

**MEETING**

**PERFORMANCE AND CONTRACT MANAGEMENT COMMITTEE**

**DATE AND TIME**

**TUESDAY 6TH SEPTEMBER, 2016**

**AT 7.00 PM**

**VENUE**

**HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ**

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

Chairman: Councillor Anthony Finn,  
Vice Chairman: Councillor Sury Khatri

**Councillors**

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

**Substitute Members**

Councillor Paul Edwards	Councillor Lisa Rutter	Councillor Caroline Stock
Councillor Gabriel Rozenberg	Councillor Alison Moore	Councillor Barry Rawlings

In line with the Constitution's Public Participation and Engagement Rules, public questions or comments must be submitted by 10.00AM on the third working day before the date of the committee meeting. Therefore, the deadline for this meeting is 10.00AM on 1 September 2016. Requests must be submitted to Salar Rida 020 8359 7113 [salar.rida@barnet.gov.uk](mailto:salar.rida@barnet.gov.uk).

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

**Andrew Charlwood – Head of Governance**

Governance Services contact: Salar Rida 020 8359 7113 [salar.rida@barnet.gov.uk](mailto:salar.rida@barnet.gov.uk)

Media Relations contact: Sue Cocker 020 8359 7039

**ASSURANCE GROUP**

## ORDER OF BUSINESS

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2.	Absence of Members	
3.	Declarations of Members Disclosable Pecuniary Interests and Non-Pecuniary Interests	
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5.	Public Questions and Comments (if any)	
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11.	Any Other Items that the Chairman Decides are Urgent	

### FACILITIES FOR PEOPLE WITH DISABILITIES

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# Decisions of the Performance and Contract Management Committee

31 May 2016

Members Present:-

AGENDA ITEM 1

Councillor Anthony Finn (Chairman)  
Councillor Sury Khatri (Vice-Chairman)

Councillor Jess Brayne  
Councillor Kathy Levine  
Councillor John Marshall  
Councillor Arjun Mittra  
Councillor Reema Patel  
Councillor Shimon Ryde  
Councillor Peter Zinkin

Also in attendance  
Councillor Gabriel Rozenberg  
Councillor Barry Rawlings

Apologies for Absence

Councillor Geof Cooke  
Councillor Rohit

## 1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Committee, Councillor Anthony Finn welcomed all attendants to the meeting. The Chairman also welcomed Councillor Jess Brayne who replaced Councillor Anne Hutton as Member of this Committee, following adoption of the Committee Memberships at Annual Council.

**RESOLVED** that the minutes of the previous meeting held on 15 February 2016 be agreed as a correct record.

## 2. ABSENCE OF MEMBERS

Apologies for absence were received from:

- Councillor Rohit Grover who was substituted by Councillor Gabriel Rozenberg and
- Councillor Geof Cooke who was substituted by Councillor Barry Rawlings.

## 3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS

The following interests were declared at the meeting:

Councillor	Agenda Item(s)	Interests declared
John Marshall	10, 14	Non-pecuniary interest by virtue of being a School

		Governor at various schools in Barnet.
John Marshall	7, 8, 9, 10	Non-pecuniary interest by virtue of being a Council appointed Director for Barnet Group, Your Choice Barnet and Barnet Homes.
Arjun Mittra	7, 8, 9	Non-pecuniary interest by virtue of being tenant of Barnet Homes.
Sury Khatri	10, 14	Non-pecuniary interest by virtue of being a School Governor at Dollis Infant School
Jess Brayne	7, 8, 9	Non-pecuniary interest by virtue of being a leasehold tenant together with her partner of Barnet Homes.

#### **4. REPORT OF THE MONITORING OFFICER (IF ANY)**

None.

#### **5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)**

The Committee noted the details of the received public questions and the public answers which were published ahead of the meeting. Responses to the public questions were given at the meeting and one additional question was answered outside of the meeting directly to the questioner.

There were no public comments.

#### **6. MEMBERS' ITEMS (IF ANY)**

None.

#### **7. CORPORATE PLAN - 2016/17 ADDENDUM**

The Chairman introduced the report which provides an update on the refresh of the Council's key business plans and the 2016/17 addendums to the Corporate Plan and Commissioning Plans.

Tom Pike, Strategic Lead, Programmes and Performance presented the item and informed the Committee about the new strategic indicators which have been incorporated in the Corporate Plan. Mr Pike also noted that the addendums to the Corporate Plan and Commissioning Plan for 2016/17 were approved by Full Council and the Theme Committees during March and April 2016.

Following a query from the Committee about the Public Health indicators for excess weight in 4-5 and 10-11year olds (p28), it was noted that the targets were developed in line with the Joint Health and Wellbeing Strategy 2016-2020 which was informed by the

Joint Strategic Needs Assessment 2015-2020. Mr Pike noted that clarification will be asked from the Director of Public Health about the procedure for developing the targets and the number of Public Health indicators included in the Corporate Plan 2015-2020. **(ACTION)**

Following discussion, it was unanimously **RESOLVED**:

1. That the Committee noted the 2016/17 addendums to the Corporate Plan (Appendix A) and Commissioning Plans (found at [www.barnet.gov.uk/citizen-home/counciland-democracy/policy-and-performance/corporate-plan-and-performance](http://www.barnet.gov.uk/citizen-home/counciland-democracy/policy-and-performance/corporate-plan-and-performance))
2. That the Committee reviewed the benchmarking report (Appendix B) and considered whether other tailored reports should be added to the forward plan each financial year.

## 8. QUARTER 4/END OF YEAR PERFORMANCE MONITORING 2015/16

The Chairman introduced the report which sets out the end of year (Q4) position for 2015/16 against the strategic priorities in the Corporate Plan 2015/16.

Councillor Rawlings moved a motion to request an officer report on key themes of the following issues to be considered at a future meeting of the Children, Education, Libraries and Safeguarding Committee on status of social work practices and quality, agency and recruitment, increasing demand and overall budget.

The motion was seconded and having been put to the vote was declared carried and became the substantive motion.

Councillor John Marshall requested clarification in relation to p.112, Ref AC/S21, around the wording "*The final outturn for carers' assessments is only three fewer than in 2014/15 (946 against 949 in 2014/15) though a substantial fall on the 1948 carried out in 2013/14.*" Mathew Kendall, Adults and Communities Director stated that an explanation will be provided to the Chairman and Councillor John Marshall about the wording 'only three fewer than'. **(ACTION)**

In response to a comment from the Committee, Mr Pike noted that an update will be provided to Councillor Mitra about the costs per call pertaining to Reference CR013 in the Contract Variations Log on p178 of the agenda. **(ACTION)**

The Chairman thanked the Committee for the comments and it was unanimously **RESOLVED** that:

1. The Committee scrutinised the performance of services (via Delivery Units and Contractors) against the Corporate Plan and (if necessary) makes recommendations to other committees on the policy and commissioning implications.
2. The Committee noted the final 2015/16 revenue and capital outturn, as detailed in paragraphs 1.20 to 1.28.

3. The Committee noted the additions and deletions and approved the accelerations and slippages in the capital programme, as detailed in Appendix D.
4. The Committee noted the savings delivered in 2015/16, as detailed in paragraph 1.25.
5. The Committee noted the agency costs for Quarter 4 2015/16, as detailed in paragraph 1.29.
6. The Committee noted the treasury position outlined in paragraphs 1.32 to 1.34.
7. The Committee requested that an officer report on the key themes of; *status of social work practices and quality, agency and recruitment, increasing demand and overall budget issues* be considered at a future meeting of the Children, Education, Libraries and Safeguarding Committee.

## 9. CSG WEB IMPROVEMENT UPDATE

The Chairman introduced the item and welcomed Kari Manovitch, Head of Customer Strategy & Programmes and Chris Melia, Customer Experience Manager, Capita Local Government to the meeting. Ms Manovitch presented the report and informed the Committee that due to the improvement works over the last eight months, customer satisfaction ratings have increased from 42% in Q1 to 45% in Q4, 2015/16. She also noted that the aim is to achieve 54% of good ratings by the end of 2015/16 as set out in the Corporate Plan.

In response to a comment from the Committee about monitoring future improvement, Stephen Evans, Interim Chief Operating Officer suggested that an update report be brought to the PC&MC in November 2016 informing of the transformation work and in-year review of the improvement achieved against the set targets. **(ACTION)**

Mr Evans briefed the Committee about the works undertaken to improve and refresh the most frequently visited webpages, which includes web-editing meetings with officers and issuing of instructions and guidance.

It was unanimously **RESOLVED:**

**That the Committee noted the progress being made and endorsed the plans for further improvement.**

## 10. REFERRAL FROM THE AUDIT COMMITTEE

The Chairman indicated that the issues raised in the report which was referred by the Audit Committee for consideration, would be discussed under agenda item 11 'IT Operations'.

It was unanimously **RESOLVED:**

**That the Performance and Contract Management Committee considered the matter referred by the Audit Committee.**



## 11. IT OPERATIONS

The Chairman invited Jenny Obee, Head of Information Management and Brett Holtom, Barnet IT Account Director, Capita who presented the report to the Committee.

The Committee noted that the limited assurance audits on IT Disaster Recovery and IT Change Management were referred from the Audit Committee for consideration at the Performance and Contract Management Committee. Ms Obee informed the Committee about the recommendations as set out in the audit reports which have been implemented and scheduled. It was also noted that an audit will be undertaken and reported to Members later in the year, with further details about the improvements as set out in the report.

Mr Holtom briefed the Committee about the incident which occurred on 3<sup>rd</sup> March 2016 involving Vubis, the library management system and the arrangements that have been put in place to bring the services back into live operation which included testing of the systems prior to the launch.

In addition, Mr Holtom stated that the system is operational and that the review showed that there were data gaps prior to the crash occurring which is in the process of being re-populated.

Following a comment from the Committee about future arrangements, Mr Holtom informed the Committee about the efforts undertaken to put effective measures in place to provide robust IT services to all stakeholders. The Committee also heard that the contractual issues raised will be included within the three year review of the CSG contract which is included on the Forward Work Programme of this Committee.

The Chairman thanked the Committee for the discussion and it was unanimously **RESOLVED:**

1. **That the Committee considered the content of this report.**
2. **That the Committee noted the Council intends to present information on the assurance of IT systems in the First Quarter Customer Support Group performance report, to be presented to the Performance and Contract Management Committee on 6 September 2016.**

## 12. CLIENTING ARRANGEMENTS - CUSTOMER & SUPPORT GROUP (CSG) CONTRACT

The Chairman introduced the report which was noted by the Committee. The Committee noted the spelling correction in the recommendation from 'Contact' to 'Contract'. A motion was moved, seconded and agreed by the Committee to amend the wording of the recommendation. It was therefore **RESOLVED:**

**That the Committee noted the clienting and contract management arrangements in place in respect of the CSG contract and requested to receive an update report at a future meeting for the purposes of monitoring the arrangements.**

## 13. YEAR THREE REVIEW OF CUSTOMER AND SUPPORT GROUP (CSG) CONTRACT

The Chairman introduced the report. The Committee noted the importance of feedback being discussed through the working group of the Committee which was established previously and for the outcomes of the review to be reported back to this Committee.

It was unanimously **RESOLVED**:

- 1. That the Committee noted the content of the report.**
- 2. That the Committee endorsed the project brief and the approach being taken by the Member Working Group.**

#### **14. EDUCATION AND SKILLS CONTRACT**

Val White, Programme Director, Education and Learning and Deborah Hinde Project Lead, Commercial Services were welcomed and joined the meeting for this item. Ms White presented the report to the Committee and briefed the Committee about the key elements of the contract. She noted that the overall performance will be measured against a set of KPI's, such as the Strategic KPI's and the Operational KPI's. It was noted that the Committee will receive regular update reports and within 6-9 months on performance against the KPI's. (**ACTION**)

Following discussion, it was unanimously **RESOLVED**:

**That the Committee noted the report.**

#### **15. COMMITTEE FORWARD WORK PROGRAMME**

The Chairman introduced the standing item on the agenda which lists the 2016/17 Forward Work Programme.

**RESOLVED:**

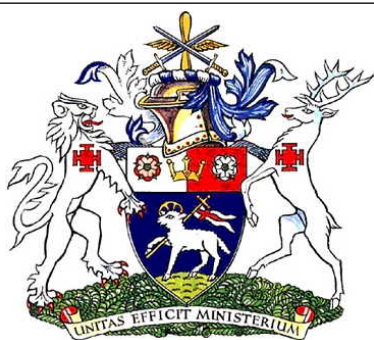
**That the Committee considered on the items included in the 2016- 17 work programme in Appendix A.**

#### **16. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT**

None.

The meeting finished at 9.58pm.

AGENDA ITEM 6a



## Performance and Contract Management Committee

6 September 2016

<b>Title</b>	<b>Member’s Item – Councillor Mitra – IT Disaster Recovery</b>
<b>Report of</b>	Head of Governance
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
<b>Officer Contact Details</b>	Salar Rida, Governance Officer Email: <a href="mailto:salar.rida@barnet.gov.uk">salar.rida@barnet.gov.uk</a> Tel: 0208 359 7113

### Summary

The report informs the Performance and Contract Management Committee of a Member’s Item and requests instructions from the Committee.

### Recommendations

1. That the Performance and Contract Management Committee’s instructions in relation to this Member’s item are requested.

## **1. WHY THIS REPORT IS NEEDED**

1.1 Councillor Arjun Mitra has requested that a Member's Item be considered on the following matter:

1.2 *Given the limited assurance rating from audit for IT Disaster Recovery, and the more recent revelations that the silver and bronze disaster recovery requirements included in the Capita CSG contract are not being delivered, I request that PCM is given an update on progress to improve things. In particular I would like to know what the plans are to ensure that data lost after one hour is recovered within 48 hours with a maximum one hour's data loss, as specified in the contract at no additional cost to the Council. If it is not going to be delivered what remedy is being sought under the terms of the contract? If there is a breach of contract what will the Conservative administration be doing to ensure this is corrected at no cost to the Council?*

## **2. REASONS FOR RECOMMENDATIONS**

No recommendations have been made. The Performance and Contract Management Committee are therefore requested to give consideration and provide instruction.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 Not applicable.

## **4. POST DECISION IMPLEMENTATION**

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

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

5.1.1 As and when issues raised through a Member's Item are progressed, they will need to be evaluated against the Corporate Plan and other relevant policies.

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

5.2.1 None in the context of this report.

### **5.3 Social Value**

5.3.1 None in the context of this report.

### **5.4 Legal and Constitutional References**

The Council's Constitution Meeting Procedure Rules (section 6) states that a Member, including appointed substitute Members of a Committee may have one item only on an agenda that he/she serves. Members items must be within the term of reference of the decision making body which will consider the item.

5.4.1 There are no legal references in the context of this report.

**5.5 Risk Management**

5.5.1 None in the context of this report.

**5.6 Equalities and Diversity**

5.6.1 Member's Items allow Members of a Committee to bring a wide range of issues to the attention of a Committee in accordance with the Council's Constitution. All of these issues must be considered for their equalities and diversity implications.

**5.7 Consultation and Engagement**

5.7.1 None in the context of this report.


**5.8 Insight**

5.8.1 None.

**6. BACKGROUND PAPERS**

6.1 Email to the Governance Service dated 24 August 2016.

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	<p><b>Performance and Contract Management Committee</b></p> <p><b>6 September 2016</b></p>
<p><b>Title</b></p>	<p><b>Quarter 1 Performance Monitoring 2016/17</b></p>
<p><b>Report of</b></p>	<p>Chief Operating Officer</p>
<p><b>Wards</b></p>	<p>All</p>
<p><b>Status</b></p>	<p>Public</p>
<p><b>Urgent</b></p>	<p>No</p>
<p><b>Key</b></p>	<p>No</p>
<p><b>Enclosures</b></p>	<p>Appendix A Corporate Plan Performance  Appendix B Service Performance  Appendix C Revenue Monitoring  Appendix D Capital Monitoring  Appendix Di Capital Funding  Appendix E Transformation Programme  Appendix F Prudential Indicators  Appendix G Investments Outstanding  Appendix H (i) CSG Benefit Realisation  Appendix H (ii) CSG Contract Benefit Realisation Tracking  Appendix H (iii) Capita Payments  Appendix I Contract Variations  Appendix J Strategic Risk Register</p>
<p><b>Officer Contact Details</b></p>	<p>Jamie Masraff – Strategic Lead, Programmes and Performance, LBB  <a href="mailto:jamie.masraff@barnet.gov.uk">jamie.masraff@barnet.gov.uk</a></p> <p>Gillian Clelland – Assistant Director of Finance, CSG Finance Service  <a href="mailto:gillian.clelland@barnet.gov.uk">gillian.clelland@barnet.gov.uk</a></p>

## Summary

The **Quarter 1 (Q1) 2016/17** report provides an overview of the council's **performance, risks and finance** - and progress in delivering the strategic priorities in the refreshed Corporate Plan.

### Residents perception

Residents' satisfaction with Barnet remains high. The spring 2016 survey shows that 89% of residents are satisfied with Barnet as a place to live (above the national average of 83%); and 74% of residents are satisfied with the way the council runs things (above the national average of 71%). Satisfaction with universal services remains on par with the autumn 2015 survey.

### Customer experience

Customer satisfaction ratings across the council's main access channels have achieved 77%, still short of meeting the 80% target. There continues to be a small increase in positive ratings for the council's website, now 46%. Responding to complaints on time has dropped slightly to 89%; and complaints volumes have continued to rise reaching 1,215, with the highest increase in Street Scene.

### Human resources

Sickness absence has continued to miss the 6 days target at 8.35 days, with Street Scene showing the highest absence rate at 10.30 days. Agency expenditure has increased by £0.239m from the same period last year. The principal reason for the increase in agency costs is the use of agency staff to cover permanent posts in Family Services and the Commissioning Group.

### Corporate Plan performance

An overview of **Corporate Plan performance, risk and finance** information for the refreshed Corporate Plan - focusing on key successes and challenges; any Corporate Plan indicators that are "below target" and strategic risks. More detailed information can be found in Appendix A and Appendix J.

### Budget outturns

The forecast General Fund **revenue outturn** (after reserve movements) is £280.069m, which is an adverse variance of £5.098m (1.9 per cent) compared with the revised budget of £274.971m. The projected outturn expenditure on the council's **capital programme** is £284.681m, £239.137m of which relates to the General Fund programme and £45.544m to the HRA capital programme. This is a variance of £32.326m against the 2016/17 budget of £317.007m.

### Service performance

An overview of **service performance and finance** information for each service – focusing on key successes and challenges; any service indicators that are "below target"; and revenue and capital budget variances. The majority of this information is in Appendix B. Information for specific services can be found in the service reports on the website at [www.barnet.gov.uk/currentperformance](http://www.barnet.gov.uk/currentperformance)

### Transformation programmes

The council has in place five portfolios of large programmes and projects: Central, Adults



and Health, Children and Young People, Environment and Growth and Development. In addition, it has an Education Capital Programme in place to ensure successful delivery of new school places and improvements to schools.

### **Treasury outturn**

In compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice, this report provides Members with a summary report of the treasury management activity during the period to 30 June 2016. The Prudential Indicators have not been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

### **Investment performance**

As at 30 June 2016, deposits outstanding were £163.4m achieving an average annual rate of return of 0.73 per cent against a benchmark average (London Interbank Bid Rate - LIBID) of 0.36 per cent.

### **Contract management**

A summary of contract changes on the council's key contracts has been provided in Appendix I.

## **Recommendations**

- 1. The Committee is asked to scrutinise the performance and risk of services, especially in relation to delivering the Corporate Plan, and (if necessary) make recommendations to other committees on the policy and commissioning implications.**
- 2. The Committee is asked to note the agency costs for Quarter 1 2016/17, as detailed in paragraph 1.6.**
- 3. The Committee is asked to note the Quarter 1 2016/17 revenue budget and forecast position, as detailed in paragraph 1.9.**
- 4. The Committee is asked to note the additions and deletions and approve the accelerations and slippages in the capital programme, as detailed in paragraph 1.10**
- 5. The Committee is asked to note the savings delivered in Q1 2016/17, as detailed in paragraph 1.11.**
- 6. The Committee is asked to note the treasury position outlined in paragraph 1.25**

### **1. WHY THIS REPORT IS NEEDED**

1.1 The **Quarter 1 (Q1) 2016/17** report provides an overview of the council's **performance, risks and finance** - and progress in delivering the strategic priorities in the refreshed Corporate Plan:

- Responsible growth and regeneration
- Managing demand for services
- Transforming services
- Building community resilience
- Improving customer services and transparency

1.2 The report is structured to show:

- Information on residents' perception, customer experience and human resources
- How the council is performing against the strategic priorities in the refreshed Corporate Plan, including a summary of successes and challenges and strategic risks
- The overall budget position, including revenue and capital expenditure
- How services are performing, including commentary for indicators that are "below target" (see Appendix B)
- The status of key programmes.

1.3 In addition to this report, each quarter the council publishes on the website 15 service reports (for Delivery Units and Service Providers) providing detailed information on performance, risks and finance. These can be found at: [www.barnet.gov.uk/currentperformance](http://www.barnet.gov.uk/currentperformance)

### **Residents' perception**

1.4 The most recent Residents' Perception Survey has been carried out in spring 2016<sup>1</sup>. This shows that:

- 89% of residents are satisfied with Barnet as a place to live – 6% points higher than the national average (83%); and 1% point higher than in autumn 2012
- 74% of residents are satisfied with the way the council runs things – 3% points higher than the national average (71%) and 4% points higher than London average (70%); and 11% points higher than in autumn 2012
- 50% of residents agree that the council provides value for money – 6% points lower than the national average (56%); but has stayed consistent since autumn 2013
- Lack of affordable housing (41%) remains the top concern - up 5% points from autumn 2015 (36%); and 17% points higher than autumn 2012. This is followed by condition of roads and pavements (37%) – up 8% points from autumn 2015 (29%); but 1% point lower than in autumn 2012. And crime (31%) – down 1% point from autumn 2015 (32%); but 6% points higher than autumn 2012
- The highest rated universal services are: refuse collection (77%) – 8% points higher than the London average (69%), but down 3% points from autumn 2015 (80%) and the same as spring 2015 (77%); street lighting (73%) – 2% points higher than the London average (71%), but down 2% points from autumn 2015 (71%) and the same as spring 2015 (71%); and doorstep recycling (73%) - 7% points higher than the London average

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<sup>1</sup> A representative sample of 500 residents (adults, 18+) from across the London Borough of Barnet. Confidence intervals for a sample of 500 = +/-4.4% (i.e. if we surveyed the whole population we can be confident that the results would be the same +/- 4.4%). London data taken from Survey of Londoners 2014/15 (November 2014) - a representative random sample of approximately 1,000 adults in London. National data taken from LGA public poll on resident satisfaction – a representative random sample of approximately 1,000 British adults polled by telephone once a quarter.

(66%), but down 2% points from autumn 2015 (75%) and spring 2015 (75%).

- The lowest rated universal services are: repair of roads (27%) – 14% points lower than London (41%), down 8% points from autumn 2015 (35%) and the same as spring 2015 (27%); parking services (28%) - 5% points lower than London (33%), down 2% points from autumn 2015 (30%) and up 1% point from spring 2015 (27%); and quality of pavements (33%) – 8% points lower than London (41%), but down 1% point on autumn 2015 (34%) and up 3% points from spring 2015 (30%). The council's £50m investment in the Network Recovery Plan for the borough's road network, and improvements to the new parking e-permitting system are expected to improve satisfaction with these services.

### Customer experience

- 1.5 To ensure the council maintains its focus on customers, the council monitors a range of customer indicators. In addition, the council has in place a weekly monitoring regime for senior management visibility of overdue complaints, members' enquiries and other customer data to drive further improvement.

**Table 1: Customer experience indicators (Q1 2016/17)**

Indicators	Target 2015/16	Target 2016/17	Q4 2015/16	Q1 2016/17	DoT
% customers that rate customer service as Good (GovMetric)	80%	80%	77%	77%	→
% customers that rate the website as Good (GovMetric)	n/a	45% (Q1)	45%	46%	↑
% customers that rate their full experience as 'Very good' or 'Good' when the case is closed <sup>2</sup>	65%	65%	54%	49%	↓
% of cases delivered within SLA	90%	90%	90%	68% <sup>3</sup>	↓
% of cases delivered within SLA for customers needing additional support	90%	90%	89%	92%	↑
% Complaints responded to within SLA	80%	90%	92%	89%	↓
% Members Enquiries responded to within 5 days	95%	95%	97%	97%	→
% Members Enquiries cases closed in 5 days	-	-	80%	79%	↓
% FOIs resolved within SLA	90%	90%	97%	98%	↑
% CSG Webforms responded to within 5 days	90%	90%	91%	98%	↑
% CSG Emails responded to within 5 days	90%	90%	78%	88%	↑
% CSG contact centre calls answered in total, including IVR	-	-	96%	96%	→
% Council desk phones answered in total	95%	95%	79%	80%	↑

<sup>2</sup> Case closure survey data covers CSG, Street Scene and Re.

<sup>3</sup> Data currently primarily covers Parking, Assisted Travel, Highway and Planning, and Revenues & Benefits. We are seeking to add data for Street Scene from Q2 onwards. The data excluded Re and Revenues & Benefits in Q4 last year.

Indicators	Target 2015/16	Target 2016/17	Q4 2015/16	Q1 2016/17	DoT
Non-appointment average wait (min)	5 mins	5 mins	4.16	6.48	↓
Appointment average wait (min)	5 mins	5 mins	4.47	0.91	↑

There have been challenges but also notable improvements in Q1 2016/17. According to the council's customer experience dashboard seven of the 15 indicators have improved and five of the 12 targets have been achieved. The customer satisfaction ratings across the council's main access channels have achieved 77%, still short of meeting the 80% target. However, ratings for the Parking service have been a highlight, with ratings on the telephone and email channel both very high. There continues to be a small increase in positive ratings for the council's website (from 45% in Q4 2015/16 to 46% in Q1 2016/17) and an increase in the proportion of positive ratings from face-to-face customers.

*Successes (improvements):*

- The number of **webforms submitted in Q1 2016/17 has risen to the highest ever level**, with 16,558 webforms submitted in Q1 2016/17 compared to 10,937 in Q4 2015/16 (a 51% increase). This is a very positive development and suggests an increased customer awareness of the benefits of transacting with the council online. Compared to the same quarter last year, the increase is 41%. A portion of the increase has been due to the council tax payment form being unavailable in the key payment period last year. However, the volumes in this Q1 have been dampened by the outage of the Library system Vubis, which also affected library webforms. The majority of increase has been attributed to 1,665 'Pay Council Tax', 1,146 'Report a non-collection' and 1,124 'Report a problem' web forms submitted this quarter. Compared to the same quarter last year (Q1 2015/16), the increase is 41%.
- Satisfaction ratings for webforms continue to outperform the rest of the website, at 59% satisfaction in Q1 2016/17. The number of customers registered with My Account continues to increase and currently stands at 25,923. The number of CSG **webforms responded to within SLA timeframes has increased by 7% points to 98%**, exceeding the 90% target and helping to build customer confidence in an excellent online experience.
- **The proportion of cases for customers needing additional support closed within SLA has increased to 92%, hitting the target.** This is a 3% point increase from the previous quarter.
- The percentage of **Members' Enquiries responded to within 5 days has remained at a very high level of 97%**, with all Delivery Units continuing to meet the 90% target, despite a 19% increase in volume. Closing cases within 5 days has reduced marginally but is still high at 79%.
- The **average waiting time for appointments has reduced from 4.5 minutes to less than 1 minute**, which is far below the 5 minute target.
- In June, the council's **face-to-face service has ranked second** of all councils using the GovMetric satisfaction tool and the highest of the unitary

councils. 93% of 6,338 customers rated the face-to-face service as 'Good' (GovMetric) this quarter.

*Challenges (areas for improvement):*

- **The overall customer service satisfaction rating has remained at 77%.** Barnet Homes and the Commissioning Group have been the only Delivery Units receiving ratings above 80%, but for Barnet Homes this excludes website ratings, which are the ones that pull the other Delivery Unit ratings down. Despite low web ratings, the Commissioning Group, which manages the Parking service, received high ratings across all contact centre channels other than the website, reflecting a huge amount of work by Customer Services and the Barnet Parking team to improve the customer experience.
- There has been a minor increase (1% point) to **46% in “good” ratings for the website**, which remains a priority area of focus for the council to improve.
- CSG has **responded to 88% of all emails within SLA timeframes**, which remains under the 90% target but is an increase of 10% points compared with last quarter.
- There has been a **decrease in the percentage of complaints responded to within SLA timeframes** by 3% points to 89%. Re, CSG and Family Services have all failed to hit the new target but all had an increase in volume. Re's increase has been primarily in the Highways Service – this has been due to the service's failure to respond to service requests within set timescales, causing a backlog of open cases on Exor (Highway's internal system) and customers choosing to escalate the complaints in an attempt to get a response from the service. Training opportunities are being identified for Re customer services staff to improve the handling of enquiries at the first point of contact. CSG's increase has been due to higher levels of Council Tax recovery activity causing customer dissatisfaction, whilst Family Services has improved complaints recording practices thus increasing complaints.
- The **complaints volume has continued to increase this quarter, almost double since last year** (656 in Q1 2015/16 to 1,215 in Q1 2016/17). The largest increase in the volume of Stage 1 complaints has been Street Scene (62%) due to staffing issues, which has led to delays in resolving cases. Street Scene still met the 90% response target in Q1 2016/17 and 76% of all its complaints have not been upheld. Re's increase was primarily in the Highways Service and due to the service's failure to respond to service requests within set timescales, causing a backlog of open cases on Exor (Highway's internal system) and customers choosing to escalate the complaints in an attempt to get a response from the service. Training opportunities are being identified for Re customer services staff to improve the handling of enquiries at the first point of contact. CSG's increase was due to higher levels of Council Tax recovery activity causing customer dissatisfaction, whilst Family Services has improved complaints recording practices thus increasing the volume of recorded complaints. The annual report from the Local Government Ombudsman for 2015/16 showed a positive decrease in the volume of

detailed investigations required (from 36 in 2014/15 to 25 in 2015/16) and a decrease in the proportion of cases upheld (from 89% in 2014/15 to 72% in 2015/16).

- There has been a **22% point drop in the number of cases closed within SLA**. This can be attributed to Revenues & Benefits' resolution rate of 63% in SLA in Q1 2016/17 and Re cases, which had a resolution rate of 79%, compared to higher performance by CSG and Street Scene. The pressure on the Highways service (59% responded within timescales compared to 67% in the previous quarter) continues to impact the overall Re score. Re management is continuing to focus on strategies aimed at reversing the trend.

**Table 2: Customer experience indicators by Service (Delivery Unit and Service Providers) in Q1 2016/17** (measures calls, emails and web forms handled by CSG Customer Services for other Delivery Units)

	Target	Adults	Assurance	Barnet Homes	Commissioning	CSG	Education & Skills	Family Services	Re	Street Scene
% customers that rate customer service as Good (GovMetric)	80%									
% customers that rate the website as Good (GovMetric)	45% (Q1)		/							
% customers that rate their full experience as 'Very good' or 'Good' when the case is closed <sup>4</sup>	65%	/	/	/			/	/		
% of cases delivered within SLA <sup>5</sup>	90%		/	/						
% of cases delivered within SLA for customers needing additional support	90%	0	0	0	3	62	0	1	0	110
% complaints responded to within SLA	90%	/	/							
% Members Enquiries responded to within 5 days	95%									
% Members Enquiries cases closed in 5 days	-	85%	100%	100%	73%	65%	69%	69%	72%	90%
% FOIs resolved within SLA	90%									
% CSG Webforms responded to within 5 days <sup>6</sup>	90%	/	/	/		/			/	

<sup>4</sup> Case closure survey data covers CSG, Street Scene and Re

<sup>5</sup> Data currently primarily covers Parking, Assisted Travel, Highway and Planning, and Revenues & Benefits. We are seeking to add data for Street Scene from Q2 onwards. The data excluded Re and Revenues & Benefits in Q4 last year.

<sup>6</sup> There is no equivalent webform data for Re or Barnet Homes currently

	Target	Adults	Assurance	Barnet Homes	Commissioning	CSG	Education & Skills	Family Services	Re	Street Scene
% CSG Emails responded to within 5 days <sup>7</sup>	90%	/	/	/		/			/	
% contact centre calls answered in total, including IVR	-	89%	96%	91% <sup>8</sup>	96%	97%	96%	89%	95% <sup>9</sup>	95%
% council desk phones answered in total	95%			/						

Key: Green=target met, Red=target not met, /=no data available, 0=no instances recorded

## Human Resources

- 1.6 Sickness absence has continued to miss the 6 days target at 8.35 days, with Street Scene showing the highest absence rate at 10.30 days. The number of agency staff has remained high at 498 across the council (25% of staff spend). See table 3 below.

**Table 3: Human Resources data (Q1 2016/17)**

	Establishment headcount	No. of agency staff	% of spend on agency staff	Average days lost per FTE (rolling 12 months)
Adults and Communities	284	78	25%	8.85
Commissioning Group	170	47	22%	3.75
Family Services	638	169	31%	7.31
Street Scene	484	204	14%	10.30
<b>Overall</b>	<b>2,576</b>	<b>498</b>	<b>25%</b>	<b>8.35</b>

Agency expenditure has increased by £0.239m from the same period last year. The current level of agency usage is consistent with the council's strategic approach to ensure business critical functions continue to operate and perform while going through significant change. This strategic approach reflects the council's desire to reduce redundancies from the workforce. The principal reason for the increase in agency costs from the previous year is the use of agency staff to cover permanent posts in Family Services and the Commissioning Group. See table 4 below.

**Table 4: Expenditure on agency staff (Q1 2016/17)**

Service	2016/17 £000	2015/16 £000
Adults and Communities	867	1,083
Assurance	2	50

<sup>7</sup> There is no equivalent email data for Re or Barnet Homes currently

<sup>8</sup> Excludes IVR data

<sup>9</sup> Excludes IVR data

Service	2016/17 £000	2015/16 £000
Education and Skills	123	323
Family Services	1,782	1,188
Commissioning Group	1,013	691
Children's Service DSG	15	106
Parking & Infrastructure	17	-
Regional Enterprise (Re)	55	-
Street Scene	478	672
<b>Total</b>	<b>4,352</b>	<b>4,113</b>

## CORPORATE PLAN PERFORMANCE

1.7 This section aligns **performance, risk and finance** information for the refreshed Corporate Plan – focusing on any Corporate Plan indicators that are “below target”; strategic risks; and revenue and capital budget variances.

An overview of performance for the basket of indicators in the refreshed Corporate Plan is shown in table 5 below.

**Table 5: Corporate plan indicators (Q1 2016/17)**

Strategic priority	Green	Green Amber	Red Amber	Red	Improved/ Same	Worsened
Growth and regeneration	83% (5)	0% (0)	0% (0)	17% (1)	43% (3)	57% (4)
Managing demand	65% (13)	10% (2)	15% (3)	10% (2)	81% (13)	19% (3)
Transforming services	63% (5)	38% (3)	0% (0)	0% (0)	100% (8)	0% (0)
Resilient communities	63% (5)	25% (2)	13% (1)	0% (0)	50% (4)	50% (4)
Customer service and transparency	67% (4)	33% (2)	0% (0)	0% (0)	63% (5)	38% (3)
<b>Total</b>	<b>67% (32)</b>	<b>19% (9)</b>	<b>8% (4)</b>	<b>6% (3)</b>	<b>70% (33)</b>	<b>30% (14)</b>

80 indicators are in the refreshed Corporate Plan. Of these, 59 have been reported in Q1 2016/17.

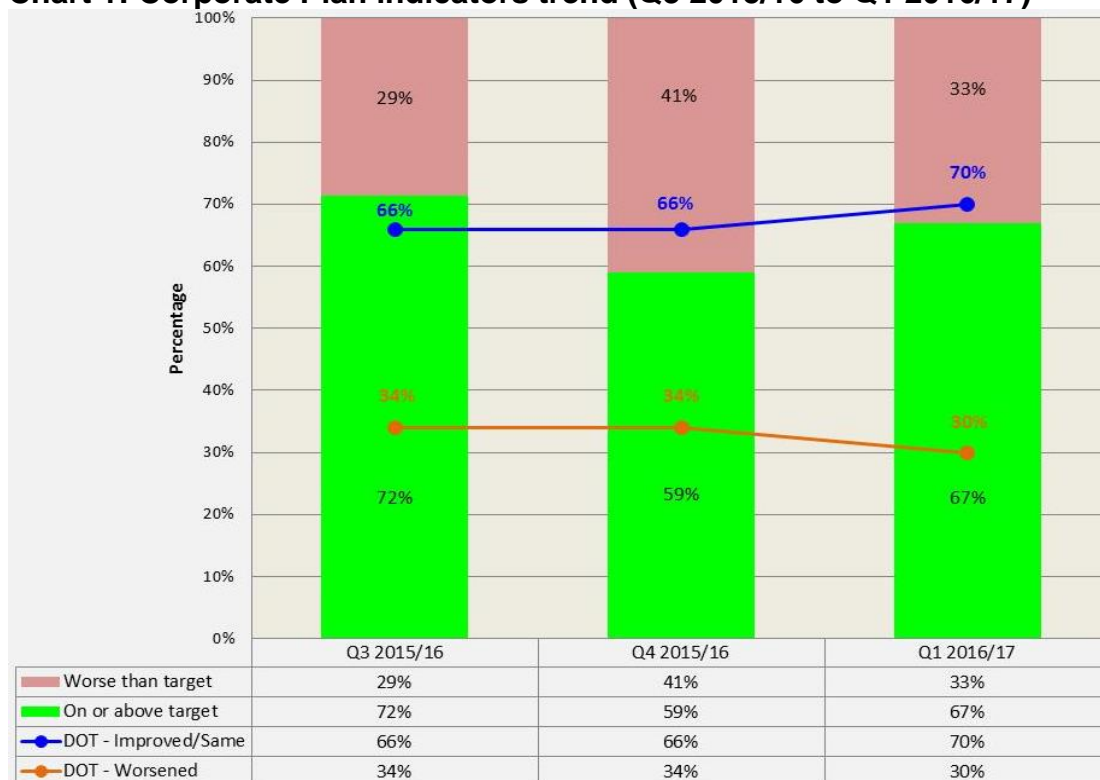
- 48 have been given a RAG rating: **67% (32)** are “on or above target” and **33% (16)** are “below target”.
- 47 have been given a Direction of Travel (DOT) status: **70% (33)** have an “improved or same” DOT and **30% (14)** have a “worsened” DOT from the same period last year.

The Corporate Plan indicators that are significantly “below target” (RAG rated as Red) are shown in the **Strategic Priorities** section below.

The percentage of Corporate Plan indicators “on or above target” (67%) has increased from Q4 2015/16 (59%) and the percentage of Corporate Plan indicators with an “improved or same” DOT (70%) has increased from Q4 2015/16 (66%). See chart 1 below.



**Chart 1: Corporate Plan indicators trend (Q3 2015/16 to Q1 2016/17)**



1.8 The Strategic Risk Register has been refreshed for Q1 2016/17 (see Appendix J). This refreshed register has been developed as part of the wider exercise undertaken to review all the council’s risk registers. This has considered all functions and responsibilities to identify the risks faced, the controls already in place to manage these risks, and what further activities will be undertaken. The Strategic Risk Register includes the strategic risks that senior officers within the council are directly responsible for managing. A summary of the residual scores for these strategic risks, reflecting the controls already in place, is provided in the table below.

Strategic Risks (SR)	Low	Moderate	Medium High	High
	0 (0%)	0 (0%)	11 (73%)	4 (27%)

Risk registers are always a snapshot in time, in that new risks can emerge, and the probability and impact of risks change continuously. Furthermore, the risk information provided here represents a small sample of all the risks that are identified and managed across the council. Refreshed Service-level Risk Registers are also being developed and will be published within the Service Performance Reports for Q2 2016/17. Escalated risks from these service-level registers will be recorded in a refreshed Corporate Risk Register, alongside those risks on the Strategic Risk Register, for Q2 2016/17.

Further information on Corporate Plan performance can be found in **Appendix A**, including progress on the council’s “key areas of focus”; and commentary on indicators that are “below target” (RAG rated as Green Amber, Red Amber or Red).

1.9 The forecast General Fund **revenue outturn** (after reserve movements) is £280.069m, which is an adverse variance of £5.098m (1.9 per cent) compared with the revised budget of £274.971m. See table 6 below.

**Table 6: Revenue outturn (Q1 2016/17)**

Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
<b>Adults and Communities</b>	<b>85,566</b>	<b>88,907</b>	<b>92,792</b>	<b>3,885</b>	<b>4.4</b>
Assurance	3,793	3,863	3,863	0	0.0
Births Deaths and Marriages (Registrar Service )	(160)	(160)	(7)	153	95.4
Central Expenses	51,381	43,933	43,706	(227)	-0.5
<b>Commissioning Group</b>	<b>19,288</b>	<b>20,256</b>	<b>20,256</b>	<b>0</b>	<b>0.0</b>
<b>Customer and Support Group (CSG)</b>	<b>22,120</b>	<b>22,120</b>	<b>22,621</b>	<b>501</b>	<b>2.3</b>
Education and Skills	6,940	7,082	7,158	76	1.1
Family Services	46,481	50,561	50,561	0	0.0
HB Public Law	2,011	2,011	1,997	(14)	-0.7
Housing Needs and Resources (Barnet Homes)	4,976	5,560	5,690	130	2.3
Parking and Infrastructure	(1,933)	(1,896)	(1,559)	337	17.8
Public Health	18,544	18,055	18,055	0	0.0
Regional Enterprise (Re)	1,134	1,134	1,134	0	0.0
<b>Street Scene</b>	<b>13,896</b>	<b>13,545</b>	<b>13,802</b>	<b>257</b>	<b>1.9</b>
<b>Total</b>	<b>274,036</b>	<b>274,971</b>	<b>280,069</b>	<b>5,098</b>	<b>1.9</b>

The top contributors to the variance from budget are **Adults and Communities**, the **Commissioning Group** and **Customer and Support Group**.

