

**MEETING**

**PERFORMANCE AND CONTRACT MANAGEMENT COMMITTEE**

**DATE AND TIME**

**TUESDAY 15TH NOVEMBER, 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

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 10 November 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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# Decisions of the Performance and Contract Management Committee

6 September 2016

Members Present:-

AGENDA ITEM 1

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

Councillor Geof Cooke  
Councillor Jess Brayne  
Councillor Rohit Grover  
Councillor John Marshall

Councillor Reema Patel  
Councillor Shimon Ryde  
Councillor Peter Zinkin

Apologies for Absence

Councillor Kathy Levine

## 1. MINUTES OF THE PREVIOUS MEETING

Councillor Anthony Finn, Chairman of the Performance and Contract Management Committee welcomed all attendants to the meeting.

**RESOLVED** that subject to the addition of the full name of Councillor Rohit Grover on the front page, the minutes of the previous meeting held on 31 May 2016 be agreed as a correct record.

## 2. ABSENCE OF MEMBERS

Apologies were received from Councillor Kathy Levine, 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	7, 8	Non-pecuniary interest by virtue of being a School Governor at various schools in Barnet.  Non-pecuniary interest by virtue of being a Council appointed Director for Barnet Group, Your Choice Barnet and Barnet Homes.
Arjun Mittra	7, 8	Non-pecuniary interest by virtue of being tenant of Barnet Homes.

Sury Khatri	7, 8	Non-pecuniary interest by virtue of being a School Governor at Dollis Infant School
Jess Brayne	7, 8	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)**

None were received.

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

The Committee considered one Member's Item submitted by Councillor Mitra.

**(a) MEMBER'S ITEM - COUNCILLOR MITTRA**

The Committee noted the wording of the item as set out in the report:

*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?*

The Chairman welcomed the item and noted that the November agenda included items on IT Change Management and IT Disaster Recovery.

The Committee agreed to receive an update on the motion as part of the IT update report at its next meeting with the addition of an update on plans for disaster recovery for all Council IT systems. **(Action)**

It was therefore:

**RESOLVED that the Performance and Contract Management Committee's instructions in relation to this Member's item are requested as set out above.**

**7. QUARTER 1 PERFORMANCE MONITORING 2016/17**

The Chairman introduced the report which provides an overview of the council's performance, risks and finance and summary of progress in delivering the Council's Corporate Plan. The Chairman noted the achievements made in relation to residents'

perception which indicates that residents' satisfaction with Barnet as a place to live remains high at 89% above the national average.

In relation to a query about agency staff, the Committee noted that the increase in agency expenditure was mainly due to the use of agency staff to cover permanent posts in Family Services and the Commissioning Group.

Jamie Masraff, Interim Strategic Lead Programmes & Performance informed the Committee about the initiatives to ensure that agency staff were being retained as permanent staff. There should therefore be a decline in agency expenditure as a result of the initiative.

The Committee requested information about whether any agency staff were employed under zero hour contracts. Officers noted that an update would be circulated to the Committee as confirmation that there are no Council employees on zero hour contracts. **(Action)**

The Interim Chief Operating Officer, Stephen Evans informed the Committee about the Strategic Risk Register which includes the strategic risks that come under the direct management of senior officers. It was further noted that the service level Risk Registers are being updated and will be reported as part of the Q2 Performance Reports for 2016/17 at the next Committee meeting.

Following a request from the Committee, Mr Masraff noted that explanatory notes will be added to the next Q2 Report about the methodology for risks and process for identification of controls. **(Action)**

The Chairman welcomed the Adults and Communities Director, Mathew Kendall who briefed the Committee about overspend within Adults and Communities. He noted the factors that have contributed to the reported overspend which included continued service pressure and complexity of care arrangements as well as a loss of grant funding since 2014/15.

Mr Kendall further explained that priority arrangements have been implemented to ensure that the right care is in place and that available community sources are utilised.

Following a query from the Committee about the incentives offered to private landlords, the Chief Executive for Barnet Group, Troy Henshall explained that in comparison to costs incurred associated with temporary accommodation, offering incentives provides an overall net saving to the Council.

Councillor Mittra requested that benchmarking data from other Local Authorities is included in relation to the Service Performance Indicator R/3 on p.99 of the Agenda (Percentage of deaths registered within 5 working days of request). **(Action)**

It was **RESOLVED** that:

- 1. The Committee scrutinised the performance and risk of services, especially in relation to delivering the Corporate Plan, and (if necessary) made no further recommendations to other committees on the policy and commissioning implications.**

2. The Committee noted the agency costs for Quarter 1 2016/17, as detailed in paragraph 1.6.
3. The Committee noted the Quarter 1 2016/17 revenue budget and forecast position, as detailed in paragraph 1.9.
4. The Committee noted the additions and deletions and approved the accelerations and slippages in the capital programme, as detailed in paragraph 1.10.
5. The Committee noted the savings delivered in Q1 2016/17, as detailed in paragraph 1.11.
6. The Committee noted the treasury position outlined in paragraph 1.25.

## 8. THE BARNET GROUP ANNUAL REPORT 2015/16

The Chairman introduced the Barnet Group Annual Report and Mr Henshall, Chief Executive of the Barnet Group presented the report which sets out the financial position of the Group's fourth full year of operation 2015/16.

He also summarised the performance achieved over the last financial year in reducing of tenants in arrears and the number of households in emergency accommodation as well as increasing homelessness prevention.

The Committee noted the Group's result for the financial year 2015/16 as a surplus of £663,000 before adjustments for pensions and taxation.

### **RESOLVED that:**

**The Performance and Contract Management Committee noted The Barnet Group Annual Report 2015/16.**

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

The Chairman welcomed the report and noted the update on the progress of the Review of the CSG Contract following the update report considered by the Committee during the last Committee meeting. He informed the Committee that the full findings and recommendations will be reported to the Committee at its meeting in November. The Committee noted the meetings of the Working Group which have taken place.

Councillor Brayne requested that further explanatory information is included in the draft desired outcomes, in the report to the next Committee meeting. **(Action)**

The Commercial and Customer Service Director, Caroline Woolf presented the update report and noted the overall aim of the review which is to ensure that the CSG contract remains fit for purpose, since it was signed in 2013. In order to future proof the contract as much as possible, Ms Woolf stated that current meetings and reviews are taking place by senior responsible officers from Commissioning Group in consultation with CSG.

**RESOLVED:**

1. That the Committee noted the content of the report.
2. That the Committee noted and commented as above on the draft desired outcomes from the review, at Appendix A to the report, that have been agreed by the Member Working Group.

**10. COMMITTEE FORWARD WORK PROGRAMME**

The Chairman noted the standing report on the agenda which includes the items on the Forward Work Programme for 2016/17. The Committee agreed to amend the November Work Programme and move the Cambridge Education - 100 day review to the January meeting for consideration as one item.

**RESOLVED that:**

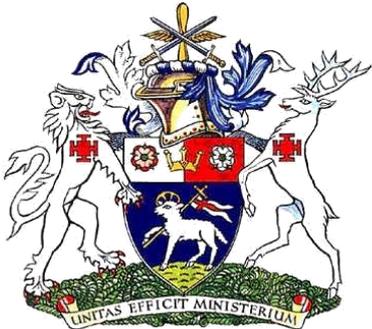
**That the Committee considered and commented as above on the items included in the 2016- 17 work programme in Appendix A.**

**11. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT**

There were none.

The meeting finished at 9.10 pm

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	<h2>Performance and Contract Management Committee</h2> <h3>15 November 2016</h3>
<b>Title</b>	<b>Quarter 2 Performance Monitoring 2016/17</b>
<b>Report of</b>	Chief Operating Officer
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	<p>Appendix A (i) List of indicators in Appendices A and B</p> <p>Appendix A (ii) Corporate Plan Performance</p> <p>Appendix B Service Performance</p> <p>Appendix C Revenue Monitoring</p> <p>Appendix D (i) Capital Monitoring</p> <p>Appendix D (ii) Capital Funding</p> <p>Appendix E Transformation Programme</p> <p>Appendix F Prudential Indicators</p> <p>Appendix G Investments Outstanding</p> <p>Appendix H (i) CSG Benefit Realisation</p> <p>Appendix H (ii) CSG Contract Benefit Realisation Tracking</p> <p>Appendix H (iii) Capita Payments</p> <p>Appendix I Contract Variations</p> <p>Appendix J Corporate Risk Register</p> <p>Appendix K Risk Management Framework</p>
<b>Officer Contact Details</b>	<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 2 (Q2) 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.

### Customer experience

Customer satisfaction ratings across the council's main access channels have achieved 90%, significantly above the 80% target. There continues to be a small increase in positive ratings for the council's website, now 48%, above the 46% target. The face-to-face service has been consistently in the top three of the National GovMetric Channel Satisfaction Index this quarter, comparing 70 councils.

### Human resources

Sickness absence has continued to miss the 6 days target at 8.23 days, slightly down from 8.35 days in the last period. Agency expenditure has decreased by £0.040m from the same period last year. The most significant areas of agency spend are in Adults and Communities, 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 (ii) and Appendix J.

### Budget outturns

The forecast General Fund **revenue outturn** (after reserve movements) is £281.530m, which is an adverse variance of £6.562m (2.4 per cent) compared with the revised budget of £274.968m. The projected outturn expenditure on the council's **capital programme** is £249.949m, £213.359m of which relates to the General Fund programme and £36.590m to the HRA capital programme. This is a variance of £40.633m against the 2016/17 budget of £290.582m. Table 7 below summarises the actual expenditure, budget and variance by service area.

### Service performance

An overview of **service performance, risk 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 September 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 September 2016, deposits outstanding were £157.700m achieving an average annual rate of return of 0.57 per cent against a benchmark average (London Interbank Bid Rate - LIBID) of 0.41 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 2 2016/17, as detailed in paragraph 1.5.**
- 3. The Committee is asked to note the Quarter 2 2016/17 revenue budget and forecast position, as detailed in paragraph 1.8.**
- 4. The Committee is asked to note the additions and deletions (which include virements) and approve the accelerations and slippages in the capital programme, as detailed in paragraph 1.9.**
- 5. The Committee is asked to note the savings delivered in Q2 2016/17, as detailed in paragraph 1.10.**
- 6. The Committee is asked to note the treasury position outlined in paragraph 1.24.**
- 7. The Committee is asked to approve the refreshed risk management framework, as detailed in Appendix K.**

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

1.1 The **Quarter 2 (Q2) 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 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)

### Customer experience

1.4 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 (Q2 2016/17)**

Indicators	Target 2016/17	Q1 2016/17	Q2 2016/17	DoT
% Complaints responded to within SLA	90%	89%	91%	↑
% Members Enquiries responded to within SLA (5 days)	95%	97%	100%	↑
% Members Enquiries cases closed in 5 days	-	79%	84%	↑
% of cases delivered within SLA <sup>1</sup>	90%	68%	84%	↑
% of cases delivered within SLA for customers needing additional support	90%	92%	92%	→
Case Closure Survey (sum of 'Very good' and 'Good' ratings)	65%	49%	60%	↑
% FOIs resolved within SLA	90%	98%	95%	↓
% Contact centre calls answered in total, including IVR	95%	96%	94%	↓
% Council desk phones answered in total	95%	80%	80%	→
% CSG Emails responded to within SLA (5 days)	90%	88%	97%	↑
% CSG Webforms responded to within SLA (5 days)	90%	98%	97%	↓
Non-appointment average wait (min)	5.00	5.88	5.77	↑
Appointment avg wait (min)	5.00	0.40	0.60	↓

<sup>1</sup> Data currently primarily covers Parking, Assisted Travel, Highway and Planning, and Revenues & Benefits. Data excludes Street Scene whilst data collection for this measure is fixed on Lagan.

Indicators	Target 2016/17	Q1 2016/17	Q2 2016/17	DoT
% Customers that rate customer service as 'Good' (GovMetric) <sup>2</sup>	86%	89%	90%	↑
% Customers that rate the website as 'Good' (GovMetric)	46%	46%	48%	↑

The customer experience dashboard (Table 1) show that nine of the fifteen indicators have improved and ten of the fourteen targets have been achieved in Q2 2016/17 (more than in Q1 2016/17).

Two new indicators have been introduced to the CSG contract - the percentage of transactions conducted via self-service (43% in Q2 2016/17) and the percentage contact that involved no avoidable follow up contact from customers (73% in Q2 2016/17), which will support the council in measuring the customer access strategy to increase self-service and reduce failure demand.

- Satisfaction for telephone, email and face-to-face **increased by 1% point to 90%**, which is above the 86% target. The face-to-face service has been consistently in the top three of the National GovMetric Channel Satisfaction Index this quarter, comparing 70 councils.
- The volume of complaints has risen in Q2 2016/17, with a 10% overall increase compared to Q1 2016/17 (84% increase compared to Q2 2015/16). Despite this, the number of **complaints responded to within SLA has increased by 2% points to be above the 90% target** and 94% of complaints have not been upheld. The rise in volume has been mainly driven by complaints related to recycling and waste in Street Scene (weekend staffing issues have led to higher demand on weekdays). Street Scene had a 48% increase in complaints but with over 90% of complaints responded to within SLA and 75% of complaints not upheld.
- The **number of members enquiries has reduced** in Q2 2016/17 (lowest since Q3 2015/16). This has been mainly due to a lower number of enquiries due to the road resurfacing programme within Re. The percentage of members enquiries responded to within SLA has increased to (a rounded) 100%.
- Due to extra attention paid to handling emails, CSG has **responded to 97% of all emails within SLA timeframes**, which is well above the 90% target and an increase of 9% points compared to Q1 2016/17. This is the first time the target has been achieved since Q1 2015/16, and despite an 8.7% increase in the volume of emails compared to the last quarter.
- The **number of webforms has increased** in Q2 2016/17 (by 6.8% for non-CSG webforms and 4.4% for CSG webforms) whilst the number of phone calls and face-to-face contacts has reduced. This is a positive and much needed trend for channel shift, as the CIPFA Customer Contact benchmarking report (2015, benchmarked against 28 councils) shows that

<sup>2</sup> Excludes website ratings

Barnet was second last in the number of webforms received, with only 0.05 webforms per household compared to the average of 0.22

- Web satisfaction has increased by 2% points to **48%, achieving target**. This has been attributed to the regular refresh of content on the council’s website. The services with webpages that appeared to have more positive ratings this quarter were Adults Services, Environmental Services and Self Service.
- The average waiting time for appointments is just **36 seconds, significantly under the 5 minute target**.

*Challenges (areas for improvement):*

- The number of people rating their **experience** following case closure as ‘very good’ or ‘good’ has remained below target at 60%; although this is an increase of 11% points compared with last quarter.
- The CSG contact centre has **handled 71% of the calls within 60 seconds**, which is a decrease of 7% points and below the 80% target.
- **Telephony performance** has been impacted throughout the quarter due to staffing issues and a higher than forecasted volume of calls in July and August 2016 in the Coventry Contact Centre. New advisors have been recruited, which will help to improve performance in Q3 2016/17. In addition, a number of operational mitigations have been put in place to minimise telephony demand and shift the contact to email and web channels – such as extra focus on the processing of emails and webforms; and prevent returned digital contacts turning into phone contacts.
- **80% of the council desk phone calls have been answered**; this is the same as last quarter and below the 95% target. A review is being carried out to investigate how data for this performance indicator is being collected and the need to raise awareness of this indicator amongst staff.
- The **average waiting time for non-appointments** in Barnet House has remained higher than the 5 minutes target, whereas Burnt Oak has met the target. It has reduced slightly compared to the last quarter.

**Human Resources**

- 1.5 Sickness absence shows an improvement in Q2 2016/17 to 8.23 days from 8.35 days in Q1 2016/17, but remains “below target” of 6 days. However, this figure is an approximation, as the HR system had to be closed for a short period (circa 10 days) in September 2016 for Unified Reward changes to be configured.

**Table 3: Sickiness absence (Q2 2016/17)**

	Average days lost per FTE (rolling 12 months)
Adults and Communities	8.77
Commissioning Group	4.12
Family Services	7.64
Street Scene	9.41
<b>Overall</b>	<b>8.23</b>

\* Source: HR Dashboard (average over rolling 12 months)

There have been 413 agency staff working across the council on average each month during Q2 2016/17.

**Table 4: Staffing (Q2 2016/17)\***

	Establishment headcount	No. of agency staff
Adults and Communities	275	67
Commissioning Group (incl. CE)	172	41
Family Services	631	141
Street Scene	481	164
<b>Overall</b>	<b>1,559</b>	<b>413</b>

\* Source: HR Establishment Pack (average over 3 months)

Agency expenditure has increased by £0.356m from the same period last year. Ensuring that usage of agency remains consistent with the council's strategic approach to ensure business critical functions continue to operate and perform while going through significant change will be a key focus for officers over the remainder of the financial year. The most significant areas of agency spend are in Adults and Communities, Family Services and the Commissioning Group and efforts to reduce agency usage where possible will focus on these services. See table 5 below.

**Table 5: Expenditure on agency staff (Q2 2016/17)**

Service	Q2 2016/17 £000	Q2 2015/16 * £000
Adults and Communities	1,902	2,491
Assurance	3	95
Births, Deaths & Marriages	-	1
Family Services	3,807	2,855
Children's Service DSG	5	219
Commissioning Group	2,404	1,640
Parking & Infrastructure	37	19
Street Scene	1,190	1,672
<b>Total</b>	<b>9,347</b>	<b>8,991</b>

\* 2015/16 expenditure relating to the Education and Skills service now delivered by Cambridge Education has been removed in order that the comparative data is consistent with the current year.

## CORPORATE PLAN PERFORMANCE

- 1.6 This section aligns **performance**, **risk** and **finance** information for the 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 Corporate Plan is shown in table 6 below. Of the 80 indicators in the Corporate Plan, 51 have been reported in Q2 2016/17. 41 have been given a RAG rating and 40 have been given a Direction of Travel (DOT) status.

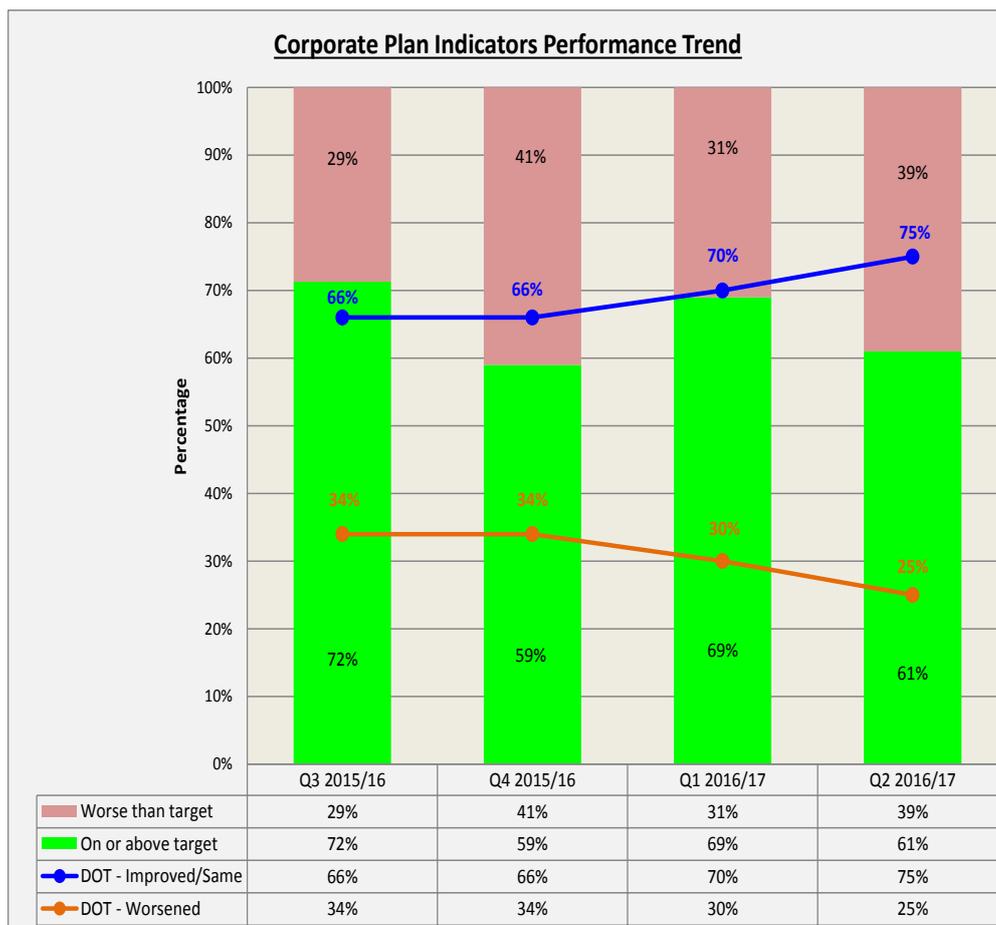
**Table 6: Corporate plan indicators (Q2 2016/17)**

Strategic priority	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
Growth and regeneration	86% (6)	0% (0)	0% (0)	14% (1)	63% (5)	38% (3)
Managing demand	63% (12)	11% (2)	16% (3)	11% (2)	69% (11)	31% (5)
Transforming services	29% (2)	57% (4)	0% (0)	14% (1)	100% (6)	0% (0)
Resilient communities	75% (3)	0% (0)	0% (0)	25% (1)	50% (2)	50% (2)
Customer service and transparency	50% (2)	25% (1)	25% (1)	0% (0)	100% (6)	0% (0)
<b>Total</b>	<b>61% (25)</b>	<b>17% (7)</b>	<b>10% (4)</b>	<b>12% (5)</b>	<b>75% (30)</b>	<b>25% (10)</b>

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” (61%) has decreased from Q1 2016/17 (69%)<sup>3</sup> and the percentage of Corporate Plan indicators with an “improved or same” DOT (75%) has increased from Q1 2016/17 (70%). See chart 1 below.

**Chart 1: Corporate Plan indicators trend (Q3 2015/16 to Q2 2016/17)**



<sup>3</sup> The performance figures for Q1 2016/17 have been revised to reflect corrections to the Spring 2016 Resident Perception Survey RAG and DOT ratings.

- 1.7 A comprehensive review of the council's approach to risk management has been undertaken over the summer 2016. This has resulted in a refreshed framework that more clearly sets out different risk management levels; the risk management process, including criteria for assessing risk; the roles and responsibilities of key stakeholders; and how arrangements apply to commissioned services and projects. The framework can be found in Appendix K.

As part of the review, the council's risk registers have been updated and these are monitored each quarter. The strategic risks, combined with high level risks escalated from services, are contained in a new corporate risk register found in Appendix J. A summary of the residual scores for the strategic risks, reflecting the controls and mitigations already in place, is provided below. 14 risks have been escalated from the service risk registers this quarter.

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.

Further information on Corporate Plan performance can be found in **Appendix A (ii)**, 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).

- 1.8 The forecast General Fund **revenue outturn** (after reserve movements) is £281.530m, which is an adverse variance of £6.562m (2.4 per cent) compared with the revised budget of £274.968m. See table 7 below.

**Table 7: Revenue outturn (Q2 2016/17)**

Service	Original Budget £000	Revised Budget £000	Q2 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Adults and Communities	85,566	88,907	93,674	4,767	5.4
Assurance	3,793	3,862	3,862	0	0.0
Births, Deaths & Marriages (Registrar Service)	(160)	(160)	25	185	115.6
Central Expenses	51,381	43,932	43,705	(227)	(0.5)
Commissioning Group	19,288	20,216	20,216	0	0.0
Customer and Support Group (CSG)	22,120	22,091	22,591	500	2.3
Cambridge Education (Education and Skills)	6,940	7,082	7,157	75	1.1
Family Services	46,481	50,550	51,057	507	1.0
HB Public Law	2,011	2,011	2,070	59	2.9
Housing Needs and Resources	4,976	5,560	5,854	294	5.3

Service	Original Budget £000	Revised Budget £000	Q2 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
(Barnet Homes)					
Parking and Infrastructure	(1,933)	(1,896)	(1,988)	(92)	(4.9)
Public Health	18,544	18,055	18,055	0	0.0
Regional Enterprise (Re)	1,134	1,134	1,231	97	8.6
Street Scene	13,896	13,624	14,021	397	2.9
<b>Total</b>	<b>274,037</b>	<b>274,968</b>	<b>281,530</b>	<b>6,562</b>	<b>2.4</b>

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

- The current projected overspend of £4.767m within Adults and Communities represents 5.4 per cent of the total Delivery Budget (£88.907m). The current overspend position is likely to increase over the year if the council continues to see the impact of demand pressures and increased complexity of need. The Delivery Unit is continuing to take positive measures to mitigate the impact of this wherever possible.

Additional funding has gone in to the Adults budget for 2016/17 with the majority of this replacing one off funding received in 2015/16, for example removal of grants and contingency no longer available in 2016/17. The care budgets have seen significant overspends since 2014/15. The position for 2016/17 reflects the full year budget impact for a number of individuals placed part way through 2015/16 and continuing through into 2016/17. Alongside this, new pressure is coming from new placements in year and increases to existing packages reflecting increases in need.

Budget pressures continue to come through particularly in relation to dementia, learning disabilities and mental health and continued pressures from health referrals. The Deprivation of Liberty Safeguards (DOLs) service continues to have a significant pressure in 2016/17 (£0.5m), as a result of the Supreme Court judgements in 2014/15 and a loss of grant funding since 2015/16. Some of the current pressures are offset by underspends within the non-placement budget areas and these budgets continue to be closely monitored and managed.

- The projected overspend of £0.507m within **Family Services** represents 1.0 per cent of the total Delivery Unit budget (£50.550m). This is primarily due to an increase in the number of agency staff covering vacant posts and pressure on the unaccompanied asylum seeking children budget. The delivery unit has been working with Capita to reduce the level of agency staff. The overspends are partially offset by managing contractual increases.
- The projected overspend of £0.500m within the **Customer and Support Group** represents 2.3 per cent of the total Delivery Unit budget (£22.091m). The projected overspend is due to additional security costs and reduced income.

1.9 The projected outturn expenditure on the council's capital programme is £249.949m, £213.359m of which relates to the General Fund programme and £36.590m to the HRA capital programme. This is a variance of £40.633m against the 2016/17 budget of £290.582m. Table 8 below summarises the actual expenditure, budget and variance by service area.

**Table 8: Capital outturn (Q2 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	Slippage %
Adults and Communities	6,793	(7,170)*	1,416	1,039	(5,754)	20.8
Commissioning Group	30,837	7,240*	(6,790)	31,287	450	(22.0)
Cambridge Education (Education and Skills)	73,666	-	(3,189)	70,477	(3,189)	(4.3)
Family Services	14,856	-	(5,444)	9,412	(5,444)	(36.6)
Housing Needs & Resources (Barnet Homes)	5,259	5,056	-	10,315	5,056	0.0
Parking and Infrastructure	1,707	-	(250)	1,457	(250)	(14.6)
Regional Enterprise (Re)	107,853	(5,618)	(15,400)	86,835	(21,018)	(14.3)
Street Scene	3,167	(120)	(510)	2,537	(630)	(16.1)
<b>General Fund</b>	<b>244,138</b>	<b>(612)</b>	<b>(30,167)</b>	<b>213,359</b>	<b>(30,779)</b>	<b>(12.4)</b>
HRA (Barnet Homes)	46,444	-	(9,854)	36,590	(9,854)	(21.2)
<b>Total Capital Programme</b>	<b>290,582</b>	<b>(612)</b>	<b>(40,021)</b>	<b>249,949</b>	<b>(40,633)</b>	<b>(13.8)</b>

\* The movement of £7.170m relates to the Sports and Physical Activity project for the construction of two leisure centres which has been transferred from Adults and Communities to the Commissioning Group.

The 'variance from approved budget' column is a net figure based on movements to and from budget allocated to future financial years, and additions and deletions to the capital programme<sup>4</sup>.

- The principal variances from budget and reasons for these are as follows: The **Adults and Communities** capital programme shows a variance from budget of £5.754m. This is due to the transfer of the Sport and Physical Activities project (SPA) to the Commissioning Group (£7.170m). Prior to this transfer, expenditure planned on the SPA project in future years was brought forward in anticipation of an earlier start date for construction than originally planned (£1.416m).
- **The Commissioning Group** forecast includes the addition of the SPA project (£7.170m) and slippage in relation to the Information Technology and Communications (ITC) Strategy which has now been re-profiled and extended to 2019/20 (£6.790m).

<sup>4</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.

- The **Education and Skills** forecast includes slippage of £3.189m, mainly as a result of the St Mary's and St John's expansion now not expected to complete until 2017/18.
- The **Family Services** capital programme is forecasting slippage of £5.444m. This is largely due to slippage on the 2 Year Old Offer as places are not needed in 2016/17 but will be required in future years (£1.215m) and the Meadow Close Children's Home and the Youth Zone Programme which are both still in the design phase and so construction is now not planned to start until 2017/18 (£1.8m and £2.4m respectively).
- The **Housing Needs and Resources** programme has increased by £5.056m. This is due to the Development Pipeline Tranche 1 budget being transferred from Re.
- The **Re** delivery unit capital programme has decreased by £21.018m. This is largely due the transfer to Housing Needs and Resources of the Development Pipeline project (£5.056m) and slippage across a number of other projects. The main areas of slippage are the General Fund regeneration projects for Colindale, Graham Park and Town Centres, the start of which are delayed (£13.273m), the refurbishment of Hendon Cemetery and Crematorium which is still in the planning phase (£1.063m) and new affordable homes now planned for 2017/18 (£1.416m).
- The **HRA** forecast shows slippage of £9.954m due to the decanting and value engineering exercise taking longer than expected. The build phase is now expected to commence in 2017/18.

1.10 In 2016/17 the council budgeted to deliver £19.554m of **savings**. The value of savings forecast to be achieved against the savings programme is shown in table 9. As at 30 September, £13.984m of total savings has been delivered, which represents 71.5 per cent of the target, with 3.4% identified as unachievable. This is a substantial improvement from the same stage in 2015/16, when 59.2% of savings had been achieved, and 14.9% identified as unachievable.

**Table 9: Savings (Q2 2016/17)**

Service	2016/17 MTFS Savings £000	Savings Achieved £000	Savings Expected to be Achieved £000	Savings Unachievable £000	Savings achieved %
Adults and Communities	3,383	2,590	541	252	76.6
Assurance	351	164	140	47	46.7
Central Expenses	6,995	6,640	155	200	94.9
Commissioning Group	2,411	2,180	231	-	90.4
Cambridge Education (Education and Skills)	85	85	-	-	100.0
Family Services	1,986	890	972	124	44.8
Parking and Infrastructure	1,130	650	480	-	57.5
Street Scene	960	785	125	50	81.8
Additional council tax and business rates	2,253	2,253	-	-	100.0
<b>Total</b>	<b>19,554</b>	<b>16,237</b>	<b>2,644</b>	<b>673</b>	<b>83.0</b>

### Strategic priorities

- 1.11 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 (ii)**.

### Responsible growth and regeneration

- 1.12 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A (ii)**. Key successes and challenges in Q2 2016/17 are summarised below:

#### Successes

- Continuing progress has been made on the **growth and regeneration programme**, including identification of two additional one-bedroom flats in the Moreton Close scheme and design of the community hub in Grahame Park. An exercise to masterplan Heybourne Park is being jointly commissioned to provide a quality public space; and Dollis Valley (Phase 2) has been handed over to the developer, with demolition starting on site. Also in Dollis Valley, the official opening of Hope Corner Community Centre took place in September 2016 with over 300 guests attending.
- Significant milestones for the multi-billion pound **Brent Cross Cricklewood** scheme have been reached this quarter with the signing of Delivery Partnership agreements for the Brent Cross North and Brent Cross South developments; and the formation of a new The Joint Venture Limited partnership for the Brent Cross South development between the council and Argent Related (Development Partner). The scheme will create a new town centre, incorporating 7,500 homes, 27,000 jobs, three re-built schools, redevelopment of Brent Cross shopping centre, new parks and community facilities, an additional Thameslink train station, as well as major road and public transport improvements.

CPI: Growth and regeneration <sup>5</sup>	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	86% (6)	0% (0)	0% (0)	14% (1)	63% (5)	38% (3)

One indicator has been RAG rated as Red:

- Temporary accommodation current arrears as percentage of debit** – is 5.70% against a target of 5.20%. Cash arrears are about £112k off target. Some improvement had been made towards the end of the quarter. Housing Benefit as a percentage of the rent debit is of particular concern as there has been a decline in HB receipts. New working practices have been implemented to ensure a quick turnaround of assessments.

<sup>5</sup> 13 indicators have been reported in Q2 2016/17 under Growth and Regeneration. Eight have been given a RAG rating and eight have been given a Direction of Travel (DOT) status.

## Managing demand

- 1.13 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A (ii)**. Key successes and challenges in Q2 2016/17 are summarised below:

### *Successes*

- Despite high demand on **homelessness** services, the number of homelessness preventions has remained on target (450) and households in temporary accommodation has fallen (now 2,887). Let2barnet have enabled a record 318 private sector lettings and are on track to achieve the annual target of 500.
- Barnet Homes has secured the top ranking in London for the average re-let time for routine lettings based on the latest Housemark benchmarking data for Q1 (14.4 days against the London benchmark of 23 days). Improved performance in Q2 (12.4 days) means Barnet Homes expects to remain the best in London. Current performance is significantly better than last year (21.8 days).
- Expansion of **recycling** schemes in flats has continued with the provision of direct size bins to fit different circumstances. In addition, work has commenced on a trial of voluntary time banded collection in Mill Hill; discussions have been held with traders to see how this can be facilitated to meet their needs.
- The Keep Barnet Clean trial has started in July 2016 with communications and an education campaign, and **enforcement** started at the end of July 2016. The trial has received a high level of public support for the council to tackle behaviour that results in the degradation of the street scene. The first Fixed Penalty Notices for Flipping (which were enacted in May 2016) have been issued in Barnet as part of the trial.

### *Challenges*

- The high demand for homelessness services and in particular the increasing reliance on General Fund temporary accommodation has exposed the council to a greater risk of cost inflation in relation to the cost of accommodation. To help relieve pressure on **homelessness services**, Barnet Homes has developed further proposals to help manage demand, including a targeted resource to move households out of temporary accommodation. This should start to deliver results towards the end of Q3 2016/17.
- Rectification of outstanding issues regarding thin surfacing on the **Network Recovery Plan** (NRP) programme are still to be satisfactorily resolved. Inspections and closer monitoring of works has been undertaken and Re has issued an updated Snagging List to the contractor on 2015/16 Micro and Surface Dressing schemes, which identifies 12 sites with defects requiring rectification and 38 sites under observation.

CPI: Managing Demand <sup>6</sup>	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	63% (12)	11% (2)	16% (3)	11% (2)	69% (11)	31% (5)

Two indicators have been RAG rated as Red:

- The **rate of hospital admissions related to alcohol** (per 100,000), 424.9 against a target of 400. The new Hospital Liaison pathway within the Adult Substance Misuse Service will help reduce admissions and length of stay. There will also be targeted plans for frequent hospital attenders and interventions for vulnerable adults. The new Young People’s Substance Misuse Service (commenced 1 September 2016) will also contribute to reducing hospital attendance and admissions. Local protocols and processes are currently being developed around hospital admissions.
- **Highways defects made safe within agreed timescale** – this composite indicator has been reported as a fail for the quarter due to NM KPI 2.3 (7 day reactive repairs). No data has been available from the contractor this quarter. Whilst repairs are being done, there have been backlogs at the start of the quarter and limited data to track performance on turnaround times. The contractor has reported problems with its technology and communication systems used for capturing defect completion data live on site, and have also raised concerns with having adequate resources in place to meet demand.

### Transforming services

1.14 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A (ii)**. Key successes and challenges in Q2 2016/17 are summarised below:

#### Successes

- Implementation of a **new operating model for adult social care** has been authorised by Adults and Safeguarding Committee, along with further development of two delivery vehicle options (reformed in-house service and shared service with the NHS). There will be a report back to the Committee in early 2017. The Adults Hubs (Care Space) have gone live on 26 September 2016 at two locations (ILC at Dollis Valley and Anne Owen Centre at East Finchley).
- Strong governance has been put in place to monitor progress against **practice improvements in children’s social care** including daily touchdown meetings and fortnightly updates on each workstream of the plan. Signs of Safety has been identified as one of the tools to support social work practice.
- The percentage of “good or outstanding” **primary and secondary schools** in Barnet has risen to 94% and 92% respectively – with both above the London averages of 93% and 89% and national averages of 90% and 79% respectively.

<sup>6</sup> 22 indicators have been reported in Q2 2016/17 under Managing Demand. 19 have been given a RAG rating and 16 have been given a Direction of Travel (DOT) status

- All 10 Children’s Centres in Barnet have been awarded ‘Healthy Children’s Centre’ status to recognise work on **improving the health of children and families** in Barnet.
- The London Borough of Barnet has been awarded **Cleaner Air Borough (CAB)** status for effectively monitoring and reducing air pollution.
- The registrars service has seen a notable increase in **private citizenship ceremonies and marriages** this quarter. 47 private citizenship ceremonies and 221 marriages have been held (compared with 23 and 166 respectively in Q1) helping to boost income.

### Challenges

- **Recruitment and retention of teachers** and school leadership remains a challenge for schools within Barnet.

CPI: Transforming service <sup>7</sup>	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	29% (2)	57% (4)	0% (0)	14% (1)	100% (6)	0% (0)

One indicator has been RAG rated as Red:

- **Smoking prevalence** - 14.6% against a target of 13%. A Health Check and Smoking Cessation Co-ordinator started in September 2016 and has been working with GPs and pharmacies on the contract to deliver smoking cessation, including organising a training session for new Smoking Advisers in September 2016. A select number of pharmacies will be running Stoptober activities.

### More resilient communities

1.15 Progress on the “key areas of focus” outlined in the refreshed Corporate Plan is shown in **Appendix A (ii)**. Key successes and challenges in Q2 2016/17 are summarised below:

#### Successes

- Development of the **Voluntary and Community Sector (VCS) database** has continued with the public beta launch scheduled for 28 October 2016.
- A **Communities Together Network** annual report has been agreed by the Community Leadership Committee in September 2016 and a meeting of the Steering Group will take place in December 2016 to agree the focus of the Network for 2017. A soft launch of the Community Participation Strategy will take place in December 2016.
- Valuations for the 67 **community assets** identified as requiring immediate action in the Community Assets Strategy have been carried out. The properties have been sub-divided equally into seven phases, which the Community Benefits Assets Tool (CBAT) will use to assess and calculate rental subsidies over the next year.

<sup>7</sup> Nine indicators have been reported in Q2 2016/17 under Transforming rating and six have been given a Direction of Travel (DOT) status.

Services. Seven have been given a RAG

CPI: Resilient Communities <sup>8</sup>	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	75% (3)	0% (0)	0% (0)	25% (1)	50% (2)	50% (2)

One indicator has been RAG rated as Red:

- **Decrease in the level of crime across the Mayor's Office for Policing And Crime set of crimes**, 18% reduction against a target of 20% reduction. This is a slight improvement on Q1 2016/17. The reduction is below target mainly due to 'violence against the person', which has shown an increase of over 40% in the last two years compared to the 2011/12 baseline figure. This increase is in line with a London wide trend that is likely to be linked to changes in reporting and recording practices.

### Improving customer services and transparency

- 1.16 Progress on the "key areas of focus" outlined in the refreshed Corporate Plan is shown in **Appendix A (ii)**. Key successes and challenges in Q2 2016/17 are summarised below:

#### Successes

- Barnet Customer Services **face-to-face customer satisfaction** achieved first place in the national GovMetric channel satisfaction league table in July 2016, having held the second place for two consecutive months. This is across the 70 councils that use GovMetric.
- Further improvements have been made to the **Open Barnet portal**, including a new look front page featuring enhanced visualisation (e.g. dashboards and live datasets) and in-system data cleansing and improvement, which will improve the quality of data that is published.

#### Challenges

- Despite an improvement in some Delivery Units, 20% of the council desk **phone calls remain unanswered**. A review will be carried out to investigate this further.

CPI: Customer service and transparency <sup>9</sup>	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	50% (2)	25% (1)	25% (1)	0% (0)	100% (6)	0% (0)

## SERVICE PERFORMANCE

- 1.17 An overview of service performance is shown in table 10 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. 281 indicators are reported

<sup>8</sup> Four indicators have been reported in Q2 2016/17 under Resilience Communities. Four have been given a RAG rating and four have been given a Direction of Travel (DOT) status.

<sup>9</sup> Six indicators are reported in Q2 2016/17. Six have been given a RAG rating and six have been given a Direction of Travel (DOT) status

in Q2 2016/17. 223 have been given a RAG rating and 193 indicators have been given a Direction of Travel (DOT) status.

**Table 10: Service indicators (Q2 2016/17)**

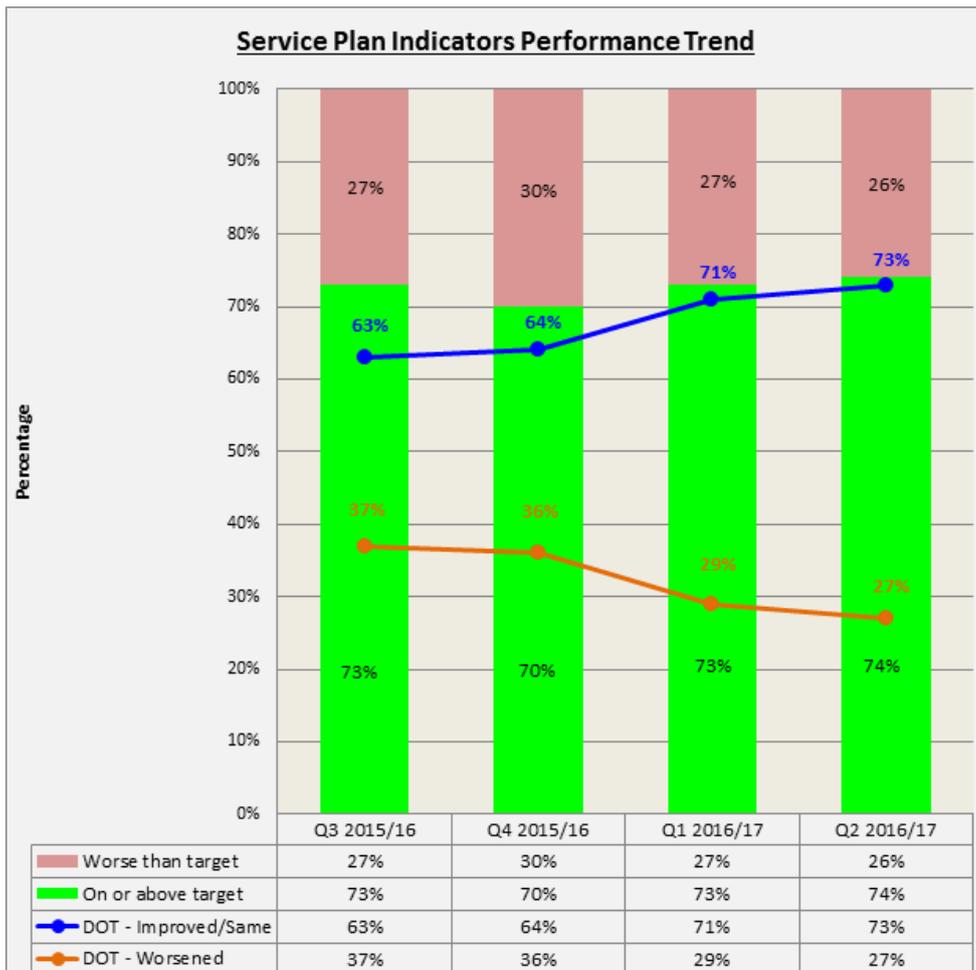
Service	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
Adults and Communities	63% (15)	17% (4)	8% (2)	13% (3)	58% (11)	42% (8)
Barnet Homes	88% (14)	0% (0)	6% (1)	6% (1)	75% (12)	25% (4)
Cambridge Education	68% (13)	26% (5)	5% (1)	0% (0)	89% (17)	11% (2)
Commissioning Group	50% (7)	21% (3)	14% (2)	14% (2)	89% (8)	11% (1)
Customer and Support Group (CSG)	94% (17)	6% (1)	0% (0)	0% (0)	72% (13)	28% (5)
Family Services	75% (15)	15% (3)	0% (0)	10% (2)	80% (8)	20% (2)
HB Public Law	92% (11)	8% (1)	0% (0)	0% (0)	58% (7)	42% (5)
Mortuaries	0% (0)	0% (0)	0% (0)	0% (0)	0% (0)	0% (0)
Parking and Infrastructure	80% (4)	20% (1)	0% (0)	0% (0)	80% (4)	20% (1)
Public Health	48% (11)	17% (4)	4% (1)	30% (7)	57% (12)	43% (9)
Regional Enterprise (Re)	89% (48)	7% (4)	0% (0)	4% (2)	77% (43)	23% (13)
Registrar Service	44% (4)	33% (3)	0% (0)	22% (2)	0% (0)	0% (0)
Street Scene	67% (6)	0% (0)	22% (2)	11% (1)	88% (7)	13% (1)
<b>Total</b>	<b>74% (165)</b>	<b>13% (29)</b>	<b>4% (9)</b>	<b>9% (20)</b>	<b>74% (142)</b>	<b>26% (51)</b>

Service	Green	Amber	Red	Improved/Same	Worsened
<b>YCB</b>	75% (15)	20% (4)	5% (1)	N/A	N/A

The percentage of Service indicators “on or above target” (74%) has increased from Q1 2016/17 (73%)<sup>10</sup> and the percentage of Service indicators with an “improved or same” DOT (74%) has increased from Q1 2016/17 (71%). See chart 2 below.

**Chart 2: Service indicators trend (Q3 2015/16 to Q2 2016/17)**

<sup>10</sup> The performance figures for Q1 2016/17 have been revised to reflect corrections to the Spring 2016 Resident Perception Survey RAG and DOT ratings.



**Appendix B** aligns the **performance, risk 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

- 1.18 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

The Community Asset Strategy / Community Centres project has moved from a Red to Amber RAG rating as a way forward has been agreed for the Daws Lane Community Centre and the change of approach will focus on the land transfer. The Unified Reward project continues to progress to plan; contracts of employment have been provided to circa 1,460 council staff and go-live was reached on the 1 October 2016. The Business Case for Customer Transformation has been approved by Policy & Resources Committee on 5 October 2016. The Healthy Workforce Charter excellence award has been

achieved on 5 October 2016. Enabling works for the new Colindale offices has commenced, and scoping work is taking place for The Way We Work programme, including a programme plan, resource model and overall budget.

### **Adults and health**

P For the Your Choice Barnet project consultation has been undertaken and ended on the 23 September 2016. For the Sports and Physical Activity (SPA) project the diving petition has been considered by Policy & Resources Committee on 1 September 2016 and the project has instructed to continue to progress with the planning process but to return to committee later in the year with a paper reviewing the implications of including diving provision. The planning applications for both schemes (Barnet Copthall and New Barnet) are planned for December Planning Committee. The Investing in IT project continues to be RAG rated as Red; the new adult social care system go-live date has been delayed and work is continuing until the re-planning of all work streams is complete.

### **Children and young people**

For the Libraries project, a 60 day staff consultation ran from 7 July to 5 September 2016. For the Partnership Library 11 Expressions of Interest have been received and of these six met the required standards and have been invited to formally submit detailed business cases. For the Barnet Youth Zone, OnSide and the Young People's Development have held a brand launch event for 'Unitas' (Barnet Youth Zone) at Saracens Rugby Club. For the Theory of Practice / Social Work Practice Improvement project, work continues in reducing caseloads, specifically Intervention and Planning and Duty Assessment Team and significant work has taken place in cleansing the Annex A data to ensure casefiles are up-to-date and accurate. The relocation of Meadow Close is RAG rated as Red due to challenges with the budget and scope of benefits.

### **Environment**

The majority of projects in the portfolio are RAG rated as Green. The Outline Business Case for the Street Scene alternative delivery model has been reviewed at Environment Committee and has been referred to Full Council on 1 November 2016. Consultation on the use of time-banded collections for the Commercial Recycling and Waste project has taken place in Mill Hill throughout September 2016 and consultation on the new Corporate Enforcement Policy commenced on the 18 September 2016. Construction is continuing on the Oakleigh Road Depot site. The issuing of Moving Traffic Contraventions (MTCs) has continued, with progress on phase 2. The cameras at Tilling Road went live on 28 September 2016.

### **Growth and Development**

In the Regeneration Programme, within Grahame Park 14 social rented and 5 shared ownership homes have been handed over on Plot 5 and within the Colindale project the new Barnet College Campus and Library/Independent Living Centre has opened. The Granville Road project has moved from a Red to Amber RAG rating, as the outcome of the public inquiry was that

Sherrygreen's appeal was upheld and Planning Permission has been awarded. On the Development Pipeline programme, within Tranche 3 HRA Infill, the Planning Committee has approved planning permissions for eight small sites in the borough and 1 site in Haringey on 8 September 2016; Opendoor Homes request for gap funding of £900,000 to proceed with design development has been approved by Policy & Resources Committee on 5 October 2016. All of the 40 homes from Tranche 0 HRA Infill have been handed over. The General Fund Mixed Tenure Housing (Tranche 1) project continues to be RAG rated as Red; reviews of the 'market tested' Stage 2 Tender price have been taking place to explore opportunities for Value engineering in an attempt to reduce the overall project build cost by circa £8.3m. The Entrepreneurial Barnet programme is progressing and the Burnt Oak Place-Based Strategy is now completed and ready for final consultation for two weeks prior to publication.

### Education Capital Programme

Progress continues to be made across a number of projects and new projects have been initiated, such as St Mary's and St Johns Phase 3. Overall the programme is on target to achieve pupil places when required. Following a major procurement exercise the successful supplier of a single contract for design and build work, including schools and leisure centres has been notified. At Monkfrith school Section 1 (Phase 1) KS1 and Reception Classrooms and the front entrance reception have been completed and handed over in September 2016. The London Academy work has been completed and the final snagging of the whole building completed on 23 September 2016.

### Other Finance

#### General Fund Balance

- 1.19 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 11 below.

**Table 11: 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>6,562</b>
<b>Projected General Fund balance 31 March 2017</b>	<b>(5,981)</b>

The recommended limit for the council's General Fund balance is £15m and therefore the final revenue outturn results in the balance being £9.019m 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

- 1.20 The Housing Revenue Account (HRA) has a budgeted contribution to reserves of £1.246m. The projected outturn is a surplus of £0.970m, largely due to developer income expected to exceed costs on regeneration schemes resulting in a net surplus position.

**Table 12: Housing Revenue Account outturn (Q2 2016/17)**

	Original Budget £000	Revised Budget £000	Q2 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)	(2,216)	(970)	77.8
Budgeted contribution to reserves	1,246	1,246	1,246	-	-
<b>Housing Revenue Account projected surplus after transfer to reserves</b>	-	-	(970)	(970)	N/A

The HRA projected balance as at 31 March 2017 is £11.035m, as shown in table 12 below.

**Table 13: 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	(970)
<b>Projected Housing Revenue Account Balance 31 March 2017</b>	<b>(11,035)</b>

### Dedicated Schools Grant

- 1.21 The Dedicated Schools Grant (DSG) has a budgeted use of £1.342m of balances in 2016/17. The projected outturn is a zero variance from budget. The DSG projected balance as at 31 March 2017 is £3.677m.

**Table 14: Dedicated Schools Grant outturn (Q2 2016/17)**

	Original Budget £000	Revised Budget £000	Q2 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Dedicated Schools Grant	-	-	-	-	N/A

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

**Table 15: 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	-
<b>Projected DSG Balance 31 March 2017</b>	<b>(3,677)</b>

### Provisions

- 1.22 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 £9.771m as at 31 March 2017.

**Table 16: Provisions**

	Provisions b/fwd 1 April 2016 £000	Drawdown £000	Provisions Balance 30 September 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)	-	-	-
<b>Total</b>	<b>14,255</b>	<b>(4,440)</b>	<b>9,815</b>	<b>(44)</b>	<b>9,771</b>

### Reserves

- 1.23 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 £109.769m as at 31 March 2017.

**Table 17: Reserves**

Description	Reserves b/fwd 01 April 2016	Drawdown	In-year Increases	Reserves C/fwd 30 September 2016	Projected increases in Reserves to be approved	Projected In-year Drawdown	Projected Year End Balance 31 March 2017
	£000	£000	£000	£000	£000	£000	£000
Central - Capital Financing	3,191	-	-	3,191	-	-	3,191
Central - Community Infrastructure Levy	16,068	-	3,011	19,079	-	-	19,079
Central - Infrastructure	19,622	-	-	19,622	-	-	19,622
Central - Risk	9,099	-	-	9,099	-	-	9,099
Central - Service Development	10,582	(129)	-	10,452	-	-	10,452
Central - Transformation	12,653	-	-	12,653	-	-	12,653
Service - Other Central expenses	9,719	-	-	9,719	-	-	9,719
Service - Other Children's Education & Skills	430	-	-	430	-	(313)	117
Service - Other Commissioning	8,208	(329)	0	7,879	178	(94)	7,964
Service - Other	3,127	(26)	-	3,101	14	(839)	2,276
<b>Sub Total General Fund Earmarked Reserves</b>	<b>92,699</b>	<b>(485)</b>	<b>3,011</b>	<b>95,226</b>	<b>192</b>	<b>(1,246)</b>	<b>94,172</b>
Service - DSG	5,269	-	-	5,269	-	(1,592)	3,677
Service - Housing Benefits	5,875	-	-	5,875	-	(2,112)	3,763
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>-</b>	<b>19,301</b>	<b>-</b>	<b>(3,704)</b>	<b>15,597</b>
<b>Total Earmarked Reserves</b>	<b>112,000</b>	<b>(485)</b>	<b>3,011</b>	<b>114,527</b>	<b>192</b>	<b>(4,950)</b>	<b>109,769</b>

## Funding of Capital Programme

Table 18: Funding Movements in the 2016/17 Capital Programme

Service Area	Grants	S106/ Other Contributions	Capital Receipts	Revenue/ MRA	Borrowing	Capital Reserves	Total
	£000	£000	£000	£000	£000	£000	£000
Adults and Communities	(750)	-	(375)	-	(2,486)	(2,143)	(5,754)
Commissioning Group	750	-	(2,467)	-	24	2,143	450
Education and Skills	(5,874)	-	-	-	2,685	-	(3,189)
Family Services	-	-	-	-	(3,044)	(2,400)	(5,444)
Housing Needs Resources	-	-	-	-	5,056	-	5,056
Parking and Infrastructure	-	-	-	-	-	(250)	(250)
Regional Enterprise (Re)	(3,035)	(3,955)	35	-	(4,756)	(9,307)	(21,018)
Street Scene	-	(260)	-	-	(250)	(120)	(630)
<b>General Fund Programme</b>	<b>(8,909)</b>	<b>(4,215)</b>	<b>(2,807)</b>	<b>-</b>	<b>(2,771)</b>	<b>(12,077)</b>	<b>(30,779)</b>
HRA	-	-	(271)	-	(9,583)	-	(9,854)
<b>Total Capital Programme</b>	<b>(8,909)</b>	<b>(4,215)</b>	<b>(3,078)</b>	<b>-</b>	<b>(12,354)</b>	<b>(12,077)</b>	<b>(40,633)</b>

## Treasury outturn

- 1.24 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 September 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 September 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

- 1.25 Investment deposits are managed internally. As at 30 September 2016, deposits outstanding were £157.700m achieving an average annual rate of return of 0.57 per cent against a benchmark average (London Interbank Bid Rate - LIBID) of 0.41 per cent. The list of deposits outstanding as at 30 September 2016 is attached as Appendix G and summarised in table 19 below.

**Table 19: Investments as at 30 September 2016**

Summary of Investments as at 30 September 2016	£'000
Local Authorities	5,000
Money Market Funds	43,200
UK Banks & Building Societies	57,500
Non UK Banks & UK Building Societies	52,000
<b>Total</b>	<b>157,700</b>

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

### Debt management

- 1.26 The total value of long term loans as at 30 September 2016 was £304.080m. There has been no external borrowing in the financial year to date. The average rate for total borrowing for the quarter ending 30 September 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 including Adults and Communities; Assurance; Barnet Homes; Cambridge Education; Commissioning Group; Customer and Support Group; Family Services; HB Public Law; Mortuaries, NSL (Parking Contractor); Public Health; Re; Registrars, Street Scene; and YCB.
- 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
	December	A series of 6 workshops with a cross

Phase 4: Strategic Plan to 2020 Consultation	2014 – March 2015	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)
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## 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>

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<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 (i): List of indicators in Appendices A and B (Q2 2016/17)**

Reference	Title	Type	Appendix
<b>Adults and Communities</b>			
AC/S3	Percentage of adults with learning disabilities who live in their own home or with their family	CPI	A
AC/S4	Percentage of adults with learning disabilities in paid employment	CPI	A
AC/S5	Percentage of adults with mental health needs in paid employment	CPI	A
AC/S6	Percentage of adults with mental health needs who live independently, with or without support	CPI	A
AC/S8	Percentage of new clients, older people accessing enablement	CPI	A
AC/S9	Permanent admissions to residential and nursing care homes, per 100,000 population age 65+	CPI	A
AC/S10	Percentage of people who feel in control of their own lives	CPI	A
AC/S11	Percentage of older people remaining at home 91 days after discharge	MPI	B
AC/S15	Percentage of people who use services who say those services make them feel safe and secure	CPI	A
AC/S16	Proportion of service users with a direct payment	SPI	B
AC/S21	Number of carers' assessments (resulting in information/advice or services)	MPI	B
AC/S29	Number of instances of information, advice and guidance provided to carers	CPI	A
AC/C10	Percentage of clients receiving an ongoing package of care reviewed	MPI	B
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	MPI	B
AC/C13	Number of delayed transfers of care from hospital, and those which are attributable to adult social care, per 100,000 population	MPI	B
AC/C14	Permanent admissions to residential and nursing care homes, per 100,000 population age 18-64*	CPI	A
<b>Barnet Homes</b>			
BH/S2	Number of Homelessness Preventions	CPI	A
BH/S3 (LY: BH/S4)	Current tenant arrears as a percentage of the annual rent debit	CPI	A
BH/C2 (LY: BH/C6)	Households placed directly into the private sector by Barnet Homes	CPI	A
BH/C5 (LY: BH/S5)	Temporary Accommodation (TA) current arrears as percentage of debit	CPI	A
BH/KPI 1 (LY: BH/C4)	Total number of Households in Temporary Accommodation	CPI	A
<b>Cambridge Education</b>			
CES/S1	Percentage of primary schools rated as 'good' or better	CPI	A
CES/S3	Percentage of secondary schools rated as 'good' or better	CPI	A
CES/S18-1	Percentage of 16-18 year olds who are not in education, employment or training	CPI	A
CES/C13	The percentage of children offered one of their top three preferences of school (primary);	KPI	B
CES/C14	The percentage of parents offered one of their top three preferences of school (secondary);	KPI	B
CES/C85	Number of primary schools rated as 'good' or better	KPI	B

Reference	Title	Type	Appendix
CES/C87	Number of secondary schools rated as 'good' or better	KPI	B
<b>Commissioning Group</b>			
CG/S1	Unemployment	CPI	A
CG/S3	Decrease in the level of crime across the Mayor's Office for Policing And Crime set of crimes	CPI	A
CG/S15	Performance of services	CPI	A
CG/S17	Number of older people who take up leisure services – participation of over 45s	KPI	B
CG/S22	Council Tax collection	CPI	A
CG/S23	Business rate collection	CPI	A
CG/S24	Overall satisfaction with customer services	CPI	A
CG/S25	Satisfaction with the council's website	CPI	A
CG/S26	Customer cases that are closed within the agreed timescales	CPI	A
CG/S27	Percentage of total spend with local businesses	CPI	A
CG/S28	Increasing participation in sport and physical activity	SPI	B
CG/C23	Sickness absence	MPI	B
CG/C24	Running costs of estate (designated civic buildings only)	SPI	B
<b>Customer and Support Group (CSG)</b>			
HR17a (CSG/C14)	All Employees are paid accurately	KPI	B
<b>Family Services</b>			
FS/S1	Number of children made subject to Child Protection Plans	CPI	A
FS/S2	Children made subject to Child Protection Plan for a second or subsequent time	CPI	A
FS/S3	Number of children subject to Child Protection Plans for two or more years	CPI	A
FS/S4	Number of referrals to social care (per 10,000 of the under-18 population)	CPI	A
FS/S5	Number of children adopted	CPI	A
FS/S6	Percentage of children in London Borough of Barnet foster care	CPI	A
FS/S8	Percentage of the target groups that are registered with the children centre within the area it serves	CPI	A
FS/S15	Percentage of care leavers age 19 – 21 in education, employment or training	CPI	A
FS/S16	Number of children in care per 10,000	CPI	A
FS/S18	Proportion of care leavers age 19 – 21 in suitable accommodation	CPI	A
FS/C26	% of CLA visits taken place within timeframes	MPI	B
FS/C37	Percentage of CLA who have had a timely initial health assessment in the last 6 months	MPI	B
FS/C38	Percentage of CLA who have had a health timely assessment (under 5 6 months, over 5 annual)	MPI	B
FS/C39	Percentage with dental checks in the previous 12 months	MPI	B
<b>HB Public Law</b>			
HBL001 (HBPL/C1)	Acknowledge emails within 1 working day	KPI	B
<b>Parking Services</b>			
PI/C3	Parking - Response processing in time: Response provided	SPI	B

Reference	Title	Type	Appendix
	within legislative timescales in relation to correspondence		
<b>Public Health</b>			
PH/S2	Excess weight in 4-5 year olds (overweight or obese)	CPI	A
PH/S3	Excess weight in 10-11 year olds (overweight or obese)	CPI	A
PH/S4	Rate of hospital admissions related to alcohol	CPI	A
PH/S5	Smoking prevalence	CPI	A
PH/S7	Physical activity participation	CPI	A
PH/S11	Excess weight in adults	SPI	B
PH/S13	Percentage of new attendances of all under 25 year olds tested for chlamydia	SPI	B
PH/C10	Successful treatment – opiate users	SPI	B
PH/C11	Successful treatment – non-opiate users	SPI	B
PH/C12	Successful treatment – alcohol users	SPI	B
PH/C13	Successful treatment – non-opiate and alcohol users	SPI	B
PH/C14	Representations – opiates users	SPI	B
PH/C15	Representations – non-opiates users	SPI	B
PH/C19	Number of schools registered for the Healthy Schools London Awards - (a) primary	MPI	B
<b>Re</b>			
SP KPI 01	Percentage of Strategic Planning Documents completed and signed off by the Authority	CPI	A
EH01B	Compliance with Environmental Health Service Standards (Priority 1 incidents and service requests).	CPI	A
EH02I	Compliance with Licensing Requirements for Houses in Multiple Occupation (HMOs) - Licenced HMOs meeting legal standards	CPI	A
KPI 1.1 NM	Annual programme relating to Highway Safety Inspections	KPI	B
KPI 1.2 NM	Annual Programme relating to Carriageway Resurfacing schemes	KPI	B
KPI 2.3 NM	Category 2 Defects Rectification Timescales completed on time	KPI	B
KPI 2.8 NM	Timely construction of Vehicle Crossovers following receipt of payment	KPI	B
KPI001 (A&A)	Compliance with planning application statutory timescales (for major, minor, other applications)	CPI	A
KPI NM 2.1	Highways defects made safe (composite indicator - KPI 2.1-2.3NM)	CPI	A
REGENKPI01 (Re/S11)	Number of New Homes completed	CPI	A
TSLKPI02	Appropriate response to statutory deadlines in relation to the Licensing and Gambling Act. Service requests (e.g. applications) dealt with to pre-set standards / Total number of service requests	KPI	B
<b>Registrar</b>			
R/1	Percentage of births registered within 42 working days of request	KPI	B
R/3	Percentage of deaths registered within 5 working days of request	KPI	B
R/4	Percentage of Marriage/Civil Partnership notices appointments offered within 10 working days of request	KPI	B
R/8	Birth, still-born and death decs: Percentage of incoming declarations registered with 24hrs of receipt	KPI	B

Reference	Title	Type	Appendix
R/9	Corrections and re-registration: Percentage of applications offered appointment within 7 working days of Registration Officer receiving GRO notification	KPI	B
<b>Streetscene</b>			
SS/S3	Percentage of household waste sent for reuse, recycling and composting	CPI	A
SS/S7	Percentage of unacceptable levels of litter	CPI	A
SS/S8	Percentage of unacceptable levels of detritus	CPI	A
SS/C1	Waste tonnage – residual per household	SPI	B
SS/C2	Waste tonnage – recycling per household	SPI	B
<b>YCB</b>			
YCB 10	Staff sickness	KPI	B
YCB 11	Agency staff	KPI	B
YCB 12	Accident Incident Rate	KPI	B
YCB 19	New referrals from other local authorities.	KPI	B
YCB 23	Service utilisation	KPI	B

Key:

CPI	Corporate Plan Indicator
SPI	Commissioning Plan Indicator
MPI	Management Agreement Indicator
KPI	Contract Performance Indicator

## Appendix A (ii): Corporate Plan Performance (Quarter 2 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, 51 have been reported in Q2 2016/17. 41 have been given a RAG rating: **61% (25)** are “on or above target” and **39% (16)** are “below target”. 40 have been given a Direction of Travel (DOT) status: **75% (30)** have an “improved or same” DOT and **25% (10)** have a “worsened” DOT from the same period last year.

