

Meeting of the Council of the London Borough of Barnet

TO BE HELD ON

TUESDAY 1ST NOVEMBER, 2016 AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ

S U M M O N S A N D A G E N D A



All Councillors are hereby summoned to attend the Council meeting for the transaction of the business set out.

Andrew Charlwood
Head of Governance

Agenda and Timetable
Tuesday 1st November, 2016

Item	Subject	Timing	Page Nos
	Part 1 - Statutory formalities/Announcements (15 minutes)	7.00 – 7.15pm	
1.	Apologies for absence		
2.	Elect a Member to preside if the Mayor is absent		
3.	Prayer		
4.	Declarations of Interest		
5.	Minutes of the last meeting		5 - 18
6.	Official announcements		
7.	Resolution of Appreciation		
8.	Any business remaining from last meeting		
	Part 2 - Question Time (30 minutes or until 7.45 p.m. whichever is longer)	7.15 – 7.45pm	
9.	Questions to the Leader (and Committee Chairmen if he/she has delegated)		
	Part 3 - Statutory Council Business (60 minutes)	7.45 – 8.45pm	
10.	Petitions for Debate (20 minutes). A petition organiser (up to 5 minutes) and Members responding (up to 15 minutes)		
11.	Reports from the Leader		
12.	Reports from Committees		
12.1	Referral to Council - Street Scene Alternative Delivery Model: Initial Outline Business Case		19 - 110

12.2	Report of the Audit Committee - Annual Report of the Audit Committee 2015-16		111 - 130
12.3	Report of the Local Pension Board - Annual Report of the Local Pension Board		131 - 164
13.	Reports of Officers		
13.1	Report of the Head of Governance		165 - 168
14.	Questions to Council Representatives on Outside Bodies		
	Break (15 minutes)	8.45 – 9.00pm	
	Part 4 – Business for Debate (45 minutes)	9.00 – 9.45pm	
15.	Motions (45 minutes)		
15.1	Opposition Motion in the name of Cllr Phil Cohen - Funding of community pharmacies		169 - 170
15.2	Opposition Motion in the name of Cllr Arjun Mittra - Royal British Legion "Count Them In" Campaign: Making the next census count for our Armed Forces community		171 - 172
15.3	Opposition Motion in the name of Cllr Reema Patel - Social care crisis in Barnet		173 - 174
15.4	Administration Motion in the name of Cllr Richard Cornelius - STPs and local political involvement in health and social care integration		175 - 176
16.	Motions for Adjournment		

Andrew Charlwood, Head of Governance
Building 4, North London Business Park, Oakleigh Road South, N11 1NP

FACILITIES FOR PEOPLE WITH DISABILITIES

Hendon Town Hall has access for wheelchair users including lifts and toilets. The Council Chamber has an induction loop so that those who have hearing difficulties can hear the debate. **If you wish to let us know in advance that you will be attending the meeting, please telephone Edward Gilbert on 020 8359 3469 (direct line).**

People with hearing difficulties who have a text phone, may telephone our Minicom number on 020 8203 8942.

FIRE/EMERGENCY EVACUATION PROCEDURE

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

You should proceed calmly; do not run and do not use the lifts.

Do not stop to collect personal belongings

Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions.

Do not re-enter the building until told to do so.

Minutes

OF THE MEETING OF THE COUNCIL OF THE LONDON BOROUGH OF BARNET
held at Hendon Town Hall, The Burroughs, London NW4 4BQ, on 26 July 2016

AGENDA ITEM 5

PRESENT:-

The Worshipful the Mayor (Councillor David Longstaff)
The Deputy Mayor (Councillor Sury Khatri)

Councillors:

Jess Brayne	Ross Houston	Tim Roberts
Maureen Braun	Anne Hutton	Gabriel Rozenberg
Rebecca Challice	Andreas Ioannidis	Lisa Rutter
Pauline Coakley Webb	Dr Devra Kay	Shimon Ryde
Dean Cohen	Adam Langleben	Brian Salinger
Jack Cohen	Kathy Levine	Gill Sargeant
Melvin Cohen	John Marshall	Joan Scannell
Philip Cohen	Kath McGuirk	Alan Schneiderman
Geof Cooke	Arjun Mittra	Mark Shooter
Alison Cornelius	Alison Moore	Agnes Slocombe
Richard Cornelius	Ammar Naqvi	Stephen Sowerby
Tom Davey	Nagus Narenthira	Caroline Stock
Val Duschinsky	Graham Old	Daniel Thomas
Paul Edwards	Charlie O-Macauley	Reuben Thompstone
Claire Farrier	Alon Or-Bach	Jim Tierney
Anthony Finn	Reema Patel	Laurie Williams
Brian Gordon	Bridget Perry	Peter Zinkin
Eva Greenspan	Wendy Prentice	Zakia Zubairi
Rohit Grover	Sachin Rajput	
Helena Hart	Barry Rawlings	
John Hart	Hugh Rayner	

Apologies for absence

Councillor Kitty Lyons

1. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Kitty Lyons.

2. ELECT A MEMBER TO PRESIDE IF THE MAYOR IS ABSENT

The Worshipful the Mayor was present.

3. PRAYER

The Mayor's chaplain, Tristan Chapman, offered prayers.

4. DECLARATIONS OF INTEREST

The following members declared an interest:

Councillor	Subject	Interest declared
Hugh Rayner	12.2 - Report of the from Policy and Resources Committee – Barnet’s Local Plan: Draft Grahame Park Estate Development Supplementary Planning Document	Councillor Hugh Rayner declared a disclosable pecuniary interest by virtue of owning a house immediately adjacent to the development area. The councillor declared that he would withdraw from the Chamber and not take part in the voting on the item.
Richard Cornelius	15.3 – Motion in the name of Councillor Arjun Mitra (Impact of Brexit on the Council’s Pension Fund).	Councillor Richard Cornelius declared a non-pecuniary interest on behalf of all members who are members of the Local Government Pension Fund.

5. MINUTES OF THE LAST MEETING

Council noted that the minutes for the meeting of the previous meeting had been circulated as a supplement due to the minutes of the meeting held on 4 April 2016 being incorrectly included the agenda.

The minutes of the annual meeting of Council, held on 24th May 2016, were agreed as a correct record.

6. OFFICIAL ANNOUNCEMENTS

The Worshipful the Mayor announced that, following the recent terror attack on Bastille Day in Nice, he was sure that Council would join him in extending sympathies to the people of Nice and the victims of the attacks.

The Worshipful the Mayor asked Council to join him in observing a minute’s silence in order to reflect on the life and achievements of Jo Cox, the Member of Parliament for Batley and Spen.

The Worshipful the Mayor congratulated the Chief Executive of Work Avenue, Shraga Zaltzman, on being awarded an MBE by Her Majesty the Queen for services to enterprise and employment in the Jewish community. The Worshipful the Mayor also congratulated Maureen West, Chairman of Barnet Borough Watch on being awarded an MBE. The Reverend Cindy Kent of St John the Apostle, Whetstone, had been awarded an MBE for services to religious broadcasting. The Worshipful the Mayor congratulated Councillor Joan Scannell on being awarded a BEM for services to local government as an officer and a ward councillor. It was noted that Councillor Scannell has served her Edgware residents since 1994 and he was sure Council would join him in congratulating this achievement.

The Worshipful the Mayor, on behalf of the Council, sent best wishes to all residents of the Borough, or those with connections to the Borough, who will be representing their country at the forthcoming Olympic and Paralympic games in Brazil. This includes Cllr Slocombe's grandson James Andrew-Davis, and Richard Kruse from West Finchley who have been named as part of a four strong fencing squad to represent team GB.

The Worshipful the Mayor congratulated Saracens on winning the Aviva Premiership League and European Cup in the same season, and also Andrew Johnston – a golfer from Friern Barnet, Andrew came 8th in The Open Championship recently.

The Worshipful the Mayor also took the opportunity to wish Councillor Rebecca Challice the very best for the next month ahead of the birth of her first child.

7. RESOLUTION OF APPRECIATION

The Mayor moved the following resolution:

The Council of the London Borough of Barnet do hereby place on record their sincere appreciation for the dedicated service to local government and to the residents of Barnet rendered over a period of 30 years by Councillor Brian Salinger.

Councillor Brian Salinger served as the Leader of the Council during the municipal year of 2005 to 2006.

During the leadership of Councillor Victor Lyon he was Cabinet Member for Housing.

He has also served as a Chairman of the:

- First Class Education and Children Overview and Scrutiny Committee and;
- Corporate Joint Consultation (Health, Safety and Welfare) Committee

He has served as a Vice-Chairman of the:

- General Functions Committee
- Special Committee to deal with Constitution and;
- Business Management Overview and Scrutiny Committee

Between 1986 and 1994 he held the following positions:

- Vice Chairman of Finance Committee
- Chairman of Northern Area Planning Committee and;
- Chairman of the Appeals Committee

During 1986 and 1994 he was put on the Barnet Health Authority and served as its Chairman from 1993-96.

He has also served on numerous other Committees including:

- Corporate Joint Negotiation and Consultation Committee
- Policy & Performance Overview & Scrutiny Committee

- Teachers Joint Negotiation and Consultation Committee
- Budget & Performance Overview and Scrutiny Committee
- Safeguarding Overview and Scrutiny Committee and;
- Chipping Barnet Area Environment Sub-Committee

Councillor Salinger currently serves as Chairman for the Audit Committee, Vice-Chairman on the Environment Committee, Vice-Chairman on the Licensing Committee, Chairman of the Local Pension Board and as a Member of the Corporate Parenting Advisory Board.

Councillor Salinger is currently appointed as a council representative on the Jesus Hospital Charity in Chipping Barnet and Valentine Poole Charity. Councillor Salinger has been a governor at Holly Park Primary School since 1995 and has been the Chairman of governors at Moss Hall Nursery for 30 years. He is also the Chairman of the Management Committee at the Pavilion Pupil Referral Unit.

Council extend their gratitude for his commitment to the residents of Oakleigh Ward and of the London Borough of Barnet and for his continued endeavour to represent their best interests.

RESOLVED that Council unanimously agree the motion.

Following agreement of the motion, Councillor Brian Salinger was asked to come forward to the dais and receive a framed, signed velum from the Mayor. Councillor Brian Salinger then said some words of thanks.

8. ANY BUSINESS REMAINING FROM LAST MEETING

There was none.

9. QUESTIONS TO THE LEADER (AND COMMITTEE CHAIRMEN IF HE/SHE HAS DELEGATED)

The questions, together with the answers provided and the text of any supplementary questions and answers, are set out in Appendix 1 to the minutes.

10. PETITIONS FOR DEBATE (20 MINUTES). A PETITION ORGANISER (UP TO 5 MINUTES) AND MEMBERS RESPONDING (UP TO 15 MINUTES)

There were none.

11. REPORTS FROM THE LEADER

There were none.

12. REPORTS FROM COMMITTEES

Each of the reports from committees were dealt with under the relevant sub-item.

12.1. REPORT OF THE CONSTITUTION, ETHICS AND PROBITY COMMITTEE - CONSTITUTION REVIEW

Councillor John Marshall, as Chairman of the Constitution, Ethics and Probity Committee, moved reception and adoption of the recommendations set out in the report. Debate ensued.

The recommendations were unanimously agreed by Council and therefore were declared carried.

RESOLVED:

- 1. That Council approve the recommendations contained in the report from the Constitution Ethics & Probity Committee at Annex 1, and the track change versions attached at Appendix A to Appendix D.**
- 2. That the Monitoring Officer be authorised to implement these revisions and publish a revised Constitution.**

12.2. REPORT OF THE POLICY AND RESOURCES COMMITTEE - BARNET'S LOCAL PLAN - DRAFT GRAHAME PARK ESTATE DEVELOPMENT SUPPLEMENTARY PLANNING DOCUMENT (SPD)

Councillor Hugh Rayner left the meeting for the debate and voting on the item due to the disclosable pecuniary interest he had declared at the beginning of the meeting.

Councillor Daniel Thomas, Vice-Chairman of the Policy and Resources Committee, moved reception and adoption of the recommendations in the report. Debate ensued.

The recommendations as set out in the report were put to the vote. Votes were recorded as follows:

For	31
Against	30
Abstain	0
Absent	2
TOTAL	63

The recommendations in the report were therefore declared carried.

RESOLVED:

- 1. That Council noted the public responses to the consultation carried out on the Grahame Park SPD and agree the Council responses in the consultation report attached at Appendix A;**
- 2. That Council adopted the Graham Park SPD attached at Appendix B.**

Councillor Hugh Rayner re-entered the meeting.

12.3. REFERRAL TO COUNCIL FROM THE ASSETS, REGENERATION AND GROWTH COMMITTEE - LOCALITY STRATEGY

Councillor Daniel Thomas, Chairman of the Assets, Regeneration and Growth Committee, moved reception and adoption of the recommendations in the report. Debate ensued.

The recommendations as set out in the report were put to the vote. Votes were recorded as follows:

For	32
Against	30
Abstain	0
Absent	1
TOTAL	63

The recommendations in the report we therefore declared carried.

RESOLVED:

- 1. That Council acknowledge and noted the contents of the Locality Strategy;**
- 2. That Council approve the preferred option for locality strategy, which is: the new Colindale offices being the principal base for officers, who will also use touchdown spaces across the borough, with a new Family Friendly hub to be developed in the east of the borough;**
- 3. That Council authorise Officers to search and identify a suitable location for the new Family Friendly hub in the east of the borough;**
- 4. That Council approve the provision of face to face contact for homelessness and housing benefits transfers from Barnet House to Burnt Oak customer service centre;**
- 5. That Council approve the use of small contained areas within Golders Green and North Finchley libraries to trial assessment and support hubs for adults social care clients to support the proposed new operating model for adults social care;**
- 6. That Council approve the use of distinct parts of the ground floor customer access area in Colindale for meeting facilities for children & families and for a Business Hub;**
- 7. That Council approve the transfer of the Registry Office to Hendon Town Hall, and the designs as set out in Appendix B;**
- 8. That Council authorise the procurement of an organisation(s) to establish Business Hubs that can provide touchdown office spaces in the newly freed up spaces within libraries and in the ground floor of the new Colindale Offices and agrees to delegate to the Director of Resources authority to enter a contract and lease (or other document permitting use of premises) for the same with such organisation(s).**

12.4. REFERRAL TO COUNCIL FROM THE ASSETS, REGENERATION AND GROWTH

COMMITTEE - ACCOMMODATIONS OPTIONS REVIEW FINAL BUSINESS CASE (FBC)

Councillor Daniel Thomas, Chairman of the Assets, Regeneration and Growth Committee, moved reception and adoption of the recommendations in the report. Debate ensued.

The recommendations as set out in the report were put to the vote. Votes were recorded as follows:

For	32
Against	30
Abstain	0
Absent	1
TOTAL	63

The recommendations in the report we therefore declared carried.

RESOLVED:

- 1. That Council acknowledge and note the contents of the Full Business Case (FBC);**
- 2. That Council approve the preferred option for Barnet Council's office accommodation to start construction of a new build development at Colindale;**
- 3. That Council authorise the entering into a Design and Build Contract with Galliford Try Construction for the Colindale Office and agree to delegate to the Director of Resources authority to sign the contract;**
- 4. That Council approve the elements of the IT and IM strategy that are the main enablers to the Colindale programme as set out in para 1.4.6-12;**
- 5. That Council authorise the procurement of a supplier to operate the café on the ground floor of the new Colindale Offices as set out in paragraph 1.4.19 and agree to delegate to the Director of Resources authority to enter a contract and lease (or other document permitting use of premises) for the same, with such organisation.**

13. REPORTS OF OFFICERS

There was one officer report which was dealt with under the relevant sub-item.

13.1. REPORT OF THE HEAD OF GOVERNANCE

A Governance Team Leader introduced the report on behalf of the Head of Governance.

Councillor Geof Cooke noted that there had been a committee clash on 14th July 2016, with both the Planning Committee and Environment Committee having occurred on that evening. It was noted that this should have been avoided.

In respect to the outside body vacancy for the Arts Depot Trust Ltd, as detailed in Appendix B, Councillor Ammar Naqvi moved from the floor a Labour Group nomination in

his name for Councillor Anne Hutton to replace Councillor Anthony Finn. Votes on the nomination were recorded as follows:

For	30
Against	32
Abstain	0
Absent	1
TOTAL	63

The nomination therefore did not carry.

Councillor Joan Scannell then moved the Conservative Group nomination in her name for Councillor David Longstaff to be reappointed and for Councillor Mark Shooter to replace Councillor Anthony Finn. Votes were recorded as follows:

For	32
Against	29
Abstain	1
Absent	1
TOTAL	63

The nominations were therefore carried.

Council unanimously agreed the recommendations in Appendix A and Appendix C.

RESOLVED:

- 1. Council noted the changes to the Calendar of Meetings 2016/17 as outlined in Appendix A.**
- 2. That Councillor Mark Shooter be appointed, and that Councillor David Longstaff be reappointed, as outside body representatives on the Arts Depot Trust Ltd for a three year period (to 25 July 2019).**
- 3. That Council approved the officer appointments to the London Borough of Barnet Brent Cross Holdings Ltd. Board of the General Partner, as detailed at Appendix C.**

14. QUESTIONS TO COUNCIL REPRESENTATIVES ON OUTSIDE BODIES

There were none.

Councillor Wendy Prentice was absent for the remainder of the meeting.

15. MOTIONS (45 MINUTES)

The Labour Group Secretary stated that of the four motions put forward by the Opposition, the Opposition had chosen to debate the motion in the name of Councillor Barry Rawlings.

The Conservative Group Secretary stated that of the two motions put forward by the Administration, the Administration had chosen to debate the motion in the name of Councillor Gabriel Rozenberg.

The Worshipful the Mayor noted that under Council Procedure Rule 23.5 the Opposition Motion in the name of Councillor Arjun Mittra (agenda item 15.3) and the Opposition Motion in the name of Councillor Ross Houston (agenda item 15.5) would be referred to the Pension Fund Committee and Housing Committee respectively.

15.1. OPPOSITION MOTION IN THE NAME OF COUNCILLOR BARRY RAWLINGS - CONDEMNATION OF HATE CRIME

Councillor Barry Rawlings moved the Motion in his name, and stated that he would be happy to accept both amendments. Councillor Richard Cornelius and Councillor Kath McGuirk moved their amendments. Debate ensued.

The amendment in the name of Councillor Richard Cornelius was unanimously agreed by Council.

The amendment in the name of Councillor Kath McGuirk was unanimously agreed by Council.

The substantive motion, as amended, was unanimously agreed by Council.

RESOLVED that:

We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country.

We, the elected councillors of LB Barnet, condemn racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable.

We call on Barnet council to continue to work to ensure local bodies and programmes have the support and resources needed to fight and prevent racism and xenophobia.

We reassure all people living in Barnet, whatever their background, that they are valued members of our community.

We condemn the recent rise in hate crime since the EU Referendum and welcome the measures to tackle hate crime announced by the Government including tougher sentences for perpetrators of hate crime, £2.4 million for protective security at places of worship and more work to prevent anti-semitism and Islamophobia.

Given the small recent local increase in hate crime, and increases last year, we believe we should remain vigilant and ask that the Community Leadership

Committee monitors incidents of hate crime and our own local action plan to combat hate crime on a more regular basis.

Council also requests that the Community Leadership Committee receives an update on local police resources, workloads and the impact these are having on policing in the Borough.

Council calls on all Members to sign this declaration.

15.6. ADMINISTRATION MOTION IN THE NAME OF COUNCILLOR GABRIEL ROZENBERG – WELCOMING THE NEW MAY GOVERNMENT

Councillor Gabriel Rozenberg moved the Motion in his name. Councillor Barry Rawlings moved his amendment. Debate ensued.

The amendment in the name of Councillor Barry Rawlings was put to the vote.

Votes were recorded as follows:

For	30
Against	31
Abstain	0
Absent	2
TOTAL	63

The amendment was therefore lost.

Votes were taken on the motion and recorded as follows:

For	31
Against	2
Abstain	28
Absent	2
TOTAL	63

The motion was therefore carried.

RESOLVED:

Council congratulates The Rt Hon Theresa May MP on becoming Prime Minister, and welcomes her pledge to lead a One Nation Government for the good of all the citizens of the United Kingdom.

Council welcomes the Prime Minister's statement, delivered in front of 10 Downing Street on the day she took office, that her Government will be driven not by the interests of the privileged few, but by the needs of ordinary, working-class families. She promised: "We will do everything we can to give you more control over your lives."

Council notes the new Prime Minister's lifelong devotion to public service. Mrs May has served with distinction as Home Secretary for six years; has been an MP for 19 years; and began her political career as a councillor in Wimbledon, in the London Borough of Merton — like Barnet, an outer London borough.

Council is therefore confident that her government will pay close attention to the needs of residents of outer London.

For Barnet, a top priority is the Government's ongoing review of the needs assessment formula which underpins central funding of local government. For example, Barnet receives less than half the funding per person that Camden does.

Council urges the new Government to usher in a new financial settlement for London that properly reflects the capital's changing landscape of need. Council calls on the Leader to write to the new Chancellor of the Exchequer, the new Secretary of State for Communities and Local Government, and the Mayor of London, to make this positive case for Barnet's residents.

15.2. ADMINISTRATION MOTION IN THE NAME OF COUNCILLOR BRIAN GORDON - THE ROLES OF POLITICIANS AT RESIDENT FORUMS

Under Council Procedure Rule 23.5 it was noted that Councillor Gordon had requested his motion would be voted on in the meeting.

The votes were recorded as follows:

For	31
Against	30
Abstain	0
Absent	2
TOTAL	63

The motion was therefore carried.

RESOLVED:

Council believes that the Residents' Forum provides an excellent democratic apparatus for members of the public within Barnet to raise local issues according to their choice and engage with Officers regarding those issues.

Council wishes to reinforce the concept that Residents' Forums should be user-friendly and not dominated by politicians, who already have sufficient and direct access to higher echelons of local government.

Council therefore calls for the Constitution, Ethics and Probity Committee to look at modifying the constitution to provide that elected politicians – be they councillors, assembly members or MPs – should not be permitted to submit questions or table motions for discussion at Residents' Forums, although they may still be called upon during such meetings to comment on issues, entirely at the discretion of the Chair.

15.4. OPPOSITION MOTION IN THE NAME OF COUNCILLOR ROSS HOUSTON - PARLIAMENTARY DEBATE ON BREXIT

Under Council Procedure Rule 23.5 it was noted that Councillor Houston had requested his motion would be voted on in the meeting.

The amendment in the name of Councillor Richard Cornelius was put to the vote. Votes were recorded as follows:

For	31
Against	0
Abstain	30
Absent	2
TOTAL	63

The amendment was therefore carried.

The substantive motion as amended was then put to the vote, and was unanimously agreed by Council.

RESOLVED:

Council notes the 'Brexit' outcome of the EU Referendum.

Council also notes that the majority of residents in Barnet - 62 per cent - voted to 'Remain' in the EU.

Council respects the overall decision of the country, but notes the uncertainty this has caused, and the affect it has already had on the pound and the economy with the risk and opportunities that brings.

Council believes that, while a complete picture of the impact on Barnet is not yet clear, the Council should be doing all it can to ensure the best possible outcome for the Borough, including identifying risks and opportunities, and preparing for them.

Council believes that putting a plan together in this way helps to protect Barnet and its residents – as has always been the Council's responsibility.

Council also notes the responsibility of Parliament to protect its people, and that the invoking of Article 50 of the Lisbon Treaty will be subject to debates in the courts as well as decisions by the PM and her Cabinet.

Council calls on the Policy & Resources Committee to properly consider the probable impact of Brexit on Barnet so that this can be communicated to Barnet's 3 Conservative MPs in order that they can raise these issues in parliamentary debates and fight for the best outcome for the Borough.

16. MOTIONS FOR ADJOURNMENT

There were none.

17. ANY OTHER ITEM(S) THAT THE MAYOR DECIDES IS/ARE URGENT

There were none.