- The projected overspend of £3.885m within **Adults and Communities** represents 4.4 per cent of the total Delivery Unit budget (£88.907m). The care budgets within Adults have continued to see significant overspends since 2014/15, as a result of rising demand for services and increasing complexity in relation to those supported. Deprivation of Liberty Safeguards (DOLS) service continues to have significant pressures in 2016/17, as a result of Supreme Court judgements in 2014/15 and a loss of grant funding since 2015/16. The non-placements budget areas continue to be closely monitored and managed as MTFS savings reduced some of these areas significantly in 2016/17. These areas are producing a slight underspend position which is offsetting placements pressures at this point.
- The projected overspend of £0.819m within the **Commissioning Group** represents 4.0 per cent of the total Delivery Unit budget (£20.256m), including anticipated overspends within the finance team due to reduced income, the strategy team due to staffing pressures and use of agency

staff and communications due to funding a number of initiatives which were previously funded from reserves.

- The projected overspend of £0.501m within the **Customer and Support Group** represents 2.3 per cent of the total Delivery Unit budget (£22.120m). The anticipated overspend includes repairs and maintenance on non-civic buildings and reduced income.
- The projected overspend of £0.257m within **Street Scene** represents 1.9 per cent of the total Delivery Unit budget (£13.545m). There are some issues around savings delivery and there are some staffing cost pressures and a one-off staff termination cost.

1.10 The projected outturn expenditure on the council's **capital programme** is £284.681m, £239.137m of which relates to the General Fund programme and £45.544m to the HRA capital programme. This is a variance of £32.326m against the 2016/17 budget of £317.007m. See table 7 below.

**Table 7: Capital outturn (Q1 2016/17)**

Service	2016/17 Budget £000	Additions/ (Deletions) £000	(Slippage)/ Accelerate d Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Variance from Approved Budget Adv/(Fav) %
Adults and Communities	6,568	663	(438)	6,793	(225)	(7)
<b>Commissioning Group</b>	<b>35,168</b>	<b>0</b>	<b>(4,331)</b>	<b>30,837</b>	<b>(4,331)</b>	<b>(12)</b>
<b>Education and Skills</b>	<b>78,667</b>	<b>2,944</b>	<b>(7,946)</b>	<b>73,665</b>	<b>(5,002)</b>	<b>(10)</b>
Family Services	14,856	0	0	14,856	0	0
Housing Needs and Resources (Barnet Homes)	259	0	0	259	0	0
Parking and Infrastructure	1,707	0	0	1,707	0	0
<b>Regional Enterprise (Re)</b>	<b>126,232</b>	<b>(231)</b>	<b>(18,148)</b>	<b>107,853</b>	<b>(18,379)</b>	<b>(14)</b>
Street Scene	3,169	(2)	0	3,167	(2)	0
<b>General Fund Programme</b>	<b>266,626</b>	<b>3,374</b>	<b>30,863</b>	<b>239,137</b>	<b>(27,489)</b>	<b>(12)</b>
HRA (Barnet Homes)	50,381	(663)	(4,174)	45,544	(4,837)	(8)
<b>Total Capital Programme</b>	<b>317,007</b>	<b>2,711</b>	<b>(35,037)</b>	<b>284,681</b>	<b>(32,326)</b>	<b>(11)</b>

The 'variance from approved budget' column is a net figure based on slippage (budget required for future financial years), accelerated spend (budget required from future years) and underspends<sup>10</sup>.

The **HRA** programme is forecast to underspend by £4.837m due to anticipated slippage of £4.174m associated with advanced acquisitions in delivering the council's various build programmes, due to the re-profiling of the advanced acquisitions programme. The other top contributors to the variance

<sup>10</sup> As an example, a budget may be set for a school build but construction may not start until halfway through the year and is due to continue into future financial years. As construction accounts for the majority of the budget, it needs to be re-profiled ('slipped') into the financial year in which it will be spent. Slippage does not indicate an underspend, simply a movement of budget into future financial years.

from revised budget are the **Commissioning Group, Education and Skills** and **Re**. Funding of the capital programme is shown in **Appendix D(i)**.

- The **Commissioning Group** capital programme is forecast to underspend by £4.331m. Slippage of £1.628m is anticipated on the depot relocation due to re-profiling of works and slippage of £2.703m is anticipated on the Daws Lane Community Centre due to delays in the on-site construction start date, now expected to commence in winter 2017.
- The **Education and Skills** capital programme is forecast to underspend in total by £5.002m. Additions to modernisation costs amounting to £2.998m relating to anticipated building fabric work (£2.270m), mechanical services (£0.334m) and Electrical Services works to be carried out across primary and secondary schools are to be funded from schools devolved capital grant monies. Primary and secondary schools' contingency budgets totalling £7.878m have no planned commitments against them this year, and therefore can slip to fund schemes in future years.
- The **Re** delivery unit capital programme is forecast to underspend by £18.379m. This is partly due to slippage of £2.473m in general fund regeneration projects as no works are anticipated in this financial year. The Colindale Office Build project forecasts a slippage due to an extension of the programme that will improve the 'buildability' of the scheme, increase the efficiency of the internal space and generate cost savings.

1.11 In 2016/17 the council budgeted to deliver £19.554m of **savings**. The value of savings achieved against the savings programme is shown in table 8. As at 30 June, £11.172m of total savings has been delivered, which represents 57.1 per cent of the target.

**Table 8: Savings (Q1 2016/17)**

Service	2016/17 MTFS Savings £000	Savings Achieved £000	Savings Unachievable £000	Savings achieved %
<b>Adults and Communities</b>	<b>3,383</b>	<b>1,768</b>	<b>543</b>	<b>52.3</b>
Assurance	356	-	216	-
<b>Central Expenses</b>	<b>6,995</b>	<b>6,640</b>	<b>330</b>	<b>94.9</b>
<b>Commissioning Group</b>	<b>2,406</b>	<b>1,909</b>	<b>466</b>	<b>79.3</b>
Education and Skills	85	-	0	-
Family Services	1,986	115	374	5.8
Parking and Infrastructure	1,130	50	50	4.4
Regional Enterprise (Re)	2,253	-	0	-
Street Scene	960	690	170	71.9
<b>Total</b>	<b>19,554</b>	<b>11,172</b>	<b>2,149</b>	<b>57.1</b>

The top contributors to savings achieved are **Adults and Communities, Central Expenses** and **the Commissioning Group**.

### **Strategic priorities**

1.12 This section sets out **performance** information for each of the strategic priorities in the refreshed Corporate Plan – highlighting successes and challenges in relation to the “key areas of focus”; and any Corporate Plan indicators that are significantly “below target” (RAG rated as Red). Further information can be found in **Appendix A**.

### Responsible growth and regeneration

1.13 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A**. Key successes and challenges in Q1 2016/17 are summarised below:

#### Successes

- Good progress has been made on the **growth and regeneration programme**, including the completion of new homes in Millbrook Park; a review of the station options and configuration of the new waste facility for Brent Cross Cricklewood; approval of the Supplementary Planning Document (SPD) for Grahame Park and first draft of the new tube station design for Colindale.
- As part of **Entrepreneurial Barnet**, the “Town Centre Offer” has been published on the council website on 13 April 2016, which will make it easier for local groups to drive forward projects to improve their local area. Detailed design work for Burnt Oak place-based pilot strategy has been completed, with works to commence in autumn 2016. A project to deliver a strategy for improving Finchley Church End Town Centre has been put out to tender in May 2016 and will be completed towards the end of 2016.

#### Challenges

- Forecast costs have increased above allocated budgets for both the Moreton Close extra-care housing and the General Fund Mixed Tenure housing schemes (Tranche 0 and 1 of the council’s Development Pipeline programme). The schemes are under review and may be redesigned to ensure viability.
- Squatters at Dollis Valley have extended their occupation from vacant commercial properties to vacant residential properties. A more co-ordinated approach is being taken to the legal removal of squatters, including soft demolition immediately following squatter removal. Other techniques are also being used to make vacant properties uninhabitable where possible.

CPI: Growth and regeneration	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	83% (5)	0% (0)	0% (0)	17% (1)	43% (3)	57% (4)

Nine indicators have been reported in Q1 2016/17 under Growth and Regeneration.

- Six have been given a RAG rating: **83% (5)** are “on or above target” and **17% (1)** are “below target”.
- Seven have been given a Direction of Travel (DOT) status: **43% (3)** have an “improved/same” DOT and **57% (4)** have a “worsened” DOT from the same period last year.

One indicator has been RAG rated as Red:

- Residents who are **satisfied with parks and open spaces**, 66% against target 72%. The drop in satisfaction has been attributed to a lower level of capital works during 2015. The previous period had seen high levels of capital investment including an extensive programme of play area upgrades and large improvement schemes resulting in the highest ever satisfaction at 72%. The current level is more in line with previous satisfaction levels for Barnet and the London average of 68% (2014/15).

## Managing demand

1.14 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A**. Key successes and challenges in Q1 2016/17 are summarised below:

### *Successes*

- The percentage of people with **learning disabilities in paid employment** has increased by 0.1% to 9.3% (from 9.2% in Q4 2015/16); the percentage of people with **mental health needs in paid employment** has increased by 2.4% to 7.2% (from 4.8% in Q4 2015/16).
- The **Early Intervention and Prevention** Project brings together 53 professionals across the partnership from 25 agencies/departments, including the voluntary sector in a number of work streams. Over the last year the partnership has agreed draft principles, pathways and menus of interventions to ensure a consistent approach and integrated working. The Families First (Troubled Families) programme, which seeks to ensure a whole family approach and enables the child and family to be active partners as part of the ‘Team Around the Child’ has been embedded. DCLG have visited and audited the work in Barnet and given positive feedback, it is among the best in the country, and the model will be promoted to other boroughs.
- Despite the challenges faced in the current market environment, **let2barnet**, established in 2012, has been a real success story helping well over 1,600 households access affordable private sector accommodation since its inception and being a key element of a procurement service recently commended by the country’s top homelessness consultant as being ‘the best in England’. With such demand for affordable properties in Barnet, it has been especially important to reduce the time council properties are empty and can be let to families in need more quickly. To this end the Housing Options service have completed a fundamental review of the voids and lettings function driving the average re-let time for council properties down to **14.4 days** in **Q1 2016/17** placing performance in the top quartile for London.
- A new **recycling and waste strategy** for achieving a 50% recycling rate by 2020 has been signed off by Environment Committee on 16 May 2016. In addition, dry recycling facilities have been provided at 92 sites (1,304 flats) and re-balanced at 24 sites (548 flats); and food waste trials have been completed at 12 sites.

### Challenges

- Increased pressure across the **health and social care** system, particularly in relation to older adults, has resulted in increased costs for residential care placements and delayed transfers of care from hospital. Adults and Communities are managing demand through better support planning via initiatives such as strengths-based working and improving information and advice services.
- High demand for **homelessness services** and in particular the increasing reliance on temporary accommodation has exposed the council to a greater risk of cost inflation in relation to the cost of accommodation. Whilst inflation has stabilised during Q1 2016/17, demand remains high with almost 19% more placements into temporary accommodation during the quarter compared with the same period last year. A range of mitigations to maximise prevention, manage demand and increase affordable supply have started to take effect.
- The **recycling rate** at 33% missed the 2015/16 target of 42%. The drop in performance has been attributed to an overall reduction in garden, food and dry recycling. The new Recycling and Waste Strategy has been signed off by Environment Committee on 16 May 2016. In addition, food waste trials have been completed at 12 site and dry recycling facilities have been provided at 92 sites (1,304 flats) and re-balanced at 24 sites (548 flats).

CPI: Managing Demand	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	65% (13)	10% (2)	15% (3)	10% (2)	81% (13)	19% (3)

24 indicators have been reported in Q1 2016/17 under Managing Demand.

- 20 have been given a RAG rating: **65% (13)** are “on or above target” and **35% (7)** are “below target”.
- 16 have been given a Direction of Travel (DOT) status: **81% (13)** have an “improved/same” DOT and **19% (3)** have a “worsened” DOT from the same period last year.

Two indicators have been RAG rated as Red:

- **Adults with learning disabilities in paid employment**, 9.3% against target 9.6%. The Commissioning Group is leading a supported employment project aiming to develop and strengthen the offer for people with learning disabilities. ‘Project Search’ – a supported employment scheme which has run successfully in Hounslow and Bexley, both high performers against this indicator – is commencing in Barnet in Q2 2016/17.
- **Household waste sent for reuse, recycling and composting**, 33.2% against target 40% (Q4 2015/16). Performance has been impacted by a decrease in garden, food and dry recycling tonnages. A poster campaign has taken place in Q1 2016/17 to encourage more food recycling; and a new food waste campaign will commence later in the year.

### Transforming services

1.15 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A**. Key successes and challenges in Q1 2016/17 are summarised below:

*Successes*

- The multi-agency **BOOST** project has supported over 200 people into work up until the end of June 2016. Similarly, the multi-agency **Welfare Reform Task Force** has helped 2,000 households and supported 744 people into work. The team is now preparing to support the 1,066 households expected to be impacted by the lower benefit cap
- A robust Practice Improvement Plan has been put in place to ensure Barnet has high quality resilience based **social work practice** across Family Services. This focuses on three key aspects: practice quality, systems and tools, and recruitment and retention.
- Recruiting into vacant social worker posts and the **use of agency cover** in Family Services continues to be an area for focus. Recent recruitment activity has resulted in a number of agency staff moving onto permanent contracts; helping to create greater workforce stability and manage budgets
- There has been a smooth transition to the Joint Venture business model with **Cambridge Education**, appointed as the new strategic service provider for the provision of education and skills, with continuity of service uninterrupted for stakeholders. The partnership will deliver savings of £1.88m a year by 2019/20, which will predominantly be achieved through income growth as a result of marketing and selling services to more schools and other local authorities.

CPI: Transforming service	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	63% (5)	38% (3)	0% (0)	0% (0)	100% (8)	0% (0)

10 indicators have been reported in Q1 2016/17 under Transforming Services.

- Eight have been given a RAG rating: **63% (5)** are “on or above target” and **38% (3)** are “below target”.
- Eight have been given a Direction of Travel (DOT) status: **100% (8)** have an “improved/same” DOT and **0% (0)** have a “worsened” DOT from the same period last year.

No indicators have been RAG rated as Red.

**More resilient communities**

1.16 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A**. Key successes and challenges in Q1 2016/17 are summarised below:

*Successes*

- As part of the **community assets strategy**, the Community Benefit Assessment Tool (CBAT) pilot has commenced following approval by Policy and Resources on 28 June 2016, including the recommendation to roll-out more widely.



CPI: Resilient Communities	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	63% (5)	25% (2)	13% (1)	0% (0)	50% (4)	50% (4)

Nine indicators have been reported in Q1 2016/17 under Resilience Communities.

- Eight have been given a RAG rating: **63% (5)** are “on or above target” and **38% (3)** are “below target”.
- Eight have been given a Direction of Travel (DOT) status: **50% (4)** have an “improved/same” DOT and **50% (4)** have a “worsened” DOT from the same period last year.

No indicators have been RAG rated as Red.

### Improving customer services and transparency

1.17 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A**. Key successes and challenges in Q1 2016/17 are summarised below:

#### Successes

- An additional £335k has been collected in **Council Tax** than the same time last year, bringing the net annual collectable Council Tax in June 2016 to £3.5m. The Council Tax four-year collection rate (98.30%) is slightly less than the year-end target (98.49%) and the same period last year (98.34%). The NNDR 4-year collection rate (98.11%) is also slightly less than the year-end target (99%). However, this represents an increase of 0.71% compared to the same period last year (97.4%).
- Barnet has built itself a national reputation for setting high standards in the field of **Open Data and Transparency** and is recognised as a Local Government Transparency Champion by the Cabinet Office. Recent achievements include: new DataPress Open Barnet portal implemented, providing a much more user-friendly interface and options for further development, all at a lower cost; 209 datasets now published on the portal; FOI requests – significant reduction in process and number of requests received for published datasets; spend data – all spend data above £0.00 now published; portal utilised to promote and host data for Waste Strategy consultation and Green Spaces Strategy; VCS Database to be implemented using Open principle with all data published on Open Barnet.

#### Challenges

- **Maximising the benefits available from the CSG contract review.** This is expected to achieve benefits of cost reduction, improvement and alignment of services with Council priorities, while focusing on improving key services.

CPI: Customer service and transparency	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	67% (4)	33% (2)	0% (0)	0% (0)	63% (5)	38% (3)

Eight indicators are reported in Q1 2016/17.

- Six have been given a RAG rating: **67% (4)** are “on or above target” and **33% (2)** are “below target”.
- Eight have been given a Direction of Travel (DOT) status: **63% (5)** have an “improved/same” DOT and **38% (3)** have a “worsened” DOT from the same period last year.

No indicators have been RAG rated as Red.

## SERVICE PERFORMANCE

1.18 An overview of service performance is shown in table 9 below. This refers to the basket of indicators set out in the council’s key business plans (Corporate Plan, Commissioning Plans and Management Agreements) and contracts that help the council monitor operational performance.

**Table 9: Service indicators (Q1 2016/17)**

Service	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
Adults and Communities	59% (10)	12% (2)	12% (2)	18% (3)	79% (11)	21% (3)
Barnet Homes	88% (14)	0% (0)	13% (2)	0% (0)	81% (13)	19% (3)
Commissioning Group	50% (13)	31% (8)	8% (2)	12% (3)	59% (16)	41% (11)
Customer and Support Group (CSG)	66% (25)	3% (1)	0% (0)	32% (12)	63% (12)	37% (7)
Education and Skills	67% (4)	33% (2)	0% (0)	0% (0)	100% (6)	0% (0)
Family Services	84% (16)	11% (2)	0% (0)	5% (1)	78% (7)	22% (2)
HB Public Law	83% (10)	17% (2)	0% (0)	0% (0)	83% (10)	17% (2)
Mortuaries	0% (0)	0% (0)	0% (0)	0% (0)	0% (0)	0% (0)
Parking and Infrastructure	71% (5)	14% (1)	0% (0)	14% (1)	71% (5)	29% (2)
Public Health	67% (24)	3% (1)	0% (0)	31% (11)	75% (9)	25% (3)
Regional Enterprise (Re)	90% (46)	4% (2)	0% (0)	6% (3)	72% (38)	28% (15)
Registrar Service	67% (6)	11% (1)	0% (0)	22% (2)	0% (0)	0% (0)
Street Scene	45% (5)	9% (1)	18% (2)	27% (3)	50% (4)	50% (4)
<b>Total</b>	<b>72% (178)</b>	<b>9% (23)</b>	<b>3% (8)</b>	<b>16% (39)</b>	<b>72% (131)</b>	<b>28% (52)</b>

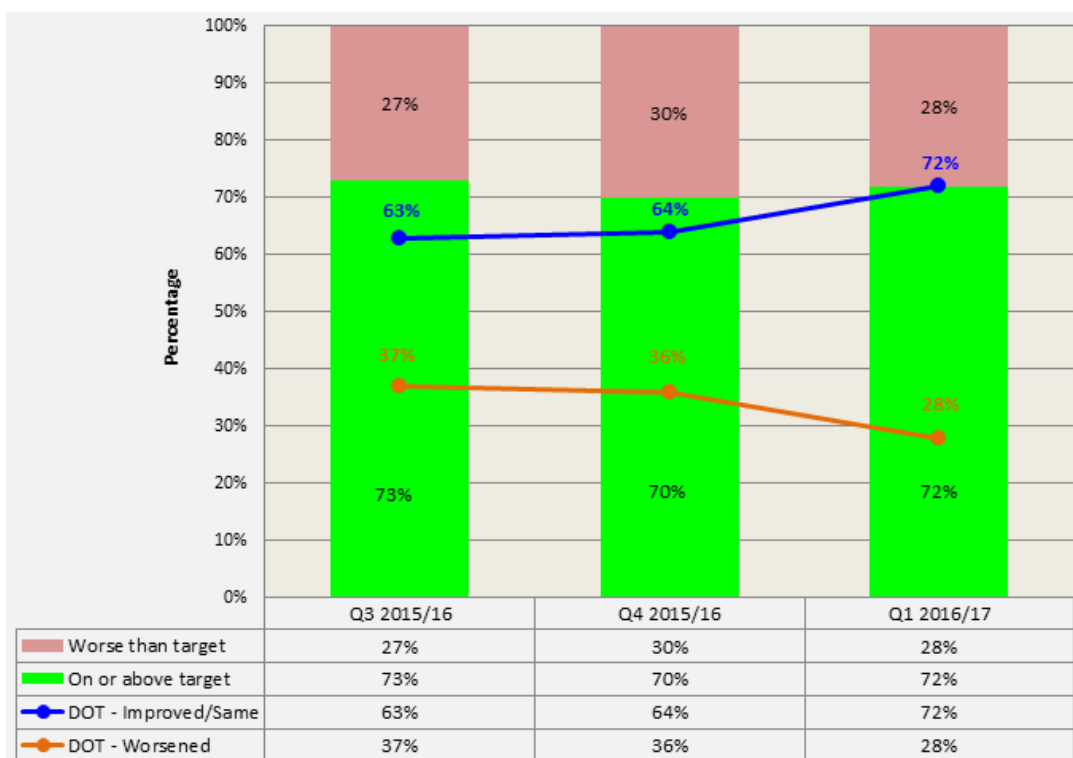
Service	Green	Amber	Red	Improved/Same	Worsened
<b>YCB</b>	<b>80% (16)</b>	<b>20% (4)</b>	<b>0% (0)</b>	<b>86% (19)</b>	<b>14% (3)</b>

**296** indicators are reported in Q1 2016/17.

- 248 have been given a RAG rating: **72% (178)** are “on or above target” and **28% (70)** are “below target”.
- 183 indicators have been given a Direction of Travel (DOT) status: **72% (131)** have an “improved/same” DOT and **28% (52)** have a “worsened” DOT from the same period last year.

The percentage of Service indicators “on or above target” (72%) has increased from Q4 2015/16 (70%) and the percentage of Service indicators with an “improved or same” DOT (72%) has increased from Q4 2015/16 (64%). See chart 2 below.

**Chart 2: Service indicators trend Q3 2015/16 to Q1 2016/17)**



**Appendix B** aligns the **performance** and **finance** information for each service – focusing on the key successes and challenges; any service indicators that are “below target”; and revenue and capital budget variances. Further information can be found in the service reports on the website at [www.barnet.gov.uk/currentperformance](http://www.barnet.gov.uk/currentperformance)

### Transformation programmes

- 1.19 The council has in place five portfolios of large programmes and projects: Central, Adults and Health, Children and Young People, Environment and Growth and Development. In addition, it has an Education Capital Programme in place to ensure successful delivery of new school places and improvements to schools.

#### Central

Improvements have been made on a number of projects within the portfolio. An e-learning tool (Abintegro) has been launched for staff on 29 June and a successful Management Academy Conference has been held on the 18 May. The Unified Reward project continues to progress to plan, collective agreement has been agreed and both council and school staff have received their job evaluation letters, with new arrangements for council staff due to commence in October. The Locality Strategy and Full Business Case for

Colindale Office have been approved at Full Council on 26 July. A business case in support of the Customer Access Strategy is being developed and will be considered at Policy and Resources Committee on 5 October. One project is now Red rated, the Community Asset Strategy / Community Centres project is Red rated due to lack of current resolution plan for projected funding shortfall for Daw Lane Community Centre - an options paper will be developed to agree a way forward. A new approach to agreeing rent subsidies and leases has been agreed by Policy and Resources Committee on 28 June.

### **Adults and health**

Progress has been made across a number of projects in the portfolio. A number of key decisions have been made on projects; Barnet's Strategic Commissioning Plan for Adults Accommodation and Support has been approved at Adults Transformation Board on the 28 June and the Demand Management Strategy has been approved at Policy and Resources Committee on 28 June. For the Your Choice Barnet project, proposals identifying £1.3m savings have been approved at Adults and Safeguarding Committee on 16 June. Public consultation for the proposals regarding the Alternative Delivery Vehicle and Operating Model is taking place between 16 May and 8 August. The Independence of Young People (0-25s) project continues to be Red rated due to the risk associated with the achievability of expected savings. The Investing in IT project is now Red rated as the new adult social care system go-live date has been delayed due to issues raised during user acceptance testing. Work is underway to address these issues through workshops with services.

### **Children and young people**

A number of projects are in early phases across the portfolio, although project resources are largely now in place and governance structures for projects and the overall portfolio has been established. Significant progress has been made in developing a social work practice improvement plan, including developing a governance framework which includes daily checkpoint meetings with head of service to monitor progress. For the Libraries project, a 60 day staff consultation was launched on the 7 July and work continues on planning the reconfiguration required within libraries to create space for commercial or community let, and to identify suitable partners to run the partnership libraries. Work on the new Colindale Library is approaching completion, with the library, replacing the existing Grahame Park Library, due to open in September. Young people have been given the opportunity to vote on the new name for the Barnet Youth Zone, which was successful, and identified 'unitas' as the preferred new name. For the Education and Skills ADM project, the contract with Cambridge Education went live on 1 April and the transition happened on time, with no disruption to schools and no major issues regarding the transfer of staff. A lessons learnt and closure report has been produced and the project is now closed.

### **Environment**

Projects within the Environment portfolio have progressed well in the last quarter, with the majority of projects RAG rated as Green. A number of project

milestones have been met and committee decisions have been taken in the last three months; both the Recycling and Waste Strategy and Parks and Open Spaces Strategy have been approved by Environment Committee on 12 May. At the Environment Committee on 14 July, the revised Street Cleansing Framework and an introductory paper to future transport strategies: "Moving Around in Barnet: a Direction of Travel" have been approved. The extension of the NSL Parking Contract has been approved by Environment Committee on 12 May. Public engagement is taking place for the Silkstream / Montrose parks project from mid-June to mid-July. Work continues on assessing options for an alternative delivery model for all Street Scene services and the response window for the in-house offer(s) is running from 27 June to 21 October. Regarding the Oakleigh Road Depot site, construction works commenced on 9 May. The issuing of Moving Traffic Contraventions (MTCs) went live on 17 April and work on Phase 2 began the week commencing 2 June.

### **Growth and Development**

A number of milestones have been reached in the past three months. In the Regeneration Programme, within the West Hendon project the last 146 private sale units of Phase 3A have been completed. Full handover of the Stonegrove Community Centre, Church and Vicarage has been completed and formal launch took place on 16 July. The Granville Road project remains a Red rated project until a decision is made in relation to the Public Inquiry. For the Brent Cross project the Assets Regeneration and Growth Committee has approved the CPO3 order on 11 July and all legal documents for the Joint Venture Company set up have been signed. Within the Development Pipeline programme, Tranche 0 Haldane Close (9 units) has been completed in June 2016. Tranche 1 General Fund Mixed Tenure Housing project is now Red rated due to project costs, as the stage 2 tender price is significantly over the estimated budget for the scheme. Work is underway to bring the project back on track. For General Fund out-of-borough acquisitions of homes to use as temporary accommodation, £5 million funding has been approved by Policy and Resources Committee on 28 June, and the business case was approved by Assets, Regeneration and Growth Committee on 11 July.

### **Education Capital Programme**

Progress continues to be made across a number of projects and some new projects have been initiated (including Childs Hill Expansion, St Agnes Expansion, St Mary's and St Johns Phase 3 and Underhill). Overall the programme is on target to achieve pupil places when required. The Aggregated Procurement exercise to provide a single contracted partner for design and build work (including schools and other builds such as leisure centres) is progressing and a shortlist has been made. The ground works have been completed at Oak Lodge; however the costs associated with delays are yet to be agreed although the contractor has now supplied substantiation. In May all stakeholders agreed to progress the design for Blessed Dominic to RIBA stage 2. A number of projects in the defects period have completed or are completing shortly including, Copthall Secondary School expansion, Etz Chaim Free School new build, Christs' College Secondary School Expansion and Whittings Hill.

## Other Finance

### 1.20 General Fund Balance

Directors are accountable for any budget variations within their services and ensuring that expenditure and income are managed within agreed budgets. To make sure that this is achieved, it is essential that Directors develop action plans to address forecast variances and review these throughout the financial year. If the current forecast overspends cannot be addressed in-year, or alternative savings or funding sources identified to offset these, the council's General Fund balances would need to be used to fund the variation at the end of the financial year as set out in table 10 below.

**Table 10: General Fund Balance**

	£000
<b>General Fund Balances brought forward 31 March 2016</b>	<b>(12,543)</b>
Budgeted use of balance	-
Forecast outturn variation	<b>5,098</b>
<b>Projected General Fund balance 31 March 2017</b>	<b>(7,445)</b>

The recommended limit for the council's General Fund balance is £15m and therefore the final revenue outturn results in the balance being £7.555m below this recommended limit. This reduction in the General Fund balance will need to be managed through the council's Medium Term Financial Strategy to ensure the balance is replenished throughout the year as the reduced balance would not be sustainable given the risks the council faces over the short to long term.

### Housing Revenue Account

- 1.21 The Housing Revenue Account (HRA) has a budgeted contribution to reserves of £1.246m. The projected outturn is a surplus of £0.493m, largely due to developer income expected to exceed costs on regeneration schemes resulting in net surplus position.

**Table 11: Housing Revenue Account outturn (Q1 2016/17)**

	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Housing Revenue Account surplus before transfer from balances	(1,246)	(1,246)	(1,739)	(493)	39.6
Budgeted contribution to reserves	1,246	1,246	1,246	-	-
<b>Housing Revenue Account projected surplus after transfer to reserves</b>	<b>-</b>	<b>-</b>	<b>(493)</b>	<b>(493)</b>	<b>N/A</b>

The HRA projected balance as at 31 March 2017 is £10.558m, as shown in table 12 below.

**Table 12: Housing Revenue Account balance**

	£000
<b>Housing Revenue Account Balance brought forward 1 April 2016</b>	<b>(8,819)</b>
Budgeted contribution to reserves	(1,246)
Projected in year surplus	(493)
<b>Projected Housing Revenue Account Balance 31 March 2017</b>	<b>(10,558)</b>

**Dedicated Schools Grant**

- 1.22 The Dedicated Schools Grant (DSG) has a budgeted use of £1.342m of balances in 2016/17. The projected outturn is a surplus of £1.544m, largely due to anticipated underspends in high needs top-up funding. The DSG projected balance as at 31 March 2017 is £5.221m.

**Table 13: Dedicated Schools Grant outturn (Q1 2016/17)**

	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Dedicated Schools Grant	-	-	(1,544)	(1,544)	N/A

The impact on the Dedicated Schools Grant balance is shown in table 14 below.

**Table 14: Dedicated Schools Grant balance**

	£000
<b>DSG Balance brought forward 1 April 2016</b>	<b>(5,019)</b>
Budgeted use of balance	1,342
Projected in year surplus	(1,544)
<b>Projected DSG Balance 31 March 2017</b>	<b>(5,221)</b>

**Provisions**

- 1.23 Provisions are made where an event has taken place that gives the council a legal or constructive obligation that requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation. For example, the council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation. As at 1 April 2016 the council held provisions of £14.255m and projects to have a balance of £14.211m as at 31 March 2017.

**Table 15: Provisions**

Service Area	Provisions b/fwd 1 April 2016 £000	Provisions Balance 30 June 2016 £000	Projected In Year Draw Down £000	Projected: Year End Balance 31 March 2017 £000
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Service Area	Provisions b/fwd 1 April 2016 £000	Provisions Balance 30 June 2016 £000	Projected In Year Draw Down £000	Projected: Year End Balance 31 March 2017 £000
Adults	699	699	-	699
Corporate (insurance provision)	8,850	8,850	-	8,850
Regional Enterprise (Re)	95	95	-	95
Commercial	117	117	-	117
Children's	54	54	(44)	10
Central (Business Rates Appeals)	4,440	4,440	-	4,440
<b>Total</b>	<b>14,255</b>	<b>14,255</b>	<b>(44)</b>	<b>14,211</b>

## Reserves

- 1.24 The council has set aside specific amounts as reserves for future policy purposes or to cover contingencies. As at 1 April 2016 the council held reserves of £112.000m and projects to have a balance of £112.617m as at 31 March 2017.

**Table 16: Reserves**

Description	Reserve s b/fwd 1 April 2016 £000	Drawdown £000	Reserve s c/fwd 30 June 2016 £000	Projected In Year Draw-down £000	Projected In Year Increases £000	Projected Year End Balance 31 March 2017 £000
Central - Capital Financing	3,191	-	3,191	-	-	3,191
Central - Community Infrastructure Levy	16,068	-	16,068	-	-	16,068
Central - Infrastructure	19,622	-	19,622	-	-	19,622
Central - Risk	9,099	-	9,099	-	-	9,099
Central - Service Development	10,582	-	10,582	-	-	10,582
Central - Transformation	12,653	-	12,653	-	-	12,653
Service – Central Expenses	10,642	(33)	10,609	-	-	10,609
Service – Education and Skills	1,982	-	1,982	-	-	1,982
Service – Commissioning	7,285	(82)	7,203	-	-	7,203
Service – Other	1,575	(26)	1,549	(786)	-	763
<b>Sub-total General Fund Earmarked Reserves</b>	<b>92,699</b>	<b>(141)</b>	<b>92,558</b>	<b>(786)</b>	<b>-</b>	<b>91,772</b>
Service - DSG	5,269	-	5,269	(1,342)	2,886	6,813
Service - Housing Benefits	5,875	-	5,875	-	-	5,875
Service - NLSR	642	-	642	-	-	642
Service - PFI	4,265	-	4,265	-	-	4,265
Service - Public Health	1,336	-	1,336	-	-	1,336
Special Parking Account (SPA)	1,914	-	1,914	-	-	1,914
<b>Sub-total Ring-fenced Reserves</b>	<b>19,301</b>	<b>-</b>	<b>19,301</b>	<b>(1,342)</b>	<b>2,886</b>	<b>20,845</b>
<b>Total Earmarked Reserves</b>	<b>112,000</b>	<b>(141)</b>	<b>111,859</b>	<b>(2,128)</b>	<b>2,886</b>	<b>112,617</b>



## Funding of Capital Programme

**Table 17: Funding Movements in the 2016/17 Capital Programme**

Service Area	Grants £000	S106/ Other Contribu tions £000	Capital Receipts £000	Revenue /MRA £000	Borrowing £000	Capital Reserves £000	Total £000
Adults and Communities	0	0	375	0	(150)	0	225
Commercial	0	0	0		0	0	0
Commissioning Group	0	0	(1,628)	0	(2,703)	0	(4,331)
Education and Skills	2,944	0	0	0	(7,946)	0	(5,002)
Family Services	0	0	0	0	0	0	0
Re delivery unit	(231)	0	(2,300)	0	(15,848)	0	(18,379)
Street Scene	0	(2)	0	0	0	0	(2)
<b>General Fund Programme</b>	<b>2,713</b>	<b>(2)</b>	<b>(3,553)</b>	<b>0</b>	<b>(26,647)</b>	<b>0</b>	<b>(27,489)</b>
HRA	0	0	375	0	(4,462)	0	(4,837)
<b>Total Capital Programme</b>	<b>2,713</b>	<b>(2)</b>	<b>(3,928)</b>	<b>0</b>	<b>(31,109)</b>	<b>0</b>	<b>(32,326)</b>

### Treasury outturn

- 1.25 In compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice this report provides Members with a summary report of the treasury management activity during the period to 30 June 2016. The Prudential Indicators have not been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield. Further details of compliance with prudential indicators are contained in Appendix F.

The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, (the Authorised limit), irrespective of its indebted status. This is a limit which should not be breached. During the period to 30 June 2016, there were no breaches of the Authorised Limit and the Operational Boundary.

The council's timeframes and credit criteria for placing cash deposits and the parameters for undertaking any further borrowing are set out in the Treasury Management Strategy (TMS). The TMS Strategy for 2016/17 was approved by Council on 1 March 2016. The Treasury Management Strategy requires regular compliance reporting to this Committee to include an analysis of deposits made during the review period. This also reflects good practice and will serve to reassure this Committee that all current deposits for investment are in line with agreed principles as contained within the corporate Treasury Management Strategy.

This report therefore asks the Committee to note the continued cautious approach to the current investment strategy.

### **Investment performance**

- 1.26 Investment deposits are managed internally. As at 30 June 2016, deposits outstanding were £163.4m achieving an average annual rate of return of 0.73 per cent against a benchmark average (London Interbank Bid Rate - LIBID) of 0.36 per cent. The list of deposits outstanding as at 30 June 2016 is attached as Appendix G and summarised in table 18 below.

**Table 18: Investments as at 30 June 2016**

	£000
Local Authorities	13,000
Money Market Funds	54,500
UK Banks & Building Societies	73,400
Non UK Banks & UK Building Societies	22,500
<b>TOTAL</b>	<b>163,400</b>

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

LB Barnet sold its remaining interest in Icelandic bank deposits through an auction sale held by the Central Bank of Iceland on 16 June 2016. The total received for the balance held in escrow was £2.584m.

In summary, the council had deposits of £27.4m in the Icelandic banks Landsbanki and Glitnir. After taking part in this recent auction, the council has recovered £28.53m in total. This represents recovery of all of the principal and £1.13m in interest.

### **Debt management**

- 1.27 The total value of long term loans as at 30 June 2016 was £304.08m. There has been no external borrowing in the financial year to date. The average rate of interest paid on total borrowing for the quarter ended 31 March 2016 was 3.89 per cent.

## **2 REASONS FOR RECOMMENDATIONS**

- 2.1 These recommendations are to allow the council to meet the budget agreed by Council on 1 March 2016.

## **3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 None.

## **4 POST DECISION IMPLEMENTATION**

4.1 None.

## **5 IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

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

5.1.2 The past four years of performance information is available at: [www.barnet.gov.uk/performance](http://www.barnet.gov.uk/performance)

5.1.3 Robust budget and performance monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximised.

5.1.4 Relevant council strategies and policies include the following:

- Corporate Plan 2015-2020
- Corporate Plan - 2016/17 Addendum
- Medium Term Financial Strategy
- Treasury Management Strategy
- Debt Management Strategy
- Insurance Strategy
- Risk Management Strategy
- Capital, Assets and Property Strategy.

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

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

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

### **5.3 Legal and Constitutional References**

5.3.1 Section 151 of the Local Government Act 1972 states that: “without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their

officers has responsibility for the administration of those affairs". Section 111 of the Local Government Act 1972, relates to the subsidiary powers of local authorities.

5.3.2 Section 28 of the Local Government Act 2003 (the Act) imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the authority must take such action as it considers necessary to deal with the situation. Definition as to whether there is deterioration in an authority's financial position is set out in sub-section 28(4) of the Act.

5.3.3 The council's Constitution, in Part 15 Annex A, Responsibility for Functions, states in Annex A the functions of the Performance and Contract Management Committee including:

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer and Support Group; Re; the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance.
- c) Receive and Scrutinise contract variations and change requests in respect of external delivery units.
- d) To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.
- e) Specific responsibility for the following function within the council:
  - a. Risk Management
  - b. Treasury Management Performance
- f) Note the Annual Report of the Barnet Group Ltd.

5.3.4 The council's Constitution, Part 21, Financial Regulations section 4. paragraphs 4.4.9 - 11 state:

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

Chief Finance Officer in consultation with the Chairman of Performance and Contract Management.

Where there are competing bids for use of underspends, additional income or windfalls previously returned to central contingency, priority will be given to the service(s) that generated that return.

- Allocations for unplanned expenditure over £250,000 must be approved by Performance and Contract Management Committee.

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

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

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

## 5.4 Risk Management

5.4.1 Various projects within the council's revenue budget and capital programme are supported by time-limited grants. Where there are delays to the implementation of these projects, there is the risk that the associated grants

will be lost. If this occurs either the projects will be aborted or a decision to divert resources from other council priorities will be required.

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

## 5.5 Equalities and Diversity

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

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

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

5.5.3 In order to assist in meeting the duty the council will:

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

This is also what we expect of our partners.

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

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

[www.barnet.gov.uk/info/200041/equality\\_and\\_diversity/224/equality\\_and\\_diversity](http://www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity)

## 5.6 Consultation and Engagement

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

Phase	Date	Summary
Phase 1: Setting out the challenge	Summer 2013	The council forecast that its budget would reduce by a further £72m between 2016/17 and 2019/20,

		setting the scene for the PSR consultation
Phase 2: PSR consultation to inform development of options	October 2013 - June 2014	Engagement through Citizen's Panel Workshops which focused on stakeholder priorities and how they would want the council to approach the Priorities and Spending Review An open 'Call for Evidence' asking residents to feedback ideas on the future of public services in Barnet.
Phase 3: Engagement through Committees	Summer 2014	Focus on developing commissioning priorities and MTFS proposals for each of the 6 committees Engagement through Committee meetings and working groups
Phase 4: Strategic Plan to 2020 Consultation	December 2014 – March 2015	A series of 6 workshops with a cross section of residents recruited from the Citizens Panel and Youth Board, plus two workshops with users <sup>11</sup> of council services. An online survey (17 December 2014 – 11 February 2015)

## 6 BACKGROUND PAPERS

- 6.1 Performance and Contract Management Committee, 12 May 2015 (Decision Item 7) – approved Final Outturn and Quarter 4 Monitoring Report 2014/15  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=7873&Ver=4>
- 6.2 Council, 3 March 2015 (Decision item 12) – approved Business Planning 2015/16 – 2019/20, including the Medium-Term Financial Strategy.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7865&Ver=4>
- 6.3 Council, 14 April 2015 (Decision item 13.3) – approved Corporate Plan 2015-20.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7820&Ver=4>
- 6.4 Council, 4 April 2015 (Decision item 13.1) – approved 2016/17 addendum to Corporate Plan  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8344&Ver=4>

<sup>11</sup> One “service user” workshop was for a cross section of residents who are users of non-universal services from across the council. The second workshop was for adults with learning disabilities.

