

MEETING

POLICY AND RESOURCES COMMITTEE

DATE AND TIME

TUESDAY 16TH MAY, 2017

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BG

TO: MEMBERS OF POLICY AND RESOURCES COMMITTEE (Quorum 3)

Chairman: Councillor Richard Cornelius
Vice Chairman: Councillor Daniel Thomas BA (Hons)

Dean Cohen
Tom Davey
Paul Edwards
Anthony Finn

Joan Scannell
Sachin Rajput
Barry Rawlings
Alison Moore

Alon Or-bach
Ross Houston

Substitute Members

Melvin Cohen
Alan Schneiderman

Geof Cooke
Mark Shooter

Arjun Mittra
Reuben Thompstone

In line with the Constitution's Public Participation and Engagement Rules, requests to submit public questions or comments must be submitted by 10AM on the third working day before the date of the committee meeting. Therefore, the deadline for this meeting is Thursday 11 May 2017 at 10AM. Requests must be submitted to Kirstin Lambert; 02083592177 kirstin.lambert@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: Kirstin Lambert; 02083592177 kirstin.lambert@barnet.gov.uk

Media Relations contact: Sue Cocker 020 8359 7039

ASSURANCE GROUP

ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of last meeting	5 - 8
2.	Absence of Members	
3.	Declaration of Members' Disclosable Pecuniary interests and Non Pecuniary interests (If any)	
4.	Report of the Monitoring Officer (if any)	
5.	Public Questions and Comments (if any)	
6.	Members' Items (if any)	
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12.	Any other item(s) the Chairman decides are urgent	
13.	Motion to Exclude the Press and Public	
14.	Any other exempt item(s) the Chairman decides are urgent	

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Decisions of the Policy and Resources Committee

21 March 2017

Members Present:-

AGENDA ITEM 1

Councillor Richard Cornelius (Chairman)
Councillor Daniel Thomas (Vice-Chairman)

Councillor Tom Davey
Councillor Paul Edwards
Councillor Anthony Finn
Councillor Ross Houston
Councillor Alison Moore
Councillor Alon Or-Bach
Councillor Barry Rawlings
Councillor Joan Scannell

Also in attendance
Councillor Melvin Cohen

Apologies for Absence

Councillor Dean Cohen
Councillor Sachin Rajput

1. MINUTES OF LAST MEETING

RESOLVED that the minutes of the meeting held on 23 February 2017 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies for absence were received from Councillor Sachin Rajput, and from Councillor Dean Cohen who was substituted for by Councillor Melvin Cohen.

3. DECLARATION OF MEMBERS' DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS (IF ANY)

The following interests were declared:

Councillor	Agenda Item	Interest declared
Councillor Ross Houston	Item 8 – Corporate Enforcement and Prosecution Policy	Non pecuniary interest as Cllr Houston is a Council appointed representative on the Barnet Group Board.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

There was none.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

There were none.

6. MEMBERS' ITEMS (IF ANY)

There were none.

7. FUTURE OF BARNET PUBLIC HEALTH SERVICE

The Committee considered the report.

On the recommendations in the report being put to the vote the votes were declared as follows:

For	11
Against	0
Abstain	0
Absent	1

RESOLVED –

- 1. That the Committee approves the proposed approach to developing the option of a stand-alone public health service for Barnet from April 2018, with a progress report considering options to be presented to the Committee in June 2017.**
- 2. That the Committee:**
 - a. Notes the development of the North Central London (NCL) Sustainability and Transformation Plan, and the opportunities that it presents for sharing health and social care functions across the NCL region.**
 - b. Delegates authority to officers to explore the potential for some or all aspects of the current public health service to be delivered in partnership with other boroughs in the NCL region, with a progress report considering options to be presented to the Committee in June 2017.**

8. CORPORATE ENFORCEMENT AND PROSECUTION POLICY

The Committee considered the report.

The Committee discussed section 9(g) of the policy concerning the redistribution of financial benefit. Officers agreed to provide the committee members with a more detailed breakdown on percentage costs, including proportion received by the council.

On the recommendations in the report being put to the vote the votes were declared as follows:

For	11
Against	0
Abstain	0
Absent	1

RESOLVED –

1. That the Policy and Resources Committee note the findings of the public consultation (Appendix 1)
2. The Committee note the Equalities Impact Assessment (Appendix 2)
3. The Committee approves the Corporate Enforcement and Prosecution Policy (Appendix 3)
4. The Committee approves the implementation of the Corporate Enforcement and Prosecution Policy with effect from 1st April 2017.

9. COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the forward work programme.

10. ANY OTHER ITEM(S) THE CHAIRMAN DECIDES ARE URGENT

The Committee considered an urgent item on ‘Authorisation to commence procurement of hired transport services for children and adults’.

On the recommendations in the report being put to the vote the votes were declared as follows:

For	11
Against	0
Abstain	0
Absent	1

RESOLVED – That the Policy and Resources Committee approve the commissioning of Cambridge Education to commence the procurement of hired transport services for children and adults on the council’s behalf, in accordance with the strategic partnership contract between the council and Cambridge Education

The meeting finished at 7.24 pm

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Policy and Resources Committee
16 May 2017

Title	Out-of-Borough Acquisitions
Report of	Commissioning Director, Growth and Development
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Annex 1 – Report to Assets, Regeneration and Growth Committee on 24 April 2017 Appendix A – Out-Of-Borough Acquisitions (Phase 2)Project Business Case
Officer Contact Details	Faith Mwende – Faith.mwende@barnet.gov.uk 02083594917

Summary

Against a backdrop of increasing housing demand and rising costs associated with providing temporary accommodation, this report sets out the business case for purchasing residential properties outside of London for use as temporary accommodation, to be let and managed by Barnet Homes.

Due to the lack of affordable housing supply in the borough, the Council is already procuring properties for use as temporary accommodation outside London, and purchasing properties directly would provide a cheaper alternative as well as providing a capital asset that would be expected to increase in value.

Recommendations

- 1. That Committee approve an addition to the Housing General Fund Capital Budget of £8m for the acquisition of Out of Borough property.**

1. WHY THIS REPORT IS NEEDED

- 1.1 On the 24 April 2017 the Assets, Regeneration and Growth Committee approved the business case for the acquisition of Out-of-Borough accommodation (as outlined in Appendix A). This report seeks approval for the required capital expenditure from the Policy and Resources Committee.
- 1.2 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

2. REASONS FOR RECOMMENDATIONS

- 2.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

4. POST DECISION IMPLEMENTATION

- 4.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

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

- 5.2.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

5.3 Social Value

- 5.3.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

5.4 Legal and Constitutional References

5.4.1 Constitution, Part 3, Responsibility for Functions, Appendix A sets out the terms of reference of the Policy and Resources Committee. This includes:

- responsibility for the Council's Capital and Revenue Budget setting (subject to Full Council) and Medium Term Financial Strategy
- authorising any procurement activity within the remit of the Committee and any acceptance of variations or extensions if within budget in accordance with the responsibilities and thresholds set out in Contract Procedure Rules and
- to be responsible for those matters not specifically allocated to any other committee affecting the affairs of the Council.

5.4.2 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

5.5 Risk Management

5.5.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

5.6 Equalities and Diversity

5.6.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

5.7 Consultation and Engagement

5.7.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

5.8 Insight

5.8.1 As set out in the report to the Assets, Regeneration and Growth Committee on 24 April 2017.

6. BACKGROUND PAPERS

6.1 Policy and Resources Committee 28 July 2016 - Addendum Report – Business Planning 2017-20

<https://barnet.moderngov.co.uk/documents/s32849/Addendum%20Report%20Business%20Planning%202017-20.pdf>

6.2 Assets, Regeneration and Growth Committee 11 July 2016 - Out-of-Borough Acquisitions

<https://barnet.moderngov.co.uk/documents/s33117/Out-of-Borough%20Acquisitions.pdf>

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	AGENDA ITEM 9
	Assets, Regeneration and Growth Committee 24 April 2017
Title	Out-of-Borough Acquisitions (Phase 2)
Report of	Commissioning Director, Growth and Development
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix 1– Out-Of-Borough Acquisitions (Phase 2)Project Business Case
Officer Contact Details	Kate Laffan, Assistant Director, Housing Options, Barnet Homes. kate.laffan@barnethomes.org , 020 8359 4829

Summary
<p>Against a backdrop of increasing housing demand and rising costs associated with providing temporary accommodation, this report sets out the business case for purchasing residential properties outside of London for use as temporary accommodation, to be let and managed by Barnet Homes.</p> <p>Due to the lack of affordable housing supply in the borough, the Council is already procuring properties for use as temporary accommodation outside London, and purchasing properties directly would provide a cheaper alternative as well as providing a capital asset that would be expected to increase in value.</p>

Recommendations
<p>1. That the Committee approve the business case for the acquisition of Out-of-Borough accommodation as outlined in Appendix A, subject to approval for the required capital expenditure from the Policy and Resources Committee on 16 May 2017 and that the Committee’s decision be reported for noting at the next Housing Committee.</p>

2. That the authorisation of purchases of individual properties for the Out-of-Borough acquisitions programme within the parameters of the business case is delegated to the Commissioning Director, Growth and Development in consultation.

1. WHY THIS REPORT IS NEEDED

- 1.1 Due to continuing high demand for housing and rising housing costs, the number of households in temporary accommodation has continued to increase and currently stands at 2,833.
- 1.2 The cost of providing temporary accommodation for homeless applicants in London currently stands at £3,400 per annum net for each new household placed in a 2 bedroomed property.
- 1.3 Along with other London Boroughs, the Council has sought to secure a supply of more affordable accommodation outside of London, and during 2015/16 233 households were placed outside of London by Barnet Homes.
- 1.4 Temporary accommodation sourced outside of London costs Barnet £1,900 for each household net and the purchase of properties directly by the Council provides a cheaper alternative, as well as providing an asset which is likely to increase in value.
- 1.5 On 11th July 2016, the Asset, Regeneration and Growth Committee approved the business case for the acquisition of Out of Borough properties. On 28th June 2016 the Policy and Resources Committee approved the General Fund capital expenditure of £5 million for the acquisition of the purchase of properties in the Bedfordshire area.
- 1.6 During Q3-4 2016/17, the Council acquired approximately 48 properties from the open market, including a total of 28 properties in the Bedfordshire area.
- 1.7 Building upon the successes of the initial tranche of acquisitions, Barnet Homes have carried out an assessment of the viability of purchasing additional homes directly on the private market, to be owned by the Council and let and managed by Barnet Homes and have developed a business case for proceeding with this as set out at Appendix 1.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Acquisition of additional properties outside of the borough will provide the opportunity to increase affordable housing supply relatively quickly at a lower long-term cost than other forms of temporary accommodation.

- 2.2 The on-going cost of the accommodation will be more predictable than that procured through third party providers and will serve to better control temporary accommodation cost inflation.
- 2.3 The accommodation will be used as temporary housing, and Barnet Homes will work with households to help them secure more settled accommodation in the longer term.
- 2.4 The Council would need to provide capital investment of approximately £159,000 for each property acquired, but the business model shows that this could be recouped over a 30 year period, during which time the value of the property would be expected to increase.
- 2.5 The initial proposal is for approximately 50 properties to be acquired in the Bedfordshire, Buckinghamshire, Northamptonshire and Cambridgeshire areas, which would require a capital investment of about £8m, and has the potential to deliver total revenue savings of approximately £160,000 over the first five years, and £550,000 over ten years.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Barnet Homes could continue to rely solely on the acquisition of properties outside London on licence from existing temporary accommodation providers. However, this would not deliver the expected benefits of reduced and stabilised costs and an asset increasing in value.

4. POST DECISION IMPLEMENTATION

- 4.1 Barnet Homes would seek to acquire approximately 50 two and three bedroom homes in the Bedfordshire, Buckinghamshire, Northamptonshire and Cambridgeshire areas that could be demonstrated to fit within the parameters of the business case, which would mean that they would cost less than £160,000 each (this is made up of an expected average purchase price of £142,000 plus delivery costs). These units would be expected to be acquired from Q1 2017/18.
- 4.2 Barnet Homes would provide a full management service for properties purchased and units would be used to provide long-term temporary accommodation, let at Local Housing Allowance rates.
- 4.3 The Council would monitor progress and expenditure of the project through the Development Pipeline Programme Board, which is sponsored by the Commissioning Director, Growth and Development.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 By reducing the cost of temporary accommodation, the acquisition of homes outside of London aligns with the Council's Corporate Plan 2015-2020 objective:

- Where services are delivered efficiently to get value for money for the taxpayer

5.1.2 And with the London Borough of Barnet's Housing Strategy 2015-2025 that aims to:

- Increase the supply of affordable housing available to homeless households.
- Explore the possibility of purchasing homes directly in more affordable areas which could be let to households who can no longer afford to remain in the borough.

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

5.2.1 The project would be funded from the Council's General Fund (currently assumed to be borrowing, 70% of cost), and supported through the use of Right to Buy receipts (30% of cost). An initial capital budget of £8m would enable the programme to deliver approximately 50 units in the Bedfordshire/Buckinghamshire/Northamptonshire/Cambridgeshire areas. Approval will be sought from Policy and Resources Committee for this expenditure, as it involved an increase in the Capital Budget.