The meeting finished at 9.40 pm

This page is intentionally left blank

	<p>Council</p> <p>1 November 2016</p>
<p style="text-align: center;">Title</p>	<p>Referral to Council from the Environment Committee – Street Scene Alternative Business Model (ADM)</p>
<p style="text-align: center;">Report of</p>	<p>Head of Governance</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Enclosures</p>	<p>Annex 1 – Report to Environment Committee, 29 September 2016</p> <p>Appendix A – Initial Outline Business Case (OBC1)</p> <p>Appendix B – Consultation and Engagement Plan</p> <p>Appendix C – Initial Service User EIA</p> <p>Appendix D – Initial Staff EIA</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Paul Frost, Governance Team Leader Paul.frost@barnet.gov.uk 020 8359 2205</p>

Summary

Agenda item 8 ‘Street Scene Alternative Business Model (ADM)’ was referred up to Full Council by the requisite number of members of the Environment Committee on 29th September 2016, as outlined in the Constitution. Council is therefore requested to consider the recommendations and take a decision on them.

Recommendations

That Council consider and vote on the recommendations contained in agenda item 8 of the Environment Committee of 29 September 2016.

1. WHY THIS REPORT IS NEEDED

1.1 The Constitution allows a certain number of members to refer a matter on which a Committee has taken a decision to its parent body. At the meeting on 29th September 2016, the required number of Members of the Environment Committee referred agenda item 8 up to the next meeting of Full Council.

1.2 Following the debate on the item, the Chairman moved to a vote. Votes on the recommendations set out in the committee report were recorded as follows:

For: 6

Against: 5

Abstain: 0

Immediately following the vote, Councillor Alan Schneiderman moved to refer the item to the next practicable meeting of Full Council. The reason given for the request to refer the item was that a directly managed in-house delivery alternative option should be considered as one of the shortlisted options and that the outsourced option be removed. The referral was supported by five members of the committee, therefore meeting the requisite number needed for referral.

1.3 As the Environment Committee immediately indicated after the decisions had been taken that they required the decision to be referred up, the procedures to be followed will be those set out in Paragraph 20 of Full Council Procedure Rules (Rules of Debate). For reports of Committees (including Overview and Scrutiny Committees), the Chairman of the relevant committee, or the Vice-Chairman in their absence, will move reception of the report and adoption of the recommendations. This report need not be seconded. The leader of each of the other groups, or another member of their group, will then have an opportunity to comment on the recommendation, and at the end of the time allowed the Mayor will bring this part of the debate to an end, whether or not all those entitled have spoken or completed their speeches.

2. REASONS FOR RECOMMENDATIONS

2.1 As set out in the substantive report.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 As set out in the substantive report.

4. POST DECISION IMPLEMENTATION

4.1 As set out in the substantive report.

5. IMPLICATIONS OF DECISION

5.1 **Corporate Priorities and Performance**

5.1.1 As set out in the substantive report.

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

5.2.1 As set out in the substantive report.

5.3 Legal and Constitutional References

5.3.1 Constitution, Responsibility for Functions, Paragraph 6, Members Rights to Refer Matters to Parent Body – states that “A specified number of Members of a Committee or Sub-Committee may require that any decision of the Committee or Sub-Committee is referred up to the next practicable meeting of Full Council or the relevant Committee to which the Committee or Sub-Committee reports, by indicating immediately after the decision is taken that they require the decision to be referred up. The report to Full Council or the relevant Committee to which the Committee or Sub-Committee reports on the referral shall set out the reasons given for the referral.”

5.3.2 Constitution, Full Council Procedure Rules, Paragraphs 20 and 21- Rules of Debate and Time for Debate

5.4 Risk Management

5.4.1 As set out in the substantive report.

5.5 Equalities and Diversity

5.5.1 As set out in the substantive report.

5.6 Consultation and Engagement

5.6.1 None

6. BACKGROUND PAPERS

6.1 None.

This page is intentionally left blank

	<h2>Environment Committee</h2> <h3>29 September 2016</h3>
<p style="text-align: right;">Title</p>	<p>Street Scene Alternative Delivery Model – Initial Outline Business Case (OBC1)</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director for Environment</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>Yes</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A – Initial Outline Business Case (OBC1) Appendix B – Consultation and Engagement Plan Appendix C – Initial Service User EIA Appendix D – Initial Staff EIA</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Jamie Blake Commissioning Director for Environment Jamie.Blake@barnet.gov.uk</p> <p>Kitran Eastman Strategic Lead, Clean and Green Kitran.Eastman@barnet.gov.uk</p>

<h2>Summary</h2>
<p>This report sets out a longlist of seven options for the future delivery of Street Scene services, specifically; recycling and waste collection, street cleansing, green spaces maintenance, and green spaces governance.</p> <p>All seven options were identified and analysed by the Street Scene Alternative Delivery Model project board. The options were scored against a set of assessment criteria agreed by project board. The criteria were; (i) cost versus savings, (ii) place-based service, (iii)</p>

technology and innovation, (iv) income generation, (v) continual service improvement, and (vi) track record.

Of the seven options in the long list, four have been recommended as a shortlist for further consideration; to continue in-house service delivery with management support from The Barnet Group, to transfer all service delivery to The Barnet Group as a Local Authority Trading Company, to outsource service delivery to an external provider(s), or to share service delivery with a neighbouring local authority. Any service provider would have to be capable of achieving the savings agreed by Environment Committee in the Medium-Term Finance Plan (MTFP).

Recommendations

- 1. That Environment Committee approve the progression of the Alternative Delivery Model project towards the Revised Outline Business Case (OBC2), which will also be submitted for approval to a future Environment Committee.**
- 2. That Environment Committee approve the recommended options shortlist for further consideration in the Revised Outline Business Case (OBC2):**
 - **In-house service delivery with management support from The Barnet Group**
 - **Transfer service delivery to The Barnet Group as a Local Authority Trading Company**
 - **Outsource service delivery to an external provider(s)**
 - **Share service delivery with a neighbouring local authority**
- 3. That Environment Committee approve a public consultation on the recommended options shortlist (as above) to inform the Revised Outline Business Case (OBC2).**

1. WHY THIS REPORT IS NEEDED

- 1.1 In September 2015, the council commissioned the Street Scene Alternative Delivery Model project (ADM) to assess the best way of delivering Street Scene services in the future. Its purpose was both to ensure the future delivery of high performance against key strategic indicators, and to resolve the significant savings challenges facing services now and over the next several years.
- 1.2 The council has a statutory duty to maintain the urban environment via services such as; recycling and waste, street cleansing, and maintenance of green spaces. These are universal services which are highly visible to, and used by, residents.

- 1.3 As part of the Medium-Term Finance Plan approved by Environment Committee in November 2015, and by Policy and Resources Committee in February 2016, a target saving of £900k by 2019/20 has been allocated to the ADM process.
- 1.4 Additionally, the project must maintain the current recycling and waste, street cleansing, and maintenance of parks and open spaces service provision as expressed through the key drivers below; in line with the Commissioning Group intentions for 2020:
- Re-use, recycle or compost 50% of all municipal waste and minimise the amount of municipal waste being sent to landfill.
 - Provide services to residents and businesses that are cost effective, easy to use, and encourage positive behaviour change.
 - Manage and maintain a high quality physical environment that contributes to the quality of life of residents and visitors, enhances local areas, and supports a thriving local economy.
 - Work with partners to secure investment in public spaces.
 - Implement relevant delivery models that deliver a stable and sustainable financial position.
 - Build stronger local communities by promoting volunteering and other forms of community engagement.
 - Relevant and targeted enforcement that promotes prevention of forms of anti-social behaviour.
- 1.5 As part of the Street Scene Alternative Delivery Model Initial Outline Business Case (OBC1) in Appendix A, the project board have agreed that all activities currently delivered by the Street Scene Delivery Unit are in scope of the ADM project. This includes recycling and waste, fleet management, grounds maintenance, and street cleansing. Services undertaken by partners (such as CSG or Re), as well as those which are classed as being 'strategic' and therefore sit with the Commissioning Group, are considered to be out of scope.
- 1.6 This has enabled the project board to identify four possible "lots" in relation to the services identified as being in scope of the ADM. These are:
- Lot 1 – Recycling and Waste
 - Lot 2 – Street Cleansing
 - Lot 3 – Green Spaces Maintenance
 - Lot 4 – Green Spaces Governance
- 1.7 The current functions and output of the services in scope have been fully reviewed. This has enabled the identification of seven possible options for alternative delivery models, which could be used to achieve financial savings and high performance.

These seven options are fully outlined in the Initial Outline Business Case (OBC1) in Appendix A:

- In-house (pre-December 2015)
- In-house (with management support from The Barnet Group)
- Local Authority Trading Company (The Barnet Group)
- Outsourced
- Shared Service
- Employee Mutual, Social Enterprise, and Trusts
- Joint Venture and Partnerships

1.8 The following assessment criteria were identified in the Strategic Outline Case and approved by Strategic Commissioning Board on 16 February 2016. The final successful option will have to evidence, to the highest standard, how each of these criteria will be met:

- Cost versus savings
- Place-based service
- Technology and innovation
- Income generation
- Continual service improvement
- Track record

1.9 Following an operational review of Street Scene in late 2015, The Barnet Group have been awarded an interim management agreement by Barnet Council to deliver transformative work required within the Delivery Unit. This decision was approved by the Policy and Resources Committee on 22 March 2016. It is not anticipated that this agreement, effective for nine months from 01 March 2016, will have any negative impact on the ADM project. However, this agreement will have an impact on the project insofar as the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group) will now be coordinated by The Barnet Group, as opposed to by Street Scene senior management.

2. REASONS FOR RECOMMENDATIONS

2.1 Four options are likely to meet the project objectives; one of the in-house options (with management support from The Barnet Group), The Local Authority Trading Company option (The Barnet Group), the outsourced option, and the shared service option.

2.2 The initial evaluation of each of these options is available in more detail in the Initial Outline Business Case (OBC1) in Appendix A. This includes detailed scoring and commentary against the assessment criteria and a list of the advantages / disadvantages for each option.

2.3 The table below summarises the initial scores given to each option. The highest possible score for an option is 18 points; with a maximum of three

points per assessment criteria (six assessment criteria in total). Initial scores rank the seven options as follows (highest-scoring first):

- 15 points: Local Authority Trading Company (The Barnet Group) and Outsourced
- 13 points: Shared service
- 12 points: In-house (with management support from The Barnet Group)
- 11 points: Joint Venture and Partnerships
- 10 points: Employee Mutual, Social Enterprise and Trusts
- 8 points: In-house (pre-December 2015)

Option	Cost vs Savings	Place-based Service	Innovation and Technology	Local Income Generation	Continual Service Improvement	Track Record	Total
In-house (pre-December 2015)	√	√ √ √	√	√	√	√	8
In-house (with mgt. support from TBG)	√ √	√ √ √	√	√ √	√ √	√ √	12
LATC (The Barnet Group)	√ √ √	√ √ √	√ √	√ √ √	√ √	√ √	15
Outsourced	√ √ √	√ √	√ √ √	√ √	√ √	√ √ √	15
Shared Service	√ √	√ √	√ √	√ √ √	√ √	√ √	13
Employee Mutual, Social Enterprise, and Trust(s)	√	√ √ √	√	√ √	√ √	√	10
Joint Venture and Partnership(s)	√ √	√ √	√ √	√ √	√ √	√	11

2.4 As part of the next stage of the project, further work is required to confirm the commercial, financial, and strategic viability of the four highest-scoring potential options.

2.5 In-house Option (with management support from The Barnet Group)

2.5.1 The Barnet Group has been engaged to provide senior management

oversight to the Delivery Unit for an interim nine-month period from March 2016 (this is the current model of service delivery). The Barnet Group are a wholly owned local authority company which is controlled by the council as a Local Authority Trading Company (LATC). This option would continue and formalise this senior management oversight arrangement. The Barnet Group would continue to use their internal management resources and utilise suitable specialist support to help develop and deliver the financial and operational Key Performance Indicators (KPIs) All staff, apart from two interim managers, have remained employees of the council, and remain on council terms and conditions¹ and this would continue for this model. The governance structure would continue as it is at present; with The Barnet Group providing senior management oversight of, and support to, the service.

- 2.5.2 The governance structure would continue as it is at present; with The Barnet Group providing senior management oversight of, and support to, the service. The service would continue to operate as it currently does now, however, there is a likely possibility of service transformation in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies ensuing. There could also be a need to generate income which could put further pressure on service delivery and performance but The Barnet Group offers skills and expertise, which could mitigate against any potential financial and operational risks.

2.6 Local Authority Trading Company Option (The Barnet Group)

- 2.6.1 As stated above, The Barnet Group are a wholly owned local authority company which is controlled by the council as an LATC. This option would involve the transfer of all services in scope to The Barnet Group. This option would also involve a TUPE transfer of Delivery Unit staff to The Barnet Group. The Barnet Group would then be in a position to trade Street Scene services commercially and generate a profit for the council.
- 2.6.2 This model would involve a contract (which may be described as a service level agreement) between the council and The Barnet Group, setting out the key performance indicators and clearly defined savings targets. The council ultimately controls The Barnet Group as an LATC.
- 2.6.3 The Barnet Group has a strong track record in delivering services for the council, in both Housing and Adult Social Care, and has been building an effective relationship with the Street Scene Delivery Unit under the current management agreement arrangements since March 2016. A full transfer of Street Scene services, including TUPE of staff, to The Barnet Group would be an added pressure in the context of the service transformation they would be asked to deliver in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies this could entail. There could also be a need to generate income which could put further pressure on service delivery and performance but, as stated above, The Barnet Group offers skills and expertise which could mitigate against any potential financial and operational

risks. Furthermore, this option would require service performance levels to be contractually assured and managed via contractual documents such as a Service Level Agreement (SLA); transferring the ownership of risks to The Barnet Group.

2.7 Outsourced Option

2.7.1 A commercial provider would be procured via a competitive procurement process to run the Street Scene service. The council would take no role in the ownership of the service model and would therefore not be involved in service governance beyond the scope of what is outlined in the contract; strategic objectives would therefore be specified in the contract. For this option, the council can choose which areas it would like to share the risk, or reward, of delivery (and any potential growth) and set the contract accordingly. This option would involve the transfer of all services and the TUPE transfer of Street Scene Delivery Unit staff to the outsourced provider(s).

2.7.2 A transfer of Street Scene services, including a TUPE transfer of staff, to an outsourced provider(s) would be an added pressure in the context of the service transformation they would be asked to deliver, in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies ensuing. There could also be a need to generate income which could put further pressure on service delivery and performance but the outsourced provider(s) would offer skills and expertise, which could mitigate against any potential financial and operational risks. Furthermore, this option would require for service performance levels to be assured and managed via a contract; transferring the ownership of risks to the outsourced provider(s). The risk with this option is that the outsourced provider(s) may have less focus on Barnet and could struggle to build upon the current relationships with other council services (and partner organisations) owing to a more commercial focus. There is the potential with this option to have multiple service models by dividing Street Scene into distinct lots, or packages. This could offer more flexibility in terms of selecting an outsourced provider(s), depending on the needs of the service, and could be seen to be a more attractive option for potential bidders. However, a procurement process would be a risk to achieving 2017/18 savings, owing to delays with project timescales and additional cost pressure.

2.8 Shared Service Option

2.8.1 The council could provide services in partnership with a neighbouring local authority. Currently discussions are underway relating to the feasibility around future shared services, both with West London Alliance (WLA) Directors and North London Waste Authority (NLWA) boroughs. These discussions are in the early stages of developing options and ideasⁱⁱ. It is assumed that any shared service arrangement would not include The Barnet Group; either in their current role as providing management oversight or as a full service transfer model.

2.8.2 The service would, in many respects, continue to operate as it currently does

now. However, there is a likely possibility of service transformation in order to adapt to a shared service governance structure and to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any need for service transformation and the disruption that may ensue. As with all, or most other, options there could also be a risk of potential redundancies in light of any service transformation. There could also be a need to generate income which could put further pressure on service delivery and performance. However, the assumption is that a shared service option would involve access to pooled resources (including budget) and would increase efficiencies in purchasing via economies of scale. There could also be the opportunity to share resources.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Three options are unlikely to meet the project objectives; one of the in-house options (pre-December 2015), the employee mutual, social enterprise, and trusts option, and the joint venture and partnerships option.

3.2 The initial evaluation of each of these options is available in more detail in the Initial Outline Business Case (OBC1) in Appendix A. This includes detailed scoring and commentary against the assessment criteria and a list of the advantages and disadvantages for each option.

3.3 In-house Option (pre-December 2015)

3.3.1 The Street Scene Delivery Unit is responsible for delivering a wide range of frontline universal services across the borough. Historically the service delivered recycling, waste and street cleansing services and a parks service. The service adapted to the delivery model that had been adopted by Barnet council in terms of the relationship between the Commissioning Group and Delivery Unitsⁱⁱⁱ.

3.3.2 The in-house service was put into special intervention measures in 2014 due to uncertainty in relation to the 2014/15 budget savings and the lack of senior management capacity and leadership. Time was given to the management team to turn around processes, introduce additional capacity and demonstrate that it could adapt to a changing landscape. This was not done and led to the arrangements with the Barnet Group to undertake the management of the in-house service.

3.3.3 In terms of governance structure, this option would involve the appointment of a permanent Street Scene Director and senior management team, which would see a return to the previous Delivery Unit service model (pre-December 2015). The council would deliver services directly and would be responsible for appointing and managing staff. The Commissioning Group would have strategic oversight of services and would consult with the Delivery Unit on service provision and strategic direction.

3.3.4 This option would involve a management structure that is similar to the structure that was in place until December 2015. A senior management team

would need to be placed within the structure as there presently isn't one in house. A restructure would be required quite quickly because the budget will not support the staffing level that existed before December 2015. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies ensuing. There would also be a need to generate income, which could put further pressure on service delivery and performance. If adequate income is not generated, then this could further the risk of redundancies in order to meet required savings.

3.4 **Employee Mutual, Social Enterprise, and Trusts Option**

3.4.1 The creation of an organisation which is not in the public sector (also referred to as 'spinning out') but delivers public services. The **employee mutual** model would involve Street Scene Delivery Unit staff at least partially owning a company that would deliver public services independently of the council. Similarly, a **trust** model would also involve service delivery which is operationally independent of the council. The **social enterprise** model would require the establishment of a separate legal entity and may or may not be owned (or partly owned) by the council. Each of the models within this option are not-for-profit organisations; any profit generated would be reinvested in services.

3.4.2 A full TUPE transfer of Street Scene staff to the **employee mutual, trust, or social enterprise** model would be an added pressure in the context of the service transformation they would be asked to deliver, in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies this could entail. There is also the question of where investment would come from and how income could be generated within services. As with the pre-December 2015 in-house option, there are concerns about the skill and capacity of the Street Scene Delivery Unit staff to successfully take ownership of services. Where a separate legal entity is created, it is assumed that financial and operational risk would be transferred to that entity. As a point of note, it is assumed that this option would not include The Barnet Group; either in their current role as providing management oversight or as a full service transfer model.

3.5 **Joint Venture and Partnerships Option**

3.5.1 For both models in this option, the council could procure a third party provider to co-create a new organisation to manage and deliver Street Scene services. This organisation would be jointly owned by the third party provider and the council, would have a profit making motive, but would also have clear social objectives, managed through the commissioning relationship. The council would have a role in service level commissioning and strategic commissioning. It is assumed that any joint venture and / or partnership arrangement would not include The Barnet Group; either in their current role as providing management oversight or as a full service transfer model.

3.5.2 If a full TUPE transfer of Street Scene staff to the **joint venture** and / or **partnership** organisation is required, then this would be an added pressure in

the context of the service transformation they would be asked to deliver in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies this could entail. There could also be a need to generate income which could put further pressure on service delivery and performance but the expectation would be that the partner(s) involved would offer skills and expertise, which could mitigate against any potential financial and operational risks. This option would require for service performance levels to be contractually assured and managed e.g. via a Service Level Agreement (SLA); transferring the ownership of risks to the joint venture / partner organisation. A joint venture and / or partnership would enable the third party organisation to provide much needed external funding and commercial expertise to transform existing services, identify and grow commercially viable services, and to deliver efficiencies, where applicable, in regards to existing process and practices. The council would remain a part owner in the organisation and would therefore benefit from a return on any growth, e.g. benefits from profit or increase in capital value of property. Any required procurement process would be a risk to achieving 2017/18 savings, owing to delays with project timescales and additional cost pressure.

4. POST DECISION IMPLEMENTATION

- 4.1 The two tables below illustrate the difference in timescales between pursuing one of the in-house options (i.e. with management support from The Barnet Group) or The Local Authority Trading Company option (The Barnet Group) versus following a procurement process or shared service option:

Route 1: In-house Option (with management support from The Barnet Group) or Local Authority Trading Company option (The Barnet Group)

Deliverable	Date Due
OBC1 to SCB	August 2016
OBC1 to Committee	September 2016
OBC2 to SCB	February 2017
OBC2 to Committee	March 2017
Full Business Case (FBC)	May 2017
Mobilisation	June 2017
Go Live	October 2017

Route 2: Procurement Process (Outsource)

Deliverable	Date Due
OBC1 to SCB	August 2016
OBC1 to Committee	September 2016
OBC2 to SCB	February 2017
OBC2 to Committee	March 2017
Procurement	May 2017
Full Business Case (FBC)	June 2018
Mobilisation	October 2018
Go Live	January 2019

- 4.2 Route 2 allows for a procurement process with built-in contingency around decision making. It assumes a three-month period prior to mobilisation in Oct-18 and a further three-month mobilisation period prior to 'Go Live' in Jan-19.
- 4.3 The decision as to whether to proceed with route 1 or route 2 will be made by Environment Committee, depending on the outcome of OBC2 in March 2017.
- 4.4 The target dates for the Full Business Case (FBC) are dependent on the outcome of OBC2 and therefore cannot be fully scoped at this stage of the project; including when the FBC would be submitted to SCB and Environment Committee.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Environment strategies and frameworks set out the strategic vision and future demand management for Recycling and Waste, Parks and Open Spaces, Street Cleansing and Enforcement. The Alternative Delivery Model project will serve as a vehicle for delivering this vision at the operational level. The strategies will therefore shape the service requirements of the Alternative Delivery Model.

5.1.2 Recycling and Waste

Barnet has amongst the highest levels of recycling and the lowest levels of waste compared with similar councils. This results in high levels of resident satisfaction and maintains the green and clean nature of the borough.

5.1.3 Street Cleansing

Barnet has amongst the lowest levels of littering compared with similar councils. This results in high levels of resident satisfaction and maintains the green and clean nature of the borough.

5.1.4 Parks and Open Spaces

It is a Commissioning Group ambition that Barnet is seen as a national leader in developing attractive suburban parks with its communities that promote health and wellbeing, conserve the natural character of the area, and encourage economic growth. There are approximately 224 parks or open spaces in Barnet, including; 7 nature reserves, the Welsh Harp reservoir, 8 outdoor gyms, and over 40 play areas. Most homes in the borough are within one mile of the nearest park.

5.1.5 The council has also made a strategic commitment to enhancing borough infrastructure, as outlined in the Commissioning Plan for Environment (2015-20).

5.2 Health and Wellbeing

5.2.1 There are no health and wellbeing implications at this time.

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

5.3.1 Finance and Value for Money

The ADM project has been assigned a Medium-Term Finance Plan saving of £900k by 2019/20. This is divided into £250k by 2017/18, £550k by 2018/19, and £100k by 2019/20.

2015-16	2016-17	2017-18	2018-19	2019-20
£0	£0	£250k	£550k	£100k

It is anticipated that these savings will be achieved through the transformation of Street Scene services, in line with delivering the respective action plans for each of the environmental strategies.

Please refer to the Medium-Term Finance Plan (available as a background document to this report) for additional savings targets allocated to Street Scene services outside of the ADM Project.

Please refer to Appendix A of this report (section 2.3, pp. 10) for the results of an Activity-based Costing (ABC) exercise, which analysed the output, functions, and costs of running the Street Scene services in scope for financial year 2015/16.

The Activity-Based Costing model exercise will be updated in October 2016 with 2016/17 costs available to date.

5.3.2 Procurement

There are no procurement implications at this time. During the next stage of the project, the outsourced option will be reviewed in more detail.

5.3.3 Staffing

A robust approach to change management is currently in place, following the approval of the change management strategy for Street Scene by Strategic Partnership Board on 20 April 2016.

The strategy is currently being implemented by The Barnet Group. Engagement with staff, trade unions, and other senior stakeholders is ongoing.

Staff engagement activities include (but are not limited to):

- Survey
- Briefings
- Newsletter
- Change champions network
- Suggestion boxes

This approach applies to all areas of Street Scene where change management is required; not just the ADM project (e.g. Unified Reward, Mill Hill Depot relocation).

