status: 33% (2) have an “improved or maintained” DOT and 67% (4) have a “worsened” DOT. 2 of the 3 indicators that are “off target” are service indicators (see below):

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
SS/C1	Waste tonnage - residual per household (HH)	Jul-Sep 2015	165.23	154.41	164.60 (RA)	Improving	The data for the period Jul-Sep 2015 is currently unavailable due to changes to Waste Data Flow.	Increases in residual waste may be attributable to changes in economic conditions and increases in the number of households.
SS/C2	Waste tonnage – recycling per household (HH)	Jul-Sep 2015	106.06	111.44	101.10 (R)	Worsening		Reduction in recycling attributed to a reduction in garden and food waste. Dry recycling continues to increase.
SS/C7	% calls resolved at first contact	Oct-Dec 2015	TBC	TBC	TBC	TBC	TBC	TBC
SS/C9	Govmetric satisfaction	Oct-Dec 2015	TBC	TBC	TBC	TBC	TBC	TBC

Challenges	Successes
<ul style="list-style-type: none"> Waste and recycling performance remains below target. An action plan is in place to improve performance, incorporating: <ul style="list-style-type: none"> Expansion of dry recycling service at flats –recycling services rolled out to an additional 659 properties Completed a range of trials in food waste behaviour change, for cost benefit evaluation. Strengthened the management of the Streetscene service to ensure effective operational service delivery and sufficient capacity to reform and improve service in coming months. 	<ul style="list-style-type: none"> A new approach using existing Street Cleansing resources was successfully adopted for the annual leaf clearance. Plans were put in place to mitigate the effects of industrial action in October 2015, with some collection schedules brought forward and operating hours in the previous days extended. 71 staff (50% of operatives) took part in the strike. A range of interventions were piloted in six roads to better understand how the Council can increase participation in (and tonnage from) food waste collection. The results are being analysed, including the cost/benefits of the various interventions. Recycling facilities were expanded at 43 flat blocks, serving 659 properties. Further analysis of flats and houses recycling tonnage for Q3 is planned, with more facilities potentially being provided if improvements are noted. Civic Amenity and Recycling Centre was transferred to LondonWaste Ltd in October 2015; and renamed the Reuse and Recycling Centre.

Your Choice Barnet

24 indicators are reported in Quarter 3. Of these, 19 have been given a RAG rating: 84% (16) are “on or above target” and 16% (3) are “off target”. All 3 indicators that are “off target” are service indicators (see below).

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where “off target”
YCB 10	Staff sickness	12 Months to Dec 2015	9.3	Green: 10 or below Amber: 11 to 20 Red: 20 or above	10.4	Improving	N/A	Staff sickness has gone from Green in Q2 (9.3 days) to Amber (10.4 days) in Q3. This continues to be monitored closely within the services and by the management team.
YCB 11	Agency staff	Apr– Dec 2015	14.4%	Green: 10% or below Amber: 9% to 19% Red: 20% or above	13.7%	Worsening	N/A	Overall improvement in agency use from 20% in 2014/15.

Ref	Indicator	Period covered	Previous result	Target	Result	Direction of Travel	Benchmarking	Comment where "off target"
YCB 19	New referrals from other local authorities.	Apr–Dec 2015	6	Green: 20 or more people annually (5 or more per quarter) Amber: 11 to 19 people annually (2 people between 3 and 5 per quarter) Red: 10 or lower people annually (less than 2 people per quarter)	7	Improving	N/A	Referrals lower than anticipated. YCB will continue to market its services both within Barnet and neighbouring boroughs

Challenges	Successes
<ul style="list-style-type: none"> • The Care Quality Commission (CQC) Inspection Outcomes for the Supported Living Services (published in February 2015) will remain “Red” (findings were ‘Inadequate’) pending the outcome of a CQC follow-up inspection in early December 2015. An improvement plan was submitted to CQC following publication of the inspection report, which is being monitored by YCB as well as through a revised performance framework based on CQC inspection criteria by Adults & Communities. • Staff sickness has risen in Q3 and will be monitored closely within the services and by the management team. • Referrals from other local authorities is lower than anticipated. YCB will continue to market its services both within Barnet and neighbouring boroughs. 	<ul style="list-style-type: none"> • An industrial dispute between YCB and Barnet Unison on staff pay has been mutually resolved; and will be reflected in the Group Risk Register. • Adults and Communities inspection outcomes based on the CQC inspection framework have all been rated as Green.

Key to RAG ratings:

RAG rating	% of targeted improvement achieved		Description
Green	100% or more	Target is met or exceeded	Meeting target
Green Amber	>80% <100%	Target not met, but 80% or more of targeted improvement achieved	Near target with some concerns
Red Amber	>65% <80%	Target not met, but 65-80% of targeted improvement achieved	Problematic
Red	<65%	Target not met, and less than 65% of targeted improvement achieved	Serious concerns
In addition, any indicator that is less than 10% off target and has a positive Direction of Travel will 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 Green Amber or Red Amber:			
Amendment to Green Amber:		Amendment to Red Amber:	
<ol style="list-style-type: none"> 1. No more than 5% off target; and 2. A positive Direction of Travel 		<ol style="list-style-type: none"> 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 improvement plan in place) 	
NB. For indicators with known margin of error e.g. Residents' Perception Survey, any Red rated indicator within the margin of error will be uprated to Red amber.			

Benchmarking

The most recent LG Inform benchmarking report was extracted on 19 January 2016 and is available at <http://lginform.local.gov.uk/> Please note that services in the report do not directly reflect Barnet's structure. The quartile rating is applied against unitary and county councils in England.



Barnet's performance:

Lowest 25% of performers	Middle 25% of performers	Middle 25% of performers	Highest 25% of performers
Education Services			
			£712.86
			69.0%
			74.2%
Children's Services			
			£484.31
			98.7%
			11.8%
			34
			87.3%
			49.0%
Adults Services			
			£424.93
			18.5
			61.0
			6.2
Housing Services			
			£62.52
			10
			1,045
			0.1

Project Portfolios

The below table illustrates how the Council is performing against all projects within the following six portfolios; Adults and Health, Central, Children's and Young People, Growth and Development, Environment and the Schools Capital Programme.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Adults and Health Portfolio	8	10	0	4	Progress has been made across a number of projects in the Adults Transformation Programme, with a number of recommendations gaining Committee approval and no projects RAG rated as Red. Adults and Safeguarding Committee approved the strategic outline case and next steps for the adults' social care alternative delivery model on 12 November 2015. At the same committee, it was agreed that the meals subsidy would cease by 31 March 2016, after a review has taken place with existing users to identify alternative provision. Furthermore, on 16 December 2015 Policy and Resources Committee unanimously approved the Sports and Physical Activity paper recommending Victoria Recreation Ground and Copthall as the two sites for new leisure centres. In other areas of the Adults Transformation Programme, negotiations have commenced to deliver third party contract budget savings of £2.6m by 2019/20, with £400k to be delivered in 2016/17. Finally, a formal staff consultation has commenced within the Adults Delivery Unit on a proposed new structure.
Central Portfolio	8	6	2	0	There is a varied picture of progress across the Central portfolio with two projects RAG rated as Red. Firstly, the Colindale office accommodation project to develop a new corporate headquarters is Red owing to potential time delays. Additional resources have been brought in to strengthen programme oversight and delivery and engagement with the contractor and key stakeholders. Secretary of State approval for the headquarters has been received. Secondly, although the work to review existing and lapsed leases on community assets is underway, negotiations can only take place in mid-April, once the Council's new social benefits toolkit is finalised. Substantial progress has been made though on Customer Access, with the approval of a Customer Access Strategy by Policy and Resources Committee on 16 December 2015, and the subsequent set up of a Customer Transformation Programme to deliver the strategy. Also, Assets, Regeneration and Growth (ARG) Committee in November 2015 approved an outline business case and a strategic outline case for new community centres on Tarling Road and Daws Lane respectively. In terms of Unified Reward - the review of pay, grading and contractual arrangements - a position has been agreed with the Trade Union bodies, which allows consultation to commence with staff. Furthermore, a new Employer Supported Volunteering (ESV) policy and guidelines have been developed as part of the delivery of the Community Participation Strategy, and have been approved by the Workforce Board.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Children's and Young People Portfolio	12	2	0	0	Good progress has been made across a number of projects in the portfolio with the majority of projects now RAG rated as Green. A number of Committee decisions have been taken in the last three months: firstly Full Council on 8 December 2015 agreed the Children, Education, Libraries and Safeguarding (CELS) Committee's recommendations to appoint Cambridge Education as a strategic partner to provide Education and Skills services, with the new arrangements due to commence on 1 April 2016; on 6 January 2016, CELS Committee approved the proposal to consult stakeholders on three options to provide the required additional SEN places; lastly on 30 November 2015 ARG Committee approved the core principles for the lease for the new state-of-the-art OnSide Youth Zone to be built on Montrose Playing Fields in Burnt Oak. Public consultation has taken place on the proposed changes to the library service.
Environment Portfolio	24	6	1	0	Projects within the Environment portfolio are largely progressing as expected, with the majority of projects RAG rated as Green. Issues holding up the Lagan Mobile project, which will allow service requests to be routed directly to an operative via a handheld device rather than the current paper-based system, have been resolved and also the new Passenger Transport IT system is now live. Furthermore, the Environment Committee agreed on 11 January to consult the public on draft Municipal Waste and Recycling and Parks and Open Spaces strategies. Work continues on assessing options for an alternative delivery model for all Streetscene services. The Depot project is the sole project to RAG rated as Red because of the delay expected while the Council responds to an application to initiate a Judicial Review against the planning decision.
Growth and Development Portfolio	10	9	2	0	Improvements have been made in many areas of the Growth and Development Portfolio, with a fewer number of projects RAG rated as Red. Firstly, progress has been made within Tranche 1 of the Development Pipeline programme to develop mixed tenure housing with pre-construction agreements signed with Wates with planning permission now being sought in February, which is inside the overall target timescales. Also, a new plan has been agreed for the redevelopment of Pocket sites. In the Regeneration programme, the draft Grahame Park Supplementary Planning Document (SPD) was approved by Policy and Resources Committee on 16 December 2015, and this document is now out for public consultation. The Granville Road project remains RAG rated as Red. The Planning Appeal Hearing will take place on 28 June 2016. Lastly, within Entrepreneurial Barnet, the new 'Business Support in Barnet' web pages have launched containing support, advice and networking information to help businesses grow in Barnet.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Schools Capital Programme	21	9	0	0	Progress is being made across a number of projects and the overall programme is on target to achieve pupil places when required. Works have started on site for the two forms of entry London Academy new build and the expansion of the Oak Lodge Secondary Special School. The proposed scheme to expand Monkfrith primary school was also approved at the Educational Capital Board and work will commence shortly. There are some ongoing concerns with regards to the delivery of Blessed Dominic within the current funding envelopes. A number of projects RAG rated as Green are progressing through the defects period, with Compton School RAG rated as Amber due to concerns with the height of the spoil mound, and East Barnet due to a delay in production of an action plan to resolve the school's top 10 issues.