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## Appendix A: Corporate Plan Performance (Quarter 1 2016/17)

This appendix sets out **performance** information for each of the strategic priorities in the refreshed Corporate Plan – highlighting progress on the council’s key areas of focus; and commentary on indicators that are “below target” (RAG rated as Green Amber, Red Amber or Red)<sup>1</sup>. Further information, including full service reports, is published on the website each quarter at [www.barnet.gov.uk/currentperformance](http://www.barnet.gov.uk/currentperformance)

80 indicators are in the refreshed Corporate Plan. Of these, 59 have been reported in Q1 2016/17. 48 have been given a RAG rating: **67% (32)** are “on or above target” and **33% (16)** are “below target”. 47 have been given a Direction of Travel (DOT) status: **70% (33)** have an “improved or same” DOT and **30% (14)** have a “worsened” DOT from the same period last year.

Strategic priority	No. reported (Q1)	No. with a RAG rating (Q1)	RAG Ratings				Monitor / NYA	No. with a DOT (Q1)	Long Term Direction of Travel	
			Green	Green Amber	Red Amber	Red			Improved / Same	Worsening
Growth and regeneration	9	6	83% (5)	0% (0)	0% (0)	17% (1)	3	7	43% (3)	57% (4)
Managing demand	24	20	65% (13)	10% (2)	15% (3)	10% (2)	4	16	81% (13)	19% (3)
Transforming services	10	8	63% (5)	38% (3)	0% (0)	0% (0)	2	8	100% (8)	0% (0)
Resilient communities	8	8	63% (5)	25% (2)	13% (1)	0% (0)	0	8	50% (4)	50% (4)
Customer service and transparency	8	6	67% (4)	33% (2)	0% (0)	0% (0)	2	8	63% (5)	38% (3)
<b>Total</b>	<b>59</b>	<b>48</b>	<b>67% (32)</b>	<b>19% (9)</b>	<b>8% (4)</b>	<b>6% (3)</b>	<b>11</b>	<b>47</b>	<b>70% (33)</b>	<b>30% (14)</b>

<sup>1</sup> Public Health indicators are reported a quarter in arrears, so refers to Quarter 4 2015/16

## Responsible growth and regeneration

Key area of focus	Description	Progress
<b>Growth and regeneration programme</b>	Building more than 20,000 new homes by 2025 – the most in outer London – across our seven major growth and regeneration sites	Good progress has been made on the regeneration programme, including the compulsory purchase of two properties in Dollis Valley; a review of the station options for Brent Cross Cricklewood and negotiations with North London Waste Authority (NLWA) on the configuration of the new waste facility; approval of the Supplementary Planning Document (SPD) for Grahame Park by Policy and Resources Committee (17 May 2016); the first draft of new tube station design for Colindale; the construction of the remaining 58 private sale homes (Phase 1) in Millbrook Park; new office space in the One Stonegrove community centre and the marketing of 70 flats for Shared Ownership to the registered housing provider, Family Mosaic. In West Hendon, the remaining 146 private units of Phase 3A are expected to be completed by the end of June 2016.
<b>Sport and physical activity</b>	Designing ‘built environment’ to help people keep fit and active, and investing in new leisure centres	Financial modelling has confirmed that revised build cost estimates of £32.01m are affordable, with borrowing paid back over 25 years; and an expression of interest has been accepted by Sport England’s Strategic Investment Fund for £2m.
<b>Entrepreneurial Barnet</b>	Creating the conditions for a thriving local labour market;	CSG Procurement are commissioning the borough’s first business directory, which will support business engagement activity as well as communications and emergency planning.  The council is working with Barnet and Southgate College and Middlesex University to run the borough’s second “Entrepreneurial Barnet Competition” for small businesses in early 2017. Overall strategic focus is on maximising the opportunities and new incentives associated with expected devolution of Business Rates in 2020.
	Investing in town centres (focusing on Burnt Oak and Finchley Church End).	The “Town Centre Offer” has been published on the council website on 13 April 2016 following an extensive period of development and testing with officers. The “offer” makes it easier for local groups to drive forward projects to improve their local area. In Q1 there are two practical examples if it being put into action. The first in Mill Hill and the second in East Barnet Village – both saving officer time by giving greater ownership to local people.  Detailed design work for Burnt Oak place-based pilot strategy has been completed, with works to commence in autumn 2016.  A project to deliver a strategy for improving Finchley Church End Town Centre has been put out to tender in May 2016 and will be completed towards the end of 2016. Strategies for Edgware and Golders Green are also at the early stages of being commissioned
	Ensuring that businesses can access information about the council easily and at first contact	We are focusing on aligning a broad range of council activity behind supporting a successful economy e.g. the newly approved street cleansing strategy targets for the first time the borough’s seven “main” town centres where most economic activity happens, the Customer Access Strategy will be proposing developing a new digital channel for joining up business transactions such as business rates, commercial waste collection and permits, and the council is actively planning its response to the forthcoming Apprenticeship Levy.

Key area of focus	Description	Progress
One public estate	Encouraging local authorities to work collaboratively with central government and local agencies on public property and land issues	The council has met with Harrow and Brent local authorities to discuss estates, public realm and community safety issues. A utilisation study for Edgware Community Hospital (ECH) has been completed and initial stakeholder workshops held. A planning review of Finchley Memorial Hospital playing fields site has been completed.

9 indicators are reported in Q1 2016/17. Of these, 6 have been given a RAG rating: **83% (5)** are “on or above target” and **17% (1)** are “below target”. 7 have been given a Direction of Travel (DOT) status: **43% (3)** have an “improved/same” DOT and **57% (4)** have a “worsened” DOT from the same period last year.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where “below target”
<b>Growth and regeneration programme</b>											
CG/S6 (RPS - Biannual)	Percentage of residents who list affordable housing as a concern <sup>2</sup>	Smaller is Better	Monitor	Monitor	41%	36%	Worsening	33.0%	Worsening	London 23% (Autumn 2014)	
<b>High quality private rented sector</b>											
EH02I	Compliance with Licensing Requirements for Houses in Multiple Occupation (HMOs)	Bigger is Better	100%	60.0%	74.9% (G)	80.0%	Worsening	61.9%	Improving	No benchmark available	
<b>Social housing</b>											
BH/S3 (LY: BH/S4)	Current tenant arrears as a percentage of annual rent debit	Smaller is Better	3.0%	3.7%	3.24% (31 March 2016) (G)	3.2%	Worsening	3.85%	Improving	Q3 2015/16 Housemark - remain in lower quarter (London)	

<sup>2</sup> A representative sample of 500 resident (adults, 18+) from across the London Borough of Barnet. Confidence intervals for a sample of 500 = +/-4.4% (i.e. if we surveyed the whole population we can be confident that the results would be the same +/- 4.4%). London data taken from Survey of Londoners 2014/15 (November 2014) - a representative random sample of approximately 1,000 adults in London. National data taken from LGA public poll on resident satisfaction – a representative random sample of approximately 1,000 British adults polled by telephone once a quarter.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
BH/C5 (LY: BH/S5)	Temporary Accommodation (TA) current arrears as percentage of debit	Smaller is Better	4.95%	4.95%	5.26% (31 March 2016) (RA)	5.04%	Worsening	5.63%	Improving	No benchmark available	The quarter end performance of 5.26% is better than reported at Q1 last year (5.63%). There has been a run of 11 months continuous improvement on the previous year. Housing Benefit as a percentage of the rent debit is of concern this quarter. The service is working with Housing Benefit to investigate why this is the case. Temporary accommodation rent collection continues to be closely monitored,
<b>Parks and open spaces</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
SS/S1 (RPS - Biannual)	Percentage of residents who are satisfied with parks and open spaces <sup>2</sup>	Bigger is Better	72% (Spring 2016)	72% (Spring 2016)	66% (Spring 2016) (R)	67% (Autumn 2015)	Worsening	70% (Spring 2015)	Worsening	London 68% (Autumn 2014, RPS)	The drop in satisfaction is attributable to a lower level of capital works during 2015. This period had seen high levels of capital investment including an extensive programme of play area upgrades and large improvement schemes resulting in the highest ever satisfaction at 72%. The current level is more in line with previous satisfaction levels for Barnet and the London average of 68% (2014/15).
<b>Sport and physical activity</b>											
PH/S7	Physical activity participation	Bigger is Better	54%	54% (Q4 2015/16 target)	58.5% (Q4 2015/16) (G)	58.5% (Q3 2015/16)	Same	Public Health is reported a quarter in arrears. Q4 2014/15 is not comparable with Q4 2015/16 as a new method was introduced for 2015/16 reporting		England 57.0%, London 57.8%, (2015/16, PHOF)	
<b>Entrepreneurial Barnet</b>											
CG/S27	Percentage of total spend with local businesses	Bigger is Better	Monitor	Monitor	49%	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
Re/S3 (SK3) (Annual)	Vacancy rates on high street	Smaller is Better	Equal to comparable boroughs	7.85% (2015/16)	6.9% (2015/16) (G)	Annual	Annual	4.6% (2014/15)	Worsening	Comparable Boroughs (Brent, Bromley, Ealing, Haringey, Harrow, Lewisham) = 7.15% vacancy rates (2015/16)	
CG/S1	Unemployment (of people on out of work benefits)	Smaller is Better	Monitor	Monitor	5.8%	5.8%	Same	6.5%	Improving	London 6.4% (Oct 14 - Sep15, Nomisweb)	
<b>Planning and building control</b>											
KPI001 (A&A)	Compliance with planning application statutory timescales	Bigger is Better	75%	75%	87.1% (G)	87.3%	Worsening	88.6%	Worsening	Newham 97%, Brent 70%, Enfield 83% Haringey 76% (Q4 2015/16, DCLG)	

## Managing demand for services (Fairness)

Key area of focus	Description	Progress
<b>Health and social care integration</b>	Helping the NHS manage the cost of A&E and hospital admissions through greater provision of primary and community care	Final submission of the Better Care Fund has been made to NHS England in May 2016; and positive feedback has been received from NHS England.
<b>Older peoples independence</b>	Working with older people to design and manage services that help them to be more independent	<p>Older people, as service user members of the Home and Community Support and Enablement Advisory Group, have been involved in managing service implementation. This follows on from the Advisory Group's role in service procurement, during which older people, as Advisor Group members, have been involved in shaping the service specification and tender evaluation.</p> <p>The former co-chair of the Older Adults Partnership Board, who is also Vice-Chairman of the Barnet Seniors Assembly, was a member of the Ageing Well and Tiers 1 &amp; 2 Programme Board.</p> <p>Plans have been made for an older person to be involved, as a carer representative, in the development of the service specification for care and support and housing management at Moreton Close (extra care housing scheme with a dementia focus currently being developed in Mill Hill).</p>
<b>Foster care</b>	Increasing the size and effectiveness of the in-house foster care service	A significant amount of work has been undertaken to increase the size and effectiveness of the in-house foster care service. 45.3% of children in care were in LBB foster care including Kinship placements, as at May 2016, against a target of 39%. Further improvements will be made in this area; continually reviewing the fostering household recruitment pipeline, establishing actions to improve the quality and number of enquiries and the approval conversion rate. This is a key strand of work within the Resilient Futures project of the Family Friendly Barnet 2020 Programme.
<b>Families early intervention</b>	Working with partners to deliver early intervention for families	The Early Intervention and Prevention Project brings together 53 professionals across the partnership from 25 agencies/departments, including the voluntary sector in a number of work streams in order to implement our strategic approach. The project aims to strengthen the partnership approach by a redesign of early intervention. The ultimate outcome will be a new model for Early Intervention and Prevention for 0-19 year olds that intervenes as early as possible, has a whole family approach and uses evidence based interventions. Over the last year the partnership has agreed draft principles, pathways and menus of interventions to ensure a consistent approach and integrated working. The Families First (Troubled Families) programme, which seeks to ensure a whole family approach and enables the child and family to be active partners as part of the 'Team Around the Child' has been embedded. DCLG have visited and audited the work in Barnet and given positive feedback, it is among the best in the country, and the model will be promoted to other boroughs.
<b>Family friendly Barnet</b>	Working with partners to make Barnet a family friendly borough	Agreement has been secured for two Family Friendly Hubs to be located in Barnet.

Key area of focus	Description	Progress
<b>Homelessness</b>	Tackling rising demand for help with housing through work to prevent homelessness	<p>Despite the challenges faced in the current market environment, <b>let2barnet</b>, established in 2012, has been a real success story helping well over 1,600 households access affordable private sector accommodation since its inception and being a key element of a procurement service recently commended by the country's top homelessness consultant as being 'the best in England'. With such demand for affordable properties in Barnet, it has been especially important to reduce the time council properties are empty and can be let to families in need more quickly. To this end the Housing Options service have completed a fundamental review of the voids and lettings function driving the average re-let time for council properties down to 14.4 days in Q1 2016/17 placing performance in the top quartile for London.</p> <p>There have been 19% more placements into temporary accommodation in Q1 2016/17 compared to last year; and the recruitment of additional let2barnet Negotiators and additional tenants sustainment resources have helped increase the volume of preventions and private sector lettings in Q1 2016/17, with both indicators on course to meet end of year targets.</p>
<b>Specialist housing</b>	Diversifying Barnet's accommodation so that it supports people to live independently	Barnet's Strategic Commissioning Plan for Adults Accommodation and Support has been approved at Adults Transformation Board in June 2016. As part of the Accommodation Strategy, a business case has been developed for using Prospect Place as supported living for people with learning disabilities; and a financial feasibility study has been undertaken on Stagg House as potential extra care housing.
<b>Recycling and waste strategy</b>	Developing strategy for achieving 50% target recycling rate by 2020	The new strategy has been signed off by Environment Committee on 16 May 2016. In addition, dry recycling facilities have been provided at 92 sites (1,304 flats) and re-balanced at 24 sites (548 flats); and food waste trials have been completed at 12 sites.
<b>Enforcement</b>	Improving the overall approach to enforcement of enviro-crime	Pilot scheme operating in Golders Green. Wider environmental enforcement policy agreed by Environment Committee in March 2016. Resources will be focused on how funding stream can be identified and assessment of legal powers. TfL framework contract being used to commission

24 indicators are reported in Q1 2016/17. Of these, 20 have been given a RAG rating: **65% (13)** are "on or above target" and **35% (7)** are "below target". 16 have been given a Direction of Travel (DOT) status: **81% (13)** have an "improved/same" DOT and **19% (3)** have a "worsened" DOT from the same period last year.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
<i>Health and social care integration</i>											



Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
AC/S8	Percentage of new clients, older people accessing enablement	Bigger is Better	63%	63%	59.7% (GA)	61.5%	Worsening	Not comparable with Q1 2015/16	Not comparable with Q1 2015/16	No benchmark available	Performance has declined in Q1 after being consistently strong throughout 2015/16. A targeted investigation will be undertaken in August 2016 to review the group of new clients under this indicator who did not receive enablement in Q1 and establish whether any should have done (including resolution of any recording issues) and feed lessons back to the team.
AC/S9 (ASCOF2 A(2))	Permanent admissions to residential and nursing care homes, per 100,000 population age 65+	Smaller is Better	530 (new method)	122.5	75.6 (G)	New method 2016/17	New method 2016/17	New method 2016/17	New method 2016/17	No benchmark available	
AC/C14 (ASCOF 2A(1))	Permanent admissions to residential and nursing care homes, per 100,000 population age 18-64*	Smaller is Better	16.60	1.40	1.28 (G)	New method 2016/17	New method 2016/17	New method 2016/17	New method 2016/17	No benchmark available	
PH/S4	Rate of hospital admissions related to alcohol (per 100,000)	Smaller is Better	458.76 (2015/16)	458.76 (Q4 2015/16 target)	424.9 (Q4 2015/16) (G)	404.78 (Q3 2015/16)	Worsening	Public Health is reported a quarter in arrears. Q4 2014/15 is not comparable with Q4 2015/16 as a new method was introduced for 2015/16 reporting		England (DSR) 641 per 100,000, London (DSR), 526 per 100,000 (2015/16, PHOF)	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
<b>Experience of service users</b>											
AC/S29	Number of instances of information, advice and guidance provided to carers	Monitor	TBC at end Q1	TBC at end Q1	758	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	
<b>Older people's independence</b>											
AC/S3 (ASCOF 1G)	Percentage of adults with learning disabilities who live in their own home or with their family	Bigger is Better	63%	63%	64.22% (G)	63.61%	Improving	59.52%	Improving	Comparator group 67.5% (2014/15, ASCOF)	
AC/S4 (ASCOF 1E)	Percentage of adults with learning disabilities in paid employment	Bigger is Better	10.8%	9.6%	9.3% (R)	9.2%	Improving	9.3%	Same	Comparator group 9.4% (2014/15, ASCOF)	The Commissioning Group is leading a supported employment project aiming to develop and strengthen the offer for people with learning disabilities. 'Project Search' – a supported employment scheme which has run successfully in Hounslow and Bexley, both high performers against this indicator – is commencing in Barnet in Q2.
AC/S5 (ASCOF 1F)	Percentage of adults with mental health needs in paid employment	Bigger is Better	7.2%	7.2%	7.2% (G)	4.8%	Improving	4.8%	Improving	Comparator group 7.0% (2014/15, ASCOF)	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
AC/S6 (ASCOF 1H)	Percentage of adults with mental health needs who live independently, with or without support	Bigger is Better	83%	81.5%	81.6% (G)	81.0%	Improving	80.4%	Improving	Comparator group 79.6% (2014/15, ASCOF)	
<b>Focus on foster care</b>											
FS/S6	Percentage of children in London Borough of Barnet foster care	Bigger is Better	42.5%	40.0%	44.9% (G)	43.5%	Improving	39.3%	Improving	No benchmark available	
<b>Families early intervention</b>											
FS/S4	Number of referrals to social care (per 10,000 of the under-18 population)	Monitor	Monitor	Monitor	370	396.0	Monitor	402.5	Monitor	Statistical Neighbours: 467.48 London: 477.9 England: 548.3 (2014/15, LAIT)	
FS/S5	Number of children adopted	Bigger is Better	10 Annually	Monitor Quarterly	3	12	Monitor	3	Monitor	No benchmark available	
FS/S16	Number of children in care per 10,000	Monitor	Monitor	Monitor	35.7	New for 2016/17	Monitor	New for 2016/17	Monitor	Statistical Neighbours: 43.1 London: 52 England: 60.0 (2014/15, LAIT)	
<b>Tackling homelessness</b>											
BH/S2	Number of homelessness preventions	Bigger is Better	900	225	233 (G)	172	Improving	229	Improving	2 <sup>nd</sup> quartile (2015/16, DCLG)	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
BH/KP11 (LY: BH/C4)	Numbers of households in Temporary Accommodation	Smaller is Better	2700	2925	2934 (RA)	2941	Improving	2807	Worsening	29th in London (from 28th in Q3, including City of London) (Q4 2015/16, DCLG)	Barnet Homes has seen the mitigations proposed to help manage demand bear fruit, with Q1 seeing a record number of private sector lettings (158) and excellent performance in preventing homelessness (233). However, with levels of demand increasing (18.5% increase in placements compared to Q1 in 2015/16), reducing the overall number of households in TA has been challenging. It is envisaged that with continued strong performance of the mitigations in place, that sustained reductions in the number of households in TA will be experienced from Q3 onwards.
<b>Recycling and waste</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
SS/S3	Percentage of household waste sent for reuse, recycling and composting	Bigger is Better	42% (2015/16)	40% (Q4 2015/16 target)	33.22% (Q4 2015/16) (R)	36.55% (Q3 2015/16)	Worsening	33.82% (Q4 2014/15)	Worsening	Ranked 6 out of 22 London local authorities	There has been a decrease in garden, food and dry recycling. To encourage greater food recycling in Q1 a poster campaign took place and a new food waste campaign will commence in Q2/Q3.
SS/S4 (RPS - Biannual)	Percentage of residents who are satisfied with refuse and recycling services <sup>2</sup>	Bigger is Better	80% (Spring 2016)	80% (Spring 2016)	75% (Spring 2016) (RA)	78% (Autumn 2015)	Worsening	77.0% (Spring 2015)	Worsening	Refuse 77%, 8.2%pts above London average (Autumn 2014, RPS) Recycling is 73%, 6.8%pts above London average (Autumn 2014, RPS)	Refuse collection and recycling significantly outperform the London 2014/15 results. There has been a small decrease in these satisfaction figures compared to Autumn 2015, however these remain the two highest rated council services.
<b>Enforcement</b>											
SS/S6 (RPS - Biannual)	Percentage of residents who are satisfied with street cleaning <sup>2</sup>	Bigger is Better	58% (Spring 2016)	58% (Spring 2016)	59% (Spring 2016) (G)	52% (Autumn 2015)	Improving	53% (Spring 2015)	Improving	London 55% (Autumn 2014, RPS)	
CG/S11 (RPS - Biannual)	Percentage of residents who are satisfied with the repair of roads <sup>2</sup>	Bigger is Better	35% (Spring 2016)	35% (Spring 2016)	27% (Spring 2016) (G)	35% (Autumn 2015)	Worsening	27% (Spring 2015)	Same	London 41% (Autumn 2014, RPS)	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CG/S12 (RPS - Biannual)	Percentage of residents who are satisfied with the quality of pavements <sup>2</sup>	Bigger is Better	35% (Spring 2016)	35% (Spring 2016)	33.0% (Spring 2016) (G)	34% (Autumn 2015)	Worsening	30% (Spring 2015)	Improving	London 41% (Autumn 2014, RPS)	
KPI 2.1-2.3	Highways defects made safe within agreed timescale	Bigger is Better	100%	100%	100% (G)	97%	Improving	100%	Same	No benchmark available	
<b>Parking and regulatory services</b>											
PI/S3 (RPS)	Percentage of residents who are satisfied with parking services <sup>2</sup>	Bigger is Better	30% (Spring 2016)	30% (Spring 2016)	28% (Spring 2016) (GA)	30% (Autumn 2015)	Worsening	27% (Spring 2015)	Improving	London 33% (Autumn 2014, RPS)	Decline in customer satisfaction due to residents' difficulty with the transfer from paper permits to e-permits. Additional resource has been acquired to upload addresses and issue e-permits. The majority of issues have been resolved. It is projected that minor issues will be resolved in Q2.
EH01B	Compliance with Environmental Health Service Standards (Priority 1)	Bigger is Better	100%	100%	100% (G)	100%	Same	100%	Same	Ealing 75.7% (2013/14) Q1 81.5% (2014/15, Barnet Survey)	

## Transforming services (Opportunity)

Key area of focus	Description	Progress
<b>Burnt Oak Opportunity Support Team (BOOST)</b>	Piloting new approach to place based commissioning to help longer-term unemployed	The multi-agency project includes staff from Barnet Homes, Barnet Council's Benefits Service and Education and Skills team; JobCentre Plus and community partner, Love Burnt Oak. Over 200 people have been supported into work up until the end of June 2016.
<b>Welfare Reform Task Force</b>	Co-locating service to help residents into work	Set up three years ago to help households affected by the benefits cap, it combines specialist staff from Barnet Homes, Barnet Council, Future Path and JobCentre Plus. The multi-agency team has helped 2,000 households and supported 744 people into work. In Q1 2016/17, the Task Force has supported a further 64 newly capped households. 55 of the overall caseload have stopped being capped and 19 have moved into work. The team is now preparing to support the 1,066 households expected to be impacted by the lower benefit cap
<b>Best practice social care</b>	Remodelling social care services for adults to focus on independence and early intervention.	Adults and Safeguarding Committee has approved the shortlisted options for an alternative delivery model and proposed new operating model in March 2016. The approach to developing a further business case that presents a single recommended alternative delivery model option also has been approved. Public consultation for the Adults Delivery Vehicle (ADV) and Operating Model commenced in May 2016 and will run until August 2016. Work to produce the Full Business Case (FBC) is underway. The second phase of assessment hubs are being rolled out to deliver this model in practice. The Full Business Case will be completed for Adults and Safeguarding Committee in September 2016.
<b>Children's social care</b>	Developing excellent social work practice	A robust Practice Improvement Plan is in place, which focuses on three key aspects: practice quality, systems and tools, and recruitment and retention. The progress of actions is monitored using an agile project management methodology with regular reporting into the Social Work Improvement Board, including the Chief Executive and external challenge through our improvement partners to ensure appropriate oversight. As part of embedding resilience across the service and partnership, the Director for Children's Services has delivered a series of resilience workshops with staff, with partners following in autumn 2016, and training on tools to support the resilience model will be implemented shortly.
<b>Family service ADM</b>	Exploring opportunities for social work-led, not-for-profit organisation, to provide some services for children and young people	Timescales have been revised to retain the focus on practice improvement. The consultation process continues to be planned for October to December 2016.
<b>Health visiting CAMHS</b>	Re-commissioning health visiting and CAMHS and developing a traded CAMHS service	The governance strategy and delivery plans have been drafted; along with timescales for the procurement of CAMHS.

Key area of focus	Description	Progress
Street services ADM	Exploring opportunities to deliver frontline services via different business models.	Street Scene staff briefings are in progress. Work is underway on the in-house offer(s), with the response window running from 27 June to 21 October 2016. A procurement working group has been set up to update the Street Scene Delivery Unit asset register and to scope possible options for future asset management, in line with the in-house offer(s) timescales. The initial Outline Business Case is due to be submitted for review by project board on 3 August 2016 and Environment Committee on 26 September 2016.

10 indicators are reported in Q1 2016/17. Of these, 8 have been given a RAG rating: **63% (5)** are “on or above target” and **38% (3)** are “below target”. 8 have been given a Direction of Travel (DOT) status: **100% (8)** have an “improved/same” DOT and **0% (0)** have a “worsened” DOT from the same period last year.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where “below target”
<b>Education and skills</b>											
CES/S1	Percentage of primary schools rated as ‘good’ or better	Bigger is Better	95%	95%	93.20% (GA)	92.0%	Improving	91.80%	Improving	Outer London (90.4%), England (88.6%) Watchsted (05/07/16)	The monitoring, support and challenge school improvement policy sets out the level of support offered to schools.
CES/S3	Percentage of secondary schools rated as ‘good’ or better	Bigger is Better	92%	92%	88% (GA)	80.0%	Improving	88%	Improving	Outer London (86.3%), England (77.2%) Watchsted (05/07/16)	The monitoring, support and challenge school improvement policy sets out the level of support offered to schools.
CES/S25	Percentage attendance levels at primary schools	Bigger is Better	London Average	95.9%	96.2% (G)	95.9%	Improving	95.9%	Improving	National (96.4%); Outer London (96.2%) DfE SFR13/2016	



Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CES/S18-1	Percentage of 16-18 year olds who are not in education, employment or training	Smaller is Better	London Top Quartile	2.5%	2.4% (G)	1.9%	Worsening	2.8%	Improving	West London and Barnet average 2.6% May 2016, West London Partnership Support Unit)	
<b>Children's social care</b>											
FS/S1	Number of children made subject to Child Protection Plans	Monitor	Monitor	Monitor	79	310	Monitor	75	Monitor	Statistical Neighbours: 265 (end of year) (2014/15, CIN Census)	
FS/S2	Children made subject to Child Protection Plan for a second or subsequent time	Smaller is Better	15.6%)	15.6%	15.7% (GA)	16.6%	Improving	16.2%	Improving	Statistical Neighbours: 15.64% London: 13.8% England: 16.6% (2014/15, LAIT)	0.1% below target. New structure implemented whereby children subject to CP Plans 9 months and over are reviewed on a monthly basis. This will track effectiveness of plans, prevent drift, and ensure that Senior Managers, Child Protection Conference Chairs, and Social Workers collectively share and review decision making.
FS/S3	Number of children subject to Child Protection Plans for two or more years	Monitor	Monitor	Monitor	7	4	Monitor	7	Monitor	Statistical Neighbours 9 (2014/15, CIN Census)	
<b>Public health</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
PH/S2	Excess weight in 4-5 year olds (overweight or obese)	Smaller is Better	TBC	21.0% (Q4 2015/16 target)	19.9% (Q4 2015/16) (G)	21.0% (Q3 2015/16)	Improving	21.0% (Q4 2014/15)	Improving	England 21.9%, London 22.2%, (2015/16 PHOF)	
PH/S3	Excess weight in 10-11 year olds (overweight or obese)	Smaller is Better	TBC	36.7% (Q4 2015/16 target)	32.6% (Q4 2015/16) (G)	34.4% (Q3 2015/16)	Improving	34.0% (Q4 2014/15)	Improving	England 33.2%, London 37.2%, (2015/16 PHOF)	
PH/S5	Smoking prevalence	Smaller is Better	TBC	15.0% (Q4 2015/16 target)	13.2% (Q4 2015/16) (G)	13.2% (Q3 2015/16)	Same	15.0% (Q4 2014/15)	Improving	England 18.0%, London 17.0%, (2015/16 PHOF)	

## More resilient communities (Responsibility)

Key area of focus	Description	Progress
<b>Community participation</b>	Multiple work streams, including development of database for voluntary organisations and volunteering brokerage package	Proactive outreach plan with minority communities to ensure relationships has been developed and is being implemented. Procurement approach to tender training for VCS organisations provided in May 2016. Analysis of the Volunteering in local services completed and a workshop held with volunteering leads in May 2016. Two VCS database review workshops have been held to review progress on the database build in May 2016.
<b>Community assets strategy</b>	Investing in community hubs to work with co-located community groups to improve interaction with council services	A report on the Community Benefit Assessment Tool (CBAT) pilot has been considered by Policy and Resources on 28 June 2016, with a recommendation to roll-out more widely. The Valuations Team has implemented a four-week programme to complete the inspections and rental valuation for those community assets where the lease has expired, designed to ensure that rent valuations are available by the time the CBAT pilot is ready to be rolled-out.
<b>Building family resilience</b>	Working with families, schools and the community to build resilience.	Resilience based practice workshops have been delivered to all Family Services staff and a partnership workshop has taken place. Resilience based practice has been agreed as an additional priority by the Barnet Safeguarding Children Board and a set of resilience indicators have been agreed by the Barnet Safeguarding Children Board Performance and Quality Assurance Subgroup. The resilience based practice approach is being embedded into service areas, with additional training and tools developed to support this.

8 indicators are reported in Q1 2016/17. Of these, 8 have been given a RAG rating: **63% (5)** are “on or above target” and **38% (3)** are “below target”. 8 have been given a Direction of Travel (DOT) status: **50% (4)** have an “improved/same” DOT and **50% (4)** have a “worsened” DOT from the same period last year.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where “below target”
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### Community participation

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CG/S9 (RPS - Biannual)	Percentage of residents that volunteer at least once a month <sup>2</sup>	Bigger is Better	29% (Spring 2016)	29% (Spring 2016)	23% (Spring 2016) (RA)	Q not included in Autumn 2015	Not Applicable	26% (Spring 2015)	Worsening	National 24% (2010/11 Community Life Survey)	The data will be further explored to understand if there are geographical areas or groups which have seen a particular decline in volunteering. A communications campaign will also be launched at the end of 2016 to promote volunteering opportunities across the borough.
CG/S10 (RPS - Biannual)	Percentage of residents who agree that people pull together to help improve their area <sup>2</sup>	Bigger is Better	53% (Spring 2016)	53% (Spring 2016)	52% (Spring 2016) (G)	Q not included in Autumn 2015	Not Applicable	52% (Spring 2015)	Same	National 63% (2014/15, Community Life Survey)	
CG/S16 (RPS - Biannual)	Percentage of residents who are satisfied with Barnet as a place to live <sup>2</sup>	Bigger is Better	90% (Spring 2016)	90% (Spring 2016)	89% (Spring 2016) (G)	88% (Autumn 2015)	Improving	88% (Spring 2015)	Improving	National 83% (Sep 2015, LGA Survey)	
<b>Community safety</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CG/S3	Decrease in the level of crime across the Mayor's Office for Policing And Crime set of crimes	Bigger is Better	20% reduction	20% reduction	17.5% Reduction (GA)	17.4% reduction	Improving	23.0% reduction	Worsening	London 19.8% reduction (2014/15, MOPAC7)	The Q1 2016/17 results are still short of the reduction target but they do represent an improvement over the Q4 2015/16 results: Barnet's MOPAC7 crime reduction has increased from 17.4% to 17.5%. Reductions in Residential Burglary, Non-Residential Burglary and Robbery during Q1 2016/17 have contributed to this improvement. Barnet remains one of the safest boroughs in London
CG/S4 (RPS – Biannual)	Public confidence in police and council in dealing with anti-social behaviour and crime issues that matter in their area <sup>2</sup>	Bigger is Better	68% (Spring 2016)	68% (Spring 2016)	66% (Spring 2016) (GA)	64% (Autumn 2015)	Improving	68% (Spring 2015)	Worsening	No benchmark available	Performance has improved by 2% points from the autumn 2015 survey.
<b>Building family resilience</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
FS/S8	Percentage of the target groups that are registered with the children centre within the area it serves	Bigger is Better	65%	65%	79% (G)	76%	Improving	89%	Worsening	65%+ of Deprived Children 0-5 should be known to be deemed as 'Good' or 'Outstanding' (Ofsted Children's Centre handbook)	
FS/S15	Percentage of care leavers age 19 – 21 in education, employment or training	Bigger is Better	55% Above our statistical neighbours	55%	62.6% (G)	55%	Improving	45.5%	Improving	Statistical Neighbours: 51.8% London: 53% England: 48% (2014/15, LAIT)	
FS/18	Proportion of care leavers age 19 – 21 in suitable accommodation	Bigger is Better	90%	90%	97% (G)	95.9%	Improving	91%	Improving	Statistical Neighbours: 79.8% London: 83% England: 81% (2014/15, LAIT)	

## Improving customer services and ensuring transparency

Key area of focus	Description	Progress
<b>Council tax and business rates</b>	Helping the council become financially sustainable by maximising local sources of revenue.	An additional £335k has been collected in Council Tax than the same time last year, bringing the net annual collectable Council Tax in June 2016 to £3.5m. The Council Tax four-year collection rate (98.30%) is slightly less than the year-end target (98.49%) and the same time last year (98.34%). The NNDR 4-year collection rate (98.11%) is also slightly less than the year-end target (99%). However, this represents an increase of 0.71% compared to the same time last year (97.4%).
<b>Web-based services</b>	Interacting with the council via the web and other self-service channels	The Customer Access Strategy has been approved at Policy and Resources Committee in June 2016. This sets out the council's vision for customer access by 2020 - that it will be simplified and primarily 'digital by default', offering efficient resolution and services joined up across the council, partner agencies and the community sector.
<b>Customer satisfaction</b>	Resolving issues at first point of contact	To ensure the council maintains its focus on customers, the council monitors a range of customer indicators. In addition, the council has in place a weekly monitoring regime for senior management visibility of overdue complaints, members' enquiries and other customer data to drive further improvement.
<b>Open Data Portal and Transparency</b>	Providing access to council data and information; and publishing contract and spend data	<p>Barnet has built itself a national reputation for setting high standards in the field of Transparency and Open Data and is recognised as a Local Government Transparency Champion by the Cabinet Office. Recent achievements include.</p> <ul style="list-style-type: none"> <li>• New DataPress Open Barnet portal implemented, providing a much more user-friendly interface and options for further development, all at a lower cost.</li> <li>• 209 datasets now published on the portal</li> <li>• FOI requests – significant reduction in process and number of requests received for published datasets</li> <li>• Spend data – all spend data above £0.00 now published</li> <li>• Portal utilised to promote and host data for Waste Strategy consultation and Green Spaces Strategy</li> <li>• VCS Database to be implemented using Open principle with all data published on Open Barnet.</li> </ul>

8 indicators are reported in Q1 2016/17. Of these, 6 have been given a RAG rating: **67% (4)** are "on or above target" and **33% (2)** are "below target". 8 have been given a Direction of Travel (DOT) status: **63% (5)** have an "improved/same" DOT and **38% (3)** have a "worsened" DOT from the same period last year.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
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*Improving customer services and ensuring transparency*

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CG/S22	Council Tax collection	Bigger is Better	98.5%	Monitor	98.30%	98.6%	Worsening	98.34%	Worsening	Outer London 96.8% (June 2016, DCLG)	An additional £335k has been collected in Council Tax than the same time last year, bringing the net annual collectable Council Tax in June 2016 to £3.5m. The Council Tax four-year collection rate (98.30%) is slightly less than the year-end target (98.49%) and the same time last year (98.34%).
CG/S23	Business rate collection	Bigger is Better	99%	Monitor	98.11%	98.9%	Worsening	97.4%	Improving	Outer London 98.4% (June 2016, DCLG)	The NNDR 4-year collection rate (98.11%) is also slightly less than the year-end target (99%). However, this represents an increase of 0.71% compared to the same time last year (97.4%).
CG/S19 (RPS - Biannual)	Residents who report it is easy to access council services <sup>2</sup>	Bigger is Better	67% (Spring 2016)	67% (Spring 2016)	66% (Spring 2016) (G)	Q not included in Autumn 2015	Not Applicable	71% (Spring 2015)	Worsening	No benchmark available	
CG/S14 (RPS - Biannual)	Residents who are satisfied with the way the council runs things <sup>2</sup>	Bigger is Better	73% (Spring 2016)	73% (Spring 2016)	74% (Spring 2016) (G)	74% (Autumn 2015)	Same	71% (Spring 2015)	Improving	London 70% (Nov 2014, Survey of Londoners) National 71% (Sep 2015, LGA Survey)	



Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CG/S24	Overall satisfaction with customer services	Bigger is Better	80%	80%	77% (GA)	77%	Same	74%	Improving	No benchmark available	TBC
CSO10C	Percentage of customers who rate the website as good	Bigger is Better	54% (TBA)	45%	46% (G)	45%	Improving	42%	Improving	No benchmark available	
CG/S26	Customer cases that are closed within the agreed timescales	Bigger is Better	90%	90%	89% (GA)	93.0%	Worsening	74%	Improving	No benchmark available	TBC
CG/S15	Performance of services	Bigger is Better	80% above average	80%	82% (G)	82%	Same	83.0%	Worsening	No benchmark available	

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## Appendix B: Service Performance (Quarter 1 2016/17)

This appendix aligns **performance** and **finance** information for each service (Delivery Units and Service Providers) – focusing on key successes and challenges; any service indicators that are “below target” (RAG rated as Green Amber, Red Amber or Red); and revenue and capital budget variances. The full service reports are published on the website each quarter at [www.barnet.gov.uk/currentperformance](http://www.barnet.gov.uk/currentperformance)

### Performance

**296** indicators are reported in Q1 2016/17. Of these, 248 have been given a RAG rating: **72% (178)** are “on or above target” and **28% (70)** are “below target”. 183 indicators have been given a Direction of Travel (DOT) status: **72% (131)** have an “improved/same” DOT and **28% (52)** have a “worsened” DOT from the same period last year.