5.2.2 The table below indicates the potential overall financial position delivered by the scheme taking into account worst and best case scenarios¹

¹ Analysis of likely and worst case scenarios were tested against the cost of existing Temporary Accommodation options outside London, with the worst case assuming higher costs for voids, management/maintenance, inflation, refurbishment, and major works

Table 1 – revenue position of proposal vs. existing TA options

Below is a summary of the cumulative estimated position over 5, 10, 20 and 30 years:-

Existing TA Option – per unit	5 Years	10 Years	20 Years	30 Years
Income	£37,821	£81,859	£196,280	£357,683
Expenditure	£53,797	£114,502	£264,966	£467,139
Net Cost	£15,976	£32,643	£68,686	£109,456
Likely outcome – per unit				
Income	£30,974	£67,039	£160,745	£292,927
Expenditure	£43,739	£88,635	£183,794	£289,969
Net Cost	£12,766	£21,597	£23,049	-£2,957
Net benefit	£3,211	£11,047	£45,636	£112,414
Worst Case – per unit				
Income	£28,947	£61,230	£139,080	£238,735
Expenditure	£46,626	£92,239	£187,086	£291,086
Net Cost	£17,679	£31,008	£48,005	£52,351
Net benefit	-£1,702	£1,635	£20,680	£57,106

Table 2 – Capital position

Capital - Per unit	Best Case	Worst Case
Average Purchase Price	£140,174	£154,191
Refurbishment Costs and Fees	£23,669	£31,890
Total Cost	£163,843	£186,081
Asset value @	3% PA	2% PA
10 Years	£205,181	£184,041
20 Years	£275,746	£247,695
30 Years	£370,580	£301,938
Outstanding borrowing @ Yr. 30	£45,876	£52,103
Capital Benefit @ Yr. 30	£206,737	£115,857

5.2.4 Table 1 highlights that where Right to Buy receipts are used to fund purchases, each unit will deliver revenue savings against the cost of existing TA options from year 1. It should be noted however, the modelling assumes a quantity of leasehold acquisitions being delivered over the life of the programme, some of which may be delivered at a higher net revenue cost than indicated in Table 1. However, where freehold assets are acquired, these will likely be delivered at a lower revenue cost. Therefore, in order to afford greater flexibility it is proposed that the key financial driver for units

acquired is that the average overall revenue benefit for the scheme equates to an approximate £3k per unit over 30 years (see likely benefit of £2,957 in table 1)..

- 5.2.5 To provide a consistent approach, both the purchasing scheme and existing temporary accommodation options have been modelled using rents set at 100% of the April 2017 Local Housing Allowance rate, ie the basis on which Housing Subsidy is calculated.

5.3 Social Value

- 5.3.1 Having consideration to the Public Services (Social Value) Act 2013, there are no specific social values considerations arising from these policies.

5.4 Legal and Constitutional References

- 5.4.1 Section 120 of the Local Government Act 1972 provides that a principal council can acquire land (whether situated in or outside their area) by agreement for the purposes of any of their functions or the benefit, improvement or development of their area. The decision must be made taking into account all relevant considerations including the price to be paid.

- 5.4.2 The acquisition of properties falls within the remit of the Assets Regeneration and Growth Committee- Council Constitution, Responsibility for Functions, Annex A – The Assets, Regeneration and Growth Committee has responsibility for “Asset Management – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council”

- 5.4.3 Council, Constitution, The Management of Assets, Property and Land Rules provide the governance structure within which the Council may acquire, lease, act as landlord, licence, develop, appropriate, change use of or dispose of Assets within its Asset Portfolio. The Rules inter alia are aimed at enabling the Council’s holdings of land and property to be maintained and developed in a manner which enhances Social Value Section 2.8 states that the “Strategic Asset Management Plan will govern decisions on the future direction of the development of the Council’s Built Environment”.

- 5.4.4 Constitution, Part 3, Responsibility for Functions, Appendix A sets out the terms of reference of the Housing Committee. This includes Housing Strategy (Incorporating Homelessness Strategy) and working with Barnet Homes to ensure the optimum provision of housing and associated facilities for those who require social housing.

5.5 Risk Management

- 5.5.1 There are a number of key risks associated with the delivery of this programme:

- There is a risk that there will be an insufficient volume of units available for purchase at the projected average purchase price of £140k (best case). To mitigate against this risk, a wide range of areas are being targeted and inflationary increases throughout the year have been factored in to the proposed average purchase price. Where there are no properties available for purchase that meet the modelled conditions, no additional units will be acquired.
- There is a risk that the assumptions made are not realised and that the programme would fail to deliver the projected revenue savings over the life of the scheme. To mitigate against this risk there are a number of options the Council has, including stock disposal and alternative lettings route.
- There is a risk that the programme will attract negative publicity. To help mitigate this risk, Barnet Homes will expand its existing communications strategy and engage with the host borough to inform them of the acquisitions programme.
- Properties acquired out-of-borough could be in areas where existing tenants or housing applications might not wish to move to and therefore making these units harder to let. However Barnet Homes has extensive experience in letting properties out-of-borough and this is considered to be of low risk
- There is a risk that properties acquired through the programme will have longer void times due to customers refusing to move to these areas. To help mitigate against this risk, households seeking to move out of area will be identified at an early stage in the acquisition process and consideration will be given to offering properties acquired to households already located in areas outside London in other forms of temporary accommodation.

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 and foster good relations between people from different groups.

5.6.2 A full equalities impact assessment was completed for The Housing Strategy 2015-2025 which identified that the Strategy would have a positive impact on all sections of Barnet's Community.

5.6.3 Analysis of data has shown that women and members of Barnet's black and minority ethnic communities are over represented among those living in temporary accommodation. Over 70% of households in temporary accommodation are from non-white households, compared to around 40% of the Borough's population as a whole. Of those in temporary accommodation the main applicant is female in 65% of households.

5.6.4 It is not expected that these groups will be adversely affected by implementing the policies set out in this report. However the impact will be monitored and reported to senior council officers to ensure that these groups are not adversely affected.

5.6.5 All units of accommodation that are procured will meet minimum standards and in placing households into accommodation out of the borough the Council will consider the needs of protected groups.

5.7 Consultation and Engagement

5.7.1 As part of the communications plan for the delivery of the programme, Barnet Homes will engage with Local Authorities, informing them of the Councils intention to purchase properties in their districts.

5.8 Insight

5.8.1 A reduction in the supply of affordable housing, coupled with sustained levels of increased demand provide the rationale for this programme:

- There has been a 49% increase in new homelessness applications between 2011/12 and 2015/16.
- There was an overall 35% decrease in letting within Council stock from 2011/12 to 2015/16 and Barnet has below levels of social housing on average compared to other London boroughs.
- There has been a significant increase (30%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 2,833 at the end of January 2017).
- Whilst it is positive that the regeneration schemes in Barnet are progressing in their development, this has an impact on available supply as 'non-secure' tenants placed in regeneration units as long term TA are decanted and require rehousing, either to alternative TA or social housing units. 724 households have been decanted since April 2012 and a further 316 decants are scheduled for the forthcoming two financial years.

6.0 BACKGROUND PAPERS

6.1 None



Out-Of-Borough (GF) Acquisitions Project

Phase 2

Business Case

**Outline Business Case (OBC):
Out-Of-Borough Acquisitions Project (Phase 2)**

Author:	<i>Nick Lowther</i>
Date:	<i>13 February 2017</i>
Service / Dept:	<i>Housing Options Service, Barnet Homes</i>

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1. Introduction and Strategic Context

With a lack of housing supply, high private sector rent levels and the impact of welfare reforms, the last few years have been testing for all Local Authorities. Local Authorities have seen increased level of demand in terms of homeless applications and numbers in temporary accommodation which has placed pressure on already limited housing supply.

At a local level, Barnet has experienced increased high levels of demand for affordable housing, whilst sources of supply have been limited. Demand has been exacerbated by the buoyant private rental market in the borough which is increasingly unaffordable for those on lower incomes. Loss of private rental accommodation is now the most common reason for a homelessness application, with residents who might previously have made their own arrangements in the private rental sector approaching the local authority.

Supply & Demand in Barnet: A Snapshot

- There has been a 50% increase in new homelessness applications between 2011/12 and 2015/16.
- There was an overall 35% decrease in letting within Council stock from 2011/12 to 2015/16 and Barnet has below levels of social housing on average compared to other London boroughs.
- There has been a significant increase (30%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 2,833 at the end of January 2017)
- Barnet has the 6th highest number of households in temporary accommodation in the country
- Almost 75% of all the households in temporary accommodation in England are placed by North, East and West London Authorities. This has led to increased pressure in competition for affordable supply.
- Whilst it is positive that the regeneration schemes in Barnet are progressing in their development, this has an impact on available supply as 'non-secure' tenants placed in regeneration units as long term TA are decanted and require rehousing, either to alternative TA or social housing units. 724 households have been decanted since April 2012 and a further 316 decants are scheduled for the forthcoming two financial years.

This has posed a major challenge to Barnet Homes' Housing Options Service – for example, trying to ensure that the limited supply of housing is provided to those with the greatest need, and that emergency and temporary accommodation is used effectively, whilst also attempting to identify new sources of housing supply. In addition, the cost of providing emergency/temporary accommodation has increased significantly. A key priority for Barnet Homes since 2013 has to been to strive to reduce the impact that the high cost of temporary accommodation has on the Council's General Fund (GF).

In 2013, Barnet Homes' Housing Options service developed a menu of options to tackle the problem of emergency/temporary accommodation, and this was presented to the Delivery Unit Board (DUB). One of the options proposed was the acquisition of out-of-borough properties – and the business case for this programme was approved on 11 July 2016. With the first tranche of purchases successfully completed in Q3 and Q4, this proposal seeks to extend the programme, targeting a larger volume of purchases in affordable areas on the M1/A1 corridors.

2. Rationale

Building upon the success of the first tranche of out-of-London acquisitions, the opportunity to acquire additional properties in more affordable areas has been revisited in line with the London Borough of Barnet's Housing Strategy.

Acquisition of additional properties outside of the borough will provide the opportunity to further increase affordable housing supply relatively quickly at a lower cost than in-borough alternatives, and will supplement the existing development programme and development pipeline. It is envisaged that the initial acquisition program will be limited to approximately 50 properties purchased from Q1 2017/18 onwards based on an assumption of a purchase price of between £85k and £200k per unit. There are further allowances for refurbishment costs, Stamp Duty Land Tax and professional fees.

This approach aligns with the London Borough of Barnet's *Housing Strategy 2015-2025* that aims to:

- Increase the supply of affordable housing available to homeless households (page 27)
- Explore the possibility of purchasing homes directly in more affordable areas which could be let to households who can no longer afford to remain in the borough (page 29).

And with the Council's Corporate Plan:

- Where services are delivered efficiently to get value for money for the taxpayer

3. Project Definition

Project Objectives

The key objectives of this project are to:

- Increase Barnet Homes' housing supply, by procuring new properties from outside of the London Borough of Barnet.
- Reduce the costs of temporary accommodation and subsequent impact on the Council's General Fund

Project Deliverables & Outcomes

The key project deliverables are listed in the table below:

Deliverable	Details	Timeframe
Business Case (incorporating options analysis)	Undertake research analysis and identify options for acquisition of out-of-borough properties. Development of a business case that includes options analysis, preferred option, financial modelling, risk management etc.	November 2016
Presentation of recommendations	Presentation of options, and preferred approach to the London Borough of Barnet Council	March 2017
Approval	Approval (budget and approach)	April 2017
Implementation	Procurement of properties in accordance to the preferred approach	Q1 2017/18

Deliverable	Details	Timeframe
	Development and implementation of processes (i.e. repairs and maintenance arrangements etc.)	
Review	Review & benefits realisation	On-going

4. Options

Our learning and insight gained through the delivery of a successful in-London and out-of-London acquisitions programme in Q3 2016/17 has proven invaluable and has helped formulate future scheme planning. Whilst the market in areas closer to London continues to be buoyant our experience to date has evidenced that there is a supply of units to be acquired in areas further afield and where necessary refurbished within the price per unit envisaged.¹

In developing the business case, other options were considered. These included utilising the acquired units as a form of Temporary Accommodation where higher rents could be achieved and a blended model of acquisitions offering either as some units of long term social housing and some units of temporary accommodation. However, to adhere to the brief which was to acquire new affordable tenancies for Barnet residents, the following approaches have been explored in more detail.

1. Continue to acquire properties outside London on licence from existing temporary accommodation providers

Existing temporary accommodation rates mean that for each new household placed in 2-bed emergency temporary accommodation costs the Council almost £2,400 net per annum. With bad debt provision and management costs factored in, this figure increases to approximately £3,400 net per annum, per household. Where properties are sourced outside London, these costs reduce significantly, however it still represents a net cost per unit of almost £1,900 per annum at current prices.

This 'do nothing' position would result in each household potentially costing £139k net over the next 30 years and would mean there is no positive financial impact to forecasted future General Fund budget pressures. Should inflationary increases in the cost of delivering alternative temporary accommodation options worsen, then this will further increase the pressure on the Council's General Fund. It is therefore the least favourable option.

2. Acquiring private sector properties outside London for use as temporary accommodation

The Council would borrow via the General Fund through the Public Works Loans Board at an interest rate of approximately 2.75% to fund the purchase of private sector properties in areas outside London.

Barnet Homes would provide a full management service for properties purchased and units would be used to provide long-term temporary accommodation, let at the relevant temporary accommodation subsidy rate to ensure a consistent approach across the temporary accommodation portfolio.

A budget of up to £8m was assumed with approximately one third of the purchases to be funded by Right to Buy receipts.

¹ Including legal and other professional fees.

Key benefits

There are several key benefits realised through this model:

- Delivers at a net surplus of £3k per property (including interest of the loan) over a 30 year period which is more favourable than existing methods of providing out-of-London temporary accommodation which could potentially cost £139k per unit over a similar period
- Model utilises unspent Right to Buy receipts, which reduces the borrowing requirement by 30% and meets the Council's target timeframe for committing receipts
- A capital asset would be acquired
- Properties let through this method could be used for temporary accommodation for homeless households and used as a stepping stone into the private rented sector
- A greater turnover of properties would mean increased temporary accommodation cost avoidance
- A lower average purchase price would result in a lower Stamp Duty Land Tax liability compared to units purchased in less affordable areas
- There is greater flexibility on rents that could be charged for properties acquired using this model, with rents required to be 'reasonable' to achieve full housing benefit subsidy

Disadvantages

There are however some disadvantages of delivery through this method:

- The initial loan would not be fully repaid at the end of the 30 year term and the Council would have to refinance the loan (however this is offset against an asset that would be expected to appreciate by a greater amount over the term)
- Units acquired would be delivered at a higher management cost. This is reflected in the modelling with a higher per unit management cost factored in

Suggested approach

The proposal is for the acquisition of units in areas outside London and to utilise them as temporary accommodation. This option has a number of benefits, not least the ability deliver revenue benefits against alternative temporary accommodation options and thus providing greater opportunity to reduce General Fund costs.