Appendix D - Revenue Monitoring by Delivery Unit

Adults and Communities

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Performance & Improvement	1,024	767	724	(43)	Under spend due to part year vacant posts.	-5.6%
Safeguarding	731	733	1,162	429	Under spend in relation to staffing costs.	58.6%
Care Quality	1,062	1,075	1,051	(23)	Under spend is due to CM2000 contract savings, which is offset by staff pressures.	-2.2%
Community Well-being	(1,064)	391	374	(18)	Under spend in relation to supplies and services.	-4.5%
Customer Care	748	349	297	(51)	Under spend due to part year vacant posts partly offset by reward and recognition and room hire costs.	-14.7%
Customer Finance	786	827	813	(15)	Over-achievement of income for receivership services.	-1.8%
Dir Adult Soc Serv & Health	185	186	167	(19)	Under spend in relation to staffing.	-10.2%
Integrated care - LD & MH	38,534	40,527	40,816	289	For LD, there has been an increase in demand since month 1 with packages of support increasing by 21. This area has also seen an increase in service users with Learning Disabilities mainly in relation to transitions clients where, over the last 4 years, there has been pressure on the service due to clients transitioning over from Children's to Adults. This is made up of 2 elements – (1) New clients coming through and (2) an increase in cost for existing clients where there is no change in client needs. The projections include £315k for new clients coming through but this is likely to be insufficient to meet demand. There is also additional pressure resulting from 32 new Ordinary Residence clients. The projections include £934k for new OR clients in 15/16. MH has also seen an increase in demand from Month 1 with packages of support increasing by 12 from month 1 to month 9. LD staffing is showing a projected underspend of £29k, due to part year vacancies, and £40k funding in relation to the HOS contribution as part of S75 agreement, which is partly offset by transition team pressures. MH staffing is showing an under spend of £313k, due to staffing.	0.7%
Integrated care - OP & DP	35,610	35,665	37,893	2,228	EMI Nursing and Residential are both areas of pressure within this line where packages of support are increasing reflecting Barnet's increasing older population. In the first 9 months of the year, packages of support have increased by 45 across OA and EMI. There is also pressure on this budget of £59k due to 2 clients who were self-funders whose funds have depleted and are now the responsibility of the LA; the LA has a legal duty to support clients unmet eligible needs. Older people staffing cost centres are showing an under spend of £299k following the re-structure of the service. These projections includes additional approved resilience funding totalling £310k (£90k Chase Farm and £220k 7 day working).	6.2%
Prevention & Well Being	3,603	5,445	5,074	(371)	Under spend of £171k: due to part year staff vacancies; additional savings in relation to HRS and Vol Orgs, and £26k is in relation to the Voiceability grant not being fully utilised due to less demand (which is offsetting a £14k overspend against healthwatch in relation to stretch targets). Further, £390k of the under spend is to be funded from rechargeable HRA costs.	-6.8%
Social Care Management	596	412	382	(30)	Under spend in relation to staffing.	-7.3%
Total	81,816	86,378	88,753	2,375		2.7%

Assurance

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Elections	423	392	391	(1)	Underspend mainly due to staff cost savings	-0.3%
Assurance Management	527	565	551	(13)		-2.4%
Governance	2,311	2,375	2,377	1		0.0%
Internal Audit & CAFT	850	867	871	4		0.4%
Total	4,110	4,199	4,189	(10)		-0.2%

Children's Education

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Education & Skills Management	(180)	(530)	(521)	8	Underspend in Catering £140k due to increased operating surplus. Underspend also in Pupil travel due to lower demand for services. There is also additional traded income due to increased trading activity with schools and staff vacancies in the Business Support team	-1.6%
Edu Partnership & Commercial	265	470	199	(271)		-57.7%
Post 16 Education & Skills	354	306	318	13	There are agency costs of £9k that can't be recovered against the young people working grant. The Participation & Placements Team are projecting an overspend of £4K which relates to unforeseen additional costs to the LB of Ealing for IT Services provided.	4.1%
School Improvement	819	834	830	(4)	The over spend is largely due to two primary reasons. There is a forecast overspend on SEN transport contractor and escort agency costs of £33k. There is also a forecast staffing overspend of £221k for agency and consultants costs within the Referral & Assessment Team which is in the process of being restructured.	-0.5%
SEND & Inclusion	4,894	6,183	6,437	254		4.1%
Total (excluding SDM)	6,152	7,263	7,263	-		0.0%

Children's Family Service

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Family Services Management	2,237	745	151	(594)	Under spend in this area largely relates to non-pay inflation of £419k and there is a balance of £218k from the £720k growth budget which is also held here.	-79.7%
Commissioning & Business Imp.	2,917	3,357	3,124	(233)	£190k has been offered as a contribution towards the recovery plan. This is as a result of savings identified from the community Barnet contract and other small savings. There is also one vacant post in the Data & performance team and also £200k of CAMHs will be funded from DSG. Further, the over spends are being reduced by substitution of funding amounting to £230k from the DSG.	-6.9%
Early Years	3,887	4,010	4,024	14	Generally the overspend in Childcare which is mainly due to shortfall in income is being offset against underspend in Community centres. Further underspends have been identified in Early years raising standards.	0.3%

Lib.Workforce & Comm.Engagemnt	5,587	6,111	6,052	(59)	under spend is starting to emerge in the Workforce development team and a further underspend in Complaints & Communication team.	-1.0%
Youth & Family Support	3,234	3,263	3,084	(180)	£50k has been reflected here as a contribution towards the recovery plan from the Troubled Families reserve. £115k underspend has now being projected due to an unsuccessful tender for the "Move On" Housing contract.	-5.5%
Social Care Management	960	1,175	1,356	181	Over spend is due to agency costs and the cost of translation service, plus the use of the DAT 4 team which consists of a number of supernumerary agency staff – The total of this is approximately £166k.	15.4%
Intake and Assessment	1,955	2,055	2,304	249	Over spend is due to staff vacancies which are being filled with agency staff. The 2 supernumeraries (at 0.5 fte each) that were in post for the last 9 months are now filling vacant posts.	12.1%
Intervention and Planning	1,938	3,057	3,286	228	Over spend from the use of agency staff filling 14 vacant posts.	7.5%
Permanence Trns & CorParenting	3,346	3,181	4,243	1,062	Over spend largely relates to increased costs in children in care teams due to the use of agency staff and 0.5 fte supernumerary (£173k). The Onwards & Upwards area is projecting an over spend of £153k due to agency staff workers and an over spend of £278k due to 2 high costing clients. Finally, Asylum seekers is projecting a £501k overspend which is based on current list of clients and commitments.	33.4%
Placements	18,591	18,002	18,258	256	Overspend largely due to demand in external placements (£304k) as well as pressures on In-house fostering (£178k), Adoptions (£71k) based on the current client commitments and Ordinary and Special Guardianship Orders amounting to (£299k). Further, the over spends are being reduced by substitution of funding amounting to £299k from the DSG.	1.4%
Safeguarding & Quality	1,087	1,307	1,334	27	Under spend in the Conference & Review team due to a reduction in the contract for external review workers is being used to offset against the overspend relating to staffing and the use of agencies in the Practice Standards team.	2.1%
CSC 0-25	1,979	2,212	2,222	10	This area is now projecting a full complement of staff covered by permanent and agency staff (no vacancies). The overspend is from the use of some agencies.	0.4%
Total	47,717	48,476	49,438	962		2.0%

Commissioning Group

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Finance	1,709	1,120	1,131	11		1.0%
Commercial	1,224	1,163	1,203	40		3.5%
Commissioning Group	636	-	-	-		0.0%
Adults and Health	1,001	1,258	1,236	(22)	Under spend relates to vacant post.	-1.8%
Communications	638	674	629	(45)		-6.7%
Commissioning Strategy	405	240	224	(16)		-6.6%
Children & Young people	76	365	324	(41)	Under spend due to part year vacancy.	-11.4%
Environment	1,923	12,690	12,681	(9)	Net under spend relates to over spend on staffing and contract savings.	-0.1%
Growth & Development	0	309	311	2		0.7%
Information Management	797	880	907	27	Over spend mainly due to staffing.	3.1%
Programme & Resources	691	782	864	83	Over spend mainly on staffing netted against reduced expenditure in supplies and services.	10.6%
Strategic Commissioning Board	705	768	738	(29)	Under spend on staffing and supplies and services	-3.8%
Total	9,806	20,249	20,249	-		0.0%

Streetscene

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Business Improvement	335	264	264	-		0.0%
Green Spaces	4,712	4,631	4,655	24	Over spend due to staffing recharges	0.5%
Mortuary	141	144	144	-		0.0%
Recycling	70	1,118	1,070	(48)	The civic amenity recycling centre (CARC) has now transferred to NLWA, which is projected to lead to the early delivery of some savings.	-4.3%
Waste	6,157	6,725	6,863	138	Over spend is largely due to the use of agency staff	2.1%
Street Cleansing	3,751	3,597	3,571	(26)	Street cleansing has now implemented a more effective service delivery, which has helped to achieve the 2015-16 savings. Weed Spray is projecting an underspend of £0.078m, due to the reduction of weed spraying costs, as a result of less cycles being undertaken.	-0.7%
Street Scene Management	650	652	709	57	Over spend due to staffing issues	8.7%
Trade Waste	(1,623)	(1,922)	(2,002)	(80)		4.1%
Transport	(179)	(199)	(203)	(4)		1.8%
Total	14,014	15,010	15,072	62		0.4%

Parking and Infrastructure

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Highway Inspection/Maintenance	382	354	467	113	Over spend largely due to additional resources being put in place for Winter gritting, which will lead to an over spend.	32.0%
Parking	(458)	(458)	(460)	(2)		0.4%
Special Parking Account	(7,420)	(7,122)	(7,122)	-		0.0%
Street Lighting	6,295	6,424	6,414	(9)		0.1%
Total	(1,201)	(803)	(701)	102		12.7%

Registrars Service

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Births Deaths & Marriages	(161)	(160)	56	216	Demand for bookings of Citizenship Ceremonies and Marriages has decreased significantly.	135.0%
Total	(161)	(160)	56	216		135.0%

Public Health

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Public Health	14,335	15,835	15,835	-		0.0%
Total	14,335	15,835	15,835	-		0.0%

HB Public Law

Description	Variations				Comments	% Variation of
	Original Budget	Budget V1	Q3 Forecast	Variation		

	£000	£000	£000	£000		revised budget
HB Law	1,752	2,011	2,072	61		3.0%
Total	1,752	2,011	2,072	61		3.0%

Housing Needs Resources

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Housing Needs Resources	3,954	4,976	5,348	372	Over spend of £1.108m on temporary accommodation together with increased legal costs of £0.062m. The overspends are reduced slightly by unbudgeted grant income of £0.070m from the DCLG and equipment hire income of £0.019m, plus reduced expenditure on miscellaneous expenses and other costs of £0.0130m. Further, £584k of the over spend is to be funded from contingency.	7.5%
Total	3,954	4,976	5,348	372		7.5%

Regional Enterprise

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Re Managed Budgets	1,145	1,145	1,128	(17)	This is due to under spends on reactive maintenance, and rechargeable cross overs (linked to LIP work).	-1.5%
Management Fee	(415)	(11)	509	520	Additional rechargeable work from Re as part of the TFL LIP programme and TUPE costs.	100.0%
Total	731	1,134	1,637	503		44.4%

Customer Support Group

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
CSG Managed Budget	3,986	6,997	6,997	-		0.0%
CSG Management Fee	16,836	15,123	15,623	500	True costs around the Civica contract	3.3%
Total	20,822	22,120	22,620	500		2.3%

Central Expenses

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Capital Financing	22,816	22,760	21,760	(1,000)	Under spend relates to MRP.	-4.4%
Car Leasing	2	2	-	(2)		-100.0%
Central Contingency	12,412	2,430	2,430	0		0.0%
Corporate Fees & Charges	399	399	240	(159)	Under spend due to a reduction in Audit fees.	-39.8%
Corporate Subscriptions	314	314	224	(90)	Under spend relating to Corporate Subscriptions.	-28.7%
Early Retirement	5,427	5,427	4,927	(500)	Under spend on early retirement costs.	-9.2%
Local Area Agreement	105	105	105	-		0.0%
Levies	30,717	19,074	18,574	(500)	Under spend on Levies	-2.6%
Miscellaneous Finance	426	765	711	(54)	Additional Grant income received - LSSG grant	-7.1%
Total	72,619	51,277	48,972	(2,305)		-4.5%

Dedicated Schools' Grant

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
Education DSG	(6,275)	(5,542)	(6,639)	(1,097)	The main variances are an under spend on ISB budgets of £254k reflecting autumn adjustments and an under spend of £101k on Schools Contingency as there are unlikely to be any further calls on this budget. There are also under spends of £524k on top-up funding for Maintained Schools and £126k for Academies Free Schools & Colleges top-up funding as a result of autumn term adjustments and revised SEN data. There is also an under spend of £619k on top-up funding for Non-Maintained and Independent providers as there has been a release of contingency, a reduction in the provision for previous years liabilities and a general rigorous scrutiny of costs along with more integration into mainstream settings. SEN Support has an under spend of £89k mainly due to an under spend on therapy provision and some staffing under spends. There is an over spend of £138k on Pupil Growth due to funding more extra classes than previously anticipated and additional funding from the EFA of £43k for Post 16 funding and other minor under spends of £8k. Further, there have been contributions to and from the Childrens Family services.	-19.8%
Schools Funding	230	(117)	(133)	(16)	There is a forecast under spend of £17k on Statement costs in Barnet Academy Nursery Classes.	-13.7%
Childrens Social Care DSG	439	153	153	-		0.0%
Early Intervn & Preven DSG	5,606	5,506	5,347	(159)	There is £76k under spend in the Early years vulnerable children fund as there have been no new referrals made in this area. The remaining underspend is within the 2 year old placement funding.	-2.9%
Total	-	-	(1,272)	(1,272)		-100.0%