Strategic priority	No. reported (Q2)	No. with a RAG rating (Q2)	RAG Ratings				Monitor / NYA	No. with a DOT (Q2)	Long Term Direction of Travel	
			Green	Green Amber	Red Amber	Red			Improved / Same	Worsening
Growth and regeneration	10	7	86% (6)	0% (0)	0% (0)	14% (1)	3	8	63% (5)	38% (3)
Managing demand	22	19	63% (12)	11% (2)	16% (3)	11% (2)	3	16	69% (11)	31% (5)
Transforming services	9	7	29% (2)	57% (4)	0% (0)	14% (1)	2	6	100% (6)	0% (0)
Resilient communities	4	4	75% (3)	0% (0)	0% (0)	25% (1)	0	4	50% (2)	50% (2)
Customer service and transparency	6	4	50% (2)	25% (1)	25% (1)	0% (0)	2	6	100% (6)	0% (0)
<b>Total</b>	<b>51</b>	<b>41</b>	<b>61% (25)</b>	<b>15% (6)</b>	<b>12% (5)</b>	<b>12% (5)</b>	<b>10</b>	<b>40</b>	<b>75% (30)</b>	<b>25% (10)</b>

<sup>1</sup> Public Health indicators are reported a quarter in arrears, so refers to Quarter 1 2016/17

## Responsible growth and regeneration

Key area of focus	Description	Q2 2016/17 Progress Update
<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	Continuing progress has been made on the <b>growth and regeneration programme</b> , including identification of two additional one-bedroom flats in the Moreton Close scheme and design of the community hub in Grahame Park. An exercise to masterplan Heybourne Park is being jointly commissioned to provide a quality public space; and Dollis Valley (Phase 2) has been handed over to the developer, with demolition starting on site. Also in Dollis Valley, the official opening of Hope Corner Community Centre took place in September 2016 with over 300 guests attending.
<b>Sport and physical activity</b>	Designing 'built environment' to help people keep fit and active, and investing in new leisure centres	<p>A revised financial analysis has been undertaken to confirm the affordability of the two leisure centre schemes with likely cost certainty to be confirmed by January 2017 . The planning submissions for both schemes have been submitted on the 19 September 2016 and are due for consideration at Planning Committee on 15 December 2016.</p> <p>A petition to reverse the decision to exclude diving as part of the facilities mix at Copthall was considered by Policy &amp; Resources Committee in September 2016. A Feasibility Study is currently being co-ordinated to assess the potential inclusion of diving at Barnet Copthall. A paper will be reported to Policy and Resources Committee for consideration on 1 December 2016.</p> <p>Following approval of a confirmed core facilities mix, the project will submit a formal final application to Sport England in January 2017 for £2m external investment.</p>
<b>Entrepreneurial Barnet</b>	Creating the conditions for a thriving local labour market;	<p>Barnet Council agreed to make use of newly freed upspace in libraries (Golders Green, North Finchley, East Finchley, and Chipping Barnet) as workspace for small businesses via the Localities Strategy. This will be cliented by Re in line with their contractual obligations to support business growth and survival rates.</p> <p>The second Entrepreneurial Barnet competition is underway, with the grand final scheduled for January 2017. Agreement has been given for CSG to lead on commissioning a business directory, which will be delivered in early 2017.</p> <p>Support has been made available to young people around exam time from the Barnet Education, Employment and Training team and Barnet and Southgate College. The council and partners promoted Apprenticeship options through the 'Get In, Go Far' campaign. The Opportunities for Young people project continues to work to offer early support to young people at risk of becoming NEET (Not in Education, Employment and Training).</p> <p>Public Health continue to invest in support to JobCentres and the Mental Health Trust that promotes health and work side by side. Joint training is being provided from front line workers across partners in signposting for good health and Mental Health First Aid.</p>

Key area of focus	Description	Q2 2016/17 Progress Update
	Investing in town centres (focusing on Burnt Oak and Finchley Church End).	<p>Work has continued on the town centre strategies for Burnt Oak, Finchley Church End and Golders Green:</p> <ul style="list-style-type: none"> <li>• The final strategy for Burnt Oak will be published in November 2016</li> <li>• The development of Finchley Church End strategy is underway</li> <li>• The specification for Golders Green has been completed and will be put out to market. This has 50% funding from the GLA and will be an important piece of work to influence both council spend and TfL plans for the area.</li> </ul>
	Ensuring that businesses can access information about the council easily and at first contact	The business portal project has been successfully completed and will become part of the Customer Access Strategy.
<b>Health estates pilot</b>	Looking at how to optimise the use of health and care estate across the sub-region and identify surplus health estate land for development and regeneration.	The North Central London (NCL) Sustainability and Transformation Plan (STP) partnership covers five London boroughs: Barnet, Camden, Enfield, Haringey and Islington. This is a new partnership that has come together to support the development of the STP and a bid for estates devolution, with Estates being a key enabler for the delivery of changes. The vision for the NCL estate is to provide a fit for purpose, cost-effective, integrated, accessible estate that enables the delivery of high quality health and social care services for local residents. The pilot outline business case will be submitted to London Health and Care Devolution Programme on 1 November 2016. This will build on the strategic outline case enhancing vision on estates strategy, how devolution will improve quality and alignment of care, financial case and governance proposals.
<b>One public estate</b>	Encouraging local authorities to work collaboratively with central government and local agencies on public property and land issues	The first stage of the feasibility study for Burnt Oak Hub has commenced. Three stakeholder workshops have been carried out for Edgware Community Hospital with strong interest from tenants. Stakeholders have agreed objectives and benefits have been confirmed. One to one stakeholder engagement has been completed. Initial meetings on Chandos Hub have been held.

10 indicators are reported in Q2 2016/17. Of these, 7 have been given a RAG rating: **86% (6)** are “on or above target” and **14% (1)** is “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	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
<b>Growth and regeneration programme</b>											
REGENKP I01 (Re/S11)	Number of New Homes completed	Bigger is Better	3152	Monitor	192	278	Worsening	New for Q3 2015/16	New for Q3 2015/16	No benchmark available	
SP KPI 01	Strategic Planning Documents completed and signed off	Bigger is Better	100%	100%	100% (G)	100%	Same	25%	Improving	No benchmark available	
<b>High quality private rented sector</b>											
BH/C2 (LY: BH/C6)	Households placed directly into the private sector by Barnet Homes	Bigger is Better	500	250	318 (G)	160	Improving	243	Improving	No benchmark available	
EH02I	Compliance with Licensing Requirements for Houses in Multiple Occupation (HMOs)	Bigger is Better	100%	60.0%	68.7% (G)	74.9%	Worsening	73.3%	Worsening	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%	3.6%	3.3% (Sep 2016) (G)	3.3%	Same	3.89%	Improving	Barnet 2 <sup>nd</sup> quartile London 1 <sup>st</sup> Quartile - 2.87% & above 2 <sup>nd</sup> Quartile - 3.36% 3 <sup>rd</sup> Q3 - 4.21% 4 <sup>th</sup> Quartile – 4.2% & below. (2016/17, Housemark )	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 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%	5.20%	5.70% (30 Sep2016) (R)	5.26%	Worsening	5.62%	Worsening	No benchmark available	Cash arrears were approximately £112k off target. Towards quarter end some improvement had been made with arrears as a percent of debit showing a minor improvement. Housing Benefit (HB) as a percentage of the rent debit is of concern this year with a continuous decline in HB receipts. If HB had been at the same level as last year we would have an additional £309k. New working practices have been implemented to ensure a quick turnaround of assessments.
<b>Parks and open spaces</b>											
<b>Sport and physical activity</b>											
PH/S7	Physical activity participation	Bigger is Better	59%	59% (Q1 2016/17 target)	59.5% (Q1 2016/17) (G)	58.5% (Q4 2015/16)	Improving	58.5% (Q1 2015/16)	Improving	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	51.23%	49%	Improving	New for 2016/17	New for 2016/17	No benchmark available	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
CG/S1	Unemployment (of people on out of work benefits)	Smaller is Better	Monitor	Monitor	5.6% (April 2015 - March 2016)	5.8% (Jan 2015 – Dec 2015)	Improving	6.2% (April 2014 - March 2015)	Improving	London 6.0% National 5.1% (Apr 15 - Mar 15, Nomisweb)	
<b>Planning and building control</b>											
KPI001 (A&A)	Compliance with planning application statutory timescales	Bigger is Better	75%	75%	83.1% (G)	87.1%	Worsening	90.9%	Worsening	Newham 97%, Brent 70%, Enfield 83% Haringey 76% (Q4 2015/16, DCLG)	

## Managing demand for services (Fairness)

Key area of focus	Description	Q2 2016/17 Progress Update
<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	Barnet Integrated Locality Team continues to roll out across the borough; a new risk tool is being mobilized to support targeted/proactive identification of service users and patients who are at risk of an unscheduled attendance or admission into an acute setting within the next 12 months. Work is underway with the CCG to integrate the Mental Health enablement project with the Mental Health hubs project.
<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.</p> <p>The former co-chair of the Older Adults Partnership Board, who is Vice-Chairman of the Barnet Seniors Assembly, is a member of the Barnet Keeping Well Programme Board (formerly the Ageing Well and Tiers 1 and 2 Programme Board).</p> <p>An older person, who has experience of caring for a person with dementia, has been involved in the development of the specification for care and support and housing management services at Moreton Close extra care housing scheme.</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. 44.5% of children in care were in LBB foster care including Kinship placements, as at 30 September 2016, against a target of 41.8%. Targeted recruitment work is planned to further increase the number of fostering households that can offer high quality, local placements to Barnet's children in care.
<b>Families early intervention</b>	Working with partners to deliver early intervention for families	The Early Intervention and Prevention (EIP) Project has delivered the first roadshow to embed early intervention work with partners. The EIP dashboard has now been embedded. The EIP products, principles, pathways and menus of interventions, are due to be signed off by EIP strategic Group. The next steps are to sign off principles at the Safeguarding Children Board and to continue with Roadshows.
<b>Family friendly Barnet</b>	Working with partners to make Barnet a family friendly borough	Good progress has been made against actions for the Children and Young People's Plan which was signed off by CELS in Q1 2016/17 – the vision of the Plan is to make Barnet the most Family Friendly borough by 2020. A dashboard of indicators has been developed to track progress towards meeting this vision, which aligns with new indicators for educational attainment and measures of resilience. A young people's survey has been procured to run alongside the residents perception survey; this will assess how Family Friendly young people think Barnet currently is, with future survey's tracking any change in perception.

Key area of focus	Description	Q2 2016/17 Progress Update
<b>Homelessness</b>	Tackling rising demand for help with housing through work to prevent homelessness	<p>Homelessness demand remains higher than at the same point last year with 765 placements into temporary accommodation compared to 690 in 2015/16. However, despite this increased pressure on services, Barnet Homes' demand mitigation measures continued to deliver strong results. Let2barnet had enabled a record 318 private sector lettings by the end of Q2 and is well on the way to achieving the annual target of 500. The number of homelessness preventions also remains high with services already having delivered 450 preventions and also remaining on target to achieve the target of 900 for 2016/17.</p> <p>Despite these successes, demand for temporary accommodation remains at peak levels with 2,867 households in temporary accommodation at the end of Q2. To help relieve pressures, Barnet Homes has developed further proposals to help manage demand, including a targeted resource to help move households out of temporary accommodation. This will start to yield results to the end of Q3 and with potentially adverse changes to the temporary accommodation subsidy system due to be implemented in Q1 2017/18, progress made in reducing temporary accommodation demand will have compound benefits next financial year.</p>
<b>Specialist housing</b>	Diversifying Barnet's accommodation so that it supports people to live independently	<p>A capital bid has been submitted for the extension of extra care development, creating potential for additional 100 places at affordable rents. Dialogue has begun with a registered social landlord for development of 70 mixed tenure units. Development of the additional sites will be dependent on the outcome of the capital bid. Moreton Close demolition scheduled for October 2016.</p> <p>Accommodation and Support Services Tender for Adults published in September 2016 and subsequent market engagement event held in October 2016; ITT responses are due back in November 2016.</p> <p>An Outline Business Case (OBC) for Early Support Commissioning Plan has been submitted to Adults Transformation Board in September 2016.</p>
<b>Recycling and waste strategy</b>	Developing strategy for achieving 50% target recycling rate by 2020	Expansion of recycling systems in flats has continued in this quarter, including the provision of direct size bins to fit different circumstance. Work has also commenced on a trial of voluntary time banded collection in Mill Hill; discussions have been had with traders to see how this can be facilitated to meet their needs.
<b>Enforcement</b>	Improving the overall approach to enforcement of enviro-crime	The Keep Barnet Clean trial started in July 2016 with communications and an education campaign, and enforcement started at the end of July 2016. The trial has gone well to date with a high level of public support for the council and encouragement to tackle behaviour that results in the degradation of the street scene. The first Fixed Penalty Notices for Flipping (which were enacted in May 2016) have been issued in Barnet as part of the trial. Work is ongoing regarding enforcement of footway damage.

22 indicators are reported in Q2 2016/17. Of these, 19 have been given a RAG rating: **63% (12)** are “on or above target” and **38% (7)** are “below target”. 16 have been given a Direction of Travel (DOT) status: **69% (11)** have an “improved/same” DOT and **31% (5)** have a “worsened” DOT from the same period last year.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
<b>Health and social care integration</b>											
AC/S8	Percentage of new clients, older people accessing enablement	Bigger is Better	63%	63%	53.2% (GA)	59.7%	Worsening	Not comparable with Q2 2015/16	Not comparable with Q2 2015/16	No benchmark available	Issues with provider capacity mean that more enablement care than usual is being resourced through other homecare providers. This has had a knock-on impact on how care is recorded as well as on the resource needed to keep recording current. Work is ongoing to resolve the issues with the main Barnet provider and once these are complete any data quality issues will be addressed.
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)	192.7	169.7 (G)	75.6	Worsening	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	16.6	5.4	5.1 (G)	1.3	Worsening	New method 2016/17	New method 2016/17	Group Average 1.1 (Q1 2016/17, LAPS)	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
PH/S4	Rate of hospital admissions related to alcohol (per 100,000)	Smaller is Better	400	400 (Q1 2016/17 target)	424.9 (Q1 2016/17) (R)	425 (Q4 2015/16)	Improving	404.78 (Q1 2015/16 result)	Worsening	No benchmark available	The Adult Substance Misuse Service's (SMS's) new Hospital Liaison pathway will help reduce admissions and length of stay. There will also be targeted plans for frequent hospital attenders and interventions for vulnerable adults. The new Young People's Substance Misuse Service (commenced 1 Sep 2016) will also contribute to reducing hospital attendance and admissions. Local protocols and processes are currently being developed around hospital admissions.
<b>Experience of service users</b>											
AC/S10 (ASCOF 1B) (Annual)	Percentage of people who feel in control of their own lives	Bigger is Better	69.0%	69.0%	69.4% (G)	Annual reported in Q2	Annual reported in Q2	68.5%	Improving	CIPFA Comparator group average 71.7% (2015/16 ASCOF)	
AC/S15 (ASCOF 4A)	Percentage of people who use services who say those services make them feel safe and secure	Bigger is Better	80.1%	80.1%	79.6% (G)	Annual reported in Q2	Annual reported in Q2	67.4%	Improving	CIPFA 67.8% London 65.9% (2015/16 ASCOF)	3% confidence interval level raises this indicator above target

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
AC/S29	Number of instances of information, advice and guidance provided to carers	Bigger is Better	3000	1500	1649 (G)	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%	65.93% (G)	64.22%	Improving	59.22%	Improving	CIPFA 68.8% London 70.1% (2015/16 ASCOF)	
AC/S4 (ASCOF 1E)	Percentage of adults with learning disabilities in paid employment	Bigger is Better	10.8%	9.9%	9.4% (GA)	9.3%	Improving	8.9%	Improving	CIPFA 9.9% London 7.5% (2015/16 ASCOF)	Indicator did not reach the interim target of 9.9% of people in employment, but did show a slight improvement of 0.1% on Q1. A total of 68 people are in employment (67 in Q1), offset by an increase in the overall cohort from 721 people in Q1 to 725 people in Q2. The strengths-based working approach is supporting practitioners to consider employment aspirations at assessment and review for LD service users.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
AC/S5 (ASCOF 1F)	Percentage of adults with mental health needs in paid employment	Bigger is Better	7.2%	6.2%	5.8% (As at 30 Sep 2016) (RA)	7.2%	Worsening	5.8%	Same	CIPFA 6.5% London 5.0% (2015/16 ASCOF)	Performance dropped substantially in the last month of Q2, from an average of 6.7% in July and August to 5.8% in September. This represents a fall from 47 people in employment out of a total caseload of 684 in August to 38 people in employment out of a caseload of 660 in September.
AC/S6 (ASCOF 1H)	Percentage of adults with mental health needs who live independently, with or without support	Bigger is Better	83%	82.0%	83.2% (As at 30 Sep 2016) (G)	81.6%	Improving	81.4%	Improving	CIPFA 74.4% London 73.5% (2015/16 ASCOF)	
<b>Focus on foster care</b>											
FS/S6	Percentage of children in London Borough of Barnet foster care	Bigger is Better	42.5%	41.8%	44.5% (As at 30 Sep 2016) (G)	44.9%	Worsening	39.4%	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	377.8 (As at 30 Sep 2016)	370.0	Monitor	407.0	Monitor	Statistical Neighbours 467.48 London 477.9 England 548.3 (2014/15, LAIT)	
FS/S5 (Annual)	Number of children adopted	Bigger is Better	10	Monitor	3	3	Same	6	Worsening	No benchmark available	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
FS/S16	Number of children in care per 10,000	Monitor	Monitor	Monitor	36.4 (As at 30 Sep 2016)	35.7	Monitor	New for 2016/17	New for 2016/17	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	450	450 (G)	233	Improving	469	Worsening	1 <sup>st</sup> Quartile – 1,168 & above 2 <sup>nd</sup> Quartile - 729 3 <sup>rd</sup> Quartile – 301 4 <sup>th</sup> Quartile – 300 & below. (2015/16, DCLG)	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
BH/KPI1 (LY: BH/C4)	Numbers of households in Temporary Accommodation	Smaller is Better	2700	2875	2887 (Sept2016) (RA)	2934	Improving	2686	Worsening	Ranked 29 (out of 33) in London (Q1 16/17, DCLG)	Performance improved in Q2 from 2,934 to 2,887. However the outturn was just short of the 2,875 target. Barnet Homes has seen the mitigations proposed to help manage demand coming into effect, with Q2 seeing a record number of private sector lettings (318) and excellent performance in preventing homelessness (450). However, with levels of demand increasing (17% increase in the number of TA placements compared to Q2 2015/16), reducing the overall number of households in TA has been challenging.

**Recycling and waste**

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
SS/S3	Percentage of household waste sent for reuse, recycling and composting	Bigger is Better	42%	43.7% (Q1 2016/17 target)	39.43% (Q1 2016/17) (RA)	33.22% (Q4 2015/16)	Improving	39.1% (Q1 2015/16)	Improving	Ranked 8 (out of 31 London Boroughs) (October 2016, Statutory Waste Reporting System, Waste Data Flow)	Increase in performance compared to the same period last year is due to an increase in dry recycling tonnages, an increase in garden waste & wood tonnages at the Reuse and Recycling Centre & a slight increase in 3rd party & waste electrical and electronic equipment tonnages within this quarter. To encourage greater food recycling a new food waste campaign will commence in early 2017.
<b>Enforcement</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
KPI 2.1-2.3	Highways defects made safe within agreed timescale	Bigger is Better	100%	100%	FAIL (R)	100%	As data has been partially received, DOT cannot be determined	99.7%	As data has been partially received, DOT cannot be determined	No benchmark available	This composite indicator has been reported as a fail for the quarter due to NM KPI 2.3 (7 day reactive repairs). No data has been available from the contractor this quarter. Whilst repairs are being done, there have been backlogs at the start of the quarter and limited data to track performance on turnaround times. The contractor has reported problems with its technology and communication systems used for capturing defect completion data live on site, and have also raised concerns with having adequate resources in place to meet demand.
SS/S7	Percentage of unacceptable levels of litter (Bi-annual)	Smaller is Better	3.00%	3.00%	1.00% (G)	1.48% (Q4 2015/16)	Improving	2.00%	Improving	Group Average 4.58 (Q1 2016/17, LAPS)	
SS/S8	Percentage of unacceptable levels of detritus (Bi-annual)	Smaller is Better	9.00%	9.0%	2.83% (G)	3.78% (Q4 2015/16)	Improving	9.00%	Improving	Group Average 6.53 (Q1 2016/17, LAPS)	
<b>Parking and regulatory services</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
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	Q2 2016/17 Progress Update
<b>Burnt Oak Opportunity Support Team (BOOST)</b>	Piloting new approach to place based commissioning to help longer-term unemployed	The team have engaged over 600 people in the project and 240 people have been supported into work up to the end of September.
<b>Welfare Reform Task Force</b>	Co-locating service to help residents into work	<p>Residents affected by the introduction of the new lower benefit cap have received letters and offers of support to find work. Barnet Homes have applied for funding from JobCentre Plus to provide local support to residents in areas most likely to be affected by the cap.</p> <p>Multi-agency support to key groups has continued, including for Care Leavers, 'Families First', those affected by welfare reforms, new claimants of Universal Credit and those living in priority wards (e.g. Burnt Oak).</p>
<b>Best practice social care</b>	Remodelling social care services for adults to focus on independence and early intervention.	<p>The Adults and Safeguarding Committee authorised implementation of the new operating model within the current service and further development of two delivery vehicle options (reformed in-house service and shared service with the NHS). There will be a report back to the Adults and Safeguarding Committee early in 2017.</p> <p>The 3rd cohort of the learning programme is progressing satisfactorily and invitations have gone out for cohort 4. Overall, feedback from participants has been broadly positive and complimentary about the programme and the project team. Participants foresee a positive impact on their work. A Case Study Group has been set up as a forum for practitioners to share practice experiences.</p> <p>Adult's Hubs (now branded as Care Space) went live on 26 September 2016 at two locations (ILC at Dollis Valley and Anne Owen Centre at East Finchley). ILC has been equipped with Telecare demonstration equipment. First drop in sessions are being scheduled for October 2016. Posters/flyers will be used for promotion. A new project will be initiated to deliver Hubs Phase III and proposals will be co-designed whilst Phase II is operational. A time span of four months is being considered before implementation of Phase III.</p> <p>The Mental Health Staff consultation has been extended for a further 15 days and will end on 13 October 2016. The process for the post-consultation decision sign off will now be through the General Functions Committee. This change means that the go-live date moves from December to January 2017.</p> <p>The Barnet enablement pathway has been developed. Work is underway to clarify the referrals/hand-offs and where staff will be based in the co-located teams.</p>
<b>Children's social care</b>	Developing excellent social work practice	<p>Strong governance is in place to monitor progress against practice improvements including, daily touchdown meetings and fortnightly updates on each work stream of the plan.</p> <p>Signs of Safety has been identified as one of the tools to support social work practice. The first senior management session has been held and scheduling of training for Family Services Staff, Barnet Safeguarding Children Board and partners has commenced. First training and briefing sessions commence mid-November 2016.</p>

Key area of focus	Description	Q2 2016/17 Progress Update
<b>Family service ADM</b>	Exploring opportunities for social work-led, not-for-profit organisation, to provide some services for children and young people	A first draft of an outline business case has been drafted. Timescales have been revised due to the continued focus on practice improvement and a consultation is planned for January to March 2017.
<b>Health visiting CAMHS</b>	Re-commissioning health visiting and CAMHS and developing a traded CAMHS service	Health and Overview Scrutiny Committee have agreed recommendations for LB Barnet and Barnet CCG to pool budgets and redesign CAMHS on a whole system basis by 1 October 2017. CYP Mental Health Needs Assessment and Service mapping is being refreshed by 10 November 2016 and a redesign plan will be put before the appropriate bodies to agree. Additional one off investment of £100k is coming down in Q3 from NHS England to reduce waiting times.
<b>Street services ADM</b>	Exploring opportunities to deliver frontline services via different business models.	An initial Outline Business Case has been presented to Environment Committee on 29 September 2016. It was approved by Committee but referred to full Council on 1 November 2016. Work is underway on gathering information on the options for the Street Services ADM, which will inform the next stage of the Outline Business Case. Staff within the Street Scene Delivery Unit and The Barnet Group are finalising their offer about how they can deliver Street Scene services.

9 indicators are reported in Q2 2016/17. Of these, 7 have been given a RAG rating: **29% (2)** are “on or above target” and **71% (5)** are “below target”. 6 have been given a Direction of Travel (DOT) status: **100% (6)** have an “improved/same” DOT.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 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%	94.3% (GA)	93.2%	Improving	93.1%	Improving	England 90.3%, London 93% (Watchsted, 04/10/16)	All community primary schools are currently rated good or outstanding by Ofsted. Barnet's monitoring and challenge policy sets out how schools are supported to achieve a good or outstanding grade at their next Ofsted inspection, however schools not yet good are awaiting their next inspection date.
CES/S3	Percentage of secondary schools rated as 'good' or better	Bigger is Better	92%	92%	91.7% (GA)	88.0%	Improving	84%	Improving	England 78.8%, London 89.2% (Watchsted, 04/10/16)	All community and voluntary aided secondary schools are currently rated good or outstanding by Ofsted. Barnet's monitoring and challenge policy sets out how schools are supported to achieve a good or outstanding grade at their next Ofsted inspection, however schools not yet good are awaiting their next inspection date.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 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%	2.3% (G)	2.4%	Improving	3.0%	Improving	West London and Barnet 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	143	79	Monitor	143	Monitor	Statistical Neighbours 265 (EOY 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%	15.8% (As at 30 Sep 2016) (GA)	15.7%	Worsening	Not comparable with Q2 2015/16	Not comparable with Q2 2015/16	Statistical Neighbours 15.64% London 13.8% England 16.6% (2014/15, LAIT)	Performance is worsening; with 49 children in Q1 compared to 42 children in Q2. A focused piece of analysis is being conducted on these children and will be monitored by Heads of Service on a weekly basis to aid in the continued reduction of this cohort.
FS/S3	Number of children subject to Child Protection Plans for two or more years	Monitor	Monitor	Monitor	7 (As at 30 Sep 2016)	7	Monitor	7	Monitor	Statistical Neighbours 9 (2014/15, CIN Census)	
<b>Public health</b>											
PH/S2	Excess weight in 4-5 year olds (overweight or obese)	Smaller is Better	21%	21.0% (Q1 2016/17 target)	19.9% (Q1 2016/17) (G)	19.9% (Q4 2015/16)	Same	21.0% (Q1 2015/16)	Improving	England 21.9%, London 22.2%, (2015/16 PHOF)	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
PH/S3	Excess weight in 10-11 year olds (overweight or obese)	Smaller is Better	32%	32% (Q1 2016/17 target)	32.6% (Q1 2016/17) (GA)	32.6% (Q4 2015/16)	Same	34.4% (Q1 2015/16)	Improving	England 33.2%, London 37.2%, (2015/16 PHOF)	A number of initiatives are in place to decrease levels of excess weight in children , including a tier 2 weight management programme (Alive & Kicking) for 4-12 year olds and a School Time Obesity Prevention programme delivered in Years 3, 4 and 5. The Healthy Weight Nurse team works individually with children (and their parents/carers) identified as above the 99.6th centile for weight.
PH/S5	Smoking prevalence	Smaller is Better	13%	13% (Q1 2016/17 target)	14.6% (Q1 2016/17) (R)	13.2% (Q4 2015/16)	Worsening	15.0% (Q1 2015/16)	Improving	England 16.9%, London 16.3%, (2015/16 PHOF)	The Health Check and Smoking Cessation Co-ordinator started in September and is working to ensure more GPs and pharmacies sign the contract to deliver smoking cessation. A training session was held for new Smoking Advisers in GP surgeries and pharmacies in September. A select number of pharmacies are working on Stoptober activities.

## More resilient communities (Responsibility)

Key area of focus	Description	Q2 2016/17 Progress Update
<b>Community participation</b>	Multiple work streams, including development of database for voluntary organisations and volunteering brokerage package	<p>Development of the Voluntary and Community Sector database has continued with the public beta launch scheduled for 28 October 2016. A Service Level Agreement and Engagement Plan around the Barnet Community Directory is being developed with groundwork.</p> <p>A Communities Together Network Annual report has been agreed by the Community Leadership Committee in September and a meeting of the Steering Group will take place in December to agree the focus of the Network for 2017.</p> <p>The Strategy Team are working with the Communication Team to develop a communication campaign to support the aims of the Community Participation Strategy, with a soft launch scheduled in December 2016.</p>
<b>Community assets strategy</b>	Investing in community hubs to work with co-located community groups to improve interaction with council services	<p>Property Services have completed all of the valuations for the 67 community assets identified as requiring immediate action in the Community Assets Strategy (CAS). The 67 properties have been sub-divided equally into seven phases, which the Community Benefit Assessment Tool (CBAT) will use to assess and calculate rental subsidies for over the next year.</p> <p>Each phase of the CAS Implementation programme will take between eight and ten weeks to complete with the CBAT and business case used to assess each organisations community benefit / rent subsidy as well as their governance structure, financial viability, community engagement and whether they are maximising use of their existing resources.</p> <p>Phase one of the CBAT is nearing completion with phase two commencing on 3 October 2016.</p>
<b>Building family resilience</b>	Working with families, schools and the community to build resilience.	A Resilience Task and Finish Group with partners has brought together a coordinated approach to presenting resilience to the wider partnership, this commenced in September and coincided with the EIP Roadshows.

4 indicators are reported in Q2 2016/17. Of these, 4 have been given a RAG rating: **75% (3)** are “on or above target” and **25% (1)** are “below target”. 4 have been given a Direction of Travel (DOT) status: **50% (2)** have an “improved/same” DOT and **50% (2)** have a “worsened” DOT from the same period last year.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
<b>Community participation</b>											
<b>Community safety</b>											
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	18% reduction (R)	17.5% reduction	Improving	19.0% reduction	Worsening	London 17% reduction (2014/15, MOPAC7)	2% below the MOPAC 7 20% reduction rate. However, this represents an improvement from 2.5% below the target as reported in Q1. The reduction is below target level mainly due to ‘violence against the person (VAP), which, over the last two years, has shown an increase of over 40% compared to the 2011/12 baseline figure. This increase is in line with a London wide trend, which is believed to be linked to changes in reporting and recording practices.
<b>Building family resilience</b>											

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 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%	88% (As at 30 Sep 2016) (G)	79%	Improving	93%	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%	55%	58.7% (As at 30 Sep 2016) (G)	62.6%	Worsening	55%	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%	96.2% (As at 30 Sep 2016) (G)	96.5%	Worsening	94.8%	Improving	Statistical Neighbours 79.8% London 83% England 81% (2014/15, LAIT)	

## Improving customer services and ensuring transparency

Key area of focus	Description	Q2 2016/17 Progress Update
<b>Council tax and business rates</b>	Helping the council become financially sustainable by maximising local sources of revenue.	<p>The Council Tax four-year collection is at 98.36% against a year-end target of 98.49%, compared to 98.37% at September 2015. The NNDR 4-year collection rate is at 98.21% at 30 September 2016 against a 31 March 2017 target of 99%. This represents an increase of 0.71% compared to the September 2015 collection rate of 97.5%.</p> <p>An additional £1.425m has been collected in Council Tax than the same time last year. The forecast net annual collectable Council Tax as at September 2016 is £190.4 - an estimated increase of £1.4m. The Council Tax four-year collection rate (98.36%) is on target to reach the year-end target (98.49%). The NNDR 4-year collection rate (98.21%) is ahead of the measure at this time last year (97.5%) and on target to reach the year-end target (99%).</p>
<b>Web-based services</b>	Interacting with the council via the web and other self-service channels	<p>The Customer Experience Team continue to deliver improvements to the web by working closely with the Web Content team in delivering web forms, fixes and updates.</p> <p>Web Satisfaction has seen 2% point increase in Q2. There was a minor outage reported which was promptly resolved by IT.</p> <p>Improvements have been made to the Council Tax application form and the web page to ensure the Direct Debit information is clear for the Users.</p> <p>GovMetric Survey has been improved which will enable Users to provide more information on their ratings and takes less time to complete.</p> <p>The My Account Tracker changes have been submitted to OrangeBus and Kana for delivery.</p>
<b>Customer satisfaction</b>	Resolving issues at first point of contact	<p>Customer satisfaction ratings across the council's main access channels have achieved 90%, significantly above the 80% target. There continues to be a small increase in positive ratings for the council's website, now 48%. Despite complaints volumes continuing to rise, 91% have been responded to on time.</p>
<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>• Changes to the Open Barnet portal, including a new look front page incorporating enhanced visualisation, such as data dashboards and live dataset updates; and in-system data cleansing and improvement, increasing the quality of data we publish</li> <li>• Development of interactive dashboards incorporating full listings of all Parking Penalty Charge Notices issued in the Borough since 2015, along with the means to analyse and visualise data</li> <li>• Reduction in Freedom of Information (FOI) process - 13% of all requests answered using the portal; 50% reduction in requests to Business Rates team due to data publication.</li> </ul>

6 indicators are reported in Q2 2016/17. Of these, 4 have been given a RAG rating: **50% (2)** are “on or above target” and **50% (2)** are “below target”. 6 have been given a Direction of Travel (DOT) status: **100% (6)** have an “improved/same” DOT.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
<b>Improving customer services and ensuring transparency</b>											
CG/S22	Council Tax collection	Bigger is Better	98.5%	Monitor	98.4%	98.3%	Improving	98.4%	Same	Outer London 96.8% (June 2016, DCLG)	The Council Tax four-year collection is at 98.36% against a year-end target of 98.49%, compared to 98.37% at September 2015.
CG/S23	Business rate collection	Bigger is Better	99%	Monitor	98.2%	98.1%	Improving	97.5%	Improving	Outer London 98.4% (June 2016, DCLG)	The NNDR 4-year collection rate is at 98.2% at 30 September 2016 against a 31 March 2017 target of 99%. This represents an increase of 0.71% compared to the September 2015 collection rate of 97.5%.
CG/S24	Overall satisfaction with customer services	Bigger is Better	80%	80%	90% (G)	89%	Improving	77%	Improving	No benchmark available	
CG/S25	Satisfaction with the council's website	Bigger is Better	51%	46%	48% (G)	46%	Improving	42%	Improving	No benchmark available	

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
CG/S26	Customer cases that are closed within the agreed timescales	Bigger is Better	90%	90%	84% (RA)	89%	Worsening	73%	Improving	No benchmark available	Despite the under-performance, this is an increase of performance compared to Q1. This is as a result of Revenues and Benefits starting to produce this data in Q1 and beginning to improve their performance in this area. Also note that we are excluding data from Street Scene due to the Lagan data collection methodology, which is expected to be resolved in early
CG/S15	Performance of services	Bigger is Better	80% above average	80%	78% (GA)	82%	Worsening	73.0%	Improving	No benchmark available	In comparison to other single tier and county councils, Barnet has achieved above benchmarks for 13 out of 18 metrics, across themes including Education, Children's Services, Adults' Services and Housing.

## Appendix B: Service Performance (Quarter 2 2016/17)

This appendix aligns **performance**, **risk** 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

**281** indicators are reported in Q2 2016/17. Of these, 223 have been given a RAG rating: **74% (165)** are “on or above target” and **26% (58)** are “below target”. 193 indicators have been given a Direction of Travel (DOT) status: **73% (141)** have an “improved/same” DOT and **27% (52)** have a “worsened” DOT from the same period last year.

Service	No. reported Q2 2016/17	No. with a RAG rating Q2 2016/17	RAG Ratings				Monitor Q2 2016/17	No. with a DOT at Q2 2016/17	Long Term Direction of Travel	
			Green	Green Amber	Red Amber	Red			Improved/Same	Worsened
Adults and Communities	29	24	63% (15)	17% (4)	8% (2)	13% (3)	5	19	58% (11)	42% (8)
Barnet Homes	18	16	88% (14)	0% (0)	6% (1)	6% (1)	2	16	75% (12)	25% (4)
Cambridge Education	23	19	68% (13)	26% (5)	5% (1)	0% (0)	4	19	89% (17)	11% (2)
Commissioning Group	22	14	50% (7)	21% (3)	14% (2)	14% (2)	8	9	89% (8)	11% (1)
Customer and Support Group (CSG)	22	18	94% (17)	6% (1)	0% (0)	0% (0)	34	18	72% (13)	28% (5)
Family Services	31	20	75% (15)	15% (3)	0% (0)	10% (2)	11	10	80% (8)	20% (2)
HB Public Law	12	12	92% (11)	8% (1)	0% (0)	0% (0)	0	12	58% (7)	42% (5)
Mortuaries	0	0	0% (0)	0% (0)	0% (0)	0% (0)	0	0	0% (0)	0% (0)
Parking and Infrastructure	5	5	80% (4)	20% (1)	0% (0)	0% (0)	0	5	80% (4)	20% (1)
Public Health	25	23	48% (11)	17% (4)	4% (1)	30% (7)	2	21	57% (12)	43% (9)
Regional Enterprise (Re)	75	54	89% (48)	7% (4)	0% (0)	4% (2)	21	56	77% (43)	23% (13)
Registrar Service	10	9	44% (4)	33% (3)	0% (0)	22% (2)	1	0	0% (0)	0% (0)
Street Scene	9	9	67% (6)	0% (0)	22% (2)	11% (1)	0	8	88% (7)	13% (1)
<b>Total</b>	<b>281</b>	<b>223</b>	<b>74% (165)</b>	<b>13% (29)</b>	<b>4% (9)</b>	<b>9% (20)</b>	<b>58</b>	<b>193</b>	<b>73% (141)</b>	<b>27% (52)</b>

Service	No. reported Q2 2016/17	No. with a RAG rating Q2 2016/17	RAG Ratings			No. with a DOT at Q2 2016/17	Long Term Direction of Travel	
							Improved/Same	Worsened
YCB*	24	20	75% (15)	20% (4)	5% (1)	22	N/A	N/A

\*YCB use a slightly different RAG rating

## Revenue

Service	Original Budget £000	Revised Budget £000	Q2 Projected Outturn £000	Variance from Revised Budget Adv/(fav) £000	Variance from Revised Budget Adv/(fav) %
Adults and Communities	85,566	88,907	93,674	4,767	5.4
Assurance	3,793	3,862	3,862	0	0.0
Births Deaths and Marriages (Registrar Service )	(160)	(160)	25	185	115.6
Central Expenses	51,381	43,932	43,705	(227)	(0.5)
Commissioning Group	19,288	20,216	20,216	0	0.0
Customer and Support Group (CSG)	22,120	22,091	22,591	500	2.3
Cambridge Education	6,940	7,082	7,157	75	1.1
Family Services	46,481	50,550	51,057	507	1.0
HB Public Law	2,011	2,011	2,070	59	2.9
Housing Needs and Resources (Barnet Homes)	4,976	5,560	5,854	294	5.3
Parking and Infrastructure	(1,933)	(1,896)	(1,988)	(92)	(4.9)
Public Health	18,544	18,055	18,055	0	0.0
Regional Enterprise (Re)	1,134	1,134	1,231	97	8.6
Street Scene	13,896	13,624	14,021	397	2.9
<b>Total</b>	<b>274,037</b>	<b>274,968</b>	<b>281,530</b>	<b>6,562</b>	<b>2.4</b>

## Capital

Service	2016/17 Budget £000	Additions/ (Deletions) £000	(Slippage)/ Accelerated Spend £000	Projected Outturn £000	Variance from Approved Budget Adv/(Fav) £000	Slippage %
Adults and Communities	6,793	(7,170)*	1,416	1,039	(5,754)	20.8
Commissioning Group	30,837	7,240*	(6,790)	31,287	450	(22.0)
Cambridge Education	73,665	-	(3,189)	70,477	(3,189)	(4.3)
Family Services	14,856	-	(5,444)	9,412	(5,444)	(36.6)
Housing Needs and Resources (Barnet Homes)	5,259	5,056	-	10,315	5,056	0.0
Parking and Infrastructure	1,707	-	(250)	1,457	(250)	(14.6)
Regional Enterprise (Re)	107,853	(5,618)	(15,400)	86,835	(21,018)	(14.3)
Street Scene	3,167	(120)	(510)	2,537	(630)	(16.1)
<b>General Fund Programme</b>	<b>244,128</b>	<b>(612)</b>	<b>(30,167)</b>	<b>213,359</b>	<b>(30,779)</b>	<b>(12.4)</b>
HRA (Barnet Homes)	46,444	-	(9,854)	36,590	(9,854)	(21.2)
<b>Total Capital Programme</b>	<b>290,582</b>	<b>(612)</b>	<b>(40,021)</b>	<b>249,949</b>	<b>(40,633)</b>	<b>(13.8)</b>

\* The movement of £7.170m relates to the Sports and Physical Activity project for the construction of two leisure centres which has been transferred from Adults and Communities to the Commissioning Group.

## Savings

Service	2016/17 MTFS Savings £000	Savings Achieved £000	Savings Expected to be Achieved £000	Savings Unachievable £000	Percentage of Savings Achieved %
Adults and Communities	3,383	2,590	541	252	76.6
Assurance	351	164	140	47	46.7
Central Expenses	6,995	6,640	155	200	94.9
Commissioning Group	2,411	2,180	231	-	90.4
Cambridge Education	85	85	-	-	100.0
Family Services	1,986	890	972	124	44.8
Parking and Infrastructure	1,130	650	480	-	57.5
Street Scene	960	785	125	50	81.8
Additional council tax and business rates	2,253	2,253	-	-	100.0
<b>Total</b>	<b>19,554</b>	<b>16,237</b>	<b>2,644</b>	<b>673</b>	<b>83.0</b>

## Adults and Communities

Successes	Challenges
<ul style="list-style-type: none"> <li>Strengths-based working - a training programme and delivery approach that aims to improve quality of practice; promote resilience for service users; and reduce the reliance on funded packages of care is core to the new operating model for adult social care. This has been rolled out across the operational teams following a successful pilot in Q1 2016/17. The programme has been shortlisted for the Creative and Innovative Social Work Practice award at the Social Worker of the Year awards.</li> <li>Other enablers for the new operating model have been successfully delivered. Mobile working technology is now in use across the Delivery Unit and the second wave of assessment hubs have been rolled out across the borough, enabling operational teams to make stronger links with local communities and service users to have better access to community resources.</li> <li>The rate of admissions to residential care remains low for both older and working age adults despite system-wide challenges, and the proportion of people with learning disabilities and mental health needs living in stable accommodation is consistently better than target.</li> </ul>	<ul style="list-style-type: none"> <li>Resolving the issues with enablement provision, which have been exacerbating current shortages in capacity elsewhere in the provider market in key areas such as homecare and residential care.</li> <li>Mitigating the knock-on effects of pressures on the NHS – hospital discharges have been exacerbated by shortages in provider capacity and volumes have become resource-intensive to manage. More intensive management of discharge logistics will be introduced e.g. rationalising discharge lists and establishing quicker escalation routes to reduce delays.</li> <li>Controlling the financial position whilst managing other ongoing pressures - different approaches to supporting people, including community resources and non-funded care, are being explored as part of strengths-based improvement work; and better management information will be produced to improve understanding of the root causes of high spend.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>63% (15)</b>	<b>17% (4)</b>	<b>8% (2)</b>	<b>13% (3)</b>	<b>58% (11)</b>	<b>42% (8)</b>

29 indicators are reported in Q2 2016/17. 24 have been given a RAG rating: 63% (15) are “on or above target” and 37% (9) are “below target”. 19 have been given a Direction of Travel (DOT) status: 58% (11) have an “improved/same” DOT and 42% (8) have a “worsened” DOT from the same period last year. Of the 9 “below target”, 3 are Corporate Plan Indicators and can be found in Appendix A:

- AC/S8 Percentage of new clients, older people accessing enablement
- AC/S4 Percentage of adults with learning disabilities in paid employment
- AC/S5 Percentage of adults with mental health needs in paid employment

6 are Service Indicators (in the Adults and Safeguarding Committee Commissioning Plan and/or Adults and Communities Management Agreement) and are set out below.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
AC/S11 ASCOF 2B (1)	Percentage of older people remaining at home 91 days after discharge	Bigger is Better	81.5%	81.5%	69.3% (R)	Not reported in Q1	Not reported in Q1	77.1%	Worsening	83.8% (CIPFA) 85.4% (London)  ASCOF Comparators (2015/16)	Work has already been carried out to change the way in which enablement is provided in the borough and improvements will be ongoing as part of resolution of other issues with the main Barnet provider.  Data for this indicator is collected via a survey which creates significant issues in capturing complete information.
AC/S16 (ASCOF 1C/2A)	Proportion of service users with a direct payment (ASCOF 1C/2A)	Bigger is Better	42.0%	41.1%	38.8% (RA)	39.2%	Worsening	39.2%	Worsening	29.5% (CIPFA) 27.6% (London)  ASCOF Comparators (2015/16)	A number of reviews of direct payment recipients have been carried out using the external reviewer capacity available.  Barnet remains a high performer nationally against this indicator even at 38.8% with benchmarking data for 2015/16 showing a comparator group average of 29.5% and a London average of 27.6%.
AC/S21	Number of carers' assessments	Bigger is Better	1045	418	390 (GA)	194	Improving	946	Worsening	No benchmark available	Carers' assessments have been a key focus of the first phase of the new carers' strategy.  Training has begun for frontline practitioners and will continue to be rolled out until December and the strategy reference group will also work to increase awareness.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
AC/C10	Percentage of clients receiving an ongoing package of care reviewed	Bigger is Better	75.0%	37.0%	31.6% (GA)	13.9%	Improving	Not comparable with 2016/17	Not comparable with 2016/17	No benchmark available	The number of clients reviewed in Q2 is almost 15% higher than in Q1 (1,260 against 1,010) and as a result performance is rated green/amber against the interim target.  The Delivery Unit will continue to work with prioritised review cohorts and improve its allocation methods through greater use of assessment hubs and assignment of resources to particular client groups to maintain.
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	2.9	3.8 (R)	3.3	Worsening	2.7	Worsening	3.6 (CIPFA) 3.3 (London)  ASCOF Comparators (2015/16)	Delayed transfers of care (DTCs) have remained above target for both NHS and Social Care delays in Q1.  Systems are in place, including an Assessment Notification screening role, to ensure assessments are allocated, prioritised and acted on promptly. The comparator average was 14 (a rate of 6.17 per 100,000 population).
AC/C12 (ASCOF 2c(1))	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	7.3	7.4	8.3 (R)	7.5	Worsening	6.5	Worsening	8.8 (CIPFA) 7.8 (London)  ASCOF Comparators (2015/16)	As Above

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	3 (21%)	5 (36%)	6 (43%)

Adults and Communities has 14 risks. 3 (21%) are Medium Low, 5 (36%) are Medium High, and 6 (43%) are High. 9 risks (64%) scored 12 or above, and have been escalated to the Strategic Commissioning Board for review this quarter. The 6 risks (43%) that scored 15 or above have been published in the Corporate Risk Register (Appendix J). These are shown below.

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
<b>Adults and Communities</b>											
AC002	Failure of care provider	A care provider could suddenly be unable to deliver services, due to: - provider going into administration - failure of regulatory inspection relating to quality of service - care provider chooses not to deliver services - HS&E breach leading to operational disruption to manage the situation, harm to individuals by not having their care and support needs met, unexpected financial consequences, breach of statutory duty.	Head of Integrated Care Quality	<b>Business continuity</b>	For contracted services, extensive due diligence is carried out before and during any contract. The Delivery Unit carries out ongoing contract management and monitoring to ensure it continues to engage with providers, complemented by relationship management work, and monitoring of individuals placed with providers.  The Council also works with the market as a whole, making a programme of best practice and improvement initiatives available to the provider sector.	5	5	5	4	<b>20</b>	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
AC003	Unacceptable level of quality of services provided by care providers	Unacceptable levels of quality of services provided by care provider could lead to additional dedicated Barnet resource needing to be put in place to address the situation, resulting in reduced ability to manage BAU, and financial consequences. If the additional resource is not able to address the underperformance of the care provider, this could also lead to harm to individuals, and reputational consequences.	Head of Integrated Care Quality	<b>Business continuity</b>	For contracted services, extensive due diligence is carried out before and during any contract. The Delivery Unit carries out ongoing contract management and monitoring to ensure it continues to engage with providers, complemented by relationship management work, and monitoring of individuals placed with providers.  The Council also works with the market as a whole, making a programme of best practice and improvement initiatives available to the provider sector.	4	5	4	4	<b>16</b>	Treat
AC001	Increased overspend to meet statutory duties	Adults & Communities Delivery Unit could have insufficient starting budget to meet its statutory duties due to operating in an environment in which there is inherent uncertainty in future demand for services, exacerbated by a potential inability to deliver savings, reduced ability to raise income from clients, the rising cost of care, and legislative changes. This could result in harm to individuals, legal challenge, worsening budget overspend, and reputational damage.	Adults and Communities Director	<b>Compliance</b>	The council's budget management process (MTFS) forecasts demographic growth and pressures over a 3 year period. Budget and performance monitoring and management controls are used throughout the year. Work to reduce addressable spend (such as expenditure on agency staff) is being carried out in year. The Joint Strategic Needs Assessment will identify future demand pressures, and the council will undertake initiatives focused on reducing and managing future demand in response, including the Adults' New Operating Model/ Alternative Delivery Vehicle which focus on reducing demand for services.	5	5	5	4	<b>20</b>	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
AC004	Surge in demand from NHS	An unpredictable surge in demand from the NHS in situations where there is limited capacity could lead to the DU being unable to meet this demand within the NHS's required timescales. This could result in financial consequences, operational disruption leading to rushed decisions being made that have unintended negative consequences, potentially for individuals that have been discharged, and increased central government scrutiny.	Assistant Director Adult Social Care	Compliance	System-wide, resilience monies have been made available and these can be used to buy in extra capacity, subject to agreement by the NHS-led Improvement Board. There are monthly system resilience and operational resilience meetings between LBB, CCG and NHS Provider Trusts to discuss & manage pressures in the system, and to deliver action plans. Daily conference calls are in place to deal jointly with events as these happen.	4	5	3	5	15	Treat
AC008	Non-adherence to safeguarding policies and procedures	Insufficient competent staff (permanent and agency, at all levels) to meet rising demand and complexity could lead to non-adherence with policies and procedures (specifically safeguarding within the Care Act, and London-wide safeguarding policies and procedures), resulting in death or serious harm to individuals, legal challenge, financial loss, decreasing staff morale due to greater pressure and reputational damage.	Head of Safeguarding Adults	Compliance	Staff training is in place, supported by practice forums. Quality assurance framework, led by the Quality Board, to monitor supervision (and responds to, for example, e.g. supervision and other quality audits taken place). Regular case file audits take place (using a pool of auditors from across the Department).  Monthly reporting to leadership team on safeguarding activity Monthly quality and safeguarding meeting with DASS, includes review of high risk cases. External case file audits are conducted. The Safeguarding Adults Board (multi-agency) also meets regularly.  Tools are available to support practitioners (e.g. recording templates, assessment tools etc.), as well as learning processes such as safeguarding adult reviews (SARs) and the domestic homicide review process.	5	4	5	3	15	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
AC01 1	Breach of Mental Capacity Act or Code of Practice	Insufficient competent staff (permanent and agency, at all levels) to meet rising demand and complexity could lead to breach of the Mental Capacity Act or Code of Practice, resulting in Barnet not acting in someone's best interest (Mental Capacity Act), and as a result serious harm to individuals and/or the ongoing impact of such a breach on an individual's life; legal challenge, financial loss (legal costs) and reputational damage.	Assistant Director Social Care	<b>Compliance</b>	As with safeguarding, staff training is in place, supported by practice forums. Quality assurance framework, led by the Quality Board, monitors supervision (and responds to, for example, supervision and other quality audits). Regular case file audits take place (using a pool of auditors from across the Department).  Monthly reporting to leadership team on safeguarding activity Monthly quality and safeguarding meeting with DASS includes review of high risk cases. External case file audits are conducted.  The Safeguarding Adults Board (multi-agency) meets regularly. Tools are available to support practitioners (e.g. recording templates, assessment tools etc.), as well as learning processes such as safeguarding adult reviews (SARs) and the domestic homicide review process.	5	4	5	3	<b>15</b>	Treat

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	<b>4,767 (5.4%)</b>	<b>(5,754)</b>	<b>2,590 (76.6%)</b>

The projected **revenue** overspend of £4,767m within Adults and Communities represents 5.4 per cent of the total Delivery Unit budget (£88.907m). The current overspend position is likely to increase over the year if the council continues to see the impact of demand pressures and increased complexity of need. The Delivery Unit is continuing to take positive measures to mitigate the impact of this wherever possible.

Additional funding has gone in to the Adults budget for 2016/17 with the majority of this replacing one off funding received in 2015/16, for example removal of grants and contingency no longer available in 2016/17. The care budgets have seen significant overspends since 2014/15. The position for 2016/17 reflects the full year budget impact for a number of individuals placed part way through 2015/16 and continuing through into 2016/17. Alongside this, new pressure is coming from new placements in year and increases to existing packages reflecting increases in need.

Budget pressures continue to come through particularly in relation to dementia, learning disabilities and mental health and continued pressures from health referrals. The Deprivation of Liberty Safeguards (DOLs) service continues to have a significant pressure in 2016/17 (£0.5m), as a result of the Supreme Court judgements in 2014/15 and a loss of grant funding since 2015/16. Some of the current pressures are offset by underspends within the non-placement budget areas and these budgets continue to be closely monitored and managed.

The adults **capital** programme is forecast to underspent by £5.754m. This is due to the transfer of the Sport and Physical Activities project (SPA) to the Commissioning Group (£7.170m). Prior to transfer, the SPA project brought forward expenditure planned in future years in anticipation of an earlier start date for construction than originally planned (£1.416m).

All **savings** relating to meals, contract changes and staffing have been delivered. For placements savings, all savings have been delivered or are deliverable, with the exception of part of the saving in relation to Independence of Young People 0-25 (which is transitioning over to Family services) and savings in relation to Disabled Facilities Grants. However, despite this, as detailed above, the overspend for Adults reflects the fact that care budgets within Adults have been under significant pressure since 2014/15 as a result of rising demand for services and increasing complexity in relation to those supported.

## Barnet Homes

Successes	Challenges
<ul style="list-style-type: none"> <li>Barnet Homes has secured the top ranking in London for the average re-let time for routine lettings based on the latest Housemark benchmarking data for Q1 (14.4 days against the London benchmark of 23 days). Improved performance in Q2 (12.4 days) means Barnet Homes expects to remain the best in London. Current performance is significantly better than last year (21.8 days).</li> <li>A review of the Housing Options Service in June 2016 has praised the strength of the service set up; approach to recruitment; and success of the supply service. The review described performance on procuring private sector properties as “exceptional when compared to the performance of all other London authorities”.</li> <li>100% performance for the percentage of dwellings with a valid gas safety certificate has been maintained for five consecutive quarters and as a result has remained in the upper quartile in Housemark benchmarking.</li> </ul>	<ul style="list-style-type: none"> <li>High demand for homelessness services and in particular the increasing reliance on General Fund temporary accommodation has exposed the council to a greater risk of cost inflation in relation to the cost of accommodation.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>88% (14)</b>	<b>0% (0)</b>	<b>6% (1)</b>	<b>6% (1)</b>	<b>75% (12)</b>	<b>25% (4)</b>

18 indicators are reported in Q2 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: 75% (12) have an “improved/same” DOT and 25% (4) have a “worsened” DOT from the same period last year. Of the 2 “below target”, both are Corporate Plan Indicators and can be found in Appendix A:

- BH/S5 Temporary Accommodation (TA) current arrears as percentage of debit
- BH/KPI1 Numbers of households in Temporary Accommodation

Service Risks	Low	Medium Low	Medium High	High
	<b>0 (0%)</b>	<b>1 (13%)</b>	<b>6 (75%)</b>	<b>1 (13%)</b>

Barnet Homes has 9 risks. 1 (11%) is Medium Low, 7 (78%) are Medium High, and 1 (11%) is High. 4 risks (44%) scored 12 or above and have been escalated to the Strategic Commissioning Board for review this quarter. The 1 risk (11%) that scored 15 or above has been published in the Corporate Risk Register (Appendix J). This is shown below.

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
BG001	Unviable cost of development schemes	The Barnet Group are unable to deliver the portfolio of housing development schemes at a viable cost due to: - external factors (change of legislation, economic, confidence in the market, availability of finance) - recruitment and retention of skilled individuals within the development team - viability of house design - planning permission which results in the termination of the scheme, financial impact across Council and Barnet Group (impact on staffing and sunk costs), reputational damage, knock on effect on ability to deliver the homelessness agenda.	Strategic Lead Housing	Financial	Membership of professional bodies provides access to market intelligence. We undertake sensitivity analysis/stress testing of the financial business plan, with external support.  There is a permanent team in place with relevant skills, and professional support from a team of advisors. TBG's governance structure, and reporting and to the senior leadership of the council and project boards, also contributes.  Upfront work is undertaken with RE to ensure schemes are viable (e.g. planning), and there are upfront surveys of sites.  There is also a stakeholder engagement plan, the council's project management toolkit, and council resource in place to support TBG. The council has agreed to use RTB receipts to help fund the scheme. Finally, there is an agreed procurement strategy.	5	4	5	3	15	Treat

Finance (Housing Needs and Resources)	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	294 (5.3%)	0	N/A

The projected **revenue** overspend of £0.294m within Housing Needs and Resources represents 5.3 per cent of the total Delivery Unit budget (£5.560m).

- The variance has been driven by increases in temporary accommodation costs due to rental income not fully covering the costs where a limit on the Local housing allowance rates that can be received is set.
- The Housing Needs and Resources **capital** programme has increased by £5.056m. This is due to the Development pipeline Tranche 1 budget being transferred from Re.

## Cambridge Education

Successes	Challenges
<ul style="list-style-type: none"> <li>The percentage of good or outstanding primary schools in Barnet has increased to 94%; above the London average of 93% and national average of 90%.</li> <li>The percentage of good or outstanding secondary schools has increased to 92%; above the London average of 89% and national average of 79%.</li> <li>The percentage of 16 to 18 year olds not in education, employment or training (NEET) was 3.6% in August 2016; significantly below the West London and Barnet combined average of 9%.</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment and retention of teachers and school leadership remains a challenge for schools within Barnet.</li> <li>The implementation of the new assessment and reporting arrangements for primary schools, based on the interim assessment frameworks, has created challenges for school teacher-assessment.</li> <li>The attainment and achievement of Barnet's looked after children remains below that of their peers.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	68% (13)	26% (5)	5% (1)	0% (0)	89% (17)	11% (2)

23 indicators are reported in Q2 2016/17. 19 have been given a RAG rating: 68% (13) are "on or above target" and 32% (6) are "below target". 19 have been given a Direction of Travel (DOT) status: 89% (17) have an "improved/same" DOT and 11% (2) have a "worsened" DOT from the same period last year. Of the 6 "below target", 2 are Corporate Plan Indicators and can be found in Appendix A:

- CES/S1 Percentage of primary schools rated as 'good' or better
- CES/S3 Percentage of secondary schools rated as 'good' or better

4 are Service Indicators (in the Children, Education, Libraries and Safeguarding Committee Commissioning Plan and/or Cambridge Education contract) and are set out below.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
CES/C13 (Annual)	The percentage of children offered one of their top three preferences of school (primary)	Bigger is Better	92% or 2016 level whichever is lower	92.0%	91.80% (GA)	Annual indicator	Annual indicator	90.9%	Improving	England 96.3% (London 94.4% (As at national offer day 2016/17, DfE)	There is pressure on the availability of school places across the Borough to meet parental preference. The council's strategy for 'Planning for New School Places 2016/17 to 2019/20' sets out Barnet's approach for working with both existing and proposed new schools to meet demand for pupil places.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
CES/C14 (Annual)	The percentage of parents offered one of their top three preferences of school (secondary)	Bigger is Better	90%	90%	88% (RA)	Annual indicator	Annual indicator	88.4%	Worsening	England 95% London 89.1% (As at national offer day 2016/17, DfE)	As above
CES/C85 (Annual)	Number of primary schools rated as 'good' or better	Bigger is Better	86	86	82 (GA)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	All community primary schools are currently rated good or outstanding by Ofsted. Barnet's monitoring and challenge policy sets out how schools are supported to achieve a good or outstanding grade at their next Ofsted inspection, however schools not yet good are awaiting their next inspection date
CES/C87 (Annual)	Number of secondary schools rated as 'good' or better	Bigger is Better	23	23	22 (GA)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	No benchmark available	The monitoring, support and challenge school improvement policy sets out the level of support offered to schools.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	5 (24%)	16 (76%)	0 (0%)

Cambridge Education has 21 risks. 5 (24%) are Medium Low, and 16 (76%) are Medium High. 0 risks (0%) scored 12 or above and have been escalated to the Strategic Commissioning Board for review this quarter. The 0 risks (0%) that scored 15 or above have been published in the Corporate Risk Register (Appendix J).

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	75 (1.1%)	(3,190)	85 (100%)

The projected **revenue** overspend of £0.075m 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 **capital** programme is forecast to underspend in total by £3.189m. This is due to slippage into future years as a result of the St Mary's and St John's expansion now not expected to complete until 2017/18.

## Commissioning Group

Successes	Challenges
<ul style="list-style-type: none"> <li>Continuing progress has been made on the growth and regeneration programme, including identification of two additional one-bedroom flats in the Moreton Close scheme and design of the community hub in Grahame Park. An exercise to masterplan Heybourne Park is being jointly commissioned to provide a quality public space; and Dollis Valley (Phase 2) has been handed over to the developer, with demolition starting on site. Also in Dollis Valley, the official opening of Hope Corner Community Centre took place in September 2016 with over 300 guests attending.</li> <li>The council's work to help Barnet's local labour market thrive has seen the second Entrepreneurial Barnet competition get underway, with the grand final scheduled for January 2017. The Customer and Support Group will also be leading on commissioning a business directory, which will be delivered in early 2017. The council and partners have promoted Apprenticeship options through the 'Get In, Go Far' campaign. The Opportunities for Young People project continues to work to offer early support to young people at risk of becoming NEET (Not in Education, Employment and Training).</li> <li>The Keep Barnet Clean trial started in July 2016 with communications and an education campaign, and enforcement started at the end of July 2016. The trial has gone well to date, with a high level of public support for the council and encouragement to tackle behaviour that results in the degradation of the street scene. The first Fixed Penalty Notices for flipping (which were enacted in May 2016) have been issued in Barnet as part of the trial. Work is also ongoing regarding enforcement of footway damage.</li> </ul>	<ul style="list-style-type: none"> <li>Tackling rising demand for help with housing through work to prevent homelessness. The high demand for homelessness services and in particular the increasing reliance on General Fund temporary accommodation has exposed the council to a greater risk of cost inflation in relation to the cost of accommodation. To help relieve pressure on homelessness services, Barnet Homes has developed further proposals to help manage demand, including a targeted resource to move households out of temporary accommodation. This should start to deliver results towards the end of Q3 2016/17.</li> <li>Decrease in the level of crime across the Mayor's Office for Policing and Crime (MOPAC) set of crimes. The 18% reduction, against a target of 20% reduction, is a slight improvement on Q1 2016/17. The reduction is below target mainly due to 'violence against the person', which has shown an increase of over 40% in the last two years compared to the 2011/12 baseline figure. This increase is in line with a London wide trend that is likely to be linked to changes in reporting and recording practices.</li> <li>Older people who take up leisure services (participation of over 45s). GLL (Barnet's leisure operator) has made a concerted effort to target and increase engagement of members aged 45plus. In addition, they have been commissioned to deliver a 'Better You' programme in Chipping Barnet which will continue to enhance participation amongst older people. Commencing in June 2016, this is a 12 month programme that seeks to engage 600 people aged 65 plus in physical activity within the locality. The 'Better You' programme will deliver satellite community based physical activity sessions, with a view to increase participation and signpost to leisure centres / membership options to facilitate an 'active habit'.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	50% (7)	21% (3)	14% (2)	14% (2)	89% (8)	11% (1)

22 indicators are reported in Q2 2016/17. 164 have been given a RAG rating: 50% (7) are "on or above target" and 50% (7) 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. Of the 7 "below target", 3 are Corporate Plan Indicators and can be found in Appendix A:

- CG/S3 Decrease in the level of crime across the Mayor’s Office for Policing And Crime set of crimes;
- CG/S15 Performance of services;
- CG/S26 Customer cases that are closed within the agreed timescales

4 are Service Indicators (in the Theme Committee Commissioning Plans and/or Commissioning Group Business Plan) and are set out below.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
CG/S17	Number of older people who take up leisure services – participation of over 45s	Bigger is Better	20.4%	20.4%	19.3% (RA)	20%	Worsening	19%	Improving	No benchmark available	GLL has been commissioned to deliver a ‘Better You’ programme in Chipping Barnet which will continue to enhance participation amongst older people.. The ‘Better You’ programme will deliver satellite community based physical activity sessions, with a view to increase participation.
CG/C23	Sickness absence	Smaller is Better	6 days	6 days	8.23 days (R)	8.35 days	Improving	New for 2016/17	New for 2016/17	Group Average 8.1 days (Q1 2016/17, LAPS)	Outturn reflects that sickness absence could not be reported during shutdown for Unified Reward, so should be read with caution.
CG/C24	Running costs of estate (designated civic buildings only)	Smaller is Better	£4.47m	£1.12m	£1.56m (GA)	£1.20m	Improving	New for 2016/17	New for 2016/17	No benchmark available	An agreed overspend of £1.1m is forecast as a result of leasing in additional real estate from staff parking and the Mill Hill depot relocation. Of the £1.56m this quarter, £605k is actual spend, £960k is committed spend.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
CG/S28	Increasing participation in sport and physical activity	Bigger is Better	37.9%	37.9%	37.2% (GA)	37.2%	Same	New for 2016/17	New for 2016/17	No benchmark available	The most recent Active People Survey results APS10 (37.2%) is an interim result. A full data set and confirmed position will be available later in the year.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	3 (14%)	17 (81%)	1 (0%)

The Commissioning Group has 21 risks. 3 (14%) are Medium Low, 17 (81%) are Medium High, and 1 (5%) is High. 7 risks (33%) scored 12 or above and have been escalated to the Strategic Commissioning Board for review this quarter. The 1 risk (5%) that scored 15 or above has been published in the Corporate Risk Register (Appendix J). This is shown below.

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
SPPC 011	Depot Relocation - Service Disruption	Potential unsuccessful delivery of depot project could lead to inefficient fragmentation of services delivered from depots resulting in service disruption, poor customer satisfaction, financial impact, loss of operating licence, and/or reputational damage.	Chief Operating Officer	Compliance	There is service representation on governance boards, with regular engagement with senior managers across services, and the detailed requirements are understood. Project management methodology is being utilised, with detailed project plans and risk registers, and we have a contracted delivery partner. Additional resources for coordination of service transition have been agreed.  The initial moves are progressing well, such as the Passenger Transport Service, which has moved to North London Business Park. Construction of the new site at Oakleigh Road is progressing to plan.	5	4	5	3	15	Tolerate

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	0 (0.0%)	(450)	2,180 (90.4%)

The Commissioning Group **capital** programme is forecast to overspend by £0.450m. The forecast includes the transfer in of the Sports and Activities project from Adults and Communities (£7.170m) and slippage in relation to the ITC Strategy which has now been re-profiled and extended to 2019/20 (£6.790m).