Affordability of units outside of Barnet

It is not surprising that our research has confirmed that given the average house prices in Barnet, better value for money and a greater number of units can be acquired with the funding available through the acquisition of units out of London. The table below shows the difference in property prices and current supply using an average two bedroom home as an example.

	Colindale	Milton Keynes	Peterborough	Northampton
Median Purchase Price	438,974	224,995	126,998	150,000
No of properties on the market ²	229	319	348	229

² Number of properties listed for sale as at 12 December 2016 (Source: www.home.co.uk)

Whilst more units could be delivered further out of London there are a number of key considerations to be factored into any acquisitions programme:

- Distance from Barnet (potentially higher management and void costs)
- Opportunities for employment in the area
- Cultural diversity of the location e.g. access to specialist shops, places of worship, similar communities
- Ability to achieve successful lettings and minimise void periods

Barnet Homes currently holds over 170 units of temporary accommodation outside London and has a management presence in the proposed target procurement areas. A table outlining where Barnet currently places households in temporary accommodation is given below.

	Number of units	Distance from Barnet	Travelling Time
Bedfordshire	66	28 miles	66 minutes
Hertfordshire	36	21 miles	80 minutes
East Essex	24	47 miles	120 minutes
Essex	12	31 miles	136 minutes
Sussex	10	81 miles	156 minutes
Kent	7	87 miles	161 minutes
Manchester	3	194 miles	178 minutes
Berkshire	2	26 miles	83 minutes
Buckinghamshire	2	49 miles	85 minutes
Dorset	2	126 miles	174 minutes
Oxfordshire	2	75 miles	165 minutes
Suffolk	2	81 miles	131 minutes
Surrey	2	56 miles	122 minutes
Total/Weighted Average	170	41 miles	97 minutes

However, there would be increased management costs if any acquisitions programme did not limit itself to a few locations. This is factored into the proposed acquisitions programme.

It is recommended that purchases are made for properties focusing on the Bedfordshire, Buckinghamshire, Cambridgeshire and Northamptonshire areas. These areas are broadly within the average travelling time of our existing temporary accommodation stock and a broad procurement area will also serve to help minimise the impact of the programme on private market inflation; if acquisitions were targeted in one area this could, as our experience has indicated, drive property price inflation in local markets.

There are several key advantages to focusing on procurement of properties outside London. These include:

- The potential to provide accommodation at more affordable rents, with Local Housing Allowance rents³ in Northants (£105.94 per week) and Peterborough (£115.38 per week) significantly over £100 per week lower than rents in Barnet (£255.34 per week) for a two bedroomed property.
- Properties can be purchased in affordable areas such as Bedfordshire, Buckinghamshire, Cambridgeshire and Northamptonshire at a lower Stamp Duty Land Tax cost and therefore the cost of purchasing will be lower than in more expensive areas such as Barnet, thus improving the financial viability

Client group for properties acquired out of London

Households in Temporary Accommodation: Since April 2014 Barnet Homes has placed 680 housing applicants in a range of areas out of London both in forms of temporary accommodation and in the private rented sector. This has been supported by the Barnet Council’s Placement Policy approved on 24th September 2013 and the Temporary Accommodation Placements Policy, approved by Housing Committee on 27 June 2016. New out of London acquisitions that could be offered as affordable private sector tenancies to housing applicants where there is an accepted housing duty would both reduce numbers in temporary accommodation and importantly offer a longer term and affordable housing solution. For some households affected by the benefit cap, accommodation in Barnet is unaffordable.

True capacity of the programme: A significant consideration when planning an up-scaled programme of acquisitions is an understanding of the quantity of households to whom future acquisitions could be offered and let to. A good gauge of this is Barnet Homes’ current performance in making successful out-of-London placements; in the first two quarters of 2016/17, approximately 16% of temporary accommodation placements were in locations outside London. Whilst this figure is also impacted by available supply, it is a good indication of the potential volume of placements. Therefore, with around 900 new temporary accommodation admissions expected annually over the coming two years, it is reasonable to assume that between 140 and 180 households per year could be successfully nominated to out-of-London properties acquired through the programme. In addition to this, there are other sources of demand for future acquisitions, including households impacted by the overall benefit cap and other households seeking affordable accommodation outside London.

Overall demand for out-of-London acquisitions in 2017/18 is in the region of 430 households. A table summarising this prospective demand and therefore maximum capacity for out-of-London supply is given below.

	Number of households
New Demand approaching 2017/18	180
Existing temporary accommodation stock	170
Households seeking accommodation outside London (Ben Cap) ⁴	60
Other households seeking accommodation outside London	20
Total	430

Risks: One of the key risks associated with an out of London acquisitions programme is that units could be acquired in areas where existing tenants or housing applicants might not wish to move to. In respect of housing applicants, those who are within the higher housing bands (bands 1 & 2) more often have very specific reasons for acquiring accommodation within Barnet e.g. support needs, employment. However those in lower bands (3 & 4 no community contribution, no/limited local connection) are not usually offered flexible tenancies but assisted with longer term temporary accommodation or with offers in the private rental sector, and offers of accommodation outside London would be suitable for some of these households. The proposed programme would certainly offer this group a housing solution that is not currently available.

To mitigate this, the selection criteria for the locations for acquisitions must be developed further in the full business case along with an equalities impact assessment in respect of

⁴ This number is expected to significantly increase following the provision of updated information in January 2017

potential tenants. Given the established track record set out above of delivering out of London moves this mitigation will help minimise void periods. Nonetheless a higher void period has been factored in than for a council tenancy in Barnet.

The model:

- Assured shorthold or non-secure tenancy offered
- Rents charged at the relevant Local Housing Allowance level
- 3-4% void loss varying depending on location of acquisition
- TA cost avoidance figure in example based upon 1 household avoiding out of London TA at current net cost plus inflation

5. Expected Benefits

Please refer to **Appendix A** for a summary of expected benefits for this project.

6. Risks

Please refer to **Appendix B** for a summary of key risks and mitigating actions.

7. Financial Appraisal

The project would be funded from the Council's General Fund. A budget of £8m would see the programme deliver approximately 50 units in the Bedfordshire, Buckinghamshire, Northamptonshire and Cambridgeshire areas.

The tables below indicate the potential overall financial position delivered by the scheme taking into account likely and worst case scenarios, using average projected rents and purchase prices.⁵

Table 1 – revenue position vs. existing TA options

Existing TA Option – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£37,821	£81,859	£196,280	£357,683
Expenditure	£53,797	£114,502	£264,966	£467,139
Net Cost	£15,976	£32,643	£68,686	£109,456
Likely outcome – per unit				
Income	£30,974	£67,039	£160,745	£292,927
Expenditure	£43,739	£88,635	£183,794	£289,969
Net Cost	£12,766	£21,597	£23,049	-£2,957
Net benefit	£3,211	£11,047	£45,636	£112,414
Worst Case – per unit				
Income	£28,947	£61,230	£139,080	£238,735
Expenditure	£46,626	£92,239	£187,086	£291,086
Net Cost	£17,679	£31,008	£48,005	£52,351
Net benefit	-£1,702	£1,635	£20,680	£57,106

⁵ Analysis of likely and worst case scenarios were tested against the cost of existing TA options in the Luton Area, with the worst case assuming higher costs for voids, management/maintenance, inflation, refurbishment, and major works

Table 2 – Capital position per unit

Capital - Per unit	Best Case	Worst Case
Average Purchase Price	£140,174	£154,191
Refurbishment Costs and Fees	£23,669	£31,890
Total Cost	£163,843	£186,081
Asset value @	3% PA	2% PA
10 Years	£205,181	£203,196
20 Years	£275,746	£247,695
30 Years	£370,580	£301,938
Outstanding borrowing @ Yr. 30	£65,537	£74,433
Capital Benefit @ Yr. 30	£206,737	£115,857

Table 1 highlights that where Right to Buy receipts are used to fund purchases, each unit will deliver revenue savings against the cost of existing TA options from year 1. It should be noted however, the modelling assumes a quantity of leasehold acquisitions being delivered over the life of the programme, some of which may be delivered at a higher net revenue cost than indicated in Table 1. However, where freehold assets are acquired, these will likely be delivered at a lower revenue cost. Therefore, in order to afford greater flexibility it is proposed that the key financial driver for units acquired is that the average overall revenue benefit for the scheme equates to an approximate £3k per unit.

To provide a consistent approach, both the purchasing scheme and existing temporary accommodation options have been modelled using 100% of the April 2016 Local Housing Allowance rate.

8. Project Approach

Please refer to **Appendix A** for the proposed project plan that includes key dates and milestones.

9. Project Assurance

The project structure is shown below:

Role	Name & Position	Comments
Project Sponsor	Paul Shipway (Strategic Housing Lead)	Representing Council interests
Project Manager	Nick Lowther (Service Manager, Housing Supply)	Representing Barnet Homes interests
Project Board	Paul Shipway (Strategic Housing Lead)	Representing Council interests
	Derek Rust (Director of Operations)	Representing Barnet Homes interests
	Kate Laffan (Assistant Director, Operations)	Representing Housing Options (housing supply)
	Nick Lowther (Service Manager, Housing Supply)	Representing Housing Options (housing supply)
	Thomas Carroll (Major Works Project Manager)	Representing Property Services
Project	Nick Lowther (Service Manager,	Lead on the bidding and acquisition of

Role	Name & Position	Comments
Team	Housing Supply)	properties
	Thomas Carroll (Major Works Project Manager)	Inform on investment levels needed to bring the homes acquired up to an agreed standard and maintained Lead on the refurbishment of properties when acquired
	Russell Buchanan (Project & Contract Management Officer)	Project support

The project board will meet monthly as required with the following responsibilities:

- Provision of overall guidance and direction ensuring project remains on track against time, cost and quality requirements
- Review and approval of project plan and any exception plans
- Support and oversight of risk management processes
- Approval of changes
- Resolving strategic and directional issues
- Liaison with and seeking of direction and decisions from politicians

Project Controls

The Project Manager will be expected to manage and re-profile timescales where key milestones are impacted. Where key milestones will be impacted these instances will be reported to the Project Sponsor to agree next steps and the mitigating action to be taken.

- The Project Board will be responsible for sign-off of the business case (incorporating the options appraisal), before it is presented to the Council.
- The London Borough of Barnet (Council) will be responsible for approving the business case, proposed budget and approach for delivery.
- The project team will be responsible for engaging with Barnet Homes' managers and staff, and key stakeholders to ensure that all deliverables are developed in line with service requirements and that the required quality standards are met.

Quality Criteria & Approval Process

Deliverable / Product	Quality Criteria	Author	Reviewers	Acceptor
Business Case (incorporating options analysis)	Options appraisal and financial appraisal , procurement strategy with recommendation	Project Manager	Kate Laffan Derek Rust Project Team	Project Board
Presentation of recommendations	Report and presentation in accordance with LBB requirements	Derek Rust	Project Board	Project Board
Approval	Minuted approval to proceed	London Borough of Barnet	N/A	London Borough of Barnet
Implementation	Procurement of out-of-borough properties Development and implementation of associated processes	Project Team	Project Manager	Project Board

Deliverable Product	Quality Criteria	Author	Reviewers	Acceptor
Review	Assessment against benefits realisation criteria Lessons learned report	Project Manager	Kate Laffan Derek Rust Project Team	Project Board

10. Dependencies

Assumptions

- Timely provision of any requested information and input from senior stakeholders.
- On-going political support for Barnet Homes to undertake out-of-borough acquisitions and for the on-going management of these properties.
- Ability to implement cost effective, quality management and maintenance arrangements for the acquired properties.
- There has been adequate budget provision identified for the acquisition of additional properties.

Constraints

- There is a lack of affordable housing supply in the areas that Barnet Homes is confident that customers will agree to move to.
- That there may be some resourcing implications for management of stock further outside of the borough/London.

Interfaces / Dependencies

- The London Borough of Barnet will need to approve the proposed approach, for the project objectives to be achieved
- There are other initiatives and projects underway that are also aimed at increasing the available housing supply.

11. Approach to Consultation

A range of stakeholder consultation and engagement has occurred as part of the public engagement programme developed for the London Borough of Barnet's Housing Strategy.

A summary of these activities includes:

- The Council conducted a borough wide programme of resident engagement and consultation from 17 December 2014 to 11 February 2015. This was part of the Housing Committee Commissioning Plan. The programme included a series of themed workshops examining the competing pressures facing each committee and an online survey.
- A 12 week public consultation was undertaken between 6 January 2015 and 31 March 2015 on the Housing Strategy. The consultation included an online survey as well as presentations to the Housing Forum, Barnet Homes Performance and Advisory Group, and Barnet Landlords Forum.

- The Council also facilitated a focus group of eight Citizens Panel members from the owner-occupation, social and private rented sectors.