Housing Revenue Account

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast	Variation		
	£000	£000	£000	£000		
HRA Other Income & Expenditure	5,284	5,284	5,944	660	Increased expenditure on Landlord Incentive Payments	12.5%
HRA Regeneration	1,028	1,028	770	(258)	Increased income from developers	-25.1%
HRA Surplus/Deficit for the year	(6,232)	(6,232)	(6,634)	(402)	Largely due to rechargeable Adults costs.	6.5%
Interest on Balances	(80)	(80)	(80)	-		0.0%
Total	-	-	-	-		0.0%

Appendix E - Capital Monitoring Programme Outturn by Programme

	2015/16 Latest Approved Budget £000	Additions / (Deletions) £000	(Slippage) / Accelerate d Spend £000	Proposed 2015/16 Budget £000	Forecast to year- end £000	Variance from Approved Budget £000	(Slippage) / Acceleration of 2015/16 Budget %	Comments
Adults and Communities	3,258	-	(208)	3,050	3,050	(208)	-6.4%	Due to anticipated delays in the CCTV installation project.
Adults and Communities	3,258	-	(208)	3,050	3,050	(208)	-6.4%	
Modernisation Primary & Secondary	3,842	-	61	3,903	3,903	61	1.6%	Due to anticipated emergency repairs to schools.
Temporary Expansions - Allocated	1,827	-	(6)	1,821	1,821	(6)	-0.3%	Due to retention costs anticipated to be incurred in October 2016.
Millbrook Park (MHE)	373	-	-	373	373	-	0.0%	
Orion Primary/ blessed Dominic	459	-	-	459	459	-	0.0%	
Blessed Dominic/St James	200	-	-	200	200	-	0.0%	
Moss hall Infants and Juniors	84	-	-	84	84	-	0.0%	
Brunswick Park	60	-	-	60	60	-	0.0%	
Menorah Foundation	1,830	-	-	1,830	1,830	-	0.0%	
St Mary's and St Johns	1,085	-	-	1,085	1,085	-	0.0%	
Martin Primary	81	-	-	81	81	-	0.0%	
Oakleigh School	37	-	-	37	37	-	0.0%	
Beis Yakov	107	-	-	107	107	-	0.0%	
St Joseph's RC Junior & St Joseph's RC Infant School	1,986	-	-	1,986	1,986	-	0.0%	
Monkfrith	1,252	-	-	1,252	1,252	-	0.0%	
Wren Academy	4,826	-	-	4,826	4,826	-	0.0%	
London Academy	7,306	-	(1,806)	5,500	5,500	(1,806)	-24.7%	The slippage is due to asbestos contamination, work now due to commence in 2016/17.
Oak Hill Campus	250	-	-	250	250	-	0.0%	
East Barnet Schools Rebuild	564	-	(463)	101	101	(463)	-82.1%	Legal agreement requirements relating to retention costs have had a knock on effect on the programme, the majority of these costs are now anticipated to occur after March 2016.
Permanent Secondary Expansion Programme	5,521	-	(1,213)	4,308	4,308	(1,213)	-22.0%	The slippage largely due to delays in relocating Caretakers from Oak Lodge special school, work to be completed in 2016/17.
Secondary Programme	3,500	-	-	3,500	3,500	-	0.0%	
SEN	5,850	-	-	5,850	5,850	-	0.0%	
Alternative Provision	4,000	-	-	4,000	4,000	-	0.0%	
Other Schemes	1,703	-	(202)	1,501	1,501	(202)	-11.9%	
Children's Education and Skills	46,741	-	(3,629)	43,112	43,112	(3,629)	-7.8%	
Children's Family Service	5,871	-	(1,434)	4,437	4,437	(1,434)	-24.4%	Delay in projects due to Libraries Review.
Childrens Families Service	5,871	-	(1,434)	4,437	4,437	(1,434)	-24.4%	
Commissioning Group	32,176	-	(1,025)	31,151	31,151	(1,025)	-3.2%	Due to non-construction of projects, now due to be completed in September 2016.
Commissioning Group	32,176	-	(1,025)	31,151	31,151	(1,025)	-3.2%	
Commercial	1,787	84	(337)	1,534	1,534	(253)	-18.9%	Weather has delayed the programme of work, will be unable to recommence marking until March 2016, with completion expected by end of June 2016.
Commercial	1,787	84	(337)	1,534	1,534	(253)	-18.9%	
Greenspaces	457	-	-	457	457	-	0.0%	
Waste	2,002	-	-	2,002	2,002	-	0.0%	
Street Scene	2,460	-	-	2,460	2,460	-	0.0%	
Highways TfL	6,092	(787)	-	5,306	5,306	(787)	0.0%	The variance is largely relating to works not anticipated to go ahead in regards to Cycle routes and 20mph limit zone implementation as well as the deletion of residual balances from the previous year.
Highways non-TfL	21,201	(84)	(6,498)	14,619	14,619	(6,582)	-30.6%	Pavement and Carriageways schedule now due to commence in 2016/17, other works to be reviewed and profiled in 2016/17.
Parking	214	-	(214)	-	-	(214)	-100.0%	All parking schemes will slip to 2016/17 and scheduled to commence in 2016/17.
General Fund Regeneration	23,692	100	7,689	31,481	31,481	7,789	32.5%	The variance is largely due to anticipated accelerated spend relating to Brent Cross regeneration land acquisitions.
Disabled Facilities Project	3,353	-	-	3,353	3,353	-	0.0%	
Other Projects	14,029	-	(208)	13,821	13,821	(208)	-1.5%	
Redelivery unit	68,581	(771)	769	68,579	68,579	(1)	1.1%	
Housing	783	-	(540)	243	243	(540)	-69.0%	The majority of Social Mobility Fund works to be carried into 2016/17.

	2015/16 Latest Approved Budget £000	Additions / (Deletions) £000	(Slippage) / Accelerate d Spend £000	Proposed 2015/16 Budget £000	Forecast to year- end £000	Variance from Approved Budget £000	(Slippage) / Acceleration of 2015/16 Budget %	Comments
The Barnet Group	783	-	(540)	243	243	(540)	-69.0%	
Housing Revenue Account	38,803	-	2,168	40,971	40,971	2,168	5.6%	The variance is largely due to anticipated accelerations to the HRA major works programme, including mechanical, engineering and gas works as well as works on voids and lettings.
Housing Revenue Account	38,803	-	2,168	40,971	40,971	2,168	5.6%	
Total Capital Programme	200,459	(687)	(4,236)	195,537	195,537	(4,922)	-2.1%	

Appendix F - Capital Programme Funding Adjustments

Directorate	Year	Capital Programme	Funding Type	Funding Detail	if Additions/ Deletions	if Slippage/ Accelerated Spend	Explanation for request
					Amount (£'000)	Amount (£'000)	
Commercial	2015/16	Lines and Signs	Reserves		-	(250)	
Commercial	2015/16	Parking Machines	Revenue		-	(12)	
Commercial	2015/16	Town centre Bays	Reserves		-	(75)	
Commercial	2015/16	CCTV Project	Capital Receipts		84	-	
Re delivery unit	2015/16	CCTV Project	Capital Receipts		(84)	-	
Children's Education and Skills	2015/16	Modernisation Primary & Secondary	Grants	Standard Fund: Secondary Modernisation	-	61	Emergency repair.
Children's Education and Skills	2015/16	Temporary Expansions - Allocated	Borrowing	Borrowing	-	(6)	Retention due October 2016 £5,725.
Children's Education and Skills	2015/16	London Academy	Grants	Basic Needs	-	(1,806)	Slippage due to work to commence in 2016/17.
Children's Education and Skills	2015/16	East Barnet & Project Faraday	Capital Receipts		-	(140)	on programme so some budget needs to be slipped as most of
Children's Education and Skills	2015/16	East Barnet & Project Faraday	Borrowing		-	(323)	
Children's Education and Skills	2015/16	Christ's College	Borrowing		-	(11)	some of work and retention will be done in July 16.
Children's Education and Skills	2015/16	Copthall	Grants	Basic Needs	-	(176)	project & £49k retention due upon completion of defects.
Children's Education and Skills	2015/16	Oak Lodge Special School	Grants	Basic Needs	-	(1,026)	relocation, which will affect profiling.
Children's Education and Skills	2015/16	Wave 1 - Whitings Hill	Borrowing	Borrowing	-	(180)	of project, amount may move to unallocated cc.
Children's Education and Skills	2015/16	Wave 1 - Northway/Fairway	Borrowing	Borrowing	-	(22)	Retention to be paid in 2016/17.
Children's Family Services	2015/16	Implementation of libraries Strategy	Capital Receipts	Usable Capital Receipts	-	(1,434)	CSG re projects now not proceeding until 2016/17 due to Library Review.
Re delivery unit	2015/16	Mill Hill East	Borrowing	Borrowing	-	(119)	underspend to be roll forward to 2016/17.
Re delivery unit	2015/16	Outer London Fund - Cricklewood	Grants	Outer London fund	-	(45)	lights. Underspend to be carried forward.
Re delivery unit	2015/16	Outer London Fund - North Finchley	Grants	LLP/Outer London fund	-	(186)	No further expenditure expected 15/16. Underspend to be carried forward for potential works.
Re delivery unit	2015/16	BXC - Funding for land acquisition	S106 / Other		-	6,000	(which got approved in Dec P&R).
Re delivery unit	2015/16	BXC - Funding for land acquisition	Reserves		-	5,000	(which got approved in Dec P&R).
Re delivery unit	2015/16	Graham Park Regeneration	S106 / Other		-	(598)	P&R) - Main Expenditure to occur in 2016/17.
Re delivery unit	2015/16	Graham Park Regeneration	Grants		-	(501)	
Re delivery unit	2015/16	Graham Park Regeneration	Reserves		-	(831)	
Re delivery unit	2015/16	West Hendon Highway Improvement	Reserves	Capital Reserve	-	(240)	Review required following failure to secure TLF funding. Delays in Highways resourcing - Main Expenditure to occur in 2016/17.
Re delivery unit	2015/16	Town Centre	S106 / Other	Capital Reserve	-	(120)	occur in cost centre 42702 (Burnt Oak). Overall capital spend
Re delivery unit	2015/16	Town Centre	Reserves	Capital Reserve	-	(500)	occur in cost centre 42702 (Burnt Oak). Overall capital spend
Re delivery unit	2015/16	Town Centre	Grants	Capital Reserve	-	(171)	occur in cost centre 42702 (Burnt Oak). Overall capital spend
Re delivery unit	2015/16	DECC - Fuel Poverty	Grants	DECC	-	(23)	2016/17 as the NEA scheme runs until March 2017.
Re delivery unit	2015/16	Hendon Cemetery & Crematorium Enhancement	Capital Receipts	Usable Capital Receipts	-	(185)	Work in progress which will slip into 2016/17.
Commissioning Group	2015/16	Centre for Independent Living & Libraries	Grants	£155k Grant & £870k Capital Reserve	-	(155)	Non-construction estimate slippage as completion of project is in September 2016.

Directorate	Year	Capital Programme	Funding Type	Funding Detail	<i>if Additions/ Deletions</i>	<i>if Slippage/ Accelerated Spend</i>	Explanation for request
					Amount (£'000)	Amount (£'000)	
Commissioning Group	2015/16	Centre for Independent Living & Libraries	Reserves	£155k Grant & £870k Capital Reserve	-	(870)	Non-construction estimate slippage as completion of project is in September 2016.
The Barnet Group	2015/16	Social Mobility Fund	Grants	Social Mobility Fund	-	(540)	Carry over £540k to 2016/17.
Re delivery unit	2015/16	Local Implementation Plan 2015/16	Grants		(540)	-	Underspend.
Re delivery unit	2015/16	Bridge Assessment	Grants		6	-	Revised TLF allocation.
Re delivery unit	2015/16	Air Quality Scheme	Grants		(20)	-	Deletion of TFL grant.
Re delivery unit	2015/16	Footway Reconstruction	S106 / Other		-	(76)	
Re delivery unit	2015/16	Footway Reconstruction	Borrowing		-	(43)	
Re delivery unit	2015/16	Traffic Management	S106 / Other		-	(43)	
Re delivery unit	2015/16	Traffic Management	Borrowing		-	(5)	
Re delivery unit	2015/16	Reconstruction of Railway Bridges	Capital Receipts		-	(29)	
Re delivery unit	2015/16	Reconstruction of Railway Bridges	Borrowing		-	(471)	
Re delivery unit	2015/16	Controlled Parking Zones	S106 / Other		-	(10)	
Re delivery unit	2015/16	Controlled Parking Zones	Borrowing		-	(5)	
Re delivery unit	2015/16	Colindale Station interchange	S106 / Other		-	(44)	
Re delivery unit	2015/16	Colindale Station interchange	Borrowing		-	(6)	
Re delivery unit	2015/16	Improvement & Signalisation and infrastructure	S106 / Other		-	(356)	
Re delivery unit	2015/16	Public Transportation Improvement	S106 / Other		-	(98)	
Re delivery unit	2015/16	Public Transportation Improvement	Borrowing		-	(5)	
Re delivery unit	2015/16	Pedestrian Improvements programme	S106 / Other		-	(262)	
Re delivery unit	2015/16	Colindale CPZ Parking Review Feasibility Study- Colindale Hospital	S106 / Other		-	(11)	
Re delivery unit	2015/16	Colindale CPZ Parking Review Feasibility Study- Colindale Hospital	Borrowing		-	(5)	
Re delivery unit	2015/16	Highways Investment Programme	S106 / Other		-	(546)	
Re delivery unit	2015/16	Highways Investment Programme	Borrowing		-	(65)	
Re delivery unit	2015/16	Travel Plan Implementation	S106 / Other		-	(210)	
Re delivery unit	2015/16	Travel Plan Implementation	Borrowing		-	(25)	
Re delivery unit	2015/16	Carriageway	Borrowing		-	(2,000)	
Re delivery unit	2015/16	Outstanding Transport Commitments on completed schemes	Capital Receipts		-	(3)	
Re delivery unit	2015/16	HIGHWAYS PLANNED MAINTENANCE WORKS PROGRAMME	Reserves		-	(40)	
Re delivery unit	2015/16	Pavements	Borrowing		-	(1,000)	