## Customer and Support Group (CSG)

Successes	Challenges
<ul style="list-style-type: none"> <li>The Barnet Customer Services face-to-face customer satisfaction achieved first place in the national GovMetric channel satisfaction league table in July 2016, having held the second place for two consecutive months. This is across the 70 councils that use GovMetric.</li> <li>Extra resources and improved work allocation has helped to reduce revenues work outstanding from 7,541 items to 3,740 and benefits outstanding from 5,779 items to 2,140. This has been achieved while still meeting the two benefits KPI's and council tax accuracy only narrowly missed the council tax speed of processing target (14.28 days against a target of 14 days). This should further improve customer satisfaction and assist ongoing collection.</li> <li>The HR Service has continued to work closely with the Family Services Delivery Unit to reduce their agency staffing levels, resulting in a reduction from 32% to 2%. This has been achieved through either transition of staff to a permanent contract or bringing new staff in through direct and permanent recruitment. The result has been a reduction in agency spend and a reduced risk for the service in terms of stability of staffing and continuity to the children and families. In the longer term, through deployment of the new employment model HR expects Barnet to become an employer of choice, with improvements in quality of applicants through the interview and selection process already being seen.</li> </ul>	<ul style="list-style-type: none"> <li>Significant difficulties have been experienced with the preparation and audit of the Pension Fund accounts, with the accounts not being signed-off by the external auditor on time for the July Pension Fund Committee. A special Pension Fund Committee was arranged for 13 September 2016 to approve the accounts. The audit certificate was received by the statutory deadline of 30 September 2016. A detailed review is being undertaken to ensure the lessons are learnt for next year.</li> <li>Overall, performance and client perception in the IT Projects and Programmes area has not been satisfactory. Formal performance management has been undertaken during September combined with strengthening the team. Management of new projects being specified have transferred to a dedicated resource to ensure the project team are focused on delivery, but still review new proposals. Moving forward there will be greater alignment with the CSG Corporate Programmes team which have demonstrated robust programme delivery in Barnet.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	94% (17)	6% (1)	0% (0)	0% (0)	72% (13)	28% (5)

22 indicators are reported in Q2 2016/17. 18 have been given a RAG rating: 94% (17) are “on or above target” and 6% (1) is “below target”. 18 have been given a Direction of Travel (DOT) status: 72% (13) have an “improved/same” DOT and 28% (5) have a “worsened” DOT from the same period last year. The 1 “below target”, is a Service Indicators (in the CSG contract) and is set out below.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
HR17a CSG/C14	Payroll Accuracy - Payroll Error Rates	Smaller is Better	0.1%	0.1%	0.12% (GA)	0.0%	Worsening	0.1%	Worsening	No benchmark available	Payroll accuracy has a marginal fail for July, outturn for September is being reviewed to confirm the degree of error.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	4 (18%)	16 (73%)	2 (9%)

The Customer and Support Group has 21 risks. 4 of these (18%) are Medium Low, 16 (73%) are Medium High, and 2 (9%) are High. 6 risks (29%) scored 12 or above and have been escalated to the Strategic Commissioning Board for review this quarter. The 2 risks (10%) that scored 15 or above have been published in the Corporate Risk Register (Appendix J). These are shown below.

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
CSG1 3	IT service obsolescence	Inability of current infrastructure to handle multiple service applications due to portfolio of systems not being managed properly, with many approaching end-of-life, resulting in outdated and unusable systems, poor-performing systems and potential security breaches	Head of Information Management	<b>Business continuity</b>	<p>Network design is validated through Public Services Network certification and Capita third party assurance.</p> <p>Dedicated infrastructure staff within Capita are focused on the control of the Barnet infrastructure.</p> <p>Capacity checks on wireless network are currently taking place to increase speed and resilience.</p>	4	5	4	4	16	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
CSG1 2	IT service failure	Poor or non-maintenance by supplier of IT infrastructure, network services and applications at desired levels of speed resilience and security due to mismanagement and/or inadequate technical specification, leads to an IT service failure resulting in loss of critical service provision and associated ability to provide service continuity with accompanying reputational damage and cost to remedy (and potential litigation in event of breach of statutory obligations)	Head of Information Management	<b>Business continuity</b>	To address this risk, we have a validated network design and dedicated infrastructure staff. Network design is validated through Public Services Network certification and Capita third party assurance.  Dedicated infrastructure staff within Capita are focused on the control of the Barnet infrastructure.  Capacity checks on wireless network are currently taking place to increase speed and resilience.	5	4	5	3	<b>15</b>	Treat

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	<b>500 (2.3%)</b>	<b>N/A</b>	<b>N/A</b>

The projected **revenue** overspend of £0.500m within the Customer and Support Group represents 2.3 per cent of the total Delivery Unit budget (£22.091m). The anticipated overspend includes additional security costs and reduced income.

## Family Services

Successes	Challenges
<ul style="list-style-type: none"> <li>Children’s Service Practice Academy for Social Work Students first phase has been launched, with 14 students enrolled.</li> <li>An Award ceremony for Foster Carers has been held, with 10 Foster Carers receiving an ‘Outstanding Carer’ Award and six Foster Carers receiving an award for long service (20 years+) as Barnet Foster Carers.</li> <li>Parkfield Nursery has received an Ofsted rating of ‘Good’.</li> </ul>	<ul style="list-style-type: none"> <li>The Practice Improvement Plan has gained momentum. This focuses on practice quality; systems and tools; and recruitment and retention. The progress of actions has been monitored using an agile project management methodology, with regular reporting into the Social Work Improvement Board, including the Chief Executive and external challenge through improvement partners, to ensure appropriate oversight. In autumn 2016, the Signs of Safety practice model will be launching, with a Resilient Families: Resilient Children staff conference taking place on 19 October 2016. This will focus on the development of resilience based practice. Workshops and meetings on embedding resilience based practice will be held with boards and partners.</li> <li>The recruitment campaign has continued, with some success. The service will continue to focus on social care recruitment and reduction of vacant and locum posts.</li> <li>Delivery of the libraries strategy implementation plan across HR, IT and operations.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>75% (15)</b>	<b>15% (3)</b>	<b>0% (0)</b>	<b>10% (2)</b>	<b>80% (8)</b>	<b>20% (2)</b>

31 indicators are reported in Q2 2016/17. 20 have been given a RAG rating: 75% (15) are “on or above target” and 25% (5) are “below target”. 10 have been given a Direction of Travel (DOT) status: 80% (8) have an “improved/same” DOT and 20% (2) have a “worsened” DOT from the same period last year. Of the 5 “below target”, 1 is a Corporate Plan Indicator and can be found in Appendix A:

- FS/S2 Children made subject to Child Protection Plan for a second or subsequent time.

4 are Service Indicators (in the Children, Education, Libraries and Safeguarding Committee Commissioning Plan and/or Family Services Management Agreement) and are set out below.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
FS/C26	Percentage of CLA visits taken place within timeframes	Bigger is Better	95.0%	95.0%	90.2% (GA)	84.6%	Improving	New for 2016/17	New for 2016/17	No benchmark available	The Service 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%	10.2% (R)	30.4%	Worsening	New for 2016/17	New for 2016/17	No benchmark available	Meetings with Health partners have taken place around the recording of Initial Health Assessments within 28 days of coming into care and we expect to see rapid improvements.
FS/C38	Percentage of CLA who have had a health timely assessment (under 5 6 months, over 5 annual)	Bigger is Better	95.0%	95.0%	82.7% (GA)	97.5%	Worsening	New for 2016/17	New for 2016/17	Statistical Neighbours 90.9% (2014/15, DfE)	An investigation is taking place with Health partners to understand the recent decline with health assessment and dental recording.
FS/C39	Percentage with dental checks in the previous 12 months	Bigger is Better	85.0%	85.0%	57.9% (R)	90.7%	Worsening	New for 2016/17	New for 2016/17	Statistical Neighbours 88.4% (2014/15, DfE)	An investigation is taking place with our Health partners to understand the recent decline with health assessment and dental recording.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	1 (6%)	12 (75%)	3 (19%)

Family Services has 17 risks. 1 of these (6%) is Medium Low, 13 (76%) are Medium High, and 3 (18%) are High. 9 risks (53%) scored 12 or above and have been escalated to the Strategic Commissioning Board for review this quarter. The 3 risks (18%) that scored 15 or above have been published in the Corporate Risk Register (Appendix J). These are shown below.

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
FS001	Significant child safeguarding incident	Inappropriate response or poor decision-making around a case leads to a significant children's safeguarding incident, resulting in increased risk of significant harm or death of a child, and reputational damage.	Assistant Director, Social Care	Health & Safety	Elements of the Practice Improvement Plan have been implemented (including training). Delivery of the plan is monitored regularly and overseen by a Board chaired by the Chief Executive. Supervision and practice standards help to control this risk, as well as quality assurance activity. We provide assurance reports to the lead member, SCB Assurance, Barnet Safeguarding Board, and the Social Work Improvement Board, to ensure scrutiny and oversight. The lead member meets monthly with service leads to provide oversight.	5	5	4	4	16	Treat
FS004	Serious gang-related incident	As a result of inappropriate decision making, which could be exacerbated by a lack of timely access to information, a gang related incident could occur involving one or more young people within the borough resulting in a child death and reputational damage.	Head of Youth & Family Support	Health & Safety	Our Gangs and Serious Youth Violence Strategy is overseen by the Community Safety Partnership Board and Youth Offending Partnership Board. We also have a gang's operational group, and a gangs, missing and child sexual exploitation strategic group. Our gang's operational protocol and screening tool helps control this risk, as well as the Keeping Young People Safe preventative project.	5	5	4	4	16	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
FS01 1	Inability to recruit and retain qualified staff	A challenging job market could lead to an inability to recruit and retain sufficiently qualified permanent staff resulting in reliance on agency workers, impacting on budget, inability to carry out quality work, lower morale, significant safeguarding incident	Assistant Director, Social Care	<b>Staffing &amp; Culture</b>	Our Practice Improvement Plan includes a workforce recruitment strand. There is also an organisational development workforce board, and a market factors supplement is available. An innovative model is in place which is successfully converting agency social workers to permanent contracts.	5	5	4	4	<b>16</b>	Treat

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	<b>(507) (1.0%)</b>	<b>(5,444)</b>	<b>890 (44.8%)</b>

The projected **revenue** overspend of £0.507m within Family Services represents 2.6 per cent of the total Delivery Unit budget (£50.550m). This is primarily due to an increase in the number of agency staff covering vacant posts and pressure on the unaccompanied asylum seeking children budget. The delivery unit has been working with Capita to reduce the level of agency staff. The overspends are partially offset by managing contractual increases.

The Family services **capital** programme is forecasting slippage of £5.444m. This is largely due to slippage on the 2 Year Old Offer where places are not needed in 2016/17 but will be required in future years (£1.215m) and the Meadow Close Children's Home and the Youth Zone Programme which are both still in the design phase and so construction is now not planned to start until 2017/18 (£1.8m and £2.4m respectively).

## HB Public Law

Successes	Challenges
<ul style="list-style-type: none"> <li>HB Public Law has successfully prosecuted a confiscation case related to a planning enforcement case that involved the sub-division of property. This resulted in a £500k confiscation order, £65k fine and £80k costs.</li> <li>Three new permanent senior property lawyers have been successfully recruited, including a team leader, to strengthen the property support.</li> </ul>	<ul style="list-style-type: none"> <li>Some IT difficulties have been experienced over the past quarter, which have been escalated to the IT provider.</li> <li>Due to a shortage of senior planning lawyers recruitment has been difficult in this area. A business case is being put forward for a market supplement.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	92% (11)	8% (1)	0% (0)	0% (0)	58% (7)	42% (5)

12 indicators are reported in Q2 2016/17. 12 have been given a RAG rating: 92% (11) are “on or above target” and 10% (1) are “below target”. 12 have been given a Direction of Travel (DOT) status: 58% (7) have an “improved/same” DOT and 42% (5) have a “worsened” DOT from the same period last year. The 1 “below target” is a Service Indicator (in the HB Public Law contract) and is set out below.

Ref	Indicator description	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q4 2015/16)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
HBPL/C1	Acknowledge emails within 1 working day	Bigger is Better	95.0%	95.0%	94.9% (GA)	87.2%	Improving	97.0%	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. During the next quarter a review of KPIs will be carried out

HBPL measures risk in accordance with the Lexcel (Law Society). Risk cases are reported to the Barnet Monitoring Officer.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	(59) (2.9%)	N/A	N/A

The projected **revenue** overspend of £0.059m within HB Public Law represents 2.9 per cent of the total Delivery Unit budget (£2.011m). The variance relates to planned purchase of additional hours.

## Mortuaries

Successes	Challenges
<ul style="list-style-type: none"> <li>The shared service has provided additional temporary storage refrigeration equipment at its site at Northwick Park to support mass fatalities or excess deaths, which could, for example, occur in a flu epidemic or during a very cold winter. It had been recognised that coping with large volumes of bodies over a relatively short period would put unnecessary risk on normal storage; therefore a temporary pop up storage unit has been obtained within existing budgets. This provides an additional 12 emergency spaces and / or ability to store the increasing number of larger bodies.</li> <li>High standards have been maintained despite a rise in forensic and complex cases. During the quarter there has been a notable rise in more 'complex post mortems' and also crime cases. Staff have managed this process, which involved a significant amount of out of hours work during the evenings and weekend. During this time the standards have been maintained and the service has received positive comments for its flexibility in responding to the demand.</li> <li>A new database system has been installed that accurately records details of persons stored at the mortuary, their status in terms of any post mortem, any tissue samples and details of personal possessions. This is to ensure compliance with the Human Tissue Authority's Licence requirements – and helps maintain quality records to ensure the dignity of the deceased and risk of any mistakes are as low as possible. The mortuary is one of very few using a dedicated mortuary database, which was designed by one of our mortuary technicians. This has now been transferred to modern computer platform and upgraded with new features to improve service delivery.</li> </ul>	<ul style="list-style-type: none"> <li>Long term recruitment of permanent staff to replace member who left in July 2016. Currently agency staff are being used to ensure service quality is maintained.</li> <li>High volumes of deaths and complex cases. Staffing and resources will be reviewed to ensure service is maintained</li> <li>A shortage of Pathologists is affecting service delivery. This matter will be raised at a meeting with the coroner to ensure that systems are in place to maintain regular consistent service.</li> </ul>

No service indicators (set out in the Mortuaries contract) are reported in Q2 2016/17.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	2 (25%)	6 (75%)	0 (0%)

Mortuaries has 8 risks. 2 of these (25%) are Medium Low, and 6 (75%) are Medium High. 0 risks (0%) scored 12 or above this quarter.

## Parking and Infrastructure

Successes	Challenges
<ul style="list-style-type: none"> <li>Despite requiring the PFI consortium banks to agree the change request Street Lighting savings have been identified that will enable budget expectations to be met this year. This has been achieved through implementing a number of trial changes which having proven successful have been rolled out further with the co-operation of the PFI contractor.</li> <li>There has been an improvement in the Appeal outcomes following the implementation of new process and resources.</li> <li>There has been a continued increase in parking transactions both in car parks and on-street, which assists in increasing Town Centre activity and boosts trade.</li> </ul>	<ul style="list-style-type: none"> <li>The relocation of the Highway DLO activity from Mill Hill Depot to Harrow depot. There has been regular engagement with the Relocation Project Team and direct involvement in progress meetings with Harrow. Risks and been identified and actions to deal with them.</li> <li>Dealing with the increased volumes of parking activity whilst experiencing difficulties in recruiting appropriately trained and knowledgeable staff to manage the workload. Daily volumes are being monitored and available resources rotated to appropriate priorities.</li> <li>A revised Winter Maintenance Service has been planned due to the relocation of the service to Harrow, including a review of gritting routes to take account of increased travel time; resource requirements and in particular vehicles.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	80% (4)	20% (1)	0% (0)	0% (0)	80% (4)	20% (1)

5 indicators are reported in Q2 2016/17. 5 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: 80% (4) have an “improved/same” DOT and 20% (1) have a “worsened” DOT from the same period last year. The 1 “below target”, is a Service Indicator (in the Environment Committee Commissioning Plan and/or Parking and Infrastructure Business Plan) and is set out below.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
PI/C3	Parking - Response processing in time: response provided within legislative timescales in relation to correspondence	Bigger is Better	99.5%	99.0%	98% (GA)	89%	Worsening	99.9%	Worsening	No benchmark available	There is a Service Improvement Plan in place for various KPIS related to the NSL Contract. The matter has been raised at the Monthly Contract Meeting with the NSL management team.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	6 (85%)	1 (14%)	0 (0%)

Parking and Infrastructure has 7 risks. 6 of these (86%) are Medium Low and 1 (14%) is Medium High. 0 risks (0%) scored 12 or above this quarter.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	(92)(4.9%)	(250)	650 (57.5%)

The projected **revenue** underspend of £0.092m within Parking and Infrastructure represents 4.9 per cent of the total Delivery Unit budget (£1.896m).

- There is an anticipated underspend of £0.055m within Street Lighting relating to carbon emissions.
- The Commercial – Parking and Infrastructure **capital** programme is forecasting an in year reduction of £0.250m. The movement is slippage into 2017/18 in relation to Lines and Signs work as weather conditions have created a backlog.

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

Successes	Challenges
<ul style="list-style-type: none"> <li>• After presenting a literature review on the growing issue of shisha in Barnet, a report has been presented to the Health and Wellbeing Board with a series of key recommendations. These included the setting up of a shisha Task and Finish Group to roll out a health education and promotion campaign on the dangers of smoking shisha.</li> <li>• Following the Quality Assurance Board meeting on 8 June 2016, Underhill Children’s Centre has achieved the Healthy Children’s Centre status and awarded a plaque and qualification. Now all 10 Children’s Centres in Barnet have been awarded Healthy Children’s Centre status, which recognise their work in helping to improve the health of children and families in Barnet.</li> <li>• Following a successful procurement, Barnet’s new Young People’s Substance Misuse Service commenced on 1 September 2016, delivered by Westminster Drug Project. The Young People’s Service will be based on outreach and co-location, i.e. within Children and Family Services, Youth Justice Service, Accident and Emergency departments, Children and Adolescent Mental Health Services (CAMHS), and schools and colleges, and will also provide support to parents of young people with alcohol and drug problems. Joint working across Young People’s and Adult Substance Misuse Services will provide identification and support to young people whose parents misuse drugs or alcohol.</li> <li>• There have been good results for employment outcomes following successful completion of treatment for opiate clients (part of the Barnet Adult Substance Misuse Service): the percentage of clients who, on exit from the service, were working more than 10 days in the last 28 days continues to be higher than the national average.</li> <li>• There are also good results for hepatitis B vaccinations (part of the Barnet Adult Substance Misuse Service): 64.8% of Barnet clients had no record of completing a course of hepatitis B vaccinations, compared to 71.8% nationally. However, blood-borne virus testing and harm minimisation is a priority for the new Adult Service, which has developed quarterly programmes to increase uptake further.</li> </ul>	<ul style="list-style-type: none"> <li>• There is a new local quality assurance process to review Healthy Schools London (HSL) silver and gold award applications, with application review dates now set up once a month. This may discredit the quality of awards in some boroughs and affect London summary review tables, making some boroughs look better than others because their quality assurance is not as strict. The GLA intends to conduct audits to address this.</li> <li>• The six monthly follow-up of completers of children’s tier 2 weight management programme is poor (only 6 out of the 46 completers in Q4 attended a 6 month follow up) and more work is underway to encourage previous participants to attend. The provider is following up with participants and arranging to see parents and children at their school ‘drop off’ and ‘pick up’ times to make it more convenient.</li> <li>• The Healthy Children’s Centres programme continues to meet performance targets; however some of the measurement tools should be reviewed as we are now into the third year of the programme. A number of indicators, which were relevant to establishment of the programme are now normal practice and are audited during the Quality Assurance Board Meeting. These no longer require monitoring quarterly. A new quarterly data monitoring form is being introduced for Children’s Centre staff to resolve some issues with data reporting.</li> </ul>

<sup>1</sup> Reported a quarter in arrears, so refers to Quarter 1 2016/17

Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	48% (11)	17% (4)	4% (1)	30% (7)	57% (12)	43% (9)

25 indicators are reported in Q1 2016/17. 23 have been given a RAG rating: 48% (11) are “on or above target” and 52% (12) are “below target”. 21 have been given a Direction of Travel (DOT) status: 57% (12) have an “improved/same” DOT and 43% (9) have a “worsened” DOT from the same period last year. Of the 12 “below target”, 3 are Corporate Plan Indicators and can be found in Appendix A:

- PH/S4 Rate of hospital admissions related to alcohol (per 100,000)
- PH/S3 Excess weight in 10-11 year olds (overweight or obese)
- PH/S5 Smoking prevalence

9 are Service Indicators (in the Public Health & Wellbeing Commissioning Plan and/or Public Health Management Agreement) and are set out below.

Ref	Indicator description	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/1)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where “below target”
PH/C10	Successful treatment - opiate users (Proportion of adults who successfully completed treatment in a year and did not re-present 6 months, of the total number of adults in treatment in a year)	Bigger is Better	8.0%	8.0%	7.0% (GA)	6.4%	Improving	9.7%	Worsening	National 6.9% (30/8/16, Adult Partnership Activity Report)	Performance has improved from Q4 (6.4%) and is better than the National Drug Treatment Monitoring System baseline period; it is just 1% below the 2016/17 year-end target (8%).
PH/C11	Successful treatment - non-opiate users (Proportion of adults who successfully completed treatment in a year and did not re-present 6 months, of the total number of adults in treatment in a year)	Bigger is Better	33.0%	33.0%	32.1% (GA)	31.5%	Improving	33.6%	Worsening	National 40.0% (30/8/16, Adult Partnership Activity Report)	Performance has improved from Q4 and 0.9% below the 2016/17 year-end target (33%).  The Senior Commissioning Manager and provider have met with the Public Health England Programme Manager to review the Recovery Diagnostic Tool for Barnet.

Ref	Indicator description	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/1)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
PH/C12	Successful treatment - alcohol users (Proportion of adults who successfully completed treatment in a year and did not re-present 6 months, of the total number of adults in treatment in a year)	Bigger is Better	42.0%	42.0%	37.6% (R)	37.8%	Worsening	38.7%	Worsening	National 39.5% (30/8/16, Adult Partnership Activity Report)	Performance is a 0.2% decrease from Q4 and from the National Drug Treatment Monitoring System baseline period, and is 4.4% below the 2016/17 year-end target.
PH/C13	Successful treatment - non-opiate and alcohol users (Proportion of adults who successfully completed treatment in a year and did not re-present 6 months, of the total number of adults in treatment in a year)	Bigger is Better	32.0%	32.0%	29.1% (R)	24.0%	Improving	31.2%	Worsening	National 35.2% (30/8/16, Adult Partnership Activity Report)	Performance has improved from Q4, and 2.9% below the 2016/17 year-end target (32%).  The Senior Commissioning Manager and provider have met with the Public Health England Programme Manager to review the Recovery Diagnostic Tool for Barnet.
PH/C14	Re-presentations - opiate users (Proportion of adults who successfully completed treatment in the first 6 months of the latest 12 month period but re-presented after 6 months)	Smaller is Better	12.0%	12.0%	15.8% (R)	28.6%	Improving	16.7%	Improving	National 18.1% (30/8/16, Adult Partnership Activity Report)	Improved performance from Q4 (28.6%) and equates to three clients returning to the service within six months.

Ref	Indicator description	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/1)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
PH/C15	Re-presentations - non-opiate users (Proportion of adults who successfully completed treatment in the first 6 months of the latest 12 month period but re-presented after 6 months)	Smaller is Better	8.0%	8.0%	22.2% (R)	0.0%	Worsening	5.3%	Worsening	National 5.7% (30/8/16, Adult Partnership Activity Report)	Due to the overall low numbers of clients even a single re-presentation would have resulted in the target of 8% not being met.  The Senior Commissioning Manager and the provider have met with the Public Health England Programme Manager and reviewed the Recovery Diagnostic Tool for Barnet.
PH/C19	Number of schools registered for the Healthy Schools London awards - (a) primary	Bigger is Better	6 Additional Schools (86 in total)	2	1 (R)	3	Worsening	3	Worsening	England N/A London N/A	The provider has focused efforts on ensuring that applications for awards have been sent off on time (i.e. before the end of the summer term). Barnet currently has the highest number of schools registered for the Healthy Schools London scheme in London.

Ref	Indicator description	Polarity	Annual 2016/17 Target	Q1 2016/17 Target	Q1 2016/17 Result	Q4 2015/16 Result	DOT Short Term (From Q4 2015/1)	Q1 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
PH/S11	Excess weight in adults	Smaller is Better	56.8%	56.8%	57.82% (GA)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	England 64.6% London 58.4% (16/9/16, Public Health Outcomes Framework)	Work has continued to develop the Tier 2 service specification and is now out to tender. There has been a discussion held with the Whittington Hospital with regards to the delivery of Tier3 and how this interacts with the current tier 4 service.
PH/S13	Percentage of new attendances of all under 25 year olds tested for chlamydia	Bigger is Better	70.0%	70.0%	52.0% (RA)	New for 2016/17	New for 2016/17	New for 2016/17	New for 2016/17	England N/A London N/A	Most young people who present to the sexual and reproductive health service for the first time do so to access contraception, and many do not feel comfortable discussing or accepting sexual health or chlamydia screening.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	2 (50%)	2 (50%)	0 (0%)

Public Health has 4 risks. 2 of these (50%) are Medium Low, and 2 (50%) are Medium High. 1 risk (25%) scored 12 or above and has been escalated to the Strategic Commissioning Board for review this quarter. 0 risks (0%) scored 15 or above.

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>The London Borough of Barnet has been awarded Cleaner Air Borough (CAB) status for effectively monitoring and reducing air pollution. This was following the Greater London Authority (GLA) acceptance of the 2015 Air Quality Annual Status Report (ASR) in fulfilment of requirements within the Environment Act 1995. Particular areas of commendation included the council's active engagement with schools and the local public through the Air Quality Champion scheme run jointly with Harrow and progress on a number of sustainable measures as part of the North Finchley Clean Air project.</li> <li>Significant milestones for the multi-billion pound Brent Cross Cricklewood scheme have been reached this quarter with the signing of Delivery Partnership agreements for the Brent Cross North and Brent Cross South developments; and the formation of a new The Joint Venture Limited partnership for the Brent Cross South development between the council and Argent Related (Development Partner). The scheme will create a new town centre, incorporating 7,500 homes, 27,000 jobs, three re-built schools, redevelopment of Brent Cross shopping centre, new parks and community facilities, an additional Thameslink train station, as well as major road and public transport improvements.</li> <li>The official opening of the new family-friendly Hope Corner Community Centre took place in September with over 300 guests in attendance. The new Centre is part of Barnet's regeneration of the Dollis Valley Estate with aims to create a new integrated community and a new mixed tenure housing development of 631 homes.</li> <li>The Japanese community in Barnet celebrated the 80<sup>th</sup> anniversary of the special relationship between the Japanese Residents Association and Hendon Cemetery where a specific section of the cemetery is reserved for Japanese people who have passed away and are buried in accordance with their cultural and religious customs. The Japanese Deputy Prime Minister was in attendance at the ceremony with the Ambassador for Japan. The Mayor of Barnet and the Leader of the Council were also in attendance. The event was hailed a complete success, and the Japanese association was extremely thankful.</li> <li>Following a successful lengthy and complex planning and proceeds of crime investigation and subsequent prosecution, a landlord guilty of</li> </ul>	<ul style="list-style-type: none"> <li>Reactive repairs on 7 day turnaround highways defects, continues to be a challenge. Whilst repairs are being done, there have been backlogs at the start of the quarter and limited data to track performance on turnaround times. The contractor has reported problems with its technology and communication systems used for capturing defect completion data live on site, and have also raised concerns with having adequate resources in place to meet demand. Re continues to work collaboratively with the Authority in discussions and measures with Authority's 3<sup>rd</sup> party contractor towards a speedy resolution of the performance issues. An extraordinary Contract Management meeting between the Authority's 3<sup>rd</sup> party Contractor and Re was held on 4<sup>th</sup> August and a rectification plan is now in place with a timeline to restoring performance to the 7 day timescales by the end of October 2016. Further meetings and reviews are scheduled and a request for a comprehensive plan to be provided for review that addresses the IT issues affecting the timely reporting of their performance data.</li> <li>Rectification of outstanding issues regarding thin surfacing on the Network Recovery Plan (NRP) programme are still to be satisfactorily resolved. Inspections and closer monitoring of works has been undertaken and Re has issued an updated Snagging List to the contractor on 2015/16 Micro and Surface Dressing schemes, which identifies 12 sites with defects requiring rectification and 38 sites under observation. Tests have been carried out on the binder material and discussions are ongoing with the contractor to rectify issues.</li> <li>Difficulty forecasting requirements for planning resources in-line with the Delivery Partners' submission programmes is an issue when considered against the context of challenges faced with obtaining scarce resources from within the recruitment market place. The concern is being monitored and escalated with Delivery Partners at the Integrated PMO Board, and more robust programmes requested. Following further submissions from Delivery Partners, requests have been made for more information in certain areas (on planning submission dates for RMA and pre-Commencement activities, as well as start on site, funding drawdown, and shopping centre opening dates) and for a combined programme including all submissions.</li> <li>With a third of Colindale housing delivery complete, implementation of</li> </ul>

Successes	Challenges
breaching a planning enforcement notice has been ordered to pay a record fine and costs to Barnet Council. The landlord has been ordered to pay £700,000 for unlawful house conversion under the Proceeds of Crime Act (PoCA). The sentence and confiscation award are the highest for Barnet Council in a case of this nature. Re carried out the planning enforcement case.	infrastructure to support the doubling of homes in the ward is lagging behind. There is a need to undertake a review of infrastructure projects designated for Colindale, identifying scope, funding sources, at what stage they are at, issues delaying the progress of the project and actions required to progress each schemes. All infrastructure projects, their current status, expected completion date and programme, are in the process of being compiled. This will be accompanied by the delivery phases of the major private developments and a map of all activities being undertaken. Significant challenges on the junction schemes and a challenge to TfL regarding the new tube station, requires a response. Furthermore, detailed analysis on Colindale Avenue widening is still underway. This should be resolved by the end of November 2016

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	89% (48)	7% (4)	0% (0)	4% (2)	77% (43)	23% (13)

75 indicators are reported in Q2 2016/17. 54 have given a RAG rating: 89% (48) are “on or above target” and 11% (6) are “below target”. 56 have been given a Direction of Travel (DOT) status: 77% (43) have an “improved/same” DOT and 23% (13) have a “worsened” DOT from the same period last year. Of the 6 “below target”, 1 is Corporate Plan Indicator and can be found in Appendix A:

- KPI 2.1-2.3 Highways defects made safe within agreed timescale.

5 are Service Indicators (in the Assets, Regeneration and Growth Committee Commissioning Plan and/or Re contract) and are set out below.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
KPI 1.2 NM (Annual)	Annual Programme relating to Carriageway Resurfacing schemes	Bigger is Better	100%	100%	96.4% (GA)	Annual indicator	Annual indicator	100%	Worsening	No benchmark available	1 of the 27 carriageway schemes due in September was delayed due to water leak. As a result the quarter performance was less than the 100% target.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
KPI 1.1 NM	Implementation of the Annual programme relating to Highway Safety Inspections	Bigger is Better	100%	100%	98.2% (GA)	100%	Worsening	100%	Worsening	No benchmark available	Q2 performance is based on the first two months data only (July & August) as September data is yet to be determined. Based on the two months, the 100% target was not achieved because 28 out of the 716 inspections in August were completed late.
KPI 2.3 NM	Number of Highways Category 2 Defects Rectification completed on time	Bigger is Better	100%	100%	Data not available (Fail) (R)	99.9%	Not comparable	99.5%	Not comparable	No benchmark available	Reported as a "fail", as no data has been available from the contractor this quarter. Whilst repairs are being done, there have been backlogs at the start of the quarter and limited data to track performance on turnaround times. The contractor has reported problems with its technology and communication systems used for capturing defect completion data live on site, and have also raised concerns with having adequate resources in place to meet demand.

Ref	Indicator	Polarity	2016/17 Annual Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
KPI 2.8 NM	Construction of Vehicle Crossovers within timescales following receipt of payment	Bigger is Better	100%	100%	84.9% (GA)	100.0%	Worsening	100.0%	Worsening	No benchmark available	Q2 performance is based on the first two months data only (July & August) as September data is yet to be received from the 3rd Party Contractor. Based on the two months, the 100% target was not achieved because the contractor completed 8 of 53 constructions outside of timescales. Personnel issues and bad weather were cited as reasons for the delay.
TSLKPI02	Appropriate response to statutory deadlines in relation to the Licensing and Gambling Act. Service requests (e.g. applications) dealt with to pre-set standards / Total number of service requests	Bigger is Better	100%	100%	99% (GA)	100%	Worsening	100.0%	Worsening	No benchmark available	1 out of 148 responses was out of timeline achieving 99% against a target of 100%.

Re is still to finalise its risk register. However, 1 risk is known to have scored 15 or above and has been escalated to the Strategic Commissioning Board this quarter; and has been published in the Corporate Risk Register (Appendix J). This is shown below.

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
RE001	Development pipeline: Property build exceeds target cost	<p>LBB is unable to commission the construction of the properties specified within the development pipeline at the target cost defined within the business plan due to:</p> <ul style="list-style-type: none"> <li>- construction inflation</li> <li>- team skills and experience, or</li> <li>- ineffective management of delivery.</li> </ul> <p>All of this could result in reduced profit or loss on properties, potential abandonment of the project and lost sunk costs, reputational damage.</p>	Commissioning Director, Growth & Development	Financial	<p>Development management is provided by GL Hearn. There is a project management toolkit (including the gateway process). There is also contingency within the target cost. This work is the subject of a competitive procurement process.</p> <p>Current contractor prices are being challenged through a benchmarking process. Schemes have been reappraised and value engineered at supply chain costs. Negotiations with the selected contractor are continuing.</p>	4	5	4	4	16	Treat

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	97 (8.6%)	(15,063)	N/A

The projected **revenue** overspend of £0.097m within Regional Enterprise represents 8.6 per cent of the total Delivery Unit budget £1.134m.

- There is an anticipated overspend of £0.317m on the Re Management Fee due to additional payments required to ensure the completion of work outside the scope of original contract.
- Realisation of income from the Local Implementation Plan (LiP) being reduced following decisions to reduce charge out rates to TfL. The reduction in fees has been offset by potential savings on reactive maintenance works. The 2016/17 Managed Budgets are currently under review.

The **Re** delivery unit capital programme has decreased by £21.018m. This is largely due the transfer to Housing Needs and Resources of the Development Pipeline project (£5.056m) and slippage across a number of other projects. The main areas of slippage are the General Fund regeneration projects for Colindale, Graham Park and Town Centres, the start of which are delayed (£13.273m), the refurbishment of Hendon Cemetery and Crematorium which is still in the planning phase (£1.063m) and new affordable homes now planned for 2017/18 (£1.416m).

## Registrar Service

### Registrars

Successes	Challenges
<ul style="list-style-type: none"> <li>The number of private citizenship ceremonies held this quarter have doubled; with a total of 47 compared to 23 in Q1 2016/17. Each private ceremony attracts a charge of £100, so the increase of 24 ceremonies has increased the income generated by 104%. Private citizenship ceremonies have been offered at weekends and other slots that had not filled in the diary to maximise income generation.</li> <li>There has been a notable increase in the number of marriages officiated in Q2 2016/17 (221) compared to those in Q1 2016/17 (166) bringing the total income to £39,670. The income generated from marriages this quarter has seen an increase of £10,875 compared to Q1 2016/17. This is one of the busiest periods of the year and this quarter also saw an increase in ceremonies at approved premises in Barnet that have higher fees.</li> <li>The Nationality Checking Service (NCS) has seen an increase in demand for Q2 2016/17 (335) compared to Q1 2016/17 (241). The total income generated by the 335 customers that were seen for NCS was £19,875, which compared to the previous quarter's 241 customers (£15,180). This shows an increase in the income generation by 31%.</li> </ul>	<ul style="list-style-type: none"> <li>The service has been operating with limited staffing resources. The training progression to have an officer cover all aspects of the registration and nationality process is approximately 3-6 months. Recruitment has been undertaken and training completed for Marriages and Nationality Checking Service but further training is required on births and deaths, which will be completed by the end of Q3 2016/17. This will allow for more double diaries for birth appointments to take place to improve performance and enable additional appointments for the Nationality Checking Service.</li> <li>Increasing the percentage of deaths registered within the required legal period. Staff will be rotated from 3 October 2016 to facilitate extra diaries and appointments will be reviewed, including extra appointment times for death registrations. The results will be reviewed in December 2016.</li> <li>Income generation and maximisation. A review of service fees and charges will be carried out to harmonise these across both authorities. Diary and appointment times will also be reviewed. The planned relocation to Hendon Town Hall in early 2017 will offer new opportunities for maximising income.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	44% (4)	33% (3)	0% (0)	22% (2)	0% (0)	0% (0)

10 indicators are reported in Q2 2016/17. 9 have been given a RAG rating: 44% (4) are "on or above target" and 56% (5) are "below" target". None have been given a Direction of Travel (DOT) status. Of the 5 "below target", all are in the Registrar Service contract and are set out below.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 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%	91% (GA)	94%	Worsening	New for 2015/16 – first reported in Q3	New for 2015/16 – first reported in Q3	No benchmark available	<p>The increase in birth appointments requests is due to the closure of Chase Farm Hospital, this has increased the number of births being registered in the district of Barnet overall.</p> <p>The volume of births outweighs other service demands. The recent</p>
R/3	Percentage of deaths registered within 5 working days of request	Bigger is Better	95%	95%	61% (R)	33%	Improving	New for 2015/16 – first reported in Q3	New for 2015/16 – first reported in Q3	No benchmark available	<p>The service has recruited two additional staff in Brent to fill a number of vacancies that had been held to assist in mitigating the budget deficit.</p> <p>The staff have been trained on some duties and this will release more senior staff to register births and deaths.</p>
R/4	Percentage of Marriage/Civil Partnership notices offered within 10 working days of request	Bigger is Better	90%	90%	37% (R)	22%	Improving	New for 2015/16 – first reported in Q3	New for 2015/16 – first reported in Q3	No benchmark available	<p>With changes proposed in R1 and R3 and additional staffing, new diary times and maximising staffing allocation will increase the numbers of appointments available which will therefore reduce the current waiting times.</p>

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q1 2015/16)	Benchmarking	Comment where "below target"
R/8	Percentage of incoming birth, still-born and death declarations registered with 24hrs of receipt	Bigger is Better	90%	90%	81% (GA)	100%	Worsening	New for 2015/16 – first reported in Q3	New for 2015/16 – first reported in Q3	No benchmark available	We are making all efforts to deal with the incoming declarations within the 24hours of receipt.  The Nominated Officer/Senior Registration and Nationality Officer I would be also processing them in between other duties such as inquests and officiating marriages.
R/9	Percentage of applications offered appointment within 7 working days of Registration Officer receiving GRO notification	Bigger is Better	90%	90%	80% (GA)	98%	Worsening	New for 2015/16 – first reported in Q3	New for 2015/16 – first reported in Q3	No benchmark available	If corrections do not require a witness they will always be done within the 48 hours of the receipt as they get filed in the main office and the Nominated Officer deals with them on a weekly basis. When it comes to corrections which require a witness to be present, this proves to be more of a challenge as on occasions it is hard to get hold of the customer and book the for the appointment or that we may not have any available slots in the births and deaths diaries for a number of days ahead.

The Registrars Service has reported no risks this quarter.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	185 (115.6%)	N/A	N/A

The projected **revenue** overspend of £0.185m within the Registrar Service (Births, Deaths and Marriages) represents 115.6 per cent of the total service budget (£0.160m). Legislative changes since the budget was set has resulted in the demand for ceremonies decreasing significantly. Work is being continued within the service to maximise existing resources and overcome financial constraints.

## Street Scene

Successes	Challenges
<ul style="list-style-type: none"> <li>Agency usage has been significantly less than in the same quarter last year and Street Scene is on track to reach its target of reducing agency expenditure to 15% of its wage bill.</li> <li>The Street Scene Delivery Unit has taken on apprentices; one of whom is now a full time permanent member of staff.</li> </ul>	<ul style="list-style-type: none"> <li>A strong draft ADM proposal has been submitted, utilising existing resources within Street Scene. This has included a review of current and future operations to deliver a high quality, efficient and cost-effective service. Street Scene has worked with The Barnet Group, unions, staff and partners to develop the submission, with a range of staff involvement and briefing sessions held as part of this work. This ADM submission work is being undertaken whilst carrying out business as usual.</li> <li>Work has been undertaken to assist in the smooth relocation of the Passenger Fleet from Mill Hill Depot to North London Business Park; whilst half of the operational Recycling and Waste and Street Cleansing service will relocate to Harrow in Q3 2016/17.</li> <li>A number of changes are taking place or are planned to take place shortly including Unified Reward, relocation from Mill Hill Depot to Harrow and Oakleigh Road South and the ADM. These are all creating uncertainties for staff leading to a loss of morale and motivation. Street Scene is delivering a change management plan, which includes regular communication with staff on activities related to these.</li> </ul>

Service Performance	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened
	<b>67% (6)</b>	<b>0% (0)</b>	<b>22% (2)</b>	<b>11% (1)</b>	<b>88% (7)</b>	<b>13% (1)</b>

9 indicators are reported in Q2 2016/17. 9 have been given a RAG rating: 67% (6) are “on or above target and 33%(3) are “below” target”. 8 have been given a Direction of Travel (DOT) status: 88% (7) have an “improved/same” DOT and 13% (1) have a “worsened” DOT from the same period last year. Of the 3 “below target”, 1 is a Corporate Plan Indicator and can be found in Appendix A:

- SS/S3 Percentage of household waste sent for reuse, recycling and composting
- 2 are Service Indicators (in the Environment Committee Commissioning Plan and/or Street Scene Management Agreement) and are set out below.

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/C1	Waste tonnage – residual per household	Smaller is Better	590.85 kg per HH	154.16 kg per HH	165.57 kg per HH (R)	157.54 kg per HH	Worsening	165.23 kg per HH	Worsening	Barnet ranked 24 out of 31 London Boroughs	The tonnage of residual waste being disposed of by households continues at a high. Current residual capacity at houses is high, with standard capacity being 240 litres per week, and a number of properties having in excess of this capacity.
SS/C2	Waste tonnage – recycling per household	Bigger is Better	427.97kg per HH	119.64 kg per HH	107.7715 kg per HH (RA)	78.4 kg per HH	Improving	106.06 kg per HH	Improving	No benchmark available	The dry recycling contamination rate has increased from 5.03% in Q1 2015/16 to 8.32% in Q1 2016/17 reflecting increased sampling and monitoring at the Materials Recovery Facility, however actual tonnage recycled is still higher in Q1 2016/17 compared to Q1 2015/16.

Service Risks	Low	Medium Low	Medium High	High
	0 (0%)	1 (14%)	6 (86%)	0 (0%)

Street Scene has 7 risks. 1 of these (14%) is Medium Low, and 6 (86%) are Medium High. 2 risks (29%) scored 12 or above and have been escalated to the Strategic Commissioning Board for review this quarter. 0 risks (0%) scored 15 or above.

Finance	Revenue Budget Variance (000s)	Capital Budget Variance (000s)	Savings achieved (000s)
	397 (2.9%)	(630)	690 (71.9%)

The projected **revenue** overspend of £0.397m within Street Scene represents 2.9 per cent of the total Delivery Unit budget (£13.624m).

- There is an anticipated overspend of £0.502m within Waste and Recycling due to higher staffing costs to ensure continued service delivery to a high standard. This has been offset by an anticipated underspend of £0.294m within Trade Waste due to increased income and tight controls on expenditure of supplies.

The Street Scene **capital** programme has forecast a reduction from the approved budget of £0.630m.

- £0.120m relates to the deletion of the Langan project which is no longer viable.
- Slippage of £0.510m is largely due to the waste, vehicles and equipment project which has slippage of £0.390m as a result of the review of an alternative delivery model still being considered and the installation of the fuel storage at the depot being delayed until 2017/18.

## Your Choice Barnet (YCB)

Successes	Challenges
<ul style="list-style-type: none"> <li>YCB has carried out a consultation process with the service users, their families and the staff to discuss the proposed transformation of the way some of the services are delivered, focusing on improved outcomes for the people it supports. The response from these key stakeholders has been very positive with a high level of engagement and interest.</li> <li>The number of referrals from Barnet Council and self-referrals from people using direct payments has increased significantly to 43; meaning that the collective target for the full year (40) has been exceeded already.</li> <li>The target income that YCB achieves from outside of Barnet Council (10%) has been steadily increasing and is currently 18.8%.</li> </ul>	<ul style="list-style-type: none"> <li>Staff sickness has reduced to 11.5 days (from 13.2 days in Q1 2016/17); however, remains off target. Sickness absence continues to be monitored closely within the services and by the management team.</li> <li>The Accident and Incident rate has moved from Green to Red. This figure historically fluctuates due to the vulnerability of YCB service users; and the services ensure robust reporting of all incidents.</li> <li>The number of referrals from other Local Authorities has increased to 5 (from 4 in Q1 2016/17); however remains below the target of 10. YCB continues to market its services both within Barnet, to self-funders and within neighbouring boroughs.</li> </ul>

Service Performance	Green	Amber	Red	Improved/Same	Worsened
	75% (15)	20% (4)	5% (1)	73% (16)	27% (6)

24 indicators are reported in Q2 2016/17. 20 have been given a RAG rating: 75% (15) are “on or above target” and 25% (5) are “below target”. 22 have been given a Direction of Travel (DOT) status: 73% (16) have an “improved/same” DOT and 27% (6) have a “worsened” DOT as per the percentage of the target variance. Of the 5 “below target”, all are in the YCB contract and are set out below.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where “below target”
YCB 10	Staff sickness	Smaller is Better	Green: 10 or below Amber: 11 to 20 Red: 20 or above	Green: 10 or below Amber: 11 to 20 Red: 20 or above	11.5 (Amber)	13.2	Improving	Not available	Not available	No benchmark available	Staff sickness has reduced to 11.5 days from 13.2 days in Q1. Managers continue to monitor sickness closely, however for our services we have to ensure that service users are not at risk of infectious conditions and if a member of staff even has a minor illness such as cold they are encouraged to stay away from the service.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
YCB 11	Agency staff	Smaller is Better	Green: 10% or below Amber: 10.1% to 19.9% Red: 20% or above	Green: 10% or below Amber: 10.1% to 19.9% Red: 20% or above	11.1% (Amber)	10.4%	Worsening	14.4%	Improving	No benchmark available	Agency usage is slightly up (11.1%) from 10.4% in Q1. Agency usage continues to be monitored closely and the services work towards covering unplanned absences with contracted staff.
YCB 12	Accident Incident Rate	Smaller is Better	Green: below 5,000 Red: ≥ 5,000	Green: below 5,000 Red: ≥ 5,000	6,000 (AIR only) (R)	4,000 (AIR only)	Worsening	Not available	Not available	No benchmark available	There has been an increase in the number of Accidents and Incidents with the rating moving from 4,000 in Q1 up to 6,000. This indicator historically fluctuates and due to the vulnerability of YCB service users the services ensure robust reporting of all incidents.
YCB 19	New referrals from other local authorities.	Bigger is Better	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)	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)	5 (Amber)	4	Worsening	6	Worsening	No benchmark available	There have been 5 new referrals from other Local Authorities against a target of 10, YCB actively markets its services both within Barnet and neighbouring authorities.

Ref	Indicator	Polarity	Annual 2016/17 Target	Q2 2016/17 Target	Q2 2016/17 Result	Q1 2016/17 Result	DOT Short Term (From Q1 2016/17)	Q2 2015/16 Result	DOT Long Term (From Q2 2015/16)	Benchmarking	Comment where "below target"
YCB 23	Service utilisation Valley Way	Bigger is Better	Green: 90% or higher Amber: 81-89% Red: 80% or lower	90%	Overall: 89% Mon-Thu 87% Fri-Sun 92% (Amber)	Overall: 88% Mon-Thu 84% Fri-Sun 94%	Improving	Not available	Not available	No benchmark available	Valley Way Utilisation has slightly improved to 89% from 88% against a target of 90%.

YCB risks are contained within the risk register for Barnet Homes, above.

## 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	4	0	0	Improvements have been made on a number of projects within the portfolio. The Community Asset Strategy / Community Centres project has moved from a Red to Amber RAG rating as a way forward has been agreed and the change of approach will focus on the land transfer. The Unified Reward project continues to progress to plan; contracts of employment have been provided to circa 1,460 council staff and go-live was reached on the 1 October 2016. The Business Case for Customer Transformation has been approved by Policy & Resources Committee on 5 October 2016. The Healthy Workforce Charter excellence award has been achieved on 5 October 2016. Scoping work has taken place for the Smarter Working aspects of The Way We Work programme, including a programme plan, resource model and overall budget.
Adults and Health Portfolio	8	4	1	0	Progress has been made across a number of projects in the portfolio. A number of key decisions have been made and milestones met on the projects. Public consultation for the proposals regarding the Alternative Delivery Vehicle and Operating Model have taken place between 16 May and 8 August 2016 and the revised Business Case has been agreed at the Adults and Safeguarding Committee on the 19 September 2016. For the Your Choice Barnet project consultation has been undertaken and ended on the 23 September 2016. For the Sports and Physical Activity (SPA) project the diving petition has been considered by Policy & Resources Committee on 1 September 2016 and the project has instructed to continue to progress with the planning process but to return to committee later in the year with a paper reviewing the implications of including diving provision. The planning applications for both schemes (Barnet Copthall and New Barnet) are planned for December Planning Committee. The Investing in IT project continues to be RAG rated as Red; the new adult social care system go-live date has been delayed and work is continuing until the re-planning of all work streams is complete.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Children and Young People Portfolio	8	3	2	0	Progress has been made across the portfolio and a number of projects are progressing in concept phase. For the Libraries project, a 60 day staff consultation ran from 7 July to 5 September 2016. For the Partnership Library 11 Expressions of Interest have been received and of these six met the required standards and have been invited to formally submit detailed business cases. For the Barnet Youth Zone, OnSide and the Young People's Development have held a brand launch event for 'Unitas' (Barnet Youth Zone) at Saracens Rugby Club. For the Theory of Practice / Social Work Practice Improvement project, work continues in reducing caseloads, specifically Intervention and Planning and Duty Assessment Team and significant work has taken place in cleansing the Annex A data to ensure casefiles are up-to-date and accurate. The relocation of Meadow Close is RAG rated as Red due to challenges with the budget and scope of benefits.
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 in the last three months. The Outline Business Case for the Street Scene alternative delivery model has been reviewed at Environment Committee and has been referred to Full Council on 1 November 2016. Consultation on the use of time-banded collections for the Commercial Recycling and Waste project has taken place in Mill Hill throughout September 2016 and consultation on the new Corporate Enforcement Policy commenced on the 18 September 2016. 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 the 27 June to 21 October 2016. Construction is continuing on the Oakleigh Road Depot site. The issuing of Moving Traffic Contraventions (MTCs) has continued, with progress on phase 2. The cameras at Tilling Road went live on 28 September 2016.

Portfolio	Green Status	Amber Status	Red Status	Not yet started	Comments
Growth and Development Portfolio	8	7	1	0	A number of milestones have been reached in the past three months, with only one project RAG rated as Red. In the Regeneration Programme, within Grahame Park 14 social rented and 5 shared ownership homes have been handed over on Plot 5 and within the Colindale project the new Barnet College Campus and Library has opened. The Granville Road project has moved from a Red to Amber RAG rating, as the outcome of the public inquiry was that Sherrygreen's appeal was upheld and Planning Permission has been awarded. On the Development Pipeline programme, within Tranche 3 HRA Infill, the Planning Committee has approved planning permissions for eight small sites in the borough and 1 site in Haringey on 8 September 2016; and Opendoor Homes request for gap funding of £900,000 to proceed with design development has been approved by Policy & Resources Committee on 5 October 2016. All of the 40 homes from Tranche 0 HRA Infill have been handed over. The General Fund Mixed Tenure Housing (Tranche 1) project continues to be RAG rated as Red; reviews of the 'market tested' Stage 2 Tender price have been taking place to explore opportunities for Value engineering in an attempt to reduce the overall project build cost by circa £8.3m. The Entrepreneurial Barnet programme is progressing and the Burnt Oak Place-Based Strategy is now completed and ready for final consultation for two weeks prior to publication.
Education Capital Programme	22	5	0	1	Progress continues to be made across a number of projects and new projects have been initiated, such as St Mary's and St Johns Phase 3. Overall the programme is on target to achieve pupil places when required. The successful supplier for the Aggregated Procurement (to provide a single contracted partner for design and build work, including schools and leisure centres) has been notified and the standstill period has commenced. At Monkfrith school Section 1 (Phase 1) KS1 and Reception Classrooms and the front entrance reception have been completed and handed over in September 2016. The London Academy work has been completed and the final snagging of the whole building completed on 23 September 2016.

## 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>	
1. No more than 5% off target; and 2. A positive Direction of Travel		1. Between >5% and no more than 10% off target; and 2. Positive Direction of Travel or negative Direction of Travel not in excess of 2.5% (if improvement plan in place)	
NB. For indicators with known margin of error e.g. Residents' Perception Survey, any Red rated indicator within the margin of error will be uprated to Red amber.			

## Key to Risk RAG ratings:

IMPACT	Score:	LIKELIHOOD				
		1	2	3	4	5
		Rare	Unlikely	Possible	Likely	Almost Certain
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

Appendix C - Revenue Monitoring

Adults and Communities

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Performance & Improvement	992	1,317	1,325	8		0.6%
Safeguarding	604	667	1,146	479	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.	71.8%
Care Quality	4,736	4,438	4,372	(66)	Contract underspends within Housing related support.	-1.5%
Community Well-being	733	535	293	(242)	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.	-45.2%
Customer Care	334	254	259	5		2.0%
Customer Finance	719	845	861	16		1.9%
Dir Adult Soc Serv & Health	187	795	164	(631)	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.	-79.4%
Integrated care - LD & MH	40,587	39,575	42,185	2,610	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.	6.6%
Integrated care - OP & DP	35,609	38,382	41,040	2,658	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.	6.9%
Prevention & Well Being	653	657	654	(3)		-0.5%
Social Care Management	412	1,442	1,375	(67)	Underspend on staffing offsetting other pressures.	-4.6%
<b>Total</b>	<b>85,566</b>	<b>88,907</b>	<b>93,674</b>	<b>4,767</b>		<b>5.4%</b>

Assurance						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Elections	348	356	356	-		0.0%
Assurance Management	565	579	579	-		0.0%
Governance	2,144	2,171	2,171	-		0.0%
Internal Audit & CAFT	736	756	756	-		0.0%
<b>Total</b>	<b>3,793</b>	<b>3,862</b>	<b>3,862</b>	<b>-</b>		<b>0.0%</b>
Registrars Service						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Births Deaths & Marriages	(160)	(160)	25	185	Legislative changes since the budget was set has resulted in the demand for ceremonies decreasing significantly. Work is being continued within the service to maximise existing resources and overcome financial constraints.	115.6%
<b>Total</b>	<b>(160)</b>	<b>(160)</b>	<b>25</b>	<b>185</b>		<b>115.6%</b>
Central Expenses						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Capital Financing	19,260	19,260	19,260	-		0.0%
Car Leasing	2	-	-	-		0.0%
Central Contingency	7,877	428	428	-		0.0%
Corporate Fees & Charges	264	264	202	(62)	Underspend on Audit Fees.	-23.5%
Corporate Subscriptions	314	314	149	(165)	Underspend on Subscriptions.	-52.5%
Early Retirement	3,577	3,577	3,577	-		0.0%
Local Area Agreement	105	105	105	-		0.0%
Levies	19,242	19,242	19,242	-		0.0%
Miscellaneous Finance	740	742	742	-		0.0%
<b>Total</b>	<b>51,381</b>	<b>43,932</b>	<b>43,705</b>	<b>(227)</b>		<b>-0.5%</b>

Commissioning Group						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Finance & Resources	740	973	579	(394)	TBC	-40.5%
Commercial	1,049	903	981	78	Overspend on out of hours service (GDIT) and agency staff costs. In addition, some running costs have also not been budgeted for.	8.6%
Adults and Health	1,258	1,292	1,267	(25)	Overspend on the GLL contract offset by savings on vacant posts.	-1.9%
Communications	674	639	816	177	No budget exists for projects such as Citizen's Panel, Engage Barnet, Survey Monkey.	27.7%
Commissioning Strategy	441	510	619	109	Base budget shortfall on staffing costs.	21.4%
Children & Young people	444	560	556	(4)		-0.7%
Environment	12,049	12,861	12,849	(12)	Underspends on supplies and services	-0.1%
Growth & Development	175	171	181	10	Overspend is due to increased staffing costs	5.8%
Information Management	880	933	965	32	Overspend due to backfilling of staff on secondment.	3.4%
Programme & Resources	810	814	843	29	Forecast overspend due to agency staff covering vacant post.	3.6%
Strategic Commissioning Board	768	560	560	-		0.0%
<b>Total</b>	<b>19,288</b>	<b>20,216</b>	<b>20,216</b>	<b>0</b>		<b>0.0%</b>
Customer Support Group						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
CSG Managed Budget	4,118	1,195	1,695	500	Additional security costs and reduced income	41.9%
CSG Management Fee	18,002	20,896	20,896	0		0.0%
<b>Total</b>	<b>22,120</b>	<b>22,091</b>	<b>22,591</b>	<b>500</b>		<b>2.3%</b>
Education and Skills						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Education & Skills Management	6,940	7,082	7,157	75	The overspend is due to the Customer Support Group (CSG) rebate of services that Cambridge Education are undertaking.	1.1%
Edu Partnership & Commercial	-	-	-	-		0.0%
Post 16 Education & Skills	-	-	-	-		0.0%
School Improvement	-	-	-	-		0.0%
SEND & Inclusion	-	-	-	-		0.0%
<b>Total (excluding SDM)</b>	<b>6,940</b>	<b>7,082</b>	<b>7,157</b>	<b>75</b>		<b>1.1%</b>

Family Service						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Family Services Management	1,097	348	171	(177)	Relates to the growth and inflation monies from 2015/16. The budget is held here to offset against social care pressures.	-50.8%
Social Care Management	1,175	1,744	1362	(382)	There is and overspend on legal and translation costs and there is further pressure from a head of service role being covered by agency. This is offset against the £500k agency staff budget that is being held here.	-21.9%
CSC 0-25	2,212	2,262	2155	(107)	Underspends in personal budgets, respite, home support, short breaks and direct payments budgets offset by S17 and S18 overspends.	-4.8%
Intake and Assessment	2,284	2,810	3321	511	Family service have been working with Capita to reduce the cost of agency staff. The service has seen a 10% reduction in the number of agency staff. The overspend relates to the ongoing cost of these changes.	18.2%
Intervention and Planning	2,832	3,490	4124	634	Family service have been working with Capita to reduce the cost on agency staff. The service has seen a 10% reduction in the number of agency staff. The overspend relates to the ongoing cost of these changes.	18.2%
Permanence Trns & CorParenting Placements	3,184	3,442	3788	346	As above per as well as an increase in asylum seekers.	10.0%
Safeguarding & Quality Commissioning & Business Imp.	17,468	17,616	17417	(199)	Overspend on demand led budgets such as special guardianships, residence orders, preparation for independence, family assessments and remand service. This is partly offset by income from joint funded placements in residential care.	-1.1%
Early Years	1,790	2,125	2041	(84)	Mainly due to vacant posts being filled later in the year.	-4.0%
Libraries & Comm.Engagemnt	3,025	3,678	3662	(16)	Underspend from early MTFS savings achieved.	-0.4%
Youth & Family Support	2,765	3,822	3941	119	Overspend mainly from an income shortfall within the childcare function.	3.1%
	5,426	5,654	5632	(22)		-0.4%
	3,223	3,559	3444	(115)	Part-year vacancies due to delayed recruitment.	-3.2%
<b>Total</b>	<b>46,481</b>	<b>50,550</b>	<b>51,057</b>	<b>507</b>		<b>1.0%</b>
HB Public Law						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
HB Law	2,011	2,011	2,070	59	Planned purchase of additional hours.	2.9%
<b>Total</b>	<b>2,011</b>	<b>2,011</b>	<b>2,070</b>	<b>59</b>		<b>2.9%</b>
Housing Needs and Resources						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Housing Needs Resources	4,976	5,560	5,854	294	Increase in temporary accommodation costs due to rental income not fully covering the costs where a limit on the Local housing allowance rates that can be received is set.	5.3%
<b>Total</b>	<b>4,976</b>	<b>5,560</b>	<b>5,854</b>	<b>294</b>		<b>5.3%</b>

Parking and Infrastructure						
Description	Variations				Comments	% Variation of revised budget
	Original Budget £000	Budget V1 £000	Q2 Forecast £000	Variation £000		
Highway Inspection/Maintenance	354	366	337	(29)		-7.9%
Parking	(458)	(458)	(466)	(8)		-1.7%
Special Parking Account	(8,052)	(8,032)	(8,032)	-		0.0%
Street Lighting	6,224	6,228	6,173	(55)	Amendment for carbon emissions.	-0.9%
<b>Total</b>	<b>(1,932)</b>	<b>(1,896)</b>	<b>(1,988)</b>	<b>(92)</b>		<b>-4.9%</b>
Public Health						
Description	Variations				Comments	% Variation of revised budget
	Original Budget £000	Budget V1 £000	Q2 Forecast £000	Variation £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>
Regional Enterprise						
Description	Variations				Comments	% Variation of revised budget
	Original Budget £000	Budget V1 £000	Q2 Forecast £000	Variation £000		
RE Management Fee	77	(11)	306	317	Overspend due to additional payments required to ensure the completion of work outside the scope of original contract.	2881.8%
Re Managed Budgets	1,057	1,145	925	(220)	Realisation of income from the Local Implementation Plan (LiP) has been reduced following decisions to reduce charge out rates to TfL. The reduction in fees has been offset by potential savings on reactive maintenance works. The 2016/17 Managed Budgets are currently under review.	-19.2%
<b>Total</b>	<b>1,134</b>	<b>1,134</b>	<b>1,231</b>	<b>97</b>		<b>8.6%</b>
Street Scene						
Description	Variations				Comments	% Variation of revised budget
	Original Budget £000	Budget V1 £000	Q2 Forecast £000	Variation £000		
Business Improvement	264	341	368	27	Overtime payments required to ensure business continuity.	7.9%
Green Spaces	4,330	4,386	4,433	47	Bowling Green savings delayed – expected in 2017/18.	1.1%
Mortuary	99	99	99	-		0.0%
Waste & Recycling	7,281	6,368	6,870	502	Higher staffing costs to ensure continued service delivery to a high standard.	7.9%
Street Cleansing	3,527	3,625	3,606	(19)	Reduction in weed spraying costs.	-0.5%
Street Scene Management	652	592	726	134	One off management costs to ensure increased capacity to deliver services.	22.6%
Trade Waste	(1,930)	(1,743)	(2,037)	(294)	Increased income and tight controls on supplies expenditure	-16.9%
Transport	(328)	(44)	(44)	-		0.0%
<b>Total</b>	<b>13,895</b>	<b>13,624</b>	<b>14,021</b>	<b>397</b>		<b>2.9%</b>

Dedicated Schools' Grant						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
Education DSG	(6,623)	(13,446)	(13,255)	191	Overspend relates to school budget shares due to 6th form places not fully funded by the EFA, top up funding and the Growth fund which is due to more bulge classes required than forecasted at the beginning of the year.	1.4%
Schools Funding	342	211	211	-		-100.0%
Childrens Social Care DSG	153	403	403	-		0.0%
Early Interven & Preven DSG	6,128	12,832	12,641	(191)		-1.5%
<b>Total</b>	-	-	-	-		<b>-100.0%</b>
Housing Revenue Account						
Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 Forecast	Variation		
	£000	£000	£000	£000		
HRA Other Income & Expenditure	(2,167)	(1,706)	(2,314)	(608)	Higher than expected income for rents and service charges, combined with savings due to efficiencies being delivered in the new management agreement.	-35.6%
HRA Regeneration	1,068	607	244	(363)		-59.8%
HRA Surplus/Deficit for the ye	1,246	1,246	1,246	-		0.0%
Interest on Balances	(147)	(147)	(147)	-		0.0%
<b>Total</b>	-	-	(971)	(971)		<b>-100.0%</b>