Staff are actively being encouraged by The Barnet Group and Street Scene Delivery Unit senior management to contribute suggestions for one of the in-house options (i.e. with management support from The Barnet Group) and The Local Authority Trading Company option (The Barnet Group).

5.3.4 IT

The Alternative Delivery Model would need to incorporate any changes to use of IT as part of wider service delivery across the council. This is also in line with one of the assessment criteria for the ADM, which requires evidence of innovation within service delivery; making best use of existing and new technologies as available. The ADM would therefore need to be consistent with, if not better than, council IT policy and best practice.

5.3.5 Property

The implementation of the Alternative Delivery Model is operationally dependent on the relocation of the depot facilities. Any delay, or unforeseen amendment, to the depot relocation will not only have a subsequent impact on day-to-day service delivery operations ('business as usual') but could also impact the delivery of the ADM (e.g. additional fuel costs, route rationalisation etc.).

5.3.6 Sustainability

There are no sustainability implications at this time.

5.4 **Social Value**

- 5.4.1 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.

5.5 **Legal and Constitutional References**

- 5.5.1 The Council's Constitution (Clause 15A, Responsibility for Functions, Annex A) sets out the terms of reference of the Environment Committee. This

includes:

- Commissioning refuse and recycling, waste minimisation and street cleaning.
- Approve any non-statutory plan or strategy within the remit of the Committee that is not reserved to Full Council or Policy and Resources Committee.
- Approve fees and charges for those areas under the remit of the Committee.

5.5.2 Depending on the outcome of the alternative delivery model project the final decision is one for Full Council under paragraph 1.6 of section 15 of the constitution responsibility for functions; “*all policy matters and new proposals relating to significant partnerships with external agencies and local authority companies*”.

5.5.3 The Local Government Act 1999 requires local authorities to make arrangement to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The Local Government Act 1999 also provides that in order to fulfil this duty it must consult with representatives of persons liable to pay tax to the Authority and representatives of persons who use or are likely to use services provided by the Authority. In deciding on the persons consulted and the form, content and timing of consultation the must have regard to the Best Value Statutory Guidance 2015.

5.6 Risk Management

5.6.1 All project risks are managed using the risk management procedure, as set out by the Corporate Risk Management Framework.

5.6.2 A full project risks table is available in the Initial Outline Business Case (OBC1) in Appendix A.

5.7 Equalities and Diversity

5.7.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

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

The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies, and the delivery of services.

The nine protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Ethnicity
- Religion or belief
- Gender
- Sexual orientation
- Marriage or civil partnership

5.7.2 The complete Initial Equalities Impact Assessments (EIAs) for both service users and staff are available in Appendices C and D, respectively.

5.7.3 Results of the initial staff EIA show that the following protected characteristics are likely to be impacted by the ADM project:

- Male
- Aged 41-65
- White
- Christian
- Heterosexual

This is owing to the relatively high proportion of Delivery Unit staff to which these characteristics are attributed, when compared to the total number of Delivery Unit staff and / or the council-wide equivalent.

5.7.4 At this stage of the project, only the groups *likely* to be affected have been identified; for both the staff and service user EIAs. It is not yet known if these groups will definitely be affected and, if so, to what extent.

As the project progresses, revised EIAs will be conducted in line with project consultation requirements and in accordance with Barnet project management methodology. It is expected that the revised EIAs will show the actual scale and type of impact on both staff and service users. There are currently no proposals to change service delivery, but this and the EIA should be kept under review and the public should be consulted as appropriate.

5.8 Consultation and Engagement

5.8.1 As a matter of public law, the duty to consult on proposals which may vary, reduce or withdraw services will arise in four circumstances:

- Where there is a statutory requirement in the relevant legislative framework.
- Where there is a requirement to consult in order to comply with the Best Value Duty as set out in paragraph 5.4.2 above.

- Where the practice has been to consult or where a policy document states the council will consult then the council must comply with its own practice or policy.
- Where the matter is so important that there is a legitimate expectation of consultation.
- Where consultation is required to complete an equalities impact assessment.

5.8.2 In addition to senior council officers and members, it is anticipated that the following key stakeholders will be consulted and engaged with as the project moves towards the revised Outline Business Case (OBC2):

- Key stakeholder groups, such as residents, local businesses, trusts, or 'friends of' organisations, to understand the opportunities and appetite for different levels of involvement from the community; this would be especially relevant for any potential separate Parks and Open Spaces Alternative Delivery Model.
- Private sector providers, to explore potential opportunities and assess market appetite.
- Employees and Trades Unions, to share challenges and issues and to inform them of the potential options and project approach.

5.8.3 A full consultation and engagement plan is also available in Appendix B.

6. BACKGROUND PAPERS

6.1 The Environment strategies and frameworks set out the strategic vision and future demand management for Recycling and Waste, Parks and Open Spaces, Street Cleansing and Enforcement. The ADM project will serve as a vehicle for delivering this vision at the operational level.

6.1.1 [Environment Committee March 2016 Papers](#) – including Commercial Waste Transformation and Street Scene Enforcement

6.1.2 [Environment Committee May 2016 Papers](#) – including Parks and Open Spaces Strategy, and Municipal Waste Management Strategy

6.2 [Entrepreneurial Barnet Strategy 2015-2020](#)

6.3 Audit Committee January 2016 Papers – including CAFT Review of Street Scene Delivery Unit Operations:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=144&MIId=8415>

6.4 Policy and Resources Committee March 2016 Papers

6.4.1 Report on Street Scene Delivery Unit Management Changes:

<https://barnet.moderngov.co.uk/documents/s30720/Street%20Scene%20Delivery%20Unit%20Management%20Changes.pdf>

6.4.2 Delegated Powers Report (DPR):

<https://barnet.moderngov.co.uk/documents/s30721/Appendix%201%20DPR%20Street%20Scene%20Delivery%20Unit%20Management%20Changes.pdf>

6.5 Medium-Term Finance Plan (MTFP) agreed by Policy and Resources Committee on 16 February 2016:

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8351&Ver=4>

ⁱ Extract taken from the Street Scene Delivery Unit Management Changes report, submitted to Policy and Resources Committee on 22 March 2016.

ⁱⁱ As above.

ⁱⁱⁱ Extract taken from the Delegated Powers Report from the Chief Executive, submitted to Policy and Resources Committee on 22 March 2016.

This page is intentionally left blank

Initial Outline Business Case (OBC1): Street Scene ADM Project

Service / Dept.:	Commissioning Group, Environment
Date:	21/09/2016
Version:	9.0

Contents

Contents	1
1. Introduction and Strategic Context	2
2. Rationale.....	7
3. Options	11
4. Project Approach	25
5. Expected Benefits.....	36
6. Risks	37
7. Project Assurance.....	39
8. Dependencies.....	40
9. Approach to Consultation	42
10. Appendices.....	42
Distribution List.....	44

1. Introduction and Strategic Context

The purpose of the Street Scene Alternative Delivery Model (ADM) project is to:

- Increase customer satisfaction with service delivery.
- Achieve the Medium-Term Financial Strategy (MTFS) savings targets.
- Identify opportunities to transform the service in order to most effectively delivery the Environmental Strategies actions plans; in line with Commissioning Group intentions for the borough.

This Initial Outline Business Case (OBC1) provides strategic context to the ADM project and explains why alternative delivery is necessary. Additionally, the document sets out the work that has been undertaken in order to assess the best way to deliver Street Scene services so that they will meet the objectives above. It also puts forward a longlist of potential alternative delivery model options for review.

Environment Committee is asked to take note of the initial scoring of the options longlist and to approve the recommendation to further investigate a shortlist of options for the revised Outline Business Case (OBC2).

Interim Changes to Street Scene Senior Management

Following an operational review of Street Scene in late 2015, The Barnet Group have been awarded an interim management agreement by Barnet Council to deliver transformative work required within the Delivery Unit. This decision was approved by the Policy and Resources Committee on 22 March 2016:

“The Barnet Group has been engaged to provide senior management oversight to the Delivery Unit... They will use their internal management resources and utilise suitable specialist support to help develop and deliver the short to medium term financial and operational Key Performance Indicators and to develop and deliver the Street Services Alternative Delivery Model project”.

It is not anticipated that this agreement, effective for nine months from 01 March 2016, will have any negative impact on the ADM project. However, this agreement will have an impact on the project insofar as the Delivery Unit of the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group) will now be coordinated by The Barnet Group, as opposed to by Street Scene senior management.

1.1 Background

The council has a statutory duty to maintain the urban environment; via services such as waste and recycling, street cleansing, and maintenance of parks and open spaces. The current Corporate Plan includes the following statements:

- *Recycling and Waste* – Barnet has amongst the highest levels of recycling and the lowest levels of waste compared with similar councils. This results in high levels of resident satisfaction and maintains the green and clean nature of the borough.
- *Street Cleansing* – Barnet has amongst the lowest levels of littering compared with similar councils. This results in high levels of resident satisfaction and maintains the green and clean nature of the borough.
- *Parks and Open Spaces* – It is a Commissioning Group ambition that Barnet is seen as a national leader in developing attractive suburban parks with its communities that promote health and wellbeing, conserve the natural character of the area, and encourage economic growth. There are approximately 224 parks or open spaces in Barnet, including; 7 nature reserves, the Welsh Harp reservoir, 8 outdoor gyms, and over 40 play areas. Most homes in the borough are within one mile of the nearest park.

The council has also made a strategic commitment to enhancing borough infrastructure, as outlined in the Commissioning Plan for Environment (2015-20).

The Street Scene ADM project has been commissioned to assess the best way of delivering Street Scene services in the future, in light of significant savings challenges to services and performance requirements against key strategic indicators. Also relevant is the launch of the Recycling and Waste and Parks and Open Spaces strategies approved by Environment Committee in May 2016, which were publicly consulted on from January to March 2016. The Street Cleansing framework has also been approved by Environment Committee, in July 2016, as well as other initiatives that consider demand management priorities within the future delivery of these important services.

The project needs to achieve the Medium-Term Finance Plan (MTFP) savings target of £900k by 2019/20. Additionally, the project must maintain or improve the current waste and recycling, street cleansing, and maintenance of parks and open spaces service provision as expressed through the key drivers below.

The project will review the current functions and output of the services in scope, in order to identify possible alternative models of delivery which will be used to achieve financial savings.

The key drivers for the ADM are in line with the Commissioning intentions for 2020, which include:

- Re-use, recycle or compost 50% of all municipal waste and minimise the amount of municipal waste being sent to landfill.
- Provide services to residents and businesses that are cost effective, easy to use, and encourage positive behaviour change.

- Manage and maintain a high quality physical environment that contributes to the quality of life of residents and visitors, enhances local areas, and supports a thriving local economy.
- Work with partners to secure investment in public spaces.
- Implement relevant delivery models that deliver a stable and sustainable financial position.
- Build stronger local communities by promoting volunteering and other forms of community engagement.
- Relevant and targeted enforcement that promotes prevention of forms of anti-social behaviour.

1.2 Links to Environment Strategies

The Environment strategies and frameworks set out the strategic vision and future demand management for Recycling and Waste, Parks and Open Spaces, Street Cleansing and Enforcement. The ADM project will serve as a vehicle for delivering this vision at the operational level.

1.2.1 Recycling and Waste

The Municipal Recycling and Waste Strategy vision is to keep the local environment clean and attractive, reduce waste, and encourage increasing levels of recycling.

It has the following aims:

- Provide services that help the community to manage environmental impact.
- Manage the rising cost of waste collection and disposal by designing services that promote recycling and reuse and are integrated, intuitive and efficient.
- Encourage Barnet residents, businesses and visitors to take responsibility for recycling the waste that they produce, using enforcement where necessary.
- Embrace new technologies and ways of working that help to deliver services that respond better to the needs of the community.

1.2.2 Street Cleansing Framework

The Street Cleansing Framework sets out the policy and direction, key drivers, and overall approach for the delivery of street cleansing services. The objective being a high quality environment in streets and public places throughout the borough. The

associated improvement plan will identify the short, medium and longer term actions that will deliver the strategy; these being prioritised accordingly.

The plan is expected to drive performance, thereby increasing customer satisfaction levels and enhancing the attraction and appeal of the area as a place in which to live, work and visit. This will also enhance the reputation of the council and its partners, who contribute in a significant way to achieving a high quality local environment. Priority is given to solutions that are environmentally responsible and financially sustainable in the longer term. This reflects increasing concerns about air quality, the possible impact of future climate change, natural resources, and uncertainty regarding the continued availability of adequate resources to provide core public services.

The borough cleansing framework sets out the vision of maintaining a clean street scene:

- Supporting Barnet's town centres; ensuring they are clean, litter free and welcoming (day-time and evening).
- Ensuring residential streets are litter picked and swept to a good standard.
- Recycling over 50% of waste.
- Operating in an efficient, effective and responsive manner.

To achieve this the service will:

- Be 'intelligence-led' and data driven.
- Engage with residents and businesses and enable individual and community participation.
- Use technology and mechanisation to improve efficiency.
- Follow, review, trial and implement best practice, and new ideas.
- Enforce against those who continue to degrade Barnet's street scene.
- Promote the generation of income for the service, for private works.

1.2.3 Parks and Open Spaces

The Parks and Open Spaces Strategy provides a review of Barnet parks and open spaces. It has assessed the current provision of green spaces in terms of quantity and quality, public benefit or public value and accessibility. The strategy sets out details of current and future challenges including; future funding, demographics change, climate change and green infrastructure demands.

The strategy sets out the economic, social and environmental benefits of good quality parks and open spaces for Barnet and it describes the ways in which people who live and work in Barnet have contributed to the development of the strategy through an engagement process.

To help advance the parks and open spaces as community assets and be best placed to contribute to the wellbeing of the borough's residents, the draft strategy outlines a capital investment strategy identifying; investment opportunities and priorities, targeted investment themes and sites, investment programme and the revenue implications.

To meet the varying demands to be placed on these spaces, the draft strategy looks at various future funding and governance models to enable the strategy to be effectively and efficiently carried through. These include; council management, trusts, third party and / or private management, precepts and local taxation, social enterprise, and endowments.

1.2.4 Enforcement

The Enforcement Strategy and Enforcement Procedures Policy meet Barnet Council's strategic objective to improve the local environment and enhance Street Scene, by providing efficient and effective enforcement. This translates into a number of key actions to improve the local environment, such as:

- Conducting education and enforcement operations which target known 'hotspots', such as transport hubs and town centres, to reduce fly-tipping and improve cleanliness.
- Issuing fixed penalty notices (FPNs) and penalty charge notices (PCNs) for waste-related offences and increasing the proportion of those paid, or successfully prosecuted.
- Regularly reviewing duty of care compliance with high street businesses. Also ensuring compliance with time band restrictions, to enable commercial waste to be collected at the designated times.
- Working with different agencies to reduce the number of illegal waste carriers operating in the borough.
- Using CCTV monitoring equipment (both overt and covert) to identify littering and fly-tipping offences.
- Supporting the Entrepreneurial Barnet programme by removing containers from busy high streets and ensuring that businesses comply with relevant legislation.

2. Rationale

This section of the paper outlines the services in scope, including proposed service lots for alternative delivery, and provides an overview of the current cost of service delivery. These costs will form the baseline from which opportunities for financial and operational efficiencies will be identified.

It also sets out the Medium-Term Finance Plan (MTFP) savings assigned to the Street Scene ADM project from 2015 to 2020.

2.1 Services in Scope

Project board have agreed that all activities currently delivered by the Delivery Unit for Waste and Recycling, Fleet Management, Grounds Maintenance, and Borough Cleansing are in scope of the ADM; except for those which are undertaken by partners (such as CSG or Re), as well as those which are classed as being 'strategic' and would therefore sit with the Commissioning Group.

2.1.1 Waste and Recycling

In Scope	Out of Scope
Refuse collection	Recycling centre (civic amenity and recycling centre)
Food waste collection	Call Centre (CSG)
Bring Bank sites	Depots (site management)
Commercial waste collection	NLWA (strategic aspects)
Education	Enforcement
Recycling collection	
Garden waste collection	
Bulky waste collection	
Clinical waste collection	
Bin delivery (operations)	
Bin delivery (orders)	
Bin delivery (entitlement)	
Skip collections	
Haulage	
NLWA (operational aspects)	

2.1.2 Fleet Management

In Scope	Out of Scope
Street Scene fleet	Passenger transport brokerage (ADM)
Passenger Transport fleet*	Passenger transport service (TBA)
Other fleet(s)*	
Workshops	
Mayor's car*	

In Scope	Out of Scope
Barnet Homes fleet*	

* All items marked above may become out of scope if the decision was taken to go out to procurement.

2.1.3 Grounds Maintenance

In Scope	Out of Scope
Parks (locking)	Parks (strategic development)
Parks (grounds maintenance)	Tree Preservation Orders and conservation (<i>Re</i>)
Parks (management)	Highways (<i>Re</i>)
Parks (pavilions and changing rooms)	Highways DLO (<i>Commissioning Group</i>)
Closed cemeteries	
Community development	
Highways grounds maintenance	
Sports and events bookings	
Infrastructure development	
Tree management	
Barnet Homes (and other existing SLAs)	
Winter gritting (re-fill of grit bins)	
Advising on planning applications	

2.1.4 Borough Cleansing

In Scope	Out of Scope
Road Traffic Accident clear up	Abandoned vehicles (NSL)
Post-match cleansing (events)	Emergency (out of hours)
Residential street cleansing	Street trading (<i>Re</i>)
Town centre cleansing	Road closures (<i>Re</i>)
Fly tipping cleansing	Gullies (<i>Re</i>)
Seasonal (e.g. leaf)	Market licensing (<i>Re</i>)
Fly poster removal	Carriageway gritting (<i>Commissioning Group</i>)
Work with Transport for London	
Town team liaison	
Graffiti removal	
Chewing gum cleansing	
Weed control	
Gritting (town centres)	
Footway gritting	

2.1.5 Other

In Scope	Out of Scope
	Cafés (<i>Estates</i>)
	Automatic Public Convenience (APC)

In Scope	Out of Scope
	toilets (<i>Commissioning Group</i>)
	Cleaning of property (<i>CSG</i>)
	Operational crematoriums (<i>Re</i>)
	Mortuary (<i>Shared Service</i>)
	Street Lighting (<i>Commissioning Group</i>)

2.2 Service Lots

Project board have identified four possible lots in relation to the services identified as being in scope of the ADM project.

These are:

- Recycling and Waste
- Street Cleansing
- Green Spaces Maintenance
- Green Spaces Governance

The table below outlines the anticipated delivery functions within each service lot:

Recycling and Waste	Street Cleansing	Green Spaces Maintenance	Green Spaces Governance
Household recycling and waste	Street sweeping	Green spaces grounds maintenance	Future funding
Commercial recycling and waste	Litter picking (and litter bins)	Highways grounds maintenance	Strategic management
Bulky waste	Town centres	Playing pitches	Income generation
Clinical waste	Residential areas	The Barnet Group works	Community engagement
Green waste	Fly tip clearance	External works	
Bin replacement and delivery	Dog fouling	Trees	
Mini recycling centres			

2.3 Financial Baseline

CSG Finance were commissioned to perform an activity based costing (ABC) exercise, in collaboration with the Delivery Unit, which analysed the output, functions and costs of running the services in scope for financial year 2015/16.

The purpose of this exercise was to obtain as much information as possible about the current operating model for each of these services, in order to inform a performance and financial baseline from which opportunities for innovation and savings can be identified.

The table below summarises the results:

Cost Type	Recycling and Waste	Street Cleansing	Green Spaces Maintenance	Green Spaces Governance
Staffing (all)	5,495,720	3,063,127	2,457,525	231,356
Supplies / equipment	217,127	170,506	191,034	
Transport	2,640,648	790,854	434,452	
Depot	92,708	63,475	71,429	
Business Improvement	173,669	86,834		
Other	10,856,878*			195,619
Total	19,476,750	4,174,796	3,154,440	426,975

* This figure includes a North London Waste Authority (NLWA) levy cost of £10,735,000.00.

The Activity-Based Costing model exercise will be updated in October 2016 with 2016/17 costs available to date.

2.4 Medium-Term Finance Plan (MTFP) Savings

As part of the Medium-Term Finance Plan approved by Environment Committee in November 2015, and by Policy and Resources Committee in February 2016, a target saving of £900k by 2019/20 has been allocated to the ADM process.

2015-16	2016-17	2017-18	2018-19	2019-20
£0	£0	£250k	£550k	£100k

It is anticipated that these savings will be achieved through the transformation of Street Scene services, in line with delivering the respective action plans for each of the environmental strategies.

Please refer to the Medium-Term Finance Plan (available as a background document to the OBC1 cover report) for additional savings targets allocated to Street Scene services outside of the ADM Project.

3. Options

This section of the paper provides an initial analysis of a longlist of potential alternative delivery model options. Environment Committee is asked to take note of the initial scoring of the options longlist and to approve the recommendation to further investigate a shortlist of options for the Revised Outline Business Case (OBC2).

The following seven options have been considered and evaluated by the Project Board:

- In-house (pre-December 2015)
- In-house (with management support from The Barnet Group)
- Local Authority Trading Company (The Barnet Group)
- Outsourced
- Shared Service
- Employee Mutual, Social Enterprise, and Trusts
- Joint Venture and Partnerships

The selection of these options was based on sector-wide best practice knowledge, experience of other alternative delivery models at Barnet Council, and current service arrangements.

3.1 Definition of Assessment Criteria

The following assessment criteria were identified in the Strategic Outline Case and approved by Strategic Commissioning Board on 16 February 2016.

The successful option will evidence, to the highest standard, how each of these criteria will be met.

3.1.1 Cost versus Savings

- Understands unit costs and how these impact on service budgets
- Produces service budgets which are both thematic and place-based
- Sustains a long-term financial vision underpinned by sound financial planning
- Deliver Medium-Term Finance Plan (MTFP) savings on time and in full

3.1.2 Place-Based Service

- Understands local diversity (residents and businesses) and how this impacts on service needs
- Is aware of the importance of developing the local economy

- Is aware of how local issues can influence place-based improvements, including across other council services
- Engages effectively with stakeholders and strategic partners
- Provides evidence of solution-focused partnership working

3.1.3 Technology and Innovation

- Demonstrates a working culture that supports innovation and challenges staff to engage with new technologies
- Has the ability to innovate
- Draws synergy between customer contact and improving service efficiency
- Reduces hand-offs in the customer journey
- Ensures feedback from customers that can inform future solutions

3.1.4 Income Generation

- Understands the council's entrepreneurial aspirations for the borough
- Understands service income streams and demonstrates the ability to develop plans to grow key business areas
- Has a track record of gaining investment
- Provides evidence of successful bids
- Demonstrates a full understanding of; asset-based control by service, maximising financial return, and adding social value

3.1.5 Continual Service Improvement

- Maintains and delivers high quality services with targets based on both quality and perception
- Demonstrates effective stakeholder engagement across a spectrum of internal and external partners
- Adapts services to meet changing needs
- Engages with diverse workforce and representatives from trade unions

3.1.6 Track Record

- Is known to deliver high quality, effective services
- Track record proven by:
 - Current (or previous) working relationship with the council and / or partners
 - Professional (market) reputation
 - Examples of best practice at other local authorities

3.2 Definition of Options

This section defines and analyses the advantages and disadvantages of each of the seven alternative delivery models. It does not evaluate the models against the assessment criteria but, rather, offers a more general overview.

3.2.1 In-house Option (pre-December 2015)

Description

The Street Scene Delivery Unit is responsible for delivering a wide range of frontline universal services across the borough. Historically the service delivered recycling, waste and street cleansing services and a parks service. The service adapted to the delivery model that had been adopted by Barnet council in terms of the relationship between the Commissioning Group and Delivery Units¹.

In terms of governance structure, this option would involve the appointment of a permanent Street Scene Director and senior management team, which would see a return to the previous Delivery Unit service model (pre-December 2015). The council would deliver services directly and would be responsible for appointing and managing staff. The Commissioning Group would have strategic oversight of services and would consult with the Delivery Unit on service provision and strategic direction.

How Would This Option Work?

This option would involve a management structure that is similar to the structure that was in place until December 2015. A senior management team would need to be placed within the structure as there presently isn't one in house. A restructure would be required quite quickly because the budget will not support the staffing level that existed before December 2015. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies ensuing. There would also be a need to generate income, which could put further pressure on service delivery and performance. If adequate income is not generated, then this could further the risk of redundancies in order to meet required savings.