Directorate	Year	Capital Programme	Funding Type	Funding Detail	<i>if Additions/ Deletions</i>	<i>if Slippage/ Accelerated Spend</i>	Explanation for request
					Amount (£'000)	Amount (£'000)	
Re delivery unit	2015/16	Pavements (phase 2)	Revenue		-	(133)	
Re delivery unit	2015/16	Investments in Roads & Pavements	Borrowing		-	(500)	
Re delivery unit	2015/16	Saracens	S106 / Other		-	(17)	
Re delivery unit	2015/16	Drainage	Grants		-	(69)	
Re delivery unit	2015/16	Drainage	Borrowing		-	(423)	
Re delivery unit	2015/16	Road Traffic Act - Controlled Parking Zones	S106 / Other		-	(164)	
Re delivery unit	2015/16	Road Traffic Act - Controlled Parking Zones	Capital Receipts		-	(4)	
Re delivery unit	2015/16	Road Traffic Act - Controlled Parking Zones	Borrowing		-	(15)	
Re delivery unit	2015/16	Parking	S106 / Other		-	(2)	
Re delivery unit	2015/16	Parking	Capital Receipts		-	(28)	
Adults and Communities	2015/16	CCTV Installation	Revenue		-	(208)	
Re delivery unit	2015/16	Borough Cycling Programme	Grants		31	-	
Re delivery unit	2015/16	Local Implementation Plan 2014/15	Grants		(242)	-	
Re delivery unit	2015/16	Bus stop Accessibility	Grants		(22)	-	
Re delivery unit	2015/16	Dollis Valley	Capital Receipts		100	-	
HRA	2015/16	Major Works (excl Granv Rd)	Revenue		-	520	
HRA	2015/16	Granville Road	Revenue		-	-	
HRA	2015/16	Regeneration	Revenue		-	(715)	
HRA	2015/16	Misc - Repairs	Revenue		-	(634)	
HRA	2015/16	M&E/ GAS	Revenue		-	1,613	
HRA	2015/16	Voids and Lettings	Revenue		-	812	
HRA	2015/16	New Affordable Homes	Capital Receipts		-	272	
HRA	2015/16	Moreton Close	Capital Receipts		-	300	
Total					(687)	(4,235)	

Appendix G (i) - Adults recovery plan

Adults and Communities	Budget	Budget Total	Agreed	In year monitoring	In year monitoring Total	Commentary
	£'000	£'000		£'000	£'000	
Closing 14/15 budget		90,814				
15/16 Savings proposals						
Savings through supporting people in the community as opposed to high cost care packages and residential placement	(858)					
Savings through supporting people in appropriate housing as opposed to high cost placements	(704)					
Savings through supporting people by increasing investment in carers support to prevent/reduce the need for funded care	(550)					
Savings through decreasing external third party expenditure on day care costs by increased access to universal leisure services and specific renegotiations	(660)					
Savings through sharing funding arrangements with MHT	(401)					
Savings through reduction in staffing costs	(300)					
Reductions in back office transactional functions through new ways of working and exploring new innovative models.						
Savings through HRA investment in new build which will result in reduction in high cost placements	(1,513)					
Savings from renegotiation of existing contracts	(600)					
Savings through reduction in expenditure by working with CSG provider	(2,000)					
Savings through reduction in placement costs for residents permanently settled out of the borough	(838)	(8,424)	P&R February 2015			
Growth						
Demographics pressures due to general trends and price as well as transitions of children joining adult	800					
Deprivation of liberty safeguards (DoLS)	555	1,355	P&R February 2015			
Opening 15/16 budget		83,745				
Commissioning Unit budget		(2,075)				
		81,670				
Pressures						
Demographic pressures from previous years				4,400		
DoLS				590		
OR's				869		
Transitions				450		
Self-funders depleting their funds				300		
Inflation Uplifts (staffing and non staffing)				1,208		
In year pressures due to clients with more complex needs				400		
					8,217	
Savings not being delivered						
Wheelchair housing				1,500		
Savings through reduction in expenditure by working with CSG				1,500		
					3,000	
Additional Funding						
Learning Disabilities funding pressures		2,000	P&R July 2015	(2,000)		
Reprofiling of wheelchair housing savings		1,500	P&R July 2015	(1,500)		
Inflation Uplifts (staffing and non staffing)		1,208	P&R July 2015	(1,208)		
DoLS grant				(154)		One year funding - awaiting confirmation of future funding
Care Act reserve usage				(1,300)		One off
S256 reserve and prior year underspend usage				(600)		One off
					(6,762)	
Actions taken within the Delivery Unit						
Agency reductions				(400)		This is expected to be achieved by year end
Staffing underspend				(750)		This is expected to be achieved by year end
Contribution from the HRA for Floating Support				(200)		
Decrease in bad debt provision				(100)		This is currently sitting at £45k reduction so hoping to improve this position further by year end
Direct payments clawback				(500)		This is currently sitting at £400k reduction so hoping to improve this position further by year end
Winter pressures funding				(100)		Received
Contract negotiations				(30)		Achieved
					(2,080)	
Q3 position		86,378			2,375	

Appendix G (ii) - Childrens recovery plan

Family Services	Budget	Budget Total	In year monitoring	In year monitoring Total
	£'000	£'000	£'000	£'000
Closing 14/15 budget		50,225		
15/16 Savings proposals				
Savings from the reduction in staff related cost - workforce savings delivered from transforming the Family Services workforce	(1,151)			
Savings through renegotiating existing contracts and reducing external third party costs	(523)			
Savings through implementation of Early Years Review	(525)			
Savings through reduction in placement costs for residents permanently settled out of the borough		(2,199)		
Growth				
Demographics pressures relating to placement costs for individual children, commissioned services to providing targeted services for vulnerable children		720		
Opening 15/16 budget		48,746		
Commissioning Unit budget		(963)		
Transfer of budgets to and from Education & Skills Delivery Unit		(380)		
Transfer of the Archiving service		(26)		
Transfer from Corporate for CAMHS		200		
Transfer of EY raising standards from E&S		114		
		47,691		
Pressures				
Use of agency staff			1,302	
DAT 4: front line service to support increased volume of referrals to MASH			166	
Preparation for Independence			305	
Leaving Care (Onwards and Upwards - clients)			280	
Family Assessments			70	
Resident Orders/Special Guardianship Orders			300	
Remand			180	
Unaccompanied Asylum Seekers			515	
External placements			140	
			3,258	
Savings not being delivered				
Unachievable workforce saving relating to unified reward			323	
			323	
Additional Funding				
Inflation uplifts (staffing and non staffing)		785		
MTFS saving relating to unified reward			(323)	
Social Worker recruitment and retention market factor supplement to 31 March 2016			(492)	
			(815)	
Actions taken within the Delivery Unit				
Contract savings			(600)	
Underspend from Commissioning and Business Improvement from Early savings			(240)	
Other underspend in EIP			(190)	
Contribution from reserves for DAT 4			(230)	
Joint Funded placements with Health and Education & Skills			(499)	
Public Health Funding for Substance Misuse			(45)	
			(1,804)	
Q3 position		48,476		962

APPENDIX H - TRANSFORMATION PROGRAMME

Projects	Portfolio	Total Budget agreed	PRIOR YEAR SPEND	2015/16 Actual	2015/16 Projected	2016/17 Projected	2017/18 & future years Projected	Total Spend to 2015/16 & future years	Variance	Comments	Total
Independence of Young People with Learning Difficulties 0-25	Adults	350,000		274,522	273,876	76,124		350,000	0	Forecast revised and estimating to carry forward £76,124 to be spent in 2016/17	350,000
Sports and Physical Activities	Adults	1,903,400	583,480	634,982	718,695	601,225		1,903,400	0	Project is on track to deliver this phase under budget, an allowance of £18,725 has been added to the previous estimate, this revision is due to next phase planning - an FTE resource is needed from the last week of January 2016 to ensure a smooth transition from the core project team"	1,903,400
Adults transformation	Adults	1,724,000		814,740	1,724,000	-		1,724,000	0	PM forecasting to spend full budget	1,724,000
Health & Social Care Integration	Adults	100,000	98,451	-	1,549	-		100,000	0		100,000
Adults and Communities transformation programme	Adults	870,710	995,710	-				995,710	125,000	To be funded from the care act	870,710
CCTV	Adults	70,000		13,354	70,000	-		70,000	0	*The CCTV transformation project is projected to be completed during 2015/16, projected costs including Project Support are projected at £70k.	70,000
Early Years – Children's Centres	Children's	442,395	198,580	231,273	243,815			442,395	0		442,395
Family Services - Back Office Efficiencies *	Children's	250,000				250,000		250,000	0	Budget to fully spent by end of 2016/17	250,000
Education and Skills	Children's	1,480,000	321,755	675,052	1,158,245			1,480,000	0		1,480,000
Nurseries	Children's	70,000	13,993	21,393	56,007			70,000	0		70,000
Libraries	Children's	500,000	26,085	252,091	473,915			500,000	0		500,000
PM to support CELS project	Children's	224,000		25,000	50,000	174,000		224,000	0		224,000
Family Services Transformation Programme	Children's	1,800,099	1,682,005	64,249	118,094			1,800,099	0		1,800,099
Street Scene Transformation	Environment	3,213,102	852,531	196,168	403,000	1,257,571	700,000	3,213,102	0	Spend in 15/16 expected on waste strat (160k), parks strat (60k), and £80k on ADM, £103k on Strategic Lead. Balance in 15/16 largely ADM related. £300k reserve addition planned from commissioning 2016/17.	3,213,102
Parking	Environment	485,912	334,263	135,450	151,649			485,912	0	Full expenditure on new parking policy	485,912
Review of the Mortuary Service	Environment	70,000	64,147	3,827	3,827			67,974	(2,026)	Project now completed.	70,000
Entrepreneurial Barnet WLA (x3)	Growth & Development	436,978	-		77,636	339,296	20,046	436,978	0	Opportunities for young people projecting £50,000, Working people / Working places projecting £27636, and Skills escalator £0in 2015/16.	436,978
Housing improvements and efficiency	Growth & Development	150,000	4,079	117,644	145,921			150,000	0	Expected to be spent in full - management agreement related	150,000
Unified Reward	Central	450,000	398,173	169,694	336,000			734,173	284,173	Pressure owing to extended period of time of review and moderation of job evaluation for over 5000 roles. Next phase to be subject t decisions of General Functions Committee.	450,000
Smarter working	Central	360,000	231,645	664,128				231,645	(128,355)	Overspend related to increased indexing required to effect move from NLBP4.	360,000
Central Support (BAU)	Central	100,000	-					-	(100,000)	Spend incorporated in project support projections.	100,000
Workforce changes	Central	1,362,000	-	668,950	700,000	200,000	87,613	987,613	(374,387)	Plan includes funding for social work recruitment project leadership programme, learning and development, support for major reorganisations	1,362,000