Appendix D (i) - Capital Forecast Q2 2016/17

	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Adults and Communities	6,793	(7,170)	1,416	1,039	462	1,039	(5,754)	20.8%	This is due to the transfer of the Sport and Physical Activities project (SPA) to the Commissioning Group (£7.170m). Prior to transfer, the SPA project brought forward expenditure planned in future years in anticipation of an earlier start date (£1.416m).
<b>Adults and Communities</b>	<b>6,793</b>	<b>(7,170)</b>	<b>1,416</b>	<b>1,039</b>	<b>462</b>	<b>1,039</b>	<b>(5,754)</b>	<b>20.8%</b>	
	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Commissioning Group	30,837	7,240	(6,790)	31,287	5,879	31,287	450	-22.0%	The forecast includes the transfer in of the Sports and Activities project from Adults and Communities (£7.170m) and slippage in relation to the ITC Strategy which has now been re-profiled and extended to 2019/20 (£6.790m).
<b>Commissioning Group</b>	<b>30,837</b>	<b>7,240</b>	<b>(6,790)</b>	<b>31,287</b>	<b>5,879</b>	<b>31,287</b>	<b>450</b>	<b>-22.0%</b>	
	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Modernisation Primary & Secondary	5,604	166	(19)	5,750	1,554	5,750	146	-0.3%	Additional spend required at Oak Hill campus, budget transfer from SEN.
Temporary Expansions - Allocated	672	66	244	982	271	982	310	36.3%	Accelerated spend for the St Agnus expansion
Millbrook Park (MHE)	336	-	-	336	197	336	-	0.0%	
Orion Primary	220	-	(7)	213	-	213	(7)	-3.2%	
Blessed Dominic/St James	1,636	-	-	1,636	294	1,636	-	0.0%	
Moss hall	6	-	-	6	-	6	-	0.0%	
Brunswick	8	-	-	8	2	8	-	0.0%	
Menorah Foundation	445	-	-	445	108	445	-	0.0%	
St Mary's and St Johns	920	-	-	920	265	920	-	0.0%	
Martin Primary	62	-	-	62	-	62	-	0.0%	
Oakleigh School	27	-	-	27	-	27	-	0.0%	
Beis Yakov	18	-	-	18	-	18	-	0.0%	
St Joseph's RC Junior & St Joseph's RC Infants School	91	-	-	91	1	91	-	0.0%	
Monkfrith	3,294	986	-	4,280	2,946	4,280	986	0.0%	Additional funds required to complete the expansion - budget transferred from the primaries programme
Wren Academy	1,659	-	-	1,659	1,201	1,659	-	0.0%	
London Academy	3,628	230	(151)	3,708	4,116	3,708	80	-4.2%	Increase funds required for final ICT and external ground work to be completed in the summer 2017
East Barnet Schools Rebuild	560	-	-	560	-	560	-	0.0%	
Permanent Secondary Expansion Programme	21,776	-	(9,101)	12,675	1,821	12,675	(9,101)	-41.8%	The St Mary's and St John's expansion is still in the feasibility stage; the project is now projected to run into 2017/18.
Primary Programme	10,971	(1,216)	-	9,755	-	9,755	(1,216)	0.0%	Budget transferred to St Mary's and St John's and Monkfrith
SEN	7,850	(157)	-	7,693	-	7,693	(157)	0.0%	
Alternative Provision	8,000	-	-	8,000	129	8,000	-	0.0%	
Other Schemes	5,883	(75)	5,845	11,653	135	11,653	5,770	99.4%	Restated budget incorrectly slipped in quarter 1
<b>Education and Skills</b>	<b>73,666</b>	<b>-</b>	<b>(3,189)</b>	<b>70,477</b>	<b>13,040</b>	<b>70,477</b>	<b>(3,189)</b>	<b>-4.3%</b>	

	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Family Services	14,856		(5,444)	9,412	539	9,412	(5,444)	-36.6%	This is largely due to slippage on the following:- - 2 Year Old Offer where places are not needed in 2016/17 but will be required in future years (£1.215m) - Meadow Close Children's Home and the Youth Zone Programme which are both still in the design phase and so construction is now not planned to start until 2017/18 (£1.8m and £2.4m respectively).
<b>Family Services</b>	<b>14,856</b>	<b>-</b>	<b>(5,444)</b>	<b>9,412</b>	<b>539</b>	<b>9,412</b>	<b>(5,444)</b>	<b>-36.6%</b>	

	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Housing Needs Resources	5,259	5,056		10,315	30	10,315	5,056	0.0%	This is due to the Development Pipeline Tranche 1 budget being transferred from Re.
<b>Housing Needs Resources</b>	<b>5,259</b>	<b>5,056</b>	<b>-</b>	<b>10,315</b>	<b>30</b>	<b>10,315</b>	<b>5,056</b>	<b>0.0%</b>	

	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Parking and Infrastructure	1,707	-	(250)	1,457	322	1,457	(250)	-14.6%	The movement is slippage into 2017/18 in relation to Lines and Signs work as weather conditions have created a back log.
<b>Parking and Infrastructure</b>	<b>1,707</b>	<b>-</b>	<b>(250)</b>	<b>1,457</b>	<b>322</b>	<b>1,457</b>	<b>(250)</b>	<b>-14.6%</b>	

	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Highways TfL	5,838	20	-	5,859	(300)	5,858	20	0.0%	Budget adjusted to reflect actual S106 available to fund projects
Highways non-TfL	22,296	(522)	-	21,773	2,489	21,773	(522)	0.0%	
Parking	214	(60)	-	154	-	154	(60)	0.0%	Slippage due to delays in the Colindale, Graham Park and Town Centres regeneration projects (£13.273m).
General Fund Regeneration	52,579	-	(13,273)	39,306	3,666	39,306	(13,273)	-25.2%	
Disabled Facilities Project	3,653	-	-	3,653	870	3,653	-	0.0%	The deletion is due to the transfer to Housing Needs and Resources of the Development pipeline project. The slippage relates primarily to the refurbishment of Hendon Cemetery and Crematorium which is still in the planning phase (£1.063m) and new affordable homes now planned for 2017/18 (£1.416m).
Other Projects	23,273	(5,056)	(2,127)	16,090	2,949	16,091	(7,183)	-9.1%	
<b>Regional Enterprise</b>	<b>107,853</b>	<b>(5,618)</b>	<b>(15,400)</b>	<b>86,835</b>	<b>9,674</b>	<b>86,835</b>	<b>(21,018)</b>	<b>-14.3%</b>	

	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Greenspaces	442	(120)	(60)	262	4	262	(180)	-13.6%	Deletion of the Langan project which is no longer viable
Waste	2,665		(390)	2,275	257	2,275	(390)	-14.6%	Slippage as a result of the review of an alternative delivery model which is still being considered
Fuel storage	60		(60)	-		-	(60)	-100.0%	The installation of the fuel storage at the depot is delayed until 2017/18
<b>Street Scene</b>	<b>3,167</b>	<b>(120)</b>	<b>(510)</b>	<b>2,537</b>	<b>261</b>	<b>2,537</b>	<b>(630)</b>	<b>-16.1%</b>	
<b>General Fund Programme</b>	<b>244,138</b>	<b>(612)</b>	<b>(30,167)</b>	<b>213,359</b>	<b>30,207</b>	<b>213,359</b>	<b>(30,779)</b>	<b>-12.4%</b>	

	2016-17 Approved Budget	Additions/ Deletions Recommended	Slippage / Accelerated Spend Recommended	Proposed 2016/17 Budget	Spend to date	2016-17 Forecast to year end	Variance from Approved Budget	% slippage of 2016/17	Comments
	£000	£000	£000	£000	£000	£000	£000	%	
Housing Revenue Account	46,444		(9,854)	36,590	12,255	36,590	(9,854)	-21.2%	Moreton Close decanting and value engineering exercise has taken longer than expected; the majority of the build will now commence in 2017/18
<b>Housing Revenue Account</b>	<b>46,444</b>	<b>-</b>	<b>(9,854)</b>	<b>36,590</b>	<b>12,255</b>	<b>36,590</b>	<b>(9,854)</b>	<b>-21.2%</b>	
<b>Total Capital Programme</b>	<b>290,582</b>	<b>(612)</b>	<b>(40,021)</b>	<b>249,949</b>	<b>42,462</b>	<b>249,949</b>	<b>(40,633)</b>	<b>-13.8%</b>	

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Appendix D (ii) - Capital Funding Adjustments						
Directorate	Year	Capital Programme	Funding Type	Deletion/Additions Spend Amount (£'000)	Slippage/Accelerated Spend Amount (£'000)	Explanation for request
Adults and Communities	2016/17	Sport and Physical Activities	Grants	(750)		This project transferred to Commissioning Group
Adults and Communities	2016/17	Sport and Physical Activities	Capital Receipts	(375)		This project transferred to Commissioning Group
Adults and Communities	2016/17	Sport and Physical Activities	Reserves	(2,143)		This project transferred to Commissioning Group
Adults and Communities	2016/17	Sport and Physical Activities	Borrowing	(3,902)	1,416	Accelerated due to it is anticipated that construction work will start in early 2017
Commissioning Group	2016/17	Sport and Physical Activities	Grants	750		This project transferred from Adults and Communities
Commissioning Group	2016/17	Sport and Physical Activities	Capital Receipts	375		This project transferred from Adults and Communities
Commissioning Group	2016/17	Sport and Physical Activities	Reserves	2,143		This project transferred from Adults and Communities
Commissioning Group	2016/17	Sport and Physical Activities	Borrowing	3,902		This project transferred from Adults and Communities
Commissioning Group	2016/17	Community Centre	Borrowing	263		Correction to mis-coded budget
Commissioning Group	2016/17	Information Management	Borrowing	(193)		Correction to mis-coded budget
Commissioning Group	2016/17	ICT strategy	Capital Receipts		(2,842)	Budget re-profiled over five years and extended to 2019-20 (the 5 years of the strategy).
Commissioning Group	2016/17	ICT strategy	Borrowing		(3,948)	Budget re-profiled over five years and extended to 2019-20 (the 5 years of the strategy).
Education and Skills	2016/17	Modernisation Primary & Secondary	Grants	166	(19)	Slippage is due to Retention payments 17/18, additional budget required for the Underhill build
Education and Skills	2016/17	Monkfrith	Borrowing	986		Addition fund require from the Primary programme
Education and Skills	2016/17	Infant Free School Meals Capital Fund	Grants	(9)		Reprofile budget-Modernisation
Education and Skills	2016/17	Temporary Expansions - Allocated	Borrowing	66		Additional spend is due to St Angnes School Expansion
Education and Skills	2016/17	Temporary Expansions - Allocated	Grants		244	Accelerated spend is due to St Angnes School Expansion
Education and Skills	2016/17	Orion Primary	Borrowing		(7)	Slippage is due to Retention payments 17/18
Education and Skills	2016/17	London Academy	Borrowing	230	(151)	Additional fund required for London Academy for spend for School ICT funded from Primary allocation. Delays to external ground works to Summer 2017
Education and Skills	2016/17	Copthall	Grants	(68)		Reprofiling Budget
Education and Skills	2016/17	Compton	Grants	68		Reprofiling Budget
Education and Skills	2016/17	Oak Lodge Special School	Borrowing		(101)	Slippage is due to retention which will be paid in 1718
Education and Skills	2016/17	St Mary's & St John's	Borrowing		(2,900)	Programme is still in feasibility stage build now planned to continue into 2017/18
Education and Skills	2016/17	St Mary's & St John's	Grants		(6,100)	Programme is still in feasibility stage build now planned to continue into 2017/18
Education and Skills	2016/17	Primary Programme	Borrowing	(1,216)		additional fund required for London Academy and Monkfrith
Education and Skills	2016/17	SEN	Grants	(157)		Budget transferred to Oak Hill Campus for 2nd Phase works
Education and Skills	2016/17	Contingency	Borrowing	(66)	5,844	incorrectly slipped in quarter 1, monies now transferred back
Family Services	2016/17	2 year old offer	Borrowing	2,500	(1,215)	Addition is due to budget merger with early learning and provision of west of borough, slippage is due to less places needed in 2016/17 but increase in future years
Family Services	2016/17	2 year old offer	Reserves	115		Addition is due to budget merger with early learning and provision of west of borough
Family Services	2016/17	Early education - provision in west of borough	Borrowing	(2,500)		Budget merger with 2 year old offer and Early learning review
Family Services	2016/17	Social care placements- residential and fostering expansions	Borrowing	(2,250)		reprofile budget split showing separate project for Meadow Close Children's home
Family Services	2016/17	Meadow Close Children's Homes	Borrowing	2,250	(1,829)	Reprofile budget from Social Care placements and slippage into 2017/18 when construction is now planned.
Family Services	2016/17	Early learning Review	Reserves	(115)		reprofile budget Merge with 2 year old offer
Family Services	2016/17	Youth Zone	Reserves		(2,400)	Montrose Playing Field project is still in the feasible stage, construction is therefore delayed until 2017/18
Housing Needs Resources	2016/17	Tranche 3 RP	Borrowing	5,056		Budget movement from Re Development pipeline Tranche 1

Directorate	Year	Capital Programme	Funding Type	Deletion/Additions Spend	Slippage/Accelerated Spend	Explanation for request
				Amount (£'000)	Amount (£'000)	
Parking and Infrastructure	2016/17	Lines and Signs	Reserves		(250)	Delays due to weather
Regional Enterprise (Re)	2016/17	Footway Reconstruction	S106 / Other	(33)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Traffic Management	S106 / Other	68		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Controlled Parking Zones	S106 / Other	(10)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Signalisation Improvement - A5 Colindale Ave	S106 / Other	(199)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Public Transportation Improvements - in Colindale	S106 / Other	63		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Pedestrian Improvements programme - RAF Museum	S106 / Other	(134)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Colindale Hospital Parking Review	S106 / Other	(5)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Highways Improvement	S106 / Other	(181)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Travel Plan Implementation/monitoring	S106 / Other	(93)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Outstanding Transport Commitments on completed schemes	S106 / Other	(3)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Footways Renewal	S106 / Other	133		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Footways Renewal	S106 / Other	(133)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Saracens	S106 / Other	6		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Local Implementation Plan 2016/17	Grants	(25)		£25k related to TFL adjustment to grant assumed in budget setting process
Regional Enterprise (Re)	2016/17	Controlled Parking Review / implementation	S106 / Other	(57)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	Parking	S106 / Other	(2)		Budget adjusted to reflect actual S106 available to fund projects
Regional Enterprise (Re)	2016/17	General Fund Regeneration	Capital Receipts		35	
Regional Enterprise (Re)	2016/17	Colindale – Parks, Open Spaces and Sports	Reserves		(2,350)	Slippage due to environment agency
Regional Enterprise (Re)	2016/17	Colindale – Parks, Open Spaces and Sports	Grants		(400)	Slippage due to environment agency
Regional Enterprise (Re)	2016/17	Grahame Park – Community Facilities and Non-Secure Decant	Reserves		(4,450)	Slippage due reprofile of project.
Regional Enterprise (Re)	2016/17	Colindale – Highways and Transport	Reserves		(826)	Slippage due to not signing of TFL Agreement
Regional Enterprise (Re)	2016/17	Colindale – Highways and Transport	S106 / Other		(1,486)	Slippage due to not signing of TFL Agreement
Regional Enterprise (Re)	2016/17	Colindale – Highways and Transport	Grants		(300)	Slippage due to not signing of TFL Agreement
Regional Enterprise (Re)	2016/17	Refurbish and regenerate Hendon Cemetery and Crematorium	Borrowing		(592)	Business case is being drawn up with request for planning permission. Work on the Gate house, Chapel and ground maintenance will commence in 2017
Regional Enterprise (Re)	2016/17	Refurbish and regenerate Hendon Cemetery and Crematorium	S106 / Other		(471)	Business case is being drawn up with request for planning permission. Work on the Gate house, Chapel and ground maintenance will commence in 2017
Regional Enterprise (Re)	2016/17	Empty Properties	Borrowing		(608)	There was a drop in take up for empty property grants but this has developed over the past 3 months and there is now a healthier pipeline which should come through in 2017.
Regional Enterprise (Re)	2016/17	Moxon Street Land Purchase	Reserves	(750)		Budget transferred to Development pipeline
Regional Enterprise (Re)	2016/17	Development pipeline Tranche 1 (Pre-Construction)	Reserves	750		Budget transferred from Moxon street
Regional Enterprise (Re)	2016/17	Development pipeline Tranche 1 (Pre-Construction)	Borrowing	(5,056)		Budget moved to Housing Needs resources
Regional Enterprise (Re)	2016/17	Office Build	Borrowing		1,500	
Regional Enterprise (Re)	2016/17	Social Mobility Fund	Grants		(540)	
Regional Enterprise (Re)	2016/17	Housing Association Development Programme - New Affordable Homescat	S106 / Other		(1,416)	Homes now planned for 2017/18
Regional Enterprise (Re)	2016/17	West Hendon Highway Improvement	Reserves		(10)	
Regional Enterprise (Re)	2016/17	West Hendon Highway Improvement	Grants		(25)	
Regional Enterprise (Re)	2016/17	Town Centre	Reserves		(1,671)	Budget initially forecasted to cover Town Centre Improvement works in 2016. The strategies for these works are in the process of being commissioned, however there is a reduced expectation of spend on the infrastructure works themselves in this financial year.
Regional Enterprise (Re)	2016/17	Town Centre	Grants		(1,790)	

Directorate	Year	Capital Programme	Funding Type	Deletion/Additions Spend Amount (£'000)	Slippage/Accelerated Spend Amount (£'000)	Explanation for request
Regional Enterprise (Re)	2016/17	Bridge Assessment	Grants	45		new grant allocation
Street Scene	2016/17	Old Court House - public toilets	S106 / Other		(40)	
Street Scene	2016/17	Parks & Open Spaces and Tree Planting - Play equipment watling park	S106 / Other		(20)	
Street Scene	2016/17	Langan System	Reserves	(120)		
Street Scene	2016/17	Fuel Storage Tank	Borrowing		(60)	
Street Scene	2016/17	Street cleansing and greenspaces - vehicles and equipment	S106 / Other		(200)	project delays
Street Scene	2016/17	Vehicles	Borrowing		(190)	project delays
HRA	2016/17	Moreton Close	Borrowing		(9,583)	Project has slipped due to time taken for decanting and value engineering exercise therefore the majority of the build will commence in 2017/18
HRA	2016/17	Moreton Close	Capital Receipts		(271)	Project has slipped due to time taken for decanting and value engineering exercise therefore the majority of the build will commence in 2017/18
HRA	2016/17	Infill Homes	Capital Receipts	(1,320)		£4.4m in the HRA Infill Scheme programme to be used to fund the Borough Acquisitions
HRA	2016/17	Direct Acquisitions	Capital Receipts	1,320		New Scheme for Out of London Purchases
HRA	2016/17	Infill Homes	Borrowing	(3,080)		£4.4m in the HRA Infill Scheme programme to be used to fund the Borough Acquisitions
HRA	2016/17	Direct Acquisitions	Borrowing	3,080		New Scheme for Out of London Purchases
				<b>(612)</b>	<b>(40,021)</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 30/09/16	% Fixed Rate Borrowing as 30/09/16	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

LB BARNET TREASURY DEPOSITS OUTSTANDING AS AT 30 September 2016					
Deal Number	Counter Party	Start Date	Maturity Date	Rate of Interest %	Principal Outstanding £
2000011542	Lancashire County Council	04-Nov-15	06-Nov-17	1.05	5,000,000
<b>Local Authorities</b>					<b>5,000,000</b>
2000011251	Aviva	06-Sep-13		0.42	100,000
2000011284	Goldman Sachs	01-Jul-16		0.35	100,000
2000011482	Ignis Liquidity Fund	26-Mar-14		0.52	13,800,000
2000011238	Federated Investors	01-Jul-15		0.36	100,000
2000011377	Invesco	07-May-15		0.32	4,100,000
200001434	Federated Prime Rate Cash Plus	15-May-16		0.79	25,000,000
<b>Money Market Funds</b>					<b>43,200,000</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
2000001155	Lloyds	23-Jun-16	23-Nov-16	0.80	7,000,000
2000011556	NATIONWIDE BUILDING SOCIETY	26-May-16	28-Nov-16	0.45	25,000,000
<b>UK Banks &amp; Building Societies</b>					<b>57,500,030</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
2000011557	Australia & New Zealand Banking	21-Jul-16	28-Nov-16	0.44	12,000,000
2000011558	Australia & New Zealand Banking	22-Jul-16	28-Oct-16	0.45	11,000,000
2000011560	Commonwealth bank of Australia	16-Aug-16	17-Oct-16	0.25	7,000,000
2000011561	Commonwealth bank of Australia	22-Aug-16	22-Dec-16	0.29	9,500,000
<b>Non UK Banks &amp; UK Building Societies</b>					<b>52,000,000</b>
<b>TOTAL</b>					<b>157,700,030</b>

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## 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 waiver 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 ❶a 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 ❶b 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 provider 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 ❷ to ❺ 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.

<b>Customer and Support Group Benefits Realisation</b>						
<b>FINANCIAL YEAR</b>						
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>Other years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
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	(24,870)	2,094	(511)	(1,835)	25,122	-
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>25,831</b>	<b>35,208</b>	<b>32,386</b>	<b>31,680</b>	<b>193,660</b>	<b>318,766</b>
<b>Savings on core contract</b>	<b>177</b>	<b>3,549</b>	<b>6,372</b>	<b>7,078</b>	<b>55,035</b>	<b>72,211</b>
2) Reducing number of Single Persons Discounts (net)	191	382	509	509	3,052	<b>4,643</b>
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	<b>3,846</b>
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
<b>CONTRACT YEAR</b>						
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>Other years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
5) Procurement savings on wider council spend guaranteed	624	5,916	2,634	3,393	34,407	<b>46,974</b>
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>992</b>	<b>9,928</b>	<b>9,892</b>	<b>11,464</b>	<b>95,398</b>	<b>127,674</b>
<b>Savings made</b>	<b>2,209</b>	<b>11,094</b>	<b>10,895</b>	<b>7,078</b>		<b>24,199</b>
<b>FINANCIAL YEAR</b>						
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>Other years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
6) Actual Payments made to Capita in relation to contractual adjustments	324	1,680	1,754	1,481		5,238
7) Project Spend						
<b>Capital -</b>						
Schools build	535	2,182	1,350	682		4,749
Non Schools Investment	295	840	935	525		2,595
<b>Transformation programme -</b>						
Childrens & Families Portfolio	630	1,951	1,561	890		5,032
Adults & Health Portfolio	322	1,481	3,511	1,241		6,555
Environmental Portfolio	301	602	290	549		1,742
Growth & Development Portfolio		158	83			241
Central	344	3,062	4,308	1,733		9,447
<b>Programme Management</b>		717	698	240		1,655
<b>Additional chargeable work outside of the contract</b>						
Print and Postage, DBS checks, Occupational Health, etc.	381	837	911	512		2,641
IT requests (over and above refresh)		652	196	33		881
	<b>2,808</b>	<b>12,483</b>	<b>13,843</b>	<b>6,405</b>		<b>35,539</b>
Payments to Capita in relation to CSG	54,977	40,488	44,694	37,495		<b>177,654</b>
Actual amounts paid including projection for current year to 30/9/16						

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Invoice Date	Invoice Number	Amount	Invoice Type	Invoice Contract	Qtr
04/07/2016	6003354722	£ 151,583.96	CSG Contract Payment	CSG Invoice 1	Q2
01/08/2016	6003371272	£ 87,340.00	CSG Contract Payment	CSG Invoice 1	Q2
04/08/2016	6003373700	£ 150,216.00	CSG Contract Payment	CSG Invoice 1	Q2
04/08/2016	6003373699	£ 36,228.00	CSG Contract Payment	CSG Invoice 1	Q2
18/08/2016	6003380679	£ 98,039.00	CSG Contract Payment	CSG Invoice 1	Q2
30/08/2016	6003388165	£ 41,324.87	CSG Contract Payment	CSG Invoice 1	Q2
06/06/2016	6003337422	£ 6,344,127.00	CSG Contract Payment	CSG Invoice 1	Q2
22/09/2016	6003401313	£ 186,800.34	CSG Contract Payment	CSG Invoice 1	Q2
19/07/2016	6003363434	£ 151,385.00	CSG Contract Payment	CSG Invoice 2	Q2
28/07/2016	6003370176	£ 16,920.31	CSG Contract Payment	CSG Invoice 2	Q2
04/08/2016	6003373698	£ 15,639.00	CSG Contract Payment	CSG Invoice 2	Q2
15/09/2016	6003399037	£ 18,569.26	CSG Contract Payment	CSG Invoice 2	Q2
30/06/2016	6003353749	£ 11,578.75	CSG Contract Payment	CSG Invoice 3	Q2
13/07/2016	6003360636	£ 666,737.23	CSG Contract Payment	CSG Invoice 3	Q2
13/07/2016	6003360637	£ 134,927.00	CSG Contract Payment	CSG Invoice 3	Q2
19/07/2016	6003363381	£ 75,531.00	CSG Contract Payment	CSG Invoice 3	Q2
28/07/2016	6003370177	£ 48,903.70	CSG Contract Payment	CSG Invoice 3	Q2
04/08/2016	6003373697	£ 49,568.51	CSG Contract Payment	CSG Invoice 3	Q2
12/08/2016	6003379213	£ 1,248,780.09	CSG Contract Payment	CSG Invoice 3	Q2
12/08/2016	6003379214	£ 122,318.00	CSG Contract Payment	CSG Invoice 3	Q2
22/08/2016	6003382670	£ 15,569.40	CSG Contract Payment	CSG Invoice 3	Q2
13/09/2016	6003394752	£ 126,965.00	CSG Contract Payment	CSG Invoice 3	Q2
13/09/2016	6003394751	£ 805,974.00	CSG Contract Payment	CSG Invoice 3	Q2
15/09/2016	6003399233	£ 53,763.95	CSG Contract Payment	CSG Invoice 3	Q2
06/09/2016	6003392451	£ 12,000.00	CSG Contract Payment	CSG Invoice 3	Q2
		<b>£ 10,670,789.37</b>			

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## Appendix I - Log of Contract Variations

All approved Contract Variations from 1<sup>st</sup> July to 30<sup>th</sup> September 2016<sup>1</sup>

Reference	Title	Description	Change Raised by	Status Jul-Sep 16	Financial Impact	Service Impacted
CR083	Various System Changes	Update contract with the various system changes including the revised Elements for Estates and e.g. Core HR, Aspire.	Service Provider	Approved	NIL	All Services
CR092	Transfer of business planning activity from CSG back to the Authority	Financial Management and Senior Management Accountant staff transfer	Authority	Approved	-£ 717,584.00	Finance
CR094	Arlingclose changes	As per the business case agreed with the Council, the contract with Arlingclose came to an end in August 2015 and Capita Asset Services have provided the service from September 2015 and will continue to do so through to the end of the Customer Support Group contract.	Service Provider	Approved	-£ 220,000.32	Finance
CR100	Indexation of rate cards	Need to reflect the changes in the rate card so that the correct rates can be used in future CR proposals	Service Provider	Approved	NIL	All Services
CR101	Right to Buy - Baseline Volume Position	To baseline the volume of valuations and plans included in the management fee as well as setting out cost for additional volumes	Authority	Approved	£ 357,680.00	Estates
CR105	Change of commitment time scale to "ongoing"	Commitment timescales need changing to "over the initial term" as per agreement Richard Budd/ Claire Symonds; T1-017, T1-018, T1-063, T1-064, T1-065, T1-066, T1-067, T2-001, T2-008, T2-011 and T2-028	Service Provider	Approved	NIL	All Services
CR106	Schedule 4 Appendix 5 duplication	Schedule 4 Appendix 5 duplicated, needs amendment to Appendix 5a and Appendix 5b	Service Provider	Approved	NIL	All Services

<sup>1</sup> The full list of Contract Variations (from the start of the contract) is available from the Commercial Team upon request.

Reference	Title	Description	Change Raised by	Status Jul-Sep 16	Financial Impact	Service Impacted
CR107	Commercial and Operations Director amendment to Operations Director	Change job title to Operations Director (Richard Budd)	Service Provider	Approved	NIL	Governance
CR111	Update Version Information Sharing Protocol	Update Version of Information Sharing Protocol in Schedule 22	Service Provider	Approved	NIL	All Services
		<b>TOTAL FINANCIAL IMPACT</b>			<b>-£579,904.32</b>	

## Appendix J: Corporate Risk Register (Quarter 2 2016/17)

### Strategic risk register

(sorted by Nature of Risk and Residual Risk Score)

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STR011	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	<b>Business continuity</b>	Decisions are made in accordance with legal advice, and the council undertakes forward planning at the corporate level. The risk to the budget is controlled by the MTFS and business planning process, and members are fully engaged.	4	3	4	3	12	Tolerate
STR013	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	<b>Business continuity</b>	The council undertakes forward planning at the corporate level, as well as business planning. The corporate risk management framework and audit process also control this risk.	5	4	5	2	10	Treat
STR002	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	<b>Business continuity</b>	The council has a corporate Business Continuity Strategy and Plan, and we maintain a network of business continuity leads, with quarterly meetings on this subject. We carry out bi-annual desktop tests, including live reporting. Plans are in development to test our arrangements through live scenarios.	4	5	4	2	8	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STR007	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	Compliance	Elements of the Practice Improvement Plan have been implemented, including training. We also have a supervision policy and practice standards, and undertake quality assurance activity. We adhere to pan-London safeguarding procedures and processes, and ensure scrutiny and oversight of safeguarding via assurance reports to the lead member, SCB Assurance, Barnet Safeguarding Board, and the Social Work Improvement Board	5	5	5	3	15	Treat
STR006	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	Compliance	We maintain good relationships with strategic partners, and have aligned our strategic plans where possible. We also hold regular update meetings with these partners, and members and senior officers are represented on key strategic boards.	4	4	4	3	12	Treat
STR009	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	Compliance	We have a contract management framework, with policy and procedures in place for commercial and commissioning activity. The council's Commercial Team oversee this work, with SROs. We undertake contract monitoring, and members have oversight through the Performance and Contract Monitoring Committee and the Audit Committee. Opportunities for improving this work have been highlighted through the CSG contract review.	4	4	4	3	12	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STR014	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	<p>The recommendations of the Heath review have been implemented. Changes to procedures to ensure correct Register lists are sent to polling stations were put in place before the EU referendum.</p> <p>Ballot boxes are now collected a day earlier to give additional time for checks and putting any errors right. Accommodation is available for the next 12 months, and then in the Colindale offices. There is also a short list of appropriate spaces to hire.</p> <p>Special leave policy has been implemented to ensure sufficient resources will be in place, and training has been revised to cover checks to the accuracy of the register.</p> <p>The call centre now opens for longer hours with calls going straight to an advisor.</p> <p>A wider election review will go to GFC in November 2016, and officers will set out plan for implementation of the review's recommendations.</p>	4	4	4	3	12	Treat
STR008	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	<p>Corporate advice and guidance on decision-making are in place, with a clearance process. Senior officers and members have oversight of decisions. The audit framework also helps to control this risk.</p>	5	4	5	2	10	Tolerate

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO15	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	Monthly election meetings are chaired by the Returning Officer to track progress and issues, and the recommendations of the Heath review have been implemented. An action plan will be developed implementing wider recommendations within reasonable timescales, with additional resources as necessary.  Improvements to the communications system have been made, so all elections staff can receive a text at the same time with instructions. The team is currently adequately resourced, with good skills and experience, and close liaison is being maintained with the Electoral Commission.	4	4	4	2	8	Treat
STRO03	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	Financial	We have clear leadership in place through our Commissioning Directors, and the decision-making process is well understood. Our governance structure is set up to support delivery, with member challenge. Our annual finance and business planning processes also support this.	5	4	5	3	15	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STR004	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 MTF5 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
STR005	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	Financial	We have prudent contingency and reserves in place. We undertake forward planning, regularly updating our budget assumptions and monitoring the Government's fiscal announcements. We also maintain good contacts with Central Government, to remain as informed as possible.	5	4	5	3	15	Tolerate

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
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	<b>Financial</b>	<p>The council observes financial regulations, internal controls and standing orders, and contract procedure rules. There is a counter-fraud framework, including a whistleblowing policy.</p> <p>The council also has an employee code of conduct, which includes a gifts and hospitality policy, and other HR Policies are in place.</p> <p>There is oversight by the Audit Committee, the dedicated independent fraud team (CAFT), and the internal audit team. The CAFT and Internal Audit have a risk-based joint work plan Fraud Awareness Programme.</p> <p>Fraud Risk Assessments Data Matching initiatives (such as National Fraud Initiative/NFI) Senior Officer Representation on LAG and LBFIG</p>	4	4	3	3	<b>9</b>	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
STRO12	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	<p>H&amp;S policies and processes around managing compliance are in place (available on the intranet), and the five civic buildings are being managed effectively. There are plans to identify gaps for other council stock (though these are not yet implemented).</p> <p>Training is undertaken so staff can find the right information, with some advertising on the intranet, and first team messaging to staff. Leaflets are distributed among the workforce. We have a web-based portal for referrals, with HR leading on some of these.</p> <p>There is a "split" service, allowing access to additional H&amp;S advice available as required, but alongside Barnet-based staff with H&amp;S knowledge of local issues carrying out monitoring activities (including H&amp;S audits and inspections) as well as a statutory officer in place.</p> <p>We have systems to collect information on incidents, and undertake regular H&amp;S audits and reports to senior officers and Committees</p>	4	3	4	3	12	Treat
STRO01	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	Staffing & Culture	<p>There is a new unified reward package, focused on improving the offer to the market. We are building the council's reputation externally, and have a tailored recruitment programme in place, as well as a graduate and apprentice programme. Our "The Way We Work" programme includes new offices in Colindale, and we are overall making Barnet a better place to work.</p>	4	4	4	3	12	Treat

## Escalated service risks (scoring 15 and above)

(sorted by Delivery Unit, then Nature of Risk and Residual Risk Score)

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
<b>Adults and Communities</b>											
AC002	Failure of care provider	A care provider could suddenly be unable to deliver services, due to: - provider going into administration - failure of regulatory inspection relating to quality of service - care provider chooses not to deliver services - HS&E breach leading to operational disruption to manage the situation, harm to individuals by not having their care and support needs met, unexpected financial consequences, breach of statutory duty.	Head of Integrated Care Quality	<b>Business continuity</b>	For contracted services, extensive due diligence is carried out before and during any contract. The Delivery Unit carries out ongoing contract management and monitoring to ensure it continues to engage with providers, complemented by relationship management work, and monitoring of individuals placed with providers.  The Council also works with the market as a whole, making a programme of best practice and improvement initiatives available to the provider sector.	5	5	5	4	<b>20</b>	Treat
AC003	Unacceptable level of quality of services provided by care providers	Unacceptable levels of quality of services provided by care provider could lead to additional dedicated Barnet resource needing to be put in place to address the situation, resulting in reduced ability to manage BAU, and financial consequences. If the additional resource is not able to address the underperformance of the care provider, this could also lead to harm to individuals, and reputational consequences.	Head of Integrated Care Quality	<b>Business continuity</b>	For contracted services, extensive due diligence is carried out before and during any contract. The Delivery Unit carries out ongoing contract management and monitoring to ensure it continues to engage with providers, complemented by relationship management work, and monitoring of individuals placed with providers.  The Council also works with the market as a whole, making a programme of best practice and improvement initiatives available to the provider sector.	4	5	4	4	<b>16</b>	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
AC001	Increased overspend to meet statutory duties	Adults & Communities Delivery Unit could have insufficient starting budget to meet its statutory duties due to operating in an environment in which there is inherent uncertainty in future demand for services, exacerbated by a potential inability to deliver savings, reduced ability to raise income from clients, the rising cost of care, and legislative changes. This could result in harm to individuals, legal challenge, worsening budget overspend, and reputational damage.	Adults and Communities Director	Compliance	The council's budget management process (MTFS) forecasts demographic growth and pressures over a 3 year period. Budget and performance monitoring and management controls are used throughout the year. Work to reduce addressable spend (such as expenditure on agency staff) is being carried out in year. The Joint Strategic Needs Assessment will identify future demand pressures, and the council will undertake initiatives focused on reducing and managing future demand in response, including the Adults' New Operating Model/ Alternative New Delivery Vehicle which focus on reducing demand for services.	5	5	5	4	20	Treat
AC004	Surge in demand from NHS	An unpredictable surge in demand from the NHS in situations where there is limited capacity could lead to the DU being unable to meet this demand within the NHS's required timescales. This could result in financial consequences, operational disruption leading to rushed decisions being made that have unintended negative consequences, potentially for individuals that have been discharged, and increased central government scrutiny.	Assistant Director Adult Social Care	Compliance	System-wide, resilience monies have been made available and these can be used to buy in extra capacity, subject to agreement by the NHS-led Improvement Board. There are monthly system resilience and operational resilience meetings between LBB, CCG and NHS Provider Trusts to discuss & manage pressures in the system, and to deliver action plans. Daily conference calls are in place to deal jointly with events as these happen.	4	5	3	5	15	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
AC008	Non-adherence to safeguarding policies and procedures	Insufficient competent staff (permanent and agency, at all levels) to meet rising demand and complexity could lead to non-adherence with policies and procedures (specifically safeguarding within the Care Act, and London-wide safeguarding policies and procedures), resulting in death or serious harm to individuals, legal challenge, financial loss, decreasing staff morale due to greater pressure and reputational damage.	Head of Safeguarding Adults	<b>Compliance</b>	<p>Staff training is in place, supported by practice forums. Quality assurance framework, led by the Quality Board, to monitor supervision (and responds to, for example, e.g. supervision and other quality audits taken place). Regular case file audits take place (using a pool of auditors from across the Department).</p> <p>Monthly reporting to leadership team on safeguarding activity Monthly quality and safeguarding meeting with DASS, includes review of high risk cases. External case file audits are conducted. The Safeguarding Adults Board (multi-agency) also meets regularly.</p> <p>Tools are available to support practitioners (e.g. recording templates, assessment tools etc.), as well as learning processes such as safeguarding adult reviews (SARs) and the domestic homicide review process.</p>	5	4	5	3	<b>15</b>	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
AC01 1	Breach of Mental Capacity Act or Code of Practice	Insufficient competent staff (permanent and agency, at all levels) to meet rising demand and complexity could lead to breach of the Mental Capacity Act or Code of Practice, resulting in Barnet not acting in someone's best interest (Mental Capacity Act), and as a result serious harm to individuals and/or the ongoing impact of such a breach on an individual's life; legal challenge, financial loss (legal costs) and reputational damage.	Assistant Director Social Care	<b>Compliance</b>	<p>As with safeguarding, staff training is in place, supported by practice forums. Quality assurance framework, led by the Quality Board, monitors supervision (and responds to, for example, supervision and other quality audits). Regular case file audits take place (using a pool of auditors from across the Department).</p> <p>Monthly reporting to leadership team on safeguarding activity Monthly quality and safeguarding meeting with DASS includes review of high risk cases. External case file audits are conducted.</p> <p>The Safeguarding Adults Board (multi-agency) meets regularly. Tools are available to support practitioners (e.g. recording templates, assessment tools etc.), as well as learning processes such as safeguarding adult reviews (SARs) and the domestic homicide review process.</p>	5	4	5	3	<b>15</b>	Treat
<b>The Barnet Group</b>											

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
TBG001	Unviable cost of development schemes	<p>The Barnet Group are unable to deliver the portfolio of housing development schemes at a viable cost due to:</p> <ul style="list-style-type: none"> <li>- external factors (change of legislation, economic, confidence in the market, availability of finance)</li> <li>- recruitment and retention of skilled individuals within the development team</li> <li>- viability of house design</li> <li>- planning permission</li> </ul> <p>which results in the termination of the scheme, financial impact across Council and Barnet Group (impact on staffing and sunk costs), reputational damage, knock on effect on ability to deliver the homelessness agenda.</p>	Strategic Lead Housing	Financial	<p>Membership of professional bodies provides access to market intelligence. We undertake sensitivity analysis/stress testing of the financial business plan, with external support.</p> <p>There is a permanent team in place with relevant skills, and professional support from a team of advisors. TBG's governance structure, and reporting and to the senior leadership of the council and project boards, also contributes.</p> <p>Upfront work is undertaken with RE to ensure schemes are viable (e.g. planning), and there are upfront surveys of sites.</p> <p>There is also a stakeholder engagement plan, the council's project management toolkit, and council resource in place to support TBG. The council has agreed to use RTB receipts to help fund the scheme. Finally, there is an agreed procurement strategy</p>	5	4	5	3	15	Treat
Commissioning Group											

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
SPPC 011	Depot Relocation - Service Disruption	Potential unsuccessful delivery of depot project could lead to inefficient fragmentation of services delivered from depots resulting in service disruption, poor customer satisfaction, financial impact, loss of operating licence, and/ or reputational damage.	Chief Operating Officer	<b>Compliance</b>	<p>There is service representation on governance boards, with regular engagement with senior managers across services, and the detailed requirements are understood. Project management methodology is being utilised, with detailed project plans and risk registers, and we have a contracted delivery partner. Additional resources for coordination of service transition have been agreed.</p> <p>The initial moves are progressing well, such as the Passenger Transport Service, which has moved to North London Business Park. Construction of the new site at Oakleigh Road is progressing to plan.</p>	5	4	5	3	15	Tolerate
<b>Customer and Support Group (CSG)</b>											
CSG1 3	IT service obsolescence	Inability of current infrastructure to handle multiple service applications due to portfolio of systems not being managed properly, with many approaching end-of-life, resulting in outdated and unusable systems, poor-performing systems and potential security breaches	Head of Information Management	<b>Business continuity</b>	<p>Network design is validated through Public Services Network certification and Capita third party assurance.</p> <p>Dedicated infrastructure staff within Capita are focused on the control of the Barnet infrastructure.</p> <p>Capacity checks on wireless network are currently taking place to increase speed and resilience.</p>	4	5	4	4	16	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
CSG12	IT service failure	Poor or non-maintenance by supplier of IT infrastructure, network services and applications at desired levels of speed resilience and security due to mismanagement and/or inadequate technical specification, leads to an IT service failure resulting in loss of critical service provision and associated ability to provide service continuity with accompanying reputational damage and cost to remedy (and potential litigation in event of breach of statutory obligations)	Head of Information Management	<b>Business continuity</b>	To address this risk, we have a validated network design and dedicated infrastructure staff. Network design is validated through Public Services Network certification and Capita third party assurance.  Dedicated infrastructure staff within Capita are focused on the control of the Barnet infrastructure.  Capacity checks on wireless network are currently taking place to increase speed and resilience.	5	4	5	3	15	Treat
<b>Family Services</b>											
FS001	Significant child safeguarding incident	Inappropriate response or poor decision-making around a case leads to a significant children's safeguarding incident, resulting in increased risk of significant harm or death of a child, and reputational damage.	Assistant Director, Social Care	<b>Health &amp; Safety</b>	Elements of the Practice Improvement Plan have been implemented (including training). Delivery of the plan is monitored regularly and overseen by a Board chaired by the Chief Executive.  Supervision and practice standards help to control this risk, as well as quality assurance activity.  We provide assurance reports to the lead member, SCB Assurance, Barnet Safeguarding Board, and the Social Work Improvement Board, to ensure scrutiny and oversight. The lead member meets monthly with service leads to provide oversight.	5	5	4	4	16	Treat

Risk ID	Short Risk Title	Long Description	Risk Owner	Nature of Risk	Controls and mitigations in place	Inherent Risk (without controls)		Residual Risk (with controls in place)			Response Option
						Impact	Likelihood	Impact	Likelihood	Risk Score	
FS004	Serious gang-related incident	As a result of inappropriate decision making, which could be exacerbated by a lack of timely access to information, a gang related incident could occur involving one or more young people within the borough resulting in a child death and reputational damage.	Head of Youth & Family Support	Health & Safety	Our Gangs and Serious Youth Violence Strategy is overseen by the Community Safety Partnership Board and Youth Offending Partnership Board. We also have a gang's operational group, and a gangs, missing and child sexual exploitation strategic group.  Our gang's operational protocol and screening tool helps control this risk, as well as the Keeping Young People Safe preventative project.	5	5	4	4	16	Treat
FS011	Inability to recruit and retain qualified staff	A challenging job market could lead to an inability to recruit and retain sufficiently qualified permanent staff resulting in reliance on agency workers, impacting on budget, inability to carry out quality work, lower morale, significant safeguarding incident	Assistant Director, Social Care	Staffing & Culture	Our Practice Improvement Plan includes a workforce recruitment strand. There is also an organisational development workforce board, and a market factors supplement is available. An innovative model is in place which is successfully converting agency social workers to permanent contracts.	5	5	4	4	16	Treat
<b>Regional Enterprise (Re)</b>											
RE001	Development pipeline: Property build exceeds target cost	LBB is unable to commission the construction of the properties specified within the development pipeline at the target cost defined within the business plan due to:  - construction inflation - team skills and experience, or - ineffective management of delivery.  All of this could result in reduced profit or loss on properties, potential abandonment of the project and lost sunk costs, reputational damage.	Commissioning Director, Growth & Development	Financial	Development management is provided by GL Hearn. There is a project management toolkit (including the gateway process). There is also contingency within the target cost. This work is the subject of a competitive procurement process.  Current contractor prices are being challenged through a benchmarking process. Schemes have been reappraised and value engineered at supply chain costs. Negotiations with the selected contractor are continuing.	4	5	4	4	16	Treat

**Key**

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

<b>Treat</b>	Implement controls and/or mitigations
<b>Terminate</b>	Avoid the activity that gives rise to the risk
<b>Tolerate</b>	Take the risk
<b>Transfer</b>	Outsource the activity; purchase insurance

# Risk Management Framework

**V2**  
**October 2016**

## Document control

Description	Risk Management Framework	
Version	V2	
Created	September 2016	
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Authorisation	Name	Date
Prepared by	Head of Performance and Risk	September 2016
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## 1. Introduction

The risk management framework sets out the **principles and approach to managing risk** in Barnet Council, including the process of identifying, assessing and controlling risk.

### What is risk?

Risk is defined as an **uncertain event** that, should it occur, will have an impact on the organisation's ability to achieve its objectives. A risk is measured by the likelihood of a perceived threat or opportunity occurring and the magnitude of its impact on the organisation's objectives.

### What is risk management?

All organisations, including temporary ones such as projects, will experience uncertain events when trying to achieve their objectives. Risk management is a visible way of managing these risks in a structured, consistent and timely way that supports effective decision-making.

### Why is risk management important?

Risk management plays an important role in planning and setting objectives, assessing the adequacy of internal controls and monitoring performance – essentially, helping the organisation to manage the business. Risk management is a key part of corporate processes, such as:

- Strategic and financial planning
- Service design and delivery
- Policy making and review
- Project management
- Performance management
- Information Management
- Change management/transformation
- Business continuity planning

And, when fully embedded, risk management is likely to:

- Improve performance against objectives and delivery of outcomes
- Improve the identification of threats and opportunities
- Improve governance, stakeholder confidence and trust
- Establish a reliable basis for decision-making and planning
- Effectively allocate and use resources for risk treatment
- Improve organisational resilience

The risk management framework has been approved by the Performance and Contract Management Committee; and is reviewed on an annual basis by the Strategic Commissioning Board and Performance and Contract Management Committee to ensure it remains aligned with best practice and evolves with the organisation (see Section 9: Annual review and quality assurance).

## 2. Executive summary

This section provides a summary of the **risk management process** and outlines the **key roles and responsibilities** in ensuring that this process is managed effectively.

### Risk management process (see Section 6)

The risk management process is a series of logical steps that are carried out in sequence to progress through each stage of managing a risk:

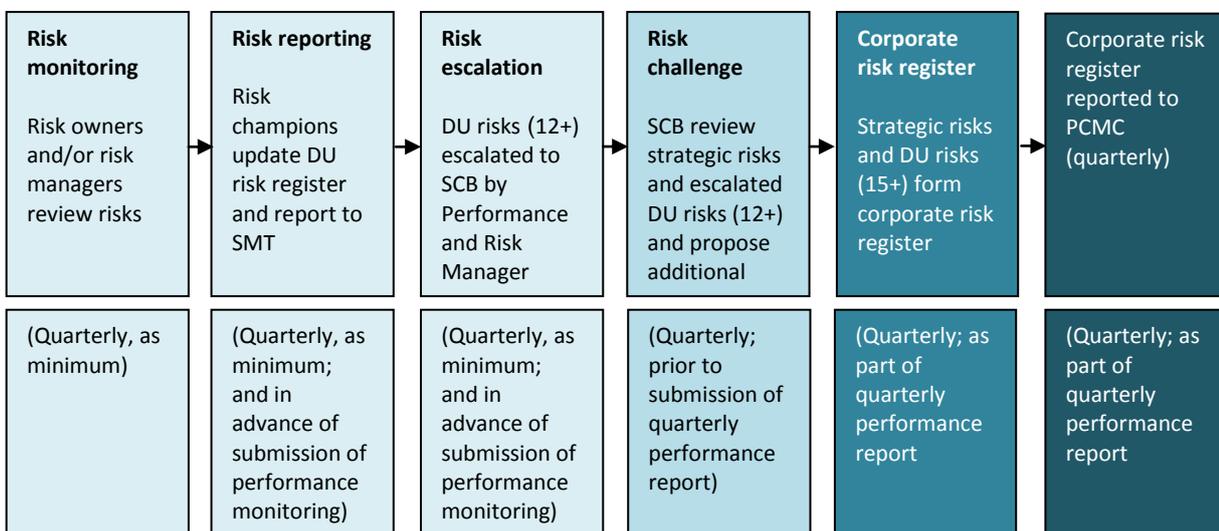
1. Risk identification
2. Risk assessment
3. Risk response
4. Risk monitoring, reporting and escalation
5. Risk appetite
6. Communication and consultation

**1. Risk identification** - When a risk is identified, a description should be provided on the **cause, event and consequence**. This should be written in a clear and concise way that is meaningful to all stakeholders, including members and the public, and should not contain any sensitive or commercial information (see Section 4: Understanding risk). The risk should be raised with the relevant risk champion who should ensure that it is discussed at the appropriate Board or Senior Management Team meeting. If the risk is accepted, the risk champion should add it to the relevant **risk register**. The risk should be assigned a risk owner (the senior officer) and risk manager (the most appropriate officer to manage the risk) and a category e.g. strategic or financial.

**2. Risk assessment** - The risk owner should assess the **likelihood** and **impact** of the risk occurring. The combination of the two scores should produce the risk score and risk rating (low, medium/low, medium/high or high). See Section 6: Risk management process.

**3. Risk response** - A decision should be taken on how best to respond to the risk e.g. treat, terminate, tolerate or transfer. If treating the risk, **controls and/or mitigations** should be put in place. See Section 6: Risk management process.

### 4. Risk monitoring, reporting and escalation



**Risk monitoring** - The **risk owner** is responsible for all aspects of the risk, including ensuring appropriate controls and/or mitigations are in place; and should monitor the risk on a regular basis (quarterly, as a minimum). The risk owner should **review** the controls and/or mitigations in place to determine if they are still effective and follow-up on any actions that have been proposed to help reduce the likelihood of the risk occurring. The likelihood and impact scores should be re-assessed and the combined risk score re-calculated for the residual risk.

**Risk reporting** - The **risk champions** should play a key role in risk monitoring and reporting. They should liaise with the risk owners and/or risk managers in their respective Delivery Units to ensure risks are regularly monitored (quarterly, as a minimum) and should keep the risk register up-to-date. They should pull together reports and attend relevant meetings to present the updated risk register (quarterly, as a minimum) and provide a level of challenge on the risk information provided. This role should be carried out in accordance with the risk monitoring timetable provided by the Performance and Risk Team.

**Risk escalation** - Any risks that **score 12 or above** should be escalated to the service risk register by the risk champion. The Senior Management Team should discuss the effectiveness of the controls and/or mitigations in place and review any actions being taken to further reduce the likelihood of the risk occurring. They might propose additional actions or assign resources to help mitigate the risk in the future. The risk champion is responsible for communicating any additional actions back to the risk owner and/or risk manager; and forwarding a copy of the DU risk register, including the escalated risks to the Commissioning Director.

The risk champions should highlight any **service risks that score 12 or above** to the Performance and Risk Manager and these should be escalated to the Strategic Commissioning Board for review each quarter. As above, the effectiveness of the controls and/or mitigations in place and actions being taken to further reduce the likelihood of the risk occurring should be discussed; and any additional actions may be proposed or resources assigned to help mitigate the risk in the future (which should be communicated back to the risk champion by the Performance and Risk Manager).

After Strategic Commissioning Board has met, the strategic risk register and any service risks that score 15 and above should be combined to form the **corporate risk register**. This should be reported to Delivery Unit Board, Strategic Commissioning Board and Performance and Contract Management Committee, as part of the Performance Monitoring Report, each quarter (see [Appendix C: Quarterly reporting timetable](#)).

**5. Risk appetite** - This is the level of residual risk the organisation is prepared to tolerate before action is considered necessary to reduce it. This has been set at a combined likelihood and impact score of 15. By setting a risk appetite, officers should be guided on the level of risk tolerated and assurance should be given that a consistent approach to managing risk has been applied across the organisation.

**6. Communication and consultation** - This should take place throughout the risk management process with relevant officers in the Delivery Unit and the Performance and Risk Team.

**Key roles and responsibilities (see [Appendix A](#))**

There are four key roles in relation to the risk management process that ensure the process is managed effectively. These are the risk owner, risk manager, risk champion and Performance and Risk Manager.

Officer	Roles and responsibilities
Risk Owner	<ul style="list-style-type: none"> <li>• Responsible for individual risks</li> <li>• The senior officer for the area of work that the risk relates to</li> <li>• Management of the risk may be delegated to a risk manager(s) (if delegated, accountability for the risk is retained by the risk owner)</li> <li>• Assess the risk and assign it a score for likelihood and impact</li> </ul>
Risk Manager	<ul style="list-style-type: none"> <li>• Manages the controls and/or mitigations in place</li> <li>• Supports the risk owner in monitoring and reporting risks (this function may be delegated by the risk owner to the risk manager but the risk owner retains accountability for the risk)</li> </ul>
Risk Champion	<ul style="list-style-type: none"> <li>• Advise officers within the Delivery Unit on the application of risk management framework, including risk identification; risk assessment; monitoring, reporting and escalation</li> <li>• Maintain their respective service risk register by collating information on new and updated risks through discussions with risk owners</li> <li>• Attend SMT meetings to present updates on their risk register, and to challenge senior management on the information on risks and delivery of actions</li> <li>• Ensure risks are reviewed and risk registers are up-to-date ahead of quarterly reporting (in accordance with timetable)</li> </ul>
Performance and Risk Manager (Performance and Risk Team)	<ul style="list-style-type: none"> <li>• Implement the organisation's performance and risk management frameworks and build performance and risk management capability across the organisation</li> <li>• Provide assurance that the strategic objectives are being delivered through effective performance and risk management arrangements</li> <li>• Advise senior managers on performance and risk management arrangements and provide support to the Head of Performance and Risk in annually reviewing the performance and risk management frameworks</li> <li>• Responsible for corporate monitoring and challenge of performance and risk data, including the co-production and monitoring of improvement plans where necessary</li> </ul>

## 2. Aims and objectives

The overarching aims of the risk management framework are to **improve the organisation's ability to deliver its strategic objectives by managing risk**; creating a risk culture that adds value to operational activities; and achieving sustained benefit across the portfolio of activities.

The risk management framework supports the organisation's strategic objectives, 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

The framework should help to ensure risk management is embedded throughout the organisation and involves all key stakeholders, including officers, senior managers, members and partners, by:

- Enabling the organisation to anticipate and respond to emerging risk, including from a changing operating environment
- Implementing a consistent approach to managing risk
- Ensuring risks are regularly monitored and actions to mitigate risk are effective
- Ensuring high-level risks are reviewed by the Performance and Contract Management Committee; and risk management arrangements are reviewed by the Audit Committee on a quarterly basis
- Providing oversight, challenge and assurance that risk is being effectively managed across the organisation
- Focusing effort on developing a risk aware culture and aligning resources to carry out effective risk management

The mechanics of risk management are not to simply identify risks but to implement effective controls to mitigate those risks. The risk management approach is built around **clear ownership of risks** and the identification of nominated risk managers to implement and maintain the controls, followed up by a monitoring and reporting process to ensure that those risk managers take **responsibility for the actions** agreed.

Primarily, the Strategic Commissioning Board and members should focus on the **strategic and business critical risks** that could impact on the achievement of objectives or successful delivery of outcomes; and Delivery Units/Service Providers should focus on **service risks** - whereby risks should be managed locally and escalated to the strategic level only if they become significant.

The framework is intended to support an active learning culture in which officers can learn from, and respond positively to, events as well as recognise and take advantage of opportunities. The organisation has a dedicated **Performance and Risk Team**, as part of the Commissioning Group, to ensure that this culture is embedded.

The **Performance and Risk Team** is responsible for managing the organisation's approach to risk management. The team provides support, guidance, advice and tools for enabling the organisation to manage risk. As part of this, training and development should be provided to ensure roles and responsibilities are properly understood and risk management is embedded into processes and culture through awareness raising, challenge and promoting best practice.

### 3. Understanding risk

#### What is and isn't a risk?

A risk is an **uncertain event** that, should it occur, will have an impact on the organisation's ability to achieve its objectives. **It is not an unplanned event that has already occurred**, or will definitely happen, which is certain to affect the achievement of objectives - this is an issue.

#### How is risk described?

A risk is described by using the following three criteria – cause(s), event(s) and consequence(s).

- **Cause(s)** are the conditions, circumstances, drivers or activities that may result in the risk event occurring. They are the sources of the risk event or the reason why the risk could happen. A cause can be internal or external to the organisation.
- **Event(s)** are the actions, incidents or occurrences that arise from a cause that could have an effect on the achievement of objectives. Risk events can happen internally e.g. to people, processes or systems and externally.
- **Consequence(s)** are the possible consequences arising from the risk event that affect the achievement of objectives. The effects can be measured through estimating the impact on, for example, strategic/operational objectives, finances and reputation.

#### Who is the risk owner / risk manager?

The risk owner has responsibility for the risk in question. This should be the **senior officer** for the area of work that the risk relates to. Management of the risk may be delegated to a risk manager(s) who should be responsible for managing the controls and/or mitigations in place. [Note that if this function is delegated, the risk owner retains accountability for the risk]. The risk owner is required to assess the risk and assign it a score for likelihood and impact (see [Section 6: Risk management process](#)).

#### What if a risk owner / risk manager leaves?

If a risk owner or risk manager leaves the organisation, a new risk owner or risk manager should be identified and the risk register updated by the relevant risk champion. It is the responsibility of the owner of the risk register (e.g. the Delivery Unit Director) to ensure that the new risk owner is aware of his/her responsibilities in relation to the risk. It is the responsibility of the risk owner to ensure that the new risk manager is aware of his/her responsibilities for managing the risk, in relation to the controls and/or mitigations and any additional actions in place to reduce the likelihood of the risk occurring in the future.

A periodic review of risk owners (to check they are still employed by the organisation) should be undertaken by the Performance and Risk Team, as part of the annual review of the risk management framework (see [Section 9: Annual review and quality assurance](#)).

## 5. Risk management levels

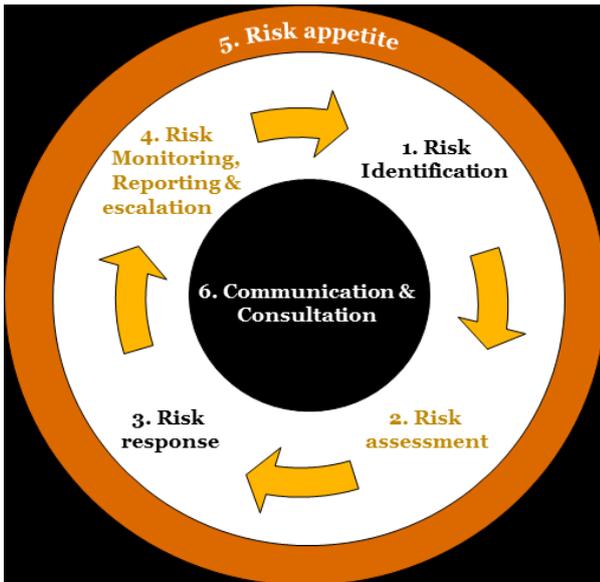
The organisation's approach to risk management is founded upon ensuring **risk is effectively and consistently managed across all levels of the organisation**. The risk culture that emanates from the strategic leadership team throughout the organisation is essential in ensuring all levels buy into and adhere to the corporate risk process. The levels are:

- **Corporate:** the **corporate risk register** is a combined register consisting of the strategic risk register and escalated risks (15 and above) from the service risk registers. It should be reported to Performance and Contract Management Committee for scrutiny and challenge on a quarterly basis, as part of the Performance Monitoring Report.
- **Strategic:** the strategic and business critical risks are identified on the **strategic risk register**, which should be reviewed by the Strategic Commissioning Board on a quarterly basis alongside the escalated service risks. This should involve challenging the risk scores, seeking assurance on the effectiveness of controls and/or mitigations in place and recommending additional actions to reduce the likelihood of the risk occurring in the future. This level should set the tone for effective risk management across the whole organisation.
- **Service:** risks against delivery of contracts (**joint risks**) or management agreements are identified on **service risk registers**, which should be reviewed by Senior Management Teams on a quarterly basis (as a minimum). [Note that this level should include commissioning risks associated with the service; and joint risk registers with commissioned organisations e.g. Barnet Group, CSG and Re]. This level should be the key lever for the escalation of risks through to a strategic level when they become significant (12 and above).
- **Team:** risks arising from local operations are identified on **team risk registers**, which should be reviewed by Team Managers on a quarterly basis (as a minimum). Risks should be escalated to service risk registers when they become significant (12 and above).
- **Projects:** risks to projects are identified in the initial business case stage and added to **project risk registers**. Risks should be reviewed throughout the project lifecycle to ensure objectives can be achieved and reported on an exception basis to the relevant Project Board. Risk that score 12 and above should be escalated to the Senior Management Team meeting for review (quarterly, as a minimum)

## 6. Risk management process

The risk management process is a **series of logical steps that are carried out in sequence to progress through each stage of managing a risk**. The process is cyclical and it may be necessary to revisit earlier steps and carry them out again to ensure a complete picture of the risks in relation to the activity/outcome have been captured. The activity ‘communication and consultation’ deliberately stands alone as the findings of other steps may need to be communicated at any time in the process.

**Fig. 1 Risk management process**



### 1. Risk identification

Risk identification should be carried out, at a minimum, on an annual basis when objectives are set for the following year, as part of the **business planning cycle**. Risks can also be identified through inspections and audits or through business as usual activities throughout the year.

Any new risk that could impact on the achievement of an activity, objective or outcome should be identified and a description provided on the **cause, event and consequence**. This should be written in a clear and concise way that is meaningful to all stakeholders, including members and the public, and should not contain any sensitive or commercial information (see [Section 4: Understanding risk](#)). The risk should be raised with the relevant risk champion who should ensure that it is discussed at the appropriate Board or Senior Management Team meeting. If the risk is accepted, the risk champion should add it to the relevant **risk register** - this may be at project, operational or strategic level (see [Section: 5. Risk management levels](#)). The risk should be assigned a risk owner (the senior officer for that area of work) and risk manager (the most appropriate officer to manage the risk); and the nature of risk e.g.

- Business continuity
- Compliance
- Finance
- Health and safety
- Information governance

- Staffing and culture
- Strategic

The risk owner is required to assess the risk and assign it a score for likelihood and impact. The combination of the two scores should produce the risk score and risk rating (low, medium/low, medium/high or high).

## 2. Risk assessment

Risk assessment is the process of assessing the **likelihood** and **impact** of a risk occurring. Risks are should be on three levels:

- **Inherent (worst case)** - assessment based on the assumption that controls and mitigations currently in place do not exist. This assessment determines the reasonably foreseeable worst case scenario for the risk, which is the most adverse set of plausible circumstances and consequences for the risk described if no controls or mitigations are in place
- **Residual (current)** - assessment based on how the risk is currently being managed. It considers how well the controls and/or mitigations currently in place are working
- **Target (where you can get to)** - determination of the desired likelihood and impact levels for the risk, based on the amount of exposure the organisation is comfortable in accepting for the benefits it derives from taking the risk, and the feasibility and cost of further treatment activities. It is the position that the risk will get to once the planned additional controls have been put in place.

To ensure consistency in assessment and the ability to compare and report on the various levels of risk, the organisation has adopted a **5x5 risk matrix** to assess the likelihood and impact of the risk occurring. The risk matrix is used to evaluate the risks, so that there is an understanding of the risk exposure faced, which in turn influences the level of risk treatment that is applied to manage, reduce or prevent the risk from occurring.

A risk is broken down into likelihood and impact:

- **Likelihood** represents the statistical chance of an event taking place. This can be rare, unlikely, moderate, likely or almost certain
- **Impact** represents the expected disruption to the organisation. This is summarised as negligible, minor, moderate, major or catastrophic

Fig. 2 Risk matrix

IMPACT	Score:		LIKELIHOOD				
			1	2	3	4	5
			Rare	Unlikely	Possible	Likely	Almost Certain
5	Catastrophic	5	10	15	20	25	

	4	Major	4	8	12	16	20
	3	Moderate	3	6	9	12	15
	2	Minor	2	4	6	8	10
	1	Negligible	1	2	3	4	5

The resultant scores from the matrix are assigned ratings (see Fig. 3). [Note that the distinction between an acceptable and unacceptable risk is a guide and will depend on the exact risk and the ability of the organisation to add further controls].

**Fig. 3 Risk ratings**

<b>1-3</b> <b>Low</b>	Acceptable risk No further action or additional controls required
<b>4-6</b> <b>Medium / Low</b>	A risk at this level may be acceptable Maintain existing controls if any, no further action or additional controls required
<b>8-12</b> <b>Medium / High</b>	Not normally acceptable Efforts should be made to reduce the risk, provided this is not disproportionate Determine the need for improved control measures
<b>15-25</b> <b>High</b>	Unacceptable Immediate action must be taken to manage the risk A number of additional control measures may be required

Further guidance on how to determine the appropriate score for both likelihood and impact can be found in [Appendix B: Risk assessment criteria](#). [Note that impact is assessed in different ways depending on the nature of risk]. Ensuring that all risks are assessed using the risk assessment criteria should drive consistency through the risk management framework and enable risks to be compared and reported on against a like for like basis. It also provides the organisation with the ability to map its collective risk exposure of a particular activity, objective, outcome, function(s) or indeed whole operation.

### 3. Risk response

Following identification and assessment, a decision should be taken on how best to respond to the risk (see 'The 4Ts' below) and, if accepted, treatment measures should be determined to manage the risk.

- **Treat** - implement controls and/or mitigations
- **Terminate** - avoid the activity that gives rise to the risk
- **Tolerate** - take the risk
- **Transfer** - outsource the activity; purchase insurance

If treating the risk, **controls and/or mitigations** should be put in place:

- **Controls** are activities and measures that have a specific and significant effect on reducing the **likelihood** of a risk

- **Mitigations** are activities and measures that have a specific and significant effect on reducing the **impact** of a risk, should it occur

#### 4. Risk monitoring, reporting and escalation

##### Risk monitoring

The risk owner is responsible for all aspects of the risk, including ensuring appropriate controls and/or mitigations are in place to manage the risk. All risks should be monitored on a regular basis (quarterly, as a minimum). This requires the risk owner to **review the controls and/or mitigations in place** to determine if they are still effective and follow-up on any actions that have been proposed to help reduce the likelihood of the risk occurring. **Monitoring can be delegated to the risk manager(s) but responsibility is retained by the risk owner.** The likelihood and impact scores should be re-assessed and the combined risk score re-calculated for the residual risk. If additional actions can be carried out to reduce the likelihood of the risk occurring still, then these should be assigned to an officer and a date for completion agreed. The risk owner should then decide if the target risk score can be reduced further.