Potential Advantages / Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> ▪ No cost of procurement, however there could be a cost to transform the service ▪ Minimal impact on staff (all retained in-house) ▪ Integration with other council services, as continuing to be part of the council ▪ Good existing understanding of residents and locality 	<ul style="list-style-type: none"> ▪ There is potentially less of a cost saving than with outsourcing ▪ Subject to council constraints – thus potentially limiting the capacity (and freedom) to innovate ▪ Lack of skills and capacity of the Delivery Unit in question (audit) ▪ Poor track record of delivery ▪ All delivery risk retained in-house ▪ Income growth limited

3.2.2 In-house Option (with management support from The Barnet Group)

Description

The Barnet Group has been engaged to provide senior management oversight to the Delivery Unit for an interim nine-month period from March 2016 (this is the current model of service delivery). The Barnet Group are a wholly owned local authority

company which is controlled by the council as a Local Authority Trading Company (LATC). This option would continue and formalise this senior management oversight arrangement. The Barnet Group would continue to use their internal management resources and utilise suitable specialist support to help develop and deliver the financial and operational Key Performance Indicators (KPIs) All staff, apart from two interim managers, have remained employees of the council, and remain on council terms and conditions² and this would continue for this model. The governance structure would continue as it is at present; with The Barnet Group providing senior management oversight of, and support to, the service.

How Would This Option Work?

The service would continue to operate as it currently does now, however, there is a likelihood of service transformation in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies ensuing. There could also be a need to generate income which could put further pressure on service delivery and performance. However, The Barnet Group offers skills and expertise, which could mitigate against any potential financial and operational risks.

Advantages / Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> ▪ No cost of procurement, however there could be a cost to transform the service ▪ Minimal impact on staff (most retained in-house) ▪ Integration with other council services, as continuing to be part of the council ▪ Good existing understanding of residents and locality ▪ Risks shared between the council and The Barnet Group 	<ul style="list-style-type: none"> ▪ There is potentially less of a cost saving than with outsourcing ▪ Subject to council constraints – thus potentially limiting the capacity (and freedom) to innovate ▪ The structure would involve the senior management team being employed by a different employer to the Council employees, which can lead to operational difficulties in particular in relation to staff management ▪ The Barnet Group are not Street Scene specialists

3.2.3 Local Authority Trading Company Option (The Barnet Group)

Description

As stated above, The Barnet Group are a wholly owned local authority company which is controlled by the council as an LATC. This option would involve the transfer of all services in scope to The Barnet Group. This option would also involve a TUPE transfer of Delivery Unit staff to The Barnet Group. The Barnet Group would then be in a position to trade Street Scene services commercially and generate a profit for the council.

This model would involve a contract (which may be described as a service level agreement) between the council and The Barnet Group, setting out the key performance indicators and clearly defined savings targets. The council ultimately controls The Barnet Group as an LATC.

How Would This Option Work?

The Barnet Group has a strong track record in delivering services for the council, in both Housing and Adult Social Care, and has been building an effective relationship with the Street Scene Delivery Unit under the current management agreement arrangements since March 2016. A full transfer of Street Scene services, including TUPE of staff, to The Barnet Group would be an added pressure in the context of the service transformation they would be asked to deliver in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies this could entail. There could also be a need to generate income which could put further pressure on service delivery and performance but, as stated above, The Barnet Group offers skills and expertise which could mitigate against any potential financial and operational risks. Furthermore, this option would require service performance levels to be contractually assured and managed via contractual documents such as a Service Level Agreement (SLA); transferring the ownership of risks to The Barnet Group.

Advantages / Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> ▪ No cost of procurement; The Barnet Group is an arms-length organisation, wholly owned by the council ▪ Risks owned by The Barnet Group ▪ As an external company there is more freedom to innovate ▪ Greater potential to generate income ▪ Governance and size of the organisation gives confidence in the ability to deliver service efficiencies and financial benefits ▪ Opportunities for staff (e.g. The Barnet Group ‘flex’) 	<ul style="list-style-type: none"> ▪ There is potentially less of a cost saving than with outsourcing ▪ TUPE required (cost) ▪ Less potential for the council to influence strategic direction of services ▪ Any profit would be retained by The Barnet Group, rather than the council, (although the council wholly owns the Barnet Group and so ultimately owns any profit). ▪ The Barnet Group are not Street Scene specialists ▪ Potentially constrained by limited procurement options

3.2.4 Outsourced

Description

A commercial provider would be procured via a competitive procurement process to run the Street Scene service. The council would take no role in the ownership of the service model and would therefore not be involved in service governance beyond the scope of what is outlined in the contract; strategic objectives would therefore be

specified in the contract. For this option, the council can choose which areas it would like to share the risk, or reward, of delivery (and any potential growth) and set the contract accordingly. This option would involve the transfer of all services and the TUPE transfer of Street Scene Delivery Unit staff to the outsourced provider(s).

How Would This Option Work?

A transfer of Street Scene services, including a TUPE transfer of staff, to an outsourced provider(s) would be an added pressure in the context of the service transformation they would be asked to deliver, in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies ensuing. There could also be a need to generate income which could put further pressure on service delivery and performance but the outsourced provider(s) would offer skills and expertise, which could mitigate against any potential financial and operational risks. Furthermore, this option would require for service performance levels to be assured and managed via a contract; transferring the ownership of risks to the outsourced provider(s). The risk with this option is that the outsourced provider(s) may have less focus on Barnet and could struggle to build upon the current relationships with other council services (and partner organisations) owing to a more commercial focus. There is the potential with this option to have multiple service models by dividing Street Scene into distinct lots, or packages. This could offer more flexibility in terms of selecting an outsourced provider(s), depending on the needs of the service, and could be seen to be a more attractive option for potential bidders. However, a procurement process would be a risk to achieving 2017/18 savings, owing to delays with project timescales and additional cost pressure.

Initial Market Testing

Initial market testing shows that there is a well-established market for outsourcing local authority environmental services, with an active tendering landscape across London. This market is attractive to many of the conventional service providers; including (but not limited to) Amey, Biffa, and Veolia. This would suggest that there would be a commercial appetite for this option, should the decision be made to outsource services to an external provider(s), although an understanding of what other contracts were being tendered at the time of any Barnet procurement would ensure that the most competitive offer could be obtained.

Advantages / Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> ▪ Risks owned by the outsourced provider(s) ▪ More freedom to innovate ▪ Greater potential to generate income ▪ Reputation and proven track record of the outsourced provider(s) gives confidence in the ability to deliver service efficiencies and financial benefits * 	<ul style="list-style-type: none"> ▪ Cost and time of procurement process (risk to achieving 2017/18 savings) ▪ TUPE required (cost) ▪ Potential for less focus on needs in Barnet (limited input to strategic direction) ▪ Potential for profit to be retained by the provider ▪ Potentially has less social value

Advantages	Disadvantages
	depending on the ethos of the provider (profit-focused)

* Having a good reputation and proven track record of similar service delivery is likely to be an essential requirement of the tender process. This will provide confidence in the contractor's ability to deliver service efficiencies and financial benefits.

3.2.5 Shared Service

Description

The council could provide services in partnership with a neighbouring local authority. Currently discussions are underway relating to the feasibility around future shared services, both with West London Alliance (WLA) Directors and North London Waste Authority (NLWA) boroughs. These discussions are in the early stages of developing options and ideas³. It is assumed that any shared service arrangement would not include The Barnet Group; either in their current role as providing management oversight or as a full service transfer model.

How Would This Option Work?

The service would, in many respects, continue to operate as it currently does now. However, there is a likely possibility of service transformation in order to adapt to a shared service governance structure and to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any need for service transformation and the disruption that may ensue. As with all, or most other, options there could also be a risk of potential redundancies in light of any service transformation. There could also be a need to generate income which could put further pressure on service delivery and performance. However, the assumption is that a shared service option would involve access to pooled resources (including budget) and would increase efficiencies in purchasing via economies of scale. There could also be the opportunity to share resources.

Initial Shared Service Research

Initial shared service research has been conducted via informal contact with several London boroughs, to establish how their environmental services are currently being delivered. Initial findings – as per the table below – revealed that the London Boroughs of Enfield, and Harrow, and Hertsmere District Council provide their environmental services in-house (current as of December 2015). One or more of these authorities could therefore be a potential shared service partner.

Council	Street Cleansing	Parks and Open Spaces	Waste & Recycling
Brent	Outsourced (Veolia)	Outsourced (Veolia)	Outsourced (Veolia)
Camden	Outsourced	Outsourced	Outsourced

Council	Street Cleansing	Parks and Open Spaces	Waste & Recycling
	(Veolia)	(Veolia)	(Veolia)
Enfield	In-house	In-house	In-house
Haringey	Outsourced (Veolia)	Outsourced (Veolia)	Outsourced (Veolia)
Harrow	In-house	In-house	In-house
Hertsmere	In-house	In-house	In-house
Hounslow	Outsourced (Hounslow Highways)	Outsourced (Carillion)	Outsourced (SITA UK)

Advantages / Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> ▪ No cost of procurement, however there could be a cost to transform the service ▪ Minimal impact on staff (most retained in-house) *1 ▪ Good existing understanding of residents and locality – retain some Barnet focus ▪ Risks shared with partner council(s) ▪ Shared learning and expertise ▪ Potential service areas for efficiencies and joint procurements (e.g. economies of scale, reduction in staffing costs, reduction in premises costs etc.) ▪ Potential for continued use of local suppliers 	<ul style="list-style-type: none"> ▪ There is potentially less of a cost saving than with outsourcing ▪ Subject to (either) council constraints – thus potentially limiting the capacity (and freedom) to innovate ▪ Could be a requirement to create a separate legal entity (cost) *2 ▪ Potentially complex governance (risk to strategic direction) ▪ Potential difference in political preference ▪ Risk of compromised objectives

*1 Most employees would continue to be employed by a council (although it may involve a TUPE transfer from one council to another).

*2 This is dependent on whether or not this model could be established via an inter-authority agreement.

3.2.6 Employee Mutual, Social Enterprise, and Trusts

Description

The creation of an organisation which is not in the public sector (also referred to as ‘spinning out’) but delivers public services. The **employee mutual** model would involve Street Scene Delivery Unit staff at least partially owning a company that would deliver public services independently of the council. Similarly, a **trust** model

would also involve service delivery which is operationally independent of the council. The **social enterprise** model would require the establishment of a separate legal entity and may or may not be owned (or partly owned) by the council. Each of the models within this option are not-for-profit organisations; any profit generated would be reinvested in services.

How Would This Option Work?

A full TUPE transfer of Street Scene staff to the **employee mutual, trust, or social enterprise** model would be an added pressure in the context of the service transformation they would be asked to deliver, in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies this could entail. There is also the question of where investment would come from and how income could be generated within services. As with the pre-December 2015 in-house option, there are concerns about the skill and capacity of the Street Scene Delivery Unit staff to successfully take ownership of services. Where a separate legal entity is created, it is assumed that financial and operational risk would be transferred to that entity. As a point of note, it is assumed that this option would not include The Barnet Group; either in their current role as providing management oversight or as a full service transfer model.

Advantages / Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> ▪ Good existing understanding of residents and locality ▪ Risks owned by the legal entity ▪ Opportunity to trade and generate income ▪ More freedom to innovate ▪ Surplus income retained by the legal entity to improve services 	<ul style="list-style-type: none"> ▪ A full procurement process may be required before proceeding with this option * (time and cost; risk to achieving 2017/18 savings) ▪ There is potentially less of a cost saving than with outsourcing ▪ TUPE required (cost) ▪ Requirement to create a separate legal entity (cost) ▪ Lack of skills and capacity of the Delivery Unit in question (audit) ▪ Poor track record of delivery ▪ Lack of commercial expertise ▪ Challenge to gain private investment

* This would be dependent on whether there is any applicable exemption such as with a Local Authority Trading Company.

3.2.7 Joint Venture and Partnerships

Description

For both models in this option, the council could procure a third party provider to co-create a new organisation to manage and deliver Street Scene services. This

organisation would be jointly owned by the third party provider and the council, would have a profit making motive, but would also have clear social objectives, managed through the commissioning relationship. The council would have a role in service level commissioning and strategic commissioning. It is assumed that any joint venture and / or partnership arrangement would not include The Barnet Group; either in their current role as providing management oversight or as a full service transfer model.

How Would This Option Work?

If a full TUPE transfer of Street Scene staff to the **joint venture** and / or **partnership** organisation is required, then this would be an added pressure in the context of the service transformation they would be asked to deliver in order to meet budget targets. There could therefore be a risk of a negative impact to service delivery, in light of any transformation and the potential staff redundancies this could entail. There could also be a need to generate income which could put further pressure on service delivery and performance but the expectation would be that the partner(s) involved would offer skills and expertise, which could mitigate against any potential financial and operational risks. This option would require for service performance levels to be contractually assured and managed e.g. via a Service Level Agreement (SLA); transferring the ownership of risks to the joint venture / partner organisation. A joint venture and / or partnership would enable the third party organisation to provide much needed external funding and commercial expertise to transform existing services, identify and grow commercially viable services, and to deliver efficiencies, where applicable, in regards to existing process and practices. The council would remain a part owner in the organisation and would therefore benefit from a return on any growth, e.g. benefits from profit or increase in capital value of property. Any required procurement process would be a risk to achieving 2017/18 savings, owing to delays with project timescales and additional cost pressure.

Advantages / Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> ▪ Good existing understanding of residents and locality – retain some Barnet focus ▪ Shared risks between the council and the partner organisation ▪ More freedom to innovate ▪ Opportunity to trade and generate income ▪ Shared learning and expertise 	<ul style="list-style-type: none"> ▪ Cost and time of procurement process (risk to achieving 2017/18 savings) ▪ TUPE required (cost) ▪ Could be a requirement to create a separate legal entity (cost) ▪ Potentially complex governance (risk to strategic direction) ▪ Potentially has less social value depending on the ethos of the partner organisation (profit-focused) ▪ Immature market for this service model

3.3 Initial Scoring

The table below sets out the scores from the initial options analysis, agreed by project board. The options were scored against each of the assessment criteria outlined in the section above.

Option	Cost vs Savings	Place-based Service	Innovation and Technology	Local Income Generation	Continual Service Improvement	Track Record	Total
In-house (pre-December 2015)	√	√ √ √	√	√	√	√	8
In-house (with mgt. support from TBG)	√ √	√ √ √	√	√ √	√ √	√ √	12
LATC (The Barnet Group)	√ √ √	√ √ √	√ √	√ √ √	√ √	√ √	15
Outsourced	√ √ √	√ √	√ √ √	√ √	√ √	√ √ √	15
Shared Service	√ √	√ √	√ √	√ √ √	√ √	√ √	13
Employee Mutual, Social Enterprise, and Trust(s)	√	√ √ √	√	√ √	√ √	√	10
Joint Venture and Partnership(s)	√ √	√ √	√ √	√ √	√ √	√	11

The highest possible score for an option is **18 points**; with a maximum of three points per assessment criteria (six assessment criteria in total).

Initial scores rank the seven options as follows (highest-scoring first):

- **15 points:** Local Authority Trading Company (The Barnet Group) and Outsourced
- **13 points:** Shared service
- **12 points:** In-house (with management support from The Barnet Group)
- **11 points:** Joint Venture and Partnerships
- **10 points:** Employee Mutual, Social Enterprise and Trusts
- **8 points:** In-house (pre-December 2015)

A more detailed commentary (including the assumptions taken into account by project board) for the initial scoring of each option can be found in the table in the section below.

3.4 Commentary on Initial Scoring

The table below provides a commentary on the initial scores from the table above. This commentary has been reviewed and signed off by project board.

Commentary

	Cost versus Savings	Place-based Service	Innovation and Technology	Local Income Generation	Continual Service Improvement	Track Record
In-house (pre-December 2015)	Audit (Dec-15) identified lack of understanding of how to achieve the MTFS, failure to identify savings, lack of financial forecasting, and no assurance measures in place.	Understanding of residents and locality, locally-focused delivery in Barnet, experience of key stakeholder partners, staff-focused, understanding of borough changes. Lots of employees are also Barnet residents.	Audit (Dec-15) identified no innovation, lack of investment and no understanding of how new technology can improve services.	Poor track record, lack of understanding of where income comes from (versus expenditure), lack of income planning, no understanding of customer base.	Audit (Dec-15) identified poor track record in workforce management and governance arrangements. General lack of awareness of service policies by staff.	Audit (Dec-15) findings indicate a generally poor track record of service delivery. Substantial widespread change required.
In-house (with mgt. support from TBG)	Savings programme currently in place, plans to achieve savings in line with the ADM project, deficiencies identified by the audit are currently being addressed. Concerns regarding lack of permanent senior management in place. No track record of delivering value for money.	Understanding of residents and locality, locally-focused delivery in Barnet, experience of key stakeholder partners, staff-focused, understanding of borough changes. Lots of Employees are also Barnet residents.	Audit (Dec-15) identified no innovation, lack of investment and no understanding of how new technology can improve services. Some change evidenced in the approach to new technology but too early to assess whether this can adequately address existing and future challenges.	Greater understanding of income, expenditure and future income generation (compared to pre Dec-15). Financial tracking provided by activity-based costing (ABC) and MTFS savings programme. Understanding of customer base. Temporary senior management, risk of high staff turnover.	Improved services, started to adopt change management and staff communications process. Yet to demonstrate full engagement with diverse workforce. Need to evidence how can adapt to meet needs of the service.	Evidence of building change but progress still required. Need to fully demonstrate service change.
LATC (The Barnet Group)	Have demonstrated sound financial management in challenging circumstances across local authority services. Would provide ongoing senior management oversight to deliver further efficiency savings. ADM proposal committed to long-term savings.	Understanding of residents and locality, locally-focused delivery in Barnet, experience of key stakeholder partners, staff-focused, understanding of borough changes.	Some change evidenced in the approach to new technology but too early to assess whether this can adequately address existing and future challenges. However, has a good track record of applying expertise to successfully manage the customer journey.	Track record of financial returns, asset development, social value, successful bids (council contracts), investment for development. Understands entrepreneurial Barnet and growth through business planning and processes.	Improved services, started to adopt change management and staff communications process. Yet to demonstrate full engagement with diverse workforce. Need to evidence how can adapt to meet needs of the service. Large service for The Barnet Group to take on.	Successful track record in other services but previously only a small organisation (e.g. grounds and caretaking).
Outsourced	Mature market in service area. Contractors would offer specialist expertise and better unit costs (procurement savings). Experience of transformation of other local authorities and of delivering savings programmes. Encourages better competition and options for service lots. A procurement process would be a risk to achieving 2017/18 savings, owing to delays with project timescales and additional cost pressure.	Profit-driven, staff turnover may be more likely, weak local knowledge and understanding, contracts and / or interests elsewhere.	Specialist companies bring bespoke technology, delivery through procurement, commercial drive to innovate, clear understanding of the customer journey. Wider pool to learn from other contractors.	Growing income streams, gaining investment, successful bidding. No local knowledge or asset base, no social value.	Good track record in meeting changing needs of a diverse workforce. Mixed relationship with trade unions. First generation of outsourced contract typically delivers more savings but takes longer to embed social values.	Proven track record, works well elsewhere.
Shared Service	Economies of scale, shared experience and joint resource of senior level management.	Potential difference in political bias, focus on other area ("dilution effect"), partner-dependent,	Poor track record from Delivery Unit, as per audit findings. Some change evidenced in the	Understanding of income, expenditure and future income generation, understanding of	Improved services, started to adopt change management and staff communications process. Yet	Evidence of building change but progress still required. Need to fully demonstrate service

	Cost versus Savings	Place-based Service	Innovation and Technology	Local Income Generation	Continual Service Improvement	Track Record
	Risk of less efficient service, dependent on experience of Delivery Unit to inform a shared service.	governance risk.	approach to new technology but too early to assess whether this can adequately address existing and future challenges. Scope for partner borough to drive forward innovation.	customer base. Temporary senior management, risk of high staff turnover. Some economies of scale, some understanding of larger businesses, assets and social value.	to demonstrate full engagement with diverse workforce. Need to evidence how can adapt to meet needs of the service. Elements of risk involved in working across larger authorities, need to align services. Dilution of strategic direction across two complex authorities.	change. No track record of delivering Street Scene services in partnership (some experience with other services).
Employee Mutual, Social Enterprise, and Trust(s)	No track record of value for money, lack of permanent senior management, inability to access monies in a competitive market place, no economies of scale (procurement).	Understanding of residents and locality, locally-focused delivery in Barnet, experience of key stakeholder partners, staff-focused, understanding of borough changes.	No innovation, lack of investment and understanding of how new technology can improve services. Council constraints.	Poor track record, lack of understanding of where income comes from versus expenditure, lack of income planning, no understanding of customer base. Greater understanding of social value, better at bidding.	Audit (Dec-15) identified poor track record in workforce management and governance arrangements. Opportunity to improve internal employee communications and engagement.	Audit (Dec-15) findings indicate a generally poor track record of service delivery. Substantial widespread change required. Unlikely to have experience in the service area, not usual for the industry to adapt this type of service model.
Joint Venture and Partnership(s)	Trade off track record and size of joint venture / partner. Not a typically model for the sector and service areas; high risk and threat to value for money. Any required procurement process would be a risk to achieving 2017/18 savings, owing to delays with project timescales and additional cost pressure.	Profit-driven, staff turnover more likely, weak local understanding, contracts and / or interests elsewhere.	Poor track record from Delivery Unit (pre Dec-15). Some change evidenced in the approach to new technology but too early to assess whether this can adequately address existing and future challenges. Scope for partner organisation to provide a different technological approach but risk of lack of experience and / or expertise.	Growing income streams, gaining investment, successful bidding. Some local knowledge and understanding of entrepreneurial Barnet. Less economies of scale, less social value.	Improved services, started to adopt change management and staff communications process. Yet to demonstrate full engagement with diverse workforce. Need to evidence how can adapt to meet needs of the service. Elements of risk involved in working across larger authorities, need to align services. Dilution of strategic direction across two complex authorities. Potentially more expertise; including from other contracts.	Little evidence of this type of business model.

3.5 Conclusions and Recommendations

3.5.1 Conclusions

Based on the detailed evaluation of the seven possible options in the section above, and taking into account initial market testing and shared service research, project board has reached the following conclusions:

- Three options are unlikely to meet the project objectives; one of the in-house options (pre-December 2015), the employee mutual, social enterprise, and trust option, and the joint venture and partnership option.
- Four options are likely to meet the project objectives; one of the in-house options (with management support from The Barnet Group), the Local Authority Trading Company option (The Barnet Group), the outsourced option, and the shared service option.
- Further work is required to confirm the commercial, financial, and strategic viability of these four potential options.

3.5.2 Recommendations

Following the conclusions in the section above, project board makes the following recommendations:

- The council should proceed with an alternative delivery model for Street Scene services.
- One of the in-house options (with management support from The Barnet Group), the Local Authority Trading Company option (The Barnet Group), the outsourced option, and the shared service option should remain open for further consideration.
- A revised Outline Business Case (OBC2) confirming the preferred option – of these four – will be submitted to Members for approval in March 2017.

4. Project Approach

This section of the paper describes the project approach, including:

- Approach to the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group)
- Approach to the initial and revised Outline Business Cases (OBC1 and OBC2)
- Key project activity

- Project resources

4.1 Approach to the shortlisted in-house option (i.e. with management support from The Barnet Group) and The Local Authority Trading Company option (The Barnet Group)

The shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group) will not be entered into a competitive procurement process; rather, they will be evaluated first.

The proposed approach is as follows:

- Data from the ABC model has provided a financial overview of how services are being run at present.
- The Commissioning Group has prepared Authority Requirements (ARs) as a minimum specification of how the service could be delivered in order to achieve financial savings, service efficiencies and improved rates of customer satisfaction. This has involved input and specialist advice from the Delivery Unit.
- The Delivery Unit are in the process of preparing one of the in-house options (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group) to submit in response to the Commissioning Group specification.
- The shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group) will be evaluated by a panel, facilitated by the project team, which will then make a final recommendation in the revised Outline Business Case (OBC2) as to whether or not to proceed with either option.
- This final recommendation will be submitted to committee, for approval by Members.

The decision on whether or not to undertake a procurement exercise, or start formal discussions with possible shared service partners, will be dependent on whether Members are satisfied with the quality of either of the options put forward (as listed above).

4.2 Approach to the Initial and Revised Outline Business Cases

Typically, the assessment phase would involve the production of an Outline Business Case (OBC) and a Full Business Case (FBC). However, in the case of the Street Scene ADM, Strategic Commissioning Board requested that two OBCs are produced, followed by an FBC, to better ensure a robust approach to the options analysis process.