Projects	Portfolio	Total Budget agreed	PRIOR YEAR SPEND	2015/16 Actual	2015/16 Projected	2016/17 Projected	2017/18 & future years Projected	Total Spend to 2015/16 & future years	Variance	Comments	Total
Community Participation	Central	100,000	-					-	(100,000)		100,000
Connecting with Barnet	Central	271,000	235,073	13,198	60,000			271,000	0	£15k payment expected each quarter.	271,000
Programme support	Central	3,428,692	1,340,563	475,462	620,000	550,000	918,000	3,428,692	0	Profile includes spend on programme management, PMO, communications and change for over 100 programmes and projects.	3,378,444
Contingency - Programmes	Central	1,000,000				250,000	250,000	500,000	(500,000)	Underspend is planned to be used on new projects	1,000,000
Legal support	Central	1,500,000				150,000	150,000	300,000	(1,200,000)	Underspend is planned to be used on new projects	1,500,000
Total		22,712,288	7,380,533	5,451,176	7,386,229	3,848,216	2,125,659	20,716,694	(1,995,594)		22,662,040

Appendix I: 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 2015/16 %
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 31/12/15	% Fixed Rate Borrowing as at 31/12/15	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

Appendix J - Investments Outstanding as at 31 December 2015

Deal Number	Counter Party	Start Date	Maturity Date	Rate of Interest %	Principal Outstanding £
2000011445	Greater London Authority	01-Apr-14	01-Apr-16	1.04	10,000,000
2000011502	Gwent Council	01-Aug-14	01-Aug-16	1.10	3,000,000
2000011506	Newcastle City Council	30-Jul-14	29-Jul-16	1.00	5,000,000
2000011542	Lancashire County Council	04-Nov-15	06-Nov-17	1.05	5,000,000
2000011548	Glasgow City Council	22-Dec-15	22-Jan-16	0.50	10,000,000
2000011549	Isle of Wight Council	23-Dec-15	04-Jan-16	0.45	7,000,000
Local Authorities					40,000,000
2000011284	Goldman Sachs	14-May-13		0.36	200,000
2000011251	Aviva	06-Sep-13		0.38	3,100,000
2000011482	Ignis Liquidity Fund	26-Mar-14		0.43	6,400,000
2000011238	Federated Investors	01-Jul-15		0.38	2,900,000
2000011377	Invesco	07-May-15		0.32	3,600,000
Money Market Funds					16,200,000
2000112434	Federated Prime Rate Cash	15-May-13	31-Mar-16	0.70	10,000,000
Money Market Funds Non specified					
2000010341	Bank of Scotland	09-Sep-12	CALL A/C	0.40	12,500,030
2000011537	Nationwide Build Soc	15-Sep-15	15-Mar-16	0.73	22,600,000
2000011541	Lloyds	02-Nov-15	03-May-16	0.75	7,000,000
2000011543	Nationwide Build Soc	17-Nov-15	17-May-16	0.66	2,400,000
2000011540	Barclays	16-Oct-15	18-Apr-16	0.70	25,000,000
2000011545	Lloyds	23-Nov-15	23-May-16	0.75	10,000,000
2000011546	Santander	02-Dec-15	02-Jun-16	0.71	4,000,000
2000011550	Santander 95 day notice account	23-Nov-15	31-Mar-16	0.90	15,000,000
UK Banks & Building Societies					98,500,030
2000011529	Bank of Nova Scotia	26-Jun-15	04-Jan-16	0.60	13,500,000
2000011530	TORONTO DOMINION BANK LONDON	07-Jul-15	07-Jan-16	0.64	8,000,000
2000011533	BANK OF NOVA SCOTIA CAPITAL	21-Jul-15	21-Jan-16	0.62	6,000,000
2000011534	Australia & New Zealand Banking Group Ltd	22-Jul-15	22-Jan-16	0.57	8,000,000
2000011544	TORONTO DOMINION BANK LONDON	20-Nov-15	18-Nov-16	0.85	7,000,000
2000011547	TORONTO DOMINION BANK LONDON	17-Dec-15	16-Dec-16	0.99	5,500,000
Non UK Banks & UK Building Societies					48,000,000
TOTAL		31-Dec-15			212,700,030
				Average rate of return	0.68

Summary Investments as at 31 December 2015	£'000
Local Authorities	40,000
Money Market Funds	26,200
UK Banks & Building Societies	98,500
Non UK Banks & UK Building Societies	48,000
TOTAL	212,700

Appendix K (i): Capita Payments

Contract Benefit Realisation Tracking – CSG Contract

Introduction

The London Borough of Barnet entered into two agreements with Capita in 2013 – one for the delivery of back office services (finance, HR, Procurement, estates and project support) and one for the delivery of regulatory services through a joint venture (covering planning, environmental health, highways and regeneration).

Both of these contracts have been published on the Council's website:

- CSG has the value of £265m over 10 years
 - <https://www.barnet.gov.uk/citizen-home/council-and-democracy/one-barnet-transformation-programme/customer-and-support-group-csg/customer-and-support-group-csg-formerly-nscso-contract.html>
- Re has the value is £150m over 10 years
 - <https://www.barnet.gov.uk/citizen-home/council-and-democracy/one-barnet-transformation-programme/regional-enterprise-ltd-re/regional-enterprise-ltd-re-contract.html>

These contracts contain similar but complex payment structures and mechanisms. This page seeks to set out the payments paid to date and those to come against those set out in the initial business case for these contracts.

Types of payments

Pre-contract payments

The application for judicial review in 10th January 2013 and the appeal of the judicial review decision on the 2nd of August 2013 led to a delay in contract which started on the 1st September 2013. This resulted in the council entering a contract to provide interim support for the continuation of critical services (Customer Services and Revenues and Benefits mainly). Payments of £126k were made to cover a 5 week period for IT services from the 1st April 2013.

The link to this Delegated Powers Report (authorised by the Chief Operating Officer on the 24 May 2013) sets out further details:

<http://barnet.moderngov.co.uk/documents/s9026/2057%20-%20Interim%20Measure%20for%20Continuation%20of%20Critical%20Services.pdf>

The council's ICT infrastructure managed service supplier, 2e2 (UK) Limited, served notice of administration to the council. This led to the council entering an emergency arrangement to secure the continuation of critical IT infrastructure services. Payments of £67k were made to Capita.

The link to this Cabinet Resources Committee report sets out further details:

<http://barnet.moderngov.co.uk/documents/s8397/Interim%20IT%20Infrastructure%20Support%20Solution.pdf>

TOTAL £193k – as set out at 1a of the CSG benefit realisation sheet (shown on s/s as £14.933m – pre contract payment and interim service agreement)

Interim Service Agreement

The application for judicial review and the appeal of the judicial review decision led to a delay in contract signature. This resulted in the council seeking Cabinet Resources Committee authorisation to waive the Contract Procedure Rules to enter into an interim contract with Capita up to the value of £14.74m to secure business critical activities on the 24th June agreeing a waiver to the 31st January 2015 however, as a result of the judicial review the contract commenced on the 1st September 2014

Of the £14.74m payment made to Capita in respect of the interim service agreement, £0.98m were in respect of cost of services provided in the interim period. £4.06m was refunded to the council once the formal contract had been signed and the following two amounts were off-set against the full value of the 10 year contract as these costs were anticipated within the financial modelling:

£5.64m – for service transformation in relation to transferring services

£4.06m – for business as usual service charges

The link to this Cabinet Resources Committee paper sets out further details:

<http://barnet.moderngov.co.uk/documents/s9372/727203%20-%20CRC%20Report%20-%20Interim%20Procurement%20Solution%20-%20Public%20Final.pdf>

TOTAL £14.74m – as set out at 1a of the CSG benefit realisation sheet (shown on s/s as £14.933m – pre contract payment and interim service agreement)

Contract payments

The schedule for the core contract payments of the 10 years is presented in the benefits realisation sheet.

TOTAL £265m – as set out at 1b of the CSG benefit realisation sheet

Transformation

Within the Output Specifications of the contract, details of activities to transform services are outlined, these include

- My Account
- Customer Access Strategy
- IS Strategy
- Community Asset Strategy
- Significant System Change including Integra and HR Core

These can be found in more detail using the following link

<https://www.barnet.gov.uk/citizen-home/council-and-democracy/one-barnet-transformation-programme/customer-and-support-group-csg/customer-and-support-group-csg-formerly-nscso-contract/schedule-1---output-specifications.html>

On commencement of the CSG contract, the council paid the remainder of the transformation monies £10.5m (£16.1m less £5.6m paid under Interim Service Agreement).

Gainshare

As part of the Contracts, some savings are eligible to a gainshare agreement. This means that any savings are eligible for gainshare, however all of these have guarantees attached to them. If these guarantees are not successfully achieved (assessed annually), then payments are made to the council up to the guarantee to ensure the saving is achieved. These gainshare payments are

intended to incentivise the service provider to provide further benefits to the council. The gainshare percentages vary in each area and in some cases, in contract years.

The totals applicable are outlined at ② to ⑤ in the spread sheet. Capita have guaranteed procurement savings of £46.9m over the life of the contract. The total savings of £55.4m (made up of procurement, reduction in single person discounts and additional council tax income) are applicable to gainshare but if the guarantee is not achieved, payment will be made to the council.

Service Credits

Where there has been underperformance against a contracted KPIs (please see quarterly performance reporting for details), a service credit is paid to the council. This is a monetary amount, present by the payment mechanism as a separate item. This is not included in this spreadsheet, but is reported as part of the contract's quarterly reporting.

Contractual Adjustments

This includes adjustments in line with those outlined in the contract. This includes:

- annual indexation of the contract against inflation, and
- True-ups relates to a correction of assumed pre-contract costs to true cost to contract signature.

The totals applicable are outlined at ⑥ in each spreadsheet.

Project

The CSG and Re contract provide project management capacity which are paid for separately and captured as part of the cost of the project. The amount paid for this will vary depending on the number of projects being undertaken and before the CSG and Re contract would have been money we would have incurred with other third party consultants or organisations.

For some of these projects the council receives or recovers monies from third party partners in order to undertake the work. Example of this include but are not limited to Transport for London highways works which are grant funded by TfL and work carried out on regeneration projects which is typically recovered from development partners.

The totals applicable are outlined at ⑦ in each spreadsheet.

GLOSSARY

Gainshare	Gainshare means a distribution of benefits between the Authority and Service Provider in relation to a benefit calculated by reference to the relevant provision within Schedule 4 (Payment and Performance Mechanism), or business case developed under the provisions of Schedule 15 (Special Projects Approval Procedure) [page 22 – Contract Body]
Indexation	The Periodic Service Payment shall be indexed in accordance with the provisions of Schedule 4 (Payment and Performance Mechanism). [page 135 – Contract Body]
True up	This relates to a correction of assumed pre-contract costs to true cost to contract signature. <ul style="list-style-type: none">• This occurred due to the time delay in signing the contract – as a result of the Judicial Review – leading to an increase in the number of staff transferred (TUPE) to Capita on contract commencement.• This also relates to contract expenditure which was not fully accounted for in the transferred budget.
Transformation	Within the Output Specifications of the contract, details of activities to transform services are outlined, these include finance system change to Integra, HR system change to Core, invoice scanning and improvements to the IT infrastructure.

Customer and Support Group Benefits Realisation

FINANCIAL YEAR		2013/14	2014/15	2015/16 incl forecast for Q4	2016/17	Other years	Total
		£'000	£'000	£'000	£'000	£'000	£'000
1)	CSG baseline - revenue	17,573	30,125	30,125	30,125	201,934	309,881
	CSG baseline - capital	3,400					3,400
	CSG managed budget	5,036	8,633	8,633	8,633	46,761	77,695
	Total baseline	26,009	38,758	38,758	38,758	248,695	390,976
1b	Payments made to Capita	35,963	24,482	26,672	29,482	148,998	265,596
1a	Payments made to Capita in relation to pre contract and interim service agreement	14,933					14,933
	Adjustment for payments not relating to CSG contract	(1,174)					(1,174)
	Adjustment for refund of part of the Interim Service Agreement	(4,056)					(4,056)
	Accrual Adjustment for payment in advance	(28,499)	2,524	(132)	(1,455)	27,561	(1)
	Managed budgets payments	5,036	8,633	8,803	4,033	19,540	46,044
	Total in year cost of transferring services comparable to baseline	22,202	35,638	35,343	32,060	196,099	321,343
	Savings on core contract	3,806	3,119	3,415	6,698	52,595	69,633
2)	Reducing number of Single Persons Discounts (net)	191	382	509	509	3,052	4,643
	Reductions in SPD achieved (net)	714	409				1,123
	Gainshare paid on achieving reductions and contractor costs	259	254	127			640
3)	Additional Council Tax Income	0	81	377	484	2,904	3,846
	Additional CT income achieved (net)	0	148				148
	Gainshare paid on additional income	0	148				148
4)	Additional income achieved (net)	288	411				699
	Gainshare paid on additional income	196	509				705

CONTRACT YEAR		2013/14	2014/15	2015/16 incl forecast for Q4	2016/17	Other years	Total
		£'000	£'000	£'000	£'000	£'000	£'000
5)	Procurement savings on wider council spend guaranteed	624	5,916	2,634	3,393	34,407	46,974
	Procurement savings achieved (net)	959	6,577	3,170			10,706
	Gainshare paid on savings achieved	482	1,092	1,688			3,262
	Savings expected	4,621	9,498	6,935	11,084	92,958	125,096
	Savings made	5,767	10,664	6,585			23,016

FINANCIAL YEAR		2013/14	2014/15	2015/16	2016/17	Other years	Total
		£'000	£'000	£'000	£'000	£'000	£'000
6)	Actual Payments made to Capita in relation to contractual adjustments	324	1,680	1,253			3,256
7)	Project Spend						
	Capital -						
	Schools build	535	2,182	1,088			3,805
	Mill Hill Depot Relocation	295	840	735			1,870
	Transformation programme -						
	Childrens Transformation	630	1,951	1,182			3,763
	Adults & Communities Programme	322	1,481	2,743			4,546
	Environmental Portfolio	301	602	240			1,143
	Growth & Development Portfolio		158	83			241
	Central	344	3,062	3,589			6,995
	Programme Management		717	519			1,236
	Additional chargeable work outside of the contract						
	Print and Postage, DBS checks, Occupational Health, etc.	381	837	621			1,839
	IT requests (over and above refresh)		652	79			731
		2,808	12,483	10,879			26,170
		54,964	40,647	40,619			136,230

Expenditure report: payments to Capita in relation to CSG
Actual amounts paid including projection for current year

Appendix L: Contract Changes

Quarterly reporting of contract changes

Summary

Performance and Contract Management Committee have requested that Officers confirm the contractual variations and changes which have taken place since the start of Performance and Contract Management Committee (post June 2014), and proposals on how contractual variations and changes will be reported to the Committee in future months.