Service	No. reported Q1 2016/17	No. with a RAG rating Q1 2016/17	RAG Ratings				Monitor Q1 2016/17	No. with a DOT at Q1 2016/17	Long Term Direction of Travel	
			Green	Green Amber	Red Amber	Red			Improved/Same	Worsened
Adults and Communities	23	17	59% (10)	12% (2)	12% (2)	18% (3)	6	14	79% (11)	21% (3)
Barnet Homes	18	16	88% (14)	0% (0)	13% (2)	0% (0)	2	16	81% (13)	19% (3)
Commissioning Group	36	26	50% (13)	31% (8)	8% (2)	12% (3)	10	27	59% (16)	41% (11)
Customer and Support Group (CSG)	38	38	66% (25)	3% (1)	0% (0)	32% (12)	0	19	63% (12)	37% (7)
Education and Skills	6	6	67% (4)	33% (2)	0% (0)	0% (0)	0	6	100% (6)	0% (0)
Family Services	30	19	84% (16)	11% (2)	0% (0)	5% (1)	11	9	78% (7)	22% (2)
HB Public Law	12	12	83% (10)	17% (2)	0% (0)	0% (0)	0	12	83% (10)	17% (2)
Mortuaries	0	0	0% (0)	0% (0)	0% (0)	0% (0)	0	0	0% (0)	0% (0)
Parking and Infrastructure	7	7	71% (5)	14% (1)	0% (0)	14% (1)	0	7	71% (5)	29% (2)
Public Health	36	36	67% (24)	3% (1)	0% (0)	31% (11)	0	12	75% (9)	25% (3)
Regional Enterprise (Re)	70	51	90% (46)	4% (2)	0% (0)	6% (3)	19	53	72% (38)	28% (15)
Registrar Service	9	9	67% (6)	11% (1)	0% (0)	22% (2)	0	0	0% (0)	0% (0)
Street Scene	11	11	45% (5)	9% (1)	18% (2)	27% (3)	0	8	50% (4)	50% (4)
<b>Total</b>	<b>296</b>	<b>248</b>	<b>72% (178)</b>	<b>9% (23)</b>	<b>3% (8)</b>	<b>16% (39)</b>	<b>48</b>	<b>183</b>	<b>72% (131)</b>	<b>28% (52)</b>

Service	No. reported Q1 2016/17	No. with a RAG rating Q1 2016/17	RAG Ratings				No. with a DOT at Q1 2016/17	Long Term Direction of Travel	
			Green	Green Amber	Red Amber	Red		Improved/Same	Worsened
YCB*	25	20	80% (16)	20% (4)		0% (0)	22	86% (19)	14% (3)

\*YCB use a slightly different RAG rating

## Revenue

Service	Original Budget £000	Revised Budget £000	Q1 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Adults and Communities	85,566	88,907	92,792	3,885	4.4
Assurance	3,793	3,863	3,863	0	0.0
Births Deaths and Marriages (Registrar Service )	(160)	(160)	(7)	153	95.4
Central Expenses	51,381	43,933	43,706	(227)	-0.5
Commissioning Group	19,288	20,256	20,256	0	0.0
Customer and Support Group (CSG)	22,120	22,120	22,621	501	2.3
Education and Skills	6,940	7,082	7,158	76	1.1
Family Services	46,481	50,561	50,561	0	0.0
HB Public Law	2,011	2,011	1,997	(14)	-0.7
Housing Needs and Resources (Barnet Homes)	4,976	5,560	5,690	130	2.3
Parking and Infrastructure	(1,933)	(1,896)	(1,559)	337	17.8
Public Health	18,544	18,055	18,055	0	0.0
Regional Enterprise (Re)	1,134	1,134	1,134	0	0.0
Street Scene	13,896	13,545	13,802	257	1.9
<b>Total</b>	<b>274,036</b>	<b>274,971</b>	<b>280,069</b>	<b>5,098</b>	<b>1.9</b>

## Capital

Service	2016/17 Budget £000	Additions/ (Deletions) £000	(Slippage)/ Accelerated Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Variance from Approved Budget Adv/(Fav) %
Adults and Communities	6,568	663	(438)	6,793	(225)	(7)
Commissioning Group	35,168	0	(4,331)	30,837	(4,331)	(12)
Education and Skills	78,667	2,944	(7,946)	73,665	(5,002)	(10)
Family Services	14,856	0	0	14,856	0	0
Housing Needs and Resources (Barnet Homes)	259	0	0	259	0	0
Parking and Infrastructure	1,707	0	0	1,707	0	0
Regional Enterprise (Re)	126,232	(231)	(18,148)	107,853	(18,379)	(14)
Street Scene	3,169	(2)	0	3,167	(2)	0
<b>General Fund Programme</b>	<b>266,626</b>	<b>3,374</b>	<b>30,863</b>	<b>239,137</b>	<b>(27,489)</b>	<b>(12)</b>
HRA (Barnet Homes)	50,381	(663)	(4,174)	45,544	(4,837)	(8)
<b>Total Capital Programme</b>	<b>317,007</b>	<b>2,711</b>	<b>(35,037)</b>	<b>284,681</b>	<b>(32,326)</b>	<b>(11)</b>

## Savings

Service	2016/17 MTFS Savings £000	Savings Achieved £000	Savings Unachievable £000	Percentage of savings achieved %
Adults and Communities	3,383	1,768	543	52.3
Assurance	356	-	216	-
Central Expenses	6,995	6,640	330	94.9
Commissioning Group	2,406	1,909	466	79.3
Education and Skills	85	-	0	-
Family Services	1,986	115	374	5.8
Parking and Infrastructure	1,130	50	50	4.4
Regional Enterprise (Re)	2,253	-	0	-
Street Scene	960	690	170	71.9
<b>Total</b>	<b>19,554</b>	<b>11,172</b>	<b>2,149</b>	<b>57.1</b>

## Adults and Communities

Successes	Challenges
<ul style="list-style-type: none"> <li>The rate of admissions to residential care for both older and working age adults has improved. Admissions for older adults has fallen almost 20% on last year and the indicator has exceeded target in Q1 2016/17. Admissions for working age adults has been consistently low in 2015/16 and the rate continues to improve against target in Q1 2016/17.</li> <li>As part of the strengths-based working pilot, which aims to support individuals to consider the assets and resources available to them within their homes or communities to meet their needs, a comprehensive training programme has been delivered for staff to improve the quality of practice, promote resilience for service users and reduce the reliance on funded packages of care. The pilot is a key enabler for the new delivery model for social care and will be rolled out to further cohorts in Q2 2016/17.</li> <li>The supported employment project for service users with a learning disability and mental health condition has been scoped and an ambitious programme of action agreed to improve performance against these indicators. Although this has not yet translated into a substantial improvement in the number of people placed in employment – mechanisms have been put in place to track the number of referrals into employment and volunteering schemes to ensure this realises improvements in practice.</li> </ul>	<ul style="list-style-type: none"> <li>Increased pressure across the health and social care system, particularly in relation to older adults, has resulted in increased costs for residential care placements and delayed transfers of care from hospital. The service is managing demand through better support planning via initiatives such as strengths-based working and improving information and advice services.</li> <li>Resource pressures on the NHS have had a knock-on effect across the health and social care system. The appointment of the Better Care Fund programme will help to address integration issues; and work to review and learn from reasons for delayed transfers of care will continue.</li> <li>Delayed improvements to key enablers such as the Mosaic case management system and customer access channels including the web offer. Work is being undertaken to mitigate the impact of the Mosaic delay (for example, making interim improvements to assessment and review forms). Commissioners and the Delivery Unit are undertaking targeted work to co-ordinate web improvements and ensure they work together strategically.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>59% (10)</b>	<b>12% (2)</b>	<b>12% (2)</b>	<b>18% (3)</b>	<b>79% (11)</b>	<b>21% (3)</b>

23 indicators are reported in Q1 2016/17. 17 have been given a RAG rating: 59% (10) are “on or above target” and 41% (7) are “below target”. 14 have been given a Direction of Travel (DOT) status: 79% (11) have an “improved/same” DOT and 21% (3) have a “worsened” DOT from the same period last year. 5 of the 7 indicators “below target” are service indicators (set out in the Adults and Safeguarding Committee Commissioning Plan or Adults and Communities Management Agreement) and 2 have been RAG rated as Red.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
AC/S16 (ASCOF 1C/2A)	Proportion of service users with a direct payment (ASCOF 1C/2A)	Bigger is Better	42.0%	40.1%	39.2% (RA)	40.1%	Worsening	39.2%	Same	26.5% (CIPFA) 28.3% (London)  ASCOF Comparators (2014/15)	The cohort not receiving direct payments has been reviewed to identify any underlying causes such as equality issues and none have been found.
AC/S21	Number of carers' assessments	Bigger is Better	1045	209	194 (GA)	Not comparable with 2016/17	Not comparable with 2016/17	Not comparable with 2016/17	Not comparable with 2016/17	No benchmark available	Carers' assessment numbers were low throughout 2015/16 and this is a key focus of the first phase of the new carers' strategy.
AC/C10	Percentage of clients receiving an ongoing package of care reviewed	Bigger is Better	75.0%	18.0%	14.0% (RA)	New method 2016/17	New method 2016/17	New method 2016/17	New method 2016/17	No benchmark available	Work has been carried out to prioritise cases and a tool is being designed to track the impact of case reviews.
AC/C12	Number of delayed transfers of care from hospital per 100,000 population (aged 18+) which are attributable to both NHS and Adult Social Care	Smaller is Better	TBC	6.4	7.5 (R)	7.5	Same	5.8	Worsening	Comparator group 7.3 (2014/15, ASCOF)	Delayed transfers of care have remained above target for both NHS and Social Care delays in Q1. These delays include mental health cases as well as acute cases
AC/C13 (ASCOF 2C/2)	Number of delayed transfers of care from hospital, and those which are attributable to adult social care, per 100,000 population	Smaller is Better	2.5	2.5	3.3 (R)	3.3	Same	2.8	Worsening	Comparator group 2.4 (2014/15, ASCOF)	As above

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	3,885 (4.4%)	(225) (7%)	1,768 (52.3%)

The projected revenue overspend of £3.885m within Adults and Communities represents 4.4 per cent of the total Delivery Unit budget (£88.907m).

- The care budgets within Adults have continued to show significant overspends since 2014/15 as a result of rising demand for services and increasing complexity in relation to those supported. Deprivation of Liberty Safeguards (DOLS) service continues to have significant pressures in 2016/17, as a result of Supreme Court judgements in 2014/15 and a loss of grant funding since 2015/16.
- The non-placements budget areas continue to be closely monitored and managed as MTFS savings reduced some of these areas significantly in 2016/17. These areas are producing a slight underspend position which is offsetting placements pressures at this point.

The adults capital programme is forecast to overspend by £0.225m. This is largely due to in-year additions of £0.656m due to accounting adjustments to correct the budget from the prior year offset by slippage of £0.438m, which relates to anticipated delays in construction work in relation to the leisure facility as part of the Sport and Physical Activity review.



## Barnet Homes

Successes	Challenges
<ul style="list-style-type: none"> <li>Two new build schemes in Coppetts Ward completed, including the first flats to be built by Barnet Homes. Beacham Court (10 flats) and Sapara Court (9 flats) are both fully occupied with 27 of the planned 40 homes completed. The remaining properties will be completed in August 2016.</li> <li>BOOST, a multi-agency project located in the heart of Burnt Oak, has signed up more than 500 residents and helped over 190 people into work since May 2015. European Social Fund money has been secured until March 2017.</li> <li>The let2barnet service assisted 158 households in accessing the private rented sector; and carried out 65 lettings in April 2016. With affordable private sector accommodation increasingly difficult to source and sustain, the let2barnet service plays an important role in helping meet homelessness demand.</li> </ul>	<ul style="list-style-type: none"> <li>High demand for homelessness services and in particular the increasing reliance on temporary accommodation has exposed the council to a greater risk of cost inflation in relation to the cost of accommodation. Demand for temporary accommodation and inflationary pressures are being monitored closely. Whilst inflation has stabilised during Q1 2016/17, demand remains high with almost 19% more placements into temporary accommodation during the quarter compared with the same period last year. A range of mitigations to maximise prevention, manage demand and increase affordable supply have started to take effect. With additional let2barnet negotiators recruited and additional tenancy sustainment resources, the volume of preventions and private sector lettings have increased in Q1 2016/17 and are both on course to meet target (900 preventions and 500 private sector lettings).</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	88% (14)	0% (0)	13% (2)	0% (0)	81% (13)	19% (3)

18 indicators are reported in Q1 2016/17. 16 have been given a RAG rating: 88% (14) are “on or above target” 13% (2) are “below target”. 16 have been given a Direction of Travel (DOT) status: 81% (13) have an “improved/same” DOT and 19% (3) have a “worsened” DOT from the same period last year. None of the indicators “below target” are service indicators (set out in the Housing Committee Commissioning Plan or Housing Delivery Plan).

Finance (Housing Needs and Resources)	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	130 (2.3%)	0 (0%)	N/A

The projected **revenue** overspend of £0.130m within Housing Needs and Resources represents 2.3 per cent of the total Delivery Unit budget (£5.960m).

- The variance has been driven by payments for temporary accommodation exceeding rental income due to a limit on the local housing allowance rates that can be received.

## Commissioning Group

Successes	Challenges
<ul style="list-style-type: none"> <li>A network of “small business hubs” has been developed and is being considered by Full Council as part of the Locality Strategy. This involves four libraries and part of the new Colindale offices and is intended to support local entrepreneurs and peripatetic working for officers. Should the proposal be approved, the first hub could be up and running within the next 18 months.</li> <li>The “Town Centre Offer” has been published on the council website on 13 April 2016 following an extensive period of development and testing with officers. Detailed design work for Burnt Oak place-based pilot strategy has been completed, with works to commence in autumn 2016. A project to deliver a strategy for improving Finchley Church End Town Centre has been put out to tender in May 2016 and will be completed towards the end of 2016.</li> <li>Final submission of the Better Care Fund has been made to NHS England in May 2016.</li> <li>As part of the community assets strategy, the Community Benefit Assessment Tool (CBAT) pilot has commenced following approval by Policy and Resources on 28 June 2016, including the recommendation to roll-out more widely.</li> <li>As part of the Accommodation Strategy, a business case has been developed for using Prospect Place as supported living for people with learning disabilities; and a financial feasibility study has been undertaken on Stagg House as potential extra care housing.</li> </ul>	<ul style="list-style-type: none"> <li>Maximising the benefits available from the CSG contract review. This is expected to achieve benefits of cost reduction, improvement and alignment of services with council priorities, while focusing on improving key services.</li> <li>Delivering the council’s transformation programme, including implementing the council’s new customer access strategy, particularly increasing the percentage of residents and businesses who contact the council via the website, preparing for the move to new offices in Colindale and to new depot sites, and considering alternative ways of delivering the Council’s services.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	50% (13)	31% (8)	8% (2)	12% (3)	59% (16)	41% (11)

**36** indicators are reported in Q1 2016/17. 26 have been given a RAG rating: 50% (13) are “on or above target” and 51% (13) are “below target”. 27 have been given a Direction of Travel (DOT) status: 59% (16) have an “improved/same” DOT and 41% (11) have a “worsened” DOT from the same period last year. 8 of the 13 indicators “below target” are service indicators (set out in the Theme Committee Commissioning Plans or Commissioning Group Business Plan) and 3 have been RAG rated as Red.

Ref	Indicator	Polarity	2016/17 Annual Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CG/C24	Running costs of estate (designated civic buildings only)	Smaller is Better	Decrease (205/16)	£6.8m (205/16)	£7.3m (2015/16) (RA)	New for 2016/17	New for 2016/17	£8.7m (2014/15)	Improving	No benchmark available	As a result of increased security, rates & rents and depot transition costs. Next reported at the end of 2016/17 (Annual measure). Updates may be available during the year.
CG/C25	Income from the estate	Bigger is Better	Increase (205/16)	£2.2m (205/16)	£2.026m (205/16) (GA)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	The £2.2m target is applicable to contract start date 01/09/2015 to 31/08/2016 Awaiting completion of lease renewal for Claremont Way Industrial Estates (£320k).
CG/C16 (RPS-Biannual)	Percentage of residents who are concerned about roads and pavements (in top 3)	Smaller is Better	27%	27%	37% (Spring 2016) (R)	29% (Autumn 2015)	Worsening	38% (Spring 2015)	Improving	No benchmark available	TBC
CG/C17 (RPS-Biannual)	Percentage of residents who are concerned about traffic congestion	Smaller is Better	18%	18%	22% (Spring 2016) (R)	26%	Worsening	21% (Spring 2015)	Worsening	No benchmark available	TBC
CG/S17	Number of older people who take up leisure services – participation of over 45s	Bigger is Better	20.4% (2015/16)	20.4% (2015/16)	19.7% (Dec 2015) (GA)	19.8% (Sep 15)	Worsening	Not available	Not available	No benchmark available	TBC
CG/S28	Increasing participation in sport and physical activity	Bigger is Better	37.9%	37.9%	37.2% (GA)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	The survey is conducted via telephone with 500 randomly selected people per Local Authority aged 14+. Due to the sample size, the interim result is not deemed to be a significant decrease against APS9 (37.9%) – 0.7% difference.

Ref	Indicator	Polarity	2016/17 Annual Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
CG/C7	The council acts on the concerns of local residents	Bigger is Better	53%	53%	48% (Spring 2016) (GA)	Q not included in Autumn 2015	Q not included in Autumn 2015	53% (Spring 2015)	Worsening	No benchmark available	The data will be further explored to understand if there are geographical areas or groups which are particularly concerned, as well as focus groups to understand the drivers. There has been a decline in a number of council image statements and this may be linked to high level consultations on services such as libraries.
CG/C23	Sickness absence	Smaller is Better	6 days	6 days	8.35 days (R)	8.49 days	Improving	8.0 days	Worsening	No benchmark available	TBC

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	0 (0.0%)	(4,331) (12%)	1,909 (79.3%)

The Commissioning Group **capital** programme is forecast to underspend by £4.331m. Slippage of £1.628m is anticipated on the Depot relocation due to re-profiling of works and slippage of £2.703m is anticipated on the Daws Lane Community Centre due to delays in the on-site construction start date, now expected to be winter 2017.

## Customer and Support Group (CSG)

Successes	Challenges
<ul style="list-style-type: none"> <li>Collective Agreement has been reached with the unions for the Unified Reward terms and conditions. The programme has progressed well through implementation with go-live for corporate staff agreed for October 2016.</li> <li>The Customer Access Strategy has been approved by Policy and Resources Committee in June 2016 following public consultation. The strategy sets out the council's vision for customer access, which by 2020 will be simplified and primarily 'digital by default', offering efficient resolution and services joined up across the council, partner agencies and the community sector.</li> <li>The council's accounts have been successfully closed earlier than the deadline, incorporating Barnet Group and Barnet (Holdings) Ltd. For the first time.</li> <li>The Payroll Accuracy indicators passed in all three months during Q1 2016/17 from both corporate and schools payrolls. This reflects the continued focus on quality checking and streamlining of processes; and no complaints have been received for the service.</li> </ul>	<ul style="list-style-type: none"> <li>Speed of processing Council Tax has been significantly "below target" of 10 working days throughout the quarter. An improvement plan has been put in place, which includes additional resources to clear outstanding work; a new work manager application to better monitor staff productivity; and a new incentive scheme that will be introduced in July 2016.</li> <li>The user and commissioner survey satisfaction results, carried out in 2016 across IT, Finance, Procurement, Estates and HR, have missed target. In several areas the scores reflect the level of change that has been carried out during the transition and subsequent transformation in the early years of the contract. However, there are also specific areas for improvement. Each of the services has an improvement plan they are working to which addresses the key areas for development.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	66% (25)	3% (1)	0% (0)	32% (12)	63% (12)	37% (7)

38 indicators are reported in Q1 2016/17. 38 have been given a RAG rating: 66% (25) are "on or above target" and 35% (13) are "below target". 19 have been given a Direction of Travel (DOT) status: 63% (12) have an "improved/same" DOT and 37% (7) have a "worsened" DOT from the same period last year. All 13 indicators "below target" are service indicators (set out in the CSG contract) and 12 have been RAG rated as Red. All Red indicators relate to user and commissioner satisfaction surveys.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
IS14 CSG/C1 0	User satisfaction with IS service	Bigger is Better	N/A	75.8% (2015/16)	Fail (2015/16) (R)	N/A	N/A	N/A	N/A	No benchmark available	In several areas the scores reflect the level of change that has been carried out during the transition and
HR19 CSG/C1 7	User satisfaction with HR service	Bigger is Better	N/A	80.00% (2015/16)	Fail (2015/16) (R)	N/A	N/A	N/A	N/A	No benchmark available	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
PR23 CSG/C2 3	User satisfaction with procurement service	Bigger is Better	N/A	65.60% (2015/16)	Fail (2015/16) (R)	N/A	N/A	N/A	N/A	No benchmark available	subsequent transformation in the early years of the contract. However, there are also specific areas for continuous improvement. As such each of the services has a Service Improvement Plan they are working to which addresses the key areas for development.
ES27 CSG/C2 8	User satisfaction with estate service	Bigger is Better	N/A	82.40% (2015/16)	Fail (2015/16) (R)	N/A	N/A	N/A	N/A	No benchmark available	
FIN30 CSG/C3 0	% of savings implemented	Bigger is Better	N/A	100.0%	Fail (R)	N/A	N/A	N/A	N/A	No benchmark available	
FIN34 CSG/C3 4	User satisfaction with finance	Bigger is Better	N/A	68.20% (2015/16)	Fail (2015/16) (R)	N/A	N/A	N/A	N/A	No benchmark available	
Super KPI39b CSG/C3 9	Commissioner Satisfaction - Estates	Bigger is Better	N/A	77.0% (2015/16)	Fail (R)	N/A	N/A	N/A	N/A	No benchmark available	
Super KPI39c CSG/C4 0	Commissioner Satisfaction - Corporate IS	Bigger is Better	N/A	69.0% (2015/16)	Fail (R)	N/A	N/A	N/A	N/A	No benchmark available	
Super KPI39d CSG/C4 1	Commissioner Satisfaction – Procurement	Bigger is Better	N/A	66.4% (2015/16)	Fail (R)	N/A	N/A	N/A	N/A	No benchmark available	
Super KPI 39e CSG/C4 2	Commissioner Satisfaction – HR	Bigger is Better	N/A	80.0% (2015/16)	Fail (R)	N/A	N/A	N/A	N/A	No benchmark available	
Super KPI 39f CSG/C4 3	Commissioner Satisfaction – Finance	Bigger is Better	N/A	73.6% (2015/16)	Fail (R)	N/A	N/A	N/A	N/A	No benchmark available	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
Super KPI35b CSG/S1	Resident Satisfaction - It is easy to access council services	Bigger is Better	80% (Spring 2016)	80% (Spring 2016)	66% (Spring 2016) (R)	68% (Autumn 2014)	Worsening	71% (Spring 2015)	Worsening	No benchmark available	2 of the 3 Super KPI's relating to the survey failed. The survey questions related to 'responds quickly when asked for help' (3% off target) and 'it is easy to access council services' (1% off target), although 'has staff that are friendly and polite' was 4% above target.
Super KPI35c CSG/C3 6	Resident Satisfaction - Responds quickly when asked for help	Bigger is Better	55% (Spring 2016)	55% (Spring 2016)	52% (Spring 2016) (GA)	50% (Autumn 2014)	Improving	56% (Spring 2015)	Worsening	No benchmark available	

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	501 (2.3%)	N/A	N/A

The projected **revenue** overspend of £0.501m within the Customer Support Group represents 2.3 per cent of the total Delivery Unit budget (£22.120m). The anticipated over spend is due to repairs and maintenance on non-civic buildings and reduced income.

## Education and Skills

Successes	Challenges
<ul style="list-style-type: none"> <li>All children who applied on time have been offered a Reception place for September 2016.</li> <li>The percentage of good or outstanding secondary schools in Barnet has increased to 88% and is above the Outer London average.</li> <li>There has been a smooth transition to the Joint Venture business model with Cambridge Education, with continuity of service uninterrupted for stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment and retention of teachers and school leadership remains a challenge for schools within Barnet. A working group comprising of head teachers, unions and a representative from Cambridge Education meets regularly to deliver the strategy.</li> <li>New assessment and reporting arrangements for primary schools has created challenges for school self-assessment. The School Improvement Team has identified a series of actions for supporting schools to improve under the new framework and will implement these over the next academic year.</li> <li>The Virtual School Challenge Committee regularly monitors and challenges the Virtual School. Whilst there has been significant progress in raising the awareness of looked after children's attainment/achievement with schools and the factors that may impact on ability to achieve potential, the attainment/achievement of Barnet's looked after children has remained below that of their peers. The Virtual School hosted a peer review with Merton and Hounslow Virtual School Teams to look at removing barriers for attendance, which has generated actions for improvement.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	67% (4)	33% (2)	0% (0)	0% (0)	100% (6)	0% (0)

6 indicators are reported in Q1 2016/17. 6 have been given a RAG rating: 67% (4) are "on or above target" and 33% (2) are "below target". 6 have been given a Direction of Travel (DOT) status: 100% (6) have an "improved/same" DOT from the same period last year. None of the 2 indicators "below target" are service indicators (set out in the Children, Education, Libraries and Safeguarding Committee Commissioning Plan or Cambridge Education contract).

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	76 (1.1%)	(5,002) (10%)	0

The projected **revenue** overspend of £0.076m within Education and Skills represents 1.1 per cent of the total Delivery Unit budget (£7.082m). The variance relates to the CSG rebate of services that Cambridge Education are undertaking themselves.



The Education and Skills programme is forecast to underspend in total by £5.002m. There are £2.998m of additions to modernisation costs relating to anticipated building fabric work (£2.270m), mechanical services (£0.334m) and electrical works to be carried out across primary and secondary schools, funded from schools devolved capital grant monies. Primary and secondary schools contingency budgets totalling £7.878m have no planned commitments against them this year, and therefore can slip to fund schemes in future years.

## Family Services

Successes	Challenges
<ul style="list-style-type: none"> <li>• New Park House residential children’s home has been rated as ‘outstanding’ by Ofsted.</li> <li>• As part of embedding resilience across the service and partnership, resilience based practice workshops have been held for 488 Family Services staff, with partners following in autumn 2016.</li> <li>• Agreement has been secured for two Family Friendly Hubs to be located in Barnet.</li> </ul>	<ul style="list-style-type: none"> <li>• A robust Practice Improvement Plan has been put in place to ensure Barnet has high quality resilience based social work practice across Family Services. This focuses on three key aspects: practice quality, systems and tools, and recruitment and retention. The progress of actions is monitored using an agile project management methodology with regular reporting into the Social Work Improvement Board, including the Chief Executive and external challenge through our improvement partners to ensure appropriate oversight. As part of embedding resilience across the service and partnership, the Director for Children’s Services has delivered a series of resilience workshops with staff, with partners following in autumn 2016, and training on tools to support the resilience model will be implemented shortly.</li> <li>• Practice improvement work has continued to ensure that the service is delivering as effectively as possible, including against the requirements of the Ofsted Framework and Evaluation Schedule for the Inspection of Services for Children in Need of Help and Protection, Children Looked After and Care Leavers.</li> <li>• Recruiting into vacant social worker posts and the use of agency cover continues to be an area for focus. Recent recruitment activity has resulted in a number of agency staff moving onto permanent contracts; helping to create greater workforce stability and manage budgets. The Social Work Academy in partnership with Middlesex University is on track to open to the first cohort in September 2016.</li> <li>• Implementation of the new libraries model across HR, IT and operations</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>84% (16)</b>	<b>11% (2)</b>	<b>0% (0)</b>	<b>5% (1)</b>	<b>78% (7)</b>	<b>22% (2)</b>

**30** indicators are reported in Q1 2016/17. 19 have been given a RAG rating: 84% (16) are “on or above target” and 16% (3) are “below target”. 9 have been given a Direction of Travel (DOT) status: 78% (7) have an “improved/same” DOT and 22% (2) have a “worsened” DOT from the same period last year. 2 of the 3 indicators “below target” are service indicators (set out in the Children, Education, Libraries and Safeguarding Committee Commissioning Plan or Family Services Management Agreement) and 1 has been RAG rated as Red.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
FS/C26	Percentage of CLA visits taken place within timeframes	Bigger is Better	95.0%	95.0%	84.6% (GA)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	Indicator slipped back at the end of the quarter. The new HoS is following up on a weekly and daily basis and holding surgeries for those social workers who have any out of date visits recorded on the system.
FS/C37	Percentage of CLA who have had a timely initial health assessment in the last 6 months	Bigger is Better	95.0%	95.0%	30.4% (R)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	Meetings with Health have taken place to address the need for additional nurses to deal with the initial health assessments. The current post holder is on maternity leave and there is no administrator currently in post which has had a negative impact on the target. A review of all the health processes was undertaken on in July between Social Care Heads of Service and Health Heads of Service to understand how the process can be streamlined to ensure that there are no system blockages and sufficient staff to complete the work.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	0 (0.0%)	0 (0.0%)	115 (5.7%)

## HB Public Law

Successes	Challenges
<ul style="list-style-type: none"> <li>A social housing sub-letting prosecution has been conducted, resulting in the defendant receiving a 16-week suspended sentence, 100 hours unpaid work and ordered to pay £1,000 towards costs. This case has been important, as it will help the council protect social housing stock.</li> <li>Another prosecution has been taken against a defendant who defrauded £220,000 from potential tenants as part of a lettings businesses, resulting in a four and a half year prison sentence. Confiscation proceedings have been commenced to seek recovery of funds from his assets to repay victims.</li> <li>An application for a Judicial Review of a planning decision to grant permission for a school on Metropolitan Open Land has been successfully defended.</li> </ul>	

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>83% (10)</b>	<b>17% (2)</b>	<b>0% (0)</b>	<b>0% (0)</b>	<b>83% (10)</b>	<b>17% (2)</b>

12 indicators are reported in Q1 2016/17. 12 have been given a RAG rating: 83% (10) are “on or above target” and 17% (2) are “below target”. 12 have been given a Direction of Travel (DOT) status: 83% (10) have an “improved/same” DOT and 17% (2) have a “worsened” DOT from the same period last year. Both indicators “below target” are service indicators (set out in the HB Public Law contract) but neither have been RAG rated as Red.

Ref	Indicator	Polarity	2016/17 Annual Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where “below target”
HBPL/C1	Acknowledge emails within 1 working day	Bigger is Better	95%	95%	87% (GA)	96%	Worsening	95%	Worsening	No benchmark available	Not all emails require a response and there are occasions where the fee earner will meet with the clients in response to new instructions.
HBPL/C4	New Instructions Assessed and acknowledged within 3 working days	Bigger is Better	95%	95%	92% (GA)	95%	Worsening	100%	Worsening	No benchmark available	Although outside of target, response was within a reasonable amount of time.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	(14) (-0.7%)	N/A	N/A

## Mortuaries

Successes	Challenges
<ul style="list-style-type: none"> <li>An audit of the mortuary, at the licensed site in Northwick Park, by the HTA has confirmed full compliance with the requirements and highlighted some best practice examples that the HTA will share with other. The mortuary is legally required to comply with the Human Tissue Act and receives regular audits, around every four years.</li> <li>Additional storage to hold Barnet's deceased and an upgrade to the facility has been undertaken with additional capital provided by the council through the shared service agreement. As a result it is expected that no further major capital investment will be required internally for around 15 years.</li> </ul>	<ul style="list-style-type: none"> <li>Training and orientation has been arranged for the new funeral contractors for Northwick Park to minimise risk of mistakes or delays due to unfamiliarity with the area and mortuary procedures.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	N/A	N/A	N/A	N/A	N/A	N/A

No service indicators (set out in the Mortuaries contract) are reported in Q1 2016/17.

## Parking and Infrastructure

Successes	Challenges
<ul style="list-style-type: none"> <li>The Highways DLO has dealt with all complaints/roadwork within specified timescales ensuring that the target of 100% has been met and achieved.</li> <li>Both off street and on street parking patronage has increased by 12% and 18% in these areas. This has been due to a real focus on having car parks kept clean and responding to issues in a timely manner.</li> <li>Increased satisfaction with street lighting, with satisfaction levels rising by 1.4% in the quarter.</li> </ul>	<ul style="list-style-type: none"> <li>A review of Disabled Persons Freedom Pass has commenced to ensure that all areas meet the Transport Act 2000 and Department for Transport Guidelines.</li> <li>The Service Level Agreement for customer complaints has not been met due to an increase in demand and lack of resource. A revised process has been drafted to counteract this, which will involve the introduction of letter templates, an additional link officer and an overhaul of current processes within the Parking Client Team. All interaction will be based on the Corporate Maturity Model with completion due in Q2 2016/17.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	71% (5)	14% (1)	0% (0)	14% (1)	71% (5)	29% (2)

7 indicators are reported in Q1 2016/17. 7 have been given a RAG rating: 71% (5) are “on or above target” and 29% (2) are “below target”. 7 have been given a Direction of Travel (DOT) status: 71% (5) have an “improved/same” DOT and 29% (2) have a “worsened” DOT from the same period last year. 1 of 2 indicators “below target” is a service indicator (set out in the Environment Committee Commissioning Plan or Parking and Infrastructure Business Plan) but has not been RAG rated as Red.

Ref	Indicator	Polarity	2016/17 Annual Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where “below target”
PI/C3	Response provided within legislative timescales in relation to correspondence	Bigger is Better	99.5%	99.5%	88.6% (GA)	99.8%	Worsening	100%	Worsening	No benchmark available	Customer satisfaction affected by difficulties had with transfer from paper to e-permits. The project team sought additional resource to upload addresses and issue e-permits. Majority of issues now resolved.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	337 (17.8%)	0 (0.0%)	50 (4.4%)

The projected **revenue** overspend of £0.337m within Parking and Infrastructure represents 17.8 per cent of the total Delivery Unit budget (£1.896m).

- There is an anticipated overspend of £0.092m within the Special Parking Account due to additional staffing costs and increased contract costs.
- There is an anticipated overspend of £0.158m within Highways Inspection and Maintenance. This is largely due to the under achievement of income by the Responsive team and sign shop as less work is expected to be commissioned.



## Public Health<sup>1</sup>

Successes	Challenges
<ul style="list-style-type: none"> <li>The procurement of new reproductive and sexual health services is on target and the draft national specification has been completed. Barnet commissioners will be localising this with consideration of the needs of residents as specified in the Barnet sexual health services review and the Barnet sexual health strategy.</li> <li>Invoices for NHS Health Checks have been finalised and the specification substantially rewritten. The service is recruiting to the new post for GP/pharmacy liaison.</li> <li>Selected resources from the Harrow specialist team has assisted the support provided to GP practices and pharmacies on smoking cessation</li> <li>Employment outcomes following successful completion of treatment for opiate clients (part of the Barnet Adult Substance Misuse Service) have been encouraging: the percentage of clients who, on exit from the service, were working more than 10 days in the last 28 days was 38.7%, higher than the national average of 24%.</li> </ul>	<ul style="list-style-type: none"> <li>Sub-regional procurement of sexual health services by 1 April 2017.</li> <li>Lack of specialist smoking cessation service has made it difficult to deliver an effective service. An options paper on service delivery will be published by September 2016 and will help improve delivery.</li> <li>The number of young people in specialist substance misuse treatment has fallen 22% from baseline, compared with a 7% fall nationally. Planned exits of 71% are now below the national planned exit rate of 79%. A new treatment and recovery pathway will commence on 1 September 2016 and will prioritise outreach, engagement, and joint working with children and family services, the youth offending team, school nursing and colleges, in order to increase referrals into treatment and successful completions of care. In the interim, the current provider is developing a performance action plan,</li> </ul>

Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	67% (24)	3% (1)	0% (0)	31% (11)	75% (9)	25% (3)

36 indicators are reported in Q4 2015/16. 36 have been given a RAG rating: 67% (24) are “on or above target” and 33% (12) are “below target”. 12 have been given a Direction of Travel (DOT) status: 75% (9) have an “improved/same” DOT and 25% (3) have a “worsened” DOT. 6 of 12 indicators “below target” are service indicators (set out in the Public Health Management Agreement). All have been RAG rated as Red.

Ref	Indicator	Polarity	Annual 2015/16 Target	Q4 2015/16 Target	Q4 2015/16 Result	Q3 2015/16 Result	DOT Short Term (From Q3 2015/16)	Q4 2014/15 Result	DOT Long Term (From Q4 2014/15)	Benchmarking	Comment where “below target”
PH/C11	Percentage of drug users successfully completing drug/alcohol treatment - non-opiate users (as per DOMES report)	Bigger is Better	36.2%	36.2%	31.5% (R)	26.5%	Improving	New reporting method	New reporting method	National 40.3% (Q4 2015/16, Adult Partnership Activity Report)	Care plans will be reviewed and new targets/goals set for relevant clients by end of Q1 2016/17.

<sup>1</sup> Reported a quarter in arrears, so refers to Quarter 4 2015/16

Ref	Indicator	Polarity	Annual 2015/16 Target	Q4 2015/16 Target	Q4 2015/16 Result	Q3 2015/16 Result	DOT Short Term (From Q3 2015/16)	Q4 2014/15 Result	DOT Long Term (From Q4 2014/15)	Benchmarking	Comment where "below target"
PH/C13	Percentage of drug users successfully completing drug/alcohol treatment - non-opiate and alcohol users (as per DOMES report)	Bigger is Better	35.5%	35.5%	24.0% (R)	27.7%	Worsening	New reporting method	New reporting method	National 35.3% (Q4 2015/16, Adult Partnership Activity Report)	As above.
PH/C14	Percentage of service users re-presenting to the drug/alcohol treatment services - opiate users (as per DOMES report)	Bigger is Better	14.0%	14.0%	28.6% (R)	24.1%	Worsening	New reporting method	New reporting method	National 19.3% (Q4 2015/16, Adult Partnership Activity Report)	Volunteers and peer mentors will be utilised to follow up clients who have dropped out of treatment.
PH/C20	Number of schools registered for the Healthy Schools London Awards - b) secondary	Bigger is Better	6	3	0 (R)	3	Worsening	New	New	No benchmark available	Although the Q4 target of 3 was missed, annual target of 6 registrations had already been achieved in Q3.

Ref	Indicator	Polarity	Annual 2015/16 Target	Q4 2015/16 Target	Q4 2015/16 Result	Q3 2015/16 Result	DOT Short Term (From Q3 2015/16)	Q4 2014/15 Result	DOT Long Term (From Q4 2014/15)	Benchmarking	Comment where "below target"
PH/C22	Number of schools reaching silver award	Bigger is Better	6	3	2 (R)	2	Same	New	New	London = 3rd highest (Health Schools London Programme)	Healthy School London support contract operates from August 2015 to July 2016 and started in Q2 2015/16. Therefore had a shorter time period in which to achieve the annual target (i.e. schools had September to March 2016 to reach silver award). Annual target (six schools) not reached. However, at the time of Q4 reporting had exceeded overall contract target: eight silver awards achieved between August 2015 and June 2016.
PH/C28	Proportion of all in treatment who successfully completed treatment and did not re-present within 6 months (PHOF 2.15i) - opiate users	Bigger is Better	N/A	10.0%	7.3% (R)	8.6%	Worsening	10%	Worsening	England 6.8% (Q3 2015/16, DOMES)	Volunteers and peer mentors will be utilised to follow up clients who have dropped out of treatment.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	0 (0.0%)	N/A	N/A

## Regional Enterprise (Re)

Successes	Challenges
<ul style="list-style-type: none"> <li>Hendon Cemetery and Crematorium has been awarded the Institute of Cemetery and Cremation Management (ICCM) Bereavement Charter Gold Standard – one of only 39 (out of the 268 crematoria in England) to have achieved double gold standard.</li> <li>Following a four-year investigation by Trading Standards into illegal lettings agencies, a successful conviction has been secured against the principal defendant on all of the charges. The court found that tenants and landlords in more than 40 properties are owed more than £200,000.</li> <li>A borough-wide Planning Article 4 direction on Housing in Multiple Occupations (HMOs) has been adopted. This will require planning permission for any conversions to HMOs where between three and six unrelated people share basic amenities.</li> </ul>	<ul style="list-style-type: none"> <li>Squatters at Dollis Valley have extended their occupation from vacant commercial properties to vacant residential properties. A more co-ordinated approach is being taken to the legal removal of squatters, including soft demolition immediately following squatter removal. Other techniques are also being used to make vacant properties uninhabitable where possible.</li> <li>Implementation of infrastructure to support housing development at Colindale. A review of infrastructure projects is taking place, including current status and expected completion date.</li> <li>Impact of high demand on Highways. Service request volumes have increased significantly as a result of the £50m investment in the Network Recovery Plan for the borough’s road network. Resources are being redirected to clear the backlog in customer queries, as well as managing new and ongoing service requests. This includes better communication with the council’s third party contractors to ensure timely completion and resolution of programmed and reactive work.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>90% (46)</b>	<b>4% (2)</b>	<b>0% (0)</b>	<b>6% (3)</b>	<b>72% (38)</b>	<b>28% (15)</b>

70 indicators are reported in Q1 2016/17. 51 have given a RAG rating: 90% (46) are “on or above target” and 10% (5) are “below target”. 53 have been given a Direction of Travel (DOT) status: 72% (38) have an “improved/same” DOT and 28% (15) have a “worsened” DOT from the same period last year. 2 of the 5 indicators “below target” are service indicators (set out in the Assets, Regeneration and Growth Committee Commissioning Plan or Re contract) and both have been RAG rated as Red.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
KP001 LC	Average time taken to process requests for Full Official Searches (online and post) in Land Charges	Smaller is Better	3 days	3 days	5.92 days (R)	4.31 days	Worsening	2.87 days	Worsening	No benchmark available	Progress in bringing volume of searches down and upscaling staffing resource with improvements seen in the second month of the quarter. All searches have now been cleared down as at the end of June.
PoI KPI	Policy Compliance (instances on non-compliance with policy)	Smaller is Better	33	33	54 (R)	38	Worsening	28	Worsening	No benchmark available	Increase in telephone calls, member enquiries, service requests and complaints attributed to increased activity in Highways as a result of the council's £50m investment in the Network Recovery Plan. Resources will be redirected to clear backlog in customer queries and keep on top of new and ongoing service requests

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	0 (0.0%)	(18,379) (14%)	N/A

The **Re** delivery unit capital programme is forecast to underspend by £18.379m. This is partly due to slippage of £2.473m in general fund regeneration projects as no works are anticipated for this financial year. The Colindale Office Build project is forecasting slippage due to an extension of the programme that will improve the 'buildability' of the scheme, increase the efficiency of the internal space and generate cost savings.

The **HRA** programme managed by Re is forecast to underspend by £4.837m due to anticipated slippage of £4.174m associated with re-profiling of the advanced acquisitions programme.