Appendix A: Benefits Realisation

Benefit Type	Description of the benefit	Who will benefit	Expected benefit value	Financial year that the benefit will be realised	Benefit Owner	How will the benefit be measured	Baseline value (£, % etc) and date
Financial	Temporary accommodation cost avoidance	The Council	Up to £3.9m over a 30 year period	From Q1 2017/18	Nick Lowther Service Manager – Supply	Financial monitoring	
Financial	Increase of council stock and revenue from this stock	The Council Barnet Council Tenants or Housing Applicants	Approximately 50 units	by 18/19	Paul Shipway	Performance monitoring	

Appendix B – Financial Model

1. Individual unit Income and Expenditure sheet (Averages, under best case/likely scenario)

	Year 1	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Income							
1 Rent	6,254	6,699	7,956	9,449	11,223	13,329	15,831
2 Void Loss	188	201	239	283	337	400	475
Total Income	6,066	6,498	7,718	9,166	10,886	12,930	15,356
Expenditure							
3 Routine Maintenance	800	900	1,044	1,210	1,403	1,626	1,885
4 Management Cost	450	506	587	681	789	915	1,060
5 Service Charge & Ground Rent	400	450	522	605	701	813	943
6 Major Works	1,402	1,578	1,829	2,120	2,458	2,849	3,303
7 Bad Debt Provision	182	195	232	275	327	388	461
8 Interest	3,154	2,902	2,586	2,271	1,955	1,640	1,325
9 Minimum Revenue Provision	2,294	2,294	2,294	2,294	2,294	2,294	2,294
Total Expenditure	8,682	8,825	9,093	9,456	9,927	10,525	11,271
Charge/Credit to General Fund	2,616	2,327	1,376	290	-959	-2,404	-4,085
Closing Balance	2,616	12,766	21,597	25,277	23,049	14,004	-2,957
11 Purchase price	140,174						
12 Stock investment	23,669						
13 RTB Re-investment	49,153						
14 Borrowing Required	114,690						
13 Loan Amount	114,690						

2. Financial modelling assumptions

	Best Case	Worst Case
Annual Rent Inflation (CPI plus 1%)	3.50%	2.50%
Void Loss	3.00%	4.00%
Bad debt provision	3.00%	4.00%
Maintenance Costs	£800 per annum plus inflation	£1,000 per annum plus inflation
Housing Management Costs	£450 per annum	£450 per annum
Inflation	3.00%	3.60%
Major Works	1.00%	1.00%
Service charge and ground rent	£400 ⁶ per annum (average)	£810 per annum (average)
Refurbishment costs	£12,500	£20,000
Borrowing rate	2.75%	3.00%
Minimum Revenue Provision	2.00%	2.00%

⁶ Average figure based upon mix of freehold and leasehold properties procured through the programme

Appendix C: Risk Register

Ref	Risk type	Risk description	Risk Owner	Date raised	Initial assessment			Control actions	Consequences/potential impact
					Probability	Impact	RAG		
001	Project management	There is a risk that there is insufficient resource to deliver the project within planned timescales.	KL	Feb 17	Low	Medium		Project plans and resource planning to be developed to identify key milestones and capacity required to deliver.	Expected savings and other benefits will not be achieved, and/or project activity will fall behind schedule.
002	Reputation	There is a risk that this project will attract negative publicity	KL	Feb 17	Low	High		Develop a communications strategy and engage with the host borough to inform them of the acquisitions programme	Staff and public have a negative perception of this project and its objectives. This makes it more difficult to implement the project and to realise benefits from it.
003	Financial	There is a risk that the assumptions made in modelling are not accurate and that the financial benefits are not realised	NL	Feb 17	Low	Medium		Closely monitor activity to track financial benefits and early identification of risks. There are a number of options the Council has, including stock disposal.	Expected savings and other benefits will not be achieved
004	Financial	There is a risk that there will be an insufficient volume of units available for purchase that deliver the required revenue benefits	NL	Feb 17	Low	High		The proposed target areas have been broadened to help minimise any potential impact the programme will have on local market inflation. Where there are no properties available for purchase that meet the modelled average revenue outcome across the whole scheme, no additional	Delivery of new acquisitions may not be met, if unable to purchase properties at the right price.

Ref	Risk type	Risk description	Risk Owner	Date raised	Initial assessment		Control actions	Consequences/ potential impact
							units will be acquired.	
005	Reputation	There is a risk that customers will refuse to accept properties in out-of-borough locations	NL	Feb 17	Low	Medium	Undertake market research and analysis before selecting locations and purchasing properties to ensure that customers are likely to accept properties in these areas.	Political and media fall out from spending public money on properties that are sitting vacant.
006	Performance	There is a risk that properties in out-of-borough locations will have longer void times due to customers refusing to move to these areas	NL	Feb 17	Medium	Medium	Households seeking to move out of area will be identified at an early stage in the acquisition process and consideration will be given to offering properties acquired to households already located in areas outside London in other forms of temporary accommodation	Void performance may worsen, and Barnet Homes may fail to meet its KPI targets.
007	Financial	There is a risk that the costs of managing out-of-borough properties will be high	NL	Feb 17	Medium	Medium	Barnet Homes already has considerable experience delivering out-of-London TA. Consider purchasing out-of-borough properties close together, to ensure efficiencies and reduce management costs	Higher costs to manage these properties – exceeding budget
008	Procurement	Existing Barnet Homes' repairs and maintenance contractors are unlikely to agree to service out-of-borough properties.	DH	Feb 17	High	Medium	Extend arrangements established as part of the initial phase of the purchasing programme to deliver repairs and maintenance services to these properties	Out-of-borough properties may end up in poorer condition. Customers may experience a lack of service or lengthy wait times for repairs.

Appendix D: Initial Project Plan

Phase	Activity	Owner	Due Date	Status
Business Case (incorporating options analysis)	Complete research & analysis and identify options for:			
	• Property Location (out-of-borough)	DB	Nov 16	Complete
	• Property Type	NL	Nov 16	Complete
	• Property Size	DB/NL	Nov 16	Complete
	• Property Tenure	DB	Nov 16	Complete
	• Property Condition	TC/DB	Nov 16	Complete
	• Procurement Strategy	NL/DB	Nov 16	Complete
	Identify and document each available option	NL/KL	Dec 16	Complete
	Complete initial financial modelling	NL	Dec 16	Complete
	Identify, monitor and manage risks	KL	Dec 16	Ongoing
	Prepare an outline business case for review by LBB	KL	Dec 16	Complete
	Develop options for managing out-of-borough properties	KL	Feb 17	Not Due
	Prepare final business case	KL	Feb 17	Not Due
	Reviewed by DPPB	PS	Mar 17	Not Due
Business case signed off by Commissioner	CS	Mar 17	Not Due	
Presentation of recommendations to the Council	Draft Report	KL/PS	Mar 17	In progress
	Council make decision whether to approve programme	PS	Apr 17	Not Due
Implementation	Commence acquisition programme	DB	From Q1 2017/18	Not Due
	Complete first tranche of purchases	DB	Q2 2017/18	Not Due
Review	Qtly review of programme incorporating lessons learned.	KL	Ongoing	Not Due

Document Control

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Date	Version	Reason for change	Changes made by
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14/12/16	1.1	Revisions following comments	Nick Lowther
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13/02/17	1.3	Revised to incorporate reduced budget	Nick Lowther
28/03/17	1.4	Further revisions following comment	Nick Lowther

Distribution List:

Name	Role	Date
Derek Rust	Deputy Chief Executive Officer	
Elliott Sweetman	Director, Operations	
Paul Shipway	Strategic Housing Lead LBB	
Nick Lowther	Service Manager, Housing Supply	
Thomas Carroll	Major Works Programme Manager	
Russell Buchanan	Project & Contract Management Officer	

Approvals:

By signing this document, the signatories below are confirming that they have fully reviewed the Business Case for the out-of-borough acquisitions project and confirm their acceptance of the completed document.

Name	Role	Signature	Date	Version
Derek Rust	Deputy Chief Executive Officer			
Paul Shipway	Strategic Housing Lead			
Kate Laffan	Assistant Director, Operations			

	<p>Policy and Resources Committee</p> <p>16 May 2017</p>
<p style="text-align: right;">Title</p>	<p>Insurance Strategy</p>
<p style="text-align: right;">Report of</p>	<p>Director of Resources</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A - Insurance Strategy 2017 Appendix B - Summary of Cover 2016/17 Appendix C - Risk Analysis 2016/17 Appendix D - Insurance Strategy Action Plan 2017/18</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Paul Lawrence paul.lawrence@barnet.gov.uk 020 8359 7197</p>

Summary

This report presents a refreshed Insurance Strategy for approval.

The objectives of this strategy are to:

Protect the Council’s assets (people, monetary and physical assets) from loss, damage or injury; Prevent, reduce or minimise the financial cost of protection and/or loss

The strategy sets out the approach to deliver the objectives as follows:

Effective risk management to prevent, reduce or minimise the risk of loss, damage or injury; Appropriate provision to finance retained risk (self-insured risks) and to minimise spend on insurance premiums by employing effective procurement practices, Operation of robust claims handling procedures, a scheme of delegation for the settlement of

claims and recovery of financial loss from partners and contractors where appropriate.

Recommendations

That the Committee

- 1. Adopt the refreshed Insurance Strategy (Appendix A)**
- 2. Note the Summary of Cover which sets out the basis of cover arranged (Appendix B)**
- 3. Note the Risk Analysis 2016/17 which sets out the rationale behind the levels of cover arranged (Appendix C)**
- 4. Note the Action Plan 2017/18 setting out actions to be completed in advance of the next full insurance retender in 2018 (Appendix D)**

1. WHY THIS REPORT IS NEEDED

- 1.1 The purpose of this strategy is to establish a framework to govern the council's approach to protecting itself against the financial consequences of risk sustained in the course of its business and to ensure that the risk financing and insurance arrangements are delivered efficiently to get value for money for the taxpayer.
- 1.2 The previous version of the strategy dated 2015 had not been subject to formal Member/Member Committee approval and therefore key officer scrutiny/clearance under the Council's Governance arrangements. The last formal approval of the Insurance Strategy by Members had taken place in 2008 (Cabinet Resources Meeting 22 July 2008), a number of years prior to the adoption of the current commissioning model by the Council.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Sound insurance arrangements are essential to protect the council and its assets.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Insurance is one option available to the Authority in the treatment of identified risk however the extent that the Council wishes to insure is open to consideration taking into account many factors such as risk appetite, likelihood of occurrence and cost of external cover.

- 3.2 Appendix B to this report summarises the current levels of cover both internal (per claim excess or fully self-funded risks) and externally procured levels of cover, per claim and annual caps where applicable.
- 3.3 Appendix C to this report briefly sets out the rationale behind the levels of insurance and identifies the risk over the insured levels.
- 3.4 At each annual insurance renewal, a full EU Tender every three years or at any time a new and developing risk is identified, the council will review these levels of cover and seek a balance between internal financial exposure and external premiums.

4. POST DECISION IMPLEMENTATION

- 4.1 The framework will be implemented and reflected in the Insurance Teams Annual Work Plan with individual objectives included in Insurance Teams annual objectives.
- 4.2 The next full insurance retender exercise is due to commence early in 2018 for cover effective from 1 October 2018. In order to ensure the council is in the best position to procure the appropriate level of cover, an action plan and timeframes has been set out in Appendix D – Insurance Strategy Action Plan 2017/18

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The council will ensure that the risk financing and insurance arrangements are delivered efficiently to get value for money for the taxpayer

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

- 5.2.1 Insurance costs have remained reasonably constant over recent years. The total cost of risk financing and insurance in 2016/17 is circa £4.2m, which comprises external premiums £1.8m (including premiums recharged to leasehold property, commercial tenants and school), claims estimated to be settled against service budgets £2.1m and operational costs £0.29m.
- 5.2.2 Financial Regulations (section 5.9) give the Chief Financial Officer responsibility for maintaining the Insurance Strategy and arranging adequate insurance cover for the Council.
- 5.2.3 There are no procurement, staffing, ICT, property or sustainability implications.

5.3 Social Value

5.3.1 N/A

5.4 Legal and Constitutional References

5.4.1 Responsibility for Functions Annex A sets out the terms of reference of Policy and Resources Committee including 'To be responsible for the overall strategic direction of the Council including Insurance'.

5.5 Risk Management

5.5.1 Failure to maintain adequate insurance protection may result in the Council incurring unplanned expenditure which may impact significantly on Council budgets. To have a framework setting out how the council will manage its insurance and claims handling arrangement will go some way to mitigate such risk

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

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

5.6.2 Adequate insurance arrangements are essential to provide the Council with budgetary certainty to enable delivery of services for the benefit of all members of the community. To achieve this, all procedures and practices, including services procured from external providers, will take due regard of the Council's equalities obligations

5.7 Consultation and Engagement

5.7.1 N/A

5.8 Insight

5.8.1 N/A

6. BACKGROUND PAPERS

6.1 None

APPENDIX A

RISK FINANCING AND INSURANCE STRATEGY

Introduction

The London Borough of Barnet Council is a 'Commissioning Council' and this operating model allows us to take a flexible approach to shape the future of the organisation and, most importantly, to continue to provide excellent services to residents during these challenging times.

This strategic commissioning approach follows a carefully planned evolution, away from the traditional model of providing services 'in house' through a number of directorate silos, to a 'mixed economy' of services with the aim of securing the best deal for residents.

Commissioning involves a fundamentally different approach to determining how local services are provided. It is the adoption of a system in which the council works with elected Members, partners and residents to set the strategic priorities of the borough, in the context of the available resources within the borough, to agree a set of outcomes which reflect the needs of residents and which the full range of local partners work together to achieve.

Services are then bought or 'commissioned' from a diverse mix of providers within the market (in house and from the wider public sector, private and third sectors) to deliver these outcomes.

Commissioning is not a linear process. At any given time within a commissioning organisation, commissioning will be running at different scales and across multiple policy areas.

This council, along with many others, faces a number of challenges, which have to be managed and resourced effectively. The prudent use of diminishing resources and the high demand for delivery of good quality services, through a variety of alternative delivery models, continue to be biggest challenges facing the council.