Questions to consider as part of risk monitoring and review:

- Is the risk still relevant?
- Are the controls and/or mitigations in place effective?
- Have the actions proposed to reduce the likelihood of the risk been implemented?
- If so, has this reduced the likelihood score?
- Has anything occurred that might change the likelihood or impact score?
- Is the risk score increasing or decreasing?
- If the risk is increasing, can further action be taken to reduce the likelihood of the risk occurring?
- If the risk is decreasing, can any of controls and/or mitigations be relaxed?

##### Risk reporting

Risk registers should be reviewed on a regular basis (quarterly, as a minimum) by the relevant Project Board, Senior Management Team, Delivery Unit Board or Strategic Commissioning Board (see Section: 5. Risk management levels).

The **risk champions** should play a key role in risk monitoring and reporting. They should liaise with the risk owners and/or risk managers in their respective Delivery Units to ensure risks are regularly monitored (quarterly, as a minimum) and should keep the risk register up-to-date. They should pull together reports for the Project Board or Senior Management Team and attend relevant meetings to present the updated risk register (quarterly, as a minimum) and provide a level of challenge on the risk information provided. This role should be carried out in accordance with the **risk monitoring timetable**.

##### Risk escalation

Any risks that **score 12 or above** should be escalated to the next risk management level (see Section 5: Risk management levels) by the risk champion. The Project Board or Senior Management Team should discuss the effectiveness of the controls and/or mitigations in place and review any actions being taken to further reduce the likelihood of the risk occurring. They

might propose additional actions or assign resources to help mitigate the risk in the future. The risk champion is responsible for communicating any additional actions back to the risk owner and/or risk manager; and forwarding a copy of the service risk register, including the escalated risks to the Commissioning Director. If the risk owner or risk manager has a particular view on how the risk might be better controlled in the future e.g. extra resources, information should be provided, along with any associated resource implications, when the risk is escalated.

The risk champions should highlight any **service risks that score 12 or above** to the Performance and Risk Manager and these should be escalated to the Strategic Commissioning Board for review each quarter. As above, the effectiveness of the controls and/or mitigations in place and actions being taken to further reduce the likelihood of the risk occurring should be discussed; and any additional actions may be proposed or resources assigned to help mitigate the risk in the future (which should be communicated back to the risk champion by the Performance and Risk Manager).

After Strategic Commissioning Board has met, the strategic risk register and any service risks that score 15 and above should be combined to form the **corporate risk register**. This should be reported to Delivery Unit Board, Strategic Commissioning Board and Performance and Contract Management Committee, as part of the Performance Monitoring Report, each quarter (see Appendix C: Quarterly reporting timetable).

**Fig. 4 Delivery Unit risk monitoring, reporting and escalation**

Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Wk 7	Wk 8	Wk 9	Wk 10	Wk 11
<b>Risk monitoring</b>	<b>Risk reporting</b>		<b>Risk escalation</b>		<b>Risk challenge</b>	<b>Corporate risk register</b>	<b>Performance &amp; risk challenge</b>	<b>Publication</b>		<b>Performance &amp; risk scrutiny</b>
Review risks <i>Risk owners and/or risk managers</i>	Update DU risk register and report to SMT <i>Risk champions</i>		Highlight DU risks (12+) to P&R Team <i>Risk Champions</i>  Escalate DU risks (12+) to SCB <i>Performance &amp; Risk Manager</i>		Review strategic risks and escalated DU risks (12+) and propose additional actions <i>SCB</i>	Combine strategic risks and DU risks (15+) into corporate risk register <i>Performance &amp; Risk Manager</i>  Submit to Executive Team for DUB and SCB <i>Head of Performance &amp; Risk</i>	Review performance monitoring report <i>DUB and SCB</i>  Send performance monitoring report for clearance <i>Head of Performance &amp; Risk</i>	Submit Review performance monitoring report to Governance Team for publication <i>Head of Performance &amp; Risk</i>		Scrutinise performance monitoring report <i>PCMC</i>

**Fig. 5 Extract of risk register for reporting**

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	

Where additional assurance is required on the controls and/or mitigations in place, the Strategic Commissioning Board may request a **‘deep dive’** of that risk. In this instance, the risk owner would be expected to work with the Performance and Risk Team to undertake an in-depth review of the risk, including the controls and/or mitigations in place and any best practice management, and report back to the Strategic Commissioning Board the following quarter.

Any risk event that results in the organisation suffering a major impact (score = 4) is defined as “serious”. If a **serious risk event** occurs, a review of the causes that led to the event and impact should be undertaken by the Performance and Risk Team and reported back to the Strategic Commissioning Board. Relevant senior managers and directors would be required to demonstrate to the Strategic Commissioning Board and Performance and Contract Management Committee what controls and/or mitigations had been in place and why these failed; how these can be strengthened going forward and any additional actions that can be taken to minimise the likelihood of the risk recurring.

#### 4. Risk appetite

This is the level of residual risk the organisation is prepared to tolerate before action is considered necessary to reduce it. This has been set at a combined likelihood and impact score of 15. By setting a risk appetite, officers should be guided on the level of risk tolerated and assurance should be given that a consistent approach to managing risk has been applied across the organisation.

#### 5. Communication and consultation

Communication and consultation should take place throughout the risk management process with relevant officers in the Delivery Unit and the Performance and Risk Team.

## 7. Commissioned services

The organisation has a responsibility when managing commissioning relationships (e.g. commercial partnerships or shared services) to ensure that **arrangements are in place for effective risk management** and provide assurance that risks are identified and managed appropriately. The purpose of risk management in the commissioning context should be as follows:

- Ensure the identification of risks associated with a commissioned service, including delivery risks, joint risks and retained risks
- Support clear allocation of responsibilities for owning, managing and monitoring risks
- Agree the risk appetite for management of risks amongst all partners
- Align the response to identified risks with strategic priorities
- Provide a framework for information sharing regarding risks management
- Distinguish the level and type of risk to the organisation and to the delivery of the commissioning arrangement

At the earliest stage of the commission consideration should be given to existing risks associated with the delivery of the service. It is expected that an integral part of the commissioning exercise would be to establish clear arrangements on how the council and the commissioned organisation should document, monitor and manage risk; and that the commissioning arrangement should include a requirement that the commissioned organisation maintains a minimum standard of risk management procedures, proportionate to the size of the contract.

### **Transferred risks and contractual obligations**

One of the benefits of commissioning services is the ability to transfer risks to the commissioned organisation; however, the council may retain exposure to some risks. The transference of risk should be agreed as part of the commissioning process and stipulated, as appropriate, in the contract. This means that ownership of the risk and controls and/or mitigations become the responsibility of the commissioned organisation.

The risk management obligations of the commissioned organisation should be written up in a template contract extract. Particular consideration should be given to the obligation of the commissioned organisation for updating and managing risks should a process change, and for periodically providing risk registers to the relevant Performance Monitoring Manager in the Commercial Team when the contract is subject to annual review. The Commercial Team is expected to share these with the Performance and Risk Team upon request.

### **Retained and joint risks**

As part of a commissioning exercise and/or any new arrangement, risks for the council should be considered and assessed; these could be new commercial risks, retained risks and/or joint risks, where both parties have a role in managing the risk. Retained and joint risks are defined below:

- **Retained risk** – a risk that could impact the council were it to occur, and where only the council, and not the contracted party, is responsible for implementing the controls and/or mitigations needed to manage the risk

- **Joint risk** – a risk that could impact the council were it to occur, and where the contracted party is responsible for implementing some or all of the controls and/or mitigations needed to manage the risk

Any retained or joint risks (risks shared between parties) should be identified and recorded on either the Commissioning Group risk register (retained risks) or a **joint risk register** with the commissioned organisation e.g. Barnet Group, CSG and Re.

For **joint risks**, a decision should be made on which party is best placed to manage the risk and a risk owner/risk manager assigned. The risk should be assessed for likelihood and impact and the risk response agreed, including controls and/or mitigations in place and any additional actions that would help to reduce the likelihood of the risk occurring in the future. The council should remain accountable for any joint risks.

### **New joint risks**

If any new joint risks are identified over the course of the commissioned service, the Senior Responsible Officer (SRO) within the Commissioning Group should raise this with the relevant Performance Monitoring Manager in the Commercial Team and it should be discussed at the monthly SRO meetings. If agreed, the risk should be added to the joint risk register and assessed as set out in Section 6: Risk management process.

### **Monitoring and reporting joint risks**

All parties should work together to effectively manage joint risks. SROs should review the joint risk registers at least every quarter, prompted by the relevant Performance Monitoring Manager in the Commercial Team and adhere to the reporting requirements as set out in Section 6: Risk management process.

## 8. Projects

This guidance should be used in conjunction with the Project Management Toolkit.

### What are project risks?

Project risks are risks that affect the intended outputs or benefits of a project.

Project risks should be identified in the initial stages of a new project. Risks should be assessed as set out in Section 6: Risk management process and added to the **Project risk register**. This should be signed-off by the relevant Board and included in project documentation. The project tolerances and escalation process should be clearly documented within the Project Initiation Document. The **Project Manager** is responsible for maintaining the Project risk register for each of the projects that they manage.

### How are project risks reported?

Project risks should be reported to the Project Board on an **exception basis** via the project highlight report. The highlight report should typically include:

- The effectiveness of controls and/or mitigations in place and any additional actions that could be put in place to help reduce the likelihood of the risk occurring
- Any changes to risk ratings (the Direction of Travel)
- Any new risks identified

The Project Board should consider what risks, if any, should be escalated to the **service risk register**. The criterion for escalation is:

- Higher scoring risks (12 and above) that need agreement on appropriate action to be taken to mitigate the risk
- Lower scoring risks that are likely to be common across a number of projects, which should require attention by the Project Board and are likely to be dependencies for other projects
- Any risks that affect the overall objectives of the project (subjective)

## 9. Annual review and quality assurance

To ensure the risk management framework remains fit for purpose, the organisation should undertake an annual review and refresh, where relevant. This should consider industry best practice; ongoing business management needs; and pick up on any recommendations arising from internal audits. Any changes should be approved by the Strategic Commissioning Board and Performance and Contract Management Committee.

### **Assurances on the effectiveness of key controls**

The annual programme of internal audit work dedicates resources to test the key controls specified within the risk registers noted to mitigate the level of risk the organisation is exposed to. Internal audit should test both the design of the controls and effectiveness of these controls. Reports should be issued to management that note, where appropriate, action required if there are any deficiencies noted within the internal control environment. It is management that should be primarily responsible for the internal control environment and the effectiveness of it; where internal audit make recommendations management should have due regard to those recommendations in order to prevent fraud and/or error. In addition, external audit should base their plan on the key risks of the organisation and this independent source of assurance should be noted within the risk registers where relevant.

### **Annual Governance Statement**

The organisation should produce an Annual Governance Statement every year, which assesses the governance system in place and the sources of assurance obtained during the year, internal and external. The risk management framework should provide assurance to the Strategic Commissioning Board and members that risks are being properly managed.

### **Periodic review of risk owners**

A periodic review of risk owners (to check they are still employed by the organisation) should be undertaken by the Performance and Risk Team, as part of the annual review of the risk management framework.

## Appendix A - Roles and responsibilities

All officers, senior managers, members and partners should proactively engage with risk management and the potential impact of risks on achieving objectives. It should be everyone's job to identify risks and report them to their manager. Managers at all levels should be responsible for the collation and management of risks within their service area, using the relevant risk register template.

Within the organisation, officers and groups have responsibility for different aspects of the risk management framework. Some of these are defined by the Terms of Reference set out in the Constitution (identified in *italics* below).

Officer	Roles and responsibilities
Chief Executive	<ul style="list-style-type: none"> <li>• Oversee delivery of the risk management framework</li> <li>• Review progress of the management of strategic risks in the strategic risk register</li> <li>• Ensure consideration of risk in agreeing the organisation's direction of travel</li> </ul>
Commissioning Directors	<ul style="list-style-type: none"> <li>• Manage strategic risks associated with their specific areas of responsibility, including any that cross business, service or directorate boundaries</li> <li>• Escalate risks, as appropriate, for consideration by the Strategic Commissioning Board</li> <li>• Undertake an annual risk review and refresh as part of the business and budget planning cycle, ensuring that any new risks that could impact on the achievement of objectives are captured and old risks are removed</li> <li>• As required, as a part of their delegated authority, manage the risks associated with their budget allocation and business plan</li> <li>• Seek assurance that a risk aware culture is appropriately embedded in their directorate</li> <li>• Ensure arrangements are in place for partnership and contract activities where risks are shared, so that risks are identified; joint risk registers are in place; and risks are managed and regularly monitored</li> </ul>
Delivery Unit Directors	<ul style="list-style-type: none"> <li>• Manage operational risks associated with their specific areas of responsibility</li> <li>• Appoint a risk champion to drive forward the risk management framework within their function</li> <li>• Escalate risks, as appropriate, for consideration by the Strategic Commissioning Board</li> <li>• Undertake an annual risk review and refresh as part of the business and budget planning cycle, ensuring that any new risks that could impact on the achievement of objectives are captured and old risks are removed</li> <li>• As required, as a part of their delegated authority, manage the risks associated with their budget allocation and business plan</li> <li>• Seek assurance that a risk aware culture is appropriately embedded in their directorate</li> <li>• Ensure a risk register is in place for projects and review these at least monthly</li> <li>• Ensure officers have an appropriate understanding of risk management and encourage them to identify risks for inclusion on the risk register</li> </ul>

Officer	Roles and responsibilities
Commissioning Group Senior Responsible Officers (SROs)	<ul style="list-style-type: none"> <li>• Manage retained and joint risks in the service area they commission, in accordance with the risk management framework</li> <li>• Ensure officers working within external or shared service have an appropriate understanding of risk management</li> <li>• Champion the benefits of risk management across their service area and communicate the organisation's approach to managing risk</li> </ul>
Performance and Risk Manager (Performance and Risk Team)	<ul style="list-style-type: none"> <li>• Implement the organisation's performance and risk management frameworks and build performance and risk management capability across the organisation</li> <li>• Provide assurance that the strategic objectives are being delivered through effective performance and risk management arrangements</li> <li>• Advise senior managers on performance and risk management arrangements and provide support to the Head of Performance and Risk in annually reviewing the performance and risk management frameworks</li> <li>• Responsible for corporate monitoring and challenge of performance and risk data, including the co-production and monitoring of improvement plans where necessary</li> </ul>
Performance Monitoring Manager (Commercial Team)	<ul style="list-style-type: none"> <li>• Support the management of joint risks with external service providers</li> <li>• Ensure joint risks are reviewed and risk registers updated on a quarterly basis</li> <li>• Escalate risks, as appropriate, for consideration by the Strategic Commissioning Board</li> <li>• Undertake an annual risk review and refresh as part of the business and budget planning cycle, ensuring that any new risks that could impact on the achievement of objectives are captured and old risks are removed</li> </ul>
Risk Owner	<ul style="list-style-type: none"> <li>• Accountable for ensuring that individual risks are managed appropriately and the impact should the risk event occur</li> <li>• The senior officer for the area of work that the risk relates to</li> <li>• Management of the risk may be delegated to a risk manager(s) (if delegated, accountability for the risk is retained by the risk owner)</li> <li>• Assess the risk and assign it a score for likelihood and impact</li> </ul>
Risk Manager	<ul style="list-style-type: none"> <li>• Manages the controls and/or mitigations in place</li> <li>• Supports the risk owner in monitoring and reporting risks (this function may be delegated by the risk owner to the risk manager but the risk owner retains accountability for the risk)</li> </ul>
Risk Champions	<ul style="list-style-type: none"> <li>• Advise officers within the Delivery Unit on the application of risk management framework, including risk identification; risk assessment; monitoring, reporting and escalation</li> <li>• Maintain their respective service risk register (by collating information on new and updated risks through discussions with risk owners)</li> <li>• Attend SMT meetings to present updates on their risk register, and to challenge senior management on the information on risks and delivery of actions</li> <li>• Ensure risks are reviewed and risk registers are up-to-date ahead of quarterly reporting (in accordance with timetable provided by Performance and Risk Team)</li> </ul>
Project Managers	<ul style="list-style-type: none"> <li>• Identify project risks</li> <li>• Support the management of project risks</li> <li>• Ensure project risks are reviewed and risk registers updated on a regular basis</li> <li>• Report project risks to the relevant Board on an exception basis</li> <li>• Escalate risks, as appropriate, to the appropriate Delivery Unit</li> </ul>

Officer	Roles and responsibilities
All Officers	<ul style="list-style-type: none"> <li>Identify new risks to the appropriate risk champion and/or manager</li> <li>Escalate any risks that are not being sufficiently managed to the appropriate risk champion</li> </ul>

Group	Roles and responsibilities
Audit Committee	<i>The Audit Committee's remit is to provide independent assurance of the adequacy of the risk management framework and the associated control environment. This includes monitoring the effective development and operation of risk management through an annual Internal Audit review which underpins the Annual Internal Audit Opinion and Annual Governance Statement.</i>
Performance and Contract Management Committee	<p><i>Specific responsibilities for risk management. The Committee is responsible for:</i></p> <ul style="list-style-type: none"> <li>Approving the risk management framework and ensuring it is aligned to council policy</li> <li>Overseeing and challenging the effectiveness of the organisation's approach to risk management</li> <li>Ensuring action taken to manage strategic risks/ opportunities is adequate and effective</li> </ul>
Strategic Commissioning Board	<ul style="list-style-type: none"> <li>Accountable for ensuring risks are managed effectively across the organisation and for maintaining a robust risk management framework, ensuring it is effective and embedded in the business</li> <li>Determine the risk appetite and prioritise strategic risks/ opportunities</li> <li>Establish a control environment and culture where risk can be effectively assessed and managed</li> <li>Review the strategic risk register and escalated risks from Delivery Units on a quarterly basis, along with any associated risk reports</li> <li>Ensure risk is appropriately considered in all key decisions submitted to the Board for approval</li> <li>Review the quarterly performance monitoring report, including high-level service risks escalated to the corporate risk register</li> </ul>
Delivery Unit Board	<ul style="list-style-type: none"> <li>Focus on the collective delivery of outcomes across the organisation's major internal and external delivery partners</li> <li>Provide scrutiny, oversight and challenge to the activities of the Delivery Units to ensure that outcomes are achieved in a collaborative manner</li> <li>Ensure risks are managed effectively across the organisation and that a risk aware culture is appropriately embedded</li> <li>Ensure risk is appropriately considered in all key decisions submitted to the Board for approval</li> <li>Review the quarterly performance monitoring report, including high-level service risks escalated to the corporate risk register</li> </ul>
Project Board	<ul style="list-style-type: none"> <li>Review project risks</li> <li>Ensure appropriate controls and/or mitigations in place for managing project risks</li> <li>Escalate project risks to the relevant Project Board, as appropriate</li> </ul>

Group	Roles and responsibilities
Internal Audit	<ul style="list-style-type: none"> <li>• Deliver the annual audit plan, reviewing controls within the organisation using a risk-based approach. For each review a report should be issued giving a level of assurance and/or making any recommendations for improvement</li> <li>• Present reports in summary format to Audit Committee on an exception basis for those reports issued with limited or no assurance</li> <li>• Review the adequacy of risk management arrangements on an annual basis</li> <li>• Issue an annual opinion on internal controls for inclusion within the Annual Internal Audit Opinion.</li> </ul>
Risk Network	<ul style="list-style-type: none"> <li>• Internal forum for risk champions, co-ordinated by the Performance and Risk Team</li> <li>• Advice on risk management approach and process for monitoring and reporting risks, including escalation/de-escalation</li> <li>• Ensure risks are reviewed and risk registers are up-to-date ahead of quarterly reporting</li> <li>• Provide guidance on best practice risk management</li> <li>• Provide a forum for discussion and challenge on risk scoring, ensuring consistency across the organisation</li> <li>• Support the annual risk review and refresh of the risk management framework</li> </ul>

## Appendix B – Risk assessment criteria

The criterion below is used for measuring the likelihood of a risk occurring within the next five years.

Likelihood score	1	2	3	4	5
<b>Descriptor</b>	Rare	Unlikely	Possible	Likely	Almost Certain
<b>Percentage</b>	≤10%	11-25%	26-50%	51-90%	>90%
<b>Frequency</b> <i>(How often might it happen)</i>	This will probably never happen/recur in the next 5 years	Do not expect it to happen or recur but it is possible it may do so in the next 5 years	Might happen or recur occasionally in the next 5 years	Will probably happen/recur in the next 5 years but it is not a persisting issue	Will undoubtedly happen/recur, in the next 5 years, possibly frequently

The criterion below is used for measuring the impact of a risk, should it occur within the next five years. Some risks will impact on more than one area; where this is the case the most predominant impact e.g. finance should be used to assess the score.

Impact score	1	2	3	4	5
<b>Descriptor</b>	Negligible	Minor	Moderate	Major	Catastrophic
<b>Business Continuity</b>	No or minimal disruption (< 1 hour) to service or conduct of council business	Disruption to service or conduct of council business of < 1 day	Disruption to service or conduct of council business of < 3 days	Disruption to service or conduct of council business of > 3 days	Disruption to service or conduct of council business of > 7 days
<b>Compliance</b>	No or minimal impact or breach of guidance statutory duty	Breach of statutory legislation Reduced performance rating from external/ internal inspector	Single breach in statutory duty Challenging external or internal recommendations or improvement notice	Enforcement action Multiple breaches of statutory duty Improvement notices Low performance ratings	Multiple breaches in statutory duty Prosecution Complete system changes required Zero performance against key priorities and targets
<b>Finance</b>	No or minimal financial loss (including risk of claim) <1k	Loss of 0.1-0.25 per cent of delivery unit / council's net budget (approx.. £300k - £750k) Risk of claims less than £20k	Loss of 0.25-0.5 per cent of delivery unit / council's net budget (approx.. £750k - £1.5m) Risk of claims between £20k -	Uncertain delivery of key objectives/ saving plan contributing to a loss of 0.5 – 1.0 percent of delivery unit / council's net budget	Non delivery of key objective/ saving plan contributing to a loss of >1 percent of delivery unit / council's net budget

Impact score	1	2	3	4	5
Descriptor	Negligible	Minor	Moderate	Major	Catastrophic
			£150k.	(approx. £1.5m - £3m) Risk of claims between £150k to £1m	(approx.. £3m) Loss of major contract (s) Risk of claim > £1m
<b>Health &amp; Safety</b>	No or minimal financial loss (including risk of claim) <1k	Loss of 0.1-0.25 per cent of delivery unit / council's net budget (approx.. £300k - £750k)  Risk of claims less than £20k	Loss of 0.25-0.5 per cent of delivery unit / council's net budget (approx.. £750k - £1.5m)  Risk of claims between £20k - £150k.	Uncertain delivery of key objectives/ saving plan contributing to a loss of 0.5 – 1.0 percent of delivery unit / council's net budget (approx. £1.5m - £3m)  Risk of claims between £150k to £1m	Non delivery of key objective/ saving plan contributing to a loss of >1 percent of delivery unit / council's net budget (approx.. £3m)  Loss of major contract (s) Risk of claim > £1m
<b>Information Governance</b>	No personal data involved, or personal data (not HR personal data) between delivery units and partners on Barnet network	Short-term, minimal embarrassment to an individual  Involves HR personal data between delivery units and partners on Barnet network about an individual  Minimal amounts of sensitive personal data about an individual  Minimal amounts of sensitive and personal data released to a trusted partner outside the Barnet network (a trusted partner is a partner with ISAs in place and /or within the PSN network)  Personal data (non-sensitive) released outside the Barnet	<i>More than a minimal amount of sensitive personal data is involved at this level</i>  Short-term distress or significant embarrassment to an individual or group of individuals (e.g. a family)  The potential of a financial loss for individuals concerned HR personal data between DUs etc. about a number of individuals (e.g. a team or directorate)  Minimal disruption to a group of individuals or significant disruption in service delivery or distress to an individual (e.g. availability to a set of personal	Significant amount of HR, or resident personal, and / or sensitive data released outside the organisation leading to significant actual or potential detriment (including emotional distress as well as both physical and financial damage) and / or safeguarding concerns  N.B. Inform Communications Team and inform the ICO	Catastrophic amount of HR or service user personal and or sensitive data released outside the organisation leading to proven detriment and / or high-risk safeguarding concerns  N.B. Inform Communications Team and inform the ICO

Impact score	1	2	3	4	5
Descriptor	Negligible	Minor	Moderate	Major	Catastrophic
		<p>network to a small group of individuals (e.g. a family)</p> <p>Minimal disruption or inconvenience in service delivery to an individual (e.g. an individual has to re-submit an address or re-register for a service)</p> <p>N.B. Minimal amounts of sensitive personal data about an individual includes: a document which only references ethnicity would be minor; a document with the equalities assessment naming an individual would be more than a small amount</p>	<p>information is lost, requiring resubmission of identity evidence before services</p> <p>N.B. Short-term safeguarding concerns with mitigations that can be implemented swiftly to contain. Potential of informing the ICO</p>		
<b>Staffing &amp; Culture</b>	Short-term low staffing level that temporarily reduces service quality (<1 day)	Low staffing level that reduces the service quality	<p>Late delivery of key objective/service due to the lack of staff</p> <p>Low staff morale</p> <p>Poor staff attendance for mandatory/key training</p>	<p>Uncertain delivery of key objective/ service due to lack of staff</p> <p>Unsafe staffing level of competence</p> <p>Loss of key staff</p> <p>Very low staff morale</p> <p>No staff attending training</p>	<p>Non-delivery of key objective/ service due to lack of staff</p> <p>Ongoing unsafe staffing levels or competence</p> <p>Loss of several key staff</p> <p>No staff attending training on an ongoing basis</p>

## Appendix C – Quarterly reporting timetable

### Quarter 2 2016/17

Strategic Commissioning Board	
11 October 2016	Review Quarter 2 2016/17 Corporate Risk Register
25 October 2016	Quarter 2 Performance Monitoring Report 2016/17
Delivery Unit Board	
26 October 2016	Quarter 2 Performance Monitoring Report 2016/17
Performance and Contract Management Committee	
15 November 2016	Quarter 2 Performance Monitoring Report 2016/17

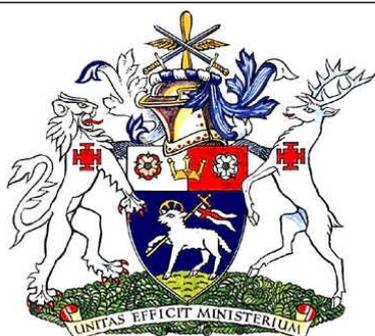
### Quarter 3 2016/17

Strategic Commissioning Board	
17 January 2017	Review Quarter 3 2016/17 Corporate Risk Register
31 January 2017	Quarter 3 Performance Monitoring Report 2016/17
Delivery Unit Board	
25 January 2017	Quarter 3 Performance Monitoring Report 2016/17
Performance and Contract Management Committee	
13 February 2017	Quarter 3 Performance Monitoring Report 2016/17

### Quarter 4/Annual 2016/17

Strategic Commissioning Board	
11 April 2017	Review Quarter 4 2016/17 Corporate Risk Register
TBC April 2017	Quarter 4/Annual Performance Monitoring Report 2016/17
Delivery Unit Board	
26 April 2017	Quarter 4/Annual Performance Monitoring Report 2016/17
Performance and Contract Management Committee	
24 May 201	Quarter 4/Annual Performance Monitoring Report 2016/17

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## Performance and Contract Management Committee

15 November 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 (except Appendices F and G, which are not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972)
<b>Urgent</b>	No
<b>Key</b>	Yes
<b>Enclosures</b>	Appendix A: Summary of service improvements Appendix B: Public submissions Appendix C: Project spend slide pack (excluding exempt information) Appendix D: Benchmarking slide pack Appendix E: Detail of savings proposals (excluding exempt information) Appendix F: Project spend slide pack (including exempt information) Appendix G: Detail of savings proposals (including exempt information)
<b>Officer Contact Details</b>	Caroline Woolf – Commercial Director <a href="mailto:caroline.woolf@barnet.gov.uk">caroline.woolf@barnet.gov.uk</a> 020 8359 7082  Deborah Hinde – Contract Review Manager <a href="mailto:deborah.hinde@barnet.gov.uk">deborah.hinde@barnet.gov.uk</a> 020 8359 2461

### 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 Member-led working group of the Committee for the purpose of overseeing the conduct of the Review.

Reports on the progress of the Review were considered by the Committee at its meetings on 31<sup>st</sup> May 2016 and 6<sup>th</sup> September 2016. The latter report included consideration of the draft desired outcomes that had been agreed by the Working Group.

The purpose of this report is to set out the detailed findings from the Review and the recommendations of the Working Group. In broad terms, the report concludes that the contract is meeting its original objectives, with significant savings having been achieved and substantial improvements in, most notably, customer satisfaction and revenue collection. Day to day service performance is generally acceptable, when judged against the Key Performance Indicators (KPIs). However, the report also recognises that there have been performance issues within certain services, some of which have been significant. The report makes recommendations to address these issues and to further develop the services to meet the council's needs, through the achievement of the outcomes that were considered by the Committee in September.

The Review has also driven the identification of further savings to the council, potentially in the order of up to £2.9m per annum. Of this, approximately £1.5m has a high degree of certainty of deliverability, whereas the remainder requires further investigation. Details of the potential savings are set out in paragraphs 1.65 to 1.88 of the report.

Although this report signals the formal end of the Review, there is still work to do to finalise negotiations around changes to certain KPIs and working arrangements to reflect where improvements are required, as well as the agreement of an implementation plan to ensure the issues set out in this report are resolved. It is therefore recommended that the Working Group continue to oversee this process through to conclusion by the end of the financial year.

## **Recommendations**

- 1. That the Committee notes the content of the report, along with the proposed service improvements and savings, as set out in the body of the report and summarised in Appendix A to this report.**
- 2. That the Committee notes that the Chief Operating Officer is authorised under the existing Scheme of Delegation to conclude negotiations and finalise the necessary contractual arrangements to effect these changes.**
- 3. That the Committee endorses the following proposals, which will be taken forward through existing officer delegations:**
  - a. The establishment of two dedicated ICT project support teams, as set out in paragraph 1.70 of the report; and**

<p><b>b. The revised payment arrangements for the CSG contract in 2017, as set out in paragraph 1.74 of the report.</b></p>
<p><b>4. That the Committee agrees that progress on the following items be considered by the Member-led CSG Working Group and the outcomes reported to the Performance and Contract Management Committee before the end of the financial year:</b></p> <ul style="list-style-type: none"> <li><b>a. Revisions to the suite of Key Performance Indicators and updated list of contractual commitments, as referenced in paragraph 1.52 of the report;</b></li> <li><b>b. The Partnership Development Strategy, as referenced in paragraph 1.55 of the report;</b></li> <li><b>c. The Partnership Communication Strategy, as referenced in paragraph 1.63 of the report; and</b></li> <li><b>d. Any proposals to extend the remit of the Procurement service, as set out in paragraph 1.71 of the report.</b></li> </ul>
<p><b>5. That the Committee notes that an implementation plan is being formulated that sets out the key milestones for the delivery of the service improvements identified in the body of the report and that progress will be reported to the Committee.</b></p>
<p><b>6. That the Committee agrees that the Member-led CSG Working Group should continue to meet, as required, to provide oversight for the completion of the Review.</b></p>

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

### **Background and purpose of the review**

- 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 has been designed to give both the council and Capita Business Services Ltd an opportunity to: consider what is working well; identify areas for improvement; and to consider the changing needs and priorities of the council. It is also an opportunity to consider the opportunity for further savings and efficiencies within the contract, given the need for the council to continue to make revenue savings in the years ahead.
- 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 Member-led Working Group of the Committee for the purpose of overseeing the Review and reporting its recommendations 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 confirmed the overall aim of the Review as being to ensure that the CSG contract remains fit for purpose in the period to 2020 (by which point the year six contract review will have been carried out), recognising that the strategic context within which the contract operates has changed significantly since it was signed in 2013.
- 1.6 The main objective of the Review is to secure a formal agreement with Capita Business Services Ltd 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 has sought 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 client-side 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 has been 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 recommendations to Committee
- 1.10 The purpose of this report is to set out the detailed findings and recommendations from the Review. The report also identifies the additional work that will be required to fulfil the objective of securing a formal agreement with Capita Business Services Ltd in order to execute those recommendations.

## Overview of the contract

- 1.11 The CSG contract commenced in September 2013. It is a 10 year contract, with a value of approximately £322m, including managed budgets and partnership governance costs.
- 1.12 The core services that are delivered under the contract are:
- Finance
  - ICT
  - HR, including Pensions and Safety, Health and Welfare
  - Customer Services
  - Revenues and Benefits
  - Procurement
  - Estates
  - Corporate Programmes
- 1.13 Services are provided at a fixed price, based on delivering the requirements of the council's output specifications. There are some elements of pricing that vary according to changes in the volume of transactions, for example payroll, but these are relatively marginal. Any changes to the council's requirements are governed by a change request process.
- 1.14 In addition to the reductions that the contract has delivered in the cost of delivering these core services, the contract also provides a number of guarantees in respect of further savings and income generation. The most notable of these is on procurement, which provides a net savings guarantee of £47m over the life of the contract. In order to encourage over-performance against these guarantees, the contract provides for a risk/reward mechanism, called gainshare, whereby both the council and Capita benefit from CSG exceeding the guarantees, but the risk of not achieving the guarantee remains with Capita.
- 1.15 The contract provides for ongoing performance review and improvement, but also for more formal reviews at the end of years three and six. There is also the facility to extend the contract, by up to five years, which can be exercised by the council at any point.
- 1.16 Service delivery expectations are defined in the following documents, which form part of the schedules to the contract:
- **Output specifications**, which set out a description of what the council asked for when it went out to tender;
  - **Method statements**, which set out how Capita said they would deliver these requirements;
  - **Contract commitments**, which is a list of specific actions that Capita committed to delivering, as part of their bid.

- 1.17 The contract was entered into as a long term partnership, with a focus on identifying and rectifying problems as quickly as possible, without adversarial processes. However, where performance does not meet the agreed expected outcomes, the contract describes the actions that can be applied by the council. The main remedy available to the council is the ability to apply service credits (deductions) against a suite of Key Performance Indicators (KPIs). These define the required performance levels for each service area. The level of service credit that can be applied is determined by the weighting agreed for each KPI and the degree of failure. The maximum value of service credits that can be applied is defined within the contract and is a fundamental element of the commercial basis of the contract.
- 1.18 The application of service credits for failure to meet KPI targets is the only financial remedy for poor performance contained within the contract. The other main remedy for poor performance that is available to the council is to serve a remedy notice, which requires CSG to provide and implement an improvement plan within an agreed timescale. Failure to comply with a remedy notice could result in the council “stepping in” to directly manage service delivery. Ultimately, the council has the power to terminate the contract for breach, but it should be recognised that this would always be the remedy of last resort and would only apply in the event of catastrophic, continuing failure to provide a significant element of the service. It should also be noted that this course of action would have significant legal and financial consequences for the council.
- 1.19 Day to day oversight of the performance of the contract is exercised through frequent engagement between the relevant CSG service leads and the council’s Senior Responsible Officers (SROs), who play a key role in steering the strategic direction of services and monitoring service quality. Within the council’s Commercial Team, a Partnership Relationship Manager has overall responsibility for monitoring the delivery of the contract. This includes administering any change requests that are put forward by services and managing the performance reporting regime.
- 1.20 Performance reports are considered by a joint Partnership Operations Board, which meets monthly. Issues are escalated as necessary to the joint Strategic Partnership Board, which also provides strategic oversight and direction to the partnership as a whole.
- 1.21 The Performance and Contract Management Committee exercises Member oversight of performance, receiving quarterly reports on all aspects of the contract’s performance. Services that are provided through the contract are subject to the council’s normal internal audit arrangements, which includes referral to the Audit Committee, where internal control arrangements do not meet the required standard.

### **Conduct of the review**

- 1.22 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. Capita have engaged proactively and effectively during the review process,

through a number of challenge sessions between senior officers and senior members of Capita's management team in Barnet, to discuss various elements of the Review and specific services.

- 1.23 The Review has 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.
- 1.24 Over the last few months, the council's 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.
- 1.25 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.
- 1.26 Alongside this work, the project team carried out a series of interviews and workshops with Barnet's Commissioning and Delivery Unit Directors, Assistant Directors, Service Managers and staff to seek their views on what is working well with the services and what needs improvement. Schools were invited to participate in workshops or submit written comments, but only one school chose to participate. A report on the outcomes of these interviews and workshops is included in the evidence pack referenced in section 6 of this report. These outcomes also informed the challenge sessions that were held with SROs and CSG service leads.
- 1.27 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 overview presentation pack for each service and, following discussion and challenge, confirmed the opportunities that they wanted officers to progress. These presentation packs are also included in the evidence pack referenced in section 6 of this report.
- 1.28 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.
- 1.29 Based on the outcomes of these meetings, officers commenced the development of more detailed proposals, in dialogue with CSG colleagues.
- 1.30 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. The submissions from members of the public are attached as Appendix B. Responses to the concerns raised are incorporated in the relevant sections of the report and summarised within the Appendix.

- 1.31 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 is included in the evidence pack referenced in section 6 of this report. It identified, for the contract to date:
- Progress on delivering contractual commitments
  - Service cost
  - Performance against KPIs
  - Any performance remedies applied
  - Key service risks
- 1.32 Based on their consideration of the service overviews and performance assessments, the Working Group agreed a range of draft desired outcomes for the Review and tasked officers to proceed with securing these, in dialogue with CSG colleagues. The draft desired outcomes were considered by the Performance and Contract Management Committee at its meeting on 6<sup>th</sup> September 2016.
- 1.33 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. The paper, excluding exempt information, is attached as Appendix C. The same paper, including exempt information, is attached as Appendix F.
- 1.34 At its meeting on 28<sup>th</sup> September 2016, the Working Group considered a more in-depth assessment of performance in respect of the ICT service, which is included in the evidence pack referenced in section 6 of this report.
- 1.35 The Group also considered a paper setting out the results of a CIPFA benchmarking exercise, which compared the current cost of various services covered by the contract with those provided within similar councils. The paper is attached as Appendix D. Key elements are included in the service outcomes sections of the report, but in broad terms, the benchmarking exercise shows that the services provided under the contract are generally low cost, compared to similar services provided from within similar councils. This should be regarded as an indicator of comparative cost, as membership

of benchmarking clubs is self-selecting and service definitions and treatment of cost will vary to some extent within the councils that do choose to participate.

- 1.36 Alongside the consideration of evidence by the Working Group, officers have been continuing dialogue with CSG colleagues to work up proposals for delivering the desired outcomes from the Review. These proposals are at various stages of development and implementation. Detail on the content and status of the proposals is set out in the remaining sections of the report.

### **Overview of contract performance**

- 1.37 The key drivers for entering into the CSG contract in 2013 were to:
- a) Achieve significant cost reduction;
  - b) Maintain service quality; and
  - c) Secure investment in improving Customer Services.
- 1.38 Overall, the contract is delivering against these objectives. Most notably, the services covered by the contract are being delivered at considerably lower cost than prior to the contract being put in place and they are generally low cost compared to similar services in other councils. Prior to the contract, the annual cost for the core services was approximately £31m. Under the contract, the annual cost of those services is now approximately £25m, representing an annual saving of approximately £6m.
- 1.39 Over the 10-year term of the contract, savings on the provision of core services, together with procurement savings and increases in income, are anticipated to be in the region of £125m.
- 1.40 Notable achievements through the contract to date are:
- Office moves at North London Business Park have saved the council £5.2m per year
  - The Revenues and Benefits service collected £5.1m more in 2015/16 than in the previous year
  - 76% of customers are satisfied with the service, which is up from 52% pre-contract
  - 94% of face to face customers are satisfied, up from 35% pre-contract. As of August 2016, the service is rated the top Face to Face service for all councils using GovMetric scoring
  - There has been an unqualified audit opinion for the annual accounts since contract start
  - £5.6m procurement savings have been delivered to date and the service is on track to meet the overall commitment
  - Introductions to the wider Capita Group, for example Capita Asset Services, whose review of the council's financing arrangements in respect of Minimum Revenue Provision has released an additional £18m of revenue funding over the life of the contract

- 1.41 Overall, performance against the Key Performance Indicators (the main objective measure of service quality) is acceptable. In 2015/16, 27 of the 30 service-delivery KPIs achieved their target over the year as a whole. Detailed performance information is provided in the service outcomes sections of the report. Performance information is reported regularly to the Performance and Contract Management Committee, including details of service credits that have been applied where targets have not been achieved within the quarter. The total credit applied for service-delivery KPIs in 2015/16 was approximately £81k, compared to approximately £164k in the previous year, which suggests that service performance is generally improving.
- 1.42 In respect of contractual commitments, a comprehensive review of these has been carried out. Overall, over 85% of the 294 certain contractual commitments have been substantially delivered, are in progress or are classified as “ongoing”, i.e. they are an obligation that continues for the duration of the contract. The Review has highlighted that some contractual commitments were delivered later than anticipated in the contract. Reasons for late delivery vary. In some cases, effort has been re-prioritised in agreement with the council’s SRO, in other cases commitments that were made in the original bid have proved to be more complex to deliver than was anticipated. The Review has also highlighted that many of the items listed as contractual commitments repeat things that are covered elsewhere in the contract, for example within KPIs.
- 1.43 Not surprisingly with a contract of this scale and complexity, there have been performance challenges in all services, some of which have been significant. This has most notably been the case with the ICT and Estates services, both of which it is acknowledged had performance issues going back a number of years prior to contract commencement. Instability in the senior management of these services is likely to have contributed to these issues. There were also substantial issues with the performance of the HR service in the early years of the contract, but these have been turned around over the last year and the service is generally regarded to be improving under the new CSG HR Director. Unified Reward is a significant achievement for the service and excellent progress has been made on reviewing and updating key HR policies. It is also recognised that issues such as the libraries’ system failure have had an impact on public perception of the performance of the contract. The Performance and Contract Management Committee has received regular reports on any performance issues and, where necessary, improvement plans have been put in place. Further service improvements have been identified as a result of this Review and are set out in the following sections.
- 1.44 One key area of concern in terms of overall performance is internal customer satisfaction. This is measured through annual surveys of commissioners and staff, using standard CIPFA survey questions. The survey results in respect of the financial year 2014/15 were not statistically valid, due to there being an insufficient response rate. Survey results in respect of the financial year 2015/16 were universally poor, with all services failing to meet the target of upper quartile customer satisfaction. As a result, service credits to a total value of £116k have been applied in respect of these KPIs.

- 1.45 To some extent, a degree of dissatisfaction amongst internal service users is to be expected, given the fact that cost reductions have been achieved to a large extent through increased self-service for both managers and staff, along with more restrictive processes and controls over things like the payment of invoices and the appointment of staff. Despite the survey outcomes indicating a low level of satisfaction, the interviews conducted with staff and managers as part of this Review suggest that services are generally considered to be improving. The survey itself does not require respondents to provide a rationale for scores below an acceptable level and therefore provides no qualitative information on which to base improvement planning.
- 1.46 Discussions are continuing with CSG to develop a method of defining and measuring internal customer satisfaction KPIs that provides more meaningful information on which to base improvement planning. This is likely to include surveys augmented with a more qualitative approach, such as workshops with key users to better understand their concerns and needs.
- 1.47 It is considered that the successful implementation of the service improvements identified as a result of this Review will contribute to improving internal customers' perception of the services.
- 1.48 The council's contract management approach has developed and been strengthened over the first three years of the contract, for example with additional client resource being put into the HR, Estates and ICT services. In broad terms, the current arrangements for governance and performance management of the contract are considered to be robust, but the Review has identified the potential for further enhancements to the contract management arrangements to streamline reporting arrangements and clarify accountabilities.

### **Review outcomes at partnership level**

- 1.49 In addition to reviewing the performance of each service provided under the contract, the Review has also sought to identify issues and improvements that have an impact on the performance of the contract as a whole. Based on their consideration of service performance, together with the key issues that were identified by the council's managers and staff, a range of partnership level desired outcomes were agreed by the Working Group.

#### Performance management

- 1.50 The first desired outcome related to performance management and involved reviewing and refreshing KPIs, commitments and obligations across all services, to reflect corporate priorities and drive desired behaviours. This work has been undertaken within each service workstream and coordinated by the review team. The changes required to KPIs generally involve adjusting definitions or reporting arrangements, to ensure that they remain relevant to changing circumstances. Specific proposed changes are set out in the service outcomes sections of the report.

- 1.51 The Review provides an appropriate opportunity to update the list of contractual commitments and to:
- a) Close off those commitments that have been delivered; are no longer relevant or are covered elsewhere within the contract;
  - b) Transfer “ongoing” commitments to the method statement or output specification, as appropriate;
  - c) Review and agree the wording of remaining commitments to ensure that they are clear and relevant (i.e. SMART); and
  - d) Confirm future monitoring and reporting arrangements, including reporting of progress to the Performance and Contract Management Committee.
- 1.52 It is recommended that progress on finalising amendments to KPIs and updating the contractual commitments list be considered by the Member Working Group and reported to the Performance and Contact Management Committee, before the end of the financial year.

#### Governance

- 1.53 On governance arrangements, the desired outcome was to ensure that governance arrangements, reporting processes and a shared organisational development strategy would collectively drive improvement, develop an effective partnership culture and support staff retention. It was also acknowledged that changes may be required to enable the council to be a better client.
- 1.54 Good progress has been made on identifying and agreeing changes to the operation of the Strategic Partnership Board and the Partnership Operations Board, in order to streamline reporting arrangements and ensure that meetings can be more focussed on resolving issues and driving improvement. Work is also well under way on refining the roles of SROs, the Commercial team and CSG workstream leads, to provide greater clarity on responsibilities and accountabilities.
- 1.55 A “partnership development strategy” is being developed with the aim of improving the effectiveness of partnership working and maximising the benefits of the council’s relationship with both CSG and the wider Capita organisation. The strategy will:
- a) incorporate the changes to management arrangements referred to above;
  - b) set out agreed principles that underpin effective partnership working and ensure joint responsibility for securing success and resolving problems, together with a programme of activity designed to develop effective partnership working behaviours that support the achievement of those principles;
  - c) identify approaches to ensuring more regular and effective interaction with council commissioners and delivery unit management teams, in order to strengthen the contribution to the council’s strategic and business planning activities; and

d) set out arrangements to improve interaction with Capita's other key partnerships, such as Birmingham and Sheffield, for example through an annual horizon-scanning conference.

- 1.56 It is anticipated that the implementation of this strategy will support staff retention by creating a greater sense of being part of an effective partnership arrangement.
- 1.57 It is recommended that progress on finalising the partnership development strategy be considered by the Member Working Group and reported to the Performance and Contact Management Committee, before the end of the financial year.

#### Systems

- 1.58 In response to concerns raised by managers and staff, the need for an agreed plan for improving basic systems performance and delivery (including management information) was identified as a key desired outcome of the Review. The main systems concerned were the Integra finance system and the Core HR system. The approach to maximising the benefits of these systems, through a combination of system development, training and communication, is set out in the relevant service outcomes sections of the report.

#### Resources

- 1.59 Similarly, the desired outcome of ensuring that sufficient, suitable, expert resources are in the right place to provide the strategic support the council needs has been addressed through the Finance, ICT and Estates workstreams. Specific proposals include improving the effectiveness of the business partnering model in Finance, strengthening the leadership team and increasing capacity within Estates and enhancing the project and programmes management function within ICT.

#### Innovation

- 1.60 A particular concern amongst the council's senior management and Members of the Working Group has been the perception that the council does not appear to have benefited from the injection of innovation and forward thinking that was anticipated from links with the broader Capita organisation. Through discussions, it has been identified that the key issue here has been highlighting and evidencing relevant activity and contributions, leading to a communications gap on sharing best practice. Recent developments in the use of the Innovation Lab to consider issues such as the Adults web refresh and Smart Cities have demonstrated an increased impetus in this aspect of the contract.
- 1.61 The partnership development strategy will include a programme of activities to encourage and raise the profile of innovation arising out of the operation of the partnership. It will also drive modifications to the Strategic Partnership Board agenda, enabling more time for horizon-scanning and consideration of innovation.

### Flexibility

- 1.62 A further desired outcome at partnership level was to create more flexibility within the contract model to better adapt to the council's changing needs. This outcome was identified in response to the fact that various services within the council are currently considering the development of alternative delivery vehicles, which may have an impact on future demands upon the CSG contract. The dialogue process has identified that any significant changes in this respect would fundamentally change the commercial model on which the contract is based and it is not therefore feasible to secure the desired flexibility through changes to the contract itself. However, good progress has been made on developing a protocol that will guide future discussions about any potential reduction in the scope of the contract as a result of strategic decisions by the council. Dialogue is continuing to complete the protocol, the outcome of which will be included in the partnership development strategy and reported to the Member Working Group in due course.

### Communication

- 1.63 The final desired outcome at partnership level was to develop a communications strategy to raise awareness of achievements and improvements amongst key stakeholders. A framework document has been developed for this, which will be populated and considered by the Member Working Group at the conclusion of the Review work.
- 1.64 One further matter that has been explored as an important part of this Review at partnership level is the council's appetite to extend of the contract beyond the original 10-year term at this stage. In terms of benefits, similar contract reviews conducted within other councils have secured significant additional savings by linking the Review with a contract extension. Capita were keen to explore these options and conveyed a desire to proceed with discussions as part of this Review. However, it is considered that any improvements to services, plus new initiatives, as set out in this report, should be the primary focus at this stage. It is therefore proposed that the outcomes of this Review be seen as an enabler to aid discussions of a possible extension towards the end of this financial year.

### Savings proposals

- 1.65 Given the need for the council to continue to make further significant budget savings to the end of the decade and beyond, the council needs to look at all major contracts to see where further efficiencies and savings can be achieved. As such, one of the desired outcomes of this Review has been to deliver further savings to the council – alongside service improvements – through cost reductions, income generation and/or de-scoping of activity. This desired outcome has informed discussions with CSG at both partnership and service level, with a wide range of opportunities being explored through the dialogue process. In total, potential savings in the order of up to £2.9m per

year have been identified by 2018. There are a number of caveats in relation to this figure, of which the Committee should be aware.

- 1.66 Firstly, it should be made clear that this is an overall savings envelope and that the £2.9m figure is seen as the upper end of what could be achieved, without impacts on the services within the contract, and given that there is a contract in place, which already provides savings of £125m over the contract term, and that Capita are under no contractual obligation to offer further savings as part of the current contract.
- 1.67 Secondly, it should also be made clear that this figure is an estimate and further work will be required to determine the precise levels of savings that can be achieved in relation to some of the specific areas of opportunity identified. The overall potential savings envelope is based on a mix of direct cost reductions, savings guarantees and future cost avoidance and some of these will be easier to implement and achieve than others. In broad terms, it is considered that there is a high degree of certainty in the delivery of approximately £1.5m of the total identified.
- 1.68 Finally, there is a trade-off between the level of savings that can be achieved and the potential impact on the quality of services within the contract. This is a delicate balance and officers will continue to work with CSG to ensure that the delivery of savings does not put at risk the required improvements to services that have been identified through this Review, or indeed lead to a deterioration of quality against current service levels.
- 1.69 The main elements of the overall £2.9m potential savings are set out in the following paragraphs.

Establish dedicated ICT project support teams

- 1.70 In order to improve the effectiveness of project management in respect of the ICT service, it is proposed that two further dedicated project teams be established to support the ICT transformation programme, under the auspices of the Programmes service. One team would focus on programme and project management, whilst the other would provide the key technical resource required to deliver the council's ICT strategy. In addition to improving the quality of the service, the certainty that this would provide in respect of resourcing levels would also enable savings of approximately **£660k** to be achieved against contracted rates. The cost of the two teams would be approximately £700k per annum. As this expenditure relates to future projects, it represents future cost avoidance. It is recommended that Members endorse the establishment of a dedicated ICT project support team.

Increase remit of Procurement service

- 1.71 The procurement service is generally considered to be performing well and savings guarantees have been exceeded over the first three years of the contract. However, the contract does not currently cover all aspects of the council's procurement activity and it has been identified that there may be significant additional savings to be achieved by applying the procurement team's expertise to a broader range of activity.

- 1.72 A number of areas of expenditure have been explored and it is considered that an additional savings guarantee of approximately **£500k** could be achieved by extending the procurement team's remit to include the capital programme. Work is progressing on the detailed analysis that is required to secure this guarantee. Safeguards will need to be built into the final proposal to ensure that the calculation of gainshare is fair and transparent, and that savings are both real and achievable. At this stage it is recommended that officers proceed with the detailed analysis and negotiation that is required to secure a firm proposal, which would be brought back to Members for consideration in due course, with a clear view about the risks and benefits of such an approach.
- 1.73 Discussions have also taken place with a view to extending the remit of the Procurement team to include the Barnet Group's expenditure. There have been initial, positive discussions with the Group's management, but further analysis of expenditure, existing contract arrangements and the future needs of the service is required before a formal proposal can be developed. It is proposed that this opportunity be taken forward as part of the discussions about a potential alternative delivery vehicle for Street Scene, in order to avoid any double counting of potential savings.

#### Management Fee Payment Profile

- 1.74 A direct cost saving in the order of **£500k** could be achieved by amending the payment arrangements for CSG. The bulk of this is the saving that could be achieved through amending the payment profile of the annual contract management fee, which the council is contractually required to pay each year. This fee – which overall costs around £25m each year - is currently payable on a quarterly basis, i.e. for 2017, it is due to be paid in four instalments due in March, June, September and December. Paying the fee as one payment in December 2016, would trigger the saving.
- 1.75 This would represent a genuine, guaranteed, cashable saving, without any impact on the scope or quality of services, and significantly in excess of the opportunity cost to the council. The prepayment relates to that element of the contract that the council is obliged to pay in any event and does not create additional risk in that regard. The key additional risk associated with this proposal would arise in the event of Capita ceasing to trade during the period to which the payment relates. This has been reviewed by the council's financial officers and is considered to be highly unlikely. Contract withdrawal is a lengthy process and the contract would ensure that any surplus monies would be returned to the authority. Paying the management fee up front does not impinge on the council's ability to issue service improvement notices or apply service credits in year, if services do not meet agreed performance levels.
- 1.76 A further saving could be achieved by adopting a similar arrangement for the payment of invoices associated with the dedicated project teams that have been established to support the council's transformation and capital programmes. This would involve a pre-payment of approximately £1.9m,

based on one year's spend. Whilst these fees do not form part of the core contract payment, the council has already committed to funding these teams to March 2018 (transformation projects team) and March 2020 (capital projects team) and this is therefore considered to be low risk.

- 1.77 Further detail on these proposals is set out in Appendix E, which is redacted to exclude exempt information, and Appendix G, which includes the exempt information.
- 1.78 It is recommended that Members endorse the proposal to amend the payment arrangements for 2017.
- 1.79 As part of the discussions on this proposal, the benefits of paying more than one year in advance were explored. Whilst the financial benefits of doing this would be significant, it was considered to be a higher risk option and it is therefore considered that the one year payment options be accepted. However, the Committee should also note that further savings could be achieved in future years if fees were paid up front again – say, in 2018. At this stage, it is not recommended that any commitments are made to any future prepayments.

#### Reduction in agency spend

- 1.80 Members will be aware that the level of expenditure on agency staff is a continuing concern for this council, as with many others. As a result of this Review, the HR team have developed a proposal to secure a direct reduction of approximately **£330k** against current expenditure on interim roles, which is a term used to describe contractors that are:
- Engaged to fill a senior established role;
  - Engaged to provide additional capacity at management level; or
  - Engaged to provide specialist skills to complete a discrete piece of work/project on a time limited basis.
- 1.81 Such roles are generally recruited through agencies that typically charge a higher fee level than those that are used to recruit to more routine agency roles. The saving would be achieved by either transferring existing interims to agencies that charge a lower percentage fee, or by re-negotiating the fee level with the interim's existing agency. Whilst some degree of caution has been applied in calculating the estimate given above, there is a risk that not all of it will be achieved, so a more cautious estimate of **£220k** is considered to be prudent.
- 1.82 This saving would be covered by the existing procurement guarantee arrangements, so it does not represent an additional, cashable saving. However, it does have the effect of accelerating achievement of the existing procurement guarantee and it will have the effect of reducing the overall amount that the council spends on agency staff, so it is recommended that the proposal be noted at this stage, pending further analysis and dialogue with CSG to explore the risks and benefits of the approach.

### Employee benefits scheme

- 1.83 The HR service has developed an employee benefits scheme, centred on the use of Orbit, which is Capita's proprietary online employee benefits system. In summary, the scheme allows employees to select a range of benefits through the Orbit online system (for example additional annual leave, child care vouchers, discounted car purchases, life insurance), for which they "sacrifice" an appropriate element of their salary. The scheme has been introduced on the basis of it being at no additional cost to the council. In addition, there are potential significant financial benefits to the council in respect of the reduction in Employer National Insurance contributions that it would have to make.
- 1.84 Based on average take-up of the scheme elsewhere, savings could potentially be up to around **£900k** per annum. However, this is entirely dependent upon the level of take-up by employees and the effectiveness of communication and engagement in securing that, so a prudent estimate of approximately **£125k** is proposed as having a high degree of certainty, for the purpose of this report. This would represent a genuine saving against council budgets, although it is acknowledged that accounting for this may be problematic, given that take-up levels are likely to vary across different services. It should be noted that this scheme will also be available to schools that purchase CSG's HR service and a similar level of savings could be achieved across that customer base. Introduction of the scheme itself has already been approved, so it is recommended that Members note that the Review has identified that this potential additional saving to the council has arisen as a result of the implementation of the scheme. The arrangements for monitoring and accounting for savings will be incorporated in the annual budget report.

### Summary of savings proposals

- 1.85 The following table provides a summary of the savings proposals set out above:

Description of saving	Certain £000	Potential £000	Total £000	Type of saving
Establishment of dedicated ICT project teams	660	-	660	Guaranteed – avoidance of future costs
Procurement team remit	-	500	500	Guaranteed – additional procurement savings
Payment profile	500	-	500	Guaranteed – reduction of cost against the contract
Interims' agency fees	220	110	330	Not guaranteed – avoidance of future costs
Employee benefits scheme	125	775	900	Not guaranteed – savings against council staffing budgets
<b>Total</b>	<b>1,505</b>	<b>1,385</b>	<b>2,890</b>	

### Other potential savings

- 1.86 The savings identified above represent the key areas that have been explored through dialogue. There are additional areas of potential savings that have

been identified that may deliver further savings in the longer term, but these cannot be quantified at this point. These include:

- Reduction in print volumes;
- Increase the scope of the contract management function carried out by the Procurement service (at present most contracts are managed by delivery units); and
- Introduction of a corporate landlord model in the Estates service, whereby the Estates function “owns” and manages all property on behalf of the council.

1.87 Work on developing these proposals and quantifying any future potential benefits will continue as part of the ongoing arrangements for managing the implementation of the outcomes of this Review. It is recommended that Members note that further savings opportunities may be identified in due course.

1.88 In respect of income generation, for example through the expansion of traded services, various opportunities continue to be explored, but it is considered unlikely that they will deliver significant additional benefit to the council in the short term. Existing provisions regarding income gainshare will ensure that the council does secure a benefit from any expansion of these services that is achieved in due course.

## **REVIEW OUTCOMES AT SERVICE LEVEL**

### **Service outcomes – Finance**

1.89 Summary of the service

The main function of the Finance service is to provide a full range of financial management services to the council’s Delivery Units and Commissioning Directors. In addition, it:

- Provides a finance and accountancy traded service to schools;
- Supports development of the council’s Medium Term Financial Strategy, the dedicated schools grant and development of the 30 year Housing Revenue Account business plan;
- Produces the Pension Fund and the council’s financial statements;
- Provides transactional financial services, including accounts payable, accounts receivable, cash collection and cashiers; and
- Provides treasury management services for the council and the Pension Fund.

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

Current annual cost (£000k)	Share of annual transformation spend (£000k)	Total annual cost (£000k)	LBB baseline cost before contract (£000k)	Reduction from baseline
3,147	69	3,216	4,173	25%

This represents 14% of the annual cost of service delivery under the contract.

#### 1.90 Achievements and challenges

The key achievements of the service since contract commencement have been identified as:

- The successful introduction of a new finance system (Integra) at a significantly reduced annual cost, within timescale and delivering the required outcomes;
- The service has ensured that the council has consistently been one of the first London boroughs to prepare its annual Statement of Accounts and has done this to a high quality standard; and
- The traded service to schools continues to grow, despite increased competition within the market.

However, the service has not been without its challenges, the main ones being:

- Notwithstanding the successful introduction of the Integra system, users find it awkward to use and there is a need to improve their experience of using the system;
- The need to strengthen the Finance team's challenge to budget managers to improve the robustness of budget forecasting and monitoring, recognising that the service is highly dependent on the quality and timeliness of information received from council service areas; and
- Providing the flexibility and strategic input required to support transformation and changes in the council's structure and delivery models.

#### 1.91 Key performance and benchmarking information

In broad terms, the service is performing well against its main Key Performance Indicators (KPIs), which relate to the council's accounts. The annual outturn for each of the Service's KPIs is shown in the following table:

KPI	2013/14		2014/15		2015/16	
	Target	Outcome	Target	Outcome	Target	Outcome
<b>KPI FIN 29</b> Budget forecasting - % variance to budget	0%	Pass	0%	Pass	0%	Pass
<b>KPI FIN 30</b> Percentage of savings implemented	97%	Pass	98%	Pass	100%	Fail

<b>KPI FIN 31</b> Production of draft Statement of Accounts and to pass to the Authority's external auditors, and provide External Audit with all working papers to the Statement of Accounts	May 14	Reported after June	May 15	Pass	May 16	Pass
<b>KPI FIN 32</b> External audit completed and draft ISA 260 produced	Jul 14	Pass	Jul 15	Pass	Jul 16	Pass
<b>KPI FIN 33</b> Unqualified external audit opinion and submitted in line with required deadlines.	Pass	Pass	Pass	Pass	Pass	Pass

Service credits for failing to meet KPIs within the Finance service have been applied as follows:

Year	KPI	Service credit value
2016-17	KPI FIN 30 - % of savings implemented (not yet reported - treated as a fail until data becomes available)	£13,758
<b>Total</b>		<b>£13,758</b>

It should be noted that the failure to meet the target for KPI 30 related to one quarter only and discussions are continuing regarding the application of the above service credit.

Of the 27 contractual commitments relating to the Finance service, 15 have been delivered or are substantially complete. A further 11 are classified as "ongoing". Those that fall in this latter category will be transferred into the method statement. There are no contractual commitments for the Finance service that are classified as "not delivered".

CIPFA cost benchmarking data shows that the accountancy service is low cost relative to other organisations in the benchmark group. The service costs £3.40 per £1,000 of council spend, which is below the average cost of £4.00 per £1,000. The number of staff employed in the service is 0.5 FTE per £1m of expenditure, compared to an average of 0.8 FTE.

## 1.92 Call for evidence outcomes

The key points made about the Finance service by council service managers and staff were:

- The transactional finance service generally works well;

- Particular personnel and teams are highly regarded, e.g. Schools Finance Team;
- Some service areas receive good financial advice and support with budget management, though others would like improvements in these areas;
- More strategic advice and proactive challenge around budget monitoring is needed from CSG Finance, rooted in a solid understanding of the business. Increased interaction between the Finance team and service areas in between monthly budget monitoring meetings would help with this;
- Many users raised issues with the Integra finance system, describing it as clunky and not user-friendly or intuitive.

There were no comments from members of the public on the Finance service, which is primarily an internal support service.

### 1.93 Review outcomes

Based on the evidence outlined above, two priority outcomes for the Finance service were identified by the Member Working Group:

- a) Developing the business partner model, associated structure, governance arrangements and resources; and
- b) Maximising the benefits of the Integra finance system.

Council officers have been working with CSG colleagues to develop detailed proposals for achieving these outcomes.

Significant progress has been made on the development of the business partner model, with additional resources being allocated to work with service managers to better understand their needs. Work is now under way on a comprehensive re-design of the service to meet those needs, covering both the structure and the competencies required to deliver this new working model.

Work on maximising the benefits of the Integra system has centred on improving communication, primarily through the Integra User Group, and enhanced training provision. The approach to development of the system itself, to enable more automation and an improved user experience, will be set out in a system development roadmap that is being prepared in conjunction with the council's SRO.

Members are asked to note the proposed service improvements. Key milestones for the delivery of these improvements will be agreed as part of the implementation plan and progress against them reported to the Performance and Management Committee.

#### 1.94 Proposed changes to contractual arrangements

In broad terms, it is considered that the KPIs for the Finance service cover the right items. However, some adjustments to definitions would provide greater clarity. In particular, the detail of KPIs 29 (budget forecasting) and 30 (percentage of savings implemented) is being reviewed, with a view to reducing the subjectivity in measuring these, if at all possible.

### **Service outcomes – ICT**

#### 1.95 Summary of the service

The ICT service covers all aspects of the provision of technology support to the council, including:

- ICT delivery services:
  - Programme management
  - Project management
  - Service management
- Infrastructure
- Telephony
- Desktop services

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

<b>Annual cost (£000k)</b>	<b>Share of annual transformation spend (£000k)</b>	<b>Total annual cost (£000k)</b>	<b>LBB Baseline Cost Before Contract (£000k)</b>	<b>Reduction from baseline</b>
5,716	598	6,314	7,917	28%

This represents 25% of the annual cost of service delivery.

#### 1.96 Achievements and challenges

The ICT service that transferred to CSG has generally been acknowledged to have been in a relatively poor state, so a significant focus in the early stages of the contract was on putting the service on a more solid footing, most notably through the:

- Successful implementation of a new data centre; and
- Implementation of a more stable infrastructure and responsive service desk.

The service has experienced some significant challenges, notably:

- Translation of strategy into delivery and the capacity of CSG ICT to deliver;
- Service specific systems support and applications management; and
- Members' ICT.