## Registrar Service

Successes	Challenges
<ul style="list-style-type: none"> <li>Barnet has continued to raise income despite vacancies, which had been held off until the last financial year to offset the reduction in overall income. This has had a negative effect on waiting times and complaints received by the service, and staff have now been recruited staff who are undergoing training.</li> <li>There have been approximately 200 Nationality Checking Service appointments in Q1 2016/17, of which 80% of customers have taken up a Passport Checking Appointment. This has contributed to additional income for the service.</li> </ul>	<ul style="list-style-type: none"> <li>The service has been under considerable pressure with a significant increase in birth and death appointments as a direct result of the closure of Chase Farm Hospital in Enfield. This additional work load does not generate any increase in income. There has also been an increase in customers wanting to give legal notices of intention to marry.</li> <li>Staffing continues to be a challenge until new recruits are fully trained and in post - working with current numbers of staff and sharing staff across the Brent and Barnet locations to cover operational service requirements. New staff have been recruited and have commenced training. They will be rotated between Brent and Barnet to alleviate pressure and increase service diaries to fulfil gaps with the aim to reducing waiting times in the next quarter.</li> <li>Pressure on budgets with fewer NCS/Citizenship applications nationally compared to those in 2013/14. This is due to a change in Home Office policy for Knowledge of Life and Language requirements for becoming a British Citizen, this has had an effect on Citizenship volumes too.</li> <li>Marriage ceremonies have reduced as a direct result of the implementation of the Immigration Act 2014. This has resulted in a significant loss of revenue but the complexity of the work has increased and the staff resource necessary to cope with the reduced demand is the same as it was before.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>67% (6)</b>	<b>11% (1)</b>	<b>0% (0)</b>	<b>22% (2)</b>	<b>0% (0)</b>	<b>0% (0)</b>

9 indicators are reported in Q1 2016/17. 9 have been given a RAG rating: 67% (6) are “on or above target” and 33%(3) are “below” target”. None have been given a Direction of Travel (DOT) status. All 3 indicators “below target” are service indicators (set out in the Registrar Service contract) and 2 have been RAG rated as Red:

Ref	Indicator	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
R/1	Percentage of births registered within 42 working days of request	Bigger is Better	95%	95%	94% (GA)	97%	Worsening	New for 2015/16 – first reported in Q2		Not provided	Closure of Chase Farm Hospital has meant more births at Barnet Hospital and registration in Barnet. New staff recruited will enable more rotation across Brent and Barnet to offer increased service diaries.
R/3	Percentage of deaths registered within 5 working days of request	Bigger is Better	95%	95%	33% (R)	92%	Worsening	New for 2015/16 – first reported in Q2		Not provided	Attributed to demand for urgent burial documents to be issued before registration - primarily for the Jewish and Muslim communities. New staff recruited will enable more rotation across Brent and Barnet to offer increased service diaries.
R/4	Percentage of Marriage/Civil Partnership notices appointments offered within 10 working days of request	Bigger is Better	90%	90%	22% (R)	58%	Worsening	New for 2015/16 – first reported in Q2		No benchmark available	Resources dealing with demand in births and deaths. New staff recruited will enable more rotation across Brent and Barnet to offer increased service diaries.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	153 (95.4%)	N/A	N/A

The projected **revenue** overspend of £0.153m within the Registrar Service (Births, Deaths and Marriages) represents 95.4 per cent of the total service budget (£0.160m). Legislative changes since the budget was set have resulted in the demand for ceremonies decreasing significantly.

## Street Scene

Successes	Challenges
<ul style="list-style-type: none"> <li>Satisfaction with refuse (77%) and recycling (73%) services has remained high, with refuse 8.2% above the London average and recycling 6.8% above the London average.</li> <li>Satisfaction with street cleansing has increased from 52% (autumn 2015) to 59% (spring 2016) – now achieving target of 58% and above the London average of 55% (2014/15).</li> <li>A new approach to tree maintenance, as part of the Tree Maintenance and Tree Planting Contracts, has commenced.</li> </ul>	<ul style="list-style-type: none"> <li>The recycling rate for the full year 2015/16 is 36.83%, falling 1.12% from 37.95% in 2014/15. Food and garden waste tonnages have decreased, while dry recycling tonnages have increased slightly. Residual waste has increased by 2.8%. Comparing the performance of London Boroughs in 2014/15 to 2013/14, 20 boroughs saw a drop in performance while 13 improved (including Barnet). Of the 22 London boroughs that have so far published data for 2015/16, 15 have had a decrease in recycling rate, 7 have increased. DEFRA figures for England show a 0.7% decrease in recycling rates in the 12 months to June 2015. Alongside other London Boroughs Barnet faces challenges in increasing its recycling rate. The implementation of the Action Plan for the Recycling and Waste Strategy will drive forward a range of activities to improve performance.</li> <li>Weather conditions have generated challenging conditions and pressures in maintaining grass and weeds on street and throughout the parks. Extra resources have been deployed onto grass cutting rounds to 'catch up' and get on top of the growth before it gets too long and slows operations even further. The second weed spraying treatment has commenced and will be followed up with a responsive treatment by the contractor to tackle problematic areas that have seen growth following this round of treatment.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	45% (5)	9% (1)	18% (2)	27% (3)	50% (4)	50% (4)

11 indicators are reported in Q1 2016/17. 11 have been given a RAG rating: 45% (5) are “on or above target” and 55% (6) are “below target”. 8 have been given a Direction of Travel (DOT) status: 50% (4) have an “improved/same” DOT and 50% (4) have a “worsened” DOT from the same period last year. 2 of the 6 indicators “below target” are service indicators (set out in the Environment Committee Commissioning Plan and Street Scene Management Agreement) and 1 has been RAG rated as Red:



Ref	Indicator	Polarity	2015/16 Annual Target	Q4 2015/16 Target	Q4 2015/16 Result	Q3 2015/16 Result	DOT Short Term (From Q3 2015/16)	Q4 2014/15 Result	DOT Long Term (From Q1 2014/15)	Benchmarking	Comment where "below target"
SS/C1	Waste tonnage – residual per household	Smaller is Better	590.85 kg per HH	139.51 kg per HH	157.54 kg per HH (GA)	162.49 kg per HH	Improving	152.86 kg per HH	Worsening	Barnet ranked 17 out of 22 London local authorities	Residual waste increased 3.06% in past year. New Recycling and Waste Strategy approved in May 2016 includes range of actions. Roll-out of new side waste policy planned for Q2 and trial of 140 litre bins for refuse takes place this year.
SS/C2	Waste tonnage – recycling per household	Bigger is Better	427.97 kg per HH	93.67 kg per HH	78.40 kg per HH (R)	93.59 kg per HH	Worsening	78.11 kg per HH	Worsening	No benchmark available	Overall recycling increased, but dry recycling contamination also increased so tonnage less in past year. Factors affecting amount of material available for recycling include the light weighting of packaging such as glass, plastics and cans, and a decline in paper as consumers use more digital media. New Recycling and Waste Strategy approved in May 2016 includes range of actions. To encourage more food recycling in Q1 a poster campaign took place and a new food waste campaign will commence in Q2/Q3.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	257 (1.9%)	(2) (0.0%)	690 (71.9%)

The projected overspend of £0.257m within Streetscene represents 1.9 per cent of the total Delivery Unit budget (£13.545m).

- There are some issues around savings delivery and there are some staffing cost pressures and a one-off staff termination cost.

## Your Choice Barnet (YCB)

Successes	Challenges
<ul style="list-style-type: none"> <li>As part of re-procurement of the current contract, a report on the proposed procurement route has been taken to Adults and Safeguarding Committee on 16 June 2016 with a proposal that YCB be awarded the contract for five years from 1 February 2017 to 31 March 2022, with an extension for a further two years – and has been approved.</li> <li>There has been significant grant and fundraised investment in the Rosa Morison day service for people with Profound and Multiple Disabilities (PMLD), which has meant that the sensory environment has been greatly enhanced with up-to-date technology and a sensory garden to provide enhanced support.</li> </ul>	<ul style="list-style-type: none"> <li>The number of referrals from other local authorities has been 4 (falling from 7 in Q4 2015/16). YCB will continue to market its services within Barnet and neighbouring boroughs.</li> <li>Valley Way has moved from Green (94%) to Amber (88%) in Q1 2016/17. Traditionally in April and May the service is under-used with families not wanting to use all of their allocation of nights too early in the financial year. In addition, a number of planned visits have been cancelled due to illness. The service has a significantly higher rate of bookings over the summer months and it is envisaged that the utilisation rate will improve in the next quarter.</li> </ul>

Service Performance	Green	Amber	Red	Improved/Same	Worsened
	80% (16)	20% (4)	0% (0)	86% (19)	14% (3)

25 indicators are reported in Q1 2016/17. 20 have been given a RAG rating: 80% (16) are “on or above target” and 20% (4) are “below target”. 22 have been given a Direction of Travel (DOT) status: 86% (19) have an “improved/same” DOT and 14% (3) have a “worsened” DOT from the same period last year. 3 of the 4 indicators “below target” are service indicators (set out in the YCB contract). None of these have been RAG rated as Red.

Ref	Indicator	Polarity	2016/17 Annual Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where “below target”
YCB 10	Staff sickness	Smaller is Better	TBC	Green: 10 or below Amber: 11 to 20 Red: 20 or above	13.2 (A)	12.7	Worsening	TBC	TBC	No benchmark available	Staff sickness has increased from Q4 2015/16 due to a second person being off with long term sickness, the managers continue to monitor sickness closely.

Ref	Indicator	Polarity	2016/17 Annual Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
YCB 11	Agency staff	Smaller is Better	TBC	Green: 10% or below Amber: 10.1% to 19.9% Red: 20% or above	10.4% (A)	13.1%	Improving	TBC	TBC	No benchmark available	Agency usage has improved from Q4 2015/16 as recruitment has been successful. However the services continue to work towards covering unplanned absence with contracted staff.
YCB 19	New referrals from other local authorities.	Bigger is Better	TBC	Green: 20 or more people annually (5 or more per quarter) Amber: 11 to 19 people annually (2 people between 3 and 5 per quarter) Red: 10 or lower people annually (less than 2 people per quarter)	4 (A)	13	Improving	TBC	TBC	No benchmark available	There have been 4 new referrals from other local authorities against a target of 5. YCB actively markets its services both within Barnet and neighbouring authorities and will continue to do so.

Ref	Indicator	Polarity	2016/17 Annual Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/16)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
YCB 23	Service utilisation Valley Way	Bigger is Better	TBC	Green: 90% or higher Amber: 81-89% Red: 80% or lower	88% Mon-Thu 84% Fri-Sun 94% (A)	Overall: 94% Mon-Thu: 93% Fri-Sun 94%	Worsening	TBC	TBC	No benchmark available	Valley Way utilisation is down on Q4 2015/16. In April and May the service is under-used due to families not wanting to use all of their allocated nights too early in the financial year. The usage normally picks up in June. However this year there have been a significant number of cancellations due to illness in both May and June.

## Programmes

The below table illustrates how the council is performing against the five portfolios of large programmes and projects: Central, Adults and Health, Children and Young People, Environment and Growth and Development; and the Education Capital Programme.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Central Portfolio	5	3	1	0	Improvements have been made on a number of projects within the portfolio. An e-learning tool (Abintegro) has been launched for staff on 29 June and a successful Management Academy Conference has been held on the 18 May. The Unified Reward project continues to progress to plan, collective agreement has been agreed and both council and school staff have received their job evaluation letters. The Locality Strategy and Full Business Case for Colindale Office have been approved at Full Council on 26 July. A business case in support of the Customer Access Strategy is being developed. One project is now Red rated, the Community Asset Strategy / Community Centres project is Red rated due to lack of current resolution plan for projected funding shortfall for Daw Lane Community Centre - an options paper will be developed to agree a way forward. A new approach to agreeing rent subsidies and leases has been agreed by Policy and Resources Committee on 28 June.
Adults and Health Portfolio	8	3	2	0	Progress has been made across a number of projects in the portfolio. A number of key decisions have been made on projects; Barnet's Strategic Commissioning Plan for Adults Accommodation and Support has been approved at Adults Transformation Board on the 28 June and the Demand Management Strategy has been approved at Policy and Resources Committee on 28 June. For the Your Choice Barnet project, proposals identifying £1.3m savings have been approved at Adults and Safeguarding Committee on 16 June. Public consultation for the proposals regarding the Alternative Delivery Vehicle and Operating Model is taking place between 16 May and 8 August. The Independence of Young People (0-25s) project continues to be Red rated due to the risk associated with the achievability of expected savings. The Investing in IT project is now Red rated as the new adult social care system go-live date has been delayed due to issues raised during user acceptance testing. Work is underway to address these issues through workshops with services.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Children and Young People Portfolio	8	3	0	0	A number of projects are in early phases across the portfolio, although project resources are largely now in place and governance structures for projects and the overall portfolio has been established. Significant progress has been made in developing a social work practice improvement plan, including developing a governance framework which includes daily checkpoint meetings with head of service to monitor progress. For the Libraries project, a 60 day staff consultation was launched on the 7 July and work continues on planning the reconfiguration required within libraries to create space for commercial or community let, and to identify suitable partners to run the partnership libraries. Work on the new Colindale Library is approaching completion, with the library, replacing the existing Grahame Park Library, due to open in September. Young people have been given the opportunity to vote on the new name for the Barnet Youth Zone, which was successful, and identified 'unitas' as the preferred new name. For the Education and Skills ADM project, the contract with Cambridge Education went live on 1 April and the transition happened on time, with no disruption to schools and no major issues regarding the transfer of staff. A lessons learnt and closure report has been produced and the project is now closed.
Environment Portfolio	7	3	0	0	Projects within the Environment portfolio have progressed well in the last quarter, with the majority of projects RAG rated as Green. A number of project milestones have been met and committee decisions have been taken in the last three months; both the Recycling and Waste Strategy and Parks and Open Spaces Strategy have been approved by Environment Committee on 12 May. At the Environment Committee on 14 July, the revised Street Cleansing Framework and an introductory paper to future transport strategies: "Moving Around in Barnet: a Direction of Travel" have been approved. The extension of the NSL Parking Contract has been approved by Environment Committee on 12 May. Public engagement is taking place for the Silkstream / Montrose parks project from mid-June to mid-July. Work continues on assessing options for an alternative delivery model for all Street Scene services and the response window for the in-house offer(s) is running from 27 June to 21 October. Regarding the Oakleigh Road Depot site, construction works commenced on 9 May. The issuing of Moving Traffic Contraventions (MTCs) went live on 17 April and work on Phase 2 began the week commencing 2 June.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Growth and Development Portfolio	7	8	2	0	A number of milestones have been reached in the past three months. In the Regeneration Programme, within the West Hendon project the last 146 private sale units of Phase 3A have been completed. Full handover of the Stonegrove Community Centre, Church and Vicarage has been completed and formal launch took place on 16 July. The Granville Road project remains a Red rated project until a decision is made in relation to the Public Inquiry. For the Brent Cross project the Assets Regeneration and Growth Committee has approved the CPO3 order on 11 July and all legal documents for the Joint Venture Company set up have been signed. Within the Development Pipeline programme, Tranche 0 Haldane Close (9 units) has been completed in June 2016. Tranche 1 General Fund Mixed Tenure Housing project is now Red rated due to project costs, as the stage 2 tender price is significantly over the estimated budget for the scheme. Work is underway to bring the project back on track. For General Fund out-of-borough acquisitions of homes to use as temporary accommodation, £5 million funding has been approved by Policy and Resources Committee on 28 June, and the business case was approved by Assets, Regeneration and Growth Committee on 11 July.
Education Capital Programme	18	8	0	1	Progress continues to be made across a number of projects and some new projects have been initiated (including Childs Hill Expansion, St Agnes Expansion, St Mary's and St Johns Phase 3 and Underhill). Overall the programme is on target to achieve pupil places when required. The Aggregated Procurement exercise to provide a single contracted partner for design and build work (including schools and other builds such as leisure centres) is progressing and a shortlist has been made. The ground works have been completed at Oak Lodge; however the costs associated with delays are yet to be agreed although the contractor has now supplied substantiation. In May all stakeholders agreed to progress the design for Blessed Dominic to RIBA stage 2. A number of projects in the defects period have completed or are completing shortly including, Copthall Secondary School expansion, Etz Chaim Free School new build, Christs' College Secondary School Expansion and Whittings Hill.



## Key to Indicator RAG ratings:

RAG rating	% of targeted improvement achieved		Description
<b>Green</b>	100% or more	Target is met or exceeded	Meeting target
<b>Green Amber</b>	>80% <100%	Target not met, but 80% or more of targeted improvement achieved	Near target with some concerns
<b>Red Amber</b>	>65% <80%	Target not met, but 65-80% of targeted improvement achieved	Problematic
<b>Red</b>	<65%	Target not met, and less than 65% of targeted improvement achieved	Serious concerns
In addition, any indicator that is less than 10% off target and has a positive Direction of Travel will be amber-rated. Both of the following criteria need to be met if a service is to have a Red-rated performance indicator amended to either Green Amber or Red Amber:			
<b>Amendment to Green Amber:</b>		<b>Amendment to Red Amber:</b>	
<ol style="list-style-type: none"> <li>1. No more than 5% off target; and</li> <li>2. A positive Direction of Travel</li> </ol>		<ol style="list-style-type: none"> <li>1. Between &gt;5% and no more than 10% off target; and</li> <li>2. Positive Direction of Travel or negative Direction of Travel not in excess of 2.5% (if improvement plan in place)</li> </ol>	
NB. For indicators with known margin of error e.g. Residents' Perception Survey, any Red rated indicator within the margin of error will be uprated to Red amber.			

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## Appendix C - Revenue Monitoring

### Adults and Communities

Description	Variations				Comments	% Variation of revised budget
	Original Budget £000	Budget V1 £000	Q1 Forecast £000	Variation £000		
Performance & Improvement	992	1,346	1,354	8		0.6%
Safeguarding	604	694	1,150	456	Deprivation of Liberty Safeguards (DOLS) service continues to have significant pressures in 2016/17, as a result of Supreme Court judgements in 2014/15 and a loss of grant funding since 2015/16.	65.8%
Care Quality	4,736	4,460	4,575	115	Contract pressures partly offset by underspends in other areas.	2.6%
Community Wellbeing	733	525	257	(268)	The non-placements budget areas continue to be closely monitored and managed as savings reduced some of these areas significantly in 2016/17. These areas are projecting a slight underspend position which is offsetting placements pressures at this point.	-51.0%
Customer Care	334	258	258	0		0.0%
Customer Finance	719	865	868	3		0.3%
Director - Adult Services & Health	186	535	164	(371)	The non-placements budget areas continue to be closely monitored and managed as savings reduced some of these areas significantly in 2016/17. These areas are projecting a slight underspend position which is offsetting placements pressures at this point.	-69.3%
Integrated care - Learning Disabilities & Mental Health	40,587	39,528	41,492	1,964	The care budgets within Adults have seen significant overspends since 2014/15 as a result of rising demand for services and increasing complexity in relation to those supported. The main pressure for learning disabilities also continues to be in relation to clients complex needs increasing and individuals transitioning from children's services into adult services.	5.0%
Integrated Care - Older People & Physical Disabilities	35,609	37,791	39,838	2,047	The care budgets within Adults have seen significant overspends since 2014/15 as a result of rising demand for services and increasing complexity in relation to those supported. In 2016/17, demand continues to grow for older adults placements with a particular growth in clients with dementia requiring complex packages of care.	5.4%
Prevention & Wellbeing	653	661	657	(4)		-0.6%
Social Care Management	412	2,244	2,179	(65)		-2.9%
<b>Total</b>	<b>85,566</b>	<b>88,907</b>	<b>92,792</b>	<b>3,885</b>		<b>4.4%</b>

Assurance						
Description	Variations				Comments	% Variation of revised budget
	Original Budget £000	Budget V1 £000	Q3 Forecast £000	Variation £000		
Elections	348	356	356	0		0.0%
Assurance Management	565	579	579	0		0.0%
Governance	2,144	2,171	2,171	0		0.0%
Internal Audit & CAFT	736	756	756	0		0.0%
<b>Total</b>	<b>3,793</b>	<b>3,863</b>	<b>3,863</b>	<b>0</b>		<b>0.0%</b>

### Education and Skills

Description	Variations				Comments	% Variation of revised budget
	Original Budget £000	Budget V1 £000	Q1 Forecast £000	Variation £000		
Education Partnership & Commercial	6,940	7,040	7,115	75	The variance is in relation to the Customer Support Group (CSG) rebate of services Cambridge Education are undertaking themselves.	1.1%
Education & Skills Management	0	3	3	0		0.0%
School Improvement	0	1	1	0		0.0%
SEND & Inclusion	0	39	39	0		0.0%
<b>Total (excluding SDM)</b>	<b>6,940</b>	<b>7,082</b>	<b>7,158</b>	<b>76</b>		<b>1.1%</b>

**Family Services**

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Family Services Management	1,052	395	100	(295)	Underspend of £295k from growth and inflation monies held here to offset against social care pressures.	-74.7%
Commissioning & Business Improvement	3,067	3,678	3,424	(254)	Underspend of £254k from early MTFS savings identified.	-6.9%
Early Years	2,765	3,810	3,901	91	Overspend of £91k mainly in Children centres due to a shortfall in childcare income.	2.4%
Youth & Family Support	3,223	3,559	3,552	(7)	Underspend of £7k in general running costs in the Youth Offending Service (YOS)	-0.2%
Libraries, Workforce Development & Community Engagement	5,426	5,625	5,517	(109)	Underspend of £109k from staff vacancies.	-1.9%
Social Care Management	1,174	2,133	2,025	(109)	Overspend in staffing £391k has been offset by £500k budget for agency staff. Budget to be re-aligned.	-5.1%
Intake and Assessment	2,058	2,190	2,326	136	Overspend of £136k mainly from the use of agency staff to cover permanent posts.	6.2%
Intervention and Planning	3,060	3,727	3,966	239	Overspend of £239k mainly from the use of agency staff to cover permanent posts.	6.4%
Permanence Transitions & Corporate Parenting	3,184	3,442	3,861	419	Overspend of £442k mainly within the Unaccompanied Asylum Seekers (UASC) budget. Money received from Home Office does not cover full costs.	12.2%
Placements	17,470	17,616	17,666	50	There are overspends projected for in Fostering - £354k (includes both in-house and external fostering), £76k Special Guardianship Orders (SGOs). £91k Residence Orders (RO) and £206k Preparation for Independence. The overspend is offset by underspends projected in Residential care of £665k which is due to joint funded placements with Special Education Needs (SEN) and Health.	0.3%
Safeguarding & Quality	1,790	2,125	2,133	8		0.4%
CSC 0-25	2,212	2,262	2,091	(171)	Underspend of £171k in shortbreaks, respite and homecare.	-7.6%
<b>Total</b>	<b>46,481</b>	<b>50,561</b>	<b>50,561</b>	<b>(0)</b>		<b>0.0%</b>

Commissioning Group						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Finance	740	969	478	(491)	Reduced income	-50.7%
Commercial	1,049	1,069	1,153	84	Expenditure on out of hours call out contract (GDIT)	7.9%
Adults and Health	1,258	1,292	1,270	(22)		-1.7%
Communications	674	686	864	178	Overspend on non-employee costs funding a number of initiatives/projects e.g. Citizen's Panel, Engage Barnet, Survey Monkey and other projects which in previous years were funded from reserves.	25.9%
Commissioning Strategy	441	254	413	159	Additional costs from the use of agency staff while recruiting to vacant posts and cost of permanent establishment.	62.7%
Children & Young People	443	521	533	12		2.4%
Environment	12,049	12,838	12,830	(8)		-0.1%
Growth & Development	175	320	330	10		3.1%
Information Management	880	933	960	27	The forecast overspend is as a result of backfilling staff on secondment.	2.9%
Programme & Resources	810	814	864	51	Programme and resources are currently expected to overspend by £51k. The main pressure relates to expenditure on consultants most of which is being mitigated by underspends in other areas within the service.	6.2%
Strategic Commissioning Board	768	560	560	0		0.0%
<b>Total</b>	<b>19,288</b>	<b>20,256</b>	<b>20,256</b>	<b>0</b>		<b>0.0%</b>

### Street Scene

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Business Improvement	264	275	324	49		17.7%
Green Spaces	4,330	4,422	4,455	33		0.8%
Mortuary	99	99	99	(0)		-0.1%
Waste & Recycling	7,281	6,597	6,647	50	This projected overspend is due to staffing cost pressures, including the use of agency staff.	0.8%
Street Cleansing	3,527	3,661	3,715	54	This projected overspend is due to staffing cost pressures.	1.5%
Street Scene Management	652	658	784	126		19.1%
Trade Waste	(1,930)	(1,921)	(2,101)	(180)		9.3%
Transport	(328)	(246)	(121)	125		-50.9%
<b>Total</b>	<b>13,896</b>	<b>13,545</b>	<b>13,802</b>	<b>257</b>		<b>1.9%</b>

### Parking and Infrastructure

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Highway Inspection/Maintenance	354	366	524	158	Projected overspend is due to reduction in works being commissioned, associated with sign shops and highways maintenance.  Projected overspend is largely due to increased costs within the Special Parking Account, such as staffing and contracts.	43.3%
Parking	(458)	(458)	(403)	55		12.1%
Special Parking Account	(8,052)	(8,032)	(7,940)	92		1.1%
Street Lighting	6,224	6,228	6,260	32		0.5%
<b>Total</b>	<b>(1,933)</b>	<b>(1,896)</b>	<b>(1,559)</b>	<b>337</b>		<b>17.8%</b>

### Registrars Service

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Births Deaths & Marriages	(160)	(160)	(7)	153	Legislative changes since the budget was set have resulted in the demand for ceremonies decreasing significantly. Work is continuing with the service to maximise existing resources and overcome financial constraints.	95.4%
<b>Total</b>	<b>(160)</b>	<b>(160)</b>	<b>(7)</b>	<b>153</b>		<b>95.4%</b>

### Public Health

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Public Health	18,544	18,055	18,055	-		0.0%
<b>Total</b>	<b>18,544</b>	<b>18,055</b>	<b>18,055</b>	<b>-</b>		<b>0.0%</b>

HB Public Law						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
HB Public Law	2,011	2,011	1,997	(14)		-0.7%
<b>Total</b>	<b>2,011</b>	<b>2,011</b>	<b>1,997</b>	<b>(14)</b>		<b>-0.7%</b>

#### Housing Needs and Resources

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Housing Needs Resources	4,976	5,560	5,690	130	Sustained temporary accommodation demands, exacerbated by income not matching expenditure levels.	2.3%
<b>Total</b>	<b>4,976</b>	<b>5,560</b>	<b>5,690</b>	<b>130</b>		<b>2.3%</b>

#### Regional Enterprise

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
RE Management Fee	77	77	77	0		0.0%
Re Managed Budgets	1,057	1,057	1,057	0		0.0%
<b>Total</b>	<b>1,134</b>	<b>1,134</b>	<b>1,134</b>	<b>0</b>		<b>0.0%</b>



Customer and Support Group						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
CSG Managed Budget	4,118	1,224	1,726	501	Repairs and Maintenance on non-civic buildings	40.9%
CSG Management Fee	18,002	20,895	20,895	(0)	Reduced income	0.0%
<b>Total</b>	<b>22,120</b>	<b>22,120</b>	<b>22,621</b>	<b>501</b>		<b>2.3%</b>

### Central Expenses

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Capital Financing	19,260	19,260	19,260	0		0.0%
Car Leasing	2	2	2	0		0.0%
Central Contingency	7,877	428	428	0		0.0%
Corporate Fees & Charges	264	264	202	(62)		-23.4%
Corporate Subscriptions	314	314	149	(166)	General reduction in subscription costs	-52.7%
Early Retirement	3,577	3,577	3,577	0		0.0%
Local Area Agreement	105	105	105	0		0.0%
Levies	19,242	19,242	19,242	0		0.0%
Miscellaneous Finance	740	740	740	0		0.0%
<b>Total</b>	<b>51,381</b>	<b>43,933</b>	<b>43,706</b>	<b>(227)</b>		<b>-0.5%</b>

### Dedicated Schools' Grant

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Education	(6,622)	(6,662)	(16,958)	(10,296)	Underspend of £9m to be offset against the Early Intervention line (see below). Part of the budget for 3&4 year olds needs to be split between the two areas.	-154.6%
Schools Funding	0	0	(452)	(452)	Remaining underspend in top up funding for maintained and special schools. Projections are based on the current level of commitments. The Children In Care pupil premium grant of £452k is included in this line, whereas the expenditure sits in Education DSG.	-100.0%
Children's Social Care	153	403	403	-		0.0%
Early Intervention & Prevention	6,469	6,259	15,463	9,204	Overspend in the 3&4 year old provision which is offset against the "Education" line (see above).	147.1%

Total	-	-	(1,544)	(1,544)	0.0%
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**Housing Revenue Account**

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
HRA Other Income & Expenditure	(2,167)	(2,167)	(2,331)	(164)	Projected underspend is due to excess budget for business rates.	-7.6%
HRA Regeneration	1,068	1,068	738	(329)	Developer income expected to exceed costs resulting in a surplus position.	-30.9%
HRA Surplus/Deficit for the year	1,246	1,246	1,246	0		0.0%
Interest on Balances	(147)	(147)	(147)	-		0.0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>(493)</b>	<b>(493)</b>		<b>0.0%</b>

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Appendix D - Capital Monitoring Programme Outturn by Programme

	Current 2016-17 Budget (including Slippage waiting approval)	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	2016-17 Forecast to year-end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	%	
Adults and Communities	6,568	663	(438)	6,793	6,793	225	(7%)	
<b>Adults and Communities</b>	<b>6,568</b>	<b>663</b>	<b>(438)</b>	<b>6,793</b>	<b>6,793</b>	<b>225</b>	<b>(7%)</b>	The £663k addition is an in-year accounting adjustment to correct the prior year budget. The £438k slippage relates to anticipated delays in construction work.
Modernisation Primary & Secondary	2,436	2,998	-	5,434	5,434	2,998	0%	This relates to the anticipated additional building fabric work (£2,270k), Mechanical services (£334k) and electrical services works to be carried out across primary and secondary schools, to be funded from schools devolved capital grant monies.
Temporary Expansions - Allocated	672	-	-	672	672	-	0%	
Millbrook Park (MHE)	336	-	-	336	336	-	0%	
Orion Primary	130	90	-	220	220	90	0%	
Blessed Dominic/St James	1,636	-	-	1,636	1,636	-	0%	
Moss hall	6	-	-	6	6	-	0%	
Brunswick	8	-	-	8	8	-	0%	
Menorah Foundation	445	-	-	445	445	-	0%	
St Mary's and St Johns	920	-	-	920	920	-	0%	
Martin Primary	62	-	-	62	62	-	0%	
Oakleigh School	27	-	-	27	27	-	0%	
Beis Yakov	18	-	-	18	18	-	0%	
St Joseph's RC Junior & St Joseph's RC Infants School	91	-	-	91	91	-	0%	
Monkfrith	3,294	-	-	3,294	3,294	-	0%	
Wren Academy	1,659	-	-	1,659	1,659	-	0%	
London Academy	3,628	-	-	3,628	3,628	-	0%	
Oak Hill Campus	169	-	-	169	169	-	0%	
East Barnet Schools Rebuild	560	-	-	560	560	-	0%	
Permanent Secondary Expansion Programme	21,844	(68)	-	21,776	21,776	(68)	0%	
Primary Programme	10,971	-	-	10,971	10,971	-	0%	
Secondary Programme	2,133	68	(2,201)	-	-	(2,133)	(103%)	Currently there are no commitments against this budget for secondary schools and the service have approved this spend will slip to future years.
SEN	7,850	-	-	7,850	7,850	-	0%	
Alternative Provision	8,000	-	-	8,000	8,000	-	0%	
Other Schemes	11,772	(144)	(5,745)	5,883	5,883	(5,889)	(49%)	
<b>Children's Education and Skills</b>	<b>78,667</b>	<b>2,944</b>	<b>(7,946)</b>	<b>73,665</b>	<b>73,665</b>	<b>(5,002)</b>	<b>(10%)</b>	
Children's Family Service	14,856	-	-	14,856	14,856	-	0%	
<b>Childrens Families Service</b>	<b>14,856</b>	<b>-</b>	<b>-</b>	<b>14,856</b>	<b>14,856</b>	<b>-</b>	<b>0%</b>	
Commissioning Group	35,168	-	(4,331)	30,837	30,837	(4,331)	(12%)	
<b>Commissioning Group</b>	<b>35,168</b>	<b>-</b>	<b>(4,331)</b>	<b>30,837</b>	<b>30,837</b>	<b>(4,331)</b>	<b>(12%)</b>	<p>Depot relocation - delay in construction work.</p> <p>Community Centre - Additional funds being utilised from asset management to fund the Tarling Road Community Centre due to tender returns being in excess of original budget.</p> <p>Asset Management - Budget to be moved to fund the Tarling Road Community Centre due to tender returns being in excess of original budget.</p> <p>Libraries Strategy - Currently in feasibility stage, however, still anticipated to incur full cost for the year.</p> <p>Daws Lane Community Centre - Spend on Daws Lane Community Centre is anticipated to slip into 2016/17, as construction work has been delayed and is now expected to commence in winter 2017.</p>
Commercial	1,707	-	-	1,707	1,707	-	0%	
<b>Commercial</b>	<b>1,707</b>	<b>-</b>	<b>-</b>	<b>1,707</b>	<b>1,707</b>	<b>-</b>	<b>0%</b>	
Greenspaces	443	(2)	-	441	441	(2)	0%	

Waste	2,666	-	-	2,666	2,666	-	0%	
Fuel Storage	60	-	-	60	60	-	0%	
<b>Street Scene</b>	<b>3,169</b>	<b>(2)</b>	<b>-</b>	<b>3,167</b>	<b>3,167</b>	<b>(2)</b>	<b>0%</b>	
Highways TfL	5,838	-	-	5,838	5,838	-	0%	
Highways non-TfL	22,296	-	-	22,296	22,296	-	0%	
Parking	214	-	-	214	214	-	0%	
General Fund Regeneration	56,098	(231)	(3,289)	52,578	52,578	(3,520)	(6%)	Largely due to General Fund regeneration budget slipping as there currently are no commitments.
Disabled Facilities Project	3,653	-	-	3,653	3,653	-	0%	
Other Projects	38,133	-	(14,859)	23,274	23,274	(14,859)	(39%)	The office build project is forecasting a slippage due to an extension of the program that will improve the 'buildability' of the scheme, increase the efficiency of the internal space and generate cost savings.
<b>Re delivery unit</b>	<b>126,232</b>	<b>(231)</b>	<b>(18,148)</b>	<b>107,853</b>	<b>107,853</b>	<b>(18,379)</b>	<b>(14%)</b>	
Housing	259	-	-	259	259	-	0%	
<b>The Barnet Group</b>	<b>259</b>	<b>-</b>	<b>-</b>	<b>259</b>	<b>259</b>	<b>-</b>	<b>0%</b>	
<b>Sub total - General Fund</b>	<b>266,626</b>	<b>3,374</b>	<b>(30,863)</b>	<b>239,137</b>	<b>239,137</b>	<b>(27,489)</b>	<b>(12%)</b>	
Housing Revenue Account	50,381	(663)	(4,174)	45,544	45,544	(4,837)	(8%)	
<b>Housing Revenue Account</b>	<b>50,381</b>	<b>(663)</b>	<b>(4,174)</b>	<b>45,544</b>	<b>45,544</b>	<b>(4,837)</b>	<b>(8%)</b>	The £656k deletion is an in-year accounting adjustment to correct the budget from prior year. The £4,174k slippage relates to the re-profiling of the advanced acquisition programme.
<b>Total Capital Programme</b>	<b>317,007</b>	<b>2,711</b>	<b>(35,037)</b>	<b>284,681</b>	<b>284,681</b>	<b>(32,326)</b>	<b>(11%)</b>	

**Appendix D(i) - Capital Funding Adjustments**

Directorate	Year	Capital Programme	Funding Type	Funding Detail	if Additions/Deletions Amount (£'000)	if Slippage/Accelerated Spend Amount (£'000)	Explanation for request
Adults and Communities	2016/17	Sport and Physical Activities	Capital Receipts		375	-	The £375k addition is an in-year accounting adjustment to correct the budget from prior year
Adults and Communities	2016/17	Sport and Physical Activities	Borrowing		288	-	The £288k addition is an in-year accounting adjustment to correct the budget from prior year
Adults and Communities	2016/17	Sport and Physical Activities	Borrowing		-	(438)	The £438k slippage relates to anticipated delays in construction work.
HRA	2016/17	Advanced Acquisitions (Regen Estates)	Capital Receipts		(375)	-	
HRA	2016/17	Advanced Acquisitions (Regen Estates)	Borrowing		(288)	-	
Re delivery unit	2016/17	Outer London Fund - Cricklewood	Grants		(45)	-	
Re delivery unit	2016/17	Outer London Fund - North Finchley	Grants		(186)	-	
Street Scene	2016/17	Parks & Open Spaces and Tree Planting	S106 / Other		(2)	-	
Children's Education and Skills	2016/17	Modernisation Primary & Secondary	Grants		2,944	-	Additional schools devolved capital grant monies.
Children's Education and Skills	2016/17	Modernisation Primary & Secondary	Grants		54	-	
Children's Education and Skills	2016/17	Orion Primary	Borrowing		90	-	Expected spend relates to retention will be paid this year.
Children's Education and Skills	2016/17	Copthall	Grants		(103)	-	Funded moved to Compton from Copthall for overspend of Compton (alignment of budget).
Children's Education and Skills	2016/17	Compton	Grants		103	-	Funded moved from Copthall for overspend of Compton.
Children's Education and Skills	2016/17	Compton	Grants		(68)	-	Fund is moved to fund any capital programme in future.
Children's Education and Skills	2016/17	Secondary Programme	Grants		68	-	Fund is moved from Compton to fund any capital programme in future.
Children's Education and Skills	2016/17	Secondary Programme	Borrowing		-	(2,201)	Currently there are no commitments against this budget for secondary schools and the service have approved this spend will slip to future years.
Children's Education and Skills	2016/17	Primary Capital Programme	Borrowing		(90)	-	
Children's Education and Skills	2016/17	Contingency	Borrowing		-	(5,745)	Currently there are no commitments against this budget and the service have approved this spend will slip to future years.
Children's Education and Skills	2016/17	Infant Free School Meals Capital Fund	Grants		(54)	-	fund is moved to Modernisation.
Commissioning Group	2016/17	Community Centre	Borrowing		1,200	-	Additional funds being utilised from asset management to fund the Tarling Road Community Centre due to tender returns being in excess of original budget.
Commissioning Group	2016/17	Asset Management	Borrowing		(1,200)	-	Budget to be moved to fund the Tarling Road Community Centre due to tender returns being in excess of original budget.
Commissioning Group	2016/17	Daws Lane Community Centre	Borrowing		-	(2,703)	Spend on Daws Lane Community Centre is anticipated to slip into 2016/17, as construction work has been delayed and is now expected to commence in winter 2017.
Re delivery unit	2016/17	General Fund Regeneration	Capital Receipts		-	(2,300)	
Re delivery unit	2016/17	General Fund Regeneration	Borrowing		-	(178)	
Re delivery unit	2016/17	Mill Hill East	Borrowing		-	(201)	
Re delivery unit	2016/17	West Hendon Highway Improvement	Borrowing		-	(610)	
Re delivery unit	2016/17	Office Build	Borrowing		-	(14,859)	
Commissioning Group	2016/17	Depot relocation	Capital Receipts		-	(1,628)	
HRA	2016/17	Major Works (excl Granv Rd)	S106 / Other		119	-	Reprofile of budget.
HRA	2016/17	Regeneration	S106 / Other		(301)	-	Reprofile of budget.
HRA	2016/17	Misc - Repairs	S106 / Other		(403)	-	Reprofile of budget.
HRA	2016/17	M&E/ GAS	S106 / Other		171	-	Reprofile of budget.
HRA	2016/17	Voides and Lettings	S106 / Other		414	-	Reprofile of budget.
<b>Total</b>					<b>2,711</b>	<b>(30,863)</b>	

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Appendix E - Transformation Programme

Projects	Portfolio	Total budget (2016/17 - 2019/20)
Adults ADM	Adults & Health	826,747
Review Activity Case Reviews – Community Offer	Adults & Health	256,057
Dementia Carers Project	Adults & Health	210,000
Independence of Young People 0-25	Adults & Health	83,616
Personal Assistants	Adults & Health	15,000
Employment Pathway	Adults & Health	175,000
SPA	Adults & Health	637,609
Adults Programme	Adults & Health	118,062
Procurement and Savings	Environment	834,000
Parks and Open Spaces	Environment	260,000
Street Scene ADM	Environment	550,000
Street Cleansing Grass cutting (Parks and Open Spaces)	Environment	150,000
Commercial Recycling and Waste Project	Environment	315,000
Mortuary service	Environment	59,697
Sustainable Transport Strategy	Environment	90,000
Parking - Emission Based Parking Permits	Environment	264,541
Theory of Practice / Social Work Practice Improvement	Children	1,000,000
Demand Management Interventions	Children	1,600,000
Early Years Vision & Implementation P2	Children	607,395
Libraries	Children	493,247
Youth service	Children	80,000
Education and Skills ADM	Children	134,360
Family Services ADM / Shared Service (Strategy for Change)	Children	445,000
CIC Resource Management (SGO & Adoption Allowances and Contract Review)	Children	70,000
EIP Strategy Implementation	Children	70,000
CAMHS traded service	Children	50,000
Cost Reduction	Children	70,000
Education Alternative Provision Model	Children	120,000
NEETS & Young People	Children	185,000
Programme Management	Children	374,000
Empty Properties	Growth & Development	146,911
Entrepreneurial Barnet	Growth & Development	636,947
Customer Transformation Programme	Central	212,796
Community participation strategy	Central	70,178
Unified reward	Central	637,737
Workforce changes including advisory and support	Central	377,109
Legal advisory	Central	100,000
Programme contingency	Central	224,242
CCTV	Environment	53,880
<b>Total</b>		<b>12,604,130</b>

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## Appendix F: Prudential Indicator Compliance

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

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

	Limits for 2016/17 %
<b>Upper Limit for Fixed Rate Exposure</b>	100
Compliance with Limits:	Yes
<b>Upper Limit for Variable Rate Exposure</b>	40
Compliance with Limits:	Yes

### Maturity Structure of Fixed Rate Borrowing

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

Maturity Structure of Fixed Rate Borrowing	Upper Limit %	Lower Limit %	Actual Fixed Rate Borrowing as at 30/06/16	% Fixed Rate Borrowing as 30/06/16	Compliance with Set Limits?
Under 12 months	0	50		0	N/A
12 months and within 24 months	0	50	0	0	N/A
24 months and within 5 years	0	75		0	N/A
5 years and within 10 years	0	75	0	0%	N/A
10 years and above	0	100	304,080,000	100%	Yes

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Appendix G - Investments Outstanding as at 30 June 2016

Deal Number	Counter Party	Start Date	Maturity Date	Rate of Interest %	Principal Outstanding £
2000011502	Gwent Council	01-Aug-14	01-Aug-16	1.10	3,000,000
2000011506	Newcastle City Council	30-Jul-14	29-Jul-16	1.00	5,000,000
2000011542	Lancashire County Council	04-Nov-15	06-Nov-17	1.05	5,000,000
<b>Local Authorities</b>					<b>13,000,000</b>
2000011251	Aviva	06-Sep-13		0.38	4,600,000
2000011482	Ignis Liquidity Fund	26-Mar-14		0.51	13,400,000
2000011238	Federated Investors	01-Jul-15		0.48	7,400,000
2000011377	Invesco	07-May-15		0.32	4,100,000
200001434	Federated Prime Rate Cash Plus	15-May-16		0.70	25,000,000
<b>Money Market Funds</b>					<b>54,500,000</b>
2000010341	Bank of Scotland	09-Sep-12	CALL A/C	0.40	4,500,030
2000011550	Santander 95 day notice account	23-Dec-15	01-Dec-16	0.90	21,000,000
2000011551	LLOYDS BANKING GROUP PLC	08-Jan-16	21-Jul-16	0.75	8,000,000
2000011554	Bank of Scotland	22-Jan-16	22-Jul-16	0.75	7,900,000
2000011555	Nationwide Build Society	26-May-16	25-Nov-16	0.74	25,000,000
2000011545	Lloyds	23-Jun-16	23-Nov-16	0.80	7,000,000
<b>UK Banks &amp; Building Societies</b>					<b>73,400,030</b>
2000011544	TORONTO DOMINION BANK LONDON	20-Nov-15	18-Nov-16	0.85	7,000,000
2000011547	TORONTO DOMINION BANK LONDON	17-Dec-15	16-Dec-16	0.99	5,500,000
2000011552	Bank of Montreal	21-Jan-16	21-Jul-16	0.68	10,000,000
<b>Non UK Banks &amp; UK Building Societies</b>					<b>22,500,000</b>
<b>TOTAL</b>		29/02/2015			<b>163,400,030</b>
<b>Average rate of return</b>				<b>0.73</b>	

Summary Investments as at 31 March 2016	£'000
Local Authorities	13,000
Money Market Funds	54,500
UK Banks & Building Societies	73,400
Non UK Banks & UK Building Societies	22,500
<b>TOTAL</b>	<b>163,400</b>

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## Appendix H(i): Contract Benefit Realisation Tracking – CSG Contract

### **Introduction**

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

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

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

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

### **Types of payments**

#### ***Pre-contract payments***

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

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

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

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

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

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

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

#### ***Interim Service Agreement***

The application for judicial review and the appeal of the judicial review decision led to a delay in contract signature. This resulted in the council seeking Cabinet Resources Committee authorisation

to waive the Contract Procedure Rules to enter into an interim contract with Capita up to the value of £14.74m to secure business critical activities on the 24<sup>th</sup> June agreeing a waiver to the 31<sup>st</sup> January 2015 however, as a result of the judicial review the contract commenced on the 1<sup>st</sup> September 2014

Of the £14.74m payment made to Capita in respect of the interim service agreement, £0.98m were in respect of cost of services provided in the interim period. £4.06m was refunded to the council once the formal contract had been signed and the following two amounts were off-set against the full value of the 10 year contract as these costs were anticipated within the financial modelling:  
£5.64m – for service transformation in relation to transferring services  
£4.06m – for business as usual service charges

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

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

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

### ***Contract payments***

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

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

### ***Transformation***

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

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

These can be found in more detail using the following link

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

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

### ***Gainshare***

As part of the Contracts, some savings are eligible to a gainshare agreement. This means any that savings are eligible for gainshare, however all of these have guarantees attached to them. If these guarantees are not successfully achieved (assessed annually), then payments are made to the council up to the guarantee to ensure the saving is achieved. These gainshare payments are intended to incentivise the service provider to provide further benefits to the council. The gainshare percentages vary in each area and in some cases, in contract years.