4.2.1 Initial Outline Business Case (OBC1)

- Define service lots that offer the best opportunities for financial efficiencies and service innovation.
- Define a robust set of options appraisal criteria to be used to evaluate the options for alternative delivery.
- Define and assess a longlist of options for alternative delivery; including the in-house options (pre-December 2015) and (with management support from The Barnet Group), and the Local Authority Trading Company option (The Barnet Group).
- Propose a shortlist of options for alternative delivery recommended for full evaluation in OBC2.
- Prepare the Authority Requirements (ARs) and service specifications for which the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group) will price against.
- Begin staff and trade union engagement on the ADM process, including project progress to date, as per the change management strategy plan.
- Prepare and agree the approach to public consultation on the shortlist of options for alternative delivery. This will be dependent on whether the recommended shortlist is approved by Committee.
- Complete initial Equality Impact Assessments (EIAs) for both staff and service users to identify whether there any protected groups which could be affected by any possible changes to service delivery.

4.2.2 Revised Outline Business Case (OBC2)

- Confirm options shortlist as recommended in the initial Outline Business Case (OBC1). It is recommended that this will include one of the in-house options (with management support from The Barnet Group), the Local Authority Trading Company option (The Barnet Group), the shared service option, and the outsourced option*.
- Complete a refreshed Activity-Based Costing (ABC) model for 2016-17 to be used as a financial baseline for evaluating the shortlisted in-house option (with management support from The Barnet Group), and the Local Authority Trading Company option (The Barnet Group).
- Submit the shortlisted in-house option (with management support from The Barnet Group), and the Local Authority Trading Company option (The Barnet Group) for review. This review would be prior to a formal evaluation of each of the shortlisted options as part of the revised Outline Business Case (OBC2). The purpose of reviewing these options at this stage (i.e. before formal evaluation) is to ensure that either option would be viable before proceeding with OBC2.

- Deliver public consultation activity on the options shortlist (dependent on OBC1) and pay due regard to results.
- Complete revised Equality Impact Assessments (EIAs) for both staff and service users to identify whether any protected groups could be affected, should any of the shortlisted options be implemented.
- Refresh market research and soft market testing for benchmarking against the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group).
- Refresh shared service research and confirm the viability of a shared service option.
- Fully evaluate the options shortlist and identify a preferred option.
- Deliver the revised Outline Business Case (OBC2), which provides a detailed analysis and appraisal of the options shortlist; including a recommended option.
- Develop the recommended option to Full Business Case (FBC); including a complete financial case and implementation plan.

[Or]

- Move to procurement exercise.

* It is worth noting that the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group) will not be entered into a competitive procurement process. Instead these options will be evaluated first, rather than in parallel to any external bids.

The diagram below depicts the anticipated process for progress towards the revised Outline Business Case (OBC2), as described above:



4.2.3 Key Milestones

The table below identifies target dates for the assessment phase of the project, up to OBC1 and OBC2.

This summarises the approach outlined in the section above.

Key Milestone	Deliverable	Date Due	RAG
Initial Outline Business Case (OBC1)	Development of OBC1	March to July 2016	Complete
	Agree service lots	March 2016	Complete
	Change Management Strategy to SPB	April 2016	Complete
	Develop ARs	April to June 2016	Complete
	Staff engagement on in-house option (TBG) and LATC option (TBG)	May to October 2016	Green
	Update to SCB	May 2016	Complete
	Initial scoring of options longlist	June 2016	Complete
	Identify options shortlist	June 2016	Complete
	In-house options response time opens	June 2016	Complete
	Initial EIAs complete (staff and service users)	July 2016	Complete
	Consultation and engagement plan complete	July 2016	Complete
	Draft OBC1 to project	August 2016	Complete

Key Milestone	Deliverable	Date Due	RAG
	board		
	Final OBC1 to SCB	August 2016	Complete
	Final OBC1 to Committee	September 2016	Green
Revised Outline Business Case (OBC2)	Development of OBC2	October 2016 to February 2017	Green
	Options shortlist confirmed (dependent on outcome of OBC1)	October 2016	Green
	Refresh ABC Financial Model (2016-17)	October 2016	Green
	In-house option (TBG) and LATC option (TBG) response time closes	October 2016	Green
	In-house option (TBG) and LATC option (TBG) reviewed	October 2016	Green
	Public consultation period	November 2016 to January 2017	Green
	Refresh market research and soft market testing	November 2016 to January 2017	Green
	Refresh shared service research	November 2016 to January 2017	Green
	Revised EIAs complete (staff and service users)	January 2017 (by end of consultation)	Green
	Fully evaluate options shortlist and identify recommended option	February 2017	Green
	Draft OBC2 to project board	February 2017	Green
	Final OBC2 to SCB	February 2017	Green
	Final OBC2 to Committee	March 2017	Green

The target dates for the Full Business Case (FBC) are dependent on the outcome of OBC2 and therefore cannot be fully scoped at this stage of the project.

The two tables below illustrate the difference in timescales between pursuing the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group), versus following a procurement process:

Route 1: Shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group)

OBC1 to SCB	OBC1 to Committee	OBC2 to SCB	OBC2 to Committee	FBC	Mobilisation	Go Live
Aug-16	Sep-16	Feb-17	Mar-17	May-17	Jun-17	Oct-17

Route 2: Procurement Process (Outsource)

OBC1 to SCB	OBC1 to Committee	OBC2 to SCB	OBC2 to Committee	Procurement	FBC	Mobilisation	Go Live
Aug-16	Sep-16	Feb-17	Mar-17	May-17	Jun-18	Oct-18	Jan-19

Route 2 allows for a procurement process with built-in contingency around decision making. It assumes a three-month period prior to mobilisation in Oct-18 and a further three-month mobilisation period prior to 'Go Live' in Jan-19.

Any delay to implementing the chosen alternative delivery model carries the risk of not fully achieving the MTFP targets for 2017/18 and 2018/19. This is a greater risk for those models which will involve a procurement process. There are also the costs of change to be factored in, which may negate a portion of the short-term savings to be achieved. However, there is the potential for greater value for money to be achieved throughout the lifecycle of any external contract put in place than perhaps there would be with the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group).

4.3 Key Project Activity

The table below outlines the approach taken to key assessment phase project activities, as per the Barnet Project Management Toolkit.

These activities are in addition to the work being done towards the submission of the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group).

Activity	OBC1	OBC2	Owner	Description
Consultation and Engagement	N	Y	Workstream Lead	Confirm need for consultation and engagement, identify external stakeholders and agree public consultation activity. Identify opportunities to link with existing consultation activity in the wider Street Scene programme.

Activity	OBC1	OBC2	Owner	Description
Change Management (staff engagement)	Y	Y	The Barnet Group (<i>previously Change Management Lead</i>)	Confirm need for change management, identify internal stakeholders, define key messages and agree staff engagement activity.
Initial Equalities Impact Assessment (staff and public)	Y	Y	Project Manager	Conduct predictive internal (employee) and external (service user / resident) equality impact assessments to identify whether the project will have any impact on groups with protected characteristics.
Market Engagement	N	Y	Procurement Lead	Requirements for market engagement: <ul style="list-style-type: none"> ▪ Formalities / 'due process' ▪ Timescales ▪ Appetite This will also include shared service research and soft market testing.

4.3.1 Consultation and Engagement

As a matter of public law, the duty to consult on proposals which may vary, reduce or withdraw services will arise in four circumstances:

- Where there is a statutory requirement in the relevant legislative framework.
- Where there is a requirement to consult in order to comply with the Best Value Duty to secure continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness in accordance with the Local Government Act 1999.
- Where the practice has been to consult or where a policy document states the council will consult then the council must comply with its own practice or policy.
- Where the matter is so important that there is a legitimate expectation of consultation.
- Where consultation is required to complete an equalities impact assessment.

There are currently no proposals to change service delivery, however the council should consider consulting the public regarding the aspects of service delivery that they consider to be important. In addition to senior council officers and members, it is anticipated that the following key stakeholders may be consulted and engaged with as the project moves towards the revised Outline Business Case (OBC2):

- Key stakeholder groups, such as residents, local businesses, trusts, or ‘friends of’ organisations, to understand the opportunities and appetite for different levels of involvement from the community; this would be especially relevant for any potential separate Parks and Open Spaces Alternative Delivery Model.
- Employees and Trades Unions, to share challenges and issues and to inform them of the potential options and project approach.

Please also refer to the ‘Approach to Consultation’ section of this report for further detail on the approach to consultation and engagement. A full consultation and engagement plan is also available in Appendix B.

4.3.2 Change Management

A robust approach to change management is currently in place, following the approval of the change management strategy for Street Scene by Strategic Partnership Board on 20 April 2016.

The strategy is currently being implemented by The Barnet Group. Engagement with staff, trade unions, and other senior stakeholders is ongoing. Staff engagement activities include (but are not limited to):

- Survey
- Briefings
- Newsletter
- Change champions network
- Suggestion boxes

The strategy applies to all areas of Street Scene where change management is required; not just the ADM project (e.g. Unified Reward, Mill Hill Depot relocation). Staff are also being engaged with on service transformation and the implications of the Medium-Term Finance Plan savings targets.

Staff are actively being encouraged by The Barnet Group and Street Scene Delivery Unit senior management to contribute suggestions for both the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group).

4.3.3 Market Engagement

A market research and soft testing approach will be developed by the Procurement Lead as the project moves towards the revised Outline Business Case (OBC2). It is anticipated that the results of the market research and soft testing will provide benchmarks against which to review the shortlisted in-house option (with management support from The Barnet Group) and the Local Authority Trading Company option (The Barnet Group). This piece of work would be preliminary to a possible procurement process; depending on the success of either option.

4.3.4 Equalities Impact Assessment

Full initial equalities impact assessments (EIAs) for staff and service users have been included as appendices to this document, in accordance with Barnet project management methodology.

At this stage of the project, only the groups *likely* to be affected have been identified; for both the staff and service user EIAs. It is not yet known if these groups will definitely be affected and, if so, to what extent.

As the project progresses, revised EIAs will be conducted in line with project consultation requirements and in accordance with Barnet project management methodology. It is expected that the revised EIAs will show the actual scale and type of impact on both staff and service users.

Staff

Results of the initial staff EIA show that the following protected characteristics are likely to be impacted by the ADM project:

- Male
- Aged 41-65
- White
- Christian
- Heterosexual

This is owing to the relatively high proportion of Delivery Unit staff to which these characteristics are attributed, when compared to the total number of Delivery Unit staff and / or the council-wide equivalent.

4.4 Project Resources

4.4.1 Project Governance

Full terms of reference for project board were outlined in the Strategic Outline Case (SOC), approved by Strategic Commissioning Board (SCB) on 16 February 2016.

Project board membership has been revised and updated as appropriate, in accordance with the needs of the project.

The project board is in two parts and representatives from The Barnet Group are not involved in the evaluation of the proposals. The Barnet Group members of the project board are listed below under 'Part Two'.

Project board membership is currently as follows (updated on 19/07/16):

'Part One'

Name	Title	Project Role
------	-------	--------------

Name	Title	Project Role
Jamie Blake	Commissioning Director for Environment	Project Sponsor & Senior User
Helen Bailey	Partnership Relationship Manager	Commercial Advisor
Amy Blong	Project Manager, CSG	Project Manager
Chris Dawson	Procurement Transformation Lead, CSG	Procurement Lead
Kitran Eastman	Strategic Lead, Clean and Green	Senior User
Cara Elkins	Programmes and Resources Advisor	Project Assurance and Resources Advisor
Philip Hamberger	Partnership Relationship Manager	Commercial Advisor
Laura Hannan	Transformation Portfolio Manager, CSG	Street Scene Programme Lead
Dennis Holmes	Interim Lead Commissioner, Parks and Green Spaces	Senior User
Patricia Phillipson	Interim Finance Director	Finance Advisor
James Wills-Fleming	Director of Corporate Programmes, CSG	Strategic Advisor

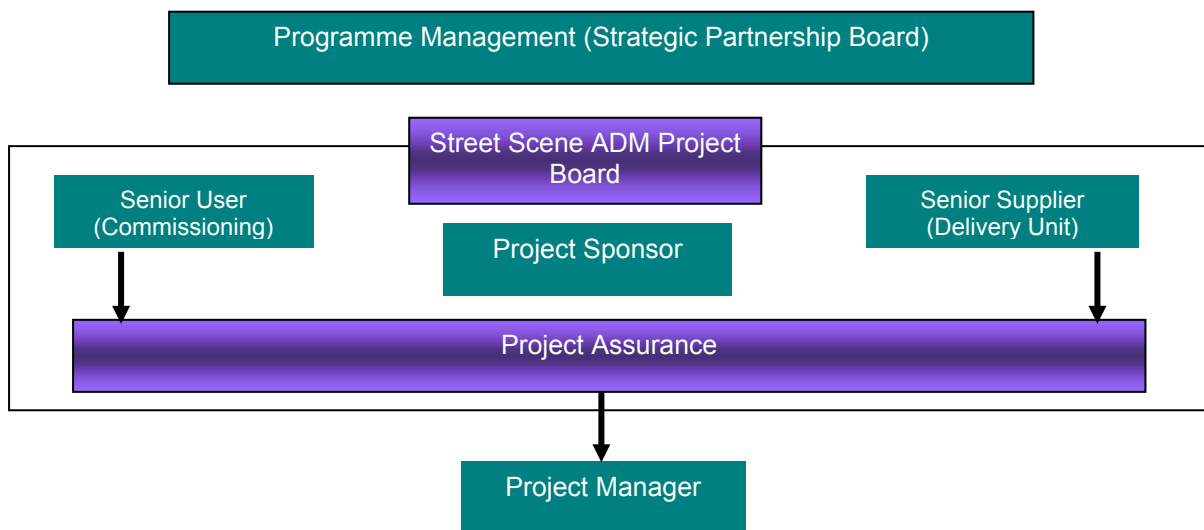
'Part Two'

Name	Title	Project Role
Troy Henshall	Chief Executive, The Barnet Group	Senior Supplier
Graeme Lawes	Interim Street Scene Director	Senior Supplier
Shaun Morley	Interim Street Scene Director	Senior User
James Yurky	Consultant, The Barnet Group	Transformation Advisor

Subject matter experts from elsewhere in the council (and partners) attend project board as needed.

The role of the project board is to provide strategic direction for the project and to fulfil an assurance role in regards to products, timescales and costs.

The chart below depicts the role of project board in relation to senior stakeholders and the project manager:



The Programme Management function in the diagram above refers to the wider Environment Portfolio, which is managed through the Strategic Partnership Board (SPB). The ADM Project Board has a dotted line reporting function up to the Programme Level.

4.4.2 Project Team

The role and function of the project team differs from that of the project board. Project team members are responsible for the operational delivery of the project; including relevant products and deliverables as approved by the board.

As the project moved into the Assessment Phase, the project team has been delivering specified activities and products. Strategic input from the Procurement Lead and Change Management Lead has been made available to the Commissioning Group, The Barnet Group and the wider Street Scene Delivery Unit. Operational support has continued to be provided by the Project Manager.

4.4.3 Project Budget

Project costs for the Street Scene ADM are being funded from the Street Scene Transformation budget, which is controlled by the project sponsor.

5. Expected Benefits

The table below summarises the anticipated financial and non-financial benefits to be realised by 2020. These benefits are in line with;

- MTFP allocation
- Environmental commissioning intentions for the borough
- Increased customer satisfaction
- Transformation of services (to deliver strategy action plans)

Type	Description	Recipient	Value (£)	Deadline
Financial	MTFP savings allocation	Council	£900k	2017/18 (£250k) 2018/19 (£550k) 2019/20 (£100k)
Non-financial	50% recycling rates across the borough	Council & Public	-	2020
Non-financial	Positive service user behaviour change	Council & Public	-	2020
Non-financial	High quality physical environment	Public	-	2020
Financial	Investment in public spaces	Council & Public	(tbc)	2020
Non-financial	Stronger local communities	Public	-	2020
Non-financial	Reduction in anti-social behaviour	Council & Public	-	2020
Non-financial	Improved customer satisfaction	Public	-	2020

These benefits are consistent with the assessment criteria outlined in the options appraisal. A more detailed analysis of how the individual alternative delivery model options can demonstrate these benefits will be fully developed for the revised Outline Business Case (OBC2), as part of the evaluation process.

Benefits cards and will be developed for each shortlisted ADM option, in accordance with Barnet project management methodology.

6. Risks

All risks are being recorded and monitored in accordance with Barnet project management methodology.

The table below summarises the highest scoring project risks:

Description	Score	RAG	Mitigation
If the ADM project does not achieve the projected £900k savings by the timescales specified in the Commissioning Plan, then there will be increased pressure on Street	12	A	There will be a detailed analysis of the timescales and value of savings to be realised through the ADM. A financial model will be produced using the results from an Activity-

Description	Score	RAG	Mitigation
Scene to make savings elsewhere.			based Costing (ABC) exercise. Opportunities for improvement will be identified as part of the in-house options.
If one of options for alternative delivery is to procure services and there is not a market for this (i.e. little or no interest from potential bidders), then there is a risk that no bids of sufficient quality will be received. If this happens, then procurement requirements will have to be re-evaluated and the tender process repeated. This would have a significant impact on project timescales and costs. It would also delay the realisation of financial and non-financial benefits.	12	A	Market engagement and soft market testing will be carried out in order to refine requirements and to ensure a viable offer is created, which will attract a range of potential providers. There is scope to learn from the experiences of other LBB ADM procurement exercises.
If there is not Member support for the project, then there is a risk of significant delay as a result of needing to re-evaluate alternative delivery options. There would also be a potential risk of project closure, if revised options are not approved.	12	A	The project sponsor will ensure regular and comprehensive Member engagement via updates to the Leader and portfolio holder for Environment.
If the cost and legal scope of the CSG contract is not identified prior to the closure of the in-house options response period, then there is a risk that the completion of the offers could be delayed until this information is available. This could delay the submission of OBC2, which would delay project delivery timescales.	12	A	Work-stream lead to liaise with LBB's Commercial team, as a matter of urgency, for advice and guidance on the cost and legal scope of the CSG contract. Project manager to raise this delay as a risk at the next project board.
If the proposed increased annual leave entitlement is enforced as part of the Unified Reward contractual changes, then there is a risk that staffing levels will need to increase in order to ensure consistency of service. Levels would increase either by using agency staff or by recruiting permanent staff. This will be at additional cost to the Delivery Unit and may have implications for annual savings targets.	12	A	Project board to be kept informed of any updates to the implementation of Unified Reward (UR), via standard internal council communications channels. Alternative Delivery Model (ADM) option leads to ensure that the options submitted for evaluation incorporate the Unified Reward contractual changes. Monitoring should continue until the contractual changes have been formally implemented across the council.

7. Project Assurance

The approach to project assurance is being managed in accordance with Barnet project management methodology.

A full Project Assurance Plan will be developed as the project moves towards the revised Outline Business Case (OBC2). To date, assurance has largely been provided by project board; through the strategic direction of project activity and quality control of key products. Key products have been approved as per Barnet corporate governance procedures.

The table below summarises assurance activity thus far:

Deliverable / Product	Author	Reviewers	Acceptor
Project Initiation Document	Programmes and Resources Advisor	<ul style="list-style-type: none"> ▪ Project Sponsor ▪ Project Board 	Strategic Commissioning Board
ABC Financial Model (2015-16)	CSG Finance	<ul style="list-style-type: none"> ▪ Street Scene Delivery Unit ▪ Commissioning Group ▪ Project Sponsor ▪ Project Board 	Project Board
Strategic Outline Case	Project Manager	<ul style="list-style-type: none"> ▪ Project Sponsor ▪ Project Board 	Strategic Commissioning Board
Initial Options Analysis (longlist)	Project Manager	<ul style="list-style-type: none"> ▪ Project Sponsor ▪ Project Board 	Project Board
Change Management Strategy (staff)	Change Management Lead	<ul style="list-style-type: none"> ▪ Street Scene Delivery Unit ▪ The Barnet Group ▪ Project Sponsor 	Strategic Partnership Board
Consultation and Engagement Plan	Project Manager	<ul style="list-style-type: none"> ▪ Project Sponsor ▪ Project Board ▪ Consultation and Engagement Lead (LBB) 	Consultation and Engagement Lead (LBB)
Initial Equalities Impact Assessments x2 (staff and service user)	Project Manager	<ul style="list-style-type: none"> ▪ Project Sponsor ▪ Project Board ▪ Equalities Lead (LBB) 	Equalities Lead (LBB)
Initial Outline	Project Manager	<ul style="list-style-type: none"> ▪ Project Sponsor 	Environment

Deliverable / Product	Author	Reviewers	Acceptor
Business Case (OBC1)		<ul style="list-style-type: none"> ▪ Project Board ▪ Strategic Commissioning Board 	Committee

8. Dependencies

All dependencies are being recorded and monitored in accordance with Barnet project management methodology.

The table below summarises the project dependencies as follows:

Description	Monitoring Required
<p>Street Scene Strategies The Alternative Delivery Model (ADM) will be the delivery vehicle for the following strategies:</p> <ul style="list-style-type: none"> - Waste and Recycling - Parks and Open Spaces - Street Cleansing Framework - Playing Pitch - Enforcement <p>The strategies will therefore shape the service requirements of the ADM. Any delay, or amendment, to implementing the strategies will have a subsequent impact on the delivery timescales, or content, of the ADM.</p>	<p>This will be monitored as needed by the project manager and Commissioning Group (author of the Street Scene strategies) until such a time as the final versions of each strategy have been formally signed off by Environment Committee. It will then be reassessed at such a time as the Alternative Delivery Model (ADM) options are being evaluated, to ensure that they are in line with the strategic drivers for the service.</p>
<p>Depot Relocation Project The implementation of the Alternative Delivery Model (ADM) is operationally dependent on the relocation of the depot facilities. Any delay, or unforeseen amendment, to the depot relocation will not only have a subsequent impact on day-to-day service delivery operations ('business as usual') but could also impact the delivery of the ADM (e.g. additional fuel costs, route rationalisation etc.)</p>	<p>ADM Project Manager to liaise with the Depot Relocation Project Manager (and / or the Project Sponsor) to monitor depot relocation progress. Escalate any changes project delivery to project board members as appropriate, including ADM option leads, up to the submission of the ADM options for evaluation.</p>
<p>Medium-Term Finance Plan (MTFP) The savings target assigned to the Alternative Delivery Model (ADM) is dependent on the MTFP requirements within the wider Street Scene programme.</p>	<p>Project Manager to monitor MTFP savings allocation within the wider Street Scene Programme and escalate any changes in allocation (anticipated or actual) to project board members as appropriate, including</p>

Description	Monitoring Required
<p>To date, the ADM has been assigned a total of £900k to be achieved by 2019/20 (£250k in 2017/18, £550k in 2018/19, and £100k in 2019/20). If there were any changes to the MTFP allocation for the ADM, then this could have an impact on the service requirements of the ADM (e.g. a higher savings target could alter how services would need to be delivered).</p>	<p>ADM option leads, up to the submission of the ADM options for evaluation.</p>
<p>Smarter Working There are two ways in which the Alternative Delivery Model (ADM) could be dependent on Smarter Working. The first is if the principle of locality-based working is adopted; whereby staff would be based in 'hubs' throughout the borough, rather than in a central office. The second is through the use of smarter technology (e.g. smartphones); whereby staff could be encouraged to adopt a more innovative to service delivery (e.g. communicating with customers and / or colleagues via an app). Any proposed ADM would need to incorporate these potential changes, as determined by the strategic direction of Smarter Working.</p>	<p>Project board to be kept informed of any updates to the implementation of Smarter Working, via standard internal council communications channels. Alternative Delivery Model (ADM) option leads to ensure that the options submitted for evaluation are in line with known Smarter Working strategic drivers (where possible). Monitoring should continue until the ADM options have been submitted for evaluation.</p>
<p>Customer Access Strategy The Alternative Delivery Model (ADM) would need to be able to incorporate any changes to customer service proposed by the strategy. The strategy will therefore shape the customer service requirements of the ADM. Any delay, or amendment, to implementing the strategy would require the ADM to adapt service plans as necessary.</p>	<p>Project board to be kept informed of any updates to the implementation of the Customer Access Strategy, via standard internal council communications channels. Alternative Delivery Model (ADM) option leads to ensure that the options submitted for evaluation are in line with known Customer Access strategic drivers (where possible). Monitoring should continue until the ADM options have been submitted for evaluation.</p>
<p>Information Technology As with the dependency on Smarter Working, the Alternative Delivery Model (ADM) would need to incorporate any changes to use of information technology (IT) as part of wider service delivery across the council. This is also in line with one of the assessment criteria for the ADM, which requires evidence of innovation within service delivery; making best use of existing and new technologies as available. The ADM would therefore need to be consistent with, if not better</p>	<p>Project board to be kept informed of any updates to the council-wide use of IT, via standard internal council communications channels. Alternative Delivery Model (ADM) option leads to ensure that the options submitted for evaluation incorporate IT best practice and, where possible, examples of technological innovation. Monitoring should continue until the ADM options have been submitted for evaluation.</p>

Description	Monitoring Required
than, council IT policy and best practice.	