Objectives of the strategy

The council has reviewed its insurance strategy, so that it can support the financial challenges ahead by retaining as much financial risk 'in house' as is prudent to do so, with the main objectives being to:

- Protect the Council's assets (people, monetary and physical assets) from loss, damage or injury;
- Prevent, reduce or minimise the financial cost of protection and/or loss

In the approach to deliver the objectives, we shall ensure there is:

- Effective risk management to prevent, reduce or minimise the risk of loss, damage or injury
- An appropriate provision to finance retained risk (self-insured risks) and to minimise spend on insurance premiums by employing effective procurement practices
- A robust claims handling procedure

- A scheme of delegation for the settlement of claims
- A mechanism for the recovery of any financial loss from partners and contractors, where appropriate

National context

There has been an increase in speculative and/or fraudulent liability claims. In 2015, fraudulent motor claims were the most common and there was a 36% increase in volume of fraudulent liability claims. Barnet Council is not immune from such claims and has developed robust procedures to identify these, all claims are subject to rigorous checks including data matching with national insurance claims databases and Government bodies.

There have been 'catastrophic' losses in the public sector, caused by fire, including arson such as the total loss of South Oxfordshire District Council Civic Centre in 2015.

Cyber risk is a growing area with a varied set of risks. Whilst the level of threat will vary across local authorities, Barnet and its IT partner are monitoring the risk of malicious cyber-attacks.

The Barnet approach

This council has for many years accepted a degree of insurable risk, holding a provision for self-funded losses rather than incurring external premiums.

Any financial loss is funded either:

- **Internally** – By retaining and managing particular risks with losses being financed through the Council's own funds, or
- **Externally** – By transferring particular risks, generally by purchasing external insurance cover.

The strategy going forward is to continue to bear as much financial risk 'in house' as is prudent to do so. To ensure the council is aware of its potential liabilities and make adequate provision, an Insurance Actuary is commissioned biennially to calculate the full extent of incurred liabilities and the Insurance Provision is adjusted accordingly.

If a catastrophic event occurred the council would not have the financial resources to self-fund so it has to consider the optimum balance between self-insurance and externally procured insurance to finance any such loss should it occur.

The total cost of risk financing and insurance in 2016/17 was circa £4.2m, which comprised external premiums £1.8m (including premiums recharged to leasehold property, commercial tenants and schools), claims estimated to be settled against service budgets £2.1m and operational costs £0.29m.

The Summary of Cover 2016-17, at Appendix B, shows the current levels of cover both internal (per claim excess or fully self-funded risks) and externally procured levels of cover, per claim and annual caps where applicable.

The Insurance Strategy - Risk Analysis 2016/17, at Appendix C, outlines the current rationale behind the level of external insurance procured, underwritten internally by the insurance provision and/or charged to services.

The Medium Term Financial Strategy and Risk Management Strategy are particularly significant to this strategy and collectively support the council's efforts to manage risks effectively.

Any significant changes in the Council's insurance cover or self-insurance arrangements will be agreed by the Chief Finance Officer (section 151 Officer) and reported to Policy and Resources Committee.

Self-insurance

Adopting a higher level of self-insurance provides a greater opportunity to obtain cost-effective insurance cover for those risks where we choose to seek external insurance.

The Council will seek to minimise the overall cost of risk financing by:

- Employing effective risk management and self-insuring some risks in their entirety;
- Purchasing insurance cover for some risks over a certain financial limit that is considered outside the risk tolerance of the Council; and
- Agreeing an 'Aggregate Loss Limit' for some risks to restrict the potential total loss exposure in a particular year to a specific sum.

Procurement of external insurance cover

The decision to procure external insurance or to self-insure focuses on risks that are outside the risk tolerance of the council and takes account of a range of factors, which include:

- Analysis of risk exposures, changing through the advent of alternative delivery models;
- Availability of alternative risk transfer options;
- Condition of the insurance markets and the availability of cover;
- Council's financial capacity to assume risk;
- Effectiveness of the Council's risk management arrangements;
- Cost of insurance versus the cost of claims;
- Benchmarking and actuarial assessment data; and
- Advice from the Council's insurance broker.

The council will always purchase insurance cover for those risks where the potential loss is considered to be significant and financially unacceptable or where insurance is required by law or contractual agreement.

Due to the specialist nature of insurance procurement, the Council uses an insurance broker to provide advice on the procurement process and tender evaluation.

The Chief Finance Officer (section 151 Officer) will determine the duration of insurance contracts in consultation with the Council's insurance broker.

Insurance Provision

The Council maintains an Insurance Provision so that it can meet its unpaid retained insurance liabilities, i.e. the settlement costs of known and future (unknown) claims from current and past policy years.

'Known' claims are those that have already been reported or made against the Council, some of which will go on to be settled (paid). 'Unknown' claims are those incidents that will already have occurred but have not yet been reported to the Council.

The Insurance Provision is kept under review by the Chief Finance Officer (Section 151 Officer) to ensure it is maintained at an appropriate level.

The council maintains a risk and litigation reserve to meet costs which are outside of the scope of the insurance budget.

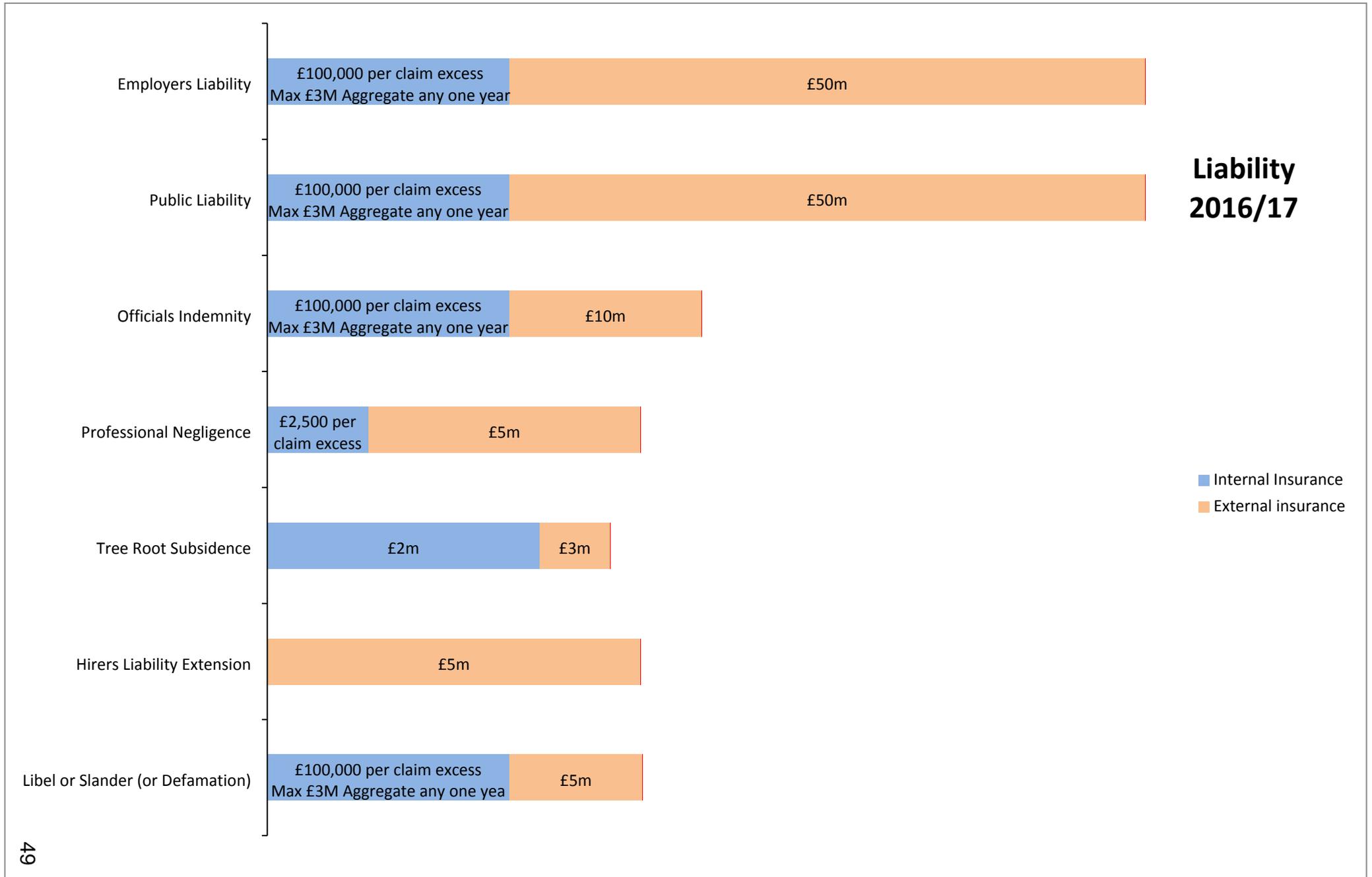
Review of Strategy

Finance Regulations state that the Chief Finance Officer (section 151 Officer) is responsible for maintaining the Insurance Strategy and arranging adequate insurance cover for the Council.

The strategy will be reviewed on an annual basis however as it is market practice to enter into three-year Long Term Agreements for insurance contracts, a consolidated update of the strategy and appendices will be presented to Policy and Resources Committee for approval every three years.