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

### ***Service Credits***

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

### ***Contractual Adjustments***

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

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

The totals applicable are outlined at ⑥ in each spreadsheet.

### ***Project***

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

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

The totals applicable are outlined at ⑦ in each spreadsheet.

## GLOSSARY

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

Appendix H(ii) - Customer and Support Group Benefits Realisation

FINANCIAL YEAR

2013/14	2014/15	2015/16	2016/17	Other years	Total
£'000	£'000	£'000	£'000	£'000	£'000

1) CSG baseline - revenue	17,573	30,125	30,125	30,125	201,934	309,881
CSG baseline - capital	3,400					3,400
CSG managed budget	5,036	8,633	8,633	8,633	46,761	77,695
<b>Total baseline</b>	<b>26,009</b>	<b>38,758</b>	<b>38,758</b>	<b>38,758</b>	<b>248,695</b>	<b>390,976</b>
1b Payments made to Capita	35,963	24,482	26,672	29,482	148,998	265,596
1a Payments made to Capita in relation to pre contract and interim service agreement	14,933					14,933
Adjustment for payments not relating to CSG contract	(1,174)					(1,174)
Adjustment for refund of part of the Interim Service Agreement	(4,056)					(4,056)
Accrual Adjustment for payment in advance	(28,499)	2,524	(511)	(1,455)	27,941	0
Managed budgets payments	5,036	8,633	6,225	4,033	19,540	43,467
<b>Total in year cost of transferring services comparable to baseline</b>	<b>22,202</b>	<b>35,638</b>	<b>32,386</b>	<b>32,060</b>	<b>196,479</b>	<b>318,766</b>
<b>Savings on core contract</b>	<b>3,806</b>	<b>3,119</b>	<b>6,372</b>	<b>6,698</b>	<b>52,216</b>	<b>72,211</b>
2) Reducing number of Single Persons Discounts (net)	191	382	509	509	3,052	4,643
Reductions in SPD achieved (net)	714	409	733			1,856
Gainshare paid on achieving reductions and contractor costs	259	254	151	127		792
3) Additional Council Tax Income	0	81	377	484	2,904	3,846
Additional CT income achieved (net)	0	148	174			322
Gainshare paid on additional income	0	148	174			322
4) Additional income achieved (net)	359	411	447			1,217
Gainshare paid on additional income	209	350	412			971

CONTRACT YEAR

2013/14	2014/15	2015/16 incl forecast for Q4	2016/17	Other years	Total
£'000	£'000	£'000	£'000	£'000	£'000

5) Procurement savings on wider council spend guaranteed	624	5,916	2,634	3,393	34,407	46,974
Procurement savings achieved (net)	959	6,577	3,170			10,706
Gainshare paid on savings achieved	482	1,092	1,688			3,262
<b>Savings expected</b>	<b>4,621</b>	<b>9,498</b>	<b>9,892</b>	<b>11,084</b>	<b>92,579</b>	<b>127,674</b>
<b>Savings made</b>	<b>5,838</b>	<b>10,664</b>	<b>10,895</b>	<b>6,698</b>		<b>27,398</b>

FINANCIAL YEAR

2013/14	2014/15	2015/16	2016/17	Other years	Total
£'000	£'000	£'000	£'000	£'000	£'000

6) Actual Payments made to Capita in relation to contractual adjustments	324	1,680	1,754	506		4,263
7) Project Spend						
<b>Capital -</b>						
Schools build	535	2,182	1,350	332		4,399
Non Schools Investment	295	840	935	213		2,283
<b>Transformation programme -</b>						
Childrens & Families Portfolio	630	1,951	1,561	236		4,378
Adults & Health Portfolio	322	1,481	3,511	356		5,670
Environmental Portfolio	301	602	290	423		1,616
Growth & Development Portfolio		158	83			241
Central	344	3,062	4,308	1,017		8,731
<b>Programme Management</b>		717	698	102		1,517
<b>Additional chargeable work outside of the contract</b>						
Print and Postage, DBS checks, Occupational Health, etc.	381	837	911	320		2,449
IT requests (over and above refresh)		652	196	22		870
	<b>2,808</b>	<b>12,483</b>	<b>13,843</b>	<b>3,021</b>		<b>32,155</b>
Payments to Capita in relation to CSG	54,977	40,488	44,694	33,136		173,295
Actual amounts paid including projection for current year						

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Appendix H(iii) Capita Payments

Invoice Date	Invoice Number	Amount	Invoice Type	Invoice Contract	Qtr
11/03/2016	6003282409	£ 55,560.00	CSG Contract Payment	CSG Invoice 3	Q1
23/02/2016	6003257484	£ 29,583.00	CSG Services Contract Payment	CSG Invoice 1	Q1
05/04/2016	6003298357	£ 881.90	CSG Contract Payment	CSG Invoice 3	Q1
25/04/2016	6003309466	£ 154,304.48	CSG Contract Payment	CSG Invoice 2	Q1
27/04/2016	6003312110	£ 1,376.00	CSG Contract Payment	CSG Invoice 1	Q1
27/04/2016	6003317488	£ 258,040.00	CSG Contract Payment	CSG Invoice 2	Q1
06/05/2016	6003318624	£ 31,846.50	Education ADM Finance Transition Costs	CSG Invoice 3	Q1
25/04/2016	6003309539	£ 25,000.00	Barnet House Investment Case	CSG Invoice 3	Q1
19/05/2016	6003325237	£ 9,271.85	CSG Contract Payment	CSG Invoice 3	Q1
17/05/2016	6003324101	£ 180,377.51	CSG Contract Payment	CSG Invoice 3	Q1
17/05/2016	6003324100	£ 1,169,150.36	CSG Contract Payment	CSG Invoice 3	Q1
20/05/2016	6003325581	£ 13,118.37	CSG Contract Payment	CSG Invoice 2	Q1
20/05/2016	6003325582	£ 37,532.14	CSG Contract Payment	CSG Invoice 3	Q1
20/05/2016	6003325618	£ 130,262.00	CSG Contract Payment	CSG Invoice 3	Q1
14/03/2016	6003282787	£ 7,879,241.83	CSG Contract Payment	CSG Invoice 1	Q1
31/05/2016	6003333628	£ 19,082.80	CSG Contract Payment	CSG Invoice 1	Q1
07/06/2016	6003337597	£ 232,941.00	CSG Contract Payment	CSG Invoice 1	Q1
10/06/2016	6003340604	£ 10,429.90	CSG Contract Payment	CSG Invoice 3	Q1
10/06/2016	6003340608	£ 118,846.25	CSG Contract Payment	CSG Invoice 3	Q1
10/06/2016	6003340609	£ 1,079,467.05	CSG Contract Payment	CSG Invoice 3	Q1
13/06/2016	6003341164	£ 6,981.76	CSG Contract Payment	CSG Invoice 2	Q1
12/02/2016	6003251585	£ 140,660.00	CSG Contract Payment	CSG Invoice 3	Q1
13/06/2016	6003341165	£ 41,978.08	CSG Contract Payment	CSG Invoice 3	Q1
16/05/2016	6003323767	£ 606.81	CSG Contract Payment	CSG Invoice 2	Q1
16/05/2016	6003323769	£ 80,301.42	CSG Contract Payment	CSG Invoice 2	Q1
16/05/2016	6003323770	£ 357,701.51	CSG Contract Payment	CSG Invoice 2	Q1
16/05/2016	6003323768	£ 96,757.70	CSG Contract Payment	CSG Invoice 2	Q1
		<b>£ 12,161,300.22</b>			

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## Log of Contract Variations

All approved Contract Variations since the start of the contract are shown below.

Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
CR093	Commitment Change/Variation	Variations to six HR Commitments following a review with the Authority to ensure that the Commitments better meet the needs of the service	Service Provider	Approved	NIL	HR
CR088	Print Gain-share	Change to the mechanism by which print gain-share is calculated/invoiced from an annual to monthly process	Service Provider	Approved	NIL	Finance
CR087	Axiom	Implementation of the Integra budget development module for budget monitoring as opposed to Axiom	Service Provider	Approved	£(222,600)	Finance
CR086	Accelerated Endpoint Refresh	Accelerated refresh of all employee end-user computing devices to allow all devices to be refreshed within 18 months rather than at the annual rate of 20%	Service Provider	Approved	£276,094	All
CR085	Council Tax Support Scheme	Managing the impact of the Council Tax Support Scheme and collection of the additional Council Tax payable. Originally implemented by SPIR024	Service Provider	Approved	£1,046,343	Revenues & Benefits
CR084	Benefit Cap Task Force	Face to face support for residents impacted by the Benefit Cap. Originally implemented by SPIR030.	Service Provider	Approved	£933,165	Revenues & Benefits
CR081	CIPFA Survey Changes	To improve methodology and introduce a sliding scale of credit based on responses	Authority	Approved	NIL	All
CR079	Extension of Commitment T3-131	Extend delivery of Stakeholder Engagement Commitment by six months to allow for the Community Assets Strategy to be properly developed and approved	Service Provider	Approved	NIL	Estates
CR078	Extension of Commitment T2-006	Extend delivery of the Agile Workforce programme to incorporate the new Colindale HQ	Service Provider	Approved	NIL	Estates
CR077	LAN refresh	Earlier refresh of the IT LAN to provide improved resilience at no additional cost	Service Provider	Approved	NIL	IT

Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
CR075	Freedom Pass Renewals	Processing of appropriate Freedom Pass renewal requests, not covered in the original Output Specification (one-off cost)	Service Provider	Approved	£104,700	Customer Services
CR074	NNDR Analyse Local RV finder and forecasting service.	Procurement of service provided by Inform CPI Ltd using their 'Analyse Local' software to identify missing or undervalued NNDR properties and for forecasting the impact of rateable value (RV) appeals.	Service Provider	Approved	£11,000	Customer Services
CR072	Lease Renewals & Rent Reviews Output Specification volume increases	To undertake Lease Renewals & Rent Reviews inherited as a backlog at the Service Transfer date.	Service Provider	Approved	£188,772	Estates
CR071	Head of Finance Support - additional roles	The Council have requested that two permanent Heads of Finance are introduced into the service to meet the needs of the Council. In addition, it has been agreed that pending the recruitment of the permanent Head of Finance for Adult and Community Services and to meet the current needs of the service a Head of Finance from the Council will be seconded to the Customer Support Group from Tuesday 4th August 2015. (£212,340 for Year 1, then £189,500 for remaining 7 years)	Service Provider	Approved	£1,538.840	Finance
CR070	Unqualified External Audit KPI and PI to Pass or Fail	Currently has a completion date of the 18th July. The date is driven by the date of the Audit Committee where the accounts authorised and signed. This year the date of the committee is Thursday 30th July. This CR requests to have this date amended going forward to reflect a Pass/Fail Service Provider Target as opposed to a date requirement	Service Provider	Approved	NIL	Finance
CR065	Authority	To reallocate monies (£1M in total) that are no longer	Authority	Approved		All



Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
	Redundancy Provision Refund Reallocation	required for Authority Redundancy Provision Refund, back to LBB to fund other activities. £500k refunded August 2015; further £500k to be settled March 2016			£(1,000,000)	
CR064	Library Services (transfer of IS role to Council)	Formally acknowledge a transfer of monies and a role back Library Services to fund activities outlined in the IS Output Spec which the parties have agreed should be transferred back to the Council.	Service Provider	Approved	£(285,000)	IS
CR063	Revised IS Transformation Commitment Dates	Amendments to delivery dates of 14 Commitments to take account of agreed changes and dependencies between solutions. Commitments include Schools portal, Data Centre migration and Network refresh.	Service Provider	Approved	NIL	IS
CR062	Social Care Direct Care Act staffing	Expansion of SCD to accommodate Care Act assessments and additional demand and enquiries. To be reviewed at 31/8/16	Service Provider	Approved	£56,980	Customer Services
CR061	Estates - Extension of Commitment T3-131 Stakeholder engagement with Barnet's public / 3rd sector	Change in delivery date of the commitment T3-131 (Stakeholder Engagement) to enable further objectives to be achieved. Delivery date is to be amended from 31st March 2015 to 1st July 2015.	Service Provider	Approved	NIL	Estates
CR060	Third Party contracts finalisation	Contractual third party contracts true up in line with clause 7 of the contract and update Schedule 24 with final list of suppliers and the charges paid.	Service Provider	Approved	£9,704,635	All services
CR058	Customer Services - Hendon Town Hall Reception	Additional reception services to be provided by CSG staff. Therefore additional staff have been employed specifically for the required roles – budget to be transferred from Adults to cover following transfer of registrars to Brent. Approval up to 30/06/16 –	Service Provider	Approved	£63,616	Customer Services

Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
		requirement now being reviewed.				
CR056	CSG invoicing dates	Amendment to invoicing date for the periodic service charge - no change in payment date, terms or amounts. A Free of Charge Change Manager is provided by Capita as part of this CR.	Authority	Approved	NIL	ALL Services
CR055	Estates - Extension of Commitment T2 – 037, Locality Strategy	This request is for the change in delivery date of the commitment T2-037 (Locality Strategy) to enable further objectives to be achieved. The decision has been made to extend the delivery date from 1st March 2015 to 30th June 2015.	Service Provider	Approved	NIL	
CR052	Estates - extension to commitment T3-145	Formally reflect the decision made by the Authority's Estates SRO on 15th October 2014 to amend the Commitment T3-145 (Departmental Property Plans). It was agreed that due to the Authority's high priorities of community asset strategy and SAMPS being delivered the commitment be extended to 31/3/2015.	Service Provider	Approved	NIL	Estates
CR051	Adult Social Care and Redundancy	The provision of additional, qualified, Adult Social Care team leaders. To avoid any additional cost to the Authority, this change is being met by the early release of £167,932 of the redundancy provisions in the contract so there is no cost to the Council.	Service Provider	Approved	NIL	ALL services
CR050	Definition of contract indexation	To clarify the calculation by which the Indexation of the Periodic Service Charge is inflated annually.	Service Provider	Approved	NIL	ALL services
CR049	Revise Estates Commitment for T1-021	The commitment for the SP within 24 months of the Service Transfer date to develop a Community Asset strategy, Service Delivery Plan, Estates, is to be amended and completion date changed from 01/09/2015 to 01/07/2015.	Authority	Approved	NIL	Estates
CR048	Reduction in	To reduce the Periodic Service Charge to reflect the	Service	Approved	£(2,430,073)	All

Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
	Pension Contributions	reduced employers' contribution rate as set out in clause 15.3.6(g) of the CSG contract.	Provider			
CR045	IS Commitments	Revisions to two Commitments covering alignment to Capita ISO standards for IS processes & procedures, and implementation of a competency based development programme for IS staff.	Service Provider	Approved	NIL	IS
CR044	Repairs and Maintenance	Amendment to schedule 1 and 4 to reflect the return of the Repairs and Maintenance budget for the Civic Estate to the Council in line with all other managed budgets	Service Provider	Approved	£(6,514,065)	Estates
CR029	Amendment to delivery of Members Dashboard	Delivery date for Commitment T1-003 Members Dashboard extended by 2 months to May 2014.	Service Provider	Approved	Nil	Customer Services
CR028	Adoption of Capita H&S policies for CSG staff only	Capita to deploy its own H&S policies for its staff to make sure it is easier to manage them across sites and services	Service Provider	Approved	Nil	HR Service
CR027	Amendments to Estates and Partnership Commitments	Amendments to delivery dates of Estates Commitments T2-36,T3-131/145/150, Partnership commitments T-10,T2-42,T3-117,156 to take account of delay in initiating the CSG contract and the significant work programme to effect transformation in the first six months of the contract. Commitments include ICT Strategy being extended by 2 months, Colindale location Strategy and My Account.	Service Provider	Approved	Nil	Estates /IS/Customer Services
CR026	Amendment to Procurement KPI for Apprenticeships	amend schedule 4 appendices in relation to Procurement KPI for Apprenticeships to reflect it as an annual target not a quarterly one and align it better to the school year as agreed the Procurement SRO	Authority	Approved	Nil	Procurement

Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
CR025	Revenues and Benefits Baseline KPI and Targets	amend schedule 4 appendices in relation to R&b KPIs for the number of days taken to process new claims as agreed by the Ops Board following the approval of CR0015 in relation to face to face services being maintained in Barnet	Authority	Approved	Nil	Revenues & Benefits
CR024	Estates confirmed Property Portfolio Income Baseline	amend schedule 4 appendix 11 in relation to Estates baseline for Property Portfolio income in line with the requirements of Schedule 4 so that the guarantee on income can be tracked and reported	Service Provider	Approved	Nil	Estates
CR023	Amendment of the MFD income table in Schedule 4	Amendment to Schedule 4 to clarify the guarantee to hold year one price per click and amend the per click charges to match the pre contract charges as agreed as an all inclusive price for the MFD service	Authority	Approved	Nil	Contract Price
CR022	Replacement of Info Exchange Solution with Atrium	Info Exchange Property Asset management and compliance system replacement with Atrium extended functionality	Authority	Approved	Nil	Estates
CR021	Re baseline of transformation Commitments	Amendments to commitments T2-04,58,T3-30,63,93,155 – extended delivery dates required to take account of delay in initiating the CSG contract and the significant programme of work to effect transformation in the first six months of the contract. Commitments include BPM Platform, HR Knowledge base and Complaints management.	Service Provider	Approved	Nil	IS/Finance/HR/ Customer Services
CR020	Change to month period reporting timescales	Contract currently states that performance reporting will be produced 15 business days after the end of each month except at the end of a quarter when it is 10 days. This change will align all report timescales to 10 days.	Authority	Approved	Nil	All services

Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
CR017	Baseline Income and recharges - Schools	amend Schedule 4 Para 12 and associated sections for baseline changes based on agreed approach	Service Provider	Approved	Nil	Finance, HR, IS, Estates
CR015	R&B face to face benefits processing	Change to maintain Face to Face Benefits Processing staff in Barnet (Year 1 £72,728 Year 2 £101,819)	Authority	Approved	£174,547	Revs and Bens
CR014	Employment and Redundancy Payment Reconciliation	True up on cost of employment in line with the contract to be completed by Feb 14 but now to be reconciled with the potential early refund to LBB of redundancy costs as a contract change. The confirmed cost for the employment true up is £451k but when offset against the £1,218k redundancy this releases the net value of £767k benefit back to the Council	Service Provider	Approved	£(767,000)	All
CR013	Libraries Service	Deferred Service in accordance with Output Specification - take on Libraries Service call volumes (Year 1 £301k, Year 2 £152k).	Authority	Approved	£453,000	Customer Services
CR012	Governance Process	Changes to Schedule 12 to align Contract Governance with new Council processes.	Authority	Approved	Nil	Governance
CR010	Finance Baseline KPI and Targets	amend Schedule 4 appendices in relation to Finance KPIs for % Variance to Budget and % savings achieved in alignment with Ops Board approved trajectories and targets	Service Provider	Approved	Nil	Finance
CR009	CS Baseline KPI and Targets	amend Schedule 4 appendices in relation to CS KPIs for First contact resolution and Customer satisfaction in alignment with Ops Board approved trajectories and targets	Service Provider	Approved	Nil	Customer Services
CR008	Pensions move to Darlington	Capita propose to change the location of the Pensions team from the proposed Banstead relocation to Darlington where there is an existing CoE. As this is a change of location from the SDPs a formal change is	Service Provider	Approved	Nil	HR Service

Reference	Title	Description	Change Raised by	Status at 30-Jun-16	Financial Impact (over the life of the contract)	Service Impacted
		being progressed				
CR007	Coventry Revs and Bens	Capita propose to extend the current Revs and Bens overflow contact centre in Coventry to take all R&B calls. As this is a change of location from the SDPs a formal change is being progressed	Service Provider	Approved	Nil	Customer services
CR005	Schedule 4 Milestone payments	Amend to show correct payment timescale	Service Provider	Approved	Nil	NA
CR004	Interim Governance arrangements	Remove from Schedule 43	Service Provider	Approved	Nil	Governance
CR003	3rd Party Contracts - 2E2	Change to Schedule 24 to remove this contractor	Service Provider	Approved	Nil	Contract Price
CR002	Community Cohesion	New process and training for the identification of Cohesion issues based on trending and contact analysis	Authority	Approved	Nil	Customer Services
CR001				Cancelled		
		<b>TOTAL FINANCIAL IMPACT</b>			<b>£3,332,954</b>	

## Appendix J: Strategic Risk Register (Quarter 1 2016/17)

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 01	Sufficient skilled and experienced resources in the marketplace	If there is a challenging recruitment market that impacts the ability to recruit and retain the right staff with the right skills, and causes a lack of stability of senior management, this could lead to limitations in the competency and capability of the workforce to deliver statutory responsibilities and / or corporate objectives resulting in potential legal challenge, impact on financial targets - savings and income, reduced service to residents, reduced residents satisfaction, loss of corporate memory and reputational damage	Chief Operating Officer	Strategic	<ul style="list-style-type: none"> <li>Unified reward package focusing on improving the offer</li> <li>building the councils rep externally</li> <li>tailored recruitment programme</li> <li>graduate and apprentice programme</li> <li>the way we work programme including new offices in Colindale</li> <li>making Barnet a better place to work</li> </ul>	4	4	4	3	12	Treat
STRO 02	Capacity for business continuity responsiveness	If there is insufficient resource or capability to deal with crisis, such as those involving critical local infrastructure, and insufficient testing of Business Continuity Plans / incident response plans, the council may be unable to respond effectively in the event of a crisis resulting in financial loss, disruption to services, resident dissatisfaction and reputational damage	Chief Operating Officer	Business continuity	<ul style="list-style-type: none"> <li>Corporate BC Strategy and Plan.</li> <li>Maintenance of BC lead network</li> <li>Quarterly BC meetings</li> <li>Bi-annual BC desktop tests including live reporting</li> <li>Plans in development to test BC arrangements through live scenarios</li> </ul>	4	5	4	2	8	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 03	Delivery of transformation programmes	If there are challenges with resource recruitment, changes in market conditions, changes in political decisions, change resistance, poor project management, budgetary management and engagement (staff and residents), this could lead to failure to deliver major transformation programmes, specifically Brent Cross, Mill Hill depot, Colindale office relocation, Street Scene Alternative Delivery Model (ADM), Adults & Communities ADM, Libraries programme and Social Care Practice Improvement and failure to maintain a balanced budget over the MTFS period resulting in resident dissatisfaction, disruption to services, financial loss, and reputational damage	Chief Executive	Strategic	<ul style="list-style-type: none"> <li>• Clear leadership in place through Commissioning Directors</li> <li>• Decision making process is well understood</li> <li>• Governance structure</li> <li>• Member challenge</li> <li>• Annual finance and business planning</li> </ul>	5	4	5	3	15	Treat
STRO 04	In year budget reduction	If there are changes in the national and regional political landscape and legislative changes and local government funding changes that affect LBB services (e.g. Business rate reform), this could lead to a reduction of the in-year budget resulting in non-achievement of MTFS target, reduction in service quality, resident dissatisfaction, deterioration of services, use of reserves and reputational damage	Chief Executive	Financial	<ul style="list-style-type: none"> <li>• Prudent contingency and reserves</li> <li>• forward planning</li> <li>• regular updating of budget assumptions</li> <li>• monitoring of government fiscal announcements</li> <li>• Good contacts with Central Government</li> </ul>	5	4	5	3	15	Tolerate



Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 05	Growth assumptions in the budgets	Due to a predication of contracts on income and a strategy that is increasingly focused on income, failure to deliver key transformation programmes and / or a fall in income would result in growth assumptions in the budget not materialising, causing potential failure of contracts and partners pulling out, and deterioration of the council's financial position	Chief Executive	Strategic	<ul style="list-style-type: none"> <li>Prudent contingency and reserves</li> <li>forward planning</li> <li>regular updating of budget assumptions</li> <li>monitoring of government fiscal announcements and contract review and monitoring</li> </ul>	5	4	5	3	15	Tolerate
STRO 06	Complexity of partnership working in the Borough	Differences of geographical footprint and governance structures of key strategic partners (e.g. NHS, NLWA) exacerbated by any changes in leadership may lead to conflicting priorities between partner agencies, including in the use of critical local infrastructure, resulting in non-achievement of targets, increased risk of safeguarding incidents, resident dissatisfaction, ineffective allocation of resources and reputational damage	Chief Executive	Strategic	<ul style="list-style-type: none"> <li>Good relationships with strategic partners</li> <li>Alignment of strategic plans</li> <li>Regular update meetings</li> <li>Member and LBB Senior Officer representation and member on key strategic boards</li> </ul>	4	4	4	3	12	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 07	Significant safeguarding incident	If Council services and partners do not effectively manage their relevant safeguarding risks, this could lead to a safeguarding incident resulting in potential harm to individuals and/or families, potential legal challenge, resident dissatisfaction, public scrutiny	Chief Executive	Strategic	<ul style="list-style-type: none"> <li>• Elements of the Practice Improvement Plan that have been implemented (incl. training)</li> <li>• Supervision policy</li> <li>• Practice standards</li> <li>• Quality Assurance activity</li> <li>• Adherence to pan-London safeguarding procedures and processes</li> <li>• Scrutiny and oversight via assurance reports to lead member, SCB Assurance, Barnet Safeguarding Board, Social Work Improvement Board</li> </ul>	5	5	5	3	15	Treat
STRO 08	Challenge to the decision-making process	If due diligence, local views obligations or strength of residents' views are not properly considered by any part of the organisation (retained or commissioned) as part of decision-making for changes to services, this may lead to challenges to the decision-making process resulting in legal challenge, judicial review of process, implications for officers and Members, and reputational damage	Chief Executive	Compliance	<ul style="list-style-type: none"> <li>• Corporate advice and guidance</li> <li>• clearance process</li> <li>• Audit framework</li> <li>• Senior officer oversight</li> <li>• Member oversight</li> </ul>	5	4	5	2	10	Tolerate

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 09	Contract management and clienting of contracts	If commercial and commissioning roles & responsibilities are not clearly defined and realisable or understood by officers and Members, and / or there are inadequate finance controls, this may lead to ineffective contract management & clienting, resulting in delivery of poor level of service, inappropriate decision-making weakening the negotiating position, and financial loss/overspend	Chief Executive	Strategic	<ul style="list-style-type: none"> <li>Contract management framework</li> <li>policy and procedures</li> <li>commercial team</li> <li>SROs</li> <li>contract monitoring</li> <li>Performance and contract monitoring Committee</li> <li>Audit Committee</li> <li>Opportunities for improving highlighted through CSG contract review</li> </ul>	4	4	4	3	12	Treat
STRO 10	Potential Fraud, bribery or corruption incident	If there are ineffective internal controls, governance arrangements, and neither fit for purpose nor adhered to policies and procedures, this could lead to the Council being unable to prevent an incident of organised or high value fraud, bribery or corruption resulting in loss of revenue, cost to the business (disposal and prosecution), staffing issues and reputational damage	Section 151 Officer	Financial	Financial Regulations Internal Controls and Standing Orders contract Procedure rules Counter Fraud Framework (Including Whistleblowing Policy) Employee Code of Conduct (including Gifts and Hospitality Policy) HR Policies Audit Committee Dedicated Independent Fraud Team (CAFT) Internal Audit Team (IA) Risk Based joint CAFT and IA work plan Fraud Awareness Programme Fraud Risk Assessments Data Matching initiatives (such as National Fraud Initiative/NFI) Senior Officer Representation on LAG and LBFIG	4	4	3	3	9	Treat

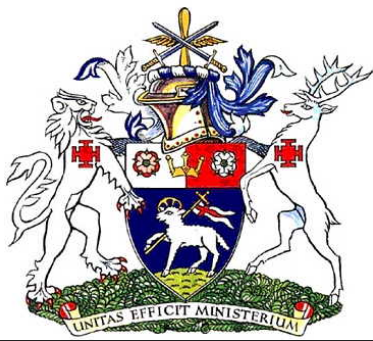
Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 11	Impact of change in policies	If there is a change in policies or in priorities across the Council / for specific Committees, this would result in increased workloads across the council associated with reworking of strategies, impacting on finances and ability to operate within budget	Chief Executive	Strategic	<ul style="list-style-type: none"> <li>Decisions made in accordance with legal advice,</li> <li>Corporate forward planning,</li> <li>MTFS, business planning process,</li> <li>member engagement</li> </ul>	4	3	4	3	12	Tolerate
STRO 12	Potential Health & Safety incident or negative impact on wellbeing of Barnet employee, Members and members of the public	If health & safety / compliance policies & procedures are not sufficiently developed, tested or adhered to by officers, Members or the Council's contractors, this could lead to an incident resulting in harm to Barnet employees/council members/members of the public, legal challenge and reputational damage	Chief Executive	Health & Safety	<ul style="list-style-type: none"> <li>H&amp;S policies and processes around managing compliance</li> <li>5 civic buildings are being managed effectively</li> <li>Plan to identify gaps for other council stock (not implemented)</li> <li>H&amp;S policies, procedures, guidelines available on intranet</li> <li>Training points staff towards information</li> <li>Split service (access to additional H&amp;S advice available as required)</li> <li>Barnet-based staff with H&amp;S knowledge of local issues plus statutory officer in place</li> <li>Barnet-based staff carrying out monitoring activities (including H&amp;S audits and inspections)</li> <li>Systems that collect information on incidents</li> <li>Some advertising on intranet</li> <li>First team messaging to staff</li> <li>Leaflets distributed among workforce</li> <li>Web-based portal for referrals</li> <li>HR lead on some referrals</li> <li>Regular H&amp;S audits and reports to senior officers and Committees</li> </ul>	4	3	4	3	12	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 13	Effective response to internal and external changes (political and economic)	Due to the complex nature of services provided, demographic changes and macroeconomic changes, the council may be unable to effectively respond in an agile way to internal and external changes (political and economic) resulting in not being able to deliver organisational objectives, financial impact and reputational damage	Chief Executive	Strategic	<ul style="list-style-type: none"> <li>• Corporate Forward Planning</li> <li>• Business planning process</li> <li>• Corporate risk management framework</li> <li>• Audit process</li> </ul>	5	4	5	2	10	Treat
STRO 14	Implementation of Elections reviews	If the Heath Review & the Smith Review into Barnet's election processes & procedures are not implemented, this could lead to an inability to deliver elections in compliance with national legislation and statutory guidance successful challenge of election results, loss of confidence in the electoral function, and the requirement to re-run election and associated financial consequences and reputational damage	Chief Executive as the Returning Officer	Compliance	<ul style="list-style-type: none"> <li>• Recommendations of the Heath review have been implemented</li> <li>• Changes to procedures to ensure correct Register lists are sent to polling stations, were put in place before the EU referendum</li> <li>• Ballot boxes collected a day earlier to give additional time for checks and putting any errors right.</li> <li>• Accommodation is available for the next 12 months, and after Colindale offices are commissioned.</li> <li>• A short list of appropriate spaces to hire exists.</li> <li>• Special leave policy has been implemented to ensure sufficient resources will be in place</li> <li>• Training revised to cover checks to accuracy of register</li> <li>• Call centre opened for longer hours with calls going straight to an advisor</li> <li>• Dave Smith wider election review to go to GFC in November 2016; officers will set out plan for implementation of review recommendations</li> </ul>	4	4	4	3	12	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO 15	Effective running of the democratic process	If there was an inability to deliver elections in compliance with national legislation and statutory guidance, due to poor processes or inadequate resources (finance, people, accommodation etc.), it could lead to the successful challenge of election results, loss of confidence in the electoral function, and the requirement to re-run election and associated financial consequences and reputational damage	Chief Executive as the Returning Officer	Compliance	<ul style="list-style-type: none"> <li>Monthly election meetings chaired by the Returning Officer to track progress and issues</li> <li>Recommendations of the Heath review have been implemented</li> <li>Action plan to be developed implementing wider recommendations within reasonable timescale with additional resources as necessary</li> <li>Improvements to communications system so all elections staff can receive a text at the same time with instructions.</li> <li>Team is currently adequately resourced, with good skills and experience</li> <li>Close liaison with the Electoral Commission</li> </ul>	4	4	4	2	8	Treat

**Key**

Score:		PROBABILITY					
		1	2	3	4	5	
		Rare	Unlikely	Possible	Likely	Almost Certain	
IMPACT	5	Catastrophic	Moderate	Medium / High	High	High	High
	4	Major	Moderate	Medium / High	Medium / High	High	High
	3	Moderate	Low	Moderate	Medium / High	Medium / High	High
	2	Minor	Low	Moderate	Moderate	Medium / High	Medium / High
	1	Negligible	Low	Low	Low	Moderate	Moderate



## Performance and Contract Management Committee

6 September 2016

<b>Title</b>	<b>The Barnet Group Annual Report 2015/16</b>
<b>Report of</b>	Troy Henshall, The Barnet Group Chief Executive
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A: The Barnet Group Annual Report 2015/16
<b>Officer Contact Details</b>	Troy Henshall, The Barnet Group Chief Executive <a href="mailto:troy.henshall@thebarnetgroup.org">troy.henshall@thebarnetgroup.org</a> 0208 359 5208

### Summary

This report provides the financial position of The Barnet Group Ltd for the year ending March 2016, and asks the Committee to note the Annual Report. The financial year 2015/16 was The Barnet Group's fourth full year of operation. The result for the year is a surplus of £663,000, before taking into account adjustments required in relation to pensions. After adjustments for pensions, the group recorded a net loss of £1.079 million.

### Recommendation

- 1. The Performance and Contract Management Committee is asked to note The Barnet Group Annual Report 2015/16**

- 1. WHY THIS REPORT IS NEEDED**

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

## **2. REASONS FOR RECOMMENDATION**

- 2.1 To enable the Committee to undertake its responsibilities in respect of monitoring the performance and noting the annual report provided by The Barnet Group.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 None.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 None.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1 This report presents the annual report and financial statement of the Barnet Group for the year ended 31 March 2016.

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

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

5.1.3 Robust budget and performance monitoring are essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in its Corporate Plan 2015-2020.

5.1.4 Performance continued to be strong in 2015/16 with some of the Barnet Homes highlights as follows:

- Number of households in emergency temporary accommodation reduced from 455 in 2014/15 to 251 in 2015/16
- Homelessness preventions increased from 832 in 2014/15 to 870 in 2015/16
- Number of tenants in arrears 4,277 and average arrears £515 reduced to 3,703 and £488 respectively
- Responsive repairs satisfaction increased from 97.2% in 2014/15 to 99.1% in 2015/16
- Via the annual Housemark Benchmarking on the total costs per property of Housing Management, Responsive Repairs and Voids, our performance is



the best in London compared with our peer group including other London Authorities and providers.

- 5.1.5 Your Choice (Barnet) also had a successful year with utilisation across the full range of services higher than in previous years. Valley Way, the respite service saw its utilisation increase from 82% in 2014/15 to 92% in 2015/16.
- 5.1.6 Your Choice also saw the Care Quality Commission rating of Supported Living increase from Inadequate to Good and a long standing employee dispute concluded.
- 5.1.7 The new Barnet Homes Management Agreement went live from 1 April 2016 and the review of Your Choice concluded with the Councils Adults and Safeguarding Committee approving a new five year contract in their meeting of 16 June 2016.
- 5.1.8 The Barnet Group also began delivering a management service to the Councils Streetscene services from 1 March 2016 for an initial six month period to support the Councils Alternative Delivery Model (ADM) process.
- 5.1.9 During the 2015/16 Financial Year, The Barnet Group created two new legal entities TBG Flex an employment organisation and Opendoor Homes a new landlord intending to register with the Homes and Communities Agency and build over 300 Affordable Rented properties over the next three years. These companies didn't trade for the full year and therefore their results are not included in the 2015/16 report.
- 5.1.10 Relevant Council strategies and policies include the following:  
Corporate Plan  
Housing Strategy  
The Adults and Communities Commissioning plan  
Risk Management Strategy  
Council's Constitution  
Risk Management Strategy.

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

- 5.2.1 The financial performance for the Barnet Group for 2015/16 is provided in the attached appendix A.
- 5.2.2 The financial year 2015/16 was The Barnet Group's fourth full year of operation. The result for the year is a surplus of £663,000 before adjustments for pensions and taxation. This was against a budgeted surplus of £112,000. Your Choice (Barnet) made a surplus of £396,000 as a result of better than expected revenue and lower staff costs. Barnet Homes made a surplus of £276,000 as a result of better than expected income.
- 5.2.3 After the adjustments for pensions and taxation, the company recorded a net loss of £1.079 million for the year. The Barnet Group's usable revenue reserve as presented in the Statement of Financial Position is £1.992 million increased from £1.329 million in the previous year. These reserves are in

place to support growth within the Group such as the new entity Opendoor Homes which is seeking to obtain Registered Provider status via the Homes and Communities Agency and initially build a programme of 320 affordable homes.

### 5.3 **Social Value**

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

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

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

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

### 5.4 **Legal and Constitutional References**

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

- monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re; the Barnet Group Ltd (including Barnet Homes and Your Choice Barnet); HB Public Law; NSL; Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; and Assurance; and to
- note the Annual Report of the Barnet Group Ltd.

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

Articles of Association of The Barnet Group Limited, 'the shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.'

## **5.5 Risk Management**

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

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

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

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

## **5.6 Equalities and Diversity**

5.6.1 The Barnet Group is required to support the Council in meeting its public sector equality duty (as set out in the Equality Act 2010). This means having due regard to the need to:

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- b) advance equality of opportunity between those who share a relevant protected characteristic and those who do not;
- c) foster good relations between those who share a relevant protected characteristic and those who do not.

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

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

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

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

## 5.7 Consultation and Engagement

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

5.7.2 The Barnet Group Board consists of a Chair appointed by the London Borough of Barnet, plus 8 members including 2 Councillors appointed by the Council. Your Choice (Barnet) and Barnet Homes Boards membership includes Residents, Leaseholders and Carers.