9. Approach to Consultation

In most cases consultation will be necessary and will be a relevant consideration in decision-making. It is anticipated that public consultation will need to take place as the project progresses towards the revised Outline Business Case (OBC2). The consultation will feature the options shortlist and is therefore dependent on the outcome of the recommendations in this initial Outline Business Case (OBC1).

There are a variety of legal requirements to consult; firstly, a statutory duty, secondly, a common law duty of fairness and, thirdly, a legitimate expectation based on custom and practice or promise of consultation.

Findings from consultation will form a central part of the decision-makers' consideration of project proposals and any subsequent policies. In considering the findings decision-makers will consider the alternatives and all the countervailing circumstances; including, where appropriate, any budgetary requirements when making their decision.

The project team must recognise the best value duty to consult, the best value principles, plus any other statutory consultations linked to the project. In particular, the project team will need to ensure that the consultation findings will allow decision-makers to pay due regard to any protected characteristics which could be impacted by any proposed changes.

A full Consultation and Engagement Plan will be used to demonstrate how the council has consulted with its citizens at various stages of the project life cycle, and a library of evidence will also be kept by the project team to promote transparency.

A full Consultation and Engagement Plan has been included as an appendix to this document.

10. Appendices

This document is an appendix to the Initial Outline Business Case (OBC1) Cover Report submitted to Environment Committee for approval on 15 September 2016.

The following additional appendices are also available:

- Appendix B – Consultation and Engagement Plan
- Appendix C – Initial Service User Equality Impact Assessment
- Appendix D – Initial Staff Equality Impact Assessment

Document History

Date	Version	Reason for Change
13/07/16	1.0 (draft)	-
22/07/16	2.0 (draft)	Input from Project Sponsor
09/08/16	3.0 (draft)	Input from Project Board
19/08/16	4.0 (draft)	Input from Strategic Commissioning Board and HB Public Law
06/09/16	5.0 (draft)	Input from clearance process
13/09/16	6.0 (draft)	Input from HB Public Law
16/09/16	7.0 (final)	Input from Finance
20/09/16	8.0 (revised final)	Input from HB Public Law
21/09/16	9.0 (final)	Final version

Distribution List

Name	Role	Version	Date
Jamie Blake	Project Sponsor	1.0 (draft)	21/07/16
Project Board	Project Governance	2.0 (draft)	26/07/16
HB Public Law	Legal Advice	3.0 (options only)	08/08/16
Strategic Commissioning Board	Project Governance	3.0 (draft)	11/08/16
Clearance List	Clearance Process	4.0 (draft)	19/08/16
HB Public Law	Legal Advice	5.0 (draft)	09/09/16
Trade Unions	Trade Unions	6.0 (draft)	13/09/16
Governance Team	Corporate Governance	7.0 (final)	19/09/16
Governance Team	Corporate Governance	8.0 (revised final)	20/09/16
Governance Team	Corporate Governance	9.0 (final)	21/09/16

¹ Extract taken from the Delegated Powers Report from the Chief Executive, submitted to Policy and Resources Committee on 22 March 2016.

² Extract taken from the Street Scene Delivery Unit Management Changes report, submitted to Policy and Resources Committee on 22 March 2016.

³ As above.

This page is intentionally left blank



Consultation and Engagement Plan Street Scene ADM Project

Service:	Commissioning Group for Environment
Date:	13/09/16
Version:	3.0

This Consultation and Engagement plan is a live document that should be continuously referred to and updated as you progress through the stages of the project.

1. Introduction

Barnet Council is committed to involving local people in shaping their area and the services they receive. Consultation and engagement is one of the key ways the council interacts with and involves local communities and residents, providing them with opportunities to:

- Gain greater awareness and understanding of what the council does
- Voice their views and know how they can get involved
- Have their views fed into the democratic decision-making process

This plan aims to provide an effective consultation and engagement programme to help inform the council's proposal for an alternative delivery model(s) of Street Scene services.

The plan aligns to the standards and key guiding principles set out in the council's Consultation and Engagement Strategy and supports the council's Corporate Plan priority 'to improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study; promote responsible growth, development and success across the borough'.

2. Consultation and Engagement Objectives

The consultation and engagement objectives are to:

- Engage and consult with key stakeholders throughout the project, so that key decisions can be made in an informed manner and by taking public opinion into account
- Encourage key stakeholders to contribute to the solution, where possible
- Keep stakeholders informed about the progress of the project
- Communicate and raise awareness of the consultation
- Provide information on how stakeholders can take part and how their views will be used

3. Key Milestones

Date	Milestone
03 August 2016	Initial Outline Business Case (OBC1) and draft consultation plan approved by Project Board
16 August 2016	Initial Outline Business Case (OBC1) and draft consultation plan approved by Strategic Commissioning Board
29 September 2016	Initial Outline Business Case (OBC1) and draft consultation plan approved by Environment

Date	Milestone
	Committee; including permission to consult
04 October 2016	Consultation document approved by Project Board
04 October 2016	Consultation questions approved by Project Board (e.g. survey content)
November 2016 to January 2017	Formal public consultation period (12 weeks)
February 2017	Consultation results analysed and incorporated into the Revised Outline Business Case (OBC2)
February 2017	Revised Outline Business Case (OBC2) approved by Project Board
February 2017	Revised Outline Business Case (OBC2) approved by Strategic Commissioning Board
March 2017	Revised Outline Business Case (OBC2) approved by Environment Committee

4. Delivery of Messages

When delivering an effective consultation and engagement programme we need to ensure messages reach all intended audiences, which is why we must adopt a more targeted approach to consultation and engagement by:

- Promoting the process as being an open, honest and truly consultative
- Identifying different audiences and preparing communication and engagement tools to meet their needs
- Ensuring that our approach to consultation and engagement is consistent
- Planning and delivering core messages and intended outcomes through identified communication channels
- Ensuring that all communications and engagement is meaningful and includes all relevant parties
- Providing answers to any queries

5. Stakeholders

Key Target Audiences and Areas for Consultation	Consultation Methods	Methods of Promoting the Consultation
<p>LBB Governance</p> <p>All Councillors Environment Committee Strategic Commissioning Board Commissioning Group</p>	<ul style="list-style-type: none"> • Online survey • Workshops 	<ul style="list-style-type: none"> • Engage Barnet • Staff newsletter • Staff briefings • Member engagement • Trade Union engagement • Project documentation (e.g. Committee reports)
<p>Street Scene Delivery Unit</p> <p>The Barnet Group (Chief Executive and Senior Management) Interim Street Scene Directors Street Scene Senior Management Team All Street Scene Staff</p>		
<p>Other</p> <p>Customer and Support Group (CSG), Capita Trade Union Representatives (GMB, Unison)</p>		
<p>Public</p> <p>Residents Businesses All Service Users</p>		

6. Outline of Consultation Approach

Phase 1: Strategic Outline Case (SOC)

- **Public** consultation on the Waste & Recycling and Parks & Open Spaces strategies through online surveys. Promoted on Engage Barnet as per LBB corporate guidelines.
- **Trade Union** engagement on progress with the Street Scene Alternative Delivery Model project. Engagement led by the Project Sponsor as per LBB corporate guidelines.
- Update to **Strategic Commissioning Board** on progress with the Street Scene Alternative Delivery Model project through the use of project documentation, as per LBB project management toolkit.

Phase 2: Initial Outline Business Case (OBC1)

- **Trade Union** engagement on progress with the Street Scene Alternative Delivery Model project. Engagement led by the Project Sponsor as per LBB corporate guidelines.
- **Street Scene Senior Management Team (SMT)** engagement on the Alternative Delivery Model process. Workshop led and delivered by the workstream lead.
- **Street Scene Staff** engagement on change management updates across the Delivery Unit; including information about the Alternative Delivery Model process and timescales. Engagement via a series of staff briefings to be led by the Interim Street Scene Directors.
- **Street Scene Staff** engagement on contributing to the Alternative Delivery Model In-house option. Engagement to be led by the Interim Street Scene Directors (e.g. briefings, suggestions box, 1:1s, staff newsletter).
- Update to **Strategic Commissioning Board** on progress with the Street Scene Alternative Delivery Model project through the use of project documentation, as per LBB project management toolkit.

- Update to **Environment Committee** on progress with the Street Scene Alternative Delivery Model project through the use of project documentation, as per LBB project management toolkit.

Phase 3: Revised Outline Business Case (OBC2)

- **Trade Union** engagement on progress with the Street Scene Alternative Delivery Model project. Engagement led by the Project Sponsor as per LBB corporate guidelines.
- Full **Public Consultation** on Alternative Delivery Model proposals for future Street Scene service(s) delivery as per LBB corporate guidelines. This will be delivered as an online survey, as per the environmental strategy consultation.
- Update to **Strategic Commissioning Board** on progress with the Street Scene Alternative Delivery Model project through the use of project documentation, as per LBB project management toolkit.
- Update to **Environment Committee** on progress with the Street Scene Alternative Delivery Model project through the use of project documentation, as per LBB project management toolkit.

Phase 4: Full Business Case (FBC)

The approach to consultation and engagement for phase 4 (FBC) has yet to be confirmed. The approach will be dependent on the outcome of phase 3 (OBC2).

7. Key Communication Messages

Key messages are yet to be identified but will be developed as part of the preparation for public consultation in phase 3 (OBC2).

8. Levels of Engagement

This plan refers to the different levels of engagement as outlined in LBB Consultation and Engagement Strategy to help identify and clearly define the variations of engagement.

Insight	Understand better the needs, views, and concerns of our residents using existing data
Inform	As an open council provide balanced information to assist understanding about something that is going to happen or has happened.
Consult	Capture residents' views on issues of relevance to them. Give an extensive range of opportunities for residents to have their say
Involve	Involve residents in testing, designing, and evaluating what we do to ensure that concerns and aspirations are understood and considered prior to decision making.
Empower	Empower public/service users to co-design, develop, manage and evaluate services. Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.

9. Consultation and Engagement Plan

Phase 1: Strategic Outline Case (Sept-15 to Feb-16)							
Level of Engagement	Stakeholders	Specific Group	Method	Objectives / Key line of questioning	Task	Deadline/ events dates	Officer Lead
Consult	The Public	All residents, businesses and service users in Barnet	Online surveys, Engage Barnet	Views on potential alternative delivery models (high level)	-	Jan-16 to Mar-16	Kitran Eastman
Inform	Trade Unions	GMB, Unison	Email, Discussion	Update on Alternative Delivery Model project progress	-	Ongoing	Jamie Blake
Involve	Strategic Commissioning Board	LBB Chief Executive and Senior Management	Project docs (SOC)	Update on Alternative Delivery Model project progress	-	Feb-16	Jamie Blake

Phase 2: Initial Outline Business Case (Mar-16 to Sept-16)							
Level of Engagement	Stakeholders	Specific Group	Method	Objectives/ Key line of questioning	Task	Deadline/ events dates	Officer Lead
Inform	Trade Unions	GMB, Unison	Email, Discussion	Update on Alternative Delivery Model project progress	-	Ongoing	Jamie Blake

Empower	Street Scene Staff	Senior Management Team (SMT)	Workshop	Engagement on ADM in-house option process	-	May-16	Kitran Eastman
Inform	Street Scene Staff	All Staff	Briefing	Change Management across Delivery Unit; including the ADM project	-	Jun-16 to Sep-16	Interim Street Scene Directors
Empower	Street Scene Staff	All Staff	Various	Contribute to ADM in-house offer	-	Jul-16 to Oct-16	Interim Street Scene Directors
Involve	Strategic Commissioning Board	LBB Chief Executive and Senior Management	Project docs (OBC1)	Update on ADM project progress	-	Aug-16	Jamie Blake
Involve	Environment Committee	Lead Member for Environment, Councillors, LBB Chief Executive and Senior Mgt.	Project docs (OBC1)	Update on ADM project progress	-	Sep-16	Jamie Blake

Phase 3: Revised Outline Business Case (Oct-16 to Mar-17)

Level of Engagement	Stakeholders	Specific Group	Method	Objectives/ Key line of questioning	Task	Deadline/ events dates	Officer Lead
Inform	Trade Unions	GMB, Unison	Email, Discussion	Update on ADM project progress	-	Ongoing	Jamie Blake

Consult	The Public	All residents, businesses and service users in Barnet	Online survey, Engage Barnet	Views on proposed alternative delivery model options (shortlist)	-	Nov-16 to Jan-17	Kitran Eastman
Involve	Strategic Commissioning Board	LBB Chief Executive and Senior Management	Project docs (OBC2)	Update on Alternative Delivery Model project progress	-	Feb-17	Jamie Blake
Involve	Environment Committee	Lead Member for Environment, Councillors, LBB Chief Executive and Senior Management	Project docs (OBC2)	Update on ADM project progress	-	Mar-17	Jamie Blake

Phase 4: Full Business Case							
Level of Engagement	Stakeholders	Specific Group	Method	Objectives/ Key line of questioning	Task	Deadline/ events dates	Officer Lead
[tbc]	[tbc]	[tbc]	[tbc]	[tbc]	[tbc]	[tbc]	[tbc]

10. Consultation and Engagement Timeline

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<u>Phase 1 - Complete</u>																			
Trade Union Engagement – Project Sponsor																			
LBB Governance – Strategic Outline Case submitted to SCB																			
Public Consultation – Recycling and Waste Strategy																			
Public Consultation – Parks and Open Spaces Strategy																			
<u>Phase 2 - Ongoing</u>																			
Trade Union Engagement – Project Sponsor																			
Street Scene Senior Management Team Engagement – ADM Workshop																			
Street Scene Staff Engagement – Staff Change Management Briefings																			

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Street Scene Staff Engagement – ADM ‘In-house’ Option																			
LBB Governance – Initial Outline Business Case submitted to SCB																			
LBB Governance – Initial Outline Business Case submitted to Environment Committee																			
<u>Phase 3 – Pre-initiated</u>																			
Trade Union Engagement – Project Sponsor																			
Public Consultation – Street Scene ADM Delivery Model Proposals																			
LBB Governance – Revised Outline Business Case to SCB																			
LBB Governance – Revised Outline Business Case to																			

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Environment Committee																				
<u>Phase 4 – Pre-initiated</u>																				
[tbc]																				

11. Approximate Costs to Consider

Item	Amount	Approximate Costs
[tbc]	[tbc]	[tbc]

This page is intentionally left blank

Initial Equality Analysis (EIA) Resident/Service User

1. Details of function, policy, procedure or service:	
Title of what is being assessed: Street Scene ADM Project	
Is it a new or revised function, policy, procedure or service? Potential delivery of new / alternative service models	
Department and Section: Commissioning Group for Environment (project owners) and Street Scene Delivery Unit (services in scope)	
Date assessment completed: 28/04/16	
2. Names and roles of people completing this assessment:	
Lead officer	Kitran Eastman, Strategic Lead for Clean and Green
Other groups	N/A
3. Employee Profile of the Project	<p>Will the proposal affect employees? YES</p> <p>If no please explain why.</p> <p>If yes, please seek assistance from HR to complete the employee EIA.</p>

4. How are the following equality strands affected? Please detail the effect on each equality strand, and any mitigating action you have taken / required. Please include any relevant data. If you do not have relevant data please explain why / plans to capture data			
Equality Strand	Affected?	Explain how affected	Indicate what action has been taken / or is planned to mitigate impact?
1. Age	Yes	May impact older service users.	Impact to be assessed.
2. Disability	Yes	May impact service users with a physical and / or sensory disability.	Impact to be assessed.
3. Gender reassignment	No	N/A	N/A
4. Pregnancy and maternity	Yes	May impact pregnant women and / or mothers with babies and young children.	Impact to be assessed.
5. Race / Ethnicity	Yes	May impact service users who do not speak English as a first language.	Impact to be assessed.

6. Religion or belief	Yes	May impact on some religious practices / customs.	Impact to be assessed.
7. Gender / sex	No	N/A	N/A
8. Sexual orientation	No	N/A	N/A
9. Marital Status	No	N/A	N/A
10. Other key groups?	No	N/A	N/A
Carers	No	N/A	N/A
People with mental health issues	No	N/A	N/A
Some families and lone parents	No	N/A	N/A
People with a low income	No	N/A	N/A
Unemployed people	No	N/A	N/A
Young people not in employment education or training	No	N/A	N/A

5. Please outline what data sources, measures and methods could be designed to monitor the impact of the new policy or service, the achievement of intended outcomes and the identification of any unintended or adverse impact?

Include how frequently monitoring could be conducted and who will be made aware of the analysis and outcomes

The project is currently at the initial Outline Business Case (OBC1) stage and the impact of the alternative service delivery model(s) on service users is not yet known. This is because the detail of how this model(s) could be delivered in practice is not yet known.

As the project proceeds towards the revised Outline Business Case (OBC2), the detail of the alternative service delivery model(s) will be developed. This will enable the project team to monitor the impact of the model(s) on service users, as the detail of how services could change becomes available. The following paragraphs outline the ways in which the impact

could be monitored.

One method of monitoring the impact of the project is to engage with service users via consultation. A consultation on the recycling and waste strategy was open for eight weeks from 18 January 2016 via the 'Engage Barnet' website (<http://engagebarnet.gov.uk>). This consultation included initial engagement on potential alternative delivery models for waste and recycling services. As the Street Scene ADM project progresses, it is likely that more project-specific consultation will take place. This will allow the project team to monitor the ongoing equalities impact on service users of the potential delivery models in scope.

Additional methods have yet to be agreed by project board but are likely to include; resident satisfaction surveys, use of council-held demographic data (per household), and real-time monitoring by the appropriate service areas (e.g. waste collection).

6. Initial Assessment of Overall Impact		
Positive Impact	Negative Impact or Impact Not Known¹ √ (Impact not yet known)	No Impact
7. Scale of Impact		
Positive impact	Negative Impact or Impact Not Known √ (Scale of impact not yet known)	

8. Outcome			
No change to decision √	Adjustment needed to decision	Continue with decision <i>(despite adverse impact / missed opportunity)</i>	If significant negative impact - Stop / rethink

¹ 'Impact Not Known' – tick this box if there is no up-to-date data or information to show the effects or outcomes of the function, policy, procedure or service on all of the equality strands.

9. Please give a full explanation for how the initial assessment and outcome was decided. .

As referred to in section 5 above, the actual impact on service users is not yet known because the detail of how Street Scene services could change as part of the alternative delivery model option(s) is not yet known. However, there are five service user groups with protected characteristics that have been identified as having the potential to be impacted by the alternative service delivery model(s), as noted in section 4 above.

These groups are:

- Older people
- People with disabilities
- Pregnant women and / or mothers with babies and young children
- People who do not speak English as a first language (or at all)

There is also the potential for there to be an impact on some religious practices or customs.

These groups have been noted because they are currently impacted by business as usual service delivery, so it is not unreasonable to assume that they would be in scope of any potential changes which may be implemented by the alternative service delivery model(s).

This assumption is founded on evidence from previous engagement with service users as part of; strategy consultation, ongoing performance monitoring through resident satisfaction surveys, complaints monitoring, and requests for supported services (e.g. assisted bin collection).

However, it is not yet known if these groups will definitely be affected and, if so, to what extent. As the Street Scene ADM project progresses, a further EIA will be conducted in line with project consultation requirements and in accordance with Barnet project management methodology.

Borough Data

The link below is to demographic data held by the council, by borough and by ward, which can be used to identify who the protected groups might be and where they might be located. This data is not only useful for conducting an EIA but can also be used as a tool for effective demand management; whereby services can be targeted to those who need them most:

<https://employeeportal.lbbarnet.local/home/departments-and-services/central-services/Barnet-Facts-and-Figures.html>

Employee Equality Impact Analysis (EIA)

1. Delivery Unit/Function and/or Service: Street Scene Delivery Unit	
Date assessment completed: 01/07/16	
Title of project / proposal/policy change / Alternative Delivery model / organisation change being assessed: Street Scene ADM Project	
2.This EIA is being undertaken because it is: Part of a project proposal or Barnet Transformation programme 2016 – 2020	
3.Names and roles of officers completing this assessment:	
Lead officer	Kitran Eastman, Strategic Lead for Clean and Green
Stakeholder groups	Street Scene Delivery Unit (all staff)
Representative from internal stakeholders (please specify)	n/a
Representative from external stakeholders (please specify)	n/a
Delivery Unit Equalities Network rep	n/a
Commissioning Equalities rep (where appropriate)	n/a
HR rep (for employment related issues)	Sharni Kent, HR Business Partner

4. Employee Profile for the Proposal

HR will help you to complete the table below and analyse the equality impacts of the proposal. Please record HR contact above. Please indicate the source of employee data and use the most relevant data (for example Delivery Unit / Service level or team level. The council will also meet its responsibilities under the Data Protection Act and avoid encroaching on individual privacy. No sensitive personal data should be published that will allow identification of individuals. Please use this information in sections 4 – 8 of this EIA.

X = Ten or less.

Protected Characteristic	Team / Workforce Group	Delivery Unit	Barnet Workforce
Total Number of Staff	Not Recorded	477	1633
Gender			
Female	Not Recorded	102	980
Male	Not Recorded	375	642
Age / Date of Birth			
1986 - 1997	Not Recorded	43	217
1976-1986	Not Recorded	85	347
1966-1975	Not Recorded	110	383
1965-1951	Not Recorded	216	625

Protected Characteristic	Team / Workforce Group	Delivery Unit	Barnet Workforce
Total Number of Staff	Not Recorded	477	1633
1950-1941	Not Recorded	22	53
1940 and Earlier	Not Recorded	X	X
Ethnicity			
White British Irish Other White	Not Recorded	323	948
Mixed White and Black Caribbean White and Black African White and Asian Other Mixed	Not Recorded	X	50
Asian and Asian British Indian Pakistani Bangladeshi Other Asian	Not Recorded	32	152
Black or Black British Caribbean African Other Black	Not Recorded	67	242
Chinese or Other Ethnic Group Chinese Other Ethnic Group	Not Recorded	X	14
Disability			
Physical co-ordination (such as manual dexterity, muscular control, cerebral palsy)	Not Recorded	Unknown	Unknown
Hearing (such as: deaf, partially deaf or hard of hearing)	Not Recorded	X	X
Vision (such as blind or fractional/partial sight. Do not include people who wear glasses/contact lenses)	Not Recorded	X	X
Speech (such as impairments that can cause communication problems)	Not Recorded	X	X
Reduced physical capacity (such as inability to lift, carry or otherwise move everyday objects, debilitating pain and lack of strength, breath, energy or stamina, asthma, angina or diabetes)	Not Recorded	X	X
Severe disfigurement	Not Recorded	Unknown	Unknown
Learning difficulties (such as	Not Recorded	X	20

Protected Characteristic	Team / Workforce Group	Delivery Unit	Barnet Workforce
Total Number of Staff	Not Recorded	477	1633
dyslexia)			
Mental illness (substantial and lasting more than a year)	Not Recorded	X	X
Mobility (such as wheelchair user, artificial lower limb(s), walking aids, rheumatism or arthritis)	Not Recorded	X	X
Gender Identity			
Transsexual / Trans-gender (people whose gender identity is different from the gender they were assigned at birth)	Not Recorded	X	X
Pregnancy and Maternity			
Pregnant	Not Recorded	X	X
Maternity Leave (current)	Not Recorded	X	32
Maternity Leave (in last 12 months)	Not Recorded	X	63
Religion or Belief			
Christian	Not Recorded	203	687
Buddhist	Not Recorded	X	X
Hindu	Not Recorded	23	84
Jewish	Not Recorded	X	39
Muslim	Not Recorded	22	75
Sikh	Not Recorded	X	X
Other religions	Not Recorded	23	52
No religion	Not Recorded	97	226
Not stated	Not Recorded	15	37
Sexual Orientation			
Heterosexual	Not Recorded	328	1089
Bisexual	Not Recorded	X	X
Lesbian or Gay	Not Recorded	X	32
Marriage and Civil Partnership			
Married	Not Recorded	136	556
Single	Not Recorded	169	534
Widowed	Not Recorded	X	X
Divorced	Not Recorded	25	70
In Civil partnership	Not Recorded	X	14

5. How are the equality strands affected? Please detail the positive / negative or neutral effect on each equality strand, and any mitigating action you have taken / required. Please include any relevant data and source. If you do not have relevant data please explain why and when you will capture the data.