April 2017

APPENDIX B - SUMMARY OF COVER 2016/17



**Motor
2016/17**

Motor Vehicle Fleet



- Internal Excess
- Internal Insurance
- External insurance

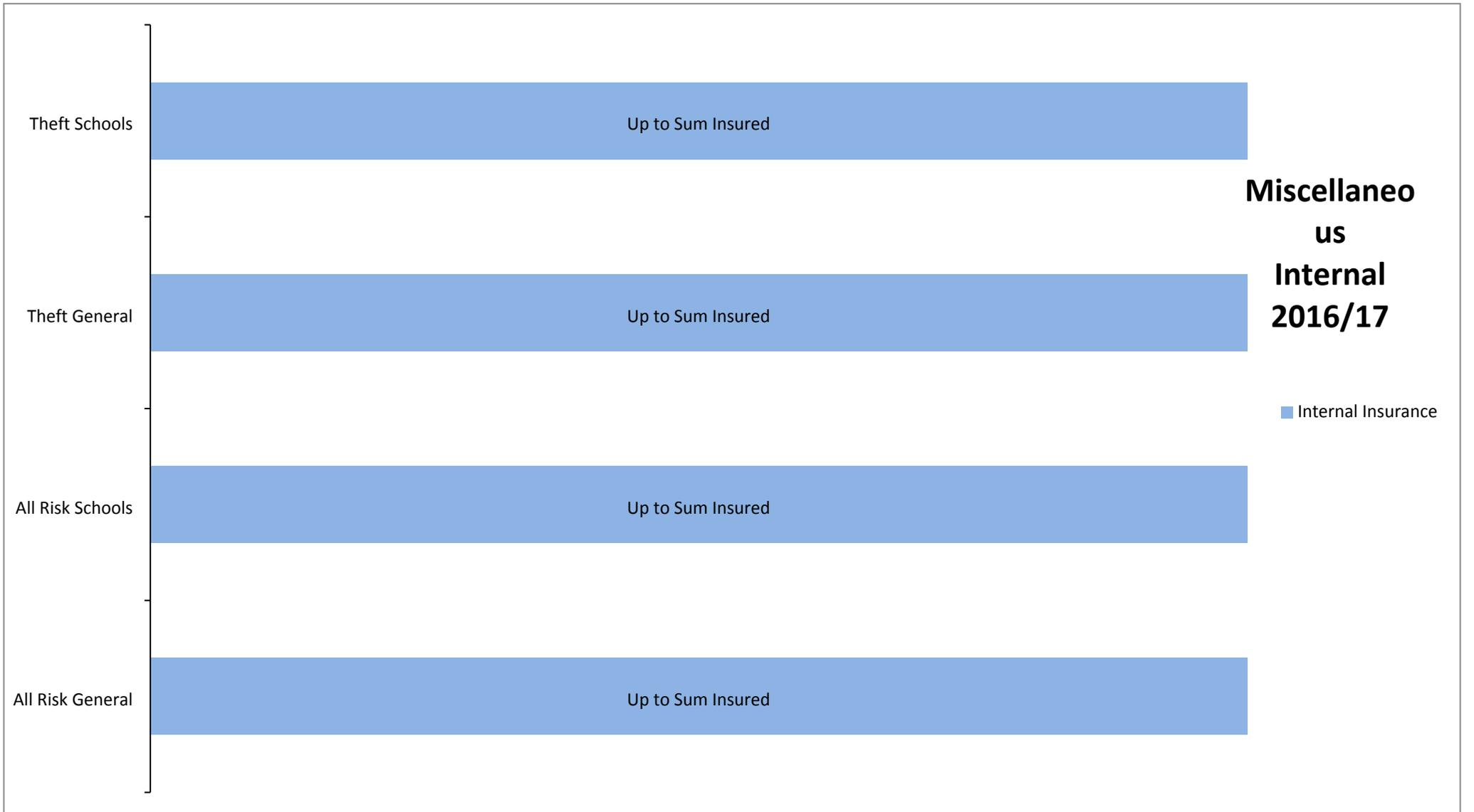
School Minibuses



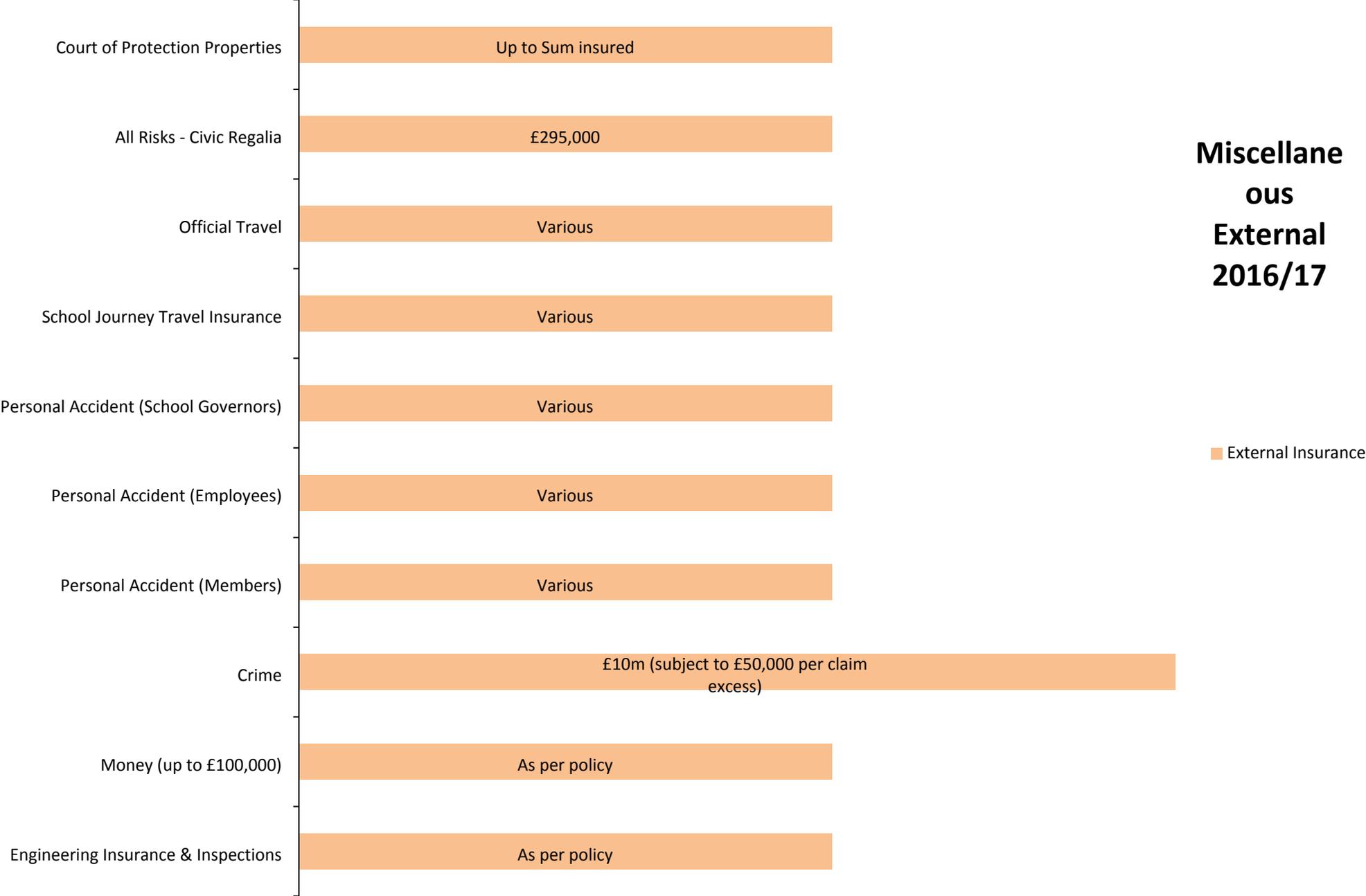
Property 2016/17



■ Internal Insurance
■ External Insurance



Miscellaneous External 2016/17



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Appendix C – Risk Analysis 2016-17

Rationale of risks insured and level of cover / exposure 2016-17

This schedule outlines insurance cover arranged through external insurance providers and that being underwritten internally by the insurance provision and/or charges to services.

External cover is often limited in operation, and where this is the case the schedule provides detail of this cover as well as identifying the level of potential uninsured risk faced by the Council.

Limits of indemnity and aggregate protection can be set by market practice and affordability of cover when measured against the risk, including deliberate non-insurance (i.e. selecting not to take any external insurance). In the latter instances, the schedule provides a commentary to support the recommended position.

There are four classes of insurance – Liability, Motor, Property and Miscellaneous.

The schedule refers to “Cross Class Aggregate Protection” (CCAP). This means the council will meet the cost of claims up to the level of the excess for each claim until an agreed accumulated sum, after which the external insurer will pay all further claims without further deduction of an excess.

Class & Risk	Explanation	Exposure
LIABILITY		
Public (Third Party) and Employers Liability to £50m any one claim subject to £100k excess each and every claim	Whilst the council must self-fund the first £100,000 of every claim, our annual exposure is limited by the CCAP (which includes payments made by way of excess under Officials Indemnity and Libel and Slander) of £3.0m per annum.	The council’s potential exposure is an event incurring a loss over the limit of indemnity of £50m. This level is in accord with many Local Authorities.

Class & Risk	Explanation	Exposure
Officials Indemnity (Third Party Financial Loss) to £10m any one claim subject to £100k excess each and every claim	Whilst the internal provision will meet the first £100,000 (excess) of every claim, the annual exposure is limited by the CCAP (which includes payments made by way of excess under Public and Employers Liability and Libel and Slander) of £3.0m per annum.	The council's potential exposure is an amount over the limit of indemnity of £10m. Claims experience in this class of insurance within local government is low and claims rarely exceed £100,000.
Professional Negligence to £5m any one claim subject to £2,500 excess each and every claim	The internal provision will meet the first £2,500 (excess) of every claim.	The council's potential exposure is an amount over the limit of indemnity of £5m or a significant number of individual claims at the excess level. Claims experience in this class of insurance within local government is virtually nil.
Tree Root Subsidence – cover £1m in excess of £2m paid in any one year	The council self funds the risk of third party property damage caused by Tree Root Subsidence but caps our exposure at a maximum of £2m in any one year. Whilst claims experience shows an improvement over the last 5 years or so, there are some uncontrollable factors which can influence this risk eg climate and weather patterns.	Having met the first £2m of claims from internal arrangements, the exposure can be stated as any additional payments in excess of accumulative total payments of £3m in any one financial year. Whilst payments in an incident year may significantly increase from current experience they are not anticipated to ever exceed £3m.
Third Party Hirers Cover - £5m Subject to a £250 Excess	External cover provides indemnity for hirers of educational premises against risks of accidental injury and accidental damage to the premises or contents during the period of hire.	The council's potential exposure is any claim which exceeds the limit of indemnity of £5m. This is not anticipated.

Class & Risk	Explanation	Exposure
Libel or Slander Cover £5M any one claim subject to £100k excess each and every claim	Whilst the internal provision will meet the first £100,000 (excess) of every claim, the annual exposure is limited by the CCAP (which includes payments made by way of excess under Public and Employers Liability and Officials Indemnity) of £3.0m per annum.	The council's potential exposure is an amount over the limit of indemnity of £5m. Claims experience in this class of insurance within local government is low and claims rarely exceed £100,000.
Legal Expenses	Legal costs arising from insured losses is included above however further legal expenses insurance is available to cover matters such as disputes arising out of the provision of goods or services, employment matters, un-insured loss recovery etc. The council elects to use in-house services and fund this from general indemnity contingency.	The Council has established a litigation reserve to meet the costs of significant actions against the authority.

Class & Risk	Explanation	Exposure
MOTOR		
Comprehensive subject to £50k excess each and every claim	External cover includes unlimited liability in respect of 'third party bodily injury or death'. Limit for third party property damage arising from the use of commercial vehicles of £20m.	Whist cover in excess of £20m is available the risk of a council vehicle causing damage in excess of £20m is deemed to be negligible.

Class & Risk	Explanation	Exposure
PROPERTY		
Main Fire Policy eg offices, libraries, Housing high rise, parks pavilions etc	The Council currently insures main property against damage by 'catastrophe perils' consisting only of fire, lightning, explosion, aircraft or terrorism. Historical claims experience has supported the decision not to insure for additional perils e.g. burst pipes, storm or flood. The cost of the premium would far exceed the value of damage sustained in any one year.	Cover for insured losses is determined by the value at risk (sum insured) accordingly provided all properties have been identified there is no additional risk. However, as damage to properties by other risks is not insured, the potential uninsured loss is up to the maximum value of the damaged building(s). At each property insurance tender, or in between if the risk warrants a more frequent review, we will seek quotations to include full perils and evaluate the cost against the risk/exposure.
Schools, Commercially Let Property and Leasehold Buildings	All schools must arrange insurance on a full commercial perils basis up to the full reinstatement value of the building. Commercial let property and leasehold buildings are insured by the council under the terms of the lease on a full reinstatement basis against the usual range of perils available for these classes.	<p>No additional exposure however it should be noted that reinstatement cover will only fund the replacement of the damaged building on a 'like for like' basis. Given the current age and construction of many of our properties, it is likely that the Council will elect to replace on a completely different basis. Additional costs of this option are not insured and must be funded from other sources.</p> <p>Under schools fair funding arrangements schools may make alternative arrangements for compulsory buildings cover. Currently 88 schools choose to make arrangements via the LEA. The remainder are periodically asked to submit evidence of cover to establish that it satisfies our minimum requirement.</p> <p>Where responsibility rests with the tenant/lessee in commercial properties appropriate checks are in place to ensure cover is arranged to a satisfactory level.</p>

Class & Risk	Explanation	Exposure
Housing Stock	<p>Fire damage in low-rise council stock has only once exceeded the £750,000 excess once in the last 10 years (Garth House settled at £840k in 2008). Aggregate losses in the last 10 years has not exceeded £1m (2008 including Garth House). The estimated maximum annual loss has been calculated as £5m accordingly annual aggregate cover has been arranged externally to provide protection above this figure.</p>	No additional exposure.

Class & Risk	Explanation	Exposure
MISCELLANEOUS		
Theft and All Risks	The insurance provision pays services for the loss of contents by theft (forced entry or exit from a locked building) and against “walk in theft” or accidental loss/damage of specified types of equipment. Both covers are provided up to the value of the contents.	Despite a significantly high value at risk, it is not possible for the Council to lose all contents by either of these two causes in one year and claims experience supports the decision to continue to self-fund losses of this nature.
Court of Protection Properties	The Council currently insures these properties on a standard House Owners policy, usual exclusions apply in respect of vacant properties. The risk is subject to a £500 excess met by the estate.	No additional exposure.
Civic Regalia	External cover up to specified sum insured, subject to a £1,000 excess met by the service	No additional exposure.
School journey and official travel	Various benefits and limits apply across the various subsections of the travel policies.	Cover exceeds market practice in this area. Limits and levels are regularly reviewed to provide satisfactory cover.
Personal Accident – Members, Employees, Volunteers & School Governors	<p>Cover is provided for Members or staff who suffer a permanent injury whilst carry out their duties. Employees cover is calculated using a sliding scale applied to salary. This cover is in line with the injury allowance scheme of the NJC for Local Government.</p> <p>Members cover is also calculated using a sliding scale but applied to a base sum of £100,000.</p> <p>School Governors and Volunteers cover is calculated using a sliding scale but applied to a base sum of £50,000.</p>	The level of cover arranged is in accordance with market practice.

Class & Risk	Explanation	Exposure
Crime	Cover includes any loss of council assets arising from any act of fraud or dishonesty by a third party or by employees. Losses following theft of cash or stock by employees are rare. The Chief Finance Officer will periodically review the estimated maximum risk to the council. Currently this is set at £10m any one year.	One single loss or a series of losses in excess of £10m any one year. Taking existing security processes into account this level of risk is considered acceptable. Also a significant element of financial risk is currently transferred to Capita under the CSG contract where full indemnities apply in support of losses arising from fraud.
Money	Estimated maximum cash holding is £100k so this is the insured level. No excess is taken given the extremely low premium charged for this cover.	Any sums lost during a theft in excess of £100k
Engineering	Cover arranged externally up to the value of plant, equipment and machinery.	No additional exposure.

Appendix D Insurance Strategy - Action Plan 2017/18

The next full insurance retender exercise is due to commence early in 2018 for cover effective from 1 October 2018 and the following actions will be addressed to ensure that the council is in the best position to procure the appropriate level of cover:-

	Detail	Actions	Owner	By
1	Build a suite of management information reports to improve awareness of insurance claims and feed through risk management channels, developing improvement programmes to reduce risk and the cost of insurance. Identify new and emerging risks through the risk management forum and DU senior managers	Meet with Performance/Risk Manager, attend risk champion meetings, review risk registers and provide operational risk claims information, risk improvement plans and feedback to forum and DU senior management.	Head of Insurance	Sept 2017
2	Review of levels of excess, with benchmarking of the insurance programme, to determine the right mix of excess and external premiums	Cipfa Insurance Benchmarking Club – complete June 2017 – Final Report Aug 2017 Neighbouring Borough Peer Review – Aug 2017	Head of Insurance	Sept 2017
3	Review of internal risk areas, based on the claims patterns and benchmarked with other organisations with a similar profile to determine if the treatment of risk needs greater consideration from an operational perspective to protect the council from future claims	Cipfa Insurance Benchmarking Club – complete June 2017 – Final Report Aug 2017	Head of Insurance	Dec 2017
4	Review the details of the cover provided, following a review and understanding of the external risks involved in service provision	Appoint a public sector specialist insurance broker to consider findings from above, review and report on the whole insurance portfolio	Head of Insurance	Dec 2017
5	Identify the savings opportunities, and the possible uncertainties, associated with increasing the 'deductible'	Obtain a report from the broker to inform optimum insurance programme and inform 2018 renewal, tender process or alternative markets	Head of Insurance	Feb 2018

6	Review the opportunities for potential savings in purchased insurance cover, including participating in the Insurance London Consortium (ILC)	As above	Head of Insurance	Feb 2018
7	Develop a cost of risk financing charging process to incentivise departments and schools to manage risk and provide transparency in relation to insurance premium recharges	Review current corporate insurance budget setting and recharge process. Re-model recharges applying claims experience/risk based approach. Proposal to apply to 2018 recharge.	Head of Insurance	March 2018



Policy & Resources

16 May 2017

Title	Customer Transformation Programme: Phases 2-4
Report of	Interim Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Screenshots of the new My Account service Appendix B – Screenshots of new Adult social care web pages Appendix C – Customer Transformation Programme Business Case and Approach
Officer Contact Details	Kari Manovitch, Head Of Customer Strategy & Programmes kari.manovitch@barnet.gov.uk

Summary

This report presents the progress and expected outputs of the first phase of the Customer Transformation Programme, and seeks approval to proceed to implement the remainder of the programme, as part of the council's agreed Customer Access Strategy (CAS).