#### 1.97 Key performance and benchmarking information

Notwithstanding the known issues with the ICT service, it has performed well against its Key Performance Indicators (KPIs), which relate to the fundamental day to day delivery of the service. The annual outturn for each of the Service's KPIs is shown in the following table:

KPI	2013/14		2014/15		2015/16	
	Annual Target	Annual Outturn	Target	Annual Outturn	Target	Annual Outturn
<b>KPI IS 15 - Incident Resolution</b> (Percentage of incidents resolved within agreed service levels)	83%	88%	87%	91%	91%	98%
<b>KPI IS 13 - Critical System Availability</b> (Percentage availability of top 7 IT systems & services ("core council systems") over supported hours)	99.5%	99.87%	99.5%	99.93%	99.5%	99.5%

There have been no service credits applied to the ICT Service, but in May 2014 a "notice to remedy" was issued, following repeated failures to provide a reliable telephony service. This was resolved in accordance with the requirements of that notice.

There were 33 contractual commitments relating to the Service, of which 20 have been delivered and 10 are in the process of being delivered. There are two commitments that have not yet been delivered within the required timescale and a further one commitment that is not yet due for delivery.

CIPFA benchmarking data shows that the cost of the ICT service is slightly above the median, but below upper quartile in terms of the cost of the service as a percentage of organisational running costs. The average cost of ICT for organisations in the benchmark group is 3.4% of organisational running costs, whereas for Barnet, it is 3.5%.

Members will be aware that there have also been two limited assurance audits this year in respect of the Service, on disaster recovery and change management, together with the failure earlier this year of the library management system. These issues have been the subject of in-depth consideration by the Audit Committee and the Performance and Contract Management Committee, so were not subjected to further scrutiny as part of this Review process. However, in the light of these issues, the Working

Group did conduct a more detailed examination of the performance of this Service.

#### 1.98 Key points from the call for evidence

The key points made about the ICT service by council service managers and staff were:

- Business as usual systems and server stability has improved;
- IT Service Desk staff are helpful and issues are resolved relatively quickly;
- The lack of proactive strategic support from IT is a significant issue – CSG IT need to improve their capacity to lead change, bring forward innovation, forward plan for hardware/software/system updates and identify risk;
- The IT service has too much of a technical focus and needs to improve its advisory function, particularly given the lack of specialist IT staff on the client side;
- Slow responsiveness of IT strategic advice acts as a barrier to service and project delivery;
- Inflexibility and lack of an agile approach around security and hardware is a major issue, with current systems and hardware not supportive of flexible or mobile working;
- It is difficult to get accurate performance data for IT and current KPIs do not reflect actual performance;
- The lack of out of hours IT support is a particular issue for Family Services;
- Insufficient notice is given for system upgrades and down times, and the times chosen are often unhelpful; and
- The poor coverage for WiFi in parts of Building 2 is challenging for flexible working and the lack of guest WiFi impacts on visitors and external staff.

There were no comments from members of the public on the ICT service, which is primarily an internal support service.

#### 1.99 Review outcomes

Based on the evidence outlined above, four priority outcomes for the ICT service were identified by the Member Working Group:

- a) 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;
- b) Improving support for the management and operation of delivery unit systems;
- c) Injecting innovation and improving interaction of strategic and tactical capability; and
- d) Meeting Members' ICT needs.

In respect of the first outcome, various enhancements to systems are underway. This includes the deployment of upgraded Local Area and Wide

Area Networks. This work has been brought forward from year six of the contract and will allow better wireless connectivity across all of the council's sites. Wireless mobility upgrades are also being reviewed to avoid location drops and the Blackberry upgrade across the council has been completed. Work is progressing on revising the structure of the ICT service, to improve coordination with key strategic programmes and ensure that service changes support the strategic direction of the council.

To improve support for delivery unit systems, a review of all council ICT applications has been completed to provide clarity on the current position regarding back-ups, disaster recovery arrangements, resilience and support arrangements. The applications register is now being updated to provide a forward plan of key system upgrades and improvements. Engagement with delivery units is being improved through the implementation of changes to governance forums, such as the IT User Group, and the updating of ICT pages on the intranet to improve the information that is available on ICT services for staff. The structure changes mentioned above will also secure improved engagement between application management teams and delivery units. A detailed service improvement plan is being implemented to improve the way that CSG manage incidents, changes and security for delivery unit key systems.

The establishment of stronger senior management roles within ICT, together with changes that have been made to the operating model within Capita Local Government, will improve strategic support and innovation-led development. The ICT strategy has been updated and aligned with the Customer Access strategy and will deliver closer working with digital teams to support improvements to the website, intranet and Adults Services team. These changes have also delivered improvements in the management of key projects, including Mosaic (the replacement Adults social care system). It has also been aligned with the Colindale Business Case, to support the implementation of new technology and systems that will enable a more flexible and mobile workforce. Proposed changes to the arrangements for the delivery of ICT projects are set out in the Programmes section of this report.

Since this Review started, significant progress has been made on improving support for Members' ICT needs. This work has been overseen by a separate Member-led Working Group. The creation of a Members' ICT improvement plan has resulted in over 70 Member ICT support issues being closed. Members' ICT requirements have been discussed at length during Working Group sessions to inform the development of proposals to deliver improved ICT for Members. These include:

- Out-of-hours ICT support arrangements;
- Self-service password reset;
- Implementation of Office 365 and email with numerous enhancements that Members and council officers would benefit from, whilst at the same time contributing to the council's flexible and smarter working strategic objectives;
- Options appraisal for the upgrading or replacement of Modern.Gov; and

- Options for reducing network security for Members, to allow greater flexibility.

To further increase support and visibility for Members ICT, a Members' ICT Handbook has been produced, to provide all the relevant training material and key policies that Members might need to refer to. Additional support has also been targeted at key events that Members attend and a number of additional out-of-hours surgeries have been offered.

Members are asked to note the improvements that have been, and continue to be, made to the delivery of the ICT service. Key milestones for the continued delivery of improvements will be agreed as part of the implementation plan and progress against them reported to the Performance and Management Committee.

#### 1.100 Proposed changes to contractual arrangements

It is considered that the KPIs for the ICT remain appropriate. However, a change has been proposed on the detailed definition of KPI 13 (critical systems availability), to extend the KPI to cover the telephony system at Coventry. Additional Performance Indicators on non-critical system availability and response times for dealing with service requests have also been proposed. Discussions are continuing to finalise the detail of these.

### **Service outcomes – HR**

#### 1.101 Summary of the service

The HR service provides a full range of transactional and professional services to support the organisation in managing all aspects of its workforce. The Service covers:

- Pay & reward and pensions administration
- Strategic HR advice and consultancy
- Customer contact centre
- Recruitment and compliance
- Safety, health and wellbeing
- Employee relations
- Business partners and change
- Strategic data
- Industrial relations
- Policy and equalities
- Workforce planning and organisational development

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

Annual cost (£000k)	Share of annual transformation spend (£000k)	Total annual cost (£000k)	LBB Baseline Cost Before Contract (£000k)	Reduction from baseline
2,466	152	2,618	3,765	35%

This represents 11% of the annual cost of service delivery under the contract.

### 1.102 Achievements and challenges

The key achievements of the Service since contract commencement have been identified as:

- Securing agreement on, and implementing, the Unified Reward agreement– a new pay and reward model and approach to improve productivity and reward performance;
- Introducing new approaches to Learning and Development, with a strong focus on organisational management, for example management and leadership academies;
- The high quality of strategic advice to senior team;
- Transformation of the social care agency spend, enabling the council to have the lowest spend on agency staff in this area of activity across London;
- Good handling of extensive restructuring and alternative service delivery models; and
- The service has now stabilised and there have been clear reductions in organisational “noise”.

As the final point indicates, the Service has not been without its challenges during the early years of the contract, the key ones being:

- Significant operational challenges during the first 18 months of the contract, which are now either resolved or nearing resolution;
- The lack of high quality, accessible data for managers to help them manage their staff (sickness and performance data and, more historically, establishment data). This has improved significantly this year;
- The multi-system HR environment (Comensura for agency staff, Core HR for establishment information, Tribal for recruitment) adds complexity to the process and affects data management; and
- Improving the council’s workforce management, where CSG provides support, but are reliant on action from council managers.

### 1.103 Key performance and benchmarking information

The annual outturn for each of the Service’s KPIs is shown in the following table.

KPI	2013/14		2014/15		2015/16	
	Target	Outturn	Target	Outturn	Target	Outturn
<b>KPI HR 16: DBS Verification Audits</b>	100%	100%	100%	100%	100%	99.9%
<i>To facilitate compliance with statutory legislation and Council Policy to ensure that every employee who has a requirement to have a Criminal Record Check (CRB) undertaken, has a valid check in place which should be no more than three years old</i>						
<b>KPI HR 17a: Payroll Accuracy – Payroll Error Rates</b>	0.34%	0.16%	0.32%	2.45%	0.15%	3.1%
<i>Pay Accuracy - ensure all employees are paid correctly including ensuring all statutory and other deductions of pay are correct. Subject to the following definition: Pay Errors - an error is defined as made directly by HR and excludes any errors resulting from incorrect authorisation or information supplied by line managers</i>						
<b>KPI HR 17b: Payroll Accuracy - Correct pay Dates</b>	100%	100%	100%	100%	100%	100%
<i>Pay Date - to ensure all employees are paid on the published 'pay date' Subject to the following definitions: Pay Date - this excludes any non-payments as a result of a customer missing the published HR payroll cut-off date or failure to provide the correctly completed or authorised documentation to HR.</i>						
<b>KPI HR 18: Absence projects and interventions</b>	N/A	N/A	Pass	Fail	Pass	Pass
<i>All projects/interventions that have been agreed are delivered in a rolling quarterly Programme of Work order to positively reduce the Authority's absence in levels where completion is within the Service Providers span of control.</i>						

Payroll accuracy has improved through the contract term. For the current financial year to date, the overall error rate has been 0.05% of the 43,734 employees paid during the period, which is within contract tolerance.

The Service has been the subject of two “notices to remedy”, one in August 2014 and one in May 2015. The actions required under these notices have been completed.

Service credits have been applied as follows:

Year	KPI	Service credit value
2013-14	KPI HR 017a – Payroll accuracy – error rates	£2,752
2014-15	KPI HR 017a – Payroll accuracy – error rates	£20,635
	KPI HR 018 – Absence and Intervention	£38,466
2015-16	KPI HR 017a – Payroll Accuracy – error rates	£19,260
	KPI HR 016 – DBS Verification Audits	£2,137
	KPI HR 018 – Absence and Intervention	£28,850
2016-17	KPI HR 017a – Payroll accuracy – error rates	£34,864
<b>Total</b>		<b>£146,964</b>

Of the 23 contractual commitments that relate to the HR service, 18 have been delivered or are substantially complete and five are in progress. There are no contractual commitments that have not been delivered within the required timescale.

The CIPFA benchmarking information shows that the cost per payslip for Barnet is significantly below the average for the benchmark group, at £1.01 in 2015/16, against an average of £3.50. Overall, the cost of the service as a percentage of organisational running costs is below average. In line with this, the ratio of council employees to HR staff members is relatively high.

#### 1.104 Key points from the call for evidence

The key points made about the HR service by council service managers and staff were:

- This is an improving service, following a decline in service quality in the early stage of the contract;
- Employee relations, training, learning and development and Unified Reward were highlighted as particular areas of high performance;
- There have been significant issues about the accessibility and quality of HR data, in particular establishment, sickness and absence data;
- Processes are overly complicated and Core HR system is poor;
- There have been some significant delays in the on-boarding process, particularly with pension transfers and new starter set-up;
- Some directors reported issues with HR not engaging with service areas early enough on key projects, with others raising concerns about the lack of proactive, strategic support from HR; and

- In general, the payroll service works well, but there have been issues with payments for staff who work irregular hours and on transfer to alternative delivery models.

There was one comment from a member of the public, regarding teachers' ability to contact CSG directly on payroll matters. This was the case at the start of the contract, but an employee help-line number has subsequently been provided.

#### 1.105 Review outcomes

Based on the evidence outlined above, five key outcomes for the HR service were identified by the Working Group:

- Stepping up workforce management support, for example on sickness absence, recruitment, staff retention (within CSG and the council as a whole) and performance management;
- Developing an integrated, efficient "on-boarding" process;
- Developing a council-wide learning and development service offer;
- Maximising the benefit of the Core HR system; and
- Provision of HR support to the move to Colindale and delivery of the Council's Locality Strategy.

Proposals in respect of workforce management support have been worked up alongside this Review process and considered by the Workforce Board. Within this, specific proposals on reductions in agency spend have been agreed. Otherwise, amendments to KPI definitions and performance indicators will assist in driving the service forward to support the council with its future requirements.

Progress on developing an integrated "on-boarding" process is dependent upon decisions that the council needs to make on the recruitment portal. Specific proposals on this will be incorporated in the plan for implementing the Review outcomes.

The learning and development offer has been developed and approved through the Workforce Board and has now been implemented.

Maximising the benefits of Core will be driven by the cycle of system upgrades. Improvements will be articulated in a system road map, key milestones from which will be included in the Review implementation plan.

The move to Colindale will be supported by the HR Lead and Change Lead resources identified for this project, who will utilise the skills of existing resources and bring in additional resources, as necessary, to ensure that employees and partner organisation staff have the equipment and training needed to work in a much more agile way.

### 1.106 Proposed changes to contractual arrangements

A new KPI is being developed to measure “time to hire”. This will measure the time taken between HR being informed about the successful candidate and an unconditional contract being signed. It will replace the existing KPI HR 17b (correct pay date). The new KPI has been agreed in principle and details of how it will be measured are being finalised. The definition in respect of KPI HR 18 (absence projects and interventions) is being strengthened. New performance indicators on training and agency staff reduction are also being developed.

### **Service outcomes – Customer Services**

#### 1.107 Summary of the service

Customer Services provides the main interface between the public and the majority of the council’s services, including:

- Street Scene (waste, recycling, green spaces, street cleaning, etc.)
- Council tax, Housing Benefits, NNDR
- Parking
- Assisted travel (blue badges & freedom passes)
- Libraries
- School admissions
- Registrars
- Electoral registration and call centre – we provide general enquiries service for electoral calls, not the registrations
- Social Care Direct (adults’ social care)
- Youth services
- Children’s service front door
- Switchboard

The majority of the service is delivered through the telephone, email and web form contact centre based in Coventry, but the service also delivers face to face services at Barnet House, including through Social Care Direct, and Burnt Oak. The service manages the council’s website and My Account facility, which is an increasingly important part of the overall service, and handles Members’ enquiries.

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

Current annual cost (£000k)	Share of annual transformation spend (£000k)	Total annual cost (£000k)	LBB baseline cost before contract (£000k)	Reduction from baseline
2,634	78	2,712	3,379	22%

This represents 11% of the annual cost of service delivery under the contract.

#### 1.108 Achievements and challenges

A key objective of entering into the CSG contract was to secure investment in improving Customer Services. To this end, the service went through significant transformation during the early stages of the contract. Particular achievements have been:

- Moving towards an outcome-based approach, focusing on customer satisfaction with delivery;
- Performance on delivering cases in time, which is a key driver for satisfaction, is very high in Parking and Assisted Travel;
- Introducing an advocacy service for vulnerable customers, who require additional support;
- Operational effectiveness and efficiency, together with increased satisfaction with telephone and face-to-face customer contact, including building a new contact centre operation off-site, in Coventry;
- Introducing improved queue management in the face to face centres;
- Introducing new automated telephony, a new website and My Account; and
- An agreed direction of travel through the customer access strategy, which is a key enabler for the council's business planning for the next three years and will provide the platform for the next stage of transformation.

The achievement of transformation on this scale has not been without its challenges, the most significant of which have been:

- Striking the right balance between achieving efficient, automated processes and maintaining or improving customer satisfaction;
- Achieving a one-team model and approach, ensuring organisational design is based around the customer and using contractual levers to incentivise other areas of the council, CSG and partners to support the delivery of customer outcomes, for example Revenues & Benefits, IT, Re;
- Delivering some of the strategic aspirations in the contract, for example a customer insight-led service, customer advocacy across the service and learning and continuous improvement; and
- Digital challenge and service design – moving from a customer service operation based primarily on telephone and email contact towards a more self-service oriented operation, where transactions are conducted primarily through the web and interactive voice recognition (IVR) systems.

#### 1.109 Key performance and benchmarking information

The service is performing well against its main KPIs and, overall, there has been substantial improvement in customer satisfaction. Whilst the service did

not meet its target against KPI 10a in 2015/16, performance still represented an improvement against the previous year.

KPI	2013/14		2014/15		2015/16	
	Target	Outturn	Target	Outturn	Target	Outturn
KPI CSO 10a: GovMetric Customer Services <i>% customers rating services as good over phone, email, face to face and web</i>	65%	65.2%	70%	72%	80%	74% target not met
KPI CSO 12: Escalations per case outside SLA for customers needing additional support	N/A		1.5	3.30	1	4
KPI CSO 13a: Percentage of cases delivered on time for Parking and Assisted Travel	N/A		N/A		85%	93.2%
KPI CSO 13b: Percentage of cases delivered on time for customers needing additional support	N/A		N/A		100%	100%
Super KPI 35b: Resident Satisfaction - It is easy to access Council services	55%	70%	54%	66%	54.0%	70%
Super KPI 35a: Resident Satisfaction - staff are friendly and polite	78%	81%	78%	80%	78.0%	84%
Super KPI 35c: Resident Satisfaction - Responds quickly when asked for help	49%	50%	49%	50%	49.0%	56%

Service credits for failing to achieve KPI targets in Customer Services have been applied as follows:

Year	KPI	Service credit value
2014/15	KPI CSO 12a – Customer Advocacy – 80/20 call answering	£57,322
2015/16	KPI CSO 10a - GovMetric Customer Services	£18,905
	<b>Total</b>	<b>£76,227</b>

Of the 23 contractual commitments that relate to Customer Services, 16 have been delivered or are substantially complete. Five are in progress and two are not yet due for delivery.

#### 1.110 Key points from the call for evidence

The key points made about Customer Services by council managers and staff were:

- The work on My Account was highlighted as a particular area of high performance;
- It was considered that the Service needs greater awareness of the diversity of the council's customers, for example businesses, under 18s and residents with protected characteristics;
- Website and web forms need improvement to drive channel shift. Innovation in customer access would support this, for example the use of smartphone apps;
- The handover between day and out of hours call centres needs to be improved; and
- Within the specialist areas of Social Care Direct and Schools Admissions there are particular challenges around the lack of service expertise, incorrect advice or challenge given, staff turnover and the need for better links with the rest of the service.

One member of the public raised concerns about the fact that the IVR system on the council's switchboard number does not provide an option for connecting directly with an operator. This is because it uses voice recognition to direct customer calls, which is more efficient and saves the council money. If the voice recognition is not successful, customers are transferred to a member of staff. The IVR systems are constantly reviewed to ensure that they are directing calls appropriately and providing callers with the information they need.

Another member of the public highlighted concerns related to call answering times within particular service areas, providing graphs that suggested that the headline achievement of the target was masking poor performance within housing benefits, council tax and adults' social care, with high levels of calls being abandoned.

It is acknowledged that these services do have lower performance levels on call answering time than other services. This is primarily due to the longer call handling times that are associated with the more complex enquiries that are associated with these services. Staffing levels are generally flexed to reflect expected peaks and troughs in demand, but the complex nature of these services requires much more in-depth training than more straightforward services, so it is not always feasible to staff the operation to meet all of the peaks in demand.

In order to maximise efficiency, Customer Services is considering a number of further developments:

- Better utilisation of trained Revenue and Benefits officers in the Blackburn office during busier times;
- Upgrading technology to virtualise the council's contact centres, i.e. enable calls to be directed to different physical locations. This will mean there would be more resilience and ability to multi-skill a wider pool of people;
- Performance and operational improvements in Social Care Direct; and

- Further implementation of digital solutions, so that customers can more easily resolve their query using the website, rather than needing to rely on the telephone.

At a previous meeting, the Working Group had acknowledged that answering calls within 60 seconds was not the most effective measure of performance, as the ability of the call handler to resolve the caller's query was far more important to achieving customer satisfaction. The council measures customer satisfaction with call handling via the GovMetric measurement tool and associated KPI.

#### 1.111 Review outcomes

Alongside this Review, a substantial piece of work has also been taking place to develop a new Customer Access Strategy and associated Customer Transformation Programme, the outline business case for which was approved by the Policy and Resources Committee on 5<sup>th</sup> October 2016. The Working Group has acknowledged that future developments and service improvements in the customer services arena will be addressed through the implementation of that strategy and the associated programme, but has highlighted the following outcomes as being of particular concern:

- Drive joined up approach with delivery units to achieve improvements in web experience to minimise the cost of client interaction and improve customer satisfaction;
- Develop an excellent digital/self-service experience for customers; and
- Support the digitally excluded to access services.

The report to Policy and Resources Committee identified an investment requirement of £5.4m to deliver the Customer Transformation Programme and the Committee approved a capital allocation of £1.5m in 2016/17. The Programme will deliver significant improvements in the functionality and content of the website, enabling greater self-service for customers.

In addition, this Review has facilitated a move towards improved joint working between Customer Services and ICT and more joined up management of the two services. Improvements are also planned for the Service's Continual Service Improvement Plans, and the governance arrangements, to ensure that resources are focussed on priority areas.

Customer Services has also committed to strengthening its approach to user involvement in the changes and improvements being made to its services, through better use of co-design and customer feedback.

Within the dialogue sessions, there has been some discussion about the future direction of the Social Care Direct element of the service. Current demands on the service mean that it is being delivered with additional, temporary resources, which is not sustainable in the long term. The service is critical to reducing demand on the wider Adult Social Care service and further

work is required to develop a robust and sustainable delivery model that is aligned both to the delivery of the Customer Transformation Plan and to the direction of travel that is still to be determined through the work that is being done to develop an alternative delivery vehicle for the Adults service.

Members are asked to note the approach to delivering improvements in Customer Services. Key milestones for the implementation of the Customer Transformation Programme will be agreed as part of the implementation plan and progress against them reported to the Performance and Management Committee.

#### 1.112 Proposed changes to contractual arrangements

Various changes to KPIs and Performance Indicators have been agreed and implemented from April 2016. Key changes include the introduction of a KPI specifically to cover customer satisfaction with the web and increasing the target for customer satisfaction with phone calls, emails and face to face. Discussions are continuing regarding the performance indicator for calls answered within 60 seconds, to ensure an appropriate focus on query resolution.

### **Service outcomes – Revenues and Benefits**

#### 1.113 Summary of the service

The main functions of the Revenues and Benefits service are:

- Billing, collection and recovery (including preparatory work on any committal cases) of Council Tax;
- Billing, collection and recovery (including preparatory work on any committal cases) of Business Rates; and
- Assessment and award of Housing Benefit, Council Tax Support, residual Council Tax Benefit/Support, Local Assistance (Crisis Fund) and Discretionary Housing Payments.

The service is also responsible for:

- Completing and submitting Non Domestic Rates Returns, CTB1 returns and QRC returns;
- Recovery of Housing Benefit overpayments;
- Administering and organisation of Housing Benefit appeals; and
- Administering of benefit subsidies.

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

Annual cost (£000k)	Share of annual transformation spend (£000k)	Total annual cost (£000k)	LBB Baseline Cost Before Contract (£000k)	Reduction from baseline
3,510	26	3,536	5,566	37%

This represents 15% of the annual cost of service delivery under the contract.

#### 1.114 Achievements and challenges

The Revenues and Benefits service has been the subject of significant transformation activity since the contract began. The key achievements over the first three years of the contract have been:

- The successful transition of service delivery from the council to CSG;
- Service transformation and the move to increased self-service is well underway;
- There has been an increase of the in-year collection rate for business rates for three consecutive years;
- Good outturn in number of days to process benefit claims, with overall good performance against performance measures; and
- The Welfare Reform Task Force is a good example of partnership working with other areas of the council.

There remains further work to be done to complete the transformation of the service, including the move to more self-service, and the following particular challenges to achieving that have been identified:

- Insufficient level of, and ability to flex, resources has led to complaints around turnaround time for correspondence, though there is an improvement plan in place; and
- Streamlining the links between Customer Services and Revenues & Benefits, to ensure that more can be resolved at first contact, although integration between the services is improving.

#### 1.115 Key performance and benchmarking information

In broad terms, the service is performing well against its Key Performance Indicators (KPIs). The annual outturn for each of the Service's KPIs is shown in the following table:

KPI	2013/14		2014/15		2015/16	
	Target	Annual Outturn	Target	Annual Outturn	Target	Annual Outturn
<b>KPI RB 08 : Benefits claims processing - new claims</b> <i>The average time taken to process new claims for Housing Benefit (HB) and Council Tax Benefit (CTB). Speed of processing is the mean average processing time in calendar days, rounded to the nearest day</i>	12	6	9	8	9	8
<b>KPI RB 09 : Benefits claims processing - changes in circumstances</b> <i>The average time taken to process changes in circs for Housing Benefit (HB) and Council Tax Benefit (CTB). Speed of processing is the mean average processing time in calendar days, rounded to the nearest day</i>	6	5	6	5.56	6	4
<b>KPI RB 09a : Accuracy of benefit assessments</b> <i>Percentage of cases without critical errors (defined as those affecting payment amount or timing) following random sample checks. At present a minimum of 4% of cases are randomly checked, plus payments of &gt;£1600</i>	93%	94%	94%	96%	94%	95.40%

Although the Service has met its targets on an annual basis during each year of the contract, there were in-year failures to meet the target for KPI RB 09, speed of processing changes for benefit claimants, in 2014-15, which resulted in service credits totalling £38,521 being applied.

Of the 22 contractual commitments that relate to Revenues and Benefits, four have been delivered or are substantially complete, five are in the process of being delivered and 12 relate to ongoing activity. There is one contractual commitment that has not been delivered. This relates to the use of Insight in council tax collection. A plan will be agreed for achieving this.

The CIPFA benchmarking data shows that the Service is low cost relative to the benchmark group, across all elements of the Service. For Council Tax, collection rates and balance outstanding amounts are performing slightly worse than the average. For NNDR, collection rates are below average, although performance has been improving year on year since 2010 and that improvement has continued since the contract commenced.

### 1.116 Key points from the call for evidence

As the Service is more outward-facing than others that are covered by the contract, there were very few comments about it from council managers and staff. However, there was a general view that it is a very good transactional service, which has increased collection rates, although some concerns were expressed about CSG's ability to deliver a more strategic service in the context of business rates localisation.

Two comments were received from members of the public in respect of the Revenues and Benefits service. One of these related to the time taken to process a Council Tax refund, whilst the other related to the approach taken in respect of validating entitlement to Single Person Discount. Both comments were passed to the Service for consideration as part of the Review process.

In respect of the comment on the time taken to process a Council Tax refund, the issue of backlogs had been identified prior to the commencement of the Review and acknowledged as being one of the main challenges for the Service, as set out above. The progress that has been made on dealing with this is set out in the following section of this report.

In respect of the comments made about the approach to validating entitlement to Single Person Discount, it should be noted that, in 2015-16, this annual activity of conducting detailed checking and validation on a sample of residences where Single Person Discount is claimed resulted in an additional £860k of Council Tax being collected. However, it is acknowledged that this is a particularly sensitive area of activity that requires careful handling. To that end, training programmes are continually reviewed and updated as required. The CSG Quality Team is responsible for the advisor call monitoring and they also conduct risk monitoring, where particular behaviours are reacted to promptly. The service has a high customer satisfaction level, which is exceeding 80% for the telephony line, and does respond to individual customer feedback.

### 1.117 Review outcomes

Based on the evidence outlined above, three priority outcomes for the Revenues and Benefits service have been identified by the Member Working Group:

- a) Increase council tax collection rates, with an aspiration to be the best in London;
- b) Improve management of workload to reduce backlog at peak times; and
- c) Improve customer satisfaction through better integration of Customer Services and Revenues & Benefits and an improved web experience.

Part way during this Review, there was a change in senior management within CSG for this service. Whilst this has had the benefit of introducing some fresh

thinking into the service, it has resulted in proposals for achieving the desired outcomes not being as advanced as in other areas.

Council tax collection rates are relatively stable given the welfare reform change of reducing the maximum support from 100%, to 91.5% from 2013 and 80% from 2015, but are still slightly below average. Various means of increasing collection rates are being considered, but any significant improvement is dependent upon the implementation of the planned upgrade of Civica (the service's main ICT system), which will facilitate the introduction of more self-service for customers, making it easier for them to set up direct debit payments. Ultimate collection rates (the measure of the debt collected against the net due after 4 years) has exceeded the target for each of the last three years.

Significant effort has been applied to reducing the backlog within the service, through the implementation of a recovery plan. This has dealt with the outstanding issues and monitoring arrangements, through a new performance indicator, have been put in place to ensure the situation is managed effectively going forward.

This Review has proved to be a useful tool for improving the links between Revenues and Benefits and Customer Services. A Continual Service Improvement Plan for Revenues and Benefits has been developed by Customer Services and agreed with Revenues and Benefits management. Delivery of this will be monitored through regular meetings between the services' senior managers and council SROs. Improvements in the web experience will be achieved through the planned upgrade of the Civica system, together with the wider improvements that will be delivered through the Customer Transformation Programme.

A development roadmap is now being put together that will set out the key actions and milestones for improving the service over the next year.

Members are asked to note the improvements that have been, and continue to be, made in the delivery of the Revenues and Benefits service. Key milestones for the continued delivery of these improvements will be agreed as part of the implementation plan and progress against them reported to the Performance and Management Committee.

#### 1.118 Proposed changes to contractual arrangements

Discussions are continuing regarding potential changes to the methodology for calculating KPI 09a (accuracy of benefit assessments), with a view to improving SRO confidence in the validation process. Other proposed changes to Performance Indicators, for the purpose of driving improvements in processing speeds, will also be considered as part of the conclusion of these discussions.

It is proposed that the contractual commitment T3-043 regarding the use of Experian Mosaic be amended to exclude its application to increase NNDR

collection, as it has been determined that this tool is not relevant to businesses.

### **Service outcomes – Procurement**

#### 1.119 Summary of the service

The Procurement service covers the following activities:

- Sourcing (corporate catalogues/framework agreements; market analysis; drafting and publishing of contract notices; supplier feasibility reviews);
- Ensuring compliance the Authority's contract rules as well as EU Regulations and UK Legislation;
- Providing procurement guidance and advice;
- Project managing procurements and leading renegotiations;
- Corporate contract management;
- Management of the contract database and contracts repository;
- Delivery of the sustainability agenda;
- Supplier and stakeholder relationship management; and
- Procurement training.

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

<b>Annual cost (£000k)</b>	<b>Share of annual transformation spend (£000k)</b>	<b>Total annual cost (£000k)</b>	<b>LBB Baseline Cost Before Contract (£000k)</b>	<b>Reduction from baseline</b>
825	11	836	1,045	20%

This represents 4% of the annual cost of service delivery under the contract.

#### 1.120 Achievements and challenges

The key achievement of the Service has been that it is currently exceeding contractual guarantees in respect of delivering savings from procurement activity, as set out in the table below.

	<b>Aug-14</b>	<b>Aug-15</b>	<b>Aug-16</b>
<b>Contract Guarantee (cumulative) £000</b>	£1,040	£3,274	£4,774
<b>Actual/forecast (cumulative) £000</b>	£1,941	£3,978	£5,193

The following achievements have also been identified in respect of the Procurement service:

- There has been consistently high quality procurement expertise and support to the council, including on major projects such as SPA and Aggregated Procurement;
- There is continued good compliance with Contract Procedure Rules; and
- There is an increased focus on social value.

The Service is generally well-regarded and considered to be performing well, but there are still challenges for it, most notably:

- There is work to be done by both CSG and the council to improve the perception of savings gainshare (the mechanism through which savings are shared between the parties to the contract);
- There is scope for better integration with commissioners, particularly in providing supply and demand insight;
- Procurement currently have limited scope to influence contract and demand management; and
- There is potential to further increase compliance.

#### 1.121 Key performance and benchmarking information

The Service has performed consistently well against all of its KPIs. The annual outturn for each of the Service's KPIs is set out in the following table.

KPI	Target	2013/14	2014/15	2015/16
<b>KPI PR 20a: Contract compliance – New contracts over 25K</b>	100%	100%	100%	100%
<i>% of the value of new contracts over £25k awarded and managed in accordance with CPR's and procurement legislation</i>				
<b>KPI PR 20b: Contract compliance – Legacy contracts over 25K</b>	98.90%	99.87%	99.80%	100%
<i>% of the value of legacy contracts over £25k managed in accordance with CPR's and procurement legislation</i>				
<b>KPI PR 21: Effective contract management complex legacy contracts CPR's</b>	60.00%	N/A	100%	Pass
<i>All Complex/High Risk managed in accordance with Contract Procedure Rules (CPR's) and Code of Practice (Note: Complex/High Risk means legacy contracts over £250k and/or considered high risk. Process for determining high risk in relation to LBB to be developed and agreed prior to contract signature, but will be based on the standard Procurement 4 box model).</i>				
<b>KPI PR 22a London Procurement Pledge cumulative apprenticeships</b>	Varied	N/A	17 against target of 4 (Pass)	37 against target of 12 (Pass)
<i>No of apprenticeships through new procurement activity. No of apprenticeships within existing supply chain</i>				

<b>KPI PR 22b London Procurement Pledge cumulative work experience</b>	Varied	2 against target of 1 (Pass)	12 against target of 8 (Pass)	93 against target of 48 (Pass)
<i>No of work experience placements through new procurement activity. No of work experience opportunities within existing supply chain</i>				

There have been no service credits, or other performance remedies, applied to the Procurement service.

Of the 34 contractual commitments that relate to the Procurement service, 27 have been delivered, or are substantially complete. Six are not yet due for delivery. There is one commitment that has not been delivered within the required timescale. This relates to the facilitation of Local Business Development Boards of local suppliers. Discussions are taking place to clarify the most appropriate means of achieving this, in tandem with the council's commissioning strategies.

#### 1.122 Key points from the call for evidence

The key points made about the Procurement service by council service managers and staff were:

- Some service areas have benefited from the flexible approach and helpful challenge provided by Procurement, though others would like improvements in these areas. For example, some service areas were concerned by the lack of flexibility from Procurement in interpreting the Contract Procedure Rules and others requested more strategic procurement advice;
- Staff in CSG Procurement are helpful and engaged, although sometimes different members of staff give inconsistent advice;
- More proactivity needed from Procurement to join up procurement activity across the organisation;
- Concerns were raised about gainshare arrangements and a perception that there is potential for Procurement to benefit from gainshare, even where the service feels that it undertakes the majority of procurement activity; and
- There is also a concern that the prospect of gainshare may influence the advice that Procurement gives to service areas.

There were no comments from members of the public on the Procurement service, which is primarily an internal support service.

#### 1.123 Review outcomes

Based on the evidence outlined above, five priority outcomes for the Procurement service were identified by the Member Working Group:

- Enhanced service offer on contract management;

- Achieving additional savings through increasing the remit of the service to cover areas of spend over which it currently has no influence;
- Driving increased compliance;
- Revised arrangements for dealing with gainshare; and
- Revised arrangements for managing the third party highways contractor under the Re contract.

Draft proposals have been developed in respect of contract management and compliance, but further work is required to confirm the commercial implications of these and secure the necessary support within the council.

Detailed work on a proposal to extend the remit of the service is continuing. As this is likely to generate additional savings, more information on this proposal is set out in paragraph 1.71 of this report.

A proposal for managing and accounting for gainshare corporately has been developed. The implications of this will require further consideration as part of the council's budget setting process.

Management of the highways contractor has now been taken on board by the service.

Key milestones for finalising proposals will be agreed and progress against them reported to the Performance and Management Committee.

#### 1.124 Proposed changes to contractual arrangements

The KPIs for Procurement are considered to be appropriate and no changes are proposed.

### **Service outcomes – Estates**

#### 1.125 Summary of the service

The Estates service is contracted to act as a strategic enabler for the delivery of property and facilities management services, including:

- Property Services, covering:
  - Commercial estate management, management of leases granted to the council and landlord and tenant services;
  - Compulsory purchase order and planning applications;
  - Valuations and rating advice; and
  - Acquisitions and disposals.
- Building Services, covering planned, preventative and emergency maintenance, statutory testing and inspection, building surveying and adaptations, energy and utilities, cemeteries and war memorials;
- Facilities management, including management of building custodians, cleaning and security; and

- Document production and mail room

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

Annual cost (£000k)	Share of annual transformation spend (£000k)	Total annual cost (£000k)	LBB Baseline Cost Before Contract (£000k)	Reduction from baseline
4,442	246	4,688	4,735	6%

This represents 19% of the annual cost of service delivery under the contract.

### 1.126 Achievements and challenges

The following key achievements have been identified for the Estates service:

- The contract has helped the council to better prioritise the Estates service and develop its understanding of strategic estates objectives through a strategic asset management plan delivered in the first twelve months;
- The ability of CSG Estates to lever in additional resource through the contract, for example Locality Strategy and Property and Building Services;
- The Service has successfully provided a strategic business case to save the council £38m and has delivered the office rationalisation strategy which underpinned these savings; and
- The Service negotiated a rebate of £600k from third party suppliers for the poor condition surveys provided prior to transfer.

The main challenges for the Service have been:

- Lack of clarity in the contract that CSG Estates are responsible for all assets owned or leased-in by the council;
- Lack of proactivity in strategic areas and income generation opportunities, for example corporate landlord, horizon scanning for funding opportunities, strategies driven from client side;
- Inconsistent leadership and lack of coherence in how Capita are managing the team with Building Services and Property Services not working together;
- KPIs are unwieldy and need tidying up – the way they are currently measured and baselined is difficult; and
- There are perceived challenges around how CSG and Re work together.

### 1.127 Key performance and benchmarking information

The Service has generally performed well against its KPIs. The annual outturn for each of the Service's KPIs is set out in the following table.

KPI	2013/14		2014/15		2015/16	
	Target	Outturn	Target	Outturn	Target	Outturn
<b>KPI ES 24a : Property Performance - Civic Estate Condition</b>	Pass	Pass	Pass	Pass	Pass	Pass
<i>This KPI measures the condition of the Council's Civic Estate (only where the Authority has tenant's responsibilities for NLBP 2&amp;4) property portfolio in accordance with a set of agreed indicators (i.e. RICS).</i>						
<b>KPI ES 24b : Building Statutory Compliance</b>	Pass	Fail	Pass	Pass	Pass	Pass
<i>KPI to measure % of buildings that meet statutory legislation with respect to 5 key statutory compliance test areas (Asbestos, Gas, Electricity, Water and Fire).</i>						
<b>KPI ES 25 : Facilities Management Incident Resolution</b>	100%	100%	100%	100%	100%	100%
<i>KPI to measure performance against the timescales agreed to resolve FM calls logged by customers</i>						
<b>KPI ES 28 : Occupancy and Utilisation</b>	N/A		Pass	Pass	Pass	Pass
<i>KPI to record occupancy and utilisation indicators in respect of the Civic Estate property portfolio: NLBP 2 &amp; 4; Barnet House; Mill Hill depot; Hendon Town Hall; Colinhurst (note - Friary House not included as rented out to non-service area). This indicator reports on the total number of office floor space measured in square metres occupied each service area within the stated buildings of the Civic Estate</i>						

No service credits have been applied for failure to meet targets on service delivery KPIs.

There are 41 contractual commitments in respect of the Estates service. 20 of these have been delivered, or are substantially complete. 15 are in progress, the most notable of which relate to the Colindale development. There are three commitments that have not been delivered within the required timescale, including the development of a Corporate Landlord Model. There are also three contractual commitments that are not yet due for delivery.

CIPFA benchmarking information shows that total property costs (including all occupancy, operational and management costs) per square metre of gross

internal area for the entire Barnet-owned property estate are below average, compared to other councils in the benchmarking group. The cost of the Estates Management service, a subset of total property costs, is also below average and in the lower quartile. However, both total property costs and the costs of the Estates Management service per square metre of gross internal area in the council's administrative buildings are within the top (most expensive) quartile compared to other councils in the benchmarking group. It is considered that this is in large part due to the costs associated with leasing North London Business Park, which is driving the strategy to build Colindale, rather than continue to rent expensive office space.

#### 1.128 Key points from the call for evidence

The main points made by council managers and staff with respect to the Estates service were:

- Particular personnel are highly regarded, for example members of the Estates maintenance team;
- There is considered to be a high turnover of staff in the Service;
- Some contractors are poor quality and lack local knowledge, which is a key risk given the corporate priority of growth and regeneration and where Estates is public facing, for example when working with schools;
- The quality of some pieces of work is not fit for purpose and lack of service expertise is an issue;
- There have been significant delays in project delivery, including key projects such as the Locality Strategy; and
- There are challenges with clienting arrangements, where CSG are also clients of Capita, for example on the Schools Capital Programme. More assurance and transparency is needed to ensure that value for money is being delivered.

There were no comments from members of the public on the Estates service, which is primarily an internal support service.

#### 1.129 Review outcomes

Based on the evidence outlined above, four priority outcomes for the Estates service were identified by the Member Working Group:

- Install effective and competent leadership and capacity;
- Develop an agreed annual workplan;
- Develop a corporate landlord model to deliver savings on running costs and income generation from specific development opportunities, such as empty properties, acquisitions and disposals; and
- Develop a strategy for reducing spending on print.

Since this Review began, there have been significant changes in the leadership of the Service. A revised structure has been agreed with the SRO

and population of that structure is nearing completion. This includes plans to establish a pan-service project management office to improve the coordination and delivery of planned activity. Additional resources have been brought in to deal with backlog works and case management. It is now considered that resource level is appropriate in Property Services. However, it would be appropriate to review the impact of changes that have been made in due course.

A draft template for the annual workplan has been developed and work is progressing on populating it, in conjunction with the SRO. The completed workplan for 2017/18 will be presented to the Assets and Capital Board in due course. Closely linked to this, work has also been progressing on reviewing and re-drafting the Strategic Asset Management Plan.

An outline proposal has been developed for implementing a corporate landlord model. Work is now taking place to develop the proposal further, through a feasibility study that will inform the development of a strategic outline case, which will be considered by senior officers in due course.

A firm proposal on achieving print volume reduction is nearing completion, although it is acknowledged that significant progress on this will be dependent on the opportunities to change business practices that are afforded by the move to Colindale.

Members are asked to note the improvements that have been, and continue to be, made in the delivery of the Estates service. Key milestones for the delivery of further improvements will be agreed as part of the implementation plan and progress against them reported to the Performance and Management Committee.

#### 1.130 Proposed changes to contractual arrangements

There are some quite substantive changes proposed to the targets and measurement of the existing KPIs. These will be reviewed, negotiated and amended alongside the development of the annual workplan for 2017/18, in order to ensure that they drive delivery of that workplan and secure continual improvement over the remainder of the contract.

### **Service outcomes – Safety, Health and Welfare**

#### 1.131 Summary of the service

Contractually, the Safety, Health and Welfare service sits within the HR service. However, although it is relatively small in scale, the Service is considered to be important in its own right and has a designated SRO within the council. It has, therefore, been considered separately within this Review.

The Service covers:

- Professional advice and support;
- Monitoring of internal and external Delivery Units' health and safety compliance and health and safety performance;
- Monitoring of contractor health and safety performance;
- Occupational Health provision and health promotion;
- Employee assistance – counselling, medication, trauma response and conflict resolution and wellbeing promotion;
- Accident and incident investigation;
- Providing and managing the council's health and safety e-learning and accident/incident reporting systems; and
- Provision of training.

The following table provides an indication of the current cost of the service and compares this to the cost of the service prior to the commencement of the contract.

<b>Annual cost (£000k)</b>	<b>Share of annual transformation spend (£000k)</b>	<b>Total annual cost (£000k)</b>	<b>LBB Baseline Cost Before Contract (£000k)</b>	<b>Increase from baseline</b>
195	3	198	169	15%

This represents 1% of the annual cost of service delivery under the contract. It is the only service covered by the contract where the cost of delivery has increased from before the contract, due to greater investment in the provision of the service.

### 1.132 Achievements and challenges

The key achievements for the Service have been identified as:

- The introduction of a web-based health and safety management system, which has led to an increase in reporting and investigation activity;
- The introduction of a more consistent health and safety learning system, including e-learning and training;
- A move to a more robust occupational health provider, with improved referral process and reports; and
- Overall, the service runs well and is highly regarded.

The main challenges for the Service have been:

- The council is monitoring the delivery of the Service, due to concerns over turnover of staff at the Southampton Centre of Excellence, from which most of the service is delivered, although handover processes have improved;

- There have been potential conflicts of interest in investigations, where incidents involve other areas of CSG or Capita;
- Audit and monitoring requirements are no longer relevant, given changes within the council;
- The quality of information and communication platforms (council website and intranet) make it difficult for the service to engage with managers and staff; and
- Within the council there is a lack of consequences for non-compliance, both for health and safety and other areas of business compliance.

#### 1.133 Key performance and benchmarking information

There are no KPIs for the Safety, Health and Welfare service, but performance against the Service's performance indicators is generally good.

#### 1.134 Key points from the call for evidence

There were no specific comments on the Safety, Health and Welfare service, either from service managers and staff, or from the public.

#### 1.135 Review outcomes

The following priority outcomes were identified for the Safety, Health and Welfare service by the Working Group:

- Develop a more integrated approach and systems for operational health and safety risk management and corporate risk management; and
- Increase (and evidence) impact on work-related incidents of ill-health.

Investigations into the procurement of a new system to support a more integrated approach are under way and are likely to result in the production of an outline business case for consideration in due course. This will require consultation and coordination with other teams that are involved in the broader aspects of risk management.

The approach to increasing (and evidencing) the impact on work-related ill-health will be driven through changes to the output specification and method statement, work on which is progressing well and may lead to changes in the mode of operation.

Members are asked to note the approach to developing the Safety, Health and Welfare service. Key milestones for the delivery of these developments will be agreed as part of the implementation plan and progress against them reported to the Performance and Management Committee.

#### 1.136 Proposed changes to contractual arrangements

The current suite of performance indicators is considered to be appropriate for the Service. As indicated above, changes to the output specification and method statements are in the process of being negotiated.

### **Service outcomes – Corporate Programmes**

#### 1.137 Summary of the service

The Corporate Programmes service provides the following project and programme management services:

- Project management function – delivery of capital and transformation projects, where commissioned to an agreed methodology, meeting the council's objectives within agreed time, budget and quality constraints;
- Ensure availability of project resources and project management skills to meet the needs of project;
- Act as the client on major construction projects;
- Coordinate procurement process and drafting and agreement of contracts with commercial partners involved in delivering project outputs (including the council's primary school construction partner) and manage these contracts;
- Programme reporting. Drafting of reports and documentation required for various stages of project approval; and
- Risk management across the project portfolio, budget monitoring, profiling and reporting.

The arrangements for funding the Corporate Programmes service are different from other services and vary from year to year, depending on the level of project activity required by the council. Details on the cost of the Service are set out in the Project Spend Briefing paper, which is attached as Appendix C.

#### 1.138 Achievements and challenges

The main achievements of the Service have been identified as:

- Delivery of a number of complex and impactful programmes, including additional school places and progress on other major schemes including Sport and Physical Activity (leisure centres);
- CSG have built a strong, trusted and highly regarded Programmes function at a cost to the council that is substantially below the contractual rate card;
- Corporate Programmes has a good track record of delivering success and achieving savings for Barnet (including savings within schemes and budget savings); and
- There have been innovative approaches to securing value, including through working across CSG service groups, for example Aggregated Procurement.

The main challenges for the Service have been:

- The quality and depth of key suppliers, particularly in ICT, which needs organisational attention from both CSG and the council;
- Its ability to recruit additional project resources quickly, to meet unanticipated demand; and
- How the council continues to demonstrate value for money from its project-related spend with Capita.

#### 1.139 Key performance and benchmarking information

Performance of the Service is managed on a project-by-project basis, so it is not covered by the KPI and service credit regime. Payments are linked to project milestones as standard, to ensure that payment is only made following satisfactory completion of key stages within a project.

Of the 13 commitments that relate to Corporate Programmes, 12 have been delivered. The one commitment that has not yet been delivered relates to maximising the capacity and capability of the Corporate Programme and Transformation teams to undertake external project sales and delivery activity for third parties.

#### 1.140 Key points from the call for evidence

The main points made by service managers and staff on the Corporate Programmes service were:

- Many service areas considered that they have benefited from good quality project managers, although some have said that the quality of project managers and officers does vary;
- The CSG project pool is a good resource. However, these resources do need to be shared evenly across the council's transformation and capital programme requirements and not assigned solely to a single service area;
- There are significant concerns around high costs and day rates;
- There are some instances of project scope creep; and
- There are some perceived issues around accountability and transparency, with some concerns expressed about whether CSG project managers are accountable to Capita or to the council, especially where there are issues in a project related to services delivered by Capita.

There were no comments from members of the public on the Corporate Programmes service, which is primarily an internal support service.

### 1.141 Review outcomes

Based on the evidence outlined above, three priority outcomes for the Corporate Programmes service have been identified by the Member Working Group:

- Demonstrate value from project support spend;
- Increase scope to include areas not currently delivered through programmes team; and
- Improve arrangements for commissioning project support.

At its meeting on 4<sup>th</sup> August 2016, the Working Group considered a detailed paper, setting out the arrangements for securing value for money from project support expenditure. The paper provided a comparison of the cost of current arrangements for supporting capital and transformation projects against both market rates and the “rate card” rates provided for within the contract. It demonstrated that the council is paying significantly less for project support services than it would through the open market, or through contracted rates. Rates will continue to be benchmarked and subjected to independent assurance, to ensure that the council continues to secure value for money on this discretionary expenditure. The paper is attached as Appendix C and it is recommended that Members note its content.

A key area for concern in respect of project delivery has been ICT. In view of the success of the approach on capital and transformation projects, both in respect of value for money and the consistency and quality of support, proposals have been developed to establish two dedicated project support teams for ICT projects. As this will generate additional savings, the details of the proposal are set out in paragraph 1.70 of this report.

In respect of the final outcome for the Corporate Programmes service, the internal process for approving requests for “special projects” has been strengthened to ensure that only genuine projects are commissioned through the process and that small-scale works that do not constitute projects are dealt with through the purchase order process.

### 1.142 Proposed changes to contractual arrangements

No changes are proposed to the existing contractual arrangements. The establishment of dedicated ICT project support teams will be actioned through existing resource allocation processes.

## **Service outcomes – Insight**

### 1.143 Summary of the service

The Insight service delivers high quality, detailed data analysis products, which inform future policy and service configuration decisions across the

range of services provided by the council. The Service enables the council to target resources effectively and make service decisions that are informed by evidence of what will work.

Strong insight is also essential to the delivery of effective demand management interventions and the Insight Team's work will sit at the heart of the development and successful delivery of the council's emerging Demand Management Framework.

In addition to producing bespoke insight reports, the Insight Team is also responsible for the production of both the Members' Dashboard and the Customer Experience Report.

The CSG contract established the Insight Team at four FTEs and originally envisaged that this resource would drop to two FTEs in September 2015 and to one FTE in 2018; with at least the equivalent resource being embedded in directorates across the council in order to embed the total insight capability. However, the council has recognised a number of benefits to maintaining a central service as a centre of excellence for the council, rather than dissipating capacity across the organisation, and has therefore chosen to maintain the capacity of the team at four FTE until the end of December 2016. Further consideration is now being given to the future shape and size of the Insight team and the opportunities that may exist for a more commercial model.

#### 1.144 Achievements and challenges

The work of the Insight Service is fundamental to allowing the Council to make the informed decisions required to effectively redesign local services and to ensure its principles of fairness, responsibility and opportunity are reflected in all that the council does.

Over the past three years, the Insight Team has delivered a range of products which have informed policy and service decisions across the breadth of council services, underpinning the delivery of all four Corporate Plan priorities. For example:

- The development of the social isolation index enabled the council to target resources and interventions at neighbourhood level and to better understand community resources and capacity, helping those vulnerable people most in need, and ensuring scarce public resources are targeted effectively to help build *resilient communities*;
- An analysis of green waste collection, which identified a minimum £110,000 in savings which could be realised through *service transformation* by optimising collection routes and staffing allocations without impacting service quality;
- Analysis of the demographics behind who in the borough fosters, at what life stage, and what motivates them enabled the council to target foster carer recruitment far more precisely, driving a 300% increase in enquiries

- about becoming foster carers, thus *managing demand* for expensive services such as out-of-borough placements; and
- Analysis of business births and deaths has identified the highest performing business sectors, quantified the positive impact that regeneration areas have on net business growth (15% higher than the Barnet average) and demonstrated that current non-domestic rates are not a significant factor in business success or failure; informing the council's approach to *responsible growth and regeneration*.

#### 1.145 Key performance and benchmarking information

There are no KPIs relating to the Insight service, as each assignment is managed as a discrete piece of work. The Service has successfully delivered against eight of its nine contractual commitments. The ninth commitment, which is in the process of being delivered, relates to the creation of a Leadership panel. This will be taken forward through the Innovation Lab.

#### 1.146 Key points from the call for evidence

Commissioning and Delivery Unit Directors highlighted the work of the Insight team as being a particular area of high performance. However, it was also considered that the Insight Team has low capacity and the council would benefit from a broader commissioning, rather than customer services, focus and by embedding Insight into more of what the council does and delivering to the original vision and system wide commitments.

There were no comments from members of the public on the Insight service, which is primarily an internal support service.

#### 1.147 Review outcomes

Based on the evidence outlined above, two priority outcomes for the Insight service have been identified by the Member Working Group:

- An agreed strategy for maximising the benefits of Insight; and
- An agreed strategy for the future use of Innovation Lab.

The Service is commissioned through the councils Strategic Commissioning Board (SCB). A work plan for 2017 is currently in development for discussion with service areas and agreement through SCB. The programme is based around key MTFS savings commitments, which it will play a key role in enabling. It will be structured against the emerging Demand Management Framework, which the Insight service will also be key in delivering.

Given the fundamental role that insight can and should play in the delivery of savings, the management of demand and the redesign of local services, consideration is being given to maintaining a central Insight service, at current

staffing levels. A proposal to that effect is being developed and is being considered by the relevant officers. This also covers the further development of the Innovation Lab.

In commissioning insight work, SCB will also be asked to prioritise those projects relating to a service or areas where a key decision or change is required, which insight would inform – thus ensuring that insight is never commissioned purely because the subject is interesting, but always because there is a key decision which should be informed by insight analysis. SCB will also be encouraged to track outcomes against commissioned Insight work.

#### 1.148 Proposed changes to contractual arrangements

Any changes that are required to contractual arrangements for the Insight service will be identified through the consideration of the detailed proposals in respect of the Service.

## **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. Implementing the changes and service improvements that have been identified as a result of this Review will ensure that the CSG contract 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 Key milestones for the delivery of the outcomes of the Review will be collated into an implementation plan, progress against which will be reported to the Performance and Contract Management Committee. It is anticipated that the implementation plan will be agreed by December 2016. Work is also continuing to conclude detailed negotiations in relation to changes to KPIs and other contract amendments. It is anticipated that this work will be completed by the end of the financial year.

## **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. Details of savings proposals arising from the Review are set out in the body of the report and will be incorporated, as appropriate, in future budget reports to the Policy and Resources Committee and full Council.

### **Social Value**

- 5.3 As a result of the Review, it has been confirmed that the achievement of social value through the activities of the CSG Procurement service remains a high priority, with no changes to KPIs in respect of social value being proposed.

### **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:

- (i) State the scope and nature of possible modifications or options as well as the conditions under which they may be used; and
- (ii) 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 that key services like Human Resources continue to support staff within the organisation in achieving this.

### **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 proposals have been considered as part of the Review process and no specific implications have been identified in relation to the proposals outlined in this report. It should be noted that the Customer Access Strategy and Customer Transformation Programme have been the subject of detailed equalities impact assessments, the outcomes of which have previously been reported to the Policy and Resources Committee.

### **Consultation and Engagement**

- 5.15 Consultation and engagement has taken place as set out in paragraph xxx of this report. The outcomes of that consultation and engagement are set out in the relevant service outcomes sections of the report.

### **Insight**

- 5.16 CIPFA benchmarking data has been considered as part of the Review.

## **6. BACKGROUND PAPERS**

- 6.1 Evidence pack containing a report on the outcomes of internal interviews and the slide packs on service overviews and service performance assessments, as referenced in paragraphs 1.26, 1.27, 1.31 and 1.34 of the report.  
<https://barnet.moderngov.co.uk/ecCatDisplay.aspx?sch=doc&cat=13790&path=0>
- 6.2 Performance and Contract Management Committee, 6 September 2016 – Agenda Item 13 – Year Three Review of Customer and Support Group (CSG) Contract.  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8795>
- 6.3 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>
- 6.4 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>
- 6.5 Approval of NSCSO full business case:  
<http://barnet.moderngov.co.uk/documents/s6649/NSCSO.pdf>

## Customer and Support Group Year Three Contract Review

### Summary of proposed service enhancements and improvements

Service	Proposed improvements	Status
Finance	Introduction of business partnering model	In progress
	Improvements to Integra finance system	In progress
ICT	Deployment of Local Area and Wide Area Networks, brought forward from contract year six	In progress
	Review of wireless mobility upgrades	In progress
	Blackberry upgrade programme	Complete
	Review of council ICT systems	Complete
	Improved support for Delivery Unit systems, including applications management to ensure a more proactive approach for planning upgrades etc.	In progress
	Service improvement plan to improve, for example, the management of incidents, changes and security	In progress
	Re-structure of the ICT service	Ongoing – initial restructure implemented
	Resolution of specific Member ICT support issues	Complete
	Clarification and improvement of out of hours support	In progress
	Implementation of strategic fixes for Members' ICT, for example implementation of Office 365	In progress
HR	Council-wide learning and development offer	Implemented
	Reduction in agency spend	In progress
	Employee benefits package	Goes live November 2016
	Stepping up of workforce management support for sickness absence, recruitment and performance management	In progress
	Integrated "on boarding" process	Detailed proposal to be developed
	Improvements to Core HR system	In progress
	Arrangements for supporting move to Colindale and delivery of the Locality Strategy	In place
Customer Services	The new head of customer services to oversee more joined up working between the different parts of customer services run by Capita, including Re, and the IT work on managing the website and My Account.	In progress
	Creation of an annual operational improvement plan, together with a set of Continuous Service Improvement Plans for each service, with a stronger emphasis on digital improvements. To be monitored and managed through monthly highlight reports and new governance arrangements.	In progress

## Appendix A

	Strengthened commitment to customer and user involvement in service changes and improvements	In progress
	The Customer Transformation Programme approved by Policy & Resources Committee will invest £5.4m in significantly improving online services and end-to-end service delivery for customers, and address digital exclusion.	In progress
Revenues and Benefits	Improvements in collection rates	Pending upgrade of Civica ICT system
	Reduction in workload backlog and arrangements put in place to monitor future performance	Complete
	Develop roadmap for the service, setting out improvements to be derived from Customer Transformation Programme and Civica upgrade	In progress
Procurement	Enhanced service offer on contract management	In progress
	Proposals for increasing remit of the service	In progress
	Revised arrangements for dealing with gainshare	Will be progressed through budget process
	Revised arrangements for managing third party highways contractor	In place
Estates	Revised service leadership arrangements and increased capacity	In place
	Development of annual work plan	In progress
	Development and implementation of Corporate Landlord model	In progress
Safety, Health and Welfare	Integrated approach to operational health and safety management and corporate risk management	In progress
	Increase impact on work-related incidents of ill-health	In progress
Corporate Programmes	Establish dedicated ICT project support teams	Requires officer approval

# **Capita Contract Review**

## **25 July 2016**

# **Commitments Performance Cost**

# Commitments

- To what extent has anyone checked against the 324 contractual commitments made
- T2-6 Agile workspace – yet we are still in building 4 which I thought was due to be handed back T2-34 not met
- T2-11 staff survey what were the results
- T2-15 Access to Capita's Learning & Development academy
- T2-32 Leadership Panel who are they have they ever sat asked about them at the last meeting and you said the composition of the panel was being reviewed who has sat on it they don't publish minutes who are they
- T2 -39 Innovation partners
- T2-64 Employee discount scheme
- T3-8 Local Supply Chain Champion & T3-10 Opportunity matching for SME's
- T3-31 How many staff have achieved Institute of Customer Service professional accreditation – Linked to £904k investment in transferring staff has that happened.

# Commitments

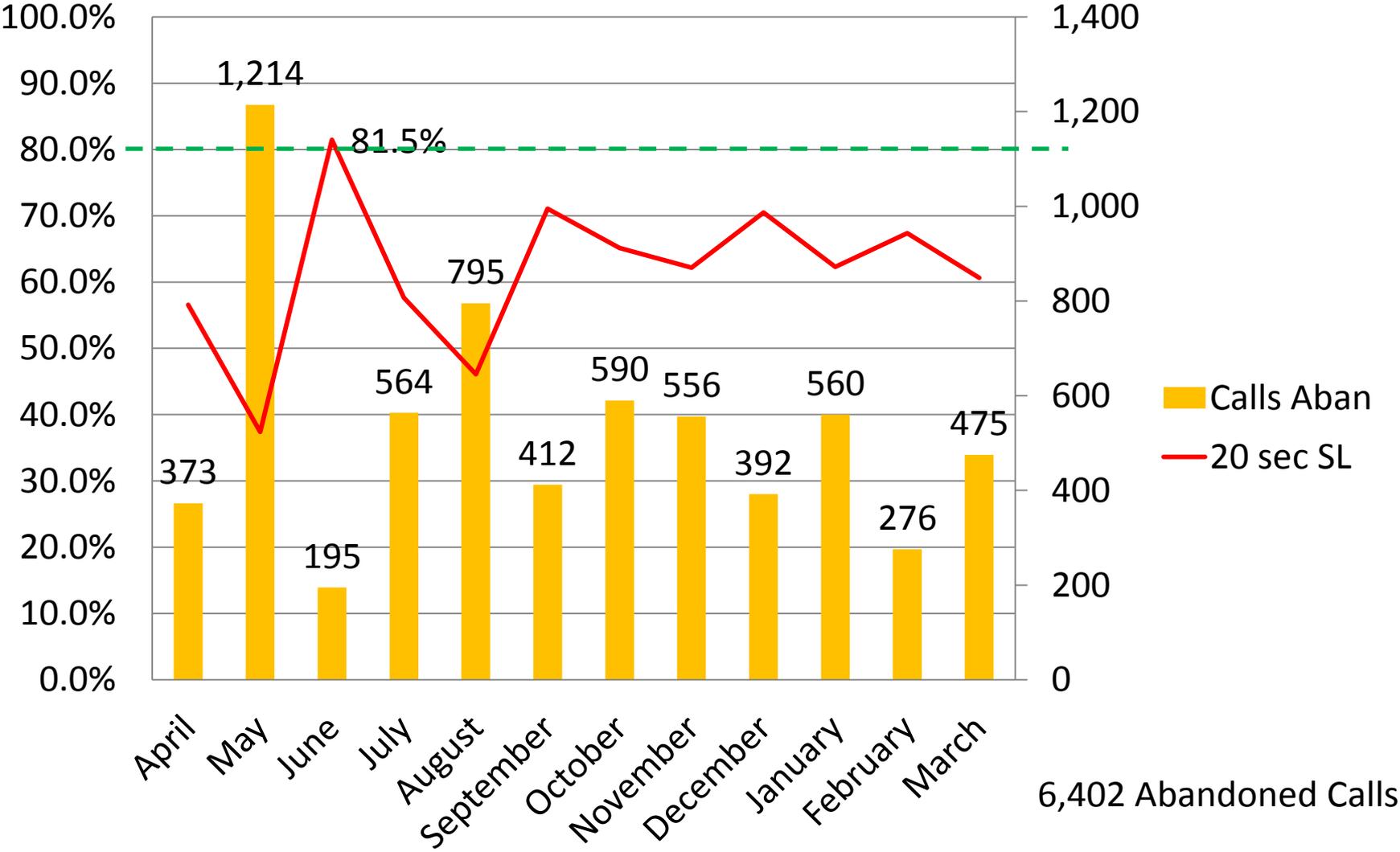
- T3-43 conflict between what that says and the contract variation published on 18 July but relating to a DPR decision taken in October 2015 to:  
The Council wish to procure through Capita a service provided by Inform CPI Ltd using their Analyse Local software to identify missing or undervalued NNDR properties and for forecasting the impact of rateable value (RV) appeals. The service provided by Inform CPI Ltd has been used on a London contract administered by Capita and has to date been successful in increasing the tax base and is a service that Capita can recommend.
- T3-103 payroll accuracy problems still seem to be occurring
- T3-105 absence and sickness failed in the data provided at the last PCM committee how often is it failing
- T3-184 Reduction in gas electricity & water
- I note that in a recent DPR  
<http://barnet.moderngov.co.uk/documents/s33627/Monthly%20Table%20List%20of%20Actions%20Taken%20Under%20Summary%20DPRs-%20June%202016.pdf>  
one contract monitoring post has been converted to a quality in care advisor – authorised by James Mass. Given the complexity of the contract I cannot see how reducing the number of contract monitoring staff at this time makes any sense.