Equality Strand	Affected?	Explain how affected	Indicate any action planned or taken to mitigate negative impact?
-----------------	-----------	----------------------	---

Staff Equality Impact Assessment - Form

1. Age	Yes	The type of impact is not yet known.	To be assessed.
2. Disability	No	Neutral	n/a
3. Gender reassignment	No	Neutral	n/a
4. Pregnancy and maternity	No	Neutral	n/a
5. Race / Ethnicity	Yes	The type of impact is not yet known.	To be assessed.
6. Religion or belief	Yes	The type of impact is not yet known.	To be assessed.
7. Gender / sex	Yes	The type of impact is not yet known.	To be assessed.
8. Sexual orientation	Yes	The type of impact is not yet known.	To be assessed.
9. Marital Status	No	Neutral	n/a
10. Other key groups?	No	Neutral	n/a
Carers	Unknown	Unknown	

6. Overall impact and Scale		
Positive impact	Negative Impact	Impact Not Known
Minimal Significant	Minimal Significant	X

7. Outcome			
No change to decision	Adjustment needed to decision	Continue with decision <i>(despite adverse impact / missed opportunity)</i>	If significant negative impact - Stop / rethink
X			

8. Please give full explanation for how the overall assessment and outcome was decided
<p>This initial EIA assessment has been carried out in the context of not yet being able to determine the type of impact (positive, negative, neutral) which the Street Scene ADM project will have on Delivery Unit Staff with certain protected characteristics. This is due to not yet knowing which of the proposed alternative delivery options will be implemented.</p> <p>It has, however, been possible to estimate the likely scale of impact which the Street Scene ADM project will have on Delivery Unit staff with certain protected characteristics. The scale has been measured in two ways; first, by comparing the statistic for any given characteristic against the total number of Delivery Unit staff and, second, by comparing this with the council-wide equivalent.</p> <p>For example; the Delivery Unit has a predominantly male workforce (375 out of 477) when compared to the wider council (642 out of 1633). It is therefore reasonable to assume that any changes resulting from the ADM project will have a significant impact on male Delivery Unit staff.</p> <p>The overall result of the assessment shows that the following protected characteristics are likely to be impacted by the ADM project, owing to the relatively high proportion of Delivery Unit staff to which these characteristics are attributed when compared to (both) the total number of Delivery Unit staff and / or the council-wide equivalent. However, it is not yet known if these groups will definitely be affected and, if so, to what extent:</p> <ul style="list-style-type: none"> ▪ Male ▪ Aged 41-65 ▪ White ▪ Christian

- Heterosexual


As the project progresses, a further EIA will be conducted in line with project consultation requirements and in accordance with Barnet project management methodology. It is expected that the revised EIA will show both the scale and type of impact on Delivery Unit staff.

Equality Improvement Plan

This is to be assessed as part of the revised Equality Impact Analysis. There is currently insufficient data about the type of impact on identified protected characteristics to identify possible mitigation.

Equality Mitigation	Action	Officer responsible	By when	

This page is intentionally left blank

	<p>Council</p> <p>1st November 2016</p>
<p>Title</p>	<p>Annual Report of the Audit Committee 2015/16</p>
<p>Report of</p>	<p>Chairman of the Audit Committee</p>
<p>Wards</p>	<p>N/A</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>Annex 1 - Annual Report of the Audit Committee 2015/16 Cover Report Appendix 1 – Audit Committee Annual Report 2015-16</p>
<p>Officer Contact Details</p>	<p>Clair Green, Assurance Director (Interim) clair.green@barnet.gov.uk</p>

Summary

The Constitution under Responsibility for Functions includes the following within the Audit Committee’s terms of reference: “The Audit Committee shall prepare a report to Full Council on an annual basis on its activity and effectiveness.”

The attached Annual Report describes how the Audit Committee met its objectives as well as detailing the work of the Committee and the outcomes it achieved for 2015-16. It was approved by the Audit Committee on 28 July 2016.

Recommendations

- 1. That Council note the Annual Report of the Audit Committee for 2015-16.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Annual Report describes the work of the Committee and the outcomes it achieved for 2015-16.

2. REASONS FOR RECOMMENDATIONS

- 2.1 It is a Constitutional requirement for the Audit Committee to present an Annual Report to full Council each year.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4. POST DECISION IMPLEMENTATION

- 4.1 N/A

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.2 The Audit Committee provides the Council with independent assurance and effective challenge and, therefore, the Committee is central to the provision of effective governance that supports delivery of all corporate priorities.

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

None in the context of this report.

5.4 Legal and Constitutional References

- 5.5 Responsibility for Functions, Annex A, of the council's constitution requires that the Audit Committee "shall prepare a report to Full Council on annual basis on its activity and effectiveness".

5.6 Risk Management

- 5.6.1 None in the context of this report

5.7 Equalities and Diversity

- 5.7.1 None in the context of this report

5.8 Consultation and Engagement

- 5.8.1 N/A

6. BACKGROUND PAPERS

6.1 None

This page is intentionally left blank

	<h2>Audit Committee</h2> <h3>28th July 2016</h3>
<p style="text-align: right;">Title</p>	<p>Annual Report of the Audit Committee 2015/2016</p>
<p style="text-align: right;">Report of</p>	<p>Chairman of the Audit Committee</p>
<p style="text-align: right;">Wards</p>	<p>N/A</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix 1 – Annual Report of the Audit Committee 2015/16 including</p> <ul style="list-style-type: none"> ○ Annex 1 –Schedule of Planned and Unplanned Work 2015 -16
<p style="text-align: right;">Officer Contact Details</p>	<p>Clair Green, Assurance Assistant Director, clair.green@barnet.gov.uk</p>

<h2>Summary</h2>
<p>The Constitution under Responsibility for Functions includes the following within the Audit Committee’s terms of reference:</p> <p>“The Audit Committee shall prepare a report to Full Council on an annual basis on its activity and effectiveness.”</p> <p>The attached Annual Report describes how the Audit Committee meets its objectives as well as detailing the work of the Committee to date and the outcomes it has achieved for 2015-16.</p>

<h2>Recommendations</h2>
<p>1. That the Committee recommend Full Council to approve the Annual Report of the Audit Committee for 2015-2016 as an accurate record of the outcomes and work programme for the year.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 The Annual Report describes the work of the Committee to date and the outcomes it has achieved for 2015-16.
- 1.2 The Committee is asked whether they wish to make any amendments and note that the report will be presented to Full Council in due course.

2. REASONS FOR RECOMMENDATIONS

- 2.1 It is a Constitutional requirement for the Audit Committee to present an Annual Report to full Council each year.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4. POST DECISION IMPLEMENTATION

- 4.1 Once agreed by the Committee the report will be sent to the next Full Council meeting.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.11 The Audit Committee provides the Council with independent assurance and effective challenge and, therefore, the Committee is central to the provision of effective governance that supports delivery of all corporate priorities.

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

- 5.2.1 None in the context of this report.

5.3 Legal and Constitutional References

- 5.3.1 There are no legal issues in the context of this report.

- 5.3.2 The Audit Committee's terms of reference are noted in the Council's Constitution under responsibility for functions. Function 16 of the terms of references requires that the Audit Committee "shall prepare a report to Full Council on annual basis on its activity and effectiveness".

5.4 Risk Management

5.4.1 None in the context of this report

5.5 Equalities and Diversity

5.5.1 None in the context of this report

5.6 Consultation and Engagement

5.6.1 N/A

6. BACKGROUND PAPER

None

This page is intentionally left blank

Appendix 1

Audit Committee Annual Report 2015 - 16

Cllr Brian Salinger
Chairman of the Audit Committee
11th July 2016

Contents

1. Introduction and overview

2. Summary of Audit Committee outcomes during 2015-16

3. Conclusions

Annex 1 –Schedule of Planned and Unplanned Work 2015 -16

1. Introduction and Overview

1.1 Good corporate governance requires independent, effective assurance about both the adequacy of financial management and reporting, and the management of other processes required to achieve the organisation's corporate and service objectives. Good practice from the wider public sector indicates that these functions are best delivered by an independent audit committee. In this context, "independence" means that an audit committee should be independent from any other executive function. Further, the National Audit Office regards "well-functioning Audit Committees as key to helping organisations achieve good corporate governance".

1.2 It is important that local authorities have independent assurance about the mechanisms underpinning these aspects of governance.

Specifically:

1.2.1 **independent assurance** of the adequacy of the control environment within the authority;

1.2.2 **independent review** of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and

1.2.3 **assurance** that any issues arising from the process of drawing up, auditing and certifying the authority's annual accounts are properly dealt with and that appropriate accounting policies have been applied.

1.3 Effective audit committees can bring many benefits to local authorities and these benefits are described in CIPFA's *Audit Committees - Practical Guidance for Local Authorities* as:

1.3.1 raising greater awareness of the need for internal control and the implementation of audit recommendations

1.3.2 increasing public confidence in the objectivity and fairness of financial and other reporting;

1.3.3 reinforcing the importance and independence of internal and external audit and any other similar review process (for example, providing a view on the Annual Governance Statement); and

1.3.4 providing additional assurance through a process of independent and objective review.

1.3.5 Effective internal control and the establishment of an audit committee can never

1.3.6 eliminate the risks of serious fraud, misconduct or misrepresentation of the financial position. However, an audit committee:

➤ **can give additional assurance through a process of independent and objective review**

➤ **can raise awareness of the need for sound control and the implementation of recommendations by internal and external audit**

1.4 **Audit Committee at Barnet Council**

The Council's Constitution includes the terms of reference for the Audit Committee, defining its core functions. The terms of reference describes the purpose of the Audit Committee as:

“to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority’s financial and non-financial performance to the extent that it affects the authority’s exposure to risk and weakens the control environment, and to oversee the financial reporting process.”

- 1.4.1 In order to bring additional expertise from the sector and financial capability the Audit Committee also has two independent members.
- 1.4.2 The Audit Committee has a work programme that has been drawn up to effectively discharge its responsibilities as defined by the terms of reference.
- 1.4.3 The Committee relies upon independent, qualified professionals to provide assurance. Directors and Assistant Directors have been requested by the Audit Committee to support the process and to aid in the Committee’s effectiveness/understanding.
- 1.4.4 The Committee undertakes all of its meetings in the public domain. In addition, there have been no instances whereby items have been considered exempt.
- 1.4.5 The Chairman during 2015-16 required senior officer attendance where there were high priority Audit recommendations and has encouraged public participation at the Audit Committee.

2. Summary of Audit Committee Outcomes during 2014-15

- 2.1 During the financial year (April 2015 – March 2016) the Audit Committee has demonstrated a number of outcomes with a focus on delivering improvement to the organisation. The way in which these were implemented were as follows:-
 - 2.1.1 **Key controls and assurance mechanisms.** The Committee relies upon information presented from qualified, independent and objective officers and external assurance providers. The key controls and assurance mechanisms are as described within the Annual Governance Statement. The Audit Committee is not a working group, it does not carry out the work itself, but relies on the assurance framework to bring significant issues to the Committee for discussion and make recommendations for the the Executive and officers to take forward. The Committee recognises that management are responsible for a sound control environment¹.
 - 2.1.2 **A peer review of the Council’s Internal Audit Service** against the Public Sector Internal Audit Standards (“PSIAS”) was conducted in January 2016 by the London Borough of Kensington and Chelsea. The review found that Barnet Council’s Internal Audit ‘fully conforms’ to the PSIAS in 12 of the 17 areas assessed, with minor improvements being suggested in the remaining five areas which were assessed as ‘generally conforming’. The peer reviewer noted that ***‘Overall I think that you are very close to being fully compliant with the requirements of the PSIAS with most improvements being of an advisory nature’***.
 - 2.1.3 **The Council had an inspection by the Office of Surveillance Commissioners (OSC)** in May 2015, relating to the management and policy of covert activities and directed surveillance. Following the inspection the OSC inspector wrote to the Chief Executive stating ***‘the standard of your directed surveillance applications and authorisations***

¹The control environment comprises the systems of governance, risk management and internal control

were extremely good' and made 'no recommendations' for change or improvement on practice. A full copy of the inspection report letter was and is available to Audit Committee Members should they wish to review in detail. For 2015/16 there have been no requests for authorised surveillance in accordance with Regulation of Investigatory Powers Act 2000 (RIPA). This statistic is reported to the Audit Committee for information purposes in accordance with our policy and statistical return to the Office of Surveillance Commissioners.

2.2. External Audit financial resilience and value for money. For 2015/16 BDO are the Council's newly appointed external auditors, they replace Grant Thornton, the Council's previously appointed external auditors. Therefore this has been a year of transition from one external auditor provider to another. The Audit Committee would like to formally express gratitude to Grant Thornton for all the work they have conducted with the Council whilst appointed, and formally welcome BDO as its new external auditors.

2.2.1 In July 2015 in accordance with International Standard on Auditing (ISA) 260, the council's external auditors (Grant Thornton) were required to issue detailed reports on matters arising from the audit of the Council's Accounts. The ISA 260 report has to be considered by "those charged with governance" (The Audit Committee) before the external auditor can sign the accounts, which legally has to be done by 30 September 2015. The Council's external auditors did not identify any adjustments affecting the Council's financial position and the accounts were signed accordingly.

2.2.2 The key messages arising from the audit of the 2014/15 financial statements were:

- Assurance was gained that the Council had adopted appropriate accounting policies regarding revenue recognition and testing supported compliance with the policies.
- Assurance was gained that all provisions had appropriate supporting evidence and were in accordance with the requirements of the Code.
- There was no evidence of management override of controls or creditors being understated or not recorded in the correct period.
- Assurance was gained that the introduction of a new accounting system did not cause any balances to be materially misstated.

2.2.3 In providing the opinion on the financial statements, the external auditors, concluded on the adequacy of the Council's arrangements for ensuring economy, efficiency and effectiveness in its use of resources (the Value for Money Conclusion) and presented an unqualified Value for Money Conclusion.

2.4 Improvement agenda – the Audit Committee is committed to improving shortfalls in the control environment, rather than apportioning blame.

2.4.1 The Audit Committee has been provided with assurances on high priority recommendations and the progress against these quarter by quarter. The Audit

Committee and its Chairman has asked that leading officers (Directors or Assistant Directors) to attend the Audit Committee to explain any deficiencies identified by Internal Audit and how they intend to address and action them. The important aspect that the Audit Committee has been assessing each quarter is whether the direction of travel from one quarter to the next has been improving via recommendations having been implemented. This focus on improving the control environment through follow-up and discussion has made Delivery Units accountable for improvement. We followed up a total of 150 high priority recommendations that had been raised and were due to have been implemented by the end of 2015/16. Of those, we found that 125 had been fully implemented by the year end (83%), the remaining recommendations had been partially implemented at the time of reporting/year end. Overall the direction of travel for implementing audit recommendations on a timely basis improved in 2015-16 with 83% of high priority recommendations confirmed as having been implemented within agreed timescales compared to 73% in 2014-15.

- 2.4.2 The Public Sector Internal Audit Standards require the Head of Internal Audit to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control (i.e. the organisation's system of internal control). The opinion does not imply that Internal Audit has reviewed all risks relating to the organisation and is based on the work performed in 2015-16 but the conclusion should be considered in the context of the financial pressures facing the Council in a period where savings are required to be made but there is a greater demand for local services due to the borough's growing population. For 2015-16 a 'Satisfactory' Annual Internal Audit Opinion was given for the fourth consecutive year.
- 2.4.3 In line with the Scheme of Financing Schools, the Chief Finance Officer is required to deploy internal audit to examine the control frameworks operating within schools under the control of the Local Education Authority ("LEA"). In 2015-16, Internal Audit performed 26 schools visits/audit reviews. During the year the Internal Audit service undertook an Assurance Mapping workshop with the Schools Improvement service to explore whether the audit approach should be updated to further support schools and to ensure that there is adequate assurance in place over key risk areas including Governance, Safeguarding, Pupil Premium and Anti-Fraud. As such, Internal Audit undertook a pilot during October – December 2015 and has now adapted and incorporated revised approach into the audit questions for all schools. The approach to follow-up audits at schools has also changed, with audit visiting them to confirm that any high priority recommendations have been implemented within agreed timeframes. Additionally the Head of Internal Audit attended a meeting of all Barnet Head teachers to discuss and explain the revised audit approach.
- 2.4.4 **Internal Audit and the Corporate Anti-Fraud Team (CAFT)** have a combined Annual Plan approved annually by Audit Committee which demonstrates their commitment to joint working, making the best use of resources and avoidance of duplication of effort. This also enables them to ensure that any control weakness identified through fraudulent activity are followed up with recommendations to strengthen the control environment and noted on the service risk registers.
- 2.4.5 The **Internal Audit and CAFT** functions are organisationally independent from the Strategic Commissioning Board and other Council officers.

2.5 Issues external and internal assurances – during the year the Audit Committee has been presented with various reports regarding control weaknesses. Areas that received an Internal Audit ‘No / Limited’ assurance rating, where the audit review identified areas of weaknesses and high priority recommendations are listed below and the Committee has continued to follow up recommendations, particularly regarding:-

Review Title	Assurance rating	Number of High Priority recommendations
Section 75 Agreements (Including Better Care Fund)	No	9
Street Scene Governance (joint with CAFT)	No	6
Disaster Recovery	Limited	4
People Management – Pre-Employment Checks	Limited	3
Procurement – compliance with Council Procurement Rules	Limited	3
Contract Management– - Registrars	Limited	2
IT Change Management	Limited	2
Schemes of Delegation	Limited	2
Accounts Payable	Limited	1
Teachers Pensions	Limited	1
Contract Management – Homecare	Limited	1
Client Affairs	Limited	1

2.6 Anti-Fraud – during the year the CAFT operated to an anti-fraud strategy and annual work plan which was approved by the Audit Committee. The Audit Committee has also received quarterly progress as well as an Annual report from CAFT which provide detailed summary on outcomes including preventative, proactive and reactive anti-fraud work undertaken. There has been consistent good work reported by CAFT in relation to corporate fraud, tenancy fraud and benefit fraud.

2.6.1 In relation to Housing and Council Tax Benefit Fraud investigations, on the 1st July 2015 Barnet area became a Single Fraud Investigation Service (SFIS) site. SFIS is the creation of a national single integrated fraud investigation service within the Department of Work and Pensions (DWP). It has statutory powers to conduct single investigations and sanctions covering the totality of welfare benefit fraud (all DWP benefits, Local Authority benefits and HMRC credits). It will not have responsibility for other Local Authority Fraud such as Internal/staff Fraud, Tenancy Fraud, Council Tax Support or Discount Fraud this will remain with the council CAFT Team.

2.6.2 In October 2015 CAFT began dealing with the investigation of Blue Badge Misuse. Three successful proactive street based exercises were carried out by CAFT during 2015 -16

with a number of prosecutions arising from these as well as penalty notices and warning letters being issued, more exercises of this nature will be carried out going forward.

- 2.6.3 In relation to Tenancy Fraud CAFT investigations resulted in 57 properties being recovered during 2015 -16, which included 4 successions applications being denied and 7 temporary/emergency accommodation ceased. The savings that this number of recovered properties equates to is £8,550,000 (according to audit commission calculation of £150k per recovered property). Good work was also undertaken in relation to 'Right to Buy' applications – with 18 being denied as a result of CAFT intervention. There is a maximum discount of £103,900 per property on right to buy cases, this work has meant that CAFT have saved the loss of a property and a financial loss of £1,022,520 in discounts in 2015 -16 year.
- 2.6.4 In other areas of internal fraud there have been 3 prosecutions this year, with 7 staff no longer employed / dismissed as a result of CAFT investigations and 4 school places withdrawn as a result of CAFT intervention / investigation.
- 2.6.5 Whistleblowing blowing matters are also reported to the Audit Committee. In 2015-16 three whistleblowing letters were received which all related to the same matter; alleged criminal activity, impropriety and financial regularities within the Street Scene Delivery Unit particularly around the Council Depot operations and work practices. Due to the varying nature of allegations within the referral it was decided to approach the issues by conducting a CAFT investigation into some specific elements of the referral and address the other elements by conducting a joint Internal Audit and CAFT review covering all of the Street Scenes operations. The review concluded with a 'No Assurance' report being issued and a number of high priority recommendations being made (details of this report can be found within the Internal Audit Quarter Three progress report). The CAFT investigation concluded with no evidence of criminal activity being found relating to the allegations. However CAFT did make recommendations to the service regarding consideration of disciplinary action for some staff members in relation to non-compliance with council policy and all staff matters have been subsequently dealt with. Full details of the matters referred cannot be publicised due to confidentiality, however all matters within the letters have been thoroughly reviewed and/or investigated and actions taken or recommended where appropriate to do so.

2.7 **Planned and unplanned work** – The Committee has completed its work plan in accordance with its planned level of activity.

3. Conclusions

- 3.1 In conclusion the Audit Committee feels that it has demonstrated that it has added value to the Council's overall Governance Framework.
- 3.2 Throughout 2016-17 the Audit Committee plans to continue to require senior officers to attend Committee meetings to aid in its understanding of the services and the issues identified through the audit process, but mostly to ensure that internal and external recommendations are given the priority required and implemented on a timely basis.

3.3 The Audit Committee's focus will continue to be ensuring action is taken of internal control deficiencies and reviewing progress on a regular basis.

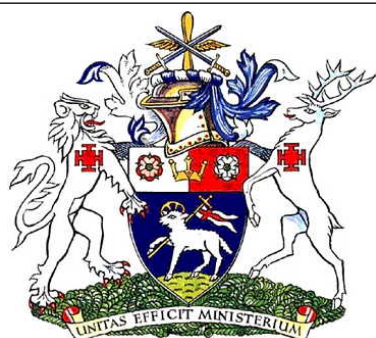
Annex 1 – Schedule of Planned and Unplanned work 2015 - 16

Detail Reports considered:

Audit Committee meeting Date	Reports
30th April 2015	Exception Recommendations and Internal Audit Progress Report – up 31 st March 2014
	Internal Audit and Anti-Fraud Strategy and Annual Plan and Risk Management Approach 2015-16
	External Audit Plan 2014-15
	Annual Report of the Corporate Anti-Fraud Team 14-15
	Risk Management Framework
	Group Accounts
	Audit Committee Work Programme 2015/16
30th July 2015	Annual Report of the Audit Committee 2014/15
	External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2014/15 and Statement of Accounts 14/15
	Annual Governance Statement 2014/15
	Internal Audit Annual Opinion 2014/15
	Corporate Anti-Fraud Team Quarter one 2015-16

Audit Committee meeting Date	Reports
	Internal Audit quarter one 2015/16 and Exceptions Recommendation report
5th November 2015	Internal Audit Quarter Two 2015-16 update and exceptions report
	Corporate Anti-Fraud Team Quarter Two 2015-16
	Quarterly Progress Reports - The External Auditors – verbal update
	ICT Operations – ITIL methodology assessment
28th January 2016	Internal Audit and Risk Management Quarter Three 2015-16 update and exceptions report
	Corporate Anti-Fraud Team Quarter Three 2015-16
	Annual Audit Letter 2014/2015
	Grants Certification Work Report 2014/2015
	Quarterly Progress Reports - The External Auditors

This page is intentionally left blank



Council
1 November 2016

Title	Annual Report of the Local Pension Board
Report of	Head of Governance
Wards	All
Status	Public
Enclosures	Annex 1 – Local Pension Board– Annual Update Report (27 July 2016) Appendix A – Previous Minutes of the Local Pension Board meetings Appendix B – Terms of Reference for Local Pension Board Appendix C – Local Pension Board, Forward Work Plan 2016-2017
Officer Contact Details	Salar Rida, Governance Officer salar.rida@barnet.gov.uk – 0208 359 7113

Summary

The Local Pension Board on 27 July 2016 considered and noted the update report on the annual work of the Board. Council is asked to note the contents of the report.