In October 2016, Policy and Resources Committee approved capital funding of £1.5m to fund Phase 1 of the programme, and noted the £5.4m full cost of the two-year programme.

Phase 1 is on track to deliver all intended outputs, and significantly improve the experience that residents have when they use the online customer account within the council's website. The Customer Transformation Programme as a whole will enable a shift to greater website self-service by customers, improve efficiency and reduce demand on the council.

This report presents an update on the programme's progress and the technical assurance received, and seeks approval to commit the balance of the anticipated programme funding, in order to deliver the programme in full.

Recommendations

That the Committee:

- 1. Notes the progress updates provided in this report on the delivery of the Customer Transformation Programme, as part of the Council's Customer Access Strategy (found here: [Customer Access Strategy](#))**
- 2. Notes the assurance achieved for the technical elements of the programme to date, and endorses the continuation of the technical assurance approach.**
- 3. Notes the additional capital requirement of £3.9m required to complete the Customer Transformation Programme. This will be considered as part of the Business Planning report and brought back to this Committee for approval in June 2017.**
- 4. Subject to approval of the additional capital requirement, delegates authority to the Interim Chief Operating Officer, in consultation with the Chairman of the Policy & Resources Committee, to enter into contracts on a phase by phase basis to deliver the programme, with payment contingent on successful delivery against milestones.**

1. WHY THIS REPORT IS NEEDED

- 1.1. In October 2016, Policy and Resources Committee approved capital funding of £1.5m to fund Phase 1 of the programme to implement the recommendations of the Customer Access Strategy, and noted the overall anticipated costs for the programme of £5.4m over a two-year period.
- 1.2. This report provides an update on Phase 1 and seeks approval to proceed with implementing the full programme defined in Appendix C by committing the balance of the anticipated programme funding.
- 1.3. Obtaining this approval in advance of the targeted Phase 1 go-live of July 2017 will ensure continuity of the delivery team, to maintain momentum and a smooth continuation into subsequent phases, and allow the programme to stay on track with its overall timescale.

2. IMPLEMENTING THE CUSTOMER ACCESS STRATEGY

- 2.1. The Customer Transformation Programme was established to implement the Customer Access Strategy. The vision of the Customer Access Strategy is that by 2020 customer access will be simplified and primarily 'digital by default', offering efficient resolution and services joined-up across the council, partner agencies and the community sector.
- 2.2. The Customer Transformation programme is an enabler for improved demand management within the council, allowing the council to encourage those who can self-serve to do so, while maintaining services for those who are unable to interact digitally. This acts as an enabler for the savings identified in the Council's MTFS.
- 2.3. The programme is delivering through four streams of work, as follows:

1. Refresh the Council's web navigation and content to make it more relevant to residents
2. Deliver more online transactions, that integrate with the council's internal databases and processes
3. Address Digital Inclusion both to help residents work with the council online, and to help them use the Internet in their daily lives
4. Improve services and drive digital take-up doing more to encourage low cost channels (web) in preference to traditional (face to face and telephone)

- 2.4. The full detail of this programme is found in Appendix C.

UPDATE ON PHASE 1 OUTPUTS

- 2.5. Phase 1 has progressed well and is due to complete in July 2017. It will deliver a new and improved My Account service, and a range of new online services and features to make the online experience much better for our residents. These improvements include the following:
- 2.5.1. We know that remembering multiple complex account passwords is a challenge, so from July, customers will have the option to log in to their account using their existing social media accounts. People typically use their social media accounts several times a week, so it is a much easier way to access the account, and no less secure.
 - 2.5.2. There will be improved form-filling experiences for non-collected bins, new bins, residents who need special collection arrangements, and the reporting of environmental problems.
 - 2.5.3. There will be a brand new form for customers to request, book and pay for bulky waste to be removed, fully integrated into the council's systems, replacing the current inefficient manual processes.
 - 2.5.4. Customers will be able to save forms and return to them at a later point. They will also be able to see a record of all forms they have submitted through the new account.
 - 2.5.5. There will be a brand new 'web chat' service so that customers can get instant help with their online experience from a customer agent, whilst they are in the middle of it, rather than having to send a separate email or make a phone call.
 - 2.5.6. For the first time, customer services agents will be able to set up a new account on behalf of customers who need assistance.
 - 2.5.7. Customers without an account will be offered an easy way to create one after they've filled in a new online form, saving them the trouble of entering their details again.
 - 2.5.8. Customers will receive one case reference number per case, which will be used consistently, rather than several difference reference numbers as happens with some requests now.
 - 2.5.9. Residents will be able to tell the Council how they would like to be kept up-to-date on requests or cases they log
 - 2.5.10. Customers will be able to tell us what services they are most interested in, and this will mean they see any available news about these services when they log in, as well as updates via email when they come available.

- 2.5.11. Council staff will be given the ability to edit content and create new forms easily and quickly without specialist IT help
- 2.6. As well as improvements, the new My Account will continue to offer the features that are available with the current service, such as:
 - 2.6.1. A list of cases raised by customers with their status, so that customers can see whether they are open, closed, or in progress. The programme team are also working with the services to ensure status updates visible to customers are more timely and meaningful than currently.
 - 2.6.2. Email acknowledgements of all submitted cases, containing a full copy of the form submitted
 - 2.6.3. Customers having control of their personal data held in the council's customer services system; they can update their name and contact details at any point
 - 2.6.4. The ability to sign up to a council email newsletter.
 - 2.6.5. The ability to view and use the account via smaller screens on mobile devices
- 2.7. And the new service has laid the foundations for the following improvements to be introduced in phase 2 and beyond:
 - 2.7.1. Adding the remaining suite of services currently offered online (Parking Permits, Libraries, Council tax, and Housing Benefits), and making improvements to these forms so that they are more user friendly
 - 2.7.2. Adding in brand new online services for Barnet Homes customers and Adult Social Care customers, fully integrated with the back office systems
- 2.8. In phase 1 the Programme has also included:
 - 2.8.1. Work to list and prioritise improvements required to the website, including research with residents into the success factors for online reporting, and
 - 2.8.2. The development of an outline business case for rationalising the council's contact centres
- 2.9. The re-designed carer's pages of the website are included in Appendix B, demonstrating the difference that is made by taking the views and experiences of users as the starting point for web improvement. The project held 7 design sessions in 6 weeks – 1 in NLBP with social care and health professionals, 6 at sites used by carers.

- 2.10. This user-led approach will be continued throughout the programme as part of the website improvement workstream. The programme team has compiled a list of user stories that describe the most common and important reasons that people come to council's website, and these will be explored in detail with groups of residents, taking one topic at a time. These user research sessions will be held regularly to test out website improvements on a specific topic as they are designed, and also once they have gone live on the website, to enable ongoing iterative improvement.

ASSURANCE MECHANISMS IN PLACE

- 2.11. Payments for this programme are made on successful achievement of milestones. Almost 50% of payment for the technical solution is held back until satisfactory completion of testing by the council.
- 2.12. The Council's independent technical assurance partner Leidos reviewed and gave the council assurance for the plan for phase 1, prior to working beginning earlier this year. Leidos has also reviewed and given assurance for further technical documents as they have become available. This has provided the council with the necessary external expertise to be confident that the delivery approach is appropriate and that the technical plans are robust.
- 2.13. Dependencies on existing systems and on the Council's IT estate have been assessed and are being managed through the programme board.
- 2.14. The implementation of the CAS is aligned with the Council's ICT Strategy. The review by the Council's technical assurance partner queried a number of elements of this alignment and have confirmed compliance. These reviews are continuing as new technical documentation is developed by the programme.
- 2.15. User research has been completed with a group of residents, to find out what makes a good experience for them when they are completing forms online. This research identified specific recommendations for improved usability, which are being taken into account for the new service. Some points made were:
- 2.15.1. Improve the process by which users select addresses
 - 2.15.2. To use clear explanatory text in support of online forms, and to avoid council jargon. For example - "My bin has not been collected" is better than "Report a missed bin"
 - 2.15.3. Avoid repetitive questions
 - 2.15.4. Make it clear when a question is mandatory, and only mandate information (such as "near to" on a pothole report) where absolutely necessary

2.15.5. Registration for an account should be an option, rather than compulsory, and should offer a clear resident benefit

3. REASONS FOR RECOMMENDATIONS

- 3.1. The recommendation enables the Council to continue delivering against the council's vision for customer services for 2020 as expressed in the Customer Access Strategy and the business case for the Customer Transformation Programme.
- 3.2. The work is designed to address three key drivers for the council:
 - 3.2.1. Improve customer service, interacting with residents the way they expect now, and will increasingly expect in the future (improving routine transactions like reporting a pothole or applying for a parking permit)
 - 3.2.2. Reduce failure demand, by giving feedback, by getting things right first time online, without need for further more costly contact
 - 3.2.3. Enable future demand management, now, for routine transactions. Setting the council up to increasingly do more complex transactions (Housing, cusp of care) online in the future.
- 3.3. The approval to continue with the next stage of the customer transformation programme is required in May 2017, in advance of Phase 1 go live, in order to ensure continuity of the delivery team and to maintain momentum with a smooth continuation into subsequent phases.

4. POST DECISION IMPLEMENTATION

- 4.1. A two-year implementation programme is envisaged, which commenced in February 2017.
- 4.2. Following approval, the programme team will be able to:
 - 4.2.1. Develop the detailed plan for phase 2 and refine the high level plan for phases 3 and 4. See Appendix C, pages 63 to 66, for the original scope and phasing.
 - 4.2.2. Recruit a project manager to set up and deliver the digital inclusion programme

5. IMPLICATIONS OF DECISION

Corporate Priorities and Performance

- 5.1. Barnet's vision for 2020 in the Corporate Plan is to have redesigned local services that are integrated, intuitive and efficient, making life simpler for our residents and customers. This proposal sets out to implement the changes identified in the Customer Access Strategy to achieve this vision.

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

- 5.2. Following the initial allocation of £1.5m for the first phase of the work, this report calls for the remaining balance (£3.9m) of the £5.4 million financial investment. This will be considered as part of the Business Planning report to this Committee in June.
- 5.3. The programme will be contracted for and funded phase by phase, based on experience and success of previous phases, and payments will be made on completion of milestones (following the practice adopted for Phase 1). This ensures that there is absolutely clarity about what will be delivered, and payments are conditional on reaching specified milestones.

Social Value

- 5.4. The proposals outlined in this report seek to ensure that accessing the council's services is a more efficient and effective experience, that services are more transparent and accountable to the customer, that more information and services are available online so that customers can access them at a time of their choosing, and that barriers preventing customers accessing online channels are addressed through a Digital Inclusion Strategy.

Legal and Constitutional References

- 5.5. Due to the nature of the changes proposed, a full Equality Impact Assessment and public consultation was completed on the Customer Access Strategy in 2016.
- 5.6. The proposals in the Customer Access Strategy are compliant with the legislative frameworks governing the services covered in the Customer Access Strategy. Where legislation mandates face to face access for clients or customers, this will be provided.
- 5.7. Council Constitution, Responsibility for Functions, Annex A, sets out the terms of reference of the Policy and Resources Committee including:
'To be responsible for the overall strategic direction of the Council including customer care, communications and resident engagement activities.'

Equalities and Diversity

- 5.8. An Equalities Impact Assessment was completed and updated with the outcome of the public consultation. It concluded that the combined changes

proposed by the strategy will not detrimentally impact customers with protected characteristics.

- 5.9. Understanding and mitigating the impacts of all changes on customers is an ongoing responsibility that will be undertaken throughout the implementation of the Customer Access Strategy.
- 5.10. The strategy recognises that there is a section of the community for whom face to face and telephone channels will continue to be needed and certain services where face to face access is required to achieve the optimum outcome. The proposed changes will not exclude any customer from accessing a service they need.
- 5.11. In addition, a key aim of the strategy is to redirect valuable staff resources to where they are most needed, supporting residents who have more complex needs. Given the need to make savings, it is vital that we design out unnecessary interactions and automate transactional services as much as possible.
- 5.12. The strategy seeks to support customers less able or confident using the website or other self-service options through assisted self-service and through the Digital Inclusion work.

Consultation and Engagement

- 5.13. The Consultation report for the Customer Access Strategy was presented and approved in June 2016.
- 5.14. The programme has created a detailed engagement plan and has delivered initial engagements, including resident user research and a member's update.

Insight

- 5.15. The new IT solutions will strengthen the breadth of data available to understand how customers are making use of the new online tools.
- 5.16. User research will be a continuous part of the programme's implementation.