# Telephony Performance

- Telephony satisfaction targets are apparently being met - question how it is measured
- Telephony performance mixed picture
- Virtual assistant skews results
- Need to examine the detail

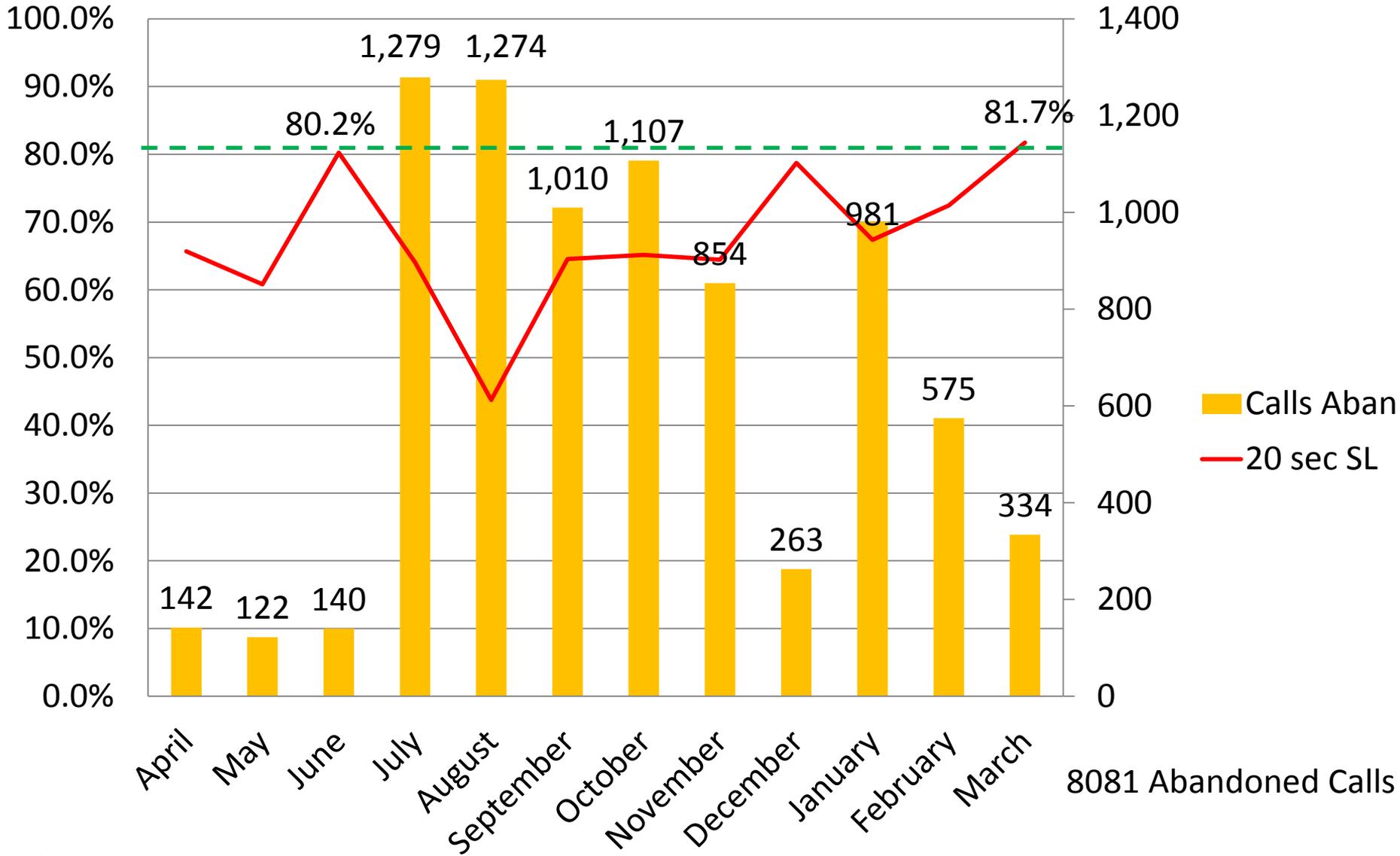
# Who is getting short changed?

## Housing Benefit Call Analysis

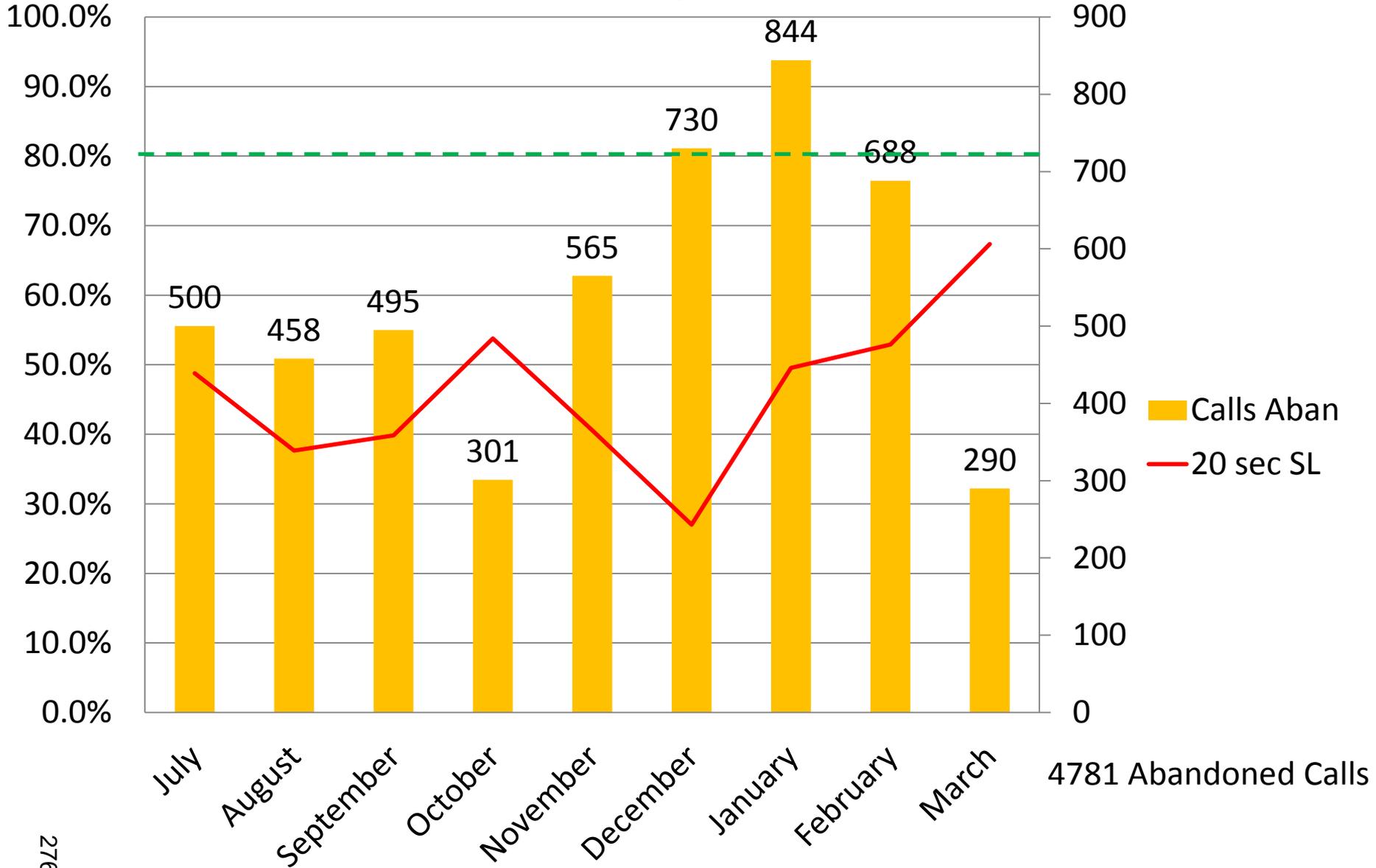


6,402 Abandoned Calls

# Council Tax Call Analysis



# Adult Social Care Call Analysis



4781 Abandoned Calls

# Other Performance

- Links to audit committee - example this week's audit committee has a poor review for parking permit administration which is administered by Capita. There is a real concern that under performance is batted between the two committees and dealt with by neither. There is also a concern around the tracking of underperformance and what follow up measures are taken not just at the next meeting but over a longer period to identify trends.

# Cost

LBB Charges and Savings													
Contract Year	Baseline cost of NSCSO services (2013/14)	Additional council tax income	Reducing no. of single person discount CTax claimants	Savings in retained council procurement spend	Savings on core service price	Interim Agreement Adjustment	Change to Managed budgets	Total core service savings	% saving on core service price	Annual savings totals	Annual Capita fee to council	Managed budgets	Total fee
Year 1 of the Contract Period	3,400,000										3,400,000		3,400,000
Year 1 of the Contract Period	38,757,596		190,800	624,031	5,281,048	(98,167)		5,182,881	13%	5,997,712	24,877,788	8,632,760	33,510,548
Year 2 of the Contract Period	38,757,596	80,685	381,600	5,916,047	5,748,636	£152,446		5,901,082	15%	12,279,413	24,376,200	8,632,760	33,008,960
Year 3 of the Contract Period	38,757,596	376,530	508,800	2,633,546	7,800,065	£414,795	(2,029,085)	6,185,774	16%	9,704,651	26,451,017	4,506,515	30,957,531
Year 4 of the Contract Period	38,757,596	484,110	508,800	3,393,225	7,545,748	(1,494,539)		6,051,210	16%	10,437,344	27,516,967	3,694,881	31,211,848
Year 5 of the Contract Period	38,757,596	484,110	508,800	4,233,875	7,610,090	(1,588,398)		6,021,692	16%	11,248,477	27,452,625	3,694,881	31,147,506
Year 6 of the Contract Period	38,757,596	484,110	508,800	4,763,109	7,111,552	(1,109,612)		6,001,940	15%	11,757,959	27,951,164	3,694,881	31,646,044
Year 7 of the Contract Period	38,757,596	484,110	508,800	5,317,156	8,783,638	(1,479,718)	(219,420)	7,084,500	18%	13,394,567	26,498,498	3,475,461	29,973,958
Year 8 of the Contract Period	38,757,596	484,110	508,800	6,186,295	10,508,224	(1,450,433)	(329,130)	8,728,661	23%	15,907,865	25,871,012	2,378,361	28,249,372
Year 9 of the Contract Period	38,757,596	484,110	508,800	6,693,772	10,666,912	(1,602,445)		9,064,467	23%	16,751,150	25,712,323	2,378,361	28,090,684
Year 10 of the Contract Period	38,757,596	484,110	508,800	7,213,491	10,891,726	(1,480,984)		9,410,741	24%	17,617,143	25,487,510	2,378,361	27,865,870
Contract totals	390,975,960	3,845,986	4,642,800	46,974,547	81,947,638	(9,737,054)	(2,577,635)	69,632,948	18%	125,096,281	265,595,104	43,467,218	309,062,322

**Published  
payments  
schedule:**

	2013/14	2014/15 to date	2014/15 Remaining	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Contracted	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CSG	35,962	21,418	3,063	26,671	29,482	25,453	25,951	24,198	17,203	20,467	25,106	10,621	265,595
Re	8,610	11,193	3,658	15,083	15,310	15,308	15,345	15,455	15,484	15,533	15,597	3,907	150,483

**Additional payments:**

	2013/14	2014/15 to date	2014/15 Remaining	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CSG	2,843	11,748											14,591
Re	775	2,574											3,349
Additional items	14,933												14,933

Additional payments to CSG represent payments for procurement gainshare and projects spend. This is explained in further detail in the questions above (Q64, 65).

Additional payments to Re relate to payments for undertaking Transport for London highways works, which are grant funded by TFL, and spend on regeneration projects, costs for which are typically recovered from development partners.

The final additional payment line relates to the interim service agreement with Capita.

# Contracted vs Spend to Date

£millions

<b>Capita (CSG)</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>Total</b>
Contracted	35.96	24.48	26.67	87.11
Actual YTD	46.68	37.02	36.85	120.55
Difference	10.72	12.54	10.18	33.44

Special Projects, Gainshare & Contract Variations

# Special Projects

- Projects like the Sport and Physical Activity Review, Waste Depot Relocation and Libraries Strategy
- Paid at consultancy rates

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## Response to comments from members of the public

Comments submitted in writing	Response
<p>I am a teacher at a Barnet school and Capita do our salary/payslips. It has been my experience that Capita's insistence on no communication between the individual and themselves to be extremely cumbersome. Whilst I understand that they prefer to deal with an institution representative (finance officer) several serious errors added to unclear labeling on the payslip mean that I am unsure of my pay which has fluctuated seriously. This has had an effect on my tax rate and I am still unsure of the corrections made.</p>	<p>At the beginning of the contract, all payroll enquiries were channelled through designated officers. In order to improve the quality of the service a direct employee help-line was subsequently introduced. The number is 0208 328 7912 and has been widely publicised.</p>
<p>I have been acting on behalf of a friend who is 91 years old with major eyesight problems, in communication with the Benefits and Council Tax Departments, since December 2015. The Benefits Department agreed that significant rebates were owed to him in March 2016, including a Council Tax refund of nearly £1,000. It has taken a further four months to get the Council Tax Department to refund the money. Luckily, he was not financially embarrassed by this delay, but had I not been available to help, I dread to think when, and if, he would have received what was due to him. I regard this situation as pathetic and place the blame on the CSG. I can provide further details if required.</p>	<p>There have been issues with backlogs in the service, which were identified prior to the commencement of this Review and have been acknowledged as being one of the main challenges for the Service in the main report.</p> <p>Significant effort has been applied to reducing the backlog within the service, through the implementation of a recovery plan. This has dealt with the outstanding issues and monitoring arrangements, through a new performance indicator, have been put in place to ensure the situation is managed effectively going forward.</p>
<p>Initial contact by phone using 0208 359 2000. The automated voice welcomes the call but then asks for either the name of person or the issue you are calling about. This is not ideal considering this is "first contact" and therefore unlikely that the person is able to give a name. When trying to give details of issue I have been calling about - the system cannot help and in fact has lead me on "a wild goose chase". I do now know the trick. It is to not give a name and not say anything. After hanging on in silence we are then told to hold for an operator. Please can this message be amended. Residents need to be clearly given the option to hold for an operator at the beginning of the call. ie please hold for an operator or give the name of the person you wish to speak to or the issue.</p>	<p>The Interactive Voice Recognition (IVR) system on the council's switchboard number does not provide an option for connecting directly with an operator. This is because it uses voice recognition to direct customer calls, which is more efficient and saves the council money. If the voice recognition is not successful, customers are transferred to a member of staff. The IVR systems are constantly reviewed to ensure that they are directing calls appropriately and providing callers with the information they need.</p>

<p>I am a resident in Barnet. This is about my experience with the council tax. I am eligible for a single person discount. In my experience, Capita's attitude to the residents is totally unacceptable. They are bullying and threatening and treat us as guilty of cheating the council unless proved otherwise. I was asked to prove that I was deserving the discount for the previous 8 years, although it had all been approved by the council. As this was in the process of clarification, I discovered that they took thousands of pounds from my account. I never expected that an arrangement for direct debit would allow them to do this. Communication with them is poor. Calling is a waste of time, takes hours. They never reply to emails within 5 days. Their style is intimidating. I eventually paid hundreds of pounds unjustifiably in order to get rid of their intimidation as the stress was too much for me. We deserve better. I wish the council got rid of them.</p>	<p>The Service carries out an annual process of conducting detailed checking and validation on a sample of residences where Single Person Discount is claimed. It should be noted that, in 2015-16, this process resulted in an additional £860k of Council Tax being collected. However, it is acknowledged that this is a particularly sensitive area of activity that requires careful handling. To that end, training programmes are continually reviewed and updated as required. The CSG Quality Team is responsible for the advisor call monitoring and they also conduct risk monitoring, where particular behaviours are reacted to promptly. The service has a high customer satisfaction level, which is exceeding 80% for the telephony line, and does respond to individual customer feedback.</p>
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The following comments were made at the meeting held on 25<sup>th</sup> July 2016 and supported by a slide pack, which is attached.

Comments	Response
<p>Concerns were expressed about call answering times within particular service areas. Graphs were provided that suggested that the headline achievement of the target was masking poor performance within housing benefits, council tax and adults' social care, with high levels of calls being abandoned.</p>	<p>It is acknowledged that these services do have lower performance levels on call answering time than other services. This is primarily due to the longer call handling times that are associated with the more complex enquiries that are associated with these services. Staffing levels are generally flexed to reflect expected peaks and troughs in demand, but the complex nature of these services requires much more in-depth training than more straightforward services, so it is not always feasible to staff the operation to meet all of the peaks in demand. In order to maximise efficiency, Customer Services is considering a number of further developments:</p> <ul style="list-style-type: none"> <li>• Better utilisation of trained Revenue and Benefits officers in the Blackburn office during busier times;</li> </ul>

	<ul style="list-style-type: none"> <li>• Upgrading technology to virtualise the council’s contact centres, i.e. enable calls to be directed to different physical locations. This will mean there would be more resilience and ability to multi-skill a wider pool of people;</li> <li>• Performance and operational improvements in Social Care Direct; and</li> <li>• Further implementation of digital solutions, so that customers can more easily resolve their query using the website, rather than needing to rely on the telephone.</li> </ul> <p>At a previous meeting, the Working Group had acknowledged that answering calls within 60 seconds was not the most effective measure of performance, as the ability of the call handler to resolve the caller’s query was far more important to achieving customer satisfaction. The council measures customer satisfaction with call handling via the GovMetric measurement tool and associated KPI.</p>
<p>Links to audit committee - example this week’s audit committee has a poor review for parking permit administration which is administered by Capita. There is a real concern that under performance is batted between the two committees and dealt with by neither. There is also a concern around the tracking of underperformance and what follow up measures are taken not just at the next meeting but over a longer period to identify trends.</p>	<p>The two Committees have quite different roles, which are set out in the council’s Constitution. The main purpose of the Audit Committee is to provide independent assurance of the risk management framework and associated control environment. The purpose of the Performance and Contract Management Committee is to review the performance of the council’s services, whether they are delivered through in-house Delivery Units or through contracts with external providers. External providers are subject to the same internal audit requirements as in-house units, so it is entirely appropriate that any issues relating to risk and control mechanisms are referred to the Audit Committee.</p>
<p>Concerns were expressed about the level of actual spend with Capita, against the level of contracted spend and, in particular that project spend is paid at consultancy rates. How these variations are controlled was also questioned.</p>	<p>The Working Group has scrutinised the approach to managing project-related expenditure through the contract and noted the arrangements that are in place to control it. Since the contract commenced, dedicated project support teams have been put in place, payment for which is based on salaried rates, not day rates. The report sets out further recommendations for expanding this approach.</p>
<p>The following summary points were made at the meeting:</p> <ul style="list-style-type: none"> <li>• Ensure the contract is being adequately monitored and there</li> </ul>	<p>This Review will result in an Implementation Plan, progress against which will be reported to the Performance and Contract Management</p>

<p>are sufficient resources for this</p> <ul style="list-style-type: none"> <li>• Monitoring and contract variations need to be communicated better to PCM</li> <li>• Need to ensure the council is getting what was promised by Capita, given redundancies from contract</li> </ul>	<p>Committee. It also sets out proposals to strengthen the reporting of progress against delivering the remaining contractual commitments.</p>
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The following questions were raised in respect of contractual commitments.

Question	Response
<p>To what extent has anyone checked against the 324 contractual commitments made</p>	<p>Monitoring of contractual commitments forms part of the regular monitoring undertaken by the Commercial team, in conjunction with the Senior Responsible Officer (SRO) for each service. Progress is recorded in a tracker spreadsheet.</p>
<p>•T2-6 Agile workspace – yet we are still in building 4 which I thought was due to be handed back T2-34 not met</p>	<p>LBB has exited Building 4. CSG continue to occupy part of Building 4 under a separate arrangement with the landlord. Implementation of the Agile Workplace Programme and management of space utilisation through cultural change management are ongoing and will continue throughout the life of the contract.</p>
<p>•T2-11 staff survey what were the results</p>	<p>This commitment was signed off by the SRO as completed in 2014. Capita conducts a company-wide Staff Satisfaction Survey on an annual basis. Employees are actively encouraged to partake. Results from the survey are shared with senior and middle management to ensure key feedback is heard and opportunities to enhance Capita's working ethos are explored. Employees have visibility of Capita's overall staff satisfaction results. Results are disseminated on a divisional, rather than contract/service level, to help with cross fertilisation of good initiatives that seem to motivate and highlight any negative trends so that all learn.</p>
<p>•T2-15 Access to Capita's Learning &amp; Development academy</p>	<p>This commitment was signed off by the SRO as completed in 2014.</p>
<p>•T2-32 Leadership Panel who are they have they ever sat asked about them at the last meeting and you said the composition of the panel was being reviewed who has sat on it they don't publish minutes who are they</p>	<p>This commitment is classified as "not delivered" and will be addressed through the Partnership Development Strategy. The Leadership Panel does not have a fixed membership and is, in essence, about bringing together relevant people from different parts of Capita's business to advise on specific issues.</p>

•T2 -39 Innovation partners	This is an annual activity throughout the life of the contract and is, therefore, “ongoing”.
•T2-64 Employee discount scheme	Implementation of this has been delayed by LBB to November 2016 in order to: <ul style="list-style-type: none"> <li>a) secure a better scheme than the original offer; and</li> <li>b) link it to the overall Unified Reward package.</li> </ul>
•T3-8 Local Supply Chain Champion & T3-10 Opportunity matching for SME’s	This was delivered in 2014.
•T3-31 How many staff have achieved Institute of Customer Service professional accreditation – Linked to £904k investment in transferring staff has that happened	This has been signed off as delivered. All staff within the Contact Centre that required training received it, but through NVQ rather than ICS qualifications. New staff continue to be trained to the same level. The investment quoted related to all transferring staff, not just those in the Contact Centre.
T3-43 conflict between what that says and the contract variation published on 18 July but relating to a DPR decision taken in October 2015 to: The Council wish to procure through Capita a 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. The service provided by Inform CPI Ltd has been used on a London contract administered by Capita and has to date been successful in increasing the tax base and is a service that Capita can recommend.	This contractual commitment is classified as “in progress”, as it has been partly delivered. The commitment related to the use of tools to assess “propensity to pay”, some of which have proved to be unsuitable for that purpose. The DPR relates to a tool which is to be used for a different purpose.
•T3-103 payroll accuracy problems still seem to be occurring	This commitment duplicates the KPI relating to payroll accuracy and the latter takes precedence. Performance against the KPI is reported in the “Service Outcomes – HR” section of this report. When Barnet set up the contract with Capita they negotiated a KPI that is set at a very high threshold and therefore only a few errors will trigger a fail. CSG largely performs very well on a month by month basis. There have been a few instances where the payroll has been affected by a software update issue and controls have been put in place to make sure that this cannot be repeated.
•T3-105 absence and sickness failed in the data provided at the last PCM committee how often is it failing	This commitment relates to the provision of reports to LBB management, which is where the responsibility for managing absence sits. The commitment is classified as “ongoing”.

	<p>Barnet's absence levels have been averaging at about 8-9 days for a number of years and we have a desire to achieve a target of 6 days. As part of Unified Reward we have now introduced tighter and more robust sickness triggers from the 1<sup>st</sup> October 2016, which means that we can intervene earlier. These are linked to financial penalties, implementation of which has been deferred for 12 months as part of the negotiations with trade unions. If sickness does not reduce as a result of the more stringent triggers, then we will implement the financial penalties as a deterrent. Barnet will remain a supportive employer where sickness is genuine but taking a much more robust approach in all other circumstances. HR Business Partners are supporting managers with occupational health referrals, individual return to work plans (which may include phased returns), with the focus being on supporting the individual back to work as soon as possible, or exiting the long term sick who are unable to return. We expect to see these measures have an impact and see sickness levels start to fall during 2017.</p>
<ul style="list-style-type: none"> <li>•T3-184 Reduction in gas electricity &amp; water</li> </ul>	<p>This commitment relates to a reduction in usage that is built into the contract price, so LBB benefits from the cost reduction regardless of whether CSG achieves it or not. However, monitoring information indicates that the reduction in usage is being achieved.</p>
<ul style="list-style-type: none"> <li>•I note that in a recent DPR <a href="http://barnet.moderngov.co.uk/documents/s33627/Monthly%20Table%20List%20of%20Actions%20Taken%20Under%20Summary%20DPRs-%20June%202016.pdf">http://barnet.moderngov.co.uk/documents/s33627/Monthly%20Table%20List%20of%20Actions%20Taken%20Under%20Summary%20DPRs-%20June%202016.pdf</a> one contract monitoring post has been converted to a quality in care advisor – authorised by James Mass. Given the complexity of the contract I cannot see how reducing the number of contract monitoring staff at this time makes any sense.</li> </ul>	<p>This DPR relates to posts deployed within Adult services to monitor contracts with care providers and has no involvement with the CSG contract. This is monitored by the Commercial Team, the capacity in which has been strengthened since the contract commenced.</p>

# Appendix C – CSG Project Spend

Considered by the Member-led Working Group on 4<sup>th</sup> August 2016

**EXCLUDES** information that is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972

# What is the Council investing in and why?

## Capital programme

●The Council has agreed its capital investment programme, with £761m planned investment to 2020, funded through capital receipts, borrowing, revenue and external grant.

## Transformation programme

●The Council has agreed its Medium Term Financial Savings (MTFS) plans to meet the £81m funding gap to 2020.

●A transformation programme has been established containing the 61 projects required to deliver £63m of these savings (sample of key projects on the right).

●The Council has agreed a transformation reserve of £22.3m to deliver the programme, including a split of spend against each project.

## Major capital investments

- £215m in Brent Cross Thameslink
- £145m in schools build programme
- £145m in housing development pipeline
- £51m in improvements to roads & pavements
- £50m in new Colindale Offices
- £30m investment in our parks
- £23m investment in two new leisure centres
- £9m in IT equipment & services

## Key projects within the programme

- New delivery models for adults and children's social care, education & skills and street scene
- Improved social work practice for adults & children
- Integrated health and social care services
- Strategy to hit 50% recycling rate by 2020
- Older people supported to live more independently
- Targeted support to reduce the numbers of children & adolescents in statutory care
- Changes to the way residents transact with the council

# What does the Council buy from CSG?

The Council uses a number of suppliers to support the delivery of these vital programmes, including CSG, from whom we buy the following services:

## For the capital programme

- **Multi-Disciplinary Design Services (c.£3.7m spent to Mar '16)** (e.g. Architect, Engineering Services, Landscape Architecture)
- **Technical Advisory Services (c.£2.8m)** (e.g. Technical Lead, Quantity Surveyor, Principal Designer, Supervisor)
- **IT specialist labour (c.£2.8m)**
- **IT hardware & software (c.2.0m)**
- **Project management (£2.1m)**
- **Programme management (£0.5m)**

## For the transformation programme

- **Subject matter expertise (c.£3.6m)** (e.g. procurement support, HR input into staff re-organisations, IT input)
- **Project-specific resource (c.£1.5m)** (e.g. for Libraries, Unified Reward and Customer Transformation)
- **Project management (c.£2.0m)**
- **Change management (c.£0.4m)**
- **Programme management (c.£2.4m)**

These services, which the Council would need to procure elsewhere if not from CSG, are in addition to the 'core' contract.

# What did £25.6m of CSG spend support since Dec 2013? 4

New Council Tax Support Scheme; Welfare Reform Taskforce; and additional Revs & Bens Face to Face services

£1,800,000

2013 and 2015 Schools Build Programmes



Schools Modernisation



Children's Transformation Programme



Designs for New Barnet & Cophall Leisure Centres

£9,900,000

£13,900,000



Streetscene Efficiencies



Future Model for Libraries



Design for a replacement depot



Adults Transformation

Designs for two Community Centres



New Laptops and Ipads, Infrastructure & Systems



unified reward

■ Critical infrastructure incl. schools & IT ■ Transformation Projects ■ Temporary teams / specialist resource

# What will c.£39m spend with CSG from 2016-20 get us?

5

## Capital schemes

- £24m expected to support development of vital infrastructure, as follows:
  - Schools - £14.4m (10% of forecast total capital spend)\*
  - Leisure Centres - £3.9m (12% of forecast total capital spend)
  - Community Centres – £2.4m (15% of forecast total capital spend)
  - Depots & other infrastructure - £3.0m (10% of forecast total capital spend)
- £9m on ICT specialist labour (c.£4m), hardware & software (c.£5m) to enable improvements to customer services and how we work, including secure mobile working, electronic record management system to ensure less reliance on paper, more reliable infrastructure, and collaborative working tools.

## Transformation projects

- £6m of spend (48% of total expected £12.8m transformation spend) delivering projects identified within the transformation portfolios including new delivery models for adults social care, street scene and family services.

\* If all planned additional school places for 2020 will be built by LBB

# Who did we use before CSG?

## Capital schemes

Ad hoc use of various suppliers.

Construction partnership with Kier and Gardiner Theobald for school builds on whom £2.1m was spent to support £12.8m investment within the 2013 primary school build programme (16%).

Various IT suppliers including ComputerLand.

## Transformation projects

In-house transformation team supported by external consultants including £7.1m of spend on Impower and Agilisys on the One Barnet Programme by the end of 2013.

# How can we assess value?

Area	Are we paying less than we would in the open market?	Are we getting what we paid for?	Can we get better value in the future?
Capital schemes	✓	✓	✓
Transformation projects	✓	✓	✓

In total we expect to save over £5m between 2014 to 2020 compared to what we spend through the open market.

This saving is made through the better than market rates we have negotiated with CSG, as explained in more detail on the next slides.

## Capital schemes

- **Are the contractual rate cards better value than the market?**
  - Contractual rate cards are c.11% below rates that would be paid to equivalent companies.
- **How are we getting better value than the rate cards?**
  - Design, Technical Advisory & Project Management fees for building schools has reduced from 16% average before the contract to 10% average. See Appendix A.
  - Project Management delivered by 7 FTE salaried team (11% below rates Council would pay to recruit fixed term project managers).

# Are we paying less than we would in the open market?

9

## Transformation projects

- **Are the contractual rate cards better value than the market?**
  - Contractual rate cards are c.11% below rates that would be paid to equivalent companies.
- **How are we getting better value than the rate cards?**
  - 16 FTE salaried team has been established that is c50%-60% below consultancy market rates.
  - Current ROI is c.£3 saved per £1 spent which is better than previous programmes (e.g. One Barnet ROI was c.£2 saved per £1 spent).

## Capital schemes

- Officer and members decision-points at key stages in accordance with industry-standard 'RIBA' approach
- Assurance partner scrutinises plans at key points of major capital schemes; procuring an IT assurance partner to scrutinise IT investment plans
- Milestone and deferred payments used as standard

## Projects delivered/under way

- Delivery of new school build programme to deliver school places
- Depot Relocation
- Delivery of business case and initial designs for new leisure centres in Barnet
- Children's IT transformation
- Tarling Road Community Centre
- Aggregated Procurement
- Libraries Digital Transformation
- Members' IT
- Investing in IT
- Daws Lane Community Centre

## Transformation projects

- Officer and member decision-points at key stages in accordance with LBB project management methodology
- Milestone and deferred payments used as standard
- Use of Local Partnerships & PWC to review plans.

## Projects delivered/under way

- Smarter Working – move from NLBP4
- Unified Reward
- Family Services Transformation Programme
- Phase 2 of Adults transformation programme
- Libraries Strategy
- Early Years – Free Early Education Places
- Streetscene Transformation Programme
- Phase 1 of adults transformation programme

# Can we get better value in the future?

## Capital scheme specific opportunities

- New strategic construction partnership to provide substantial efficiencies for construction costs and improve delivery of capital schemes
- Procure services from alternative suppliers through frameworks.

## Transformation projects specific opportunities

- Transfer on-going arrangements, such as programme management, into the core contract.

## General opportunities

- Improve delivery of key investments (i.e. for IT) and reducing costs by establishing further salaried teams / gaining commitments to maintain existing teams (enforcing penalties where not maintained)
- Negotiate discounts based on forecast spend – or as leverage to achieve further base budget contract savings
- Regularly review benchmark market rates and use information to inform purchasing choices and negotiations with CSG.

## Appendix A – School Build fees comparison

Category	Pre-CSG	With CSG
Construction Total	12,818,046	24,529,617
Design, Technical Advisory & PM Fees	2,071,907	2,446,044
% Design, Technical Advisory & PM Fees	16%	10%

Pre-CSG figures are from the 2013 Primary School expansion programme carried out through the support of Kier and Gardiner Theobold.

With CSG figures are from the 2015 Primary School expansion programme in which CSG provided design, technical advisory and project management support.

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# Appendix D – CSG Service Benchmarking

Considered by the Member-led Working Group on 28<sup>th</sup> September 2016

# Introduction

- The CSG contract review is currently in progress
- The review should be informed by an understanding of the value for money we get currently for CSG's provision of core services
- CIPFA has carried out a benchmarking exercise of the following services where data was available:

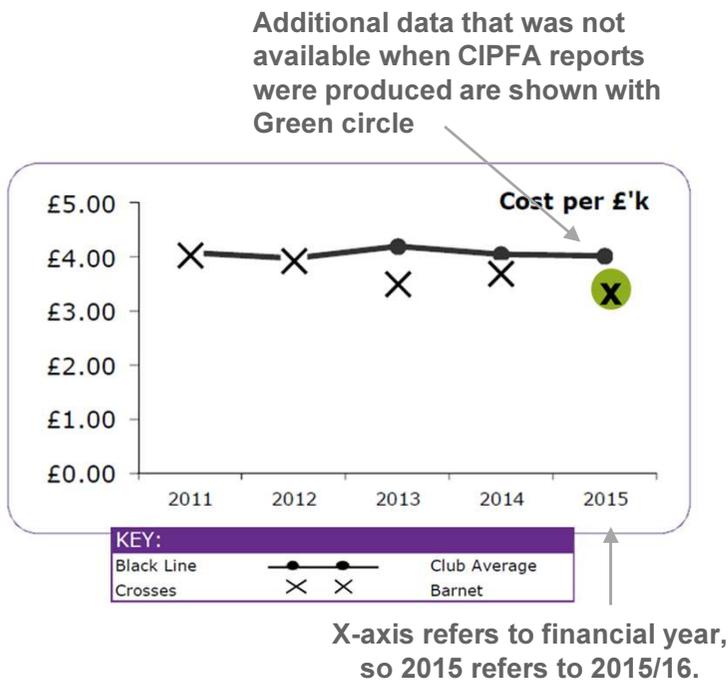
Benchmarked Services	
<ul style="list-style-type: none"><li>• Accountancy</li><li>• Payroll</li><li>• Benefits</li><li>• NDR</li></ul>	<ul style="list-style-type: none"><li>• Council Tax</li><li>• HR</li><li>• ICT</li><li>• Estates</li></ul>

- This report summarises the results of this exercise.

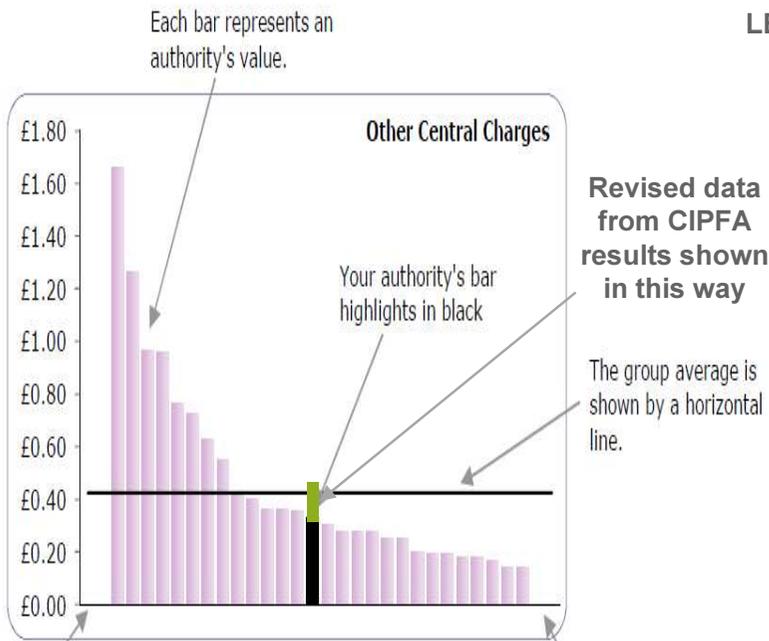
# Explanation of data

- CIPFA benchmark cost and performance data for a number of core services against statistical peer groups such as other Outer London Boroughs (the exact group varies for each service)
- Data in the reports is summarised in three main ways:

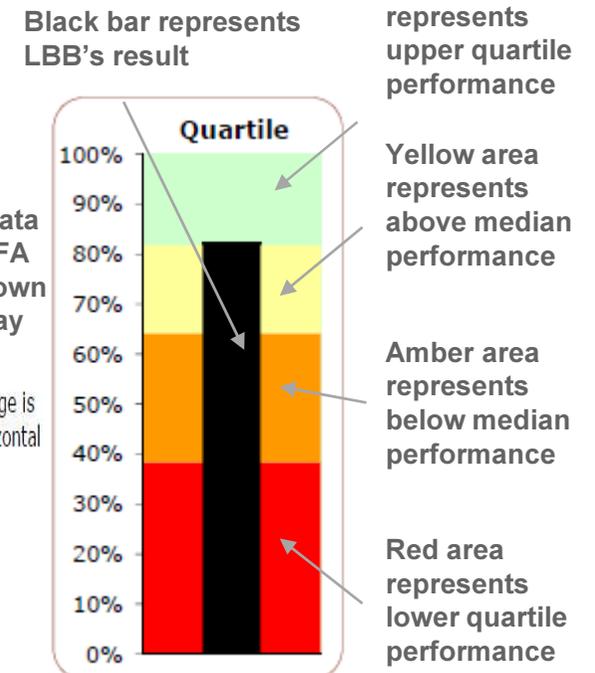
## Method 1



## Method 2



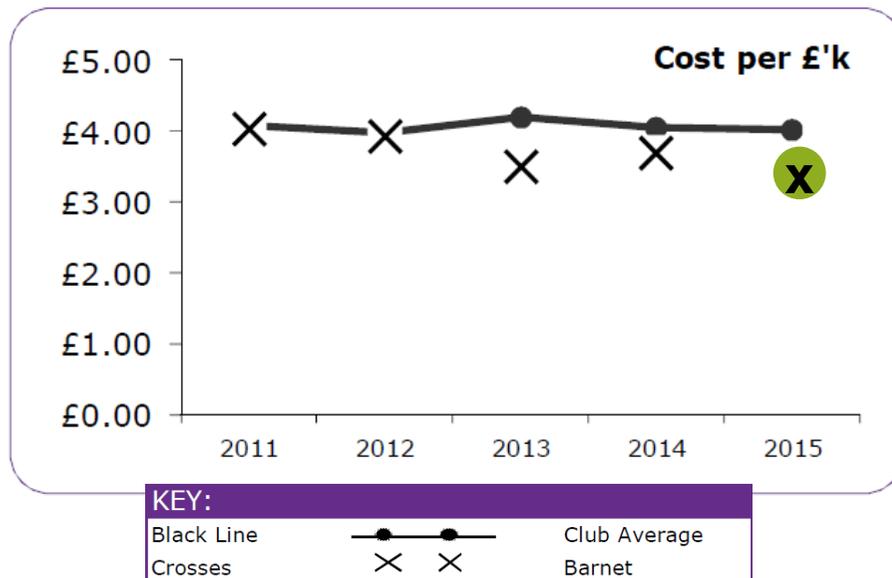
## Method 3



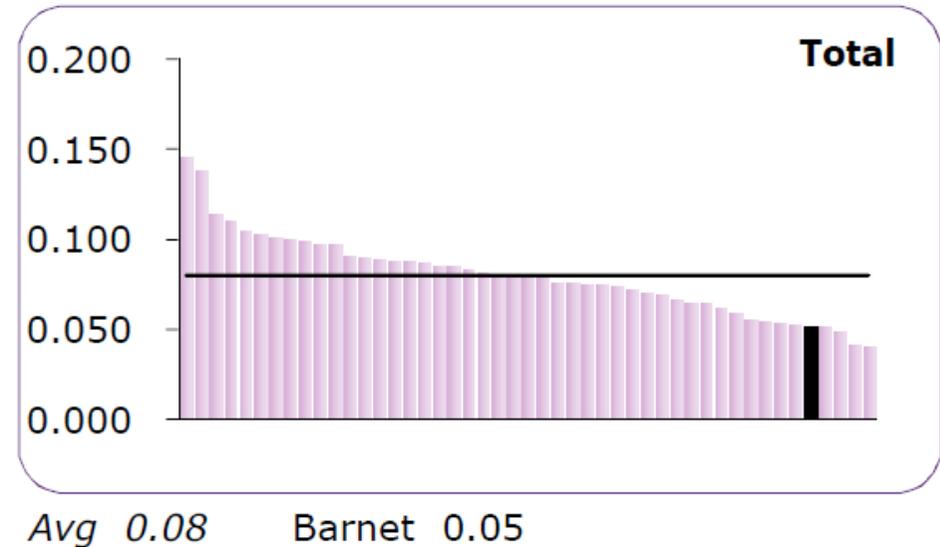
# Accountancy service

- Bar chart shows 2015/16 data
- Vs. 46 organisations in benchmarking group

Service cost as a proportion of turnover



FTE per £m of Gross Revenue Turnover



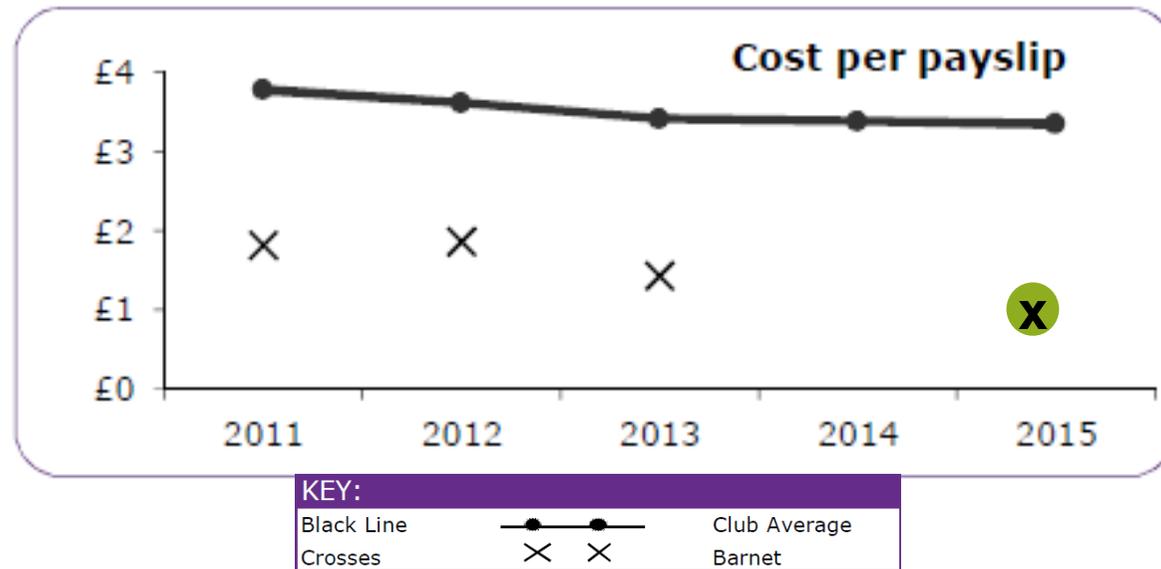
## Commentary

Appears to be low cost relative to benchmark group likely driven by a relatively small team. 2015 data is not included in CIPFA report but calculations show service cost is 3.4 per £k of gross turnover, maintaining Barnet's low cost position relative to the benchmarking group.

# Payroll Service

- 2015/16 data
- Vs. 28 organisations in benchmarking group

Net Service Cost per payslip



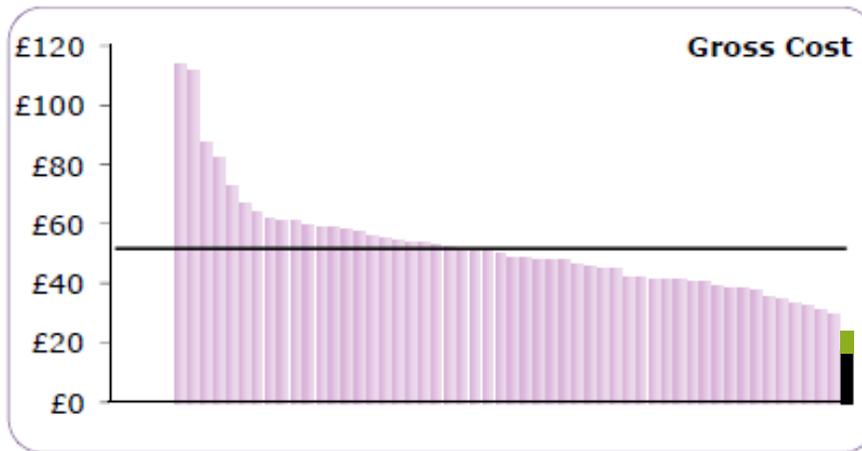
## Commentary

Low cost relative to benchmark group although latest figures are not included in CIPFA reports for 2014 and 2015. Calculations show cost per payslip in 2015 was £1.01 so below 2013 level and club average.

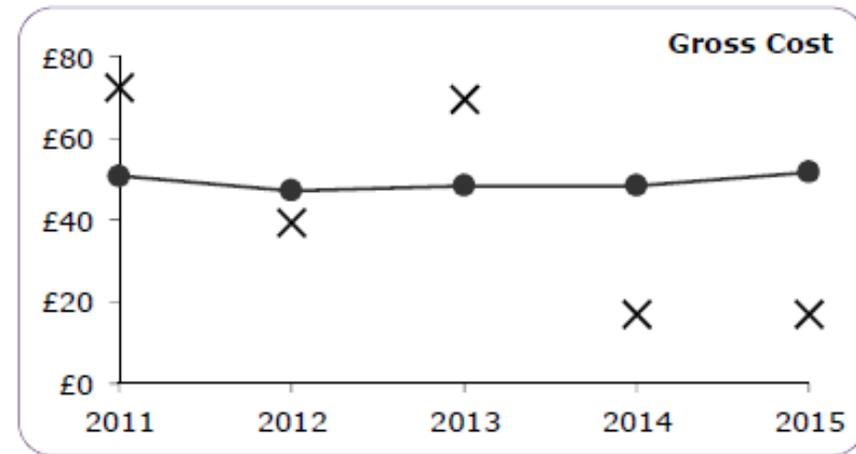
# Benefits Service

- 2015/16 data
- Vs. 57 organisations in benchmarking group

## GROSS COST/WEIGHTED CASELOAD



**KEY:**  
Club average ●  
Barnet X



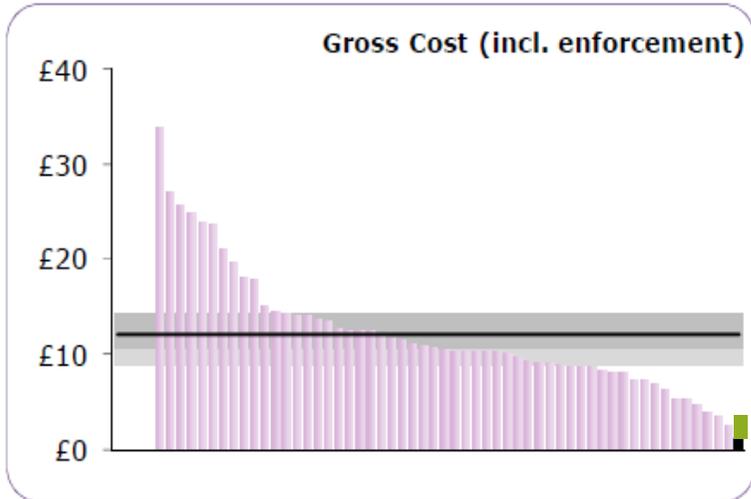
## Commentary

Very low cost relative to benchmark group which maintains position from previous year. CIPFA data had not included software costs and other small items. Once accounted for Gross Cost per case is £20.6 from £17 as shown on bar chart graph on left.

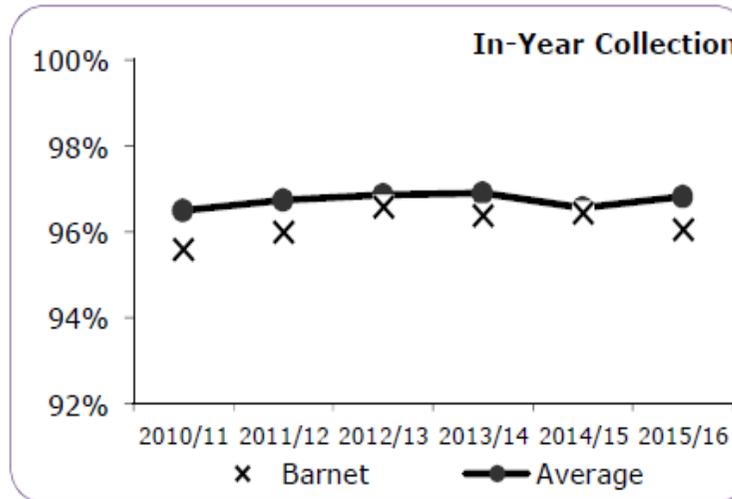
# Council Tax Service

- 2015/16 data
- Vs. 58 organisations in benchmarking group

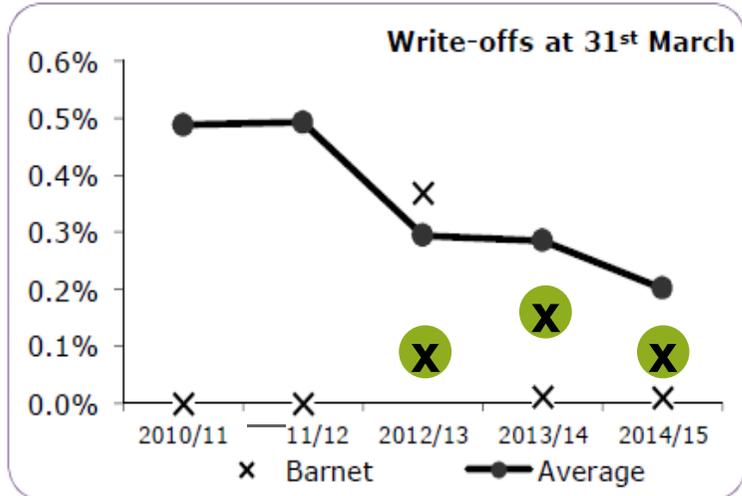
Gross Collection Cost per Banded Dwelling



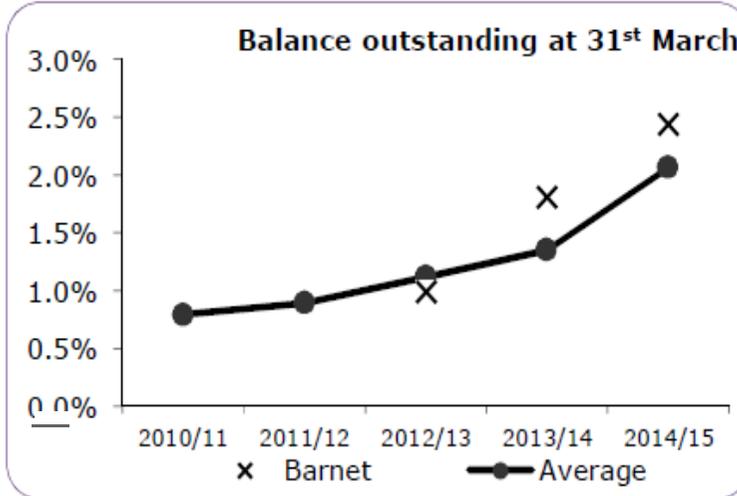
In Year Collection Rates



Amount written off as a % of Net Debit



Net Balance Outstanding as % of Net Debit



## Commentary

Council tax service cost per banded dwelling is extremely low relative to the benchmarking group, likely due to low costs, including low relative enforcement costs (net of income). Software costs are missing from CIPFA data. Once accounted for Gross Cost is £3.4, as shown on graph.

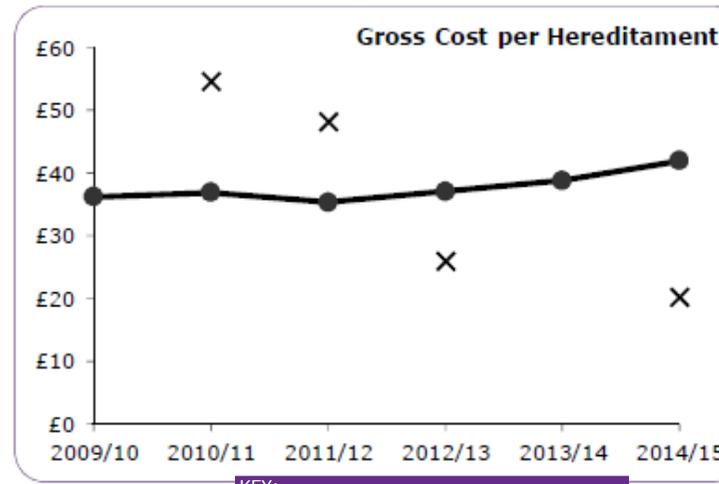
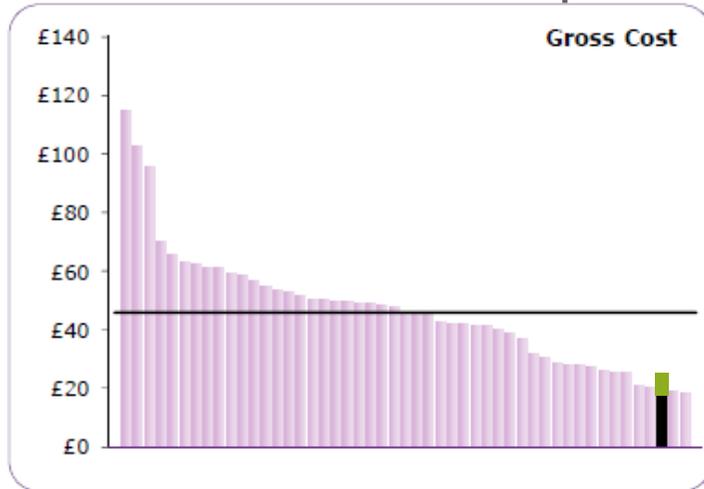
In year collection rates and balance outstanding are worse than average, however the Council is on track at Sept '16 to collect 98.49% of the previous 4 years' debt by Mar '17 (this is the corporate target, rather than in year rates which vary.) Debt is still collected after 4 years but gains reduce as cost of collection increases.

Write-offs shows the amount of each year's debit written off at the 31st March 2016. Revisions to data provided to CIPFA shown on graph.

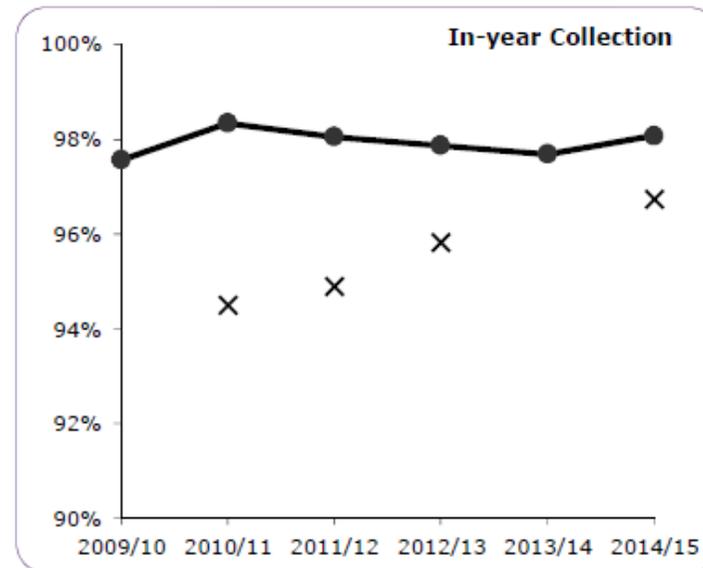
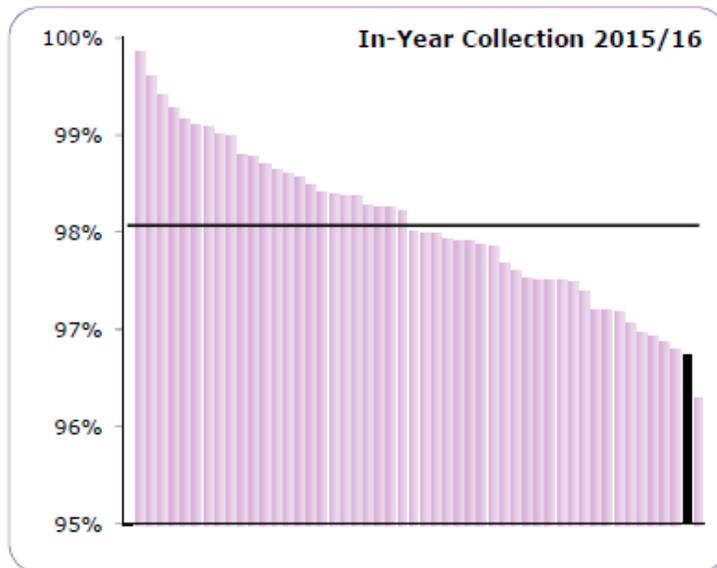
# Non-Domestic Rates (NDR) Service

- 2015/16 data
- Vs. 50 organisations in benchmarking group

Cost per Hereditament (land/building)



NDR Collection Rate



KEY:  
 Black Line Club Average  
 Crosses Barnet

KEY:  
 Black Line Club Average  
 Crosses Barnet

## Commentary

NDR service cost per banded dwelling is low relative to the benchmarking group, moving from being an above average costing service in 2010 and 2011.

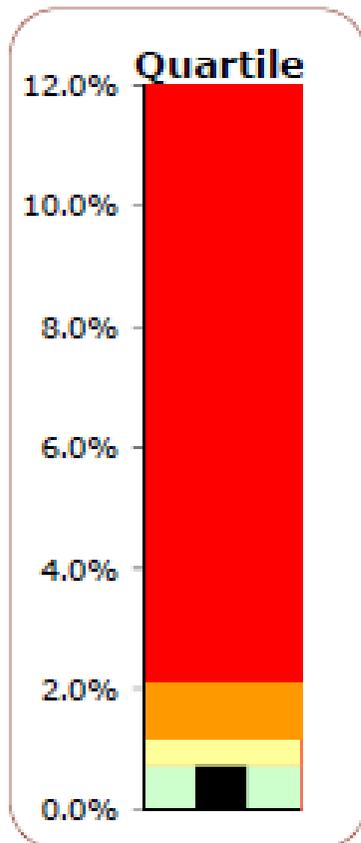
CIPFA data had not included software costs and other small items. Once accounted for Gross Cost per Hereditament is £22.3 as shown on graph.

Collection rates are below average and low relative to others, although performance has been improving year on year since 2010 while cost has been decreasing.

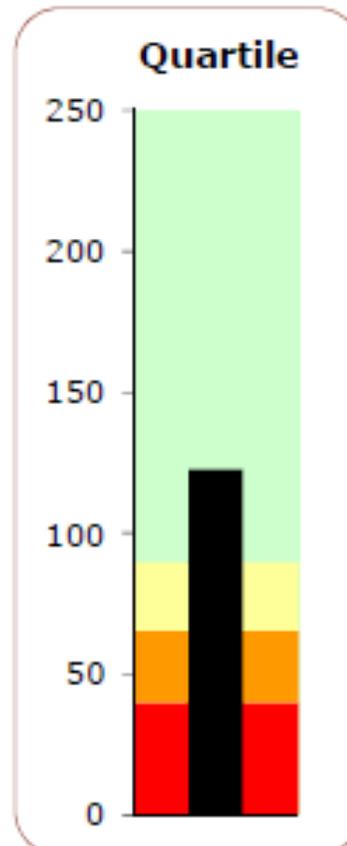
# HR Service

- 2015/16 data
- Vs. 262 organisations in benchmarking group

Costs as a % of organisational running costs



Ratio of employees to HR Staff (including L&D)



## Commentary

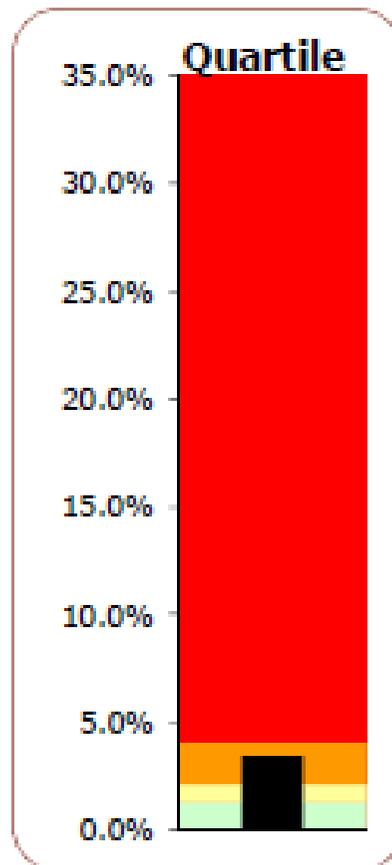
HR service costs are below average, although slightly above the lower quartile, against all CIPFA members as a % of running costs.

In line with this relatively low cost, the ratio of employees per HR staff is high.

# ICT Service

- 2015/16 data
- Vs. 230 organisations in benchmarking group

Costs as a % of organisational running costs



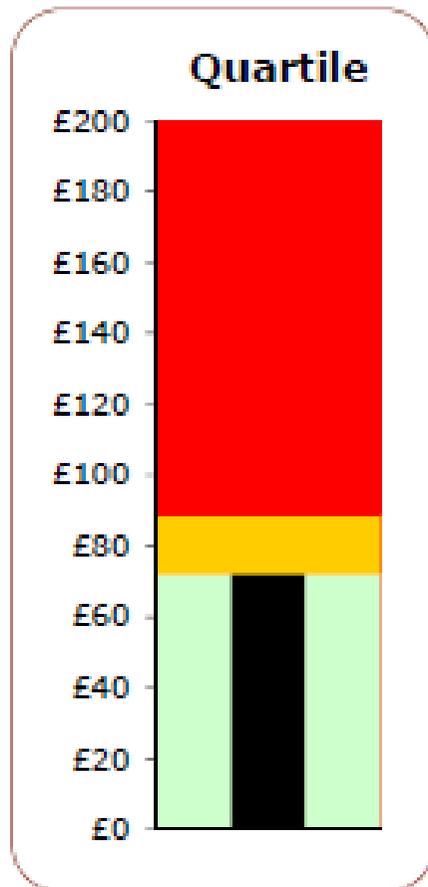
## Commentary

The ICT Service is above the median but below the upper quartile in terms of costs as a % of organisational running costs. It is only slightly higher than average (3.5% vs. 3.4% average).

# Estates Service – whole estate

- 2015/16 data
- Vs. 7 organisations in benchmarking group

Total Property Costs per square metre Gross Internal Area (GIA)



Costs of the Estates Management Function per square meter GIA



## Commentary

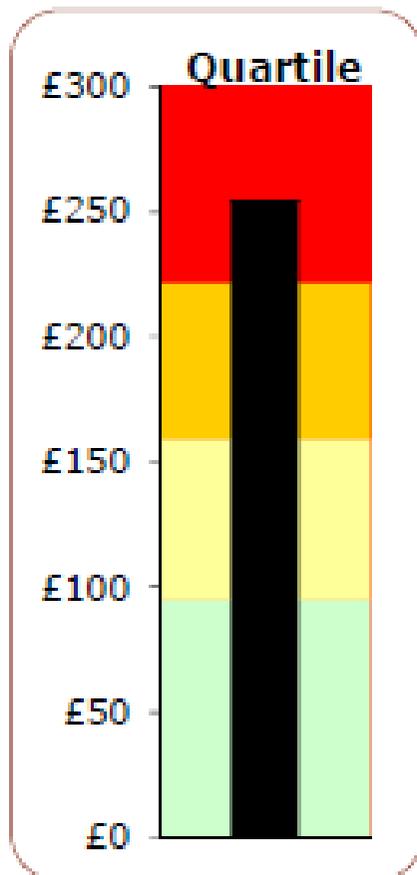
Total property costs (including all occupancy, operational and management costs) per square meter of gross internal area for the entire Barnet-owned property estate are below average, although slightly above the lower quartile. The cost of the Estates management service, a subset of total property costs, is also below average and in the lower quartile.

A review of the data subsequent to the CIPFA submission has shown that the split of Estates Management function costs between the whole estate and admin offices was incorrect. Once correcting for this error, the cost of the function per square meter increases to £7.39 from £6.21, still below the mean of £8.31. There is a minimal impact on total property costs per square metre.

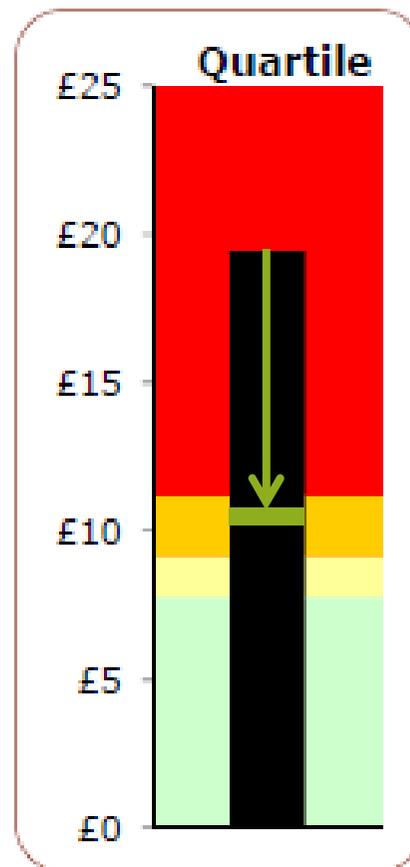
# Estates Service – admin buildings only

- 2015/16 data
- Vs. 7 organisations in benchmarking group

Total Property Costs per square metre Gross Internal Area (GIA)



Costs of the Estates Management Function per square meter GIA



## Commentary

Both total property costs and the costs of the Estates Management service per square meter of gross internal area in the Council's administrative buildings are within the top (most expensive) quartile compared to other outer London boroughs.

A review of the data subsequent to the CIPFA submission has shown that the split of Estates Management function costs between the whole estate and admin offices was incorrect. Once correcting for this error, the cost of the function per square meter decreases to £10.32 from £19.39, above the mean but below upper quartile. There is a minimal impact on total property costs per square metre.

## **Appendix E: Financial Savings**

### **Redacted to exclude information that is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972**

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This document sets out further details of the proposed amendment to payment arrangements in 2017, as referenced in paragraphs 1.74 to 1.79 of the main report.

A direct cost saving in the order of £500k could be achieved by amending the payment arrangements for CSG. [REDACTED] of this is the saving that could be achieved through amending the payment profile of the annual contract management fee, which the council is contractually required to pay each year. This fee – which overall costs around £25m each year – is currently payable on a quarterly basis, i.e. for 2017, it is due to be paid in four instalments due in March, June, September and December. Paying the fee as one payment in December 2016, would trigger the saving. At the request of the Resources Director, the reduction would be credited to the council in the next financial year.