## 5.8 Insight

5.8.1 This report presents the actual performance of The Barnet Group in the financial year 2015/16.

## 6. BACKGROUND PAPERS

6.1 Performance and Contract Management Committee 14 November 2014, Agenda item 8, The Barnet Group Annual Report  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=7871&Ver=4>

6.2 Performance and Contract Management Committee 15 February 2016, Agenda item 8, The Barnet Group Annual Report 2014/15  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8411&Ver=4>

**Company Number: 07873964**

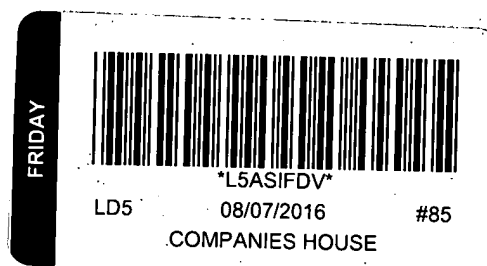
**TheBarnetGroup Limited**

**Annual Report**

**Strategic Report**

**Financial Statements**

**Year ended 31 March 2016**



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## 1. Company Information

### Directors

Terry Rogers (Chair)

Nigel Turner

Rebecca Toloui

Appointed 15 December 2015

Councillor John Marshall

Councillor Ross Houston

Jeff Baker

Troy Henshall

Jack Stephen

Appointed 15 December 2015

Sharon Slotnick

Appointed 15 December 2015

### Chief Executive Office

Troy Henshall

### Executive Officers

Derek Rust

Deputy Chief Executive

Director of Operations

To March 2016

Julie Riley

Director of Care & Support

Trudi Kleanthous

Director of Corporate Services

Appointed December 2015

Mark Jones

Interim Finance Director

Appointed February 2016

Elliott Sweetman

Director of Operations

Appointed March 2016

### Company Secretary

Troy Henshall

### Registered Office

1255 High Road

Whetstone

London

N20 0EJ

### Registered Number

07873964

### Auditors

Grant Thornton UK LLP

Grant Thornton House

202 Silbury Boulevard

Milton Keynes

MK9 1LW

### Bankers

Santander UK PLC

T54 Ground Floor Ops

Bridle Road

Bootle

Liverpool

L30 4GB

## 2. Report of the Directors

The Board is pleased to present the financial statements of TheBarnetGroup Limited for the year ended 31 March 2016.

### Principal activities

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

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

- Maintenance of the Council's residential stock, including stock investment decisions and procurement, planned maintenance and responsive repairs;
- Housing Management of the Council's residential stock, including rent collection, leasehold management, enforcement of tenancy and lease conditions, managing voids and estate management;
- Homelessness assessments, acceptances and procurement of property;
- Home Ownership services;
- Calculation and collection of leasehold charges;
- Financial management of certain aspects of the Housing Revenue Account (HRA);
- Tenant involvement and resident participation.

The original ten year management agreement expired on 31 March 2014 and continuation of the services was agreed via a one year delivery plan for the year 2015/16. In June 2015, the London Borough of Barnet's Housing Committee approved the provisional Heads of Terms for a new ten year management agreement which came into effect on 1 April 2016.

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

**Your Choice (Barnet) Limited** is a Local Authority Trading Company (LATC) ultimately owned by the London Borough of Barnet (the 'Council') via TheBarnetGroup Limited, that commenced its operations on 1 February 2012 delivering specialist care and support services to adults with a range of physical and



learning disabilities. These services were transferred in order to enable the company to become more cost effective and compete in the Adult Social Care marketplace.

**The services include:**

- **Rosa Morison Day Service** for adults who have profound and multiple learning and physical disabilities (PMLD);
- **Flower Lane Autism Service** providing support to adults who are on the autistic spectrum and have additional complex behaviour support needs;
- **Valley Way Respite Centre** for adults with PMLD, physical disabilities, autism and complex behaviour support needs;
- **Community Space Day Service** offering community support for adults who have a wide range of learning disabilities;
- **Supported Living Service** supporting people with learning disabilities to live as independently as possible in their own home;
- **Barnet Independent Living Service** for adults with a range of physical and sensory impairments;
- **PA Choices** a matching service for people who are on direct payments and who require a personal assistant to provide them with support with their daily activities, set up January 2016.

Your Choice (Barnet) Limited is part of the Group's Care & Support Directorate which brings together all of the services within Your Choice (Barnet) Limited and the Assist, Sheltered Housing and Floating Support services within Barnet Homes Limited. This enables working together, sharing best practice, allowing opportunities for synergies and ensures the Group is able to provide seamless 'wrap-around' services where required.

**Group results for the year**

Before taking account of the adjustments required in relation to pensions, a trading surplus of £663,000 was achieved (2015: £116,000 deficit). After the adjustments for pensions, the Group recorded a net deficit of £1,079,000 (2015: £1,284,000 deficit) before the actuarial gain on the pension scheme of £4,229,000 (2015: £8,874,000 actuarial loss).

Accumulated revenue reserves, before the pension liability, now stand at £1,992,000 (2015: £1,329,000).

**Directors**

Troy Henshall was appointed as a Director and Interim Chief Executive on 30 March 2015. His appointment as permanent Chief Executive was confirmed on 1 December 2015.

Rebecca Toloui, Jack Stephen and Sharon Slotnick were appointed to the Board on 15 December 2015.

The names of the Directors who served during the year can be found on page 2.

### **3<sup>rd</sup> party indemnity provision for Directors**

Directors are provided with indemnity insurance procured through TheBarnetGroup Limited for Personal Accident and Directors' and Officers' liability.

### **Disabled persons**

TheBarnetGroup Limited and its subsidiary companies are committed to equality and diversity and our goal is to embed it into our practices and everything we do. We want to ensure that all of the people we support receive the best possible service and that everyone is supported to develop and achieve to the best of their abilities.

Our objective is to ensure that services are provided fairly to all the people we support and that all of the people we support have equal opportunities.

For the people we support, we will:

- Treat all of the people we support with dignity and respect;
- Consult and involve the people we support in planning the delivery of services;
- Engage with hard to reach groups to get their views;
- Target our services in a person centred way to ensure they reflect the needs of the people we support.

### **Employee information**

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

As an employer we will:

- Take positive action to develop a workforce that reflects the people we support;
- Ensure that all employees are supported to develop and grow to the best of their ability;
- Value the contribution our employees make toward achieving our objectives;
- Ensure that all our existing and future employees have equal opportunities.

### **Charitable donations**

No charitable donations were made by the Group or the Company for the year ended 31 March 2016, (2015: £nil).

### **EU Political donations and expenditure**

No political donations or expenditure were made for the year ended 31 March 2016, (2015: £nil).

### **Donations to non-EU political parties**

No political donations or expenditure were made for the year ended 31 March 2016, (2015: £nil).

### **Payment policy**

The Company pays suppliers where possible within suppliers' credit terms. Payments to suppliers were made on average within 18 days of receipt of the invoice (2015: 19 days).

### **Directors' Remuneration Report**

The Directors are defined as being the Board members of TheBarnetGroup Limited. The Independent Directors receive emoluments and are entitled to reimbursement of incidental expenses incurred when attending board meetings and other formal events in their capacity as board members. The Independent Directors are not entitled to pension benefits. These are the only transactions with the Independent Directors of the Company. Executive Directors who are fully employed as officers of the Company receive pension benefits. Directors' remuneration is disclosed in note 18 to the financial statements.

### **Code of Governance**

During the year, the Group and its subsidiary Boards reviewed their governance arrangements, and adopted the National Housing Federation code of governance, Excellence in Governance 2015. The Group complies with its new code apart from two technical instances of non-compliance in relation to the overall length of service as a Board member within the Group. These date back to events that took place before the code was adopted and at that time were compliant with the code of governance then in use:

- One of the Council nominees who joined the Group Board in 2012 had previously served on the Barnet Homes Limited Board between 2007 and 2012. This member was assessed before joining the Board in 2012, and found to have the requisite skills, experience, and the ability to contribute to the work of the Board. We will now be working with the Council to discuss the implications of this situation.
- An independent member was appointed as Chair of the newly formed TBG Open Door Limited Board and Group Board Member in 2015. This individual had previously been a member of the Barnet Homes Limited Board between 2006 and 2014, and has particular valuable specialist skills and chairing experience. In the light of this, the appointments were approved by the Group Governance & Remuneration Committee. The individual will serve one full term as Chair of TBG Open Door Limited Board, and will then step down from both Boards. This will give the Group time to fully develop the TBG Open Door Limited Board and to make appropriate plans for succession.

## **Statement of Directors' Responsibilities**

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

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

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

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

## **Going Concern**

The accounts are prepared on a going concern basis. In line with International Accounting Standard 19, the Group's pension deficit is recognised in full in the Consolidated Statement of Financial Position and this is stated at £36.514 million at 31 March 2016 (2015: £39.001 million). However, the London Borough of Barnet has fully guaranteed Barnet Homes Limited's pension deficit at the point of its

incorporation (on 1 April 2004) and has provided a letter of comfort to the Directors of Barnet Homes Limited, setting out its intention to fund Barnet Homes Limited's ongoing operational cash flow requirements from the point of incorporation onwards, through the payment of the agreed monthly management fee. Furthermore, the London Borough of Barnet has also guaranteed the pension deficit in respect of Your Choice (Barnet) Limited at the point that the employees were transferred to Your Choice (Barnet) Limited (on 1 February 2012). The Directors have reviewed the Group's budget for the next financial year. Therefore, the Board considers preparation of the Financial Statements on a going concern basis to be appropriate.

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

#### **Auditors**

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

#### **Approval and signature**

The Report of the Directors was approved by the Board on 22 June 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Terry Rogers', written in a cursive style.

**Terry Rogers, Chair**

### **3. Strategic Report**

#### **Review of Group results**

The year to 31 March 2016 was the fourth year of operation for the Group. Before taking account of the adjustments required in relation to pensions, a Group surplus of £663,000 was achieved (2015: £116,000 deficit).

After the adjustments for pensions, the Group recorded a net deficit of £1,079,000 (2015: £1,284,000 deficit) before the actuarial gain on the pension scheme of £4,229,000 (2015: £8,874,000 actuarial loss).

Accumulated revenue reserves, before the pension liability, now stand at £1,992,000 (2015: £1,329,000).

The principal risks and uncertainties and key performance indicators for TheBarnetGroup Limited reflect those in the subsidiary companies, Barnet Homes Limited and Your Choice (Barnet) Limited.

#### **Barnet Homes Limited**

##### **Principal Risks and Uncertainties**

The London Borough of Barnet's Housing Committee approved a new 10 year Management Agreement, commencing 1 April 2016. This was a key risk last year which has now been resolved.

The Company's principal source of income is a fixed management fee from the London Borough of Barnet, which is paid monthly in advance in accordance with the Agreement. The fee is set in advance, and the main risk to the Company is that it is not able to deal with inflationary pressures and planned efficiencies in the management fee of £2.6 million annually by 2020.

The collection of rents and service charge income does not affect the Company directly, as such payments are made to the Council's HRA, but it is a key performance measure for the Company.

The number of homes managed under the Agreement continues to reduce. The Council's regeneration programme gains momentum with 174 properties decanted for regeneration purposes in the year (2015: 191). Right to Buy (RTB) sales amounted to 76 units (2015: 125 units).

The continuing high level of demand for housing and the lack of availability of affordable accommodation, results in additional General Fund expenditure for temporary accommodation and resource pressures on the Company's services.

The HRA Business Plan is under pressure arising from Government Policy resulting in a 1% rent cut each year in the period up to 2020.

The original implementation of the QL Housing Management system does not comply with best practice, which has resulted in operational and reporting issues.

Accordingly, there is a project to re-implement the system in 2016/17. In this year's financial statements £503,000 of intangible assets relating to the original implementation have been written-off.

The Company is establishing a new Registered Provider (RP) to deliver the first phase of 320 new homes in the borough. The RP is to be a subsidiary of Barnet Homes Limited. The draft Business Plan for the RP has identified risks associated with property development, construction costs, managing a debt facility, inflation and rent increase assumptions.

These risks have been reported to and reviewed by TheBarnetGroup Limited's Audit and Risk Committee during the year.

### **Key financial performance indicators**

#### **Overview**

Robust financial management has ensured that Barnet Homes Limited has improved on its budget in 2015/16, showing a favourable variance of £197,000 against budget, resulting in a surplus of £276,000 before pension adjustments (2015: £278,000 loss). This is a satisfactory result.

#### **Key non-financial performance indicators**

The key performance indicators (KPIs) used to monitor achievement of the Company's main objectives are set out on the following pages. The Board and London Borough of Barnet agree targets each year that are designed to manage and deliver continuous improvement as outlined in the management agreement. The key performance indicators do not impact on the Company's financial results as they are delivered by the Company for the Council and mostly accounted for in the HRA. They are however, the key indicators in determining the Company's performance acting in its role as a homelessness and housing management provider for the Council.

## Homelessness - Supply indicators

	2015/16	2014/15
Percentage of Emergency Temporary Accommodation units (ETAs) acquired at a cost above Local Housing Allowance limit	64.6%	70.0%
Number of lettings to Barnet Homes managed properties	519	524
Number of regeneration property lettings	139	136
Lettings by Registered Providers (RPs) working in the Borough	246	371

## Households in emergency accommodation

	2015/16	2014/15
Number of households in Emergency Temporary Accommodation (ETA)	251	455
Number of households in bed and breakfast accommodation	2	0

A number of successful supply measures were delivered throughout 2015/16 to reduce the number of households in Emergency Temporary Accommodation (ETA). By the end of March 2016, there were just 251 households in ETAs, the lowest number for over 4 years and a 45% reduction on the 2014/15 outturn.

Despite sustained high levels of demand, with over 1,400 placements into forms of interim temporary accommodation for the second consecutive year, the delivery of over 500 new units of affordable long-term temporary accommodation and supply of 492 private sector lettings meant that Barnet Homes was able to reduce reliance on Emergency Temporary Accommodation, creating better outcomes for both our customers and the Council.

## Allocations and lettings

Average re-let times in days	2015/16	2014/15
Routine lettings (2016 Target 24 days)	20.9	23.0
Major works lettings (2016 Target 60 days)	46.0	53.0
All lettings	27.6	31.0

The above table shows the average re-let times performance for the year 2015/16 compared to performance from the previous year. Definitions of re-let times have changed and therefore the target for 2014/15 under the new definition is not available.

In 2015/16 performance improved for both routine lettings and major works lettings – with a reduction in turnaround time against target. When benchmarked with our peers through HouseMark, Quarter 3 2015/16 performance for turning around routine properties was in the top quartile.



The 2015/16 annual performance is the best voids performance for routine lettings in the history of Barnet Homes. This improvement is due to the implementation of findings of a review of the voids service.

The 2016/17 target for routine lettings is very challenging at 15 days by year end. It is positive to note that performance in this area was 15.6 days in March 2016 and 15.3 days in April 2016.

The impact of the proposed changes to current working practices will be monitored on a regular basis both through the partnership meetings with our contractors and by senior managers at our Voids Project Board.

### General homelessness indicators

	2015/16	2014/15
Number of households in Emergency Temporary Accommodation (ETA)	251	455
Number of Private Sector Lettings	492	392
Number of households in ETA awaiting a decision on their application	81	141
Number of families in bed and breakfast accommodation for more than six weeks	0	0

Housing Options continued to meet its target for the number of households in ETA where a customer is awaiting a decision on their application.

Over the year the number of households awaiting a decision on their application has dropped from 141 to 81. This is the lowest figure recorded over the past two financial years.

These results demonstrate the continued success the Housing Needs Team is achieving in reducing the number of homelessness applications promptly with a focus on completing enquiries within 33 days.

### Homelessness

	2015/16	2014/15
Number of homelessness preventions	870	832
Number of regeneration decants	174	191

In 2015/16 we completed 870 homelessness preventions which is an improvement on the 832 achieved in 2014/15 especially when considering the difficult climate in the private rented sector.

- The Barnet Homes Welfare Reform Task Force sustained 88 households in their homes by supporting them into employment so that they were not adversely affected by the Benefit Cap;

- The Sanctuary Scheme installed 43 security measures into the properties of domestic violence victims which enabled them to remain in their homes.
- The Youth Mediation Co-ordinator has delivered 87 homelessness preventions by working with families and their 16 and 17 year old children to either keep them at home or arrange planned moves into suitable alternative accommodation.
- A new women's refuge was opened in January 2016. A domestic violence one stop shop now provides weekly surgeries, which further supports early intervention and prevention.

### Rent collection and arrears performance

	As at:	31-Mar-16	31-Mar-15
Number of tenants in arrears		3,703	4,277
Average arrear		£488	£515
Number of tenants more than 7 weeks in arrears		593	587
Arrears as a percentage of the debit		3.24%	3.53%

At 31 March 2016 arrears expressed as percentage of debit stands at 3.24% against a target of 3.30%. This is an excellent outcome following a challenging start to the year brought on by the payment failures in last year's fourth quarter. It is also pleasing to note that for nine out of the last twelve months the target has been achieved.

The high risk areas of tenant evictions and high level arrears cases continued to be addressed in line with our arrears improvement plan.

Evictions - All avenues are explored to support tenancy sustainment and maximise income for the customer and the Council. Whilst we have had increased success in obtaining funding from the Homeless Prevention Fund (HPF) and Discretionary Housing Payment (DHP) fund, we had anticipated that there would be an increase in evictions due to non-engagement from customers and those that had the ability to pay but had not.

17 evictions were carried out this year against a target of 15 and whilst this target was therefore not achieved, this still represents top quartile performance in this area.

The number of current tenants in arrears for 7 weeks or more is virtually unchanged at 593 cases. This area of work continues to be targeted with extra resources.

We are continuing to work with the Corporate Anti-Fraud Team (CAFT), the Neighbourhood Management Team and the DHP Section of the Task Force to support the management of these high level arrears cases.

## **Repairs and gas servicing**

Responsive repairs satisfaction was 99.1% (2015: 97.2%) against a target of 95%. This is arrived at from a combination of contractor undertaken surveys and Barnet Homes' internal validation.

Gas servicing achieved 100% compliance in both years.

## **Major works satisfaction**

Resident satisfaction with major works was 94.8% (2015: 96.6%) against a target of 94%.

## **Future Developments – Barnet Homes Limited**

The application for registration with the Homes and Communities Agency for TBG Open Door Limited is well advanced. This company is planning to develop over 300 new homes for the Council in the period to 2020, and is a subsidiary (currently non-trading) of Barnet Homes Limited.

## **Your Choice (Barnet) Limited**

### **Principal risks and uncertainties**

Your Choice (Barnet)'s principal source of income is the fees from services that are commissioned by the London Borough of Barnet, which are paid monthly in arrears and based on an hourly, daily or nightly rate. The services are also commissioned by other local authorities, Clinical Commissioning Groups and privately through direct payments. These fees account for around 14% of the total income.

It was reported in the 2015 Annual Report that the organisation had an on-going dispute with Unison with regard to employee terms and conditions and in particular a pay reduction for employees that was put in place from 1 April 2014. This dispute has now been successfully resolved.

Your Choice (Barnet)'s current contract with the Council runs until February 2017. A competitive dialogue has been undertaken between Your Choice (Barnet) Limited and the Council during February 2016 through to May 2016. The Council has now confirmed that the contract is to be renewed and will run until 31 March 2022.

The Adult Social Care marketplace is extremely challenging and it is important for Your Choice (Barnet) Limited to provide services that people will access and that the Council wants to commission. It is with this in mind that proposals for some of the services to be remodelled have been submitted. There is a risk that the proposals will not be acceptable to Councillors, service users or their families.

There is however, a significant risk that if Your Choice (Barnet) Limited does not make the proposed changes, a number of the current services will no longer be commissioned as they are not in the longer term fit for purpose. There are a number of reasons for this, including:

- The difficulty there is in attracting younger people to the services as they are currently provided. Younger people have differing expectations, in general they have attended mainstream schools and want what their peers also aspire to, namely to move-on to their own accommodation (not in a block with others) and to get a job.
- Some services that Your Choice (Barnet) Limited manages are still over provided, not in the sense that hours commissioned do not match hours provided but in the sense that around a third of the people YCB supports in the Supported Living Services do not need 24/7 staffing levels. However the schemes all have this level of provision. There is a risk that people will come to rely on higher levels of support that are not needed and will go on to lose some of their independence skills.
- There is a lack of demand for the traditional day service provision such as Barnet Independent Living Service (BILS) and CommunitySpace. Whilst there are still a significant number of people who benefit from these two services, it is not a model that younger people want.
- Benchmarking has shown that Your Choice (Barnet) Limited respite and day services are relatively expensive compared to others, although some of the services are unique in providing for people who have profound or complex needs and are very well resourced. However, where there is still a need for day services it would be beneficial if they were more competitive, leading in the long term to more referrals.

Health and safety and safeguarding of service users and employees is a priority, especially as the majority of the people we support have a significant range of disabilities. There are a number of performance indicators that measure the health and safety of the service provision and all have been consistently rated as Green throughout 2015/16.

## **Key financial performance indicators**

### **Overview**

The result for the year for Your Choice (Barnet) Limited was a surplus of £396,000 (2015: £180,000) before taking account of the adjustments required in relation to pensions. After the adjustments for pensions, the surplus for the year was £111,000 (2015: £16,000).

## Key non-financial performance indicators

2015/16 has been a good year in terms of performance with Your Choice (Barnet) Limited achieving 17 (85%) KPIs rated Green and 3 (15%) rated Amber.

The significant improvement to note in year is the Care Quality Commission (CQC) inspection outcomes for the Supported Living Services; this service was given a rating of 'Inadequate' by CQC in February 2015. An improvement plan was put in place and throughout the year the manager and her team have worked hard to implement this plan. The service was inspected again by the CQC and was awarded an overall rating of 'Good' in February 2016.

Of the Amber KPIs one relates to the use of agency staff which has reduced from 20% in 14/15 to 13.1%. Another relates to sickness which is currently at 12.7 days per person (2015: 10.5 days), and finally the referrals from other local authorities has been lower than expected and for the full year sits at 13 against a target of 20.

## Service utilisation

All of the services have met or exceeded their utilisation targets with Supported Living (99%) and Valley Way (94%) ending the year strongly.

	2015/16 Utilisation	2014/15 Utilisation	Target
Independent Living Service	96%	90%	96%
Community-Space	97%	97%	96%
Flower Lane	97%	97%	96%
Rosa Morison	97%	98%	96%
Supported Living	99%	99%	96%
Valley Way	94%	82%	90%

At year end, there are 4 voids in the Supported Living Services, three of which have been allocated and are in the process of being filled.

## Staffing

Using agency staff has decreased against in 2015/16, but is still behind target.

Indicator description	2015/16 Outturn	2014/15 Outturn	Target
Agency staff (%age of total FTEs)	13.1%	20.0%	10.0%
Sickness absence - days per FTE	12.7	10.5	10.0

Sickness levels are higher than target; however it is important that staff do not attend work if they have infectious symptoms due to the vulnerability and health needs of the people we support.

### Referrals

Two of the three targets for referrals have been met with only referrals from other local authorities at Amber.

Indicator description	2015/16 Outturn	2014/15 Outturn	Full Year Target
Number of referrals from within the London Borough of Barnet	22	35	20
Number of referrals - other LAs	13	23	20
Number of referrals - other sources	22	10	20
Total number of referrals	57	67	60

### Safeguarding

The table below presents the position on alerts raised:

	Indicator description	2015/16 Outturn	2014/15 Outturn
Alerts raised about YCB issues	Alerts raised	8	11
	Incidents under investigation	0	2
	Incidents closed and upheld	1	2
	Incidents closed and not upheld	7	7

### Future Developments – Your Choice (Barnet) Limited

The discussions with the Council regarding the future of the Your Choice (Barnet) Limited services have provided the opportunity for remodelled services that are fit for the future, for the people we support now and those we will support in the future.

The Flower Lane service will continue to support people who have autism and complex behavioural support needs. This service will develop greater opportunities for people to access the community and will extend its opening hours in order to provide a service for more people as demand requires. This service will support people with autism as they age; adapting the type of support provided as their needs change.

The Rosa Morison service will continue to support people with profound and multiple learning disabilities (PMLD). This service will support more people with PMLD to access mainstream community groups. There will be an even greater use of emerging technologies that the service will access in order to improve and enhance choice and control opportunities for people who have PMLD.

BILS and CommunitySpace support some people who have complex support needs and these individuals will be supported to continue to access their activities with improved outcomes. However there are a number of people for whom Your Choice (Barnet) proposes to develop new services.

The introduction of a progression to work offer for adults with learning disabilities (where this is appropriate for the individual) includes a prevention and intervention service to ensure that activities are sustainable, employment coaching and supported employment programmes.

The Supported Living Services currently provide 24/7 support. There are a number of people who do not need this level of support. Therefore additional step down services will be developed, and a new shared housing offer for adults with learning disabilities who wish to access more independent living (based on the Barnet Homes' successful 'Get Real' model for young people leaving care).

The introduction of additional short-term accommodation and support offers for use with clients at risk of a placement breakdown or, for older people, following a period of illness or hospital admission.

In addition Your Choice (Barnet) Limited working with Barnet Homes Limited, will introduce a housing brokerage service for vulnerable adults that would enable more people to make the transition from residential or hospital settings, to their own home.

#### **Future Developments – The Group**

The Group is evaluating the opportunity to bid for the management of the Council's refuse, recycling and street cleaning service, known as Street Scene.

#### **Approval and signature**

The strategic report was approved by the Board on 22 June 2016 and signed on its behalf by:



Terry Rogers, Chair

## **Independent auditor's report to the members of TheBarnetGroup Limited**

We have audited the financial statements of TheBarnetGroup Limited for the year ended 31 March 2016 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flow, the consolidated statement of changes in equity, the company statement of comprehensive income, the company statement of financial position, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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

### **Respective responsibilities of directors and auditor**

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2016 and of the group's profit and the parent company's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



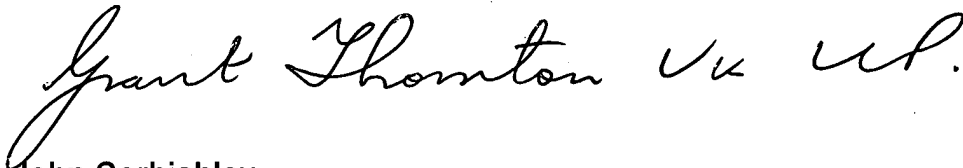
**Opinion on other matter prescribed by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

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

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



**John Corbishley**  
**Senior Statutory Auditor**  
for and on behalf of Grant Thornton UK LLP  
**Statutory Auditor, Chartered Accountants**  
**Milton Keynes**

30/6/2016.

**TheBarnetGroup Limited**  
**Financial Statements for the year ended 31 March 2016**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	2016 £000	2015 £000
<b>Revenue</b>	3	<u>61,876</u>	<u>56,011</u>
<b>Expenses</b>			
Employee benefits	13	(16,262)	(16,594)
Retirement pension obligations		(337)	62
Depreciation	8	(193)	(163)
Amortisation	9	(448)	(299)
Intangible asset impairment	9	(503)	-
Other expenses	4	<u>(43,926)</u>	<u>(39,069)</u>
		<u>(61,669)</u>	<u>(56,063)</u>
<b>Operating profit/(loss)</b>		<u>207</u>	<u>(52)</u>
Finance income	7	1,701	1,946
Finance costs	7	<u>(2,942)</u>	<u>(3,155)</u>
		<u>(1,241)</u>	<u>(1,209)</u>
<b>(Loss) before tax</b>		<u>(1,034)</u>	<u>(1,261)</u>
Corporation tax	16	(45)	(23)
<b>(Loss) after tax</b>		<u>(1,079)</u>	<u>(1,284)</u>
<b>Other comprehensive income</b>			
Actuarial gain/(loss) on pension scheme	13	<u>4,229</u>	<u>(8,874)</u>
<b>Total comprehensive income for the year</b>		<u><u>3,150</u></u>	<u><u>(10,158)</u></u>
<b>Total comprehensive income for the year is attributable to:-</b>			
<b>London Borough of Barnet</b>		<u><u>3,150</u></u>	<u><u>(10,158)</u></u>
<b><u>Reconciliation of total profit for the year after tax</u></b>		<b>2016</b>	<b>2015</b>
		<b>£000</b>	<b>£000</b>
Profit/(loss) for the period		663	(116)
(Loss) from IAS 19 pension fund accounting entries		(1,742)	(1,168)
<b>Total (loss) for the year after tax</b>		<u><u>(1,079)</u></u>	<u><u>(1,284)</u></u>

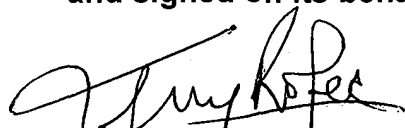
The accompanying accounting policies and notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	2016 £000	2015 £000
<b>ASSETS</b>			
<b>Tangible assets</b>			
Property, plant & equipment	8	624	595
<b>Intangible assets</b>			
Computer software & development	9	1,432	1,820
		<u>2,056</u>	<u>2,415</u>
<b>Current assets</b>			
Trade and other receivable	10	12,728	13,244
Cash and cash equivalents	11	14,661	8,932
		<u>27,389</u>	<u>22,176</u>
<b>TOTAL ASSETS</b>		<u><b>29,445</b></u>	<u><b>24,591</b></u>
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
Revenue reserve excluding IAS 19 provision		1,992	1,329
Pension fund		(36,514)	(39,001)
<b>Retained (loss)</b>		<u>(34,522)</u>	<u>(37,672)</u>
<b>Total equity</b>		<u><b>(34,522)</b></u>	<u><b>(37,672)</b></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Pension and other employee obligations	13	36,514	39,001
Provisions	14	59	122
		<u>36,573</u>	<u>39,123</u>
<b>Current liabilities</b>			
Trade and other payables	15	27,349	23,117
Current tax liability	16	45	23
		<u>27,394</u>	<u>23,140</u>
<b>TOTAL LIABILITIES</b>		<u><b>63,967</b></u>	<u><b>62,263</b></u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><b>29,445</b></u>	<u><b>24,591</b></u>

The accompanying accounting policies and notes form part of these financial statements.

The financial statements were authorised and approved by the Board on 22 June 2016 and signed on its behalf by:-

  
 Terry Rogers, CHAIR

Company number: 07873964

**TheBarnetGroup Limited**  
**Financial Statements for the year ended 31 March 2016**

**CONSOLIDATED STATEMENT OF CASH FLOW**

	Note	2016 £000	2015 £000
<b>Cash flows from operating activities</b>			
(Loss) before tax		(1,034)	(1,261)
Interest income		(41)	(46)
Depreciation of property, plant and equipment		193	162
Amortisation of intangible assets		448	298
Impairment of intangible assets		503	-
Change in pension assets		(937)	(6,531)
Change in pension liabilities		(1,551)	16,575
Actuarial gain/(loss) on pension scheme		4,229	(8,874)
Change in provisions		(64)	(72)
Taxes paid		(22)	(23)
<b>Net cash from operating activities</b>		<u>1,724</u>	<u>228</u>
<b>Net changes in working capital:</b>			
Change in trade and other receivables		(6,417)	1,456
Change in trade and other payables		11,218	4,601
Change in other employee obligations		(53)	(119)
<b>Total changes in working capital</b>		<u>4,748</u>	<u>5,938</u>
<b>Cash flows from investing activities</b>			
Interest received	7	41	46
Purchase of equipment	8	(221)	(1,005)
Additional intangibles	9	(563)	-
<b>Net cash used in investing activities</b>		<u>(743)</u>	<u>(959)</u>
Net increase in cash and cash equivalents		5,729	5,207
Cash and cash equivalents at beginning of year		8,932	3,725
<b>Cash and cash equivalents at end of year</b>	11	<u><u>14,661</u></u>	<u><u>8,932</u></u>

The accompanying accounting policies and notes form part of these financial statements.

**TheBarnetGroup Limited**  
**Financial Statements for the year ended 31 March 2016**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Revenue Reserve excluding IAS19 Pension Provision £000	Pension Fund £000	Total retained earnings £000
<b>Balance as at 1 April 2014</b>	<u>1,445</u>	<u>(28,959)</u>	<u>(27,514)</u>
Profit for the year	(116)		(116)
Increase in retirement pension obligation		(1,168)	(1,168)
Actuarial loss on pensions scheme		(8,874)	(8,874)
<b>Total comprehensive income for the year</b>	<u>(116)</u>	<u>(10,042)</u>	<u>(10,158)</u>
<b>Balance as at 31 March 2015</b>	<u><u>1,329</u></u>	<u><u>(39,001)</u></u>	<u><u>(37,672)</u></u>
<b>Balance as at 1 April 2015</b>	<u>1,329</u>	<u>(39,001)</u>	<u>(37,672)</u>
Profit for the year	663		663
Increase in retirement pension obligation		(1,742)	(1,742)
Actuarial loss on pensions scheme		4,229	4,229
<b>Total comprehensive income for the year</b>	<u>663</u>	<u>2,487</u>	<u>3,150</u>
<b>Balance as at 31 March 2016</b>	<u><u>1,992</u></u>	<u><u>(36,514)</u></u>	<u><u>(34,522)</u></u>

The accompanying accounting policies and notes form part of these financial statements.

**TheBarnetGroup Limited**  
**Financial Statements for the year ended 31 March 2016**

**COMPANY STATEMENT OF COMPREHENSIVE INCOME**

	<b>2016</b>	<i>2015</i>
	<b>£000</b>	<i>£000</i>
<b>Revenue</b>	<u>-</u>	<u>-</u>
<b>Expenses</b>		
Other expenses	<u>(18)</u>	<u>(26)</u>
	<u>(18)</u>	<u>(26)</u>
<b>Operating (loss)</b>	<u>(18)</u>	<u>(26)</u>
Finance income	<b>9</b>	<b>9</b>
Finance costs	<u>-</u>	<u>(1)</u>
	<u>9</u>	<u>8</u>
<b>(Loss) before tax</b>	<b>(9)</b>	<b>(18)</b>
Corporation tax	<u>-</u>	<u>-</u>
<b>(Loss) after tax</b>	<u>(9)</u>	<u>(18)</u>
<b>Total comprehensive income for the year</b>	<u><u>(9)</u></u>	<u><u>(18)</u></u>
<b>Total comprehensive income for the year is attributable to:-</b>		
<b>London Borough of Barnet</b>	<u><u>(9)</u></u>	<u><u>(18)</u></u>
<b><u>Reconciliation of total profit for the year after tax</u></b>	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
(Loss) for the period	<b>(9)</b>	<b>(18)</b>
<b>Total (loss) for the year after tax</b>	<u><u>(9)</u></u>	<u><u>(18)</u></u>

The accompanying accounting policies and notes form part of these financial statements.

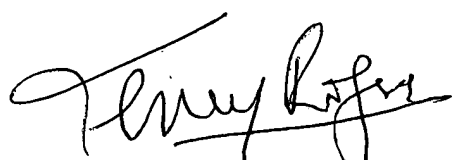
TheBarnetGroup Limited  
 Financial Statements for the year ended 31 March 2016

**COMPANY STATEMENT OF FINANCIAL POSITION**

	Note	2016 £000	2015 £000
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and other receivable	10	20,945	12,434
Cash and cash equivalents	11	<u>3,546</u>	<u>1,880</u>
		<u>24,491</u>	<u>14,314</u>
<b>TOTAL ASSETS</b>		<u><u>24,491</u></u>	<u><u>14,314</u></u>
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
Revenue reserve		<u>(91)</u>	<u>(82)</u>
Retained (loss)		<u>(91)</u>	<u>(82)</u>
<b>Total equity</b>		<u>(91)</u>	<u>(82)</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	15	<u>24,582</u>	<u>14,396</u>
		<u>24,582</u>	<u>14,396</u>
<b>TOTAL LIABILITIES</b>		<u>24,582</u>	<u>14,396</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><u>24,491</u></u>	<u><u>14,314</u></u>

The accompanying accounting policies and notes form part of these financial statements.

The financial statements were authorised and approved by the Board on 22 June 2016 and signed on its behalf by:-



Terry Rogers, CHAIR

Company number: 07873964

## Accounting policies and explanatory notes to the financial statements

Year ended 31 March 2016

### 1. General information and statement of compliance with IFRS

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

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

#### Implementation of new accounting standards and policies

The following Standards and Interpretations which have been issued, but are not yet effective and have not been adopted early by the Group, will impact the Group in future years:

- IFRS 9 Financial Instruments which is effective for accounting periods commencing 1 January 2018. This will affect the measurement of the Group's financial assets and liabilities. Management have yet to assess the impact that this amendment is likely to have on the financial statements of the Group. Management does not expect to implement IFRS 9 until it has been completed and its overall impact can be assessed.

Other Standards and Interpretations which have been issued, but are not yet effective and have not been early adopted by the Group are not expected to have a material impact on the Group's Financial Statements.

#### Presentation of financial statements

The financial statements are presented in accordance with IAS 1 presentation of financial statements (Revised 2007).

The Company has elected to present the statement of comprehensive income in one statement: the 'statement of comprehensive income'.

### 2. Summary of significant accounting policies

#### Basis of preparation

These financial statements are for the year ended 31 March 2016 and are presented in Pounds Sterling rounded to the nearest thousand.

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

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

#### Basis of consolidation

The Company was incorporated on 7 December 2011 and is controlled by the London Borough of Barnet. On 1 February 2012, TheBarnetGroup Limited (the 'Company') was created and is a Local Authority Trading Company (LATC) and has 2 subsidiary organisations, Barnet Homes Limited, an Arms' Length Management Organisation (ALMO) and Your Choice (Barnet) Limited, another LATC. Barnet Homes Limited is indirectly owned by the London Borough of Barnet via TheBarnetGroup Limited, who in turn have a management agreement with Barnet Homes Limited.

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

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

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



### **Going concern**

The financial statements have been prepared on a going concern basis. Due to the application of IAS19, the Group's pension deficit of £36.514 m (2015: £39.001 m) is recognised in full on the consolidated statement of financial position. However, the London Borough of Barnet has fully guaranteed the deficit in respect of Barnet Homes Limited at the point of its incorporation (on 1 April 2004). Furthermore, the London Borough of Barnet has also guaranteed the pension deficit in respect of Your Choice (Barnet) Limited at the point that the employees were transferred to Your Choice (Barnet) Limited on 1 February 2012.

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

### **Revenue**

Revenue represents the value (excluding value added tax) of services supplied and management fee to which the Group was entitled in respect of the financial year. The Group's main source of income is the management fee received from London Borough of Barnet in line with the approved management agreement which is fixed and also based on payment by usage for the adult social services arm of the business. The level of the fixed component of the annual management fee has been agreed with the Council for a 5 year period ending in Year 2020/21, and thereafter will be agreed either on an annual basis or over a longer period for the housing management arm of the business.

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

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

### **Interest income**

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

### **Operating expenses**

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

### **Property, plant and equipment and depreciation**

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

Vehicles, plant & equipment: 5 years

Furniture, fixtures & fittings: 5 years

Computer equipment and software: 5 years

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

Any obsolete assets with a net book value will have all costs written off immediately to the Statement of Comprehensive Income. The profit or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

### **Leases**

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

### **Financial instruments**

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

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

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

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

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

### **Financial assets**

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

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

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

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

### **Loans and receivables**

All of the Group's financial assets are classified as loans and receivables.

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

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

### **Financial liabilities**

Financial liabilities include borrowings, trade and other payables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

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

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

### **Trade and other payables**

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

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

### **Income tax**

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

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

### **Cash and cash equivalents**

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

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

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

### **Short term investment**

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

### **Equity and reserves**

Retained earnings include all current and prior period retained profits.

### **Post employment benefits and short term employee benefits**

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

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

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

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

### Provisions, contingent liabilities and contingent assets

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

### Significant management judgements in applying accounting policies

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

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

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

### Defined benefit liability

Management estimates the defined benefit liability annually with the assistance of independent actuaries; however, the actual outcome may vary due to estimation uncertainties. The defined benefit liability of £36.514 m (2015: £39.001 m) is based on standard rates of inflation and mortality. It also takes into account the Group's specific anticipation of future salary increases. Assumptions are set with reference to market conditions at the year end. The discount rate is the annualised yield at the 25 year point on the Merrill Lynch AA rated corporate bond yield curve which has been chosen to meet the requirements of IAS19 and with consideration of the duration of the Employer's liabilities. Estimation uncertainties exist as the anticipated assumptions could vary.

### Provisions

Provisions are mainly in relation to insurance excess on public liability claims, staff redundancy costs and disrepair claims.

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

### Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date based on the expected utility of the assets to the Group. The carrying amounts are analysed in notes 8 and 9. Actual results, however, may vary due to technical obsolescence, particularly for software and IT equipment.

## 3. Revenue

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

	2016	2015
	£'000	£'000
<b>Management fee paid by the London Borough of Barnet in respect of:</b>		
<b>Barnet Homes Limited:</b>		
- Housing management, homelessness and support services	46,606	41,040
- Repairs and maintenance	7,550	7,650
Your Choice (Barnet) Limited adult social care services	4,752	4,766
<b>Total fee received from London Borough of Barnet</b>	<b>58,908</b>	<b>53,456</b>
Capital works carried out directly by Barnet Homes Limited	1,093	1,085
<b>Total income from the London Borough of Barnet</b>	<b>60,001</b>	<b>54,541</b>
<b>Other operating income</b>	<b>1,875</b>	<b>1,470</b>
<b>Total revenue</b>	<b>61,876</b>	<b>56,011</b>

#### 4. Other expenses

<b>Group</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Housing, estate, hostel repairs & maintenance	8,076	8,318
Third party landlord and temporary accommodation costs	22,133	17,219
Agency Staff	3,991	4,059
Information Technology	1,156	1,303
Grounds Maintenance	597	659
Utility	1,401	1,454
Legal	664	567
Auditors remuneration - statutory audit	46	42
Auditors remuneration - for other services	18	19
Other	5,844	5,429
	<b>43,926</b>	<b>39,069</b>

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

#### 5. Group operating profit/(loss) for the year

The operating profit/(loss) for the year has been arrived at after charging the following:

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Depreciation of property, plant and equipment	641	457
Intangible asset impairment	503	-
Employee salaries and benefits	16,262	16,594
Auditors remuneration - statutory audit	46	35
Auditors remuneration - for other services	18	13

## 6. Commitments under operating leases

<b>Group</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	29	139
Later than one year but within five years	54	73
	<b>83</b>	<b>212</b>

The Group leases several vehicles under operating leases from the Council. The vehicle leases vary from a period of less than one year to two years with a fixed lease and overhead cost for the same period. There is an annual service level agreement with the Council to cover the lease of the vehicles. The total number of vehicles with operating leases in 2016 is 14 (2015: 17).