Recommendations

- 1. That Council note the Annual Report of the Local Pension Board.**

1. WHY THIS REPORT IS NEEDED

- 1.1 On 27 July 2016, the Local Pension Board considered and noted its annual report which sets out a summary of the work of the Board. The report is presented to Council to note in line with the Council's Constitution and Terms of Reference which includes reporting guidelines.
- 1.2 The Pension Fund Committee received an update report in October 2015 on the recruitment and the work of the Local Pension Board. The Committee noted that an update report on the work of the Board would be reported to a future meeting of the Pension Fund Committee.
- 1.3 The Local Pension Board's terms of reference, at Appendix B, sets out the reporting guidelines which states that the Board shall report to the Pension Fund Committee as often as the Board deems necessary and at least annually:
- a summary of the work undertaken;
 - the work plan for the next 12 months;
 - details of training received and planned; and
 - details of any conflicts of interest and how they were dealt with.
- 1.4 The terms of reference also sets out that the Local Pension Board shall report to Full Council annually and as necessary from time to time any breach in compliance or other significant issues such as:
- any areas of persistent non-compliance;
 - any area of non-compliance within the LGPS Regulations that have been reported to the Pension Fund Committee;
 - areas raised to the Board to be investigated and how they were dealt with;
 - any risks or other areas of potential concern it wishes to raise;
- 1.5 The details of the work undertaken are set out in the Local Pension Board report at Annex 1 and Appendix A to the report. The Local Pension Board has not identified any issues for consideration of Full Council. The actions raised by the Local Pension Board will be taken forward through its Work Plan at subsequent meetings and via the Pension Fund Committee.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The terms of reference of the Local Pension Board sets out that the Local Pension Board is accountable solely to the Council for the effective operation of its functions. The report noted that an update on the work of the Local Pension Board would be reported to the Pension Fund Committee and Full Council annually.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None in the context of this report.

4. POST DECISION IMPLEMENTATION

4.1 The Local Pension Board, in accordance with its terms of reference, shall continue to report on its work to Full Council annually and as necessary from time to time on any future breach in compliance or other significant issues as set out above under section 1.4 of the report.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 As set out in the Local Pension Board report at Annex A.

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

5.2.1 None in the context of this report.

5.3 Social Value

5.3.1 None in the context of this report.

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 As set out in the Local Pension Board report at Annex A.

5.5 Risk Management

5.6 There are no specific risk management implications arising from this report.

5.7 Equalities and Diversity

5.7.1 As set out in the Local Pension Board report at Annex A.

5.8 Consultation and Engagement

5.8.1 None in the context of this report.

5.8 Insight

5.8.1 None in the context of this report.

6. BACKGROUND PAPERS

- 6.1 Local Pension Board, 27 July 2016, Agenda Item 10, Annual Update Report:
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=753&MId=8848&Ver=4>
- 6.2 Local Pension Board, 29 July 2015, Agenda Item 7, Approval and Adoption of the Terms of Reference, Appendix 1, LGPS Guidance:
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=753&MId=8475&Ver=4>
- 6.2 Pension Fund Committee, 22 October 2015, Agenda Item 8, Local Pension Board Report:
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=8356&Ver=4>

	<h2>Local Pension Board</h2> <h3>27 July 2016</h3>
<p style="text-align: right;">Title</p>	<p>Local Pension Board – Annual Update Report</p>
<p style="text-align: right;">Report of</p>	<p>Head of Governance</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A – Previous Minutes of the Local Pension Board meetings Appendix B – Terms of Reference for Local Pension Board Appendix C – Local Pension Board, Forward Work Plan</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Salar Rida, Governance Officer 020 8359 7113, salar.rida@barnet.gov.uk</p>

<h2>Summary</h2>
<p>This report provides an update on the work of the Local Pension Board which will be reported to the Pension Fund Committee in line with the reporting guidelines set out in the terms of reference.</p> <p>On the 23rd of March 2015, the General Functions Committee agreed the establishment of the Local Pension Board, the composition of the Board and the proposed terms of reference. Following a recruitment process, Full Council on 28th July 2015 approved the membership and the detailed terms of reference for the Board. The terms of reference sets out the reporting requirements for an annual update on the work of the Local Pension Board to be reported to the Pension Fund Committee.</p>

Recommendations

- | |
|---|
| <p>1. That the Local Pension Board note the update on: the summary of the work undertaken by the Board; its terms of reference; the work programme for the Board; details of training undertaken by Board members as set out in paragraph 1.7; and details of conflicts of interests and how they were managed as set out in paragraph 1.9</p> |
| <p>2. That the Local Pension Board note and comment on the annual work plan attached at Appendix C and agree to it being referred to the next meeting of the Pension Fund Committee.</p> |

1. WHY THIS REPORT IS NEEDED

- 1.1 The Public Service Pensions Act 2013 requires the establishment of Pension Boards to assist local authorities with the effective management of local pension funds. The Department for Communities and Local Government (DCLG) has issued regulations and reporting guidelines concerning the implementation of Pension Boards.
- 1.2 The terms of reference of the Local Pension Board (LPB) was agreed by the General Functions Committee on 23rd March 2015 and following endorsement by Full Council, the terms of reference were formally adopted by the Local Pension Board on 29th July 2015.
- 1.3 On 22nd October 2015 the Pension Fund Committee received an update report on the recruitment and the work of the Local Pension Board. The Committee noted that a future update report on the work of the LPB would be reported to a future meeting of the Pension Fund Committee.
- 1.4 The Local Pension Board's terms of reference, at Appendix B, sets out the reporting guidelines which states that the LPB shall report to the Pension Fund Committee as often as is necessary and at least annually:
- a summary of the work undertaken;
 - the work plan for the next 12 months;
 - details of training received and planned; and
 - details of any conflicts of interest and how they were dealt with.
- 1.5 A summary of the work undertaken by the Local Pension Board is set out at Appendix A through the published minutes of the previous meetings of the Local Pension Board on 29th July, 9th November 2015 and 10th February 2016.
- 1.6 The work plan for the Local Pension Board is attached at Appendix C to the report.
- 1.7 On 22nd July 2015, the Members induction and training session took place for the Members of the Local Pension Board. The session included training on:
- The Local Government Pension Scheme and legislative framework to LGPS
 - Background to the establishment of Local Pension Boards

- Regulations and governance of the Local Government Pension Scheme
- Role, Composition and Reporting Requirements of the Local Pension Board
- Terms of Reference, Council's Constitution Codes of Conduct and Conflicts of Interests Policies,
- Conduct of Members and Conflicts Policy
- Data Protection and Information Security Policy
- Board Knowledge and Understanding Policy which included a skills self-assessment for Board Members
- Principles of good scrutiny (CfPS) around the issues: constructive 'critical friend' challenge, Amplifies the voice and concerns of the public, Led by independent people who take responsibility for their role, Drives improvement in public services.

1.8 Further training to Board Members will be agreed with the membership of the Local Pension Board and taken forward in line with the requirements for training.

1.9 In line with the training session delivered to Members of the Local Pension Board on the Code of Conduct and Conflicts of Interests policies, the Register of Interests for the Board Members has been published. No further issues have been reported in relation to conflicts of interests.

2. REASONS FOR RECOMMENDATIONS

2.1 The Pension Fund Committee on 22nd October 2015 received an update report on the recruitment and the work of the Local Pension Board. The report noted that an update on the work of the Local Pension Board would be reported to the Pension Fund Committee annually.

2.2 The terms of reference of the Local Pension Board in line with the reporting guidelines by the LGPS set out at Appendix B.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None in the context of this report.

4. POST DECISION IMPLEMENTATION

4.1 In line with the reporting guidelines set out in the terms of reference of the Local Pension Board, the Board shall report to the Pension Fund Committee:

- a summary of the work undertaken;
- the work plan for the next 12 months;
- details of training received and planned; and
- details of any conflicts of interest and how they were dealt with.

5. IMPLICATIONS OF DECISION

5.1 **Corporate Priorities and Performance**

5.1.1 The Local Pension Board supports delivery of Council's strategic objectives and priorities as expressed through the Corporate Plan 2015-2020 by assisting in maintaining the integrity of the Pension Fund by monitoring the administration and compliance of the Fund.

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

5.2.1 None in the context of this report.

5.3 **Social Value**

5.3.1 None in the context of this report.

5.3.2 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 Public Service Pensions Act 2013 and the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 required the Council to establish a Pension Board by 1 April 2015. The final appointments comply with the requirements of the legislation and due regard has been paid to the guidance.

5.4.2 Under the Terms of Reference (Appendix B) the Board shall report to the Pensions Committee as often as the Board deems necessary and at least annually in relation to:

- a summary of the work undertaken;
- the work plan for the next 12 months;
- details of training received and planned; and
- details of any conflicts of interest and how they were dealt with.

5.5 **Risk Management**

5.6 There are no specific risk management implications arising from this report.

5.7 **Equalities and Diversity**

5.7.1 There are no Equalities and Diversity issues arising from this report.

5.7.2 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

5.7.3 The protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

5.8 Consultation and Engagement

5.8.1 None in the context of this report.

5.8 Insight

5.8.1 None in the context of this report.

6. BACKGROUND PAPERS

6.1 Local Pension Board, 29 July 2015, Agenda Item 7, Approval and Adoption of the Terms of Reference, Appendix 1, LGPS Guidance:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=753&MId=8475&Ver=4>

6.2 Pension Fund Committee, 22 October 2015, Agenda Item 8, Local Pension Board Report:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=8356&Ver=4>

This page is intentionally left blank

Decisions of the Local Pension Board

29 July 2015

Members Present:-

Councillor Brian Salinger (Chairman) (Employer Representative)

Geoffrey Alderman (Vice-Chairman) (Employee Representative)

Luke Ward (Employee Representative) Stephen Ross (Independent Member)

Tom Evans (Employer Representative)

Also in attendance:

Hem Savla (Substitute Employee Representative)

Pending the appointment of a Chairman and vice-Chairman, the clerk opened the meeting and reported the absence of Members and sought nominations for the position of Chairman.

1. ABSENCE OF MEMBERS

There were none.

2. ELECTION OF CHAIRMAN AND VICE CHAIRMAN

RESOLVED-

1. That Councillor Brian Salinger be appointed as Chairman of the Local Pension Board
2. That Professor Geoffrey Alderman be appointed as Vice-Chairman of the Local Pension Board.

3. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

There were none

4. PUBLIC QUESTION AND COMMENTS (IF ANY)

There were none

5. REPORT OF THE MONITORING OFFICER (IF ANY)

There were none

6. MEMBERS' ITEMS (IF ANY)

There were none

7. APPROVAL AND ADOPTION OF THE TERMS OF REFERENCE

The Board considered the report. The Board asked officers to review why the Board's terms of reference prohibited the Independent Member from being the Chairman and requested a report back at the next meeting.

The Board

RESOLVED – to note the Terms of Reference set out in Appendix 2 of the report.

8. LOCAL PENSION BOARD CONSTITUTIONAL FRAMEWORK

The Board considered the report. Board Members agreed to complete the notification of Members Interest and provide a bio for the Local Pension Board internet page.

The Board

RESOLVED –

1. To note that members of the Board are required to comply with the Council's Members Code of Conduct and Conflicts of Interest Policy and the Local Government Pension Scheme (LGPS) Guidance on Conduct of Members and Conflicts of Interest.
2. To note that members of the Board are required to comply with the Council's Data Protection Policy and Information Security Policy.

9. BOARD KNOWLEDGE, UNDERSTANDING AND TRAINING

The Board considered the report.

Board Members agreed to complete the skills and self-assessment form and officer would also routinely circulate any upcoming Pension Training to Board Members.

The Board

RESOLVED –

1. to note the requisite level of knowledge and understanding required for the role and that members will be required to acquire this knowledge and understanding through self-assessment and training.
2. To instruct officers to develop a detailed Member Development Plan for Board Members

10. KEY POLICY DOCUMENTS OF THE BARNET PENSION FUND

The Board considered the report.

Board Members asked for the new Council Corporate Social Responsibility Policy to be incorporated in the review of the Statement of Investment Principles, currently being undertaken and for the results to be shared with the Board.

The Board

RESOLVED –

1. To note the Pension Fund's key strategy and policy documents.
2. To receive the results of the in the review of the Statement of Investment Principles.

11. BARNET PENSION FUND PERFORMANCE

The Board considered the report.

Board Members asked for WM Company Ltd to attend a training session or the next meeting to provide details on how the benchmarking is assessed.

The Board

RESOLVED –

1. To note the Barnet Council Pension Fund Performance for Quarter January to March 2015
2. To invite WM Company Ltd to attend a training session or the next meeting of the Board to provide details on the benchmarking assessment.

12. LOCAL PENSION BOARD BUDGET 2015/16

The Board considered the report.

The Board

RESOLVED – to note the Local Pension Board Budget for 2015-16.

13. LOCAL PENSION BOARD WORK PROGRAMME

The Board considered the report.

The Board

RESOLVED – to note the work programme.

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

There were none.

The meeting finished at 7.50 pm

Decisions of the Local Pension Board

9 November 2015

Board Members Present:-

Councillor Brian Salinger (Chairman) (Employer Representative)

Geoffrey Alderman (Vice-Chairman) (Employee Representative)

Luke Ward (Employee Representative)

Stephen Ross (Independent Member)

Tom Evans (Employer Representative)

Also in Attendance:

Councillor Peter Zinkin (Pension Fund Committee, Vice-Chairman)

Hem Savla (Substitute Employee Representative)

1. MINUTES OF LAST MEETING

RESOLVED that the minutes of the meeting held on 29 July 2015 be approved as a correct record.

2. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

None.

3. ABSENCE OF MEMBERS

None.

4. PUBLIC QUESTION AND COMMENTS (IF ANY)

None.

5. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

6. MEMBERS' ITEMS (IF ANY)

None.

7. BARNET PENSION FUND PERFORMANCE FOR QUARTER APRIL TO JUNE 2015

Iain Millar, Head of Treasury Services, introduced a report on Barnet Council Pension Fund Performance for Quarter 1 (April to June 2015) which had been considered by the Pension Fund Committee on 22 October 2015.

The Chairman welcomed Anne Gillies from State Street who gave a presentation on performance measurement including: return methodologies; manager benchmarks and performance; evaluation and measurement; asset allocation; and risk vs. return. The Chairman also welcomed Councillor Peter Zinkin, the Vice-Chairman of the Pension Fund Committee, who was in attendance to answer questions from Board Members.

The Board noted that the Pension Fund Committee had made a strategic decision to invest in a defensive portfolio which had impacted on returns. The Committee had at their meeting on 22 October 2015 agreed to amend their investment strategy to ensure improved investment return which would also result in the asset allocation being more closely aligned with the strategies of other local authority pension funds. It was noted that the direction of travel had changed and assets would be reallocated over the next 6 months to improve returns. It was noted that the next asset review would take place during 2016. Councillor Zinkin advised the Board that once the London Collective Investment Vehicle (CIV) had been established Barnet would have access to more providers. He added that the CIV might collectively agree areas of investment focus (e.g. infrastructure).

RESOLVED that the Board:

- 1. Receive a report on the impact of the London Collective Investment Vehicle at the next meeting on 10 February 2016.**
- 2. Request that officers provide further information on revisions to the Pension Fund Investment Strategy at the next meeting on 10 February 2016.**

8. ADMITTED BODIES ORGANISATIONS

Iain Millar, Head of Treasury Services, presented a report which provided an update on the status of admitted bodies organisations.

RESOLVED that the Pension Fund Committee be recommended to receive an update on the bond status of admitted bodies at their meeting on 3 February 2016.

9. PENSION FUND RISK REGISTER REVIEW

Iain Millar, Head of Treasury Services, presented a report which provided the Board with details of the Pension Fund Risk Register. The Board noted that pension fund risks had previously been included in the corporate risk register and had now been disaggregated.

The Board noted that the final risk on the register (strength of covenant of new employers / risk of financial loss to Pension Fund) had an incorrect risk assessment score. Officers undertook to correct this prior to it being considered and approved by the Pension Fund Committee.

Board Members questioned whether there was a risk to fund of having additional admitted bodies. Iain Millar and Councillor Zinkin advised the new admitted bodies would not necessarily be a risk to the fund. However, it was important to ensure that the contributions of active scheme members were sufficient to meet future costs of the fund (contributions vs. accruals).

RESOLVED that the Board note the Pension Fund Risk Register.

10. BOARD WORK PROGRAMME

The Board considered the work programme as set out in the agenda.

RESOLVED that:

- 1. The next meeting of the Board be scheduled to take place on 10 February 2016.**
- 2. The Board agreed that the items listed under 'Meeting date TBC' be reported to the 10 February 2016 meeting except for the 'Draft Annual Report to Pension Fund and Full Council' item which would be reported to Council in the 2016/17 financial year.**

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

None.

The meeting finished at 8.15pm

Decisions of the Local Pension Board

10 February 2016

Members Present:-

Board Members Present:-

Councillor Brian Salinger (Chairman) (Employer Representative)

Geoffrey Alderman (Vice-Chairman) (Employee Representative)

Luke Ward (Employee Representative)

Stephen Ross (Independent Member)

Tom Evans (Employer Representative)

Also in Attendance:

Councillor Peter Zinkin (Pension Fund Committee, Vice-Chairman)

Hem Savla (Substitute Employee Representative)

1. MINUTES OF LAST MEETING

RESOLVED that the minutes of the meeting held on 9 November 2015 be approved as a correct record.

2. TERMS OF REFERENCE FOR THE LONDON BOROUGH OF BARNET PENSION BOARD

The Board note it's terms of reference.

3. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

None

4. ABSENCE OF MEMBERS

None.

5. PUBLIC QUESTION AND COMMENTS (IF ANY)

None.

6. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

7. MEMBERS' ITEMS (IF ANY)

None.

8. BARNET PENSION FUND PERFORMANCE TO SEPTEMBER 2015

The Board considered the Officers reports and noted the circulation of appendix C.

The Head of Treasury, Iain Millar introduced the report. He advised the Board that the Pensions Fund Committee is to consider its fund profile which may lead to diversification. The Board questioned the Head of the Treasury and Councillor Peter Zinkin, the Vice-Chairman of the Pensions Fund Committee who was requested to make a presentation by the Chairman. Councillor Zinkin advised the Board Officer's report had been considered and determined by Pensions Fund Committee at its meeting on 03 February 2016.

Having considered the report the Local Pensions Board:

Resolved

- That the report be noted

9. ADMITTED BODIES ORGANISATIONS

The Head of Treasury, Iain Millar introduced the report. He advised that the Pensions Fund Committee had approved the report on 03 February 2015.

Having considered the report the Local Pensions Board:

- Noted the Officer's report

10. COMMITTEE WORK PROGRAMME

Resolved

- That the work programme be noted
- That the Board agreed their meeting dates below and noted the dates when the Pensions Fund Committee meetings will take place.
- That the Board requested that they receive any relevant training

2016/17	
Pension Fund	Pension Board
July 19 th	July 28 th
Oct 31 st	Nov 7 th
Jan 18 th	Jan 25 th
March 14 th	March 23 rd (provisional)

- The board noted its terms of reference and requested that items received provided assurance that it considers reports which are relevant to the remit of the Board.

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

There were no urgent items.

The meeting finished at 7.50pm

Decisions of the Local Pension Board

27 July 2016

Members Present:-

Councillor Brian Salinger (Chairman) (Employer Representative)

Geoffrey Alderman (Vice-Chairman) (Employee Representative)

Luke Ward (Employee Representative) Stephen Ross (Independent Member)

Also in attendance

Hem Savla (Substitute Employee Representative)

Apologies for Absence

Tom Evans (Employer Representative)

1. MINUTES OF LAST MEETING

The Chairman of the Local Pension Board, Councillor Brian Salinger welcomed all attendants to the meeting.

It was RESOLVED that the minutes of the previous meeting held on 10th February 2016, be agreed as a correct record.

2. DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS

None.

3. ABSENCE OF MEMBERS

Apologies for absence received from Mr Tom Evans.

4. PUBLIC QUESTION AND COMMENTS (IF ANY)

None were received.

5. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

6. MEMBERS' ITEMS (IF ANY)

None.

7. BARNET PENSION FUND PERFORMANCE FOR QUARTER JANUARY TO MARCH 2016

The Chairman introduced the item which summarises the Pension Fund investment manager performance for January to March quarter 2016 and was reported to the Pension Fund Committee (PFC) on 19 July 2016.

Iain Millar presented the report to the Board and noted that the Pension Fund Committee had expressed their preference to receiving an update on the performance for January to June 2016. The Board received a summary of the discussion at the meeting of the Pension Fund Committee.

In response to a query from the Board about the effects of Brexit on the performance of the Pension Fund, Mr Millar stated that the views expressed by the fund management companies' representatives at the PFC meeting was that it was too early at this stage to provide exact performance figures. Following the diversification and asset reallocation of the Fund in the short term, there had been a positive increase in recent fund performance.

Following a request from the Board for information, Mr Millar noted that fund managers will be asked about their approach in relation to the US elections in November 2016.
(Action)

Mr Stephen Ross queried whether the figures given provided a benchmark of the gross of fees. Following discussion, Mr Millar briefed the Board about the request made by the PFC to ensure that the Independent Investment advisor reconcile performance figures with the fund management representatives in respect of data from Newton Investment Management and Schroder Investment Management. This would ensure that there would be consistent reporting on the same basis from the independent investment advisors and the fund management representatives.

In relation the fund management companies' fees, Mr Ross requested that in addition to percentage figures, the actual figures paid be circulated to the Board for information.

It was RESOLVED:

That the Board noted and provided comments as above on the Barnet Council Pension Fund Performance for Quarter January to March 2016.

8. UPDATE ON ADMITTED BODIES ORGANISATIONS

The Chairman introduced the update report on the Admitted Bodies participating in the Local Government Pension Scheme administered by LBB. The Board heard about the discussions at the PFC meeting and noted that the Committee had raised concerns about shortfall of contribution payments and issues with small admitted bodies finding a bond provider.

To ensure Council risk is mitigated, the Board noted that PFC had requested an update report at its next meeting. The Board will also receive the update report at its next meeting. **(Action)**

It was RESOLVED:

That the Board noted the Barnet Council Pension Fund Admitted Bodies Organisations.

9. LONDON COLLECTIVE INVESTMENT VEHICLE UPDATE AND RESPONSE TO LOCAL GOVERNMENT PENSION SCHEME REFORM CONSULTATION

Board Members were briefed about the presentation delivered to the Pension Fund Committee. The Board also heard about the benefit of achieving efficiencies through pooling into London Collective Investment Scheme which had received full authorisation by the Financial Conduct Authority.

In addition, Mr Millar stated that the London CIV would be in a good position to respond effectively to further calls for national pooling of funds.

Following a comment from the Board, it was noted that downward pressure on fund management fees is likely to continue which would need to be balanced against fees towards effective management.

The Board noted that a future update report on London CIV will be brought back to this Board following initial reporting to the Pension Fund Committee.

Following a query from the Board, Mr Millar informed Board Members about the governance structure of the London CIV which involves the individual London Boroughs. Mr Millar also noted that in relation to the London CIV governance arrangements, the respective independent investment advisors would be retained for the individual Boroughs.

The Board requested information about the costs for the transition process for Newton Investment Management Limited and Schroders Investment Management Limited. This information would be circulated to the Board when available. **(Action)**

The Chairman thanked the Board for the discussion.

It was **RESOLVED:**

That the Board noted and provided comment as above on the London Collective Investment Vehicle Update and Response to Local Government Pension Scheme Reform Consultation.

10. ANNUAL UPDATE REPORT

The Chairman introduced the report which was noted by the Board. The Board also noted that the report will be taken to the Pension Fund Committee and Full Council to note.

It was **RESOLVED:**

- 1. That the Local Pension Board noted the update on: the summary of the work undertaken by the Board; its terms of reference; the work programme for the Board; details of training undertaken by Board members as set out in paragraph 1.7; and details of conflicts of interests and how they were managed as set out in paragraph 1.9.**

2. That the Local Pension Board noted and commented as set out in the minutes of Agenda Item 11 (Work Programme) on the annual work plan attached at Appendix C and agree to it being referred to the next meeting of the Pension Fund Committee.

11. COMMITTEE WORK PROGRAMME

The Chairman introduced the items on the Forward Plan which is a standing item on the agenda and lists the items for 2016/2017.

The Chairman requested that Board Members receive email notification with links to the published Pension Fund Committee papers