This report provides:

- Proposals on how the Committee receives future reports on contractual changes and variations
- A summary of the variations and changes made within external Delivery Units (contracts) in accordance with the formal governance mechanisms of the contract, and summary and those variations and changes which are anticipated
- The log of contractual variations and changes for the CSG and Re contracts.

Background and future reporting

This appendix to the quarterly Performance and Budget Monitoring report will provide a regular quarterly update on the completed and planned contract variations and changes for the external delivery units which are monitored by Performance and Contract Management Committee.

Performance and Contract Management Committee -Terms of Reference

As set out within the Constitution (Responsibilities for Functions – Annex A), The Terms of Reference for the Committee state that the Committee can '*receive and scrutinise contract variations and change requests in respect of external delivery units*'.

To do so, it is proposed that each quarter, this report will highlight significant changes within the quarter and a forward look to potential changes which are being considered. In this context, significant changes would reflect: changes to the contract with a material financial impact; significant difference in terms of outcomes or outputs achieved by the contract or services in scope; a significant financial impact (over the equivalent of the OJEU threshold); broader changes to the scope of the contract; or cumulative impacts over a range of smaller changes to a service area or the contract. The report will include a description of the change, the financial and service impact.

This quarterly report will also confirm where the change is – or will be – approved by the relevant contractual governance, as well as the Council's formal decision points.

It is recommended that this approach is piloted for one year at Performance and Contract Management Committee to give overview of all these key contractual changes and enable scrutiny of areas of significant impact. All contractual changes will continue to be made in accordance with the formal governance of the contract and the Council's own governance arrangements.

2. External delivery units (contracts) – current position

Barnet Homes: Barnet Homes is an Arm's Length Management Organisation (ALMO) created in 2004 to manage approximately 15,000 council homes, including 3,900 leasehold properties. The services were delivered under a 10 year Management Agreement which was extended for one year until 31st March 2015. At its meeting of 29th June 2015 Housing Committee agreed the draft Heads of Terms for a new 10 year Management Agreement with The Barnet Group (TBG) to deliver housing management and homelessness services within Barnet. The Barnet Group required to produce a five year business plan and outcomes agreed for Barnet Homes as part of that process taking effect in 2016.

Customer and Support Group (CSG) with Capita: The contract commenced in September 2013 covering eight service areas, including Customer Services, Revenues and Benefits, back office services and programme management. As part of the Contract, the Council will work with CSG to undertake a fundamental service review from 1 September 2016. The contract is in place for 10 years. To date, all contractual changes and variations referred to in this report have been published on the Council's website as part of the detailed quarterly CSG performance report and a link provided to this in each Quarterly Budget and Performance report:

<https://www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/Council-Performance-Indicators-2015-16-Quarter-2.html>

HB Public Law: The Council has shared services arrangement in place with Harrow for the provision of legal services from 2012 onwards. This is governed through an Inter Authority Agreement (IAA).

Parking Contract with NSL: The contract commenced in May 2012 and was let on the basis of a 5 year term with a potential for a further two year extension. The 5 year period expires at the end of April 2017 and should the maximum extension be implemented the end date would be April 2019, with options to be considered by Environment Committee in early 2016.

Public Health: The Public Health service is provided through a shared service arrangement with Harrow, with a formal agreement in place from April 2013 and a joint governance board to oversee the operation of the service.

Re: The contract with Capita for the Re Joint Venture commenced in October 2013. The contract covers built environment services (e.g. planning, regeneration, highways) and environmental health and regulatory services. The contract operates over a 10 year period with review points at years 4 and 7.

Registrars: The Registrars service is provided through a shared service arrangement with Brent. The initial shared service was limited to the senior management tier and extended in 2014 to a full shared service arrangement, via an Inter Authority Agreement with Brent leading the shared service on behalf of both organisations.

3. Contractual variations and change

Each contract has in place a formal process for the management of change, reflected in a contractual schedule. When the Council agreed these contracts, they set out governance arrangements to oversee and manage contracts at an operational level. All changes made – or proposed – within contracts have been in accordance with these governance arrangements.

In the case of CSG and Re, both contracts have change process set out in 'Schedule 14' of the contract. This governs both larger changes and a much more extensive set of smaller changes – for example, changes to a performance indicator methodology or a minor financial impact of change at c£5,000. This schedule does not include the delivery of projects as the schedules focus on changes over the lifetime of the contract rather than completion of shorter-term projects.

The contractual changes have a formal review and approval process on both sides and are overseen by the relevant contractual Operations Board or equivalent. All contractual changes referred to in this document have been agreed through the formal contractual governance – being reviewed and signed off by the relevant contractual Operations Board.

3.1. Contract Procedure Rules

As set out in the Contract Procedure Rules:

Contracts may only be extended or *varied* (which is relevant in the case of the contract under the remit of the Committee at this point in time) if all of the following conditions have been met:

- the initial contract was based on a Contract Procedure Rules compliant competitive tender or quotation process
- the value of the extension or variation added to the value of the original contract does not exceed the original authorisation threshold
- the extension or variation has an approved budget allocation

- the extension or variation is in accordance with the terms and conditions of the existing contract
- if the initial contract was subject to an EU regulated tender procedure, that the extension option was declared within the OJEU contract notice and the original acceptance report (e.g. Committee report); and
- the contract has not been extended before.

These criteria are in place and relevant to the contracts with external Delivery Units, overseen by Performance and Contract Management Committee, not requiring a new procurement exercise.

3.2. Defining significant variation

As in section 3.1 contract changes and variations can be of a low level and immaterial to the financial position of the contract, the performance of the service or the outcomes achieved. As a result, it is proposed that Performance and Contract Management Committee use the working definition of 'significant variation' provided below as a guide to which contract changes or variations they wish to review and scrutinise. This working definition is that:

- the contract – or key services within the contract - would become significantly different in terms of the performance outcomes or outputs of the contract. This includes changes to Key Performance Indicators – which are the main measures of success for the contract
- the contract is materially different as a whole
- changes to an individual service within the contract or the contract overall has a financial impact over the OJEU threshold (£172,000) or requires a Full DPR
- the scope of the contract would extend considerably
- if there are cumulative changes to a group of services which would cumulatively move over one of these thresholds
- the outcome of the initial procurement procedure would have been different had the modification been implemented at that time
- the economic balance would shift in favour of the contractor.

Underneath this threshold, there may be further lower level operational changes. These lower level changes would be beneath this threshold, and would be considered:

- immaterial to the overall performance of the contract or services within the contract – for example, this could be an amended to a lower level Performance Indicator or local management information (rather than a Key Performance Indicator)
- reflect nil financial impact or financial changes below OJEU threshold
- minor changes to the scope of contract or services which do not substantively change the nature of the service or its performance.

4. Summary of contract variations

This section is intended to provide an overview of the main contractual changes which have happened since the commencement of Performance and Contract Management Committee.

Barnet Homes: As set out in section 2 above, the Council has been working with Barnet Homes (and the Barnet Group) to set a new long-term Management Agreement. In addition, where there have been financial pressures owing to homelessness, these pressures have been managed via an agreed financial recovery plan. The London Borough of Barnet has agreed two smaller contractual change requests this financial year one relating to a target reduction for indicator 'Current Arrears as % Debit' to take into account the impact of direct debit failures on rent collection targets during the year; and one to increase the target for indicator 'total number of Private Rented Sector lettings achieved from 325 to 485 for 2015/16'.

Customer and Support Group: The Council has agreed to a range of contract changes, with the contractual approach differing to the management of the Re contract and each contractual change taken as an individual negotiation and agreement rather than based on themes. This includes a number of smaller changes, such as changing the definition of the KPI for having unqualified accounts to reflect the date of Audit Committee in 2015, or reducing the performance reporting times to 10 days. Significant contract changes include:

- true up the cost of employment
- reducing the employers contribution rate following pension changes
- formally including library service telephone calls within contract
- maintaining face to face Benefits staff within the borough
- for the Council to formally hold the managed budget for the civic estate
- increasing funding for additional senior finance capacity
- Service changes in dates related to estates and IS deliverables

HB Public Law: There have been no formal contract changes. Hounslow have already been added as a client of HBPL but they are not a full partner to the shared service. Negotiations have commenced in relation to amendments to the Inter Authority Agreement the Council has with Harrow, with recommendations expected to report to Policy and Resources Committee in 2016 and made available to Performance and Contract Management Committee.

Parking: The contract incorporates a change control process. There have not been any change controls to date, however Officers are working on two change controls currently and the details of the proposed changes and implication of the changes are currently being negotiated with the contractor. Change Control 1 is intended to make changes to the representations and appeals process, with the Council taking over

these processes to enhance the effectiveness of the service and appeals representations. In addition, the anticipated change control incorporates an updated Enforcement Plan, reflecting proposed NSL resourcing (employees, vehicles) and how this is deployed across the borough. Further, this also anticipates revisions to Key Performance Indicators.

The second change control incorporates the Moving Traffic CCTV into the contract and hence introduces additional volumes of work in terms of reviewing CCTV, issuing Penalty Charge Notices for identified non-compliance and dealing with associated administration.

Public Health: There have been no contract changes as the objectives and strategy for the service is agreed via the Council's Health and Wellbeing Board. This will agree the plan for coming years, including priorities in response to the expectation of reduced government grant for this service.

Re: Since June 2014 (the commencement of Performance and Contract Management Committee), four Re contract changes have been negotiated and are approved. These include: Construction Design Management (CDM) Co-ordinator Service; updating and revising a suite of contractual commitments, revisions to KPI and PI definitions; and the commercial agreement in respect of the Local Implementation Plan. The Local Infrastructure Plan was agreed by Environment Committee and the contractual change request listed below identifies Re – the Council's Highways Service – as delivering this LIP using Transport for London funding. The management fee for the Re contract is set for Re to deliver defined core services and a guaranteed level of income to the council. Due to additional activity on the LIP programme, the management fee was increased by £670k to reflect this, with all remaining costs contained within the core fee.

The Council agreed an extension on the delivery of 30 Service Provider Commitments (SPCs). 21 of the SPCs were extended to take account of the delay in the Development and Regulatory Services (DRS) contract start date. 9 SPCs related to the implementation of an Exor software package. The implementation date was delayed due to a managed service extension made by the Authority prior to the DRS Contract commencement date. The software modules were made available on 1 October 2013, however the London borough of Barnet had extended their managed service contract by six months at time of transfer, resulting in the need for the deadline to be synchronised with the end of the other contract on 01 April 2014.

A further set of changes requiring a deed of variation to confirm changes within the Re contract and are set out as a second table on Re changes, to be formalised through a deed of variation.

Registrars: There have been no contract changes with the Registrars service to date, with both organisations reviewing cost and income within the service given changes in the context in which the service works.