A further saving of [REDACTED] would be achieved by adopting a similar arrangement for the payment of invoices associated with the dedicated project teams that have been established to support the council's transformation and capital programmes. This would involve a pre-payment of approximately £1.9m, based on one year's spend. Whilst these fees do not form part of the core contract payment, the council has already committed to funding these teams to March 2018 (transformation projects team) and March 2020 (capital projects team) and this is therefore considered to be low risk.

This would represent a genuine, guaranteed, cashable saving, without any impact on the scope or quality of services. The saving is equivalent to approximately [REDACTED], which is significantly in excess of the opportunity cost to the council of retaining funds on deposit.

A pre-payment for 2017 needs to be considered against a position where, under the current payment profile, the council starts the year effectively in arrears. The council would then return to a position of being arrears by the end of October.

The prepayment relates to that element of the contract that the council is obliged to pay in any event and does not create additional risk in that regard. The key additional risk associated with this proposal would arise in the event of Capita ceasing to trade during the period to which the payment relates. Mitigation against such an event is set out in the "Financial Distress" section of the contract. This identifies a range of key accounting ratios that are used to assess financial risk. If Capita were to exceed the thresholds set out in the contract, various measures would be put in place to protect the council's interests.

The key ratios are:

1. Net Total Interest Cover ratio – [REDACTED] and

2. Total Net Debt to EBITDA – [REDACTED].

EBITDA is “earnings before interest, taxes, depreciation and amortization”, which is an accounting measure that is used as a proxy for a company’s current operating profitability and cash flow.

For 2015 the actual reported ratios were:

1. Net Total Interest Cover ratio – **14**
2. Total Net Debt to EBITDA – **2.5**

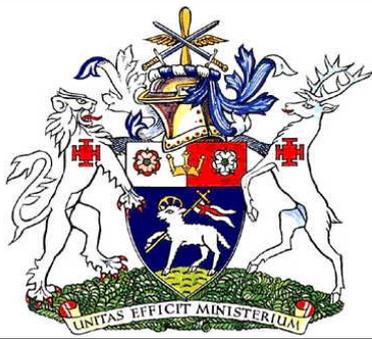
For 2016 and beyond, Capita expects to remain well within these targets, specifically:

1. Net Total Interest Cover ratio – forecast to be remain above [REDACTED] over the medium term; and
2. Total Net Debt to EBITDA – forecast to remain [REDACTED] over the medium term.

Therefore, on both measures, Capita are a very long way from being near either threshold. The proposed prepayment is, therefore, considered to be low risk.

In respect of Capita’s recent trading statement (profit warning), it should be noted that this related only to a reduction in the level of profit being forecast for the year (from £630m for the year to £550m). The profit forecast for the year is now broadly in line with what Capita achieved last year. Previous expectations were that profit would grow in 2016 and the trading statement forecasts that this will be the case in 2017.

Paying the management fee up front does not impinge on the council’s ability to issue service improvement notices or apply service credits in year, if services do not meet agreed performance levels.



## Performance and Contract Management Committee

15 November 2016

<b>Title</b>	<b>Web improvement update</b>
<b>Report of</b>	Head of Customer Strategy & Programmes
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	Appendix A - GovMetric top 10 councils for website satisfaction in September 2016
<b>Officer Contact Details</b>	Kari Manovitch, Head of Customer Strategy & Programmes, <a href="mailto:kari.manovitch@barnet.gov.uk">kari.manovitch@barnet.gov.uk</a> Andy Ralphs, Head of Customer Services, Capita Local Government, <a href="mailto:andy.ralphs@capita.co.uk">andy.ralphs@capita.co.uk</a> Chris Melia, Customer Experience Manager, Capita Local Government, <a href="mailto:Christopher.Melia@capita.co.uk">Christopher.Melia@capita.co.uk</a>

### Summary

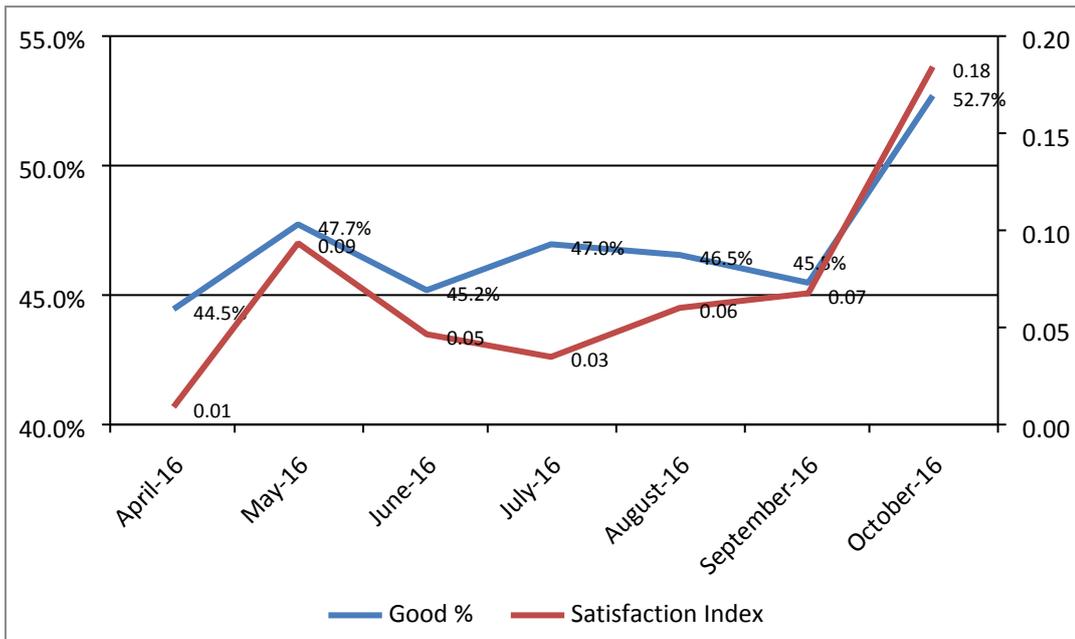
It is a priority for the council to have a website that attracts customers and provides a good customer experience. The council monitors its success in a number of ways, including through the satisfaction ratings that customers submit when using the site. A report was presented to the Performance and Contact Management Committee on the 31<sup>st</sup> May 2016 which highlighted a number of actions to be taken to improve the customer experience. The purpose of this report is to provide an update on those actions and how this has impacted upon performance.

## Recommendations

**1. That the Committee notes the progress being made and endorses the continuation of work required to continuously improve the website.**

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

- 1.1 Since the last report dated the 31<sup>st</sup> May 2016, good progress has been made to implement the actions as detailed in the report.
- 1.2 The council monitors the success of the website through a range of measures, and customer satisfaction ratings are central. In the first three quarters of 2015/16, website satisfaction remained below expectation. This led to the establishment of strengthened monitoring, a cross-council action group, an action plan, and reporting the progress on the plan to this committee.
- 1.3 Implementing this action plan continues to have positive results. From a baseline of 38% in August 2015 it has improved to 52% in October.
- 1.4 However, the council knows that to realise its vision, we need to see higher levels of web usage, and this will only be achieved if satisfaction levels rise, as a result of further improvements to the website. The current agreement with the Council includes an expectation to achieve a target of 51% of good ratings by end of Q4 2016/17 and to be amongst the top 10 councils for customer satisfaction of its website by 2020.
- 1.5 The chart below shows GovMetric Web Satisfaction performance since April 2016. There has been an improvement from April to October, the biggest movement has been the increase of 7.2% in October. We believe the large rise of satisfaction in October is related to less IT issues, improved service delivery in waste and recycling, incremental changes to the website and the recent changes to the survey. We will need to track these improvements over the next quarter. The blue line in the graph relates to the left axis, which is how the council reports the satisfaction scores; the proportion of scores that are good. The red line relates to the right axis, which shows Barnet's score according to GovMetric indexing methodology, which is used to rank all subscribing councils. on this measure, 1 is the highest score, -1 is the lowest score, and Barnet's highest score was nearly 0.18 in October.

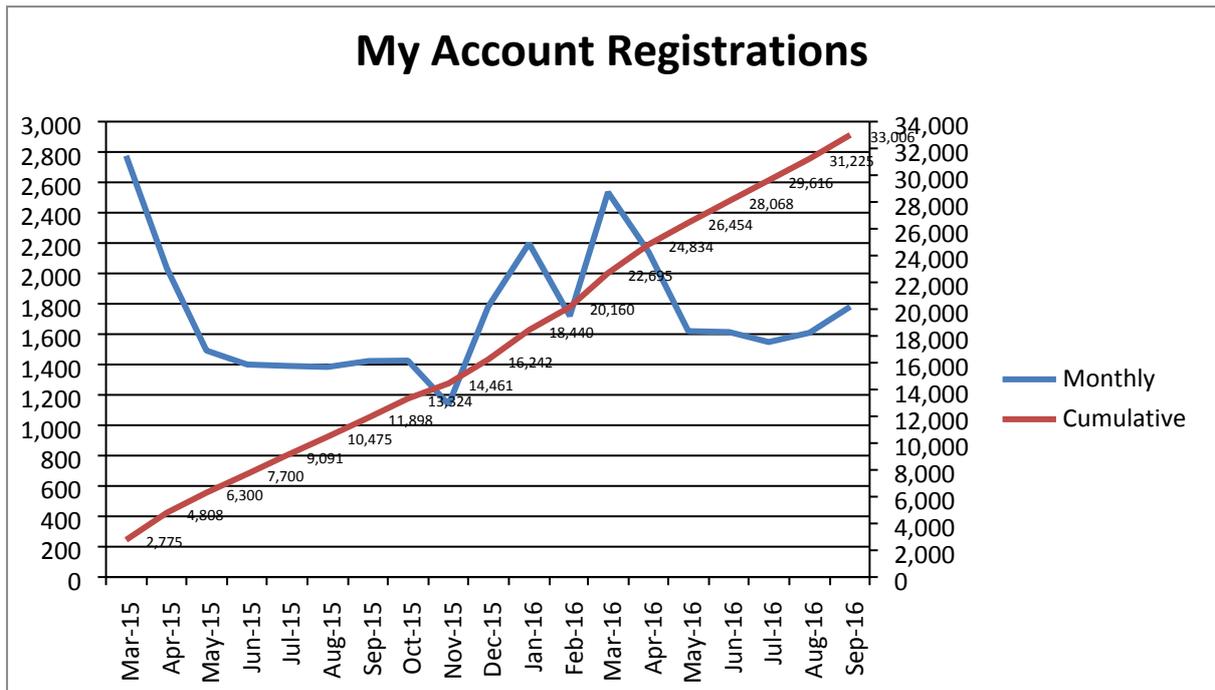


1.6 Customer Experience Team have delivered 16 web forms (including improvements to 13 existing forms and development of 3 new forms) enabling residents to carry out 2,600 online transactions for the period July – September 2016. A summary table below shows the work delivered by the Customer Experience Team over the last 5 months.

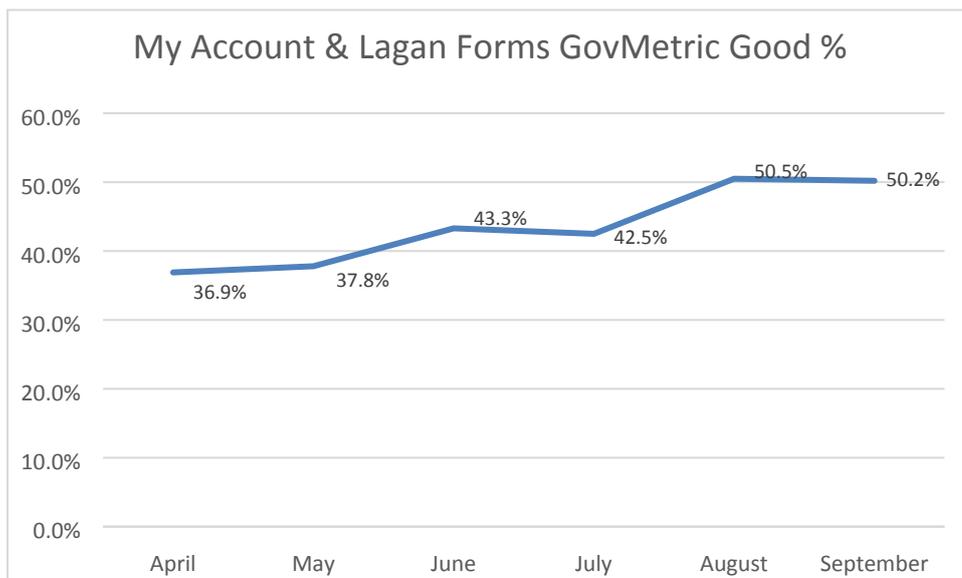
Form Description	Month Delivered	Type of Request (New or Changes to Existing)
Land Charges personal search and land charges Form	June	Changes to existing
Full events in Parks e-form	June	Changes to existing
Care Package Review Web-form	July	Changes to existing
MASH referral form	July	Changes to existing
New online form request for Residents Forum	August	<b>New form request</b>
Keep Barnet Clean feedback form	August	<b>New form request</b>
eform update - library volunteer form	September	Changes to existing

Request a library card	September	Changes to existing
Reserve an Item	September	Changes to existing
Reserve a book or library item	September	Changes to existing
Civic Awards Nomination form	September	<b>New form request</b>
Missed Bin Collection Form (changes)	October	Changes to existing
Web School Admission Form - Appeal Request In Year School Admission (year 3 - 11)	October	Changes to existing
Web School Admission Form - Appeal Request In Year School Admission to an infant class (reception to year 2)	October	Changes to existing
Council tax - moving in	October	Changes to existing
Council tax - moving out	October	Changes to existing

- 1.7 My Account registrations have increased by 45% since the end of March 2016; by the end of September 2016 there were 33,006 accounts set up, representing 23% of households, after 18 months of the service being live. This reflects the effort made by CSG to promote the features & benefits of My Account in conversations with residents, marketing information with Council Tax bills and signposting customers to My Account after calling Contact Centre. The target for 2016 is to get to 20% households and has been exceeded therefore we are looking at reviewing these alongside the Customer Transformation Programme.
- 1.8 The graph below shows the volume of registrations over the last 18 months along with a cumulative trend.



1.9 There has been a noticeable increase in the GovMetric performance for My Account since April 2016. The graph below shows a 13% increase in performance from April to September. There has been great vigilance demonstrated by the Customer Experience Team in monitoring satisfaction levels on a daily basis and working closely with IT to ensure My Account & Lagan related web forms perform as they should, reporting form performance incidents and participating in regular testing activities with IT. The IT Applications team is continuing to work with the IT vendors who supply the systems and servers that support the website.



## WORK COMPLETED SINCE LAST REPORT

- 1.10 This Web Leads group meets every 6 weeks and is responsible for implementing an action plan, and reporting progress on this to the council's delivery board and to this Committee.
- 1.11 Customer services monitor GovMetric feedback comments on a daily basis and identify areas of the web which need addressing these specifically, such as broken or incorrect links and carry out changes to content, and making recommendations to improve functionality where appropriate.
- 1.12 Regular sessions are now held between the Customer Experience Team and the Web Content Team to ensure there is alignment on priorities, sharing of best practice on style guides and sharing of ideas to improve the web.
- 1.13 The Customer Experience Team have undertaken further webform development training and further training requirements are being reviewed.
- 1.14 The council has established a Quarterly web performance review meeting which involves the Customer Experience Team, IT and the Web Content Team, an action plan to drive further improvements is documented.
- 1.15 Customer Services have successfully completed a trial by responding to "tweets" and is collaborating with the Social Media Team to deliver a social media channel across Barnet.
- 1.16 Every week senior managers receive a customer performance bulletin, and this contains web ratings and customer feedback, in order for improvements to take place.
- 1.17 The council has commissioned CSG to deliver a project to improve the Adult Social Care pages of the website, using an Agile approach, which is new to the council but very successfully used by the IT industry and by the Government's Digital Service. This project commenced in October and will conclude in December.

## **UPDATES ON ACTIONS AGREED**

- 1.18 Over the last 6 months CSG and the Council have been working hard to improve the experience that customers have when visiting the website. The actions are detailed below with the relevant updates highlighted below
  - **Action: Improving My Account, and the most-used webforms:** Customer services will review feedback about My Account and these forms to create a clear set of improvement actions **by the end of June**. There is also an upgrade of the Civica system in 2016, used for Council

Tax and Housing Benefits, which will include improved online capability for these services.

- **Status:** As reported above, Customer satisfaction ratings for My Account continue to improve – there has been a 13% increase in performance over the last 6 months.

The table below shows the top 10 used forms (April 2016 to September 2016). There are a number of potential improvements to My Account that have been identified that we believe would improve customer satisfaction and take up, but investment in these now needs to be considered in the context of the plan to have a new My Account facility in place from summer 2017 as part of the Customer Transformation Programme. **Not closed**

	Form name	Total
1	Pay Council Tax	4,974
2	Council tax moving in	4,048
3	Report a problem	3,469
4	Council tax moving out	3,234
5	New damaged and additional bins	2,828
6	Report a non-collection*	2,697
7	Application for in year school admission	2,235
8	Council tax general enquiry	1,646
9	MASH referral form	1,169
10	Contact the council	729

- **Action: Technical support and maintenance:** When technical issues arise with the website, they are not resolved as quickly as they should be. There is a list of technical improvements that have been identified, but as yet no clear timeline for implementing them. Therefore, the arrangements for technical support and maintenance of the website are in the process of being clarified and strengthened, which will conclude in July.

**Status:** Progress has been made and we now have a set of proposals that will deliver a number of improvements over the next 3 months, starting in early December. **In progress.**

- **Action: Proactive website management and maintenance:** The council currently has no tool in place to proactively alert it to web faults, which means that faults are discovered first by either customers or non-technical staff. There are tools available that do proactively and comprehensively monitor the performance of a website, enabling more rapid resolution of glitches, which CSG will evaluate. This will conclude in June.

**Status:** A web monitoring tool has been identified and the funding to enable implementation of the solution is being explored. **In progress**

- **Action: Involving customers:** Successful online services are designed with customers in mind throughout. Sites need to continually improve, to adapt to customer behaviours and preferences. The council needs to strengthen opportunities for obtaining customer experience feedback and is looking at various options for doing this. This will conclude in July.

**Status:** For continuous improvement of all services/channels by the Customer Experience team will use Co-design principles to inform and drive the service improvement plans, with ongoing measurement as to whether the website and digital services meet these principles. Additionally, customer feedback obtained via GovMetric will be central to ongoing improvements.

In addition to this the Customer Transformation Programme is prototyping a co-design approach to designing web improvements for the Adults Social Care webpages. Officers, service users and carers are being consulted over their expectations for the carer-facing elements of the Councils' website. The findings will inform how we use co-design as part of the programme moving forwards. **Ongoing**

- **Action: Broader benchmarking:** The council currently relies on GovMetric tool, which is used by around 70 other councils, to measure the quality of the website and understand what a realistic level of customer satisfaction is. However, customer feedback provided via GovMetric is not always about the website but rather, about the council. Customers sometimes use the survey to vent their frustration about council decision or a service experience. Therefore, the council is looking at additional ways of measuring the site. These include:
  - Neteasy - where pages are rated on a 5-star system
  - SOCITM (Society of IT managers for local government) benchmarking – this uses independent reviewers of pages based on criteria for access, readability, ease of use, content accuracy, end to end digital

Additionally, customer services will more closely review the councils that receive the highest GovMetric ratings to understand the extent to which the prominence/availability of the survey across the site is helping to boost their scores, thus making them less reliable comparators; see Appendix A. These actions will conclude in July.

**Status:** We have recently changed the online satisfaction survey to make it clearer and simpler for customers to explain their rating for the website. The changes mean that customers are now discouraged from commenting on service and policy issues, and encouraged to give feedback about the website only. This will give us better insight enabling us to target improvements on the web. This includes us collecting customer contact details so we can contact them directly for more detailed feedback when required. GovMetric has commended us on our approach and will be using our revised survey with new and existing customers. The need for additional insight will be kept under review. **Closed**

- **Action:** CSG Customer Services commissioned a peer review of the council's website by the online service expert team in West Sussex Council in April, which address content, navigation, search, and accessibility in detail. These findings need to be reviewed, with priority actions identified and assigned to officers. This process of action planning and prioritising will conclude in June.

**Status:** The recommendations have been assigned to the various parties required to address them. The council has commissioned a project to refresh the Adults section of the website, the work started on the 31<sup>st</sup> October 2016. The council has also initiated a Customer Transformation Programme, which will address web improvement from January 2017 onwards. **In progress.**

- **Action: Improving content:** All Delivery Units will be asked to agree targets for improving the ratings of the content that they are responsible for. Targets will be agreed by the end of June 2016 and will be monitored quarterly. Within this, a list of 20 areas that receive the most online complaints will be the focus of attention.

**Status:** CSG has committed to reach 51% web satisfaction by the end of the year and the Customer Experience Team has a renewed focus on addressing the causes of dissatisfaction, working closely with the corporate web team. However, Delivery Units have been reluctant to sign up to targets for the specific pages that they are responsible for, due to lack of a capacity to make improvements. This will be revisited as part of addressing the need for a stronger capacity to improve web content. **In progress.**

- **Action: Staff capacity** CSG has just recruited a dedicated Customer Experience Analyst to lead customer service's activity in understanding and improving the website, and working with the council's web managers and web lead group. The council also needs to evaluate how best it can maintain website content according to best practice principles, so that writing and maintaining good content becomes the norm, rather than something that happens periodically as part of a project. Only by delivering a consistently good customer experience will customers be persuaded to go to the website, stay on the website, and use it again in future. This will conclude in August.

**Status:** The Customer Transformation Programme business case approved by Policy & Resources Committee on 5 October 2016 included new funding for web improvement work, and set out the need to establish a centralised web content team instead of the devolved model that the council currently operates. The Head of Customer Strategy & Programmes will now take forward the proposal for creating a central web team. Additionally, via the 3-year review process, Customer Services has agreed to take on leadership for the IT staff and contracts responsible for maintaining the website, so that work in this area can be better aligned to customer services strategy. **In progress**

**Action: Implementing the Customer Access Strategy:** The strategy approved by Policy & Resources committee was subject to public consultation, and the results of this consultation will be reported to Policy & Resources Committee with a final version of the strategy. A business case for the investment required to implement this strategy will be brought to Policy & Resources Committee in October. This will set out the IT infrastructure required to ensure that customers received the sort of intuitive and efficient experience when dealing with council services as they have become accustomed to when dealing with online retailers.

**Status:** The Customer Transformation Programme business case was approved by Policy & Resources Committee on 5 October 2016, this is a two-year programme starting in early 2017. **In Progress**

- 1.19 **Action:** In addition to the above set of actions, the broader improvement plans for the IT service, and the management of systems and IT projects, will have a positive impact on the customer web experience. Problems experienced in relation to the new Parking system, and the Libraries system, detrimentally impacted on customer experience in quarter 4, both online and offline.

**Status:** Improvements have been made to the release management processes and a forward plan of enhancements and changes are being developed. We are working closely with our web support partner and this will strengthen our ability to deliver changes more effectively in the future.

**Ongoing**

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 To allow scrutiny of the information provided and to allow discussion and feedback from the committee on the position reported.

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

- 3.1 The alternative option is not to focus on the website. However, this is inconsistent with the council's Customer Access Strategy, and the benefits to customers and taxpayers to be achieved through greater digital service delivery.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 The web improvement work is ongoing and will align with the Customer Transformation Programme.

## **5. IMPLICATIONS OF DECISION**

- 5.1 **Corporate Priorities and Performance**

5.1.1 Improving customer services, and delivering flexible and intuitive web-based services is a corporate priority established in the Corporate Plan.

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

5.3 This improvement plan is being delivered in partnership with Capita, Costs to the council will be contained within existing budgets in Commissioning and also transformation reserve for implementing the customer access strategy There will be no additional financial impact on the council as a result of the improvements identified in the report

## 5.4 **Social Value**

5.4.1 Not applicable.

## 5.5 **Legal and Constitutional References**

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

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re: The Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; ad 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

## 5.6 **Risk Management**

5.6.1 The web improvements and updates provided are to mitigate the risk to the council's reputation and achievement of the customer access vision and strategy that arise low customer satisfaction with the council's website.

## 5.7 **Equalities and Diversity**

5.7.1 It is vital that web improvement work takes into account the diversity of

customer requirements, such as differential accessibility needs, and maintains the AA accessibility rating.

## **5.8 Consultation and Engagement**

5.8.1 Web improvement work is and must continue to be informed by the customer feedback obtained through various feedback mechanisms, including Customer Satisfaction surveys, verbal feedback and any other communication channels.

## **5.8 Insight**

5.8.1 The council's promotion of the website is informed by understanding how digitally able our customers are, and tailoring our approach accordingly. Some customers who are not digitally able will not be expected to use digital channels and will be given more personal support.

## **6 Background Papers**

6.1 Performance and Contract Management Committee, CSG Web improvement update:  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=8412&Ver=4>

## APPENDIX A – GovMetric top 10 councils for website satisfaction in September 2016.

GovMetric does not have strict arrangements in place to ensure consistency in the way each council applies the satisfaction survey on its website, and perhaps as a consequence of this, there is considerable variation in the volumes of ratings that councils achieve. The Barnet Council website satisfaction survey is available on every single page of the website and is very prominent. Barnet typically gets over 2,000 individual feedback scores per month. Five other councils in the top 10 get a similar magnitude, but the others get less than 500 scores per month. Several of the top performing councils are more selective with respect to the pages that the survey is available on, to encourage feedback about certain pages and not others.

GovMetric scores provide an index to benchmark. The average of the scores from 1, 0, -1 which will always be between 1 and -1.

Currently Barnet score have ranged in the last year from 0.02 to -0.18 however with recent performance levels there is an expectation that Barnet will feature in the top 10 by the end of October.

Web					Sep-2016	
Position	Council	Type	Population	Total Feedback Responses	Net Satisfaction	
↑	The Royal Borough of Kensington and Chelsea	Unitary	158649	1216	0.38	
↓	States of Jersey	Unitary	99500	365	0.31	
↔	Hambleton District Council	District	85382	167	0.18	
↑	Norfolk County Council	County	796728	1073	0.17	
↑	London Borough of Sutton	Unitary	190146	1285	0.16	
↑	Hertfordshire County Council	County	1116062	1430	0.16	
↓	East Ayrshire Council	Unitary	120235	294	0.15	
↑	Telford and Wrekin District Council	Unitary	166641	758	0.14	
↓	Cambridge City Council	District	123867	609	0.12	
↓	Elmbridge Borough Council	District	130875	269	0.12	

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	<p><b>Performance and Contract Management Committee</b></p> <p><b>15 November 2016</b></p>
<p><b>Title</b></p>	<p><b>IT Update</b></p>
<p><b>Report of</b></p>	<p>Director of Resources</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>None</p>
<p><b>Officer Contact Details</b></p>	<p>Jenny Obee, Head of IT and Information Management  <a href="mailto:Jenny.Obee@barnet.gov.uk">Jenny.Obee@barnet.gov.uk</a>; 020 8359 4859</p>

<p><b>Summary</b></p>
<p>2016 has been a particularly challenging year for IT. The failure of the Library Management System in March, combined with limited assurance internal audit reports relating to IT Disaster Recovery and IT Change Management in April (with follow-up limited assurance ratings given in July) mean that scrutiny continues in this area.</p> <p>This report therefore provides an update on remedial action that has been taking place with Disaster Recovery, the assurance activity of systems commissioned by the council, and service improvement plans overall.</p>

<p><b>Recommendations</b></p>
<p><b>1. That the Committee notes and comments on the improvements that have taken place in the IT service.</b></p>

## 1. WHY THIS REPORT IS NEEDED

### Background

- 1.1 IT was part of the outsourcing of services in the CSG contract initiated in September 2013. In terms of IT, the contract was established to 'modernise the Council's IT infrastructure (network, servers, telephony) and service systems (finance, HR, procurement etc.) so that they are more reliable and so that they support the Council in making further improvements in productivity (including, but not limited to, accommodation savings and further supply chain savings)<sup>1</sup>.
- 1.2 This year has been particularly challenging for IT. The rapid turnover of IT Directors in 2015/16 (with 4 IT Directors within a year) created a number of difficulties. In addition, there were a number of incidents including the failure of the Library Management System in March combined with limited assurance internal audit reports relating to IT Disaster Recovery and IT Change Management in April which means that scrutiny continues in this area. This report therefore provides an update on remedial actions that have been taking place in these areas, and service improvement plans overall.

### IT Assurance

- 1.3 Following the failure of the library management system, the Council commissioned CSG IT to carry out a system by system assessment of the applications held within the IT estate to provide the Council with assurance on the continued availability of systems. The results of this proactive review were positive and primarily confirmed that all Council systems benefit from a disaster recovery service and are backed up. The improvements collected provided a framework for the service improvement plans within CSG IT that have been carried out throughout the year. This evaluation looked at 90 systems of which 13 are provided by third parties. This gave the results set out below (measured against industry best practice principles).

### ***Robustness and resilience***

This looked at the robustness and resilience of systems in place (such as the age of infrastructure and whether software has a valid support agreement in place). The results were that:

- 14 systems were highlighted as Amber in this category due to the server operating systems requiring planned upgrades. 12 of these have been completed, 1 system has since been decommissioned and the remaining system is part of a wider project that will upgrade before the end of the March 2017
- 4 systems were originally highlighted as Red in this category. 1 system has had new hardware and replication changing this to Green. One has been decommissioned and the other two are held for archival purposes only with their data securely held in another system

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<sup>1</sup> [Performance and Contract Management Committee, 'Performance of the Customer Support Group \(CSG\): Appendix 1, Overview, 7 January 2016.](#)

### ***Monitoring and System Management***

This involved checking that active monitoring takes place on key systems and appropriate controls are in place. Following this check, additional monitoring solutions have been implemented along with automated alerting redirected to a team mailbox which is displayed in the NLBP Oak Room (where the IT service team is based).

### ***Disaster Recovery***

This involved checking that all services are connected to a disaster recovery service. This confirmed that all systems are connected to a disaster recovery service, validated through the recent audits in 2016,

## **Internal Audit: IT Disaster Recovery (ITDR)**

### ***Findings***

- 1.4** The first ITDR audit took place towards the end of 2015 with the results presented at Audit Committee in April 2016. The results of this highlighted that suitable disaster recovery documentation was not readily available that would have enabled the IT teams to restore the Council's IT services in the event of a disaster event. It also found that appropriate infrastructure in the secondary data centre location was not available.
- 1.5** A follow-up audit in July 2016 demonstrated that, while good progress had been made in the areas of governance (appropriate ITDR staff attending the council's quarterly business continuity forum); responsibility for reviewing the scope of IT services and identifying the end to end IT service dependencies, further work was required in the review of the DR contractual bandings for recovery (see para 1.8 for further detail); technical recovery practices; and DR testing.
- 1.6** The re-audit of ITDR in October 2016 has been given a Reasonable Assurance rating, recognising good practice in areas including the development of comprehensive ITDR recovery plans and supporting documentation along with good governance arrangements. The Reasonable Assurance rating shows that significant progress has been made since the last update in preparing the ITDR capability for the council in preparation to transfer it to Business as Usual (BAU) operation. The Audit report confirmed that "While a small proportion of work is required to conclude this process, the current technical capability, planning and project testing demonstrate that in the event of a disaster there is a high probability that services can be recovered within their designed capability"<sup>2</sup>.

### ***ITDR contractual issue***

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<sup>2</sup> Audit Committee, 3 November 2016, Internal Audit Exception Recommendations Report and Progress Report up to 30 September 2016

- 1.7 The audits of ITDR have highlighted a contractual issue regarding the provision of DR services for silver and bronze systems. Under the CSG contract, systems are classified as Platinum, Gold, Silver and Bronze, with Platinum / Gold and Silver / Bronze having the same classifications for DR purposes. The contract<sup>3</sup> states that:
- **“Platinum and Gold systems** – in the event of a major infrastructure of DC [Data Centre] failure, those systems not hosted at the failover site will be recovered at the failover site using production infrastructure (and taking down silver/bronze systems if necessary). This will enable us to deliver an RTO<sup>4</sup> of 2 hours. SAN<sup>5</sup> replication for these systems will be configured to deliver an RPO<sup>6</sup> of < 30 minutes.
  - **Silver and Bronze systems** will be recovered on hardware shipped to the failover site, based on a Ship to Site service provided on a contract designed to deliver an RTO of 48 hours. SAN replication for these systems will be configured to deliver an RPO of 1 hour.”
- 1.8 In summary, this means that Tier 1 systems should be available again within 2 hours with up to 30 minutes of lost data, while Tier 2 systems should be available again within 48 hours with up to 1 hour of lost data.
- 1.9 Due to the same provision for Platinum / Gold and Silver / Bronze systems, these have now been simplified to two bandings only: Tier 1 (formerly Platinum and Gold) and Tier 2 (formerly Silver and Bronze).
- 1.10 There is currently no issue in respect of Tier 1 (Platinum & Gold) level applications, the services most important to the Council and its residents, as these are constructed differently with data replicated almost instantaneously to a secondary failover site within milliseconds, far exceeding CSG IT’s contracted recovery timescales. For the remaining, lower priority Tier 2 (Silver & Bronze applications), these are backed up daily overnight and whilst CSG IT remain confident to recover within the given 48hr time window, it is not possible to meet the 1 hour data recovery point (RPO). In order to rectify this, the council has entered into discussions with Capita. All Tier 2 system owners of systems hosted at the Capita data centre and therefore provided with DR from this site have been contacted to ascertain the impact of a changed RPO for these systems.
- 1.11 Of the 20 systems listed, 5 systems were noted to have an adverse impact should the RPO remain at 24 hours. Consequently, these systems have been raised to Tier 1 to benefit from enhanced DR provision.

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<sup>3</sup> CSG contract, IT service specification, 2.10.3 Disaster Recovery Services: IS10.03

<sup>4</sup> Recovery Time Objective: the time in which the system should be restored

<sup>5</sup> Storage Area Network: a dedicated high-speed network that interconnects and presents shared pools of storage devices to multiple servers

<sup>6</sup> Recovery Point Objective: the maximum targeted period in which data might be lost from an IT system due to a major incident

- 1.12** It was also noted that the audit highlighted that since contract commencement, CSG IT have provided a DR service for 25 either unclassified applications / additional systems installed for the primary benefit of the Council or to conduct its business without any additional charges to the Council.
- 1.13** Discussions have concluded, and it has been agreed that the council will receive recompense for Tier 2 systems with Capita funding the data entry of lost data up to the 24 hour limit in the event of system failure, along with Capita taking the cost of the systems which have been raised to tier 1 (as set out in para 1.11).

### **Members IT**

- 1.14** Progress has been made on improving support for Members' IT needs. This work has been overseen by a separate Member-led Working Group. The creation of a Members' IT improvement plan has resulted in over 70 Member IT support issues being closed. Members' IT requirements have been discussed at length during Working Group sessions to inform the development of proposals to deliver improved IT for Members. To further increase support and visibility for Members IT, a Members' IT Handbook is in production, to provide all the relevant training material and key policies that Members might need to refer to. Additional support has also been targeted at key events that Members attend (such as Full Council meetings) and a number of additional out-of-hours surgeries have been offered. Considerable efforts have also been made to ensure that communications to Members are more accessible.

### **Service Improvements**

- 1.15** While this year has been a challenging one for IT, significant progress has been made, and continues to be made, to improve the service on both a day to day level and strategically.
- 1.16** On a day to day level, whilst the CSG IT service has continued to meet its contractual KPI's throughout this difficult year, a comprehensive set of improvements has been rolled out behind the scenes across the IT service. Whilst work in this area continues with plans in 2017 to upgrade the wireless service, telephony, email and introduce a host of IT collaboration tools, some notable highlights so far this year include:
- Proactive monitoring of systems and dashboard reporting to key stakeholders
  - Removing single points of failure from key IT operational processes
  - Much improved processes for projects transitioning into live service
  - Recruitment of a new Senior Leadership Team for IT
  - Improvements to Change, Incident & Problem Management in line with best practice IT standards
  - Transferring the IT service desk to a specialist Capita Local Government desk in Birmingham
  - Improvements to asset tracking information of key Council IT equipment

- More regular contact with key Council DU's through, for example, the IT User Group, departmental IT meetings, Security Forum.

**1.17** As a result of these behind the scenes improvements, a number of key IT outcomes have been delivered for the Council this year;

- Over 1800 brand new laptops & other tablet devices have been successfully rolled out
- Successful completion of a year-long comprehensive upgrade of the Council's IT network across all its sites. This provides a faster, more secure and supportable network infrastructure for the Council to operate from and an enabler for a number of future IT projects in 2017
- Rollout of 738 new Blackberry devices to Council officers and Members
- Upgrades of 197 servers to ensure continued compliance with the Government's PSN security requirements
- Passed yearly compliance for the Payment Card Industry (PCI) standards
- IT also supported the Coventry call centre who were providing extended cover for the elections hotline allowing members of the public to ask questions

**1.18** Strategically, the IT Strategy was presented at the October meeting of the Policy and Resources Committee. The IT Strategy has been aligned with the council's Customer Access Strategy, Locality Strategy and Colindale Business Case and is based around the strategic themes of being:

- **Mobile and Flexible** – staff are mobile and less dependent on offices while remaining connected with their teams, systems and information;
- **Integrated and Digital** – systems are integrated enabling data to be stored, shared and consumed digitally and securely, to drive reliable, consistent and efficient processes;
- **Secure and Reliable** – a reliable and secure service that leverages existing investment, reduces duplication, and delivers what the business needs; and
- **Partnership and Sharing** – platforms are shared and accessible through a variety of channels, enabling collaboration with residents, local businesses, partners and third parties.

**1.19** A third party, technical assurance partner has been contracted with to provide independent scrutiny of the technical aspects of the implementation of new systems under the strategy. This partner will also provide scrutiny of the technical aspects of the implementation of the Customer Access Strategy, along with assurance of ad-hoc technical projects requested by Delivery Units. It is good practice to proactively carry out assurance on complex or high value projects, which will help to ensure that the work carried out is resilient and meets the council's requirements. A delegated powers report (DPR) has authorised assurance of up to £164,176 to be spent over the term of the strategy (up to 2020).

## **2. REASONS FOR RECOMMENDATIONS**

2.1 It is important that Members are able to discuss and consider work that has taken place (and is ongoing) within the IT service to overcome problems this year.

### 3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 N/A

### 4. POST DECISION IMPLEMENTATION

4.1 Work will continue on implementing improvements within the council's IT service.

### 5. IMPLICATIONS OF DECISION

#### 5.1 Corporate Priorities and Performance

5.1.1 Effective IT infrastructure, networks and services enables the provision of Council services and underpins the Council's Corporate Plan 2015-2020.

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

5.2.1 A capital budget of £9.1m has been allocated for the implementation of the ICT Strategy. The authority to spend significant sums of this budget must be bid for through the submission of individual business cases for approval by Policy and Resources Committee.

#### 5.3 Social Value

5.3.1 N/A.

#### 5.4 Legal and Constitutional References

5.4.1 No specific legal issues have been identified.

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

- a) Overall responsibility for quarterly budget monitoring, including monitoring trading position and financial strategy of Council Delivery Units.
- b) Monitoring of Performance against targets by Delivery Units and Support Groups including Customer Support Group; Re: the Barnet Group (Including Barnet Homes and Your Choice Barnet); HB Public Law; NSL (Parking Contractor); Adults and Communities; Family Services; Education and Skills; Street Scene; Public Health; Commissioning Group; ad 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

## **5.5 Risk Management**

5.5.1 N/A

## **5.6 Equalities and Diversity**

5.6.1 The Public Sector Equalities Duty under section 149(1) of the Equalities Act 2010, requires the Authority, in the exercise of its functions to, have regard to the need to advance equality of opportunity between persons, who share relevant protected characteristics and persons who do not share them.

5.6.2 Having due regards means the need to (a) remove or minimise disadvantage suffered by persons who share relevant protected characteristics that are connected to those characteristics (b) take steps to meet the needs of persons who share relevant protected characteristics that are different from the needs of people who do not share (c) encourage persons who share relevant protected characteristics to participate in public life in any other activity in which participation by such person's is disproportionately low.

5.6.3 The relevant protected characteristics area age, disability, gender reassignment, pregnancy and maternity, race, religion or beliefs, sex and sexual orientation.

5.6.4 At this stage there are no equality impacts which need to be raised or addressed.

## **5.7 Consultation and Engagement**

5.7.1 There is no intention to undertake any consultation at this time,

## **5.8 Insight**

5.8.1 No specific insight has been undertaken in order to inform this decision.

## **6 BACKGROUND PAPERS**

6.1 Performance and Contract Management Committee, 31 May 2016, IT Operations  
<http://barnet.moderngov.co.uk/documents/s32223/IT%20Operations.pdf>

6.2 Audit Committee, 19 April 2016, Internal Audit Exception Recommendations Report and Progress Report up to 31 March 2016  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=144&MId=8416&Ver=4>

6.3 Audit Committee, 28 July 2016, Internal Audit Exception Recommendations Report and Progress Report up to 30 June 2016  
<http://barnet.moderngov.co.uk/documents/s33716/Internal%20Audit%20Exception%20Recommendations%20Report%20and%20Progress%20Report%20up%20to%2030%20June%202016.pdf>

6.4 Audit Committee, 3 November 2016, Internal Audit Exception Recommendations Report and Progress Report up to 30 September 2016  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=144&MId=8827&Ver=4>

6.5 Policy and Resources Committee, 5 October 2016, ICT Strategy  
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8730&Ver=4>

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	<p><b>Performance and Contract Management Committee</b></p> <p><b>15 November 2016</b></p>
<p><b>Title</b></p>	<p><b>Parking Enforcement Contract Extension</b></p>
<p><b>Report of</b></p>	<p>Commissioning Director, Environment Head of Governance</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 – Parking Enforcement Contract Extension, Environment Committee, 12 May 2016, Appendix B – Extract of the Minutes of the Environment Committee meeting, 12 May 2016, Agenda Item 7: Parking Enforcement Contract Extension</p>
<p><b>Officer Contact Details</b></p>	<p>Salar Rida, Governance Officer <a href="mailto:salar.rida@barnet.gov.uk">salar.rida@barnet.gov.uk</a> 020 8359 7113</p>

### Summary

This report encloses the decision of the Environment Committee to extend the current contract with NSL for a period of 18 months. The Performance and Contract Management Committee on 15 February 2016 requested to receive an update on the parking enforcement contract extension. The Committee is therefore requested to note the report.

### Recommendations

1. That the Committee note and comment on the enclosed report.

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

1.1 The Committee, on 15 February 2016, requested that an additional item on the parking enforcement contract extension be included on its forward work programme.

1.2 At its meeting on 12 May 2016, the Environment Committee considered the parking enforcement contract extension and following approval of the motion to amend the recommendations *RESOLVED*:

1. *That the Environment Committee agreed to extend the current contract with NSL for a period of 18 months.*
2. *That the Environment Committee noted that extension period will enable the investigation of shared contract(s) and service provision options with other neighbouring London Boroughs.*
3. *That Officers develop a business case for an in-house option*

## **2. REASONS FOR RECOMMENDATIONS**

2.1 The Committee previously requested to receive an update on the Parking Contract Extension. The Committee is asked to provide instructions in line with its responsibilities towards monitoring of performance, receiving and scrutinising contract variations.

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

3.1 Not applicable

## **4. POST DECISION IMPLEMENTATION**

4.1 The Committee is requested to note the contents of the report and the appendices and provide further instructions.

## **5. IMPLICATIONS OF DECISION**

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

5.1.1 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.

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

5.2.1 Not applicable.

### 5.3 **Social Value**

5.3.1 As set out in the substantive report.

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

5.4.1 As set out in the substantive report.

5.4.2 Under the Council's Constitution, Responsibility for Functions – Annex A, the terms of reference of the Performance and Contract Management Committee includes the following responsibilities:

- Monitoring of Performance including, but not limited to, targets of 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.
- Receive and scrutinise contract variations and change requests in respect of external delivery units.
- To receive reports on relevant performance information on Delivery Units providing services under the remit of the Committee.

### 5.5 **Risk Management**

5.5.1 As set out in the substantive report.

### 5.6 **Equalities and Diversity**

5.6.1 As set out in the substantive report.

### 5.7 **Consultation and Engagement**

As set out in the substantive report.

### 5.8 **Insight**

5.8.1 As set out in the substantive report.

## 6. **BACKGROUND PAPERS**

6.1 Environment Committee, Parking Enforcement Contract Extension, Environment Committee, 12 May 2016, Agenda item 7: <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=695&MId=8337&Ver=4>

6.2 Performance and Contract Management Committee, 15 February 2016, Minutes, Item 11 – Committee Work Programme: <https://barnet.moderngov.co.uk/documents/s32293/Minutes%2015022016%20Performance%20and%20Contract%20Management%20Committee.pdf>

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# Appendix A

	<h2>Environment Committee</h2> <h3>12<sup>th</sup> May 2016</h3>
<b>Title</b>	<b>Parking Enforcement Contract Extension</b>
<b>Report of</b>	Commissioning Director, Environment
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	Yes
<b>Key</b>	Yes
<b>Enclosures</b>	None
<b>Officer Contact Details</b>	Jamie Cooke <a href="mailto:Jamie.cooke@barnet.gov.uk">Jamie.cooke@barnet.gov.uk</a> 0208 3592275 - 07885 213313

**Summary**

The Council’s Parking Enforcement Contract with NSL commenced in May 2012. The contract term was for a period of five years with an option to extend for a maximum of a further two years.

Year five of the contract therefore commences in May 2016 and ends in April 2017.

This means that the Council must now decide to either extend or re-procure the enforcement contract.

This paper outlines the options available for consideration and a preferred option to take forward.

There are three options presented:

1. Immediately re-procure a new contract.

2. Extend the current contract for a period of 18 months. This would allow time to review the possibility of joining with other neighbouring London boroughs on procuring a new joint parking contract. This is the suggested preferred option.
3. Bring service delivery in house.

## Recommendations

That the Environment Committee agree to extend the current contract with NSL for a period of 18 months. This extension period will enable the investigation of shared contract(s) and service provision options with other neighbouring London Boroughs.

### 1. WHY THIS REPORT IS NEEDED

- 1.1 The Council's enforcement contract with NSL expires in April 2017. Therefore there is a requirement to either extend via the extension provisions of the current contract or to re-procure a new contract in order to secure on-going service provision.

### 2. REASONS FOR RECOMMENDATIONS

#### Potential Future Joint Parking Services Model with other neighbouring London Authorities

- 2.1 Officers are currently investigating potential partnership working in relation to a range of parking services with the London Boroughs of Islington, Haringey, Enfield and Waltham Forest. This investigatory work has resulted in the formulation of three high level options thought suitable for further investigation:
  - Joint procurement of a single contract across the five boroughs. This would reduce the procurement costs of awarding a new enforcement contract whilst allowing each borough to retain control over its own back office functions.
  - Shared Services Model (Single Operational Management). This would involve the parking contracts being disaggregated by function with shared IT platforms between the five authorities (permits & pay by phone etc.). This option could also generate procurement savings and could lead to knowledge sharing and the establishment of centres of excellence for the development of key performance Indicators and other service improvements.
  - Shared Functions (with central and local management). This option is the same as the shared services model above, but it would involve more local management as opposed to central management which

would allow each borough to more effectively pursue its own objectives and commissioning intentions.

- 2.2 Each of the joint parking services options outlined above would require a period of time for the five authorities involved to synchronise their contracts as each has an existing contract with a different expiry date and therefore a different time scale for re-procurement.
- 2.3 The joint parking service models outlined above could generate financial and operational benefits for Barnet. They also have the potential to provide better IT services and a level of innovation greater than what might be possible if Barnet procured its own single contract and continued to operate as a single parking enforcement authority.
- 2.4 There are many factors to consider when assessing if any of the joint parking services models are viable and which is the best possible future service option for Barnet. Therefore an extension to the current NSL contract for a period of 18 months is necessary to ensure the joint parking services models are thoroughly investigated.

#### NSL's Contract Performance

- 2.5 NSL's performance in Barnet has been broadly good since the contract commenced in May 2012. A recent review has also led to agreement of a new enforcement plan which has improved the efficiency of the enforcement service and in doing so supports the Council to manage its parking infrastructure to benefit residents.

There are several key areas where NSL's contract performance has enabled the Council to manage the borough's parking infrastructure effectively in support of the aims of the parking policy. In particular the following areas demonstrate good contractual performance in support of the Council's commissioning intentions:

- NSL have demonstrated that they have adequate resources and flexibility to react to arising issues by responding to adhoc requests for enforcement at specific times and to specific areas. They have also been accommodating when the authority has requested that additional resources are deployed to deal with the changing patterns of parking non-compliance.
- Complaints specifically related to the actions of NSL staff and in particular the Civil Enforcement Officers (CEO's) have also remained within performance limits. In terms of complaints, NSL have a key performance indicator target for complaints to be less than 200 per

annum/16.67 average per month. Their performance over 2015/16 has been within these limits and have been as follows:

- Lowest level in a month was 4 complaints
- Highest level was 10
- Average number received 6.875 per month
- Shortest response time was on the same day of receipt
- Longest response time was 10 calendar days
- Average response time was 2.53 days

- Errors made by Civil Enforcement Officers often lead to a poor customer experience and the cancellation of Penalty Charge Notices. NSL has performed well in this area. For mistakes by Civil Enforcement Officers, NSL have a key performance indicator target of 3% maximum for the year 2015/16:

- Lowest level in a month was 0.99% cancelled due to CEO errors
- Highest level in the month was 1.76%
- Average for the year was 1.29%

- 2.6 The parking service is also planning to instigate a new enforcement regime at the beginning of contract year five (commencing in 2016) with an expectation that this year will see a further improvement over the previous year.
- 2.7 As we have positive engagement from NSL and the quality of the service is improving, extending the current contract whilst future potential joint working service provision is fully investigated is considered to be the most favourable option for the Council.
- 2.8 Resident satisfaction with parking in Barnet has improved by ten percentage points over the last three years and is now at 27%. However, the London average is 33% and so further improvement is necessary. As part of the contract extension negotiation with NSL, the issue of customer satisfaction will be discussed.

#### OJEU procurement value and the ability to extend the current contract

- 2.9 The published OJEU procurement notice for the current NSL contract indicated a contract value range of £15M to £25M. It also indicated that the contract length is for a period of five years with a two year extension option. Regulation 72 of the Public Contract Regulations 2015 permit modification of contracts – “where such modification was provided for within the original tender documents irrespective of their monetary value”. To date the Council has spent circa £14.3 million during the first three years of the contract 2012 – April 2016. Projected spend for the remainder of the contract means that there will be adequate headroom available to accommodate both the remaining two years of the contract and an 18 month extension.

### Savings requirements

- 2.10 There is a savings requirement for the enforcement contract of £150,000 that was intended to be realised by a re-procured commission. This saving which is due in the 2018/19 financial year has a number of alternative mechanisms to achieve its delivery. Firstly, the achievement of savings via the contract extension negotiation is likely to be possible. In particular, a negotiation concerning various commercial aspects of the contract may well be possible resulting in a net service saving of £150,000. The potential partnership arrangement with neighbouring London boroughs will also generate savings contributing to the 2018/19 target.

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

### **3.1 Immediately commence procurement for a new contract**

With this option the Council would not exercise the option to extend the current contract with NSL and would instead prepare a new specification and suite of tender documents in order to commence a procurement exercise for a new contract to commence in May 2017.

This option is not recommended as it would not allow the joint working opportunities with other London Boroughs (described above) to be fully investigated and therefore potential benefits and savings would be lost.

### **3.2 Bring Service Delivery in house**

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Assuming committee accept the suggestion of an 18 month extension of the current contract with NSL, the parking and procurement team will enter into negotiations with NSL to secure favourable terms for the 18 month extension period.

## **5. IMPLICATIONS OF DECISION**

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

- 5.1.1 Parking is an important service to residents and initiatives are in place to enable the service to fulfil its aims of keeping traffic moving, making roads safer, reducing air pollution, ensuring that there are adequate parking spaces on High Streets, and that residents can park as near as possible to their homes. An effective parking service enables these aims and in particular utilising the current contract's extension facility to fully investigate a shared service model with partners will help to fulfil the Corporate Plan's objectives.

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

- 5.2.1 The approach outlined in this paper aims to secure the best possible value for money by investigating joint procurement(s) with other Local Authorities which have the potential to save money on future procurement costs.
- 5.2.2 Extending the current parking enforcement contract will enable the authority to investigate a shared services model with other authorities which have the potential to establish shared IT systems which could provide greater value for money in the future.

## 5.3 **Social Value**

- 5.3.1 The parking service delivers the Council's Parking Policy which is key to managing the finite parking infrastructure across the borough. Effectively managed parking contributes to social value across the borough by enabling the Council to deliver its commissioning intentions in terms of allowing people to park as close as possible to their homes, by keeping traffic moving and by reducing air pollution.

## 5.4 **Legal and Constitutional References**

- 5.4.1 The Council has a statutory duty to provide network management under the Traffic Management Act 2004. Effective parking enforcement supports this duty and a parking enforcement contract is necessary to enable this.

HB Public Law has been consulted in this matter and its comments are incorporated into the body of the report.

The Council can extend the contract to the maximum permissible period under the Contract which in this case is up to another two years. The Public Contracts Regulations 2015 permit the Council to extend the contract where such extension provisions were incorporated into the Contract and the original tender documents in clear and unequivocal terms.

The Council's Constitution (Clause 15A, Responsibility for Functions, Annex A) sets out the terms of reference of the Environment Committee. This includes parking provision and enforcement.

The Council's Constitution, Contract Procedure Rules set out at appendix 1 Table A outline the decision making route for contracts and contract extensions also states that the relevant theme committee (in this case the Environment Committee) can authorise contract extensions.

## 5.5 **Risk Management**

- 5.5.1 The approach of extending the current enforcement contract helps to effectively manage the risk associated with re-procuring a new contract. The extension period will provide adequate time to investigate possible

procurement alongside partners (and in doing so shares the risk of re-procurement). The extension period also provides an opportunity to ensure that whether the Council procures a new contract alongside partners or procures its own individual contract, it does so in a considered manner with time to ensure that the best possible commission is secured for the residents of Barnet.

## **5.6 Equalities and Diversity**

5.6.1 The Council's parking policy and regulation of Parking in the borough for supports equalities and diversity in several ways:

- By meeting the needs of disabled people, some of whom will be unable to use public transport system and depend entirely on the use of a car.
- Keeping our footways clear.
- By tailoring parking regulations across the borough to suit the differing needs of our diverse communities.

## **5.7 Consultation and Engagement**

5.7.1 The Parking Service is currently undergoing a transformation programme which involves engagement with Elected Members to ensure that issues are properly considered to inform the future re-procurement of a new enforcement contract.

## **5.8 Insight**

5.8.1 The extension of the current Parking Contract and future procurement of a new contract will very much be informed by information and data detailing the performance of the current service. Wherever possible this insight will be utilised to improve the service the current and future contracts provide to the residents of Barnet.

## **6. BACKGROUND PAPERS**

1. Committee approval for the parking contract (Cabinet Resources Committee 14<sup>th</sup> December 2011).
2. OJEU procurement notice for the existing parking contract.

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## Decisions of the Environment Committee

12 May 2016

Members Present:-

Councillor Dean Cohen (Chairman)  
Councillor Brian Salinger (Vice-Chairman)

Councillor John Hart	Councillor Dr Devra Kay
Councillor Graham Old	Councillor Alan Schneiderman
Councillor Joan Scannell	Councillor Agnes Slocombe
Councillor Peter Zinkin	Councillor Adam Langleben

### 1. MINUTES OF THE PREVIOUS MEETING

Prior to the Committee approving the minutes the Chairman requested that the Commissioning Director for Environment ensured that Members of the Committee receive a communication in relation to item 6c as document within the minutes.

The minutes of the meeting held on 8 March 2016 were approved as an accurate record.

### 2. ABSENCE OF MEMBERS

None.

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

In relation to item 11, Councillor Peter Zinkin declared a non-pecuniary interest as a road within the report is near to where he lives. Councillor Zinkin remained in the room for the consideration of the item and took part in the decision making process.

In relation to item 11, the Chairman Councillor Dean Cohen declared a non-pecuniary interest as he is an appointed school Governor for Menorah Foundation School. Councillor Cohen remained in the room for the consideration of the item and took part in the decision making process.

In relation to item 8, Councillor Adam Langleben declared a non-pecuniary interest as he works for the Jewish Community. Councillor Langleben remained in the room for the consideration of the item and took part in the decision making process.

In relation to item 11, Councillor Brian Salinger declared a non-pecuniary interest as he owns an electric car. Councillor Salinger remained in the room for the consideration of the item and took part in the decision making process.

In relation to item 10, Councillor Brian Salinger declared a non-pecuniary interest as he is an appointed school Governor at Moss Hall School. Councillor Salinger remained in the room for the consideration of the item and took part in the decision making process.

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

None.

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

None.

#### **6. MEMBERS' ITEMS**

Councillor Dean Cohen introduced the item and requested that the Committee support the intentions of his Member's Item. The Committee supported the Members Item and the notion of the Council having a memorial garden in Hendon Park.

Having considered the report the Committee:

##### **Resolved:**

- That the Environment Committee noted the Members Item
- The Environment Committee supported and agreed that the Hendon Park Garden be named the 'Sir Nicholas Winton Memorial Garden'.
- The Committee then unanimously agreed to refer the item to a future meeting of Full Council for consideration.

#### **7. PARKING ENFORCEMENT CONTRACT EXTENSION**

The Commissioning Director for Environment introduced the item and the intentions of the report. He informed the Environment Committee of the current contract and outlined the potential procurement activity as contained in the report.

The Committee requested if it was viable to bring the service in house. The Commissioning Director for Environment noted that this was an option for the Committee to consider, but could only be investigated if a contract extension was agreed. He stated that during the 18 month period, Officers of the Council will be investigating how to deliver the service provision which will be reported to the Committee for determination. The Chairman noted that savings are to be made during 2017/18 which the Committee noted.

Councillor Alan Schneiderman moved the following motion to amend the recommendations of the report which was seconded by Councillor Devra Kay.

1. That the current contract be extended for an 18 month period
2. That the Commissioning Director be requested to investigate options to implement shared services with Neighbouring Boroughs
3. That Officers develop a business case for an in-house option

Having been put to the vote the Environment Committee unanimously agreed the motion.

The Environment Committee then voted on the each amended recommendation.

1. That the current contract be extended for an 18 month period

The vote was recorded as:

For – 6

Against 5

2. That the Commissioning Director be requested to investigate options to implement shared services with Neighbouring Boroughs

The vote was recorded as:

For – 11

Against

3. That Officers develop a business case for an in-house option

The vote was recorded as:

For – 11

Against

The Environment Committee therefore:

**Resolved:**

- That the Environment Committee agreed to extend the current contract with NSL for a period of 18 months.
- That the Environment Committee noted that extension period will enable the investigation of shared contract(s) and service provision options with other neighbouring London Boroughs.
- That Officers develop a business case for an in-house option

## **8. PARKS & OPEN SPACES STRATEGY**

The Commissioning Director for Environment introduced the item and the intentions of the report. The Chainman thanked Officers for the excellent report which the Committee noted.

Councillor Hart requested that the Committee consider how it can strengthen the Boroughs Green infrastructure. He requested, green walls, corridors, water features, ponds and greater habitats for birds. He summarised that he wanted the Committee to support nature within an urban environment and therefor suggested that local groups could engage with this.

The Commissioning Director for Environment noted that appendix 3 had been printed on A3 paper and circulated for Members of the Committee. He stated that there was an action for the Council to engage with the community. He said that Barnet had some great parks and it was vital that the Council works with residents to maximise their potential.

Councillor Adam Langleben, raised concerns that some of the proposals contain gated open spaces which he didn't support. He stated that open spaces should be open to all Members of the public.

Councillor Claire Farrier stated that the quality of parks had deteriorated and requested that the Committee consider how the Borough can maximise their potential.

The Commissioning Director for Environment said that there were clear challenges in balancing capital investment against reducing maintenance costs and the report was a good step to address those challenges. He said that any future decision making will be reported to the Committee for consideration.

The Committee noted the requirement of complying with any relevant regulations. The Committee supported methods in order to control Japanese Knotweed, Himalayan Balsam and Giant Hogweed.

Having considered the report the Environment Committee:

**Resolved**

- That the Environment Committee approved the adoption of the Parks and Open Spaces Strategy 2016 – 2030 and its action plan

The vote was recorded as:

For 6

Against 0

Abstain 5

- That the Environment Committee approved the Parks and Open Spaces policies which are set out in 1.19

The vote was recorded as:

For 11

Against 0

Abstain 0

- That the Environment Committee instructed Officers to maximise the value of external funding to support the aims of the strategy

The vote was recorded as:

For 6

Against 0

Abstain 5

- That the Environment Committee instructed Officers to submit a capital bid as part of the Councils Capital Programme to support the aims of the strategy

The vote was recorded as:

For 11

Against 0

Abstain 0

- That the Environment Committee requested that Officers consider how to strengthen the Borough's green infrastructure

The vote was recorded as:

For 11

Against 0

Abstain 0

## **9. RECYCLING AND WASTE STRATEGY 2016 TO 2030**

The Commissioning Director for Environment introduced the item and summarised the report.

The Chainman thanked Officers for the excellent report which the Committee noted.

Having considered the report the Committee:

### **Resolved**

- That the Environment Committee approved the adoption of the Recycling and Waste Strategy 2016 – 2030 and its action plan

The vote was recorded as:

For 6

Against 0

Abstain 5

Prior to the determination of the second recommendation within the report Councillor Peter Zinkin proposed a motion to amend the recommendation as captured below, this was seconded by Councillor Joan Scannell

- That the Environment Committee requested the Commissioning Directors for Environment and Growth & Development ensure that planning guidance and Policy, (if and where appropriate) is updated to ensure that all new developments in Barnet are designed to enable their new residents to recycle 70% of their waste, both through recycling collection facilities outside the flat and suitable storage for recycling and waste inside the flats.

The vote was recorded as:

For 6

Against 0

Abstain 5

The motion was therefore carried and the recommendations approved.

## 10. 2015-16 HIGHWAY NETWORK RECOVERY PLANNED MAINTENANCE PROGRAMME

The Commissioning Director for Environment introduced the item and the intentions of the report.

The Committee noted an error in Appendix A and further noted that the surface dressing in Green Lane had been deferred. The Committee requested that Officer review the appendices to ensure that they were accurate and encouraged Officers to consult with Members in respect to this.

Having considered the report the Committee:

Resolved

- That the Environment Committee noted the list of carriageway and footway planned maintenance schemes completed in the first four quarters of the financial year, shown in Appendix A.
- That the Environment Committee noted the list of Section 106 schemes completed in the first four quarters of the financial year, shown in Appendix B.
- That the Environment Committee noted the list of Local Implementation Plan (LIP) funded schemes completed in the first four quarters of the financial year, shown in Appendix C.
- The Environment Committee noted that Powis Gardens was surface dressed but failed and was therefore resurfaced.

## 11. HIGHWAYS PLANNED IMPROVEMENTS - LOCAL IMPLEMENTATION PLAN (LIP)

The Commissioning Director for Environment introduced the item and the intentions of the report.

Councillor Dean Cohen requested that the junction of Armitage Road between Golders Green Road and the Ridgeway have double yellow lines implemented on both sides of the road.

Councillor Graham Old requested that the moving traffic regulations be considered in respect to implementation.

Councillor Alan Schneiderman enquired on the method of how schools are able to adopt a 20mph zone and how this can be operated. He requested that a review of a CPZ proposal is considered.

Having considered the item, the committee:

**Resolved:**

- That the Committee approved the Local Implementation Plan (LIP) work programme as detailed in Appendices 1- 4 of this report to be funded from the TfL's 2016/17 LIP allocation of £4.832 million.

- That authority to adjust the detailed programme and funding for individual proposals as they develop to be delegated to the Commissioning Director for Environment.
- That the Environment Committee agreed the prioritisation tool outlined at Appendix 5 for prioritising scheme requests from 2016/17 and developing future year LIP Programmes.

## **12. REFERRED FROM FINCHLEY AND GOLDERS GREEN AREA COMMITTEE**

Ward Member Cllr Alan Schneiderman introduced the item and requested that the North Finchley CPZ be considered and included in a CPZ review.

The Chairman suggested that a full report is produced and reported to the Finchley and Golders Green Area Committee which includes all cost implications.

Having considered the report the Environment Committee:

Resolved

- That the Environment Committee noted the petition
- That a report be submitted to the Environment Committee that includes financial implications and the impact to the area.
- That Officers consult with residents and Ward Members in regards to operational hours

## **13. COMMITTEE FORWARD WORK PROGRAMME**

Having considered the report the Environment Committee:

Resolved:

That the Environment Committee noted the work programme.

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

There were no urgent items.

The meeting finished at 21:05

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	AGENDA ITEM 12
	<p><b>Performance and Contract Management Committee</b></p> <p><b>15 November 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  
November 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)
15 November 2016			
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 and risk management framework.	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
Parking Contract Extension	To receive a progress report on the extension of the NSL contract.	Andrew Charlwood, Head of Governance,  Jamie Blake, Environment Commissioning Director	<b>Non key</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>

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Type</b>
<b>Title of Report</b>	<b>Overview of decision</b>	<b>Report Of (officer)</b>	<b>Issue Type (Non key/Key/Urgent)</b>
IT update	To consider the referral from the Audit Committee - Q1 Internal Audit Report, on IT Change Management and IT Disaster Recovery and steps taken to improve 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 100 day review and update (follow-up from May 2016)	To receive the update and consider the 100 day review report.	Chris Munday Commissioning Director for Children and Young People  Val White, Programme Director Education and Learning	<b>Non Key</b>
Proposed indicators and targets for Corporate Plan – Addendum 2017/18	To receive and review the report on proposed indicators and targets for Corporate Plan – Addendum 2017/18	Stephen Evans Interim Chief Operating Officer	<b>Non key</b>
<b>13 February 2017</b>			

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Type</b>
<b>Title of Report</b>	<b>Overview of decision</b>	<b>Report Of (officer)</b>	<b>Issue Type (Non key/Key/Urgent)</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>
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>

<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Type</b>
<b>Title of Report</b>	<b>Overview of decision</b>	<b>Report Of (<i>officer</i>)</b>	<b>Issue Type (Non key/Key/Urgent)</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>
<b>To be allocated</b>			
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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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

## AGENDA ITEM 15

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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