The total number of plant and equipment with operating lease in 2016 is nil (2015: Nil).

### Company

The Company does not have any commitments under operating leases.

## 7. Finance income and finance cost

<b>Group</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Finance income:		
- bank deposit and short term investment interest	41	46
- return on retirement benefit scheme assets	1,660	1,900
	<b>1,701</b>	<b>1,946</b>
Finance cost - interest on retirement benefit obligation	<b>(2,942)</b>	<b>(3,155)</b>

## 8. Tangible Assets

### Property, plant and equipment

Group	Vehicles, plant & equipment £'000	Furniture, fixtures & fittings £'000	Mobile Devices £'000	Computer equipment £'000	Total £'000
<b>Gross carrying amount</b>					
Balance 1 April 2015	144	290	45	1,464	1,943
Reclassifications	-	-	-	-	-
Additions	-	19	0	202	221
Disposals	-	-	-	-	-
Balance 31 March 2016	144	309	45	1,666	2,164
<b>Depreciation</b>					
Balance 1 April 2015	86	267	-	995	1,348
Charge for year	19	6	15	153	193
Disposals	-	-	-	-	-
Balance 31 March 2016	105	273	15	1,148	1,540
<i>Carrying amount 1 April 2015</i>	58	22	45	470	595
<b>Carrying amount 31 March 2016</b>	<b>39</b>	<b>36</b>	<b>30</b>	<b>518</b>	<b>624</b>

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

## 9. Intangible Assets

Group	Computer Software & Development £'000	Total £'000
<b>Gross carrying amount</b>		
Balance 1 April 2015	2,220	2,220
Reclassifications	-	-
Additions	563	563
Impairment	(926)	(926)
Balance 31 March 2016	1,857	1,857
<b>Amortisation and impairment</b>		
<i>Balance 1 April 2015</i>	400	400
Charge for year	448	448
Impairment	(423)	(423)
Balance 31 March 2016	425	425
<i>Carrying amount 1 April 2015</i>	1,820	1,820
<b>Carrying amount 31 March 2016</b>	<b>1,432</b>	<b>1,432</b>
<b>Summary of Depreciation, amortisation &amp; assets impairment</b>		
	<b>2016</b>	<b>2015</b>
	£'000	£'000
Depreciation	193	163
Amortisation	448	299
Impairment	503	-
	<b>1,144</b>	<b>462</b>

## 10. Trade and other receivables

### Group

	2016 £'000	2015 £'000
Amounts receivable within one year:		
Trade receivables, gross	252	184
Provision for doubtful debt	(27)	(11)
Trade receivables	<u>225</u>	<u>173</u>
Amounts due from parent undertaking	9,304	11,400
Financial assets	<u>9,529</u>	<u>11,573</u>
Other debtors	2,463	290
Prepayments and accrued income	736	1,381
Non-financial assets	<u>3,199</u>	<u>1,671</u>
Trade and other receivables	<u><u>12,728</u></u>	<u><u>13,244</u></u>

The trade receivables ageing analysis is as follows:

	2016 £'000	2015 £'000
Current		
0-30 days	8,679	8,830
31-60 days	203	2,140
> 60 days	647	603
	<u><u>9,529</u></u>	<u><u>11,573</u></u>

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

### Company

	2016 £'000	2015 £'000
Amounts receivable within one year:		
Amounts due from the London Borough of Barnet	3,296	10,196
Amounts due from subsidiaries	2,382	2,236
Financial assets	<u>5,678</u>	<u>12,432</u>
Other debtors	-	-
Prepayments and accrued income from Parent undertaking	6,008	-
Prepayments and accrued income from Related Parties	9,217	-
Prepayments and accrued income	42	2
Non-financial assets	<u>15,267</u>	<u>2</u>
Trade and other receivables	<u><u>20,945</u></u>	<u><u>12,434</u></u>

The trade receivables ageing analysis is as follows:

	2016 £'000	2015 £'000
Current		
0-30 days	5,212	11,825
31-60 days	123	179
> 60 days	343	428
	<u><u>5,678</u></u>	<u><u>12,432</u></u>

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



## 11. Cash and cash equivalents

### Group

	2016 £'000	2015 £'000
Bank accounts	13,141	7,420
Cash in hand	6	8
Short term deposits	1,514	1,504
	<b>14,661</b>	<b>8,932</b>

Short term deposit represents cash held in a 31 Day Notice fixed deposit account (2015: Short term deposit represents cash held in instant access corporate bonus and business reward accounts).

### Company

	2016 £'000	2015 £'000
Bank accounts	3,546	1,880
	<b>3,546</b>	<b>1,880</b>

## 12. Equity

### 12.1 Share Capital

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

## 13. Employee remuneration

### 13.1. Employee benefits expense

	2016 £'000	2015 £'000
Wages and salaries	12,525	12,876
Social security costs	953	990
Pensions costs	2,784	2,728
	<b>16,262</b>	<b>16,594</b>

In this financial year, wages and salary costs include redundancy costs of £9,379 (2015: £241,642) and pension costs include early retirement pension strain costs of nil (2015: £36,522).

### 13.1.1 Directors remuneration

	2016 £'000	2015 £'000
Wages and salaries	203	159
Social security costs	20	17
Pensions costs	-	17
	<b>223</b>	<b>193</b>

The emoluments of the highest paid director were £162,379 (2015: £172,528).

### 13.2. Employees

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

Service	2016	2015
Chief Executive Office	2	2
Growth & Development	51	48
Care & Support	185	52
Operations Directorate	235	357
Non Executive Directors	14	7
	<b>487</b>	<b>466</b>

The Care & Support Directorate represents the permanent employees in both Barnet Homes Limited and Your Choice (Barnet) Limited.

### 13.3. Pension and other employee obligations

The Group operates a local government pension defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations 2007/08, as amended. It is contracted out of the State Second Pension. The basis on which the net pension liability is recognised in the financial statements is set out in the accounting policies (note 1).

A full actuarial funding valuation was carried out at 31 March 2013 and updated to 31 March 2016 by a qualified independent actuary. The actuarial report states that it was prepared in accordance with the International Accounting Standard 19 (IAS 19). This forms the basis of the balance sheet and funding status disclosures to be made in respect of its pension obligations under the Local Government Pension Scheme.

For the year ending 31 March 2016, Barnet Homes Limited contributed to the Scheme at an equivalent rate of 25.8% of pensionable salaries. (2015: 25.8%)

For the year ending 31 March 2016, Your Choice (Barnet) Limited contributed to the Scheme at an equivalent rate of 24.3% of pensionable salaries (2015: 24.3%)

The financial assumptions used by the actuary were:

	31 March 2016		31 March 2015	
	% p.a.	% Real	% p.a.	% Real
RPI Increases	3.3	-	3.3	-
CPI Increases	2.4	-0.9	2.5	-0.8
Salary Increases	4.2	0.9	4.3	1
Pension Increases	2.4	-0.9	2.5	-0.8
Discount Rate	3.7	0.4	3.4	0.1

	31 March 2014	
	% p.a.	% Real
RPI Increases	3.6	-
CPI Increases	2.8	-0.8
Salary Increases	4.6	1
Pension Increases	2.8	-0.8
Discount Rate	4.5	0.9

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

Life expectancy from age 65 (years)		31 March 2016	31 March 2015
Retiring today	Males	22.1	22.1
	Females	24.5	24.4
Retiring in 20 years	Males	24.4	24.2
	Females	26.9	26.8

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

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

Net pension liability as at	31 March 2016	31 March 2015
	£'000	£'000
Present Value of Funded Obligation	(84,769)	(86,277)
Fair Value of Scheme Assets (bid value)	48,821	47,884
<b>Net liability</b>	<b>(35,948)</b>	<b>(38,393)</b>
Present Value of Unfunded Obligation	(566)	(608)
Unrecognised Past Service Cost		
<b>Net liability in statement of financial position</b>	<b>(36,514)</b>	<b>(39,001)</b>

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

	31 March 2016	31 March 2015
	£'000	£'000
Service cost	3,081	2,627
Net interest in defined liability/ asset	1,281	1,246
Administration expenses	55	47
<b>Total</b>	<b>4,417</b>	<b>3,920</b>
<b>Actual return on scheme assets</b>	<b>(877)</b>	<b>4,789</b>

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

	31 March 2016	31 March 2015
	£'000	£'000
<b>Opening Defined Benefit Obligation</b>	<b>86,885</b>	<b>70,310</b>
Current service cost	3,056	2,519
Interest cost	2,942	3,146
Change in financial assumptions	(6,759)	11,892
Change in demographic assumptions	-	-
Experience gain on defined benefit obligation	(8)	(129)
Liabilities extinguished on settlements	-	-
Estimated benefits paid (net of transfers in)	(1,495)	(1,667)
Past service cost	25	108
Contributions by Scheme participants	714	729
Unfunded pension payments	(25)	(23)
<b>Closing Defined Benefit Obligation</b>	<b>85,335</b>	<b>86,885</b>

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

	31 March 2016 £'000	31 March 2015 £'000
<b>Opening fair value of scheme assets</b>	<b>47,884</b>	<b>41,353</b>
Interest on assets	1,660	1,900
Return on assets less interest	(2,537)	2,889
Other Actuarial gains/(losses)	-	-
Administration expenses	(55)	(47)
Contributions by employer including unfunded benefits	2,675	2,750
Contributions by scheme participants	714	729
Estimated benefits paid (net of transfers in)	(1,520)	(1,690)
Settlement prices received/ (paid)	-	-
<b>Fair value of scheme assets at end of period</b>	<b>48,821</b>	<b>47,884</b>

**Re-measurements and Other Comprehensive Income**

	31 March 2016 £'000	31 March 2015 £'000
Return on plan assets in excess of interest	(2,537)	2,889
Other actuarial gains/(losses) on assets	-	-
Change in financial assumptions	6,758	(11,892)
<b>Change in demographic assumptions</b>	-	-
Experience gain/(loss) on defined benefit obligation	8	129
Changes in effect of asset ceiling	-	0
	<b>4,229</b>	<b>(8,874)</b>

**Sensitivity analysis**

	£'000	£'000	£'000
	+0.1%	0.0%	-0.1%
<b>Adjustment to discount rate</b>			
Present Value of Total Obligation	83,721	85,335	86,981
Projected Service Cost	2,686	2,744	2,751
<b>Adjustment to long term salary increase</b>	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	85,571	85,335	85,100
Projected Service Cost	2,745	2,744	2,743
<b>Adjustment to pension increases and deferred revaluation</b>	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	86,764	85,335	83,934
Projected Service Cost	2,804	2,744	2,686
<b>Adjustment to mortality age rating assumption</b>	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	87,829	85,335	82,913
Projected Service Cost	2,814	2,744	2,675

#### Projections for year to 31 March 2017

	Year to 31 March 2017 £'000
Service cost	2,744
Net interest cost	1,306
Administration	55
<b>Total</b>	<b>4,105</b>
<b>Employer contributions</b>	<b>2,668</b>

These projections are based on the actuarial assumptions as at 31 March 2016.

#### Assets

The estimated asset allocation for The Group as at 31 March 2016 is as follows;

Employer Asset Share - Bid Value	31 March 2016		31 March 2015	
	£'000	%	£'000	%
Equities	23,270	47%	31,947	67%
Gilts	4,820	10%	-	-
Other Bonds	20,387	42%	15,451	32%
Cash	344	1%	486	1%
Alternative Assets	-	-	-	-
<b>Total</b>	<b>48,821</b>	<b>100%</b>	<b>47,884</b>	<b>100%</b>

The bid values are estimated where necessary. No allowances for rounding in the figures presented. The final asset allocation of the Fund assets as at 31 March likely to be different from that shown due to estimation techniques. Based on the above, the employer's share of the assets of the Fund is 4% for Barnet Homes and 1% for Your Choice Barnet.

#### 14. Provisions

##### Group

	Insurance claims £'000	Disrepair claims £'000	Other provision £'000	Total provisions £'000
<b>Carrying amount at 1 April 2015</b>	<b>83</b>	<b>-</b>	<b>39</b>	<b>122</b>
Utilised	-	-	(67)	(67)
Released	(35)	-	29	(6)
Increase in provisions	-	-	10	10
<b>Carrying amount at 31 March 2016</b>	<b>48</b>	<b>-</b>	<b>11</b>	<b>59</b>

Insurance claims are provisions in respect of public liability claims which are outstanding at 31 March 2016. The Group's liability is restricted to the amount of the claim or the policy excess, whichever is the greater. The policy excess is currently £2,500. Disrepair claims are estimates relating to outstanding disrepair cases. The Group has provided for any such challenges where at the end of the year it is more likely than not that there is an obligation to be settled.

Other provision is the redundancy and early retirement pension strain costs of £11,000 (2015: £36,522) as a result of organisational restructure.

## Company

The company had no provisions at 31 March 2016 (2015: nil)

### 15. Trade and other payables

#### Group

	2016	2015
	£'000	£'000
<i>Current:</i>		
Trade payables	1,781	4,403
Amount due to parent undertaking	11,743	2,432
Financial liabilities	13,524	6,835
Other payables	60	68
Other taxation and social security	4,218	1,262
Accruals and deferred income	9,547	14,952
	<b>27,349</b>	<b>23,117</b>

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

#### Company

	2016	2015
	£'000	£'000
<i>Current:</i>		
Trade payables	-	-
Amount owed to subsidiaries	2,829	10,726
Amount due to parent undertaking	2,522	20
Financial liabilities	5,351	10,746
Other payables	-	-
Other taxation and social security	3,989	3,634
Accruals and deferred income to Parent undertaking	9,234	-
Accruals and deferred income to Related party	6,008	-
Accruals and deferred income to 3rd party	-	16
	<b>24,582</b>	<b>14,396</b>

**16. Income tax expense**

<b>Group</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>Analysis of tax charge/(credit) for the period</b>		
<b>Current tax</b>		
UK corporation tax at 20.00% (2014/15: 21.00%)	45	23
<b>Tax on profit on ordinary activities</b>	<b>45</b>	<b>23</b>
<b>Deferred tax (asset)/liability not recognised</b>	<b>(20)</b>	<b>(33)</b>
<b>Reconciliation of tax charge</b>		
Profit on ordinary activities before tax	(1,034)	(1,261)
Tax on profit on ordinary activities at standard CT rate of 20.00% (2014/15: 21.00%)	(207)	(265)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	272	293
Income not taxable for tax purposes	(11)	-
Adjustments to tax charge in respect of previous periods	-	-
Adjust closing deferred tax to average rate of 20.00%	3	-
Deferred tax not recognised	(12)	(4)
Marginal relief	-	(1)
<b>Tax charge/(credit) for the period</b>	<b>45</b>	<b>23</b>

## 17. Financial assets and liabilities

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

### Group

	Note	2016 £'000	2015 £'000
<b>Financial assets</b>			
Loans and receivables:		-	-
Trade and other receivables	10	9,529	11,573
Cash and cash equivalent	11	14,661	8,932
		<u>24,190</u>	<u>20,505</u>
<b>Financial liabilities</b>			
Financial liabilities measured to amortised cost:			
Trade and other payables	15	<u>27,349</u>	<u>23,117</u>

### Company

	Note	2016 £'000	2015 £'000
<b>Financial assets</b>			
Loans and receivables:			
Trade and other receivables	10	5,678	12,432
Cash and cash equivalent	11	3,546	1,880
		<u>9,224</u>	<u>14,314</u>
<b>Financial liabilities</b>			
Financial liabilities measured to amortised cost:			
Trade and other payables	15	<u>24,582</u>	<u>14,396</u>

## 18. Related party transactions

### 18.1 Transaction with controlling party/related parties

	2016 £'000	2015 £'000
Invoices to London Borough of Barnet	115,193	100,780
Invoices from London Borough of Barnet	5,676	2,811
Amount owed to London Borough of Barnet	11,743	1,891
Amount owed by London Borough of Barnet	9,305	11,038
Payments to London Borough of Barnet Pensions	2,565	2,735
Invoices from London Borough of Barnet Pensions	17	172

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

As at 31 March 2016, TheBarnetGroup Limited owed £11,743k to The London Borough of Barnet in respect of expenses on behalf of Barnet Homes Limited and TheBarnetGroup Limited was owed £9,305k by the London Borough of Barnet in respect of management and other fees in respect of services provided by the Group.

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



## 18.2. Key Management Personnel

### 18.2.1 Non Executive Directors

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

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

	2016 £'000	2015 £'000
Salaries	57	42
	<b>57</b>	<b>42</b>

### 18.2.2 Executive Directors

	2016 £'000	2015 £'000
Salaries	338	394
Performance Bonus	12	21
Honorarium	7	-
Social security costs	44	57
Pensions costs	27	30
Interim Directors	98	-
Car Lump Sum	-	1
	<b>526</b>	<b>503</b>

The Executive directors are defined as being the members of the Group's Main Board's who are executive officers of the Group. The Executive Directors consists of the Chief Executive Officer, Deputy Chief Executive Officer, Director of Operations and Director of Care and Support (see Company Information - page 2). Three of the executive directors have retirement benefits accruing under the defined benefit pension scheme in respect of qualifying services.

## 19. Contingent Assets and Liabilities

At 31 March 2016, a possible liability existed as a result of Connaught Limited going into administration in relation to the Group's pension deficit for staff transferred from Barnet Homes Limited to Connaught Limited in prior years. The Local Authority Pension Scheme could make a claim on Barnet Homes Limited in respect of the pension deficit not met by Connaught Limited.

## 20. Financial instrument risks

### Risk management and objectives and policies

#### 20.1 Interest rate sensitivity

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

#### 20.2 Credit risk analysis

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

#### 20.3 Liquidity risk analysis

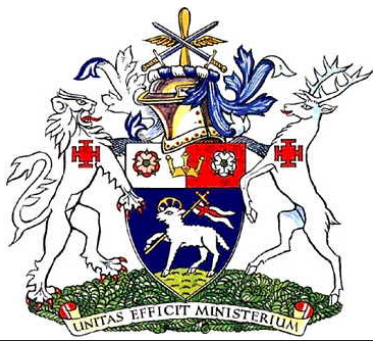
The Group manages its liquidity by carefully monitoring and reviewing the cash cycle and credit control efficiency. Control of the Trade Receivables element involves a fundamental trade-off between the cost of providing credit to customers and the additional net revenue that can be earned in doing so.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

## 21. Capital management policies and procedures

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

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

	Note	2016 £'000	2015 £'000
Cash & cash equivalent	11	14,661	8,932
		<hr/>	<hr/>
		14,661	8,932
		<hr/>	<hr/>



## Performance and Contract Management Committee

6<sup>th</sup> September 2016

<b>Title</b>	<b>Year Three Review of Customer and Support Group (CSG) Contract</b>
<b>Report of</b>	Interim Chief Operating Officer
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A: Draft Desired Outcomes
<b>Officer Contact Details</b>	<p>Caroline Woolf – Commercial Director  <a href="mailto:caroline.woolf@barnet.gov.uk">caroline.woolf@barnet.gov.uk</a></p> <p>Deborah Hinde – Contract Review Manager  <a href="mailto:deborah.hinde@barnet.gov.uk">deborah.hinde@barnet.gov.uk</a></p>

### Summary

At its meeting on 7<sup>th</sup> January 2016, the Performance and Contract Management Committee considered a report outlining the proposed arrangements and recommendations for conducting a year three review of the CSG contract, in accordance with clause 10.3 of that contract. The review is designed to give both parties to the contract (Capita Business Services Ltd and the Council) an opportunity to review overall performance; consider what is going well; and identify areas for improvement.

The Committee agreed at that meeting that the review should be undertaken and established a working group of the Committee for the purpose of conducting the review.

At its meeting on 31<sup>st</sup> May 2016, the Performance and Contract Management Committee considered a report setting out the progress that had been made on the review and seeking endorsement of the project brief.

The purpose of this report is to provide a further update for the Committee on the progress of the review.

## **Recommendations**

**1. That the Committee note the content of the report.**

**2. That the Committee note and comment on the draft desired outcomes from the review, at Appendix A to the report, that have been agreed by the Member Working Group.**

### **1. WHY THIS REPORT IS NEEDED**

- 1.1 The CSG contract commenced on the 1<sup>st</sup> September 2013 and allows for a review at the end of year three. The contract states that the review should take place within 40 business days of 1<sup>st</sup> September 2016.
- 1.2 The review is designed to give both parties an opportunity to: consider what is working well; identify areas for improvement; and to consider the changing needs and priorities of the council.
- 1.3 At its meeting on 7<sup>th</sup> January 2016, the Performance and Contract Management Committee considered a report outlining the proposed arrangements for conducting this review. The Committee agreed that the review be undertaken and established a working group of the Committee for the purpose of conducting the review and reporting its findings to the Committee on conclusion.
- 1.4 At its meeting on 31<sup>st</sup> May 2016, the Performance and Contract Management Committee considered a report on the progress of the review and endorsed the project brief that had been agreed by the Working Group and was appended to that report.
- 1.5 The project brief confirms the overall aim of the review as being to ensure that the CSG contract remains fit for purpose in the period to 2020, recognising that the strategic context within which the contract operates has changed significantly since it was signed in 2013.
- 1.6 It identifies the main objective of the review as being to secure a formal agreement with Capita Business Services Ltd, by 30 November 2016, on any changes that the Council requires to the Customer and Support Group contract to deliver:
  1. Maximum benefit from the opportunities that exist for the in-scope services;
  2. Improvements in the performance of the in-scope services;
  3. Budget savings;
  4. The priorities set out in the Council's corporate plan; and
  5. Ongoing flexibility and responsiveness to address changing and emerging needs in the future.
- 1.7 In addition, the review will seek to identify:

1. The benefits and achievements that have been realised through the contract; and
2. Any changes that the Council should make to improve its management of the contract and ensure that its activities add value to the contractual arrangements.

1.8 Members of the Working Group are:

Councillor Geoffrey Cooke  
Councillor Anthony Finn (Chairman)  
Councillor Sury Khatri  
Councillor Kathy Levine  
Councillor Peter Zinkin

1.9 The role of the Member Working Group is to:

- provide strategic direction to the review
- agree the overall aims, objectives and desired outcomes of the review
- consider and challenge the evidence
- agree the dialogue strategy
- agree the recommendations to Committee

1.10 The purpose of this report is to further update the Committee on the progress of the review.

1.11 The council has adopted an evidence-based and collaborative approach to conducting the review, recognising that both parties to the contract have a valuable contribution to make in developing the contract and the partnership environment within which it operates. It is also recognised that both parties can learn from the operation of the contract and the partnership to date.

1.12 The review is focussed primarily on future requirements, whilst acknowledging the benefits of identifying and articulating both the successes and frustrations experienced by both parties during the first three years of the contract, with a view to maximising the likelihood of the contract succeeding in the future.

1.13 Over the last few months, the council's Senior Responsible Officers (SROs) for each service within the contract have been reviewing performance against the contract in terms of:

1. Delivery of contractual commitments;
2. Compliance with output specifications; and
3. Compliance with method statements.

1.14 Based on these assessments, SROs then prepared a SWOT (strengths, weaknesses, opportunities and threats) analysis for each of their service areas, along with identifying a range of opportunities for service development and cost reductions or income generation. These were agreed with CSG service leads and then subjected to review and challenge by the project team,

prior to them forming the basis of a presentation pack to the Member Working Group.

- 1.15 Alongside this work, the project team carried out a series of interviews and workshops with commissioning and delivery unit directors, assistant directors, managers and staff to seek their views on what is working well with the services and what needs improvement. There has also been consultation with schools. The outcomes of these interviews and workshops informed the review and challenge sessions with SROs and CSG service leads.
- 1.16 At their meetings on 25<sup>th</sup> May 2016 and 5<sup>th</sup> July 2016, the Member Working Group considered the resulting service review presentation packs for each service and, following discussion and challenge, confirmed the opportunities that they wanted officers to progress.
- 1.17 At these meetings, the Working Group also received updates on the progress of the review and considered papers setting out some of the key commercial arrangements contained in the contract.
- 1.18 Based on the outcomes of these meetings, officers have been progressing the development of detailed proposals in dialogue with CSG colleagues.
- 1.19 The Working Group meeting on 25<sup>th</sup> July 2016 was held in public and sought the views of residents, traders and local businesses about the contract. Four residents submitted statements about their experiences of the services provided under the contract. One resident presented their views to the meeting and subsequently provided a copy of their presentation. At the meeting, Members considered the statements that had been submitted and identified a number of areas that required further attention as part of officers' continuing work on the review.
- 1.20 At its meeting on 4<sup>th</sup> August 2016, the Working Group considered a presentation pack summarising the performance of each service covered by the contract. This pack identified, for the contract to date:
  - Progress on delivering contractual commitments
  - Service cost
  - Performance against key performance indicators (KPIs)
  - Any performance remedies applied
  - Key service risks
- 1.21 Based on their consideration of the service reviews and performance assessments, the Working Group agreed a range of draft desired outcomes for the contract review and tasked officers to proceed with securing these, in dialogue with CSG colleagues. It was acknowledged that the desired outcomes may be modified, as the group considers further evidence. The list of draft desired outcomes, for the contract as a whole and for each service within it, is attached as Appendix A and the Performance Contract Management Committee is asked to note and comment on this list.

- 1.22 At that meeting, the Working Group also considered a paper setting out the current arrangements for ensuring value for money from expenditure incurred in supporting the delivery of capital, transformation and ICT projects. This expenditure is not included in the core contract price and varies from year to year, depending on what projects are commissioned by the council. The Working Group agreed a number of opportunities for securing further assurance on the value for money achieved through this expenditure, for further exploration by officers.
- 1.23 A further meeting of the Working Group will take place on 27<sup>th</sup> September 2016, for the purpose of conducting a more detailed assessment of the ICT service.
- 1.24 The Working Group will then consider the outcomes of the dialogue process at its meeting scheduled for 24<sup>th</sup> October 2016, at which the Group will also confirm the key findings and recommendations from the review, which will be presented to the Performance and Contract Management Committee at its meeting on 15<sup>th</sup> November 2016. Appended to that report will be the full set of evidence on which the Working Group has based its findings and recommendations, including the presentation packs referenced above.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 A key element of effective financial management is to plan ahead to ensure the council is well placed to meet future challenges. Conducting the CSG contract review will ensure it continues to deliver savings and is aligned to the council's future strategic objectives.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 None.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Work is continuing on the review and its outcome will be brought back to this Committee for agreement in order to change the current CSG contract, as set out at section 1.24 of the report.

## **5. IMPLICATIONS OF DECISION**

### **Corporate Priorities and Performance**

- 5.1 The council's corporate plan for 2015-20 sets the vision and strategy for the next five years based on the core principles of **fairness**, **responsibility** and **opportunity**, to make sure Barnet is a place:

- Of opportunity, where people can further their quality of life;
- Where people are helped to help themselves, recognising that prevention is better than cure;
- Where responsibility is shared, fairly;
- Where services are delivered efficiently to get value for money for the taxpayer.

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

- 5.2 The CSG contract, including managed budgets, has a value of £321m over the life of the contract. The contract is to deliver savings of approximately £70m over a ten year period on the core services that transferred. £13m of this has been delivered, as at the end of 2015/16.

### **Social Value**

- 5.3 The potential to achieve further social value from the contract will be addressed in the review process.

### **Legal and Constitutional References**

- 5.4 The Council's Constitution, in Part 15 Annex A, Responsibility for Functions, states the functions of the Performance and Contract Management Committee include (amongst other responsibilities):

- Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- Monitoring of Performance against targets by Delivery Units and Support Groups including Customer and Support Group; Re; the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Streetscene; Public Health; Commissioning Group; and Assurance.
- Receive and Scrutinise contract variations and change requests in respect of external delivery units.
- To make recommendations to Policy and Resources and Theme Committees on relevant policy and commissioning implications arising from the scrutiny of performance of Delivery Units and External Providers.
- Specific responsibility for the following function within the Council:
  - Risk Management
  - Treasury Management Performance
- Note the Annual Report of the Barnet Group Ltd.

- 5.5 Regulation 72 (1) of the Public Contracts Regulations 2015 says that "Contracts...may be modified without a new procurement procedure:

- Where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses:
  - State the scope and nature of possible modifications or options as well as the conditions under which they may be used; and
  - Do not provide for modifications or options that would alter the overall nature of the contract...'



5.6 Clause 10.3 of the CSG contract expressly provides for this year three outcome review and expressly allows for modification to the contract resulting from that review. Therefore, any agreed changes to the contract will not breach the Public Contract Regulations 2015 as long as the changes do not alter the overall nature of the contract.

5.7 The contract changes agreed will need to be documented in a Deed of Variation or similar legal form to ensure that they are legally binding on both parties.

### **Risk Management**

5.8 The council has taken steps to improve its risk management processes by integrating the management of financial and other risks facing the organisation.

5.9 The council's future savings proposals as set out in its Business Planning report require a fundamental change in the way the council's services are delivered. Ensuring the contract with CSG remains aligned to the priorities of the council will ensure key services like Human Resources continue to support staff in the organisation. Otherwise there is a risk that the contract becomes inflexible to the needs of the organisation.

### **Equalities and Diversity**

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

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

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

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

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

This is also what we expect of our partners.

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

- 5.14 The equalities implications of detailed proposals will be considered as part of the development of those proposals and identified in the report to the Performance and Contract Management Committee in November 2016.

### **Consultation and Engagement**

- 5.15 Engagement will take place in accordance with the consultation and engagement plan referred to in paragraph 1.19 of this report.

### **Insight**

- 5.16 The use of benchmarking data, where relevant and available, will be considered as part of the review.

## **6. BACKGROUND PAPERS**

- 6.1 Performance and Contract Management Committee, 31 May 2016 – Agenda Item 13 – Year Three Review of Customer and Support Group (CSG) Contract  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8412&Ver=4>
- 6.2 Performance and Contract Management Committee, 7 January 2016 – Agenda Item 10 – Fundamental Review of Customer and Support Group (CSG) Contract  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8407&Ver=4>
- 6.3 Approval of NSCSO full business case:  
<http://barnet.moderngov.co.uk/documents/s6649/NSCSO.pdf>

**Customer and Support Group Year Three Contract Review  
Performance and Contract Management Committee Working  
Group, 4<sup>th</sup> August 2016  
DRAFT DESIRED OUTCOMES**

<b>Partnership level</b>	
<b>Theme</b>	<b>Draft key outcomes required</b>
Performance management	Review and refresh KPIs, commitments and obligations across all services to reflect corporate priorities and drive desired behaviours.
Governance	Governance arrangements, reporting processes and a shared organisational development strategy that collectively drive improvement, develop an effective partnership culture and support staff retention. Identification of changes required to enable the council to be a better client.
Systems	Agreed plan for improving basic systems performance and delivery (including management information).
Resources	Sufficient, suitable, expert resources in the right place to provide the strategic support the council needs.
Strategic advice	Evidence of forward thinking, innovation and planning, e.g. through optimisation of, for example, the Insight, Innovation Lab, Leadership Panel tools identified in the original bid. Identification of the resources required to improve strategic advice in key areas, e.g. transformation planning.
Savings	Deliver savings to the council through cost reductions, income generation and/or de-scoping of activity.
Flexibility	More flexibility within the contract model to better adapt to the council's changing needs, including revised volume-based charging (schedule 4).
Communications	Communications strategy to raise awareness of achievements and improvements amongst key stakeholders.
<b>Service level</b>	
<b>Service</b>	<b>Draft key outcomes required</b>
Finance	<ul style="list-style-type: none"> <li>Developing the business partner model, associated structure, governance arrangements and resources</li> <li>Maximising benefit of the Integra finance system</li> </ul>
Procurement	<ul style="list-style-type: none"> <li>Enhanced service offer on contract management</li> <li>Achieving additional saving through increasing the scope of addressable spend</li> <li>Driving increased compliance</li> <li>Revised arrangements for dealing with gainshare (the mechanism through which savings are shared between the parties to a contract)</li> <li>Revised arrangements for managing the third party highways contractor under the Re contract</li> <li>Strategy for reducing print spend</li> </ul>
HR	<ul style="list-style-type: none"> <li>Stepping up workforce management support, e.g. on sickness absence, recruitment, staff retention (within CSG and the council as a whole) and performance management</li> <li>Developing an integrated, efficient "on-boarding" process</li> </ul>

	<ul style="list-style-type: none"> <li>• Developing a council-wide learning and development service offer</li> <li>• Maximising benefit of the Core HR system</li> <li>• Provision of HR support to the move to Colindale and delivery of the Council's Locality Strategy</li> </ul>
ICT	<ul style="list-style-type: none"> <li>• Support the delivery of the Council's Locality Strategy through the deployment of innovative approaches to flexible and mobile working and a new document management system</li> <li>• Improving support for the management and operation of delivery unit systems</li> <li>• Injecting innovation and improving interaction of strategic and tactical capability</li> <li>• Meeting Members' ICT needs</li> </ul>
Estates	<ul style="list-style-type: none"> <li>• Install effective and competent leadership and capacity</li> <li>• Develop agreed annual workplan</li> <li>• Develop corporate landlord model to deliver savings on running costs and income generation from specific development opportunities, such as empty properties, acquisitions and disposals</li> </ul>
Customer Services	<ul style="list-style-type: none"> <li>• Implement the customer access strategy, through the Customer Transformation Programme, in particular: <ul style="list-style-type: none"> <li>○ Drive joined up approach with delivery units to achieve improvements in web experience to minimise the cost of client interaction and improve customer satisfaction</li> <li>○ Develop an excellent digital/self-service experience for customers</li> <li>○ Support the digitally excluded to access services</li> </ul> </li> </ul>
Revenues and Benefits	<ul style="list-style-type: none"> <li>• Increase council tax collection rates – aspire to be best in London</li> <li>• Improve management of workload to reduce backlog at peak times</li> <li>• Improve customer satisfaction through better integration of Customer Services and Revenues &amp; Benefits and an improved web experience</li> </ul>
Projects and Programmes	<ul style="list-style-type: none"> <li>• Demonstrate value from project support spend</li> <li>• Increase scope to include areas not currently delivered through programmes team</li> <li>• Improve arrangements for commissioning project support</li> </ul>
Safety, Health and Welfare	<ul style="list-style-type: none"> <li>• Develop a more integrated approach and systems for operational health and safety risk management and corporate risk management</li> <li>• Increase (and evidence) impact on work-related incidents of ill-health</li> </ul>
Insight	<ul style="list-style-type: none"> <li>• Agreed strategy for maximising the benefits of Insight</li> <li>• Agreed strategy for the future use of Innovation Lab</li> </ul>

	AGENDA ITEM 10
	<p><b>Performance and Contract Management Committee</b></p> <p><b>6 September 2016</b></p>
<b>Title</b>	<b>Committee Work Programme</b>
<b>Report of</b>	Head of Governance
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A – Committee Work Programme 2016-17
<b>Officer Contact Details</b>	Salar Rida, Governance Officer <a href="mailto:salar.rida@barnet.gov.uk">salar.rida@barnet.gov.uk</a> 020 8359 7574

<b>Summary</b>
The Committee is asked to consider and comment on the items included in the 2016-17 work programme in Appendix A.

<b>Recommendation</b>
<b>1. That the Committee consider and comment on the items included in the 2016-17 work programme in Appendix A.</b>

**1. WHY THIS REPORT IS NEEDED**

- 1.1 The Performance and Contract Management Committee’s work programme 2016-17 indicates forthcoming items of business.
- 1.2 The work programme of this Committee is intended to be a responsive tool which will be updated on a rolling basis following each meeting, for the inclusion of areas which may arise through the course of the year.

1.3 The Committee is empowered to agree its priorities and determine its own schedule of work within the programme having regard to its terms of reference.

## **2. REASONS FOR RECOMMENDATION**

2.1 The compilation and review of work programme is intended to assist the Committee to plan and manage its work across the municipal year.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 None

## **4. POST DECISION IMPLEMENTATION**

4.1 Any alterations made by the Committee to its Work Programme will be published on the Council's website.

## **5. IMPLICATIONS OF DECISION**

5.1.1 The Committee Work Programme is in accordance with the Council's strategic objectives and priorities as stated in the Corporate Plan 2015-20.

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

5.2.1 None in the context of this report.

### **5.3 Social Value**

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

### **5.4 Legal and Constitutional References**

5.4.1 The terms of reference of the Performance and Contract Management Committee is included in the Constitution Responsibility for Functions, Annex A:

[Section 15 London Borough of Barnet Constitution - Responsibility for Functions](#)

### **5.5 Risk Management**

5.5.1 None in the context of this report.

## 5.6 Equalities and Diversity

5.6.1 The Committee is advised that the 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

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

5.6.2 The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services.

## 5.7 Consultation and Engagement

5.7.1 Not applicable.

## 6. BACKGROUND PAPERS

None

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**London Borough of Barnet  
Performance and Contract  
Management Committee  
Work Programme 2016-17  
September 2016**

Contact: Salar Rida 020 8359 7113 [salar.rida@barnet.gov.uk](mailto:salar.rida@barnet.gov.uk)

Title of Report	Overview of decision	Report Of ( <i>officer</i> )	Issue Type (Non key/Key/Urgent)
<b>6 September 2016</b>			
Quarter 1 Monitoring Report 2016/17	To review and approve quarter 1 2016/17 finance and performance report for internal and external delivery units. This report includes treasury management outturn and assurance of IT systems update.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
Year Three Review of Customer and Support Group (CSG) Contract	To receive an interim report from the members' working group.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
Barnet Group - Annual Report 2015/16	To receive financial performance of Barnet Homes and Your Choice Barnet for the year ending March 2016 and to note the annual report.	Troy Henshall The Barnet Group Chief Executive	<b>Non key</b>
Members' Item – IT Disaster Recovery – Councillor Mittra	For the Committee to provide instructions in relation to the Member's Item.	Head of Governance	<b>Non key</b>
<b>15 November 2016</b>			
Quarter 2 Monitoring Report 2016/17	To review and approve quarter 2 2016/17 finance and performance report for internal and external delivery units. This report includes treasury management outturn.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Type</b>
Year Three Review of Customer and Support Group (CSG) Contract	To receive a final report from the members' working group.	Stephen Evans Interim Chief Operating Officer	<b>Key</b>
CSG Web Improvement Update	To receive a further report on the progress of the website improvement plan in accordance with the council's Customer Access Strategy.	Stephen Evans Interim Chief Operating Officer  Kari Manovitch, Head of Customer Strategy and Programmes, Commercial  Katherine Lyon, Head of Customer Services and Transformation, Capita  Chris Melia Customer Experience Manager, Capita	<b>Non key</b>
Parking Contract Extension	To receive a progress report on the extension of the NSL contract, including any proposed amendments to performance targets.	Jamie Blake, Environment Commissioning Director	<b>Non key</b>
Risk Management Framework, including Corporate Risk Register	To approve the risk management framework; ensuring that the risk management framework is in place and aligned to council policy.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
Cambridge Education – 100 day review	For the Committee to consider the 100 day review report.	Chris Munday Commissioning Director for Children and Young People  Val White, Programme Director Education and Learning	

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Type</b>
Referral from Audit Committee - Q1 Internal Audit Report, on IT Change Management and IT Disaster Recovery	To consider the referral from the Committee.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
Members' IT Update	To receive a further progress report on the steps taken to improve IS support to members.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
<b>5 January 2017</b>			
Business planning: monitoring	To discuss the proposed monitoring framework for 2017/18.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
Cambridge Education update (follow-up from May 2016)	To receive the update report.	Chris Munday Commissioning Director for Children and Young People	<b>Non Key</b>
<b>13 February 2017</b>			
Quarter 3 Monitoring Report 2016/17	To review and approve quarter 3 2016/17 finance and performance report for internal and external delivery units. This report includes treasury management outturn.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
<b>24 May 2017</b>			
Quarter 4 and Year End Outturn Monitoring Report 2016/17	To review and approve final outturn and quarter 4 2016/17 finance and performance report, including treasury management outturn.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>

Subject	Decision requested	Report Of	Type
CSG Web Improvement Update	To receive a further report on the progress of the website improvement plan in accordance with the council's Customer Access Strategy.	<p>Stephen Evans Interim Chief Operating Officer</p> <p>Kari Manovitch, Head of Customer Strategy and Programmes, Commercial</p> <p>Katherine Lyon, Head of Customer Services and Transformation, Capita</p> <p>Chris Melia Customer Experience Manager, Capita</p>	<b>Non key</b>
Education and Skills Contract – update on KPI's	At the meeting on 31 <sup>st</sup> May 2016, the Committee agreed to receive regular update reports and within 6-9 months a report on performance against the KPI's in relation to the Education and Skills Contract.	Val White, Programme Director Education and Learning	<b>Non key</b>
To be allocated			
Re Contract Review	To review and receive update report.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
Clienting Arrangements - Customer & Support Group (CSG) Contract	At its meeting on 31 <sup>st</sup> May 2016, the Committee noted the clienting and contract management arrangements in place in respect of the CSG contract and requested to receive an update report at a future meeting for the purposes of monitoring the arrangements.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>

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