5. Next steps

It is proposed that each quarter, this report will highlight significant changes within the quarter and a forward look to potential changes which are being considered. This quarterly report will also confirm where the change is – or will be – approved by the relevant contractual governance, as well as the Council's formal decision points.

It is recommended that this approach is piloted for one year at Performance and Contract Management Committee to give overview of all these key contractual changes and enable scrutiny of areas of significant impact. All contractual changes will continue to be made in accordance with the formal governance of the contract and the Council's own governance arrangements.

CSG - Log of Contract Variations

All Contract Variations since the start of the contract are shown below.

Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
LAN refresh	Earlier refresh of the IT LAN to provide improved resilience at no additional cost	Service Provider	Approved	NIL	IT
Freedom Pass Renewals	Processing of appropriate Freedom Pass renewal requests, not covered in the original Output Specification (one-off cost)	Service Provider	Approved	£99,829	Customer Services
NNDR Analyse Local RV finder and forecasting service.	Procurement of service provided by Inform CPI Ltd using their 'Analyse Local' software to identify missing or undervalued NNDR properties and for forecasting the impact of rateable value (RV) appeals.	Service Provider	Approved	£11,000	Customer Services
Head of Finance Support - additional roles	The Council have requested that two permanent Heads of Finance are introduced into the service to meet the needs of the Council. In addition, it has been agreed that pending the recruitment of the permanent Head of Finance for Adult and Community Services and to meet the current needs of the service a Head of Finance from the Council will be seconded to the Customer Support Group from Tuesday 4th August 2015. (£212,340 for Year 1, then £189,500 for remaining 7 years)	Service Provider	Approved	£1,538.840	Finance
Unqualified External Audit KPI and PI to Pass or Fail	Currently has a completion date of the 18th July. The date is driven by the date of the Audit Committee where the accounts authorised and signed. This year the date of the committee is Thursday 30th July. This CR requests to have this date amended going forward to reflect a Pass/Fail Service Provider Target as opposed to a date requirement	Service Provider	Approved	NIL	Finance

Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
Authority Redundancy Provision Refund Reallocation	To reallocate monies (£1M in total) that are no longer required for Authority Redundancy Provision Refund, back to LBB to fund other activities. £500k refunded August 2015; further £500k to be settled March 2016	Authority	Approved	£(1,000,000)	All
Library Services (transfer of IS role to Council)	Formally acknowledge a transfer of monies and a role back Library Services to fund activities outlined in the IS Output Spec which the parties have agreed should be transferred back to the Council	Service Provider	Approved	£(285,000)	IS
Revised IS Transformation Commitment Dates	Amendments to delivery dates of 14 Commitments to take account of agreed changes and dependencies between solutions. Commitments include Schools portal, Data Centre migration and Network refresh	Service Provider	Approved	NIL	IS
Social Care Direct Care Act staffing	Expansion of SCD to accommodate Care Act assessments and additional demand and enquiries	Service Provider	Approved	£95,000	Customer Services
Estates - Extension of Commitment	Change in delivery date of the commitment T3-131 (Stakeholder Engagement) to enable further objectives to be achieved. Delivery date is to be amended from 31st March 2015 to 1st July 2015	Service Provider	Approved	NIL	Estates
Third Party contracts finalisation	Contractual third party contracts true up in line with clause 7 of the contract and update Schedule 24 with final list of suppliers and the charges paid	Service Provider	Approved	£9,704,000	All services
Customer Services - Hendon Town Hall Reception	Additional reception services to be provided by CSG staff. Therefore additional staff have been employed specifically for the required roles – budget to be transferred from Adults to cover following transfer of registrars to Brent. Approval up to 31/12/15	Service Provider	Approved	£31,356	Customer Services
CSG invoicing dates	Amendment to invoicing date for the periodic service charge - no change in payment date, terms or amounts	Authority	Approved	NIL	ALL Services
Estates -	This request is for the change in delivery date of the commitment	Service	Approved	NIL	

Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
Extension of Commitment T2 – 037, Locality Strategy	T2-037 (Locality Strategy) to enable further objectives to be achieved. The decision has been made to extend the delivery date from 1st March 2015 to 30th June 2015	Provider			
Estates - extension to commitment T3-145	Formally reflect the decision made by the Authority's Estates SRO on 15th October 2014 to amend the Commitment T3-145 (Departmental Property Plans). It was agreed that due to the Authority's high priorities of community asset strategy and SAMPS being delivered the commitment be extended to 31/3/2015	Service Provider	Approved	NIL	Estates
Adult Social Care and Redundancy	The provision of additional, qualified, Adult Social Care team leaders. To avoid any additional cost to the Authority, this change is being met by the early release of £167,932 of the redundancy provisions in the contract so there is no cost to the Council	Service Provider	Approved	NIL	ALL services
Contract indexation	To clarify the calculation by which the Indexation of the Periodic Service Charge is inflated annually	Service Provider	Approved	NIL	ALL services
Revise Estates Commitment	The commitment for the SP within 24 months of the Service Transfer date to develop a Community Asset strategy, Service Delivery Plan, Estates, is to be amended and completion date changed from 01/09/2015 to 01/07/2015	Service Provider	Approved	NIL	Estates
Reduction in Pension Contributions	To reduce the Periodic Service Charge to reflect the reduced employers contribution rate as set out in clause 15.3.6(g) of the CSG contract	Service Provider	Approved	£(3,216,000)	All
Repairs and Maintenance	Amendment to schedule 1 and 4 to reflect the return of the Repairs and Maintenance budget for the Civic Estate to the Council in line with all other managed budgets	Service Provider	Approved	£(6,514,000)	Estates
Members	Delivery date for Commitment T1-003 Members Dashboard	Service	Approved	Nil	Customer

Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
Dashboard	extended by 2 months to May 2014	Provider			Services
Adoption of Capita H&S policies for CSG staff only	Capita to deploy its own H&S policies for its staff to make sure it is easier to manage them across sites and services	Service Provider	Approved	Nil	HR Service
Amendments to Estates and Partnership Commitments	Amendments to delivery dates of Estates Commitments T2-36,T3-131/145/150, Partnership commitments T-10,T2-42,T3-117,156 to take account of delay in initiating the CSG contract and the significant work programme to effect transformation in the first six months of the contract. Commitments include ICT Strategy being extended by 2 months, Colindale location Strategy and My Account	Service Provider	Approved	Nil	Estates /IS/Customer Services
Amendment to Procurement KPI for Apprenticeships	Amend schedule 4 appendices in relation to Procurement KPI for Apprenticeships to reflect it as an annual target not a quarterly one and align it better to the school year as agreed the Procurement SRO	Council	Approved	Nil	Procurement
Revenues and Benefits Baseline KPI and Targets	Amend schedule 4 appendices in relation to R&b KPIs for the number of days taken to process new claims as agreed by the Ops Board following the approval of CR0015 in relation to face to face services being maintained in Barnet	Council	Approved	Nil	Revenues & Benefits
Estates confirmed Property Portfolio Income Baseline	Amend schedule 4 appendix 11 in relation to Estates baseline for Property Portfolio income in line with the requirements of Schedule 4 so that the guarantee on income can be tracked and reported	Service Provider	Approved	Nil	Estates
Amendment of the MFD income table in Schedule 4	Amendment to Schedule 4 to clarify the guarantee to hold year one price per click and amend the per click charges to match the pre contract charges as agreed as an all inclusive price for the Multi Functional Device service	Service Provider	Approved	Nil	Contract Price

Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
Replacement of Info Exchange Solution with Atrium	Info Exchange Property Asset management and compliance system replacement with Atrium extended functionality	Service Provider	Approved	Nil	Estates
Re baseline of transformation Commitments	Amendments to commitments T2-04,58,T3-30,63,93,155 – extended delivery dates required to take account of delay in initiating the CSG contract and the significant programme of work to effect transformation in the first six months of the contract. Commitments include BPM Platform, HR Knowledge base and Complaints management	Service Provider	Approved	Nil	IS/Finance/HR/ Customer Services
Change to month period reporting timescales	Contract currently states that performance reporting will be produced 15 business days after the end of each month except at the end of a quarter when it is 10 days. This change will align all report timescales to 10 days	Authority	Approved	Nil	All services
Baseline Income and recharges - Schools	Amend Schedule 4 Para 12 and associated sections for baseline changes based on agreed approach	Service Provider	Approved	Nil	Finance, HR, IS, Estates
R&B face to face benefits processing	Change to maintain Face to Face Benefits Processing staff in Barnet (Year 1 £72,728 Year 2 £101,819)	Authority	Approved	£174,547	Revs and Bens
Employment and Redundancy Payment Reconciliation	True up on cost of employment in line with the contract to be completed by Feb 14 but now to be reconciled with the potential early refund to LBB of redundancy costs as a contract change. The confirmed cost for the employment true up is £451k but when offset against the £1,218k redundancy this releases the net value of £767k benefit back to the Council	Service Provider	Approved	£(767,000)	All

Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
Libraries Service	Deferred Service in accordance with Output Specification - take on Libraries Service call volumes (Year 1 £301k, Year 2 £152k)	Authority	Approved	£453,000	Customer Services
Governance Process	Changes to Schedule 12 to align Contract Governance with new Council processes	Authority	Approved	Nil	Governance
Finance Baseline KPI and Targets	Amend Schedule 4 appendices in relation to Finance KPIs for % Variance to Budget and % savings achieved in alignment with Ops Board approved trajectories and targets	Service Provider	Approved	Nil	Finance
CS Baseline KPI and Targets	Amend Schedule 4 appendices in relation to CS KPIs for First contact resolution and Customer satisfaction in alignment with Ops Board approved trajectories and targets	Service Provider	Approved	Nil	Customer Services
Pensions move to Darlington	Capita propose to change the location of the Pensions team from the proposed Banstead relocation to Darlington where there is an existing Centre of Excellence	Service Provider	Approved	Nil	HR Service
Coventry Revs and Bens	Capita propose to extend the current Revs and Bens overflow contact centre in Coventry to take all R&B calls.	Service Provider	Approved	Nil	Customer services
Schedule 4 Milestone payments	Amend to show correct payment timescale	Service Provider	Approved	Nil	NA
Interim Governance	Remove from Schedule 43	Service Provider	Approved	Nil	Governance
3rd Party Contracts - 2E2	Change to Schedule 24 to remove this contractor	Service Provider	Approved	Nil	Contract Price
Community Cohesion	New process and training for the identification of Cohesion issues based on trending and contact analysis	Authority	Approved	Nil	Customer Services
	TOTAL FINANCIAL IMPACT			£325,572	

Log of approved Contract Variations for Re

Reference	Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
	LAN refresh	CDMC service to address client roles and responsibilities	Service Provider	Approved	NIL	All
	Schedule 36 – Commitments Schedule	Agreement to extend deadlines across 30 commitments. 21 were extended to take account of the delay in the Development and Regulatory Services (DRS) contract start date. 9 SPCs related to the implementation of an Exor software package. The software modules were made available on 1 October 2013, however the London borough of Barnet had extended their managed service contract by six months at time of transfer, resulting in the need for the deadline to be synchronised with the end of the other contract on 01 April 2014	Local Authority	Approved	NIL	All
	KPI and PI Definition Changes	To update the KPI suite following a review	Local Authority	Approved	NIL	All
	Local Implementation Plan	New commercial terms for the payment of a LiP fee	Service Provider	Approved	£670k 2015/16	Highways

A number of Contract Variations are shown below and are currently awaiting the sign-off of a Deed of Variation

Title	Description	Change Raised by	Status at 31-Dec-15	Financial Impact (over the life of the contract)	Service Impacted
Re-allocation of penalty points month one	As part of the transition in month one, the service provider was not able to provide information on the SKPI on Authority Information Requests. The penalty points attached to that SKPI were temporarily re-allocated to another KPI (TSL04)	Local Authority	Subject to DoV	NIL	Governance
Change to Governance Schedule 12	Within Schedule 12, to change the name of the Service Delivery Operations Board to the Commercial Contract Management Meeting	Local Authority	Subject to DoV	NIL	Governance
Strategic Planning KPI 02 baseline data	To agree to gather baseline performance data in the first two quarters of the contract for Strategic Planning KPI 02. There was no baseline performance to maintain prior to service commencement	Local Authority	Subject to DoV	NIL	Strategic Planning
Re-allocation of penalty points Q1 and Q2	As part of the transition in the first two quarters, the Service Provider was unable to provide information on the Strategic Planning KPI 02. The penalty points were temporarily re-allocated to KPI 03)	Local Authority	Subject to DoV	NIL	Strategic Planning, highways, and Regeneration
Frequency of KPI Reporting	The frequency of KPI and PI reporting and the frequency of KPI measurement were revised and updated through to allow the frequency of reporting and service credits and deductions application process to be further aligned with the Authority's objectives of more closely monitoring certain KPIs and PIs	Local Authority	Subject to DoV	NIL	All
Agreement of TUPE position	The contract at clause 26.4.4 onwards establishes a process for the Parties to follow to agree the impact of the Final Employee List, provided at or around the Service Commencement Date. Agreement of the financial adjustment required to reflect the inclusion of the Priority Intervention Team within the contract scope of service	Service Provider	Subject to DoV	NIL	All