6. BACKGROUND PAPERS

- 6.1. Policy and Resources Committee, 5th October, 2016
[Policy and Resources paper: Customer Transformation Programme](#)
[Appendix A: Business Case Document](#)
[Appendix B: Digital Inclusion Strategy](#)
[Appendix C: EIA](#)
- 6.2. Policy and Resources Committee, 28th June, 2016
[Agenda and Minutes: Policy and Resources Committee](#)
[Appendix 1 – The Draft Customer Access Strategy](#)

[Appendix 2 - EIA](#)

[Appendix 3 - Public Consultation Feedback](#)

- 6.3. Policy and Resources Committee, 16th December 2015
[Agenda and Minutes: Policy and Resources Committee](#)
[Customer Access Strategy](#)
[Appendix 1 - The Draft Customer Access Strategy](#)
[Appendix 2 - Equality Impact Assessment](#)

Appendix A – Screenshots of the new service

BARNET
LONDON BOROUGH

Bulky or additional waste collection Your Unique reference code **BAR2151** Save

- Terms and conditions
- Items for collection**
- Your details
- Book a collection
- Payment
- Review and submit

Items for collection

** Required*

I am a *

resident
 business/landlord

Please select the type of item(s) to be collected *

White goods and electrical items
 Other non electrical household items
 Additional wheeled bin collection

Select electrical or white goods item *

Freezer

Add item

Calculate total

Collection total

£ 45.75

Back Save Next

BARNET
LONDON BOROUGH

Bulky or additional waste collection Your Unique reference code **BAR2151** Save

- Terms and conditions
- Items for collection
- Your details
- Book a collection**
- Payment
- Review and submit

Book a collection

** Required*

Please note that collections for non electrical, electrical and white goods, additional bins may run to different schedules and as such we may not be able to collect all items on the same date.

Is the collection from your home address? *

Yes
 No

Get available collection dates

Select your electrical or white goods item collection day

Friday, April 14, 2017

Back Save Next

Appendix B – Screenshots of new Adult social care web pages

Figure 1. Previous carers pages

The screenshot shows the 'Carers in Barnet' page on the Barnet London Borough website. The header includes the Barnet logo, a search bar, and links for 'Log in or Register' and 'Select Language'. The breadcrumb trail is 'Home > Our services > Adult social care >'. The left sidebar lists 'Adult social care' with sub-items: 'Carers in Barnet' (highlighted), 'Carers assessment', 'Emergency plan for carers', 'Carers support', 'Health and leisure for carers', and 'Care Act'. The main content area features the title 'Carers in Barnet', a definition of a carer, a list of reasons for needing care (age, illness, disability, mental health, substance misuse), and the 'Barnet Carers Centre'. It provides information on support services and lists partner organizations: Age UK Barnet, Barnet Mencap, Alzheimers Society in Barnet, Friend in Need, Jewish Care, and Caring for carers. It also mentions services for young carers.

The screenshot shows the 'Carers support' page on the Barnet London Borough website. The header and breadcrumb trail are identical to the previous page. The left sidebar highlights 'Carers support'. The main content area features the title 'Carers support', a description of the 'Carers Support Offer', and a list of support types: information and advocacy, training, the Emergency Plan Scheme, health and wellbeing support, emotional support, social activities, financial support, and information on carer breaks. It also includes a section for 'Carer breaks', explaining their importance and how to access them following a carers assessment.

Figure 2. New carers landing page

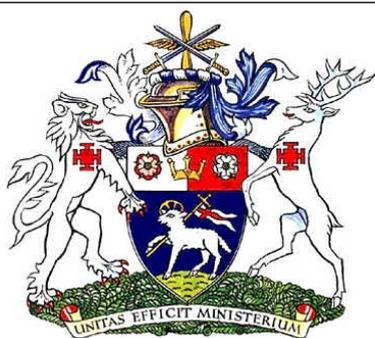
The screenshot shows the top navigation bar with the Barnet London Borough logo, a search bar, and links for 'Log in or Register' and 'Select Language'. Below the navigation bar are three buttons: 'Adult Social Care Home Page', 'Social Care Connect', and 'Barnet Community Directory'. The main content area starts with a breadcrumb trail: 'You are here: Home > Our services > Adult social care >'. The primary heading is 'I am a carer, family member or friend', followed by a definition of a carer. A blue box features the 'carerstrust Barnet Carers Centre' logo and a 'Did you know?' section with a 'Barnet Carers Centre' button. Below this is a section titled 'I want to know what's available to me as a carer' with a 'Get support' button and an image of a woman and an older man.

This screenshot shows the lower portion of the landing page. It features three service cards, each with an image and a call-to-action button. The first card, 'I want to connect with other carers and support groups', includes an image of three people at a table and a 'Getting out and about' button. The second card, 'I want to know more about my rights as a carer', includes an image of an elderly couple and a 'Your rights' button. The third card, 'I want to find out about equipment to help me and the person I care for', includes an image of a woman in a wheelchair and an 'Equipment and adaptations' button. The top navigation bar is identical to the first screenshot.

Appendix C – Customer Transformation Programme Business Case and Approach

Policy and Resources Committee, 5th October, 2016 - [Appendix A: Business Case Document](#)

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Policy and Resources Committee

16 May 2017

Title	Corporate Grants Programme, 2016/17 - Approval of Grants under Delegated Powers
Report of	Director of Resources & Deputy Section 151 Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosure	None
Officer Contact Details	Ken Argent, Grants Manager, Finance, Commissioning Group (ken.argent@barnet.gov.uk) (020 8359 2020)

Summary

This report notifies the approval of grants under the Director of Resources' delegated powers in consultation with the chairman of the Community Leadership Committee.

Recommendations

To note the decisions to award grants of less than £5,000 under delegated powers from the corporate grants programme in 2016/17.

1. WHY THIS REPORT IS NEEDED

- 1.1 Voluntary and community organisations may apply for a one-year start-up grant of up to £10,000 or a one-off grant of up to £5,000 from the corporate grants programme.
- 1.2 Annex B to Responsibilities for Functions in the Scheme of Delegated Authority to Officers authorises the Director of Resources to award grants of up to £5,000 to voluntary and community groups.
- 1.3 In accordance with annex A of Responsibilities for Functions, this committee is to be informed of any grants approved under delegated powers. The awards in question, approved in 2016/17 following consultation with the chairman of the Community Leadership Committee, were as follows:
- **£5,000 to Avenue House Estate Trust** to create an outdoor keep fit trail for adults in the grounds of Avenue House
 - **£5,000 to Barnet Multi-Faith Forum** in support of the Barnet Unity of Faiths Festival, a one-day multi-faith and multi-cultural event to be held on 29 May 2017
 - **£5,000 to North London Hospice** towards the creation of a shower facility for visitors as part of a refurbishment programme at the in-patient unit in Barnet
 - **£5,000 to West Hendon Allotment Society** to create raised planting beds for use by people with physical disabilities or sensory impairments
 - **£5,000 to 1st & 3rd New Barnet Scout Group** towards the construction of an extension to the scout hut to provide purpose-built space for training and to expand the capacity for community usage of the building
 - **£4,788 to Barnet Community Transport** to renew IT and telephone equipment following the relocation to Edgware Community Hospital
 - **£4,775 to Centrepoint** towards the creation of a gymnasium for young people at the Barnet Foyer
 - **£4,250 to Hendon Grove Allotment Society** to renovate and redevelop a trading hut to provide a meeting place, a shelter and a community resource for plot-holders
 - **£2,400 to The Boys' Clubhouse** in support of the hire of rehearsal space for a vocational training project for young people seeking a career in the music industry pending the creation of an in-house music production studio
 - **£2,000 to East Barnet Community Festival** in support of the annual festival in 2016
 - **£1,800 to Barnet Borough Arts Council** in support of the 2016 Barnet 'Christmas Fayre'
 - **£1,000 to East Finchley Arts** in support of the annual East Finchley Arts Festival in 2016
 - **£750 to Mill Hill Neighbourhood Forum** to defray the cost of space in the publication, 'A Guide to Mill Hill', dedicated to council-related messaging

The following applications were rejected:

- Time Banks UK – to sustain the Barnet ‘time bank’ scheme, which, as such, did not qualify for a corporate grant
- Friern Barnet Community Library Ltd – to modernise the children’s corner of the library, which was rejected on financial grounds.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Each of the approved awards supported a project or an event which contributed to delivery of one or more of the council’s corporate plan objectives and outcomes or Barnet’s Sustainable Community Strategy.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4. POST DECISION IMPLEMENTATION

- 4.1 The applicants were notified of the decisions, which, in the case of a number of the approved awards, involved compliance with special conditions before the grant was released.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The council is seeking to develop new and effective partnerships to deliver high quality public services pursuant to the significant reduction in government funding. The voluntary and community sector has a significant role to play in this strategy, especially by increasing choice, accessibility and value for money, embracing innovative solutions and improving customers’ perception of public services.

- 5.1.2 A Third Sector Commissioning Framework, approved by the former Cabinet Resources Committee, has brought about greater consistency to the council’s financial arrangements, embodying procurement from, and grants to, the sector into a single framework consistent with the council’s procurement rules.

- 5.1.3 The corporate grants programme offers help to voluntary and community organisations (a) to develop sustainable new services and activities and (b) to run community events or meet certain non-recurring items of expenditure.

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

- 5.2.1 The awards made under delegated powers in 2016/17 amounted to £46,763, of which £17,400 was funded from income deriving to the authority from the Edward Harvist Charity; £14,050 was paid from the former Borough Lottery Scheme; and £15,313 was defrayed from funds collectively allocated to the corporate grants programme by the area committees with the approval of the Community Leadership Committee.

5.3 Social Value

5.3.1 Not relevant in the context of this report.

5.4 Legal and Constitutional References

5.4.1 Under section 15 of the Constitution, Responsibility for Functions, annex A, the Policy and Resources Committee receives reports on the issuance of grants below £5,000 by officers under their delegated authority.

5.5 Risk Management

5.5.1 All grants are made subject to the council's Standard Conditions of Grant Aid, with which applicants are required to signify their compliance by signing a written undertaking. Amongst other things, the conditions cover how awards are spent, allowing council officers a right of access to proof thereof, and requiring notification of any change in an organisation's circumstances which significantly affect its finances, operations or grant entitlement. The council reserves the right to withhold payment of any approved grant, or to demand full or partial repayment, if it appears that an organisation has failed to comply with any of the conditions attached to the award.

5.5.2 The shift towards greater community involvement in the delivery of services has involved some relaxation in the attitude traditionally taken to compliance with eligibility criteria before an award is recommended. Whilst all applicants are expected to satisfy basic governance requirements, it is accepted that community-led and self-help groups may initially require the support of a parent organisation or other agency.

5.6 Equalities and Diversity

5.6.1 Under section 149 of the Equality Act 2010, the council and all other organisations exercising public functions must have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race, religion or belief; and sex and sexual orientation. The broad purpose of this duty is to integrate considerations of equality into daily business and keep them under review in decision making; the design of policies; and the delivery of services.

5.6.2 All voluntary and community organisations grant-aided by the council are required to demonstrate that they have an equal opportunities policy covering users, staff and volunteers, which promotes equal treatment for all irrespective

of their age, disability, gender, sexuality, ethnic background, faith, health, language or social and economic background. Scrutiny of compliance with these considerations and how they contribute to promoting good relations between people and communities forms part of the standard procedure for assessing all applications.

- 5.6.3 Awards from the corporate grants programme fund projects and activities in support of people from all of Barnet's diverse communities and focus on those who may be regarded as vulnerable.

5.7 Consultation and Engagement

- 5.7.1 Each of the applications in question was assessed in conjunction with commissioning managers and leads and/or service delivery units and the decisions that were made followed consultation with the chairman of the Community Leadership Committee. .

5.8 Insight

- 5.8.1 Each applicant presented evidence in support of the need for, or benefit of, their proposal.

6. BACKGROUND PAPERS

- 6.1 Reports to the Director of Resources & Deputy Section 151 Officer and, in the absence of the post-holder, to the Interim Chief Operating Officer under delegated powers.

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**London Borough of Barnet
Policy and Resources
Committee Work Programme
May 2017 - August 2017**

Contact: Kirstin Lambert; 02083592177 kirstin.lambert@barnet.gov.uk

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
16 May 2017			
Insurance Strategy	To approve the updated insurance strategy.	Director of Resources (Deputy Section 151 Officer)	Non-key
Customer Transformation Programme: Approval to proceed to phases 2-4	Following the November approval of Customer Transformation Phase 1, this report will seek agreement to continue into subsequent phases.	Stephen Evans	Non-key
Corporate Grants Programme - Approval of Grants under Delegated Powers	This report notifies the approval of grants under the Director of Resources' delegated powers in consultation with the chairman of the Community Leadership Committee.	Director of Resources (Deputy Section 151 Officer)	Non-key
Out-of-Borough Acquisitions	That Committee approve an addition to the Housing General Fund Capital Budget of £8m for the acquisition of Out of Borough property.	Commissioning Director, Growth and Development	Non-key
27 June 2017			
Monitoring the impact of Brexit on Barnet	To note the update.	Interim Chief Operating Officer	Non-key
The Barnet Group (TBG) Business Plan	To approve the budget and business plan of the Barnet Group Ltd.	Interim Chief Operating Officer	Non-key

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
Draft Green Infrastructure Supplementary Planning Document	To approve the draft Supplementary Planning Document for Green Infrastructure for consultation.	Commissioning Director, Growth and Development	Non-key
Public health service arrangements from April 2018	To present an update on options for public health service arrangements, following on from the report to Policy and Resources Committee of 23 February 2017.	Commissioning Director (Adults and Health)	Non-key
Freedom pass review	To provide an update on the Freedom Pass Review.	Commissioning Director Environment	Non-key
Business Planning	To approve movements to the budget.	Director of Resources (Deputy Section 151 Officer)	Non-key
Items to be allocated			
The Local Plan	To approve Barnet's Local Plan for consultation.	Commissioning Director, Growth and Development	Key
Draft Affordable Housing Supplementary Planning Document	To approve the draft Supplementary Planning Document for Affordable Housing for consultation.	Commissioning Director, Growth and Development	Non-key
North London Waste Plan (Reg 19 stage)	To approve the North London Waste Plan (NLWP) for public consultation.	Commissioning Director, Growth and Development	Non-key

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
Affordable Housing Supplementary Planning Document - Adoption	To adopt the Supplementary Planning Document for Affordable Housing.	Commissioning Director, Growth and Development	Key
Green Infrastructure Supplementary Planning Document - Adoption	To adopt the Supplementary Planning Document for Green Infrastructure.	Commissioning Director, Growth and Development	Key