Updates frequency of KPI reporting and penalty application	The frequency of KPI and PI reporting and the frequency of KPI measurement for service credits and deductions application processes were revised updated. The change is required to allow the frequency of reporting and penalty application to be further aligned with the Authority's objectives of more closely monitoring certain KPIs and PIs	Local Authority	Subject to DoV	NIL	DRS
KPI and PI definition changes	The Authority refined the definition sheets of several Key Performance Indicators (KPIs) and Performance Indicators (PIs) to reflect a more accurate approach and based on the findings on baseline data gathered prior to Service Commencement Date (SCD)	Local Authority	Subject to DoV	NIL	All
New performance indicator business satisfaction	RE were requested to measure satisfaction levels of businesses operating within Barnet. This requirement was in addition to contractual core service delivery and therefore a contract change was required	Local Authority	Subject to DoV	NIL	All
Environmental Health KPI definition changes	The Authority refined the definitions of several Key Performance Indicators (KPIs) to reflect a more accurate approach and based on the findings on baseline data gathered prior to Service Commencement Date (SCD)	Local Authority	Subject to DoV	NIL	All
Penalty points re-allocation	Following to the demotion of KPI EH06 to a PI (as set out in the Change Control Notice DRS012), there are now 10 potential penalty application points to be re-allocated. It has been agreed that these would be allocated to KPI EH01 and KPI EH04 (five points each)	Local Authority	Subject to DoV	NIL	Environmental Health

APPENDIX M: Corporate Risk Register

The following risk register represents those risks in place at the time of reporting at Quarter 3, the mitigation strategies in place for each risk and the proposed treatment of each risk.

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

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
	Impact	Probability	Rating		Impact	Probability	Rating
<p>Homelessness - ORG0039</p> <p>There is a risk that homelessness and the subsequent cost of providing emergency short term accommodation will continue to rise.</p> <p>Cause: The Council has an obligation to house people that are homeless and support families who are unintentionally homeless. Despite improvements in the economy, homelessness has continued at high levels within the borough due to a shortage of homes, and increasing housing costs, particularly in the private rented sector. Welfare reform means that poorer households receive less financial support with their housing costs and landlords are increasingly seeking tenants who do not rely on housing benefit to pay their rent. The housing benefit subsidy levels for temporary accommodation have not increased since 2011 whilst costs have risen significantly. Further welfare reform and a freeze of LHA rates means more households will be at risk of</p>	Major 4	Likely 4	High 16	<p>Preventative: The Housing Strategy identifies 3 key areas where Barnet Homes and the Council are focusing their efforts to reduce homelessness:</p> <ul style="list-style-type: none"> Increasing prevention activities, including joint working with job centre plus. Increasing the supply of homes for households facing homelessness Making best use of existing resources through the Allocations Scheme and Tenancy Strategy <p>Detective: A number of mitigating actions have already been taken, including a more commercial approach to working with private landlords, innovative TA solutions and redesigned services. The Welfare reform task force has helped households affected by welfare reform to avoid losing their home by accessing employment.</p>	Moderate 3	Unlikely 2	Medium Low 6


Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>homelessness, whilst potential reductions in social rents and Right to Buy proposals are likely to curtail the potential supply of affordable homes.</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>LBB has agreed to fund a range of mitigations which Barnet Homes will deliver to reduce the Temporary Accommodation / Homeless demand focusing on maximising prevention, managing demand, and Increasing affordable supply.</p>			
<p>Financial Position - ORG0025</p> <p>Given the overall economic position, it is clear that cuts to government funding will continue until the end of the decade.</p> <p>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 recent announcement by the Chancellor on business rate localisation will fundamentally change the way local government is financed. This is both an opportunity for the Council to grow income but also a risk around economic fluctuations.</p> <p>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.</p> <p>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.</p> <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, coupled together providing a challenge for the Council's economic position.</p>	Major 4	Possible 3	Medium High 12	<p>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 Council's overall financial position on reserves and contingency is sufficient.</p> <p>The Council has a total budget gap of £81m from 2016 through to 2020. Proposals to meet this budget gap will be going through theme committees in November, and the draft budget for consultation will be approved by Policy and Resources Committee in December. The final budget will be agreed by Council in March.</p> <p>Detective: Budget monitoring (revenue and capital) and financial management standards being adhered to.</p> <p>Recovery plans and alternative options reviewed in areas with overspends.</p> <p>Review capital programme profiling.</p> <p>Value for money indicators in use across the business.</p> <p>Monitoring delivery of Medium Term Financial Strategy.</p>	Moderate 3	Possible 3	Medium High 9

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>Demographic and Population - ORG0035</p> <p>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>	Major 4	Possible 3	Medium High 12	<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). New insight model which models impacts of growth in a number of key council services.</p> <p>The priorities and spending review (PSR) is key response to ensuring the organisation is sufficiently prepared for and able to respond to the impacts of population and demographic changes. Uncertainty is being reduced as service pressures and budget requirements are being analysed and underlying assumptions monitored and refined to ensure they remain valid as the organisation prepares to respond to this challenge.</p> <p>5 year budget proposals include demographic change funding across key council service areas. Funding subject to annual review as part of finance and business planning.</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>Detective: 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> <p>Partnership SCB has been introduced to</p>	Major 4	Unlikely 2	Medium High 8

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
				enhance partnerships working in order to meet the financial challenges facing the public sector and collaborate on the development of future plans to both deliver transformation and improve outcomes			
<p>People - ORG0036 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 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.</p> <p>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.</p>	Major 4	Possible 3	Medium High 12	<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 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.</p>	Moderate 3	Possible 3	Medium High 9
<p>Commissioning Approach - ORG0041 If there is not a clearly defined approach to commissioning in place that ensures consistent application of Commissioning Cycle activities then objectives becomes difficult to monitor or achieve.</p>	Major 4	Possible 3	Medium High 12	The Council's Commissioning Plans and priorities to 2020 are in place and agreed via Committees in 2014/15. This supports delivery of the Council's draft Corporate Plan and Medium Term Financial Strategy, supported by meaningful qualitative performance indicators that are linked to outcomes.	Major 4	Unlikely 2	Medium High 8

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p>Reputational - ORG0040 If there were a significant children's safeguarding incident then the commissioning council approach may be destabilised and undermined.</p> <p>Cause/consequence: If an incident were to occur the impact would be cross-cutting: compliance or a potential breach of statutory duty, reputational with adverse media coverage and workforce with staff morale being impacted and potential loss of staff.</p>	Major 4	Possible 3	Medium High 12	<p>Preventative:</p> <ul style="list-style-type: none"> • SCB Assurance • Safeguarding Protocol • Accountability Protocol • Regular meeting and information sharing • Family Service transformation programme • Children's, Education, Libraries and Safeguarding Committee in the new governance model • Local Safeguarding Children's Board (LSCB), new chair and work programme <p>Detective:</p> <ul style="list-style-type: none"> • Mock OFSTED inspection • Safeguarding Peer Review 	Major 4	Unlikely 2	Medium High 8
<p>Resident Engagement - ORG0029 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: Legal Challenge, lack of public buy in, do not deliver the services resident want, Consultations not contributing to service design, lack of transparency on outcomes, customer satisfaction declines</p>	Moderate 3	Possible 3	Medium High 9	<p>Preventative: Finance and Business Planning – feeding consultations into service design. Ensuring equalities is embedded within the Commissioning Group.</p> <p>Consultation strategy in place and transparency commitment confirmed.</p> <p>3rd sector strategy/ community resilience</p> <p>Social media – alternative methods of engaging with residents to be explored through future updates to the website</p> <p>Detective: 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>	Moderate 3	Unlikely 2	Medium Low 6

Risk	Current Assessment Impact Probability Rating			Control Actions	Target Assessment Impact Probability Rating		
<p><u>Prosperous Borough - ORG0038</u></p> <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>	Major 4	Unlikely 2	Medium High 8	<p>Infrastructure delivery plan and Mayoral infrastructure 2050.</p> <p>Entrepreneurial Barnet - economic strategy for making Barnet the best place to be a small business</p> <p>Regular monitoring of resident and business satisfaction surveys West London Alliance: Implementation of the West London Alliance jobs, skills and growth programme.</p>	Major 4	Unlikely 2	Medium High 8
<p><u>Increasing costs of Adult Social Care - ORG0042</u></p> <p>There is a risk that the pressure on Adults budgets caused by increasing demographics and complexity will not be contained within existing budgets.</p> <p>Cause: The council has an obligation to provide social care for individuals assessed with demonstrating a need. Increasing demographic pressures and the complexity of the mental health and learning difficulty clients, along with supply side pressures is increasing the cost of Adult social care. In addition to this referrals from hospitals have increased by an average of 22% over the last 2 years with a reduction in funding received from health for Winter Pressures.</p> <p>Consequence: A significant overspend in Adults would reduce the council's general fund reserve.</p>				<p>Preventative: Developing plans around increasing prevention activities. Ensuring effective information and advice is offered and promoting more independent living.</p> <p>Detective: Robust budget monitoring and financial standards being adhered to. Recovery plan in place to ensure current overspends are being addressed. Engagement with CCG to ensure referrals from hospitals are monitored and funded.</p>			

	AGENDA ITEM 11
	<p>Performance and Contract Management Committee</p> <p>15 February 2016</p>
Title	Committee Work Programme
Report of	Head of Governance
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Committee Work Programme 2015-16
Officer Contact Details	Sarah Koniarski, Governance Officer sarah.koniarski@barnet.gov.uk 020 8359 7574

Summary

The Committee is asked to consider and comment on the items included in the 2015-16 work programme in Appendix A.

Recommendation

- 1. That the Committee consider and comment on the items included in the 2015-16 work programme in Appendix A.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Performance and Contract Management Committee’s work programme 2015-16 indicates forthcoming items of business.
- 1.2 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.

- 1.3 The Committee is empowered to agree its priorities and determine its own schedule of work within the programme having regard to its terms of reference.

2. REASONS FOR RECOMMENDATION

- 2.1 The compilation and review of work programme is intended to assist the Committee to plan and manage its work across the municipal year.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None

4. POST DECISION IMPLEMENTATION

- 4.1 Any alterations made by the Committee to its Work Programme will be published on the Council's website.

5. IMPLICATIONS OF DECISION

- 5.1.1 The Committee Work Programme is in accordance with the Council's strategic objectives and priorities as stated in the Corporate Plan 2015-20.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 None in the context of this report.

5.3 Social Value

- 5.3.1 The Committee is advised that the Public Services (Social Value) Act 2013 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

5.4 Legal and Constitutional References

- 5.4.1 The terms of reference of the Performance and Contract Management Committee is included in the Constitution Responsibility for Functions, Annex A:

[Section 15 London Borough of Barnet Constitution - Responsibility for Functions](#)

5.5 Risk Management

- 5.5.1 None in the context of this report.

5.6 Equalities and Diversity

5.6.1 The Committee is advised that the 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups.

5.6.2 The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services.

5.7 Consultation and Engagement

5.7.1 Not applicable.

6. BACKGROUND PAPERS

None

This page is intentionally left blank

**London Borough of Barnet
Work Programme 2015-16
May 2016**

Contact: Sarah Koniarski 020 8359 7574 sarah.koniarski@barnet.gov.uk

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
31 May 2016			
Quarter 4 and Year-end Outturn Monitoring Report 2015/16	To approve the Final Outturn and Quarter 4 Performance Report 2015/16. This report includes the Treasury Management Outturn.	John Hooton Chief Operating Officer	Non key
Updated Corporate Plan (Including Performance Indicators)	To receive and review final versions of the updated Corporate Plan.	John Hooton Chief Operating Officer	Non key
Cambridge Education Contract	To receive an overview of the new contract, objectives and key performance indicators.	John Hooton Chief Operating Officer	Non key
Members' IT Update	To receive a further progress report on the steps taken to improve IS support to Members.	John Hooton Chief Operating Officer	Non key
Website Improvement Plan	To receive a further report on the progress of the website improvement plan.	John Hooton Chief Operating Officer	Non key
Corporate Risk Management Policy Statement and Strategy	To approve the risk management framework; ensuring that the risk management framework is in place and aligned to Council policy.	Clair Green Assurance Assistant Director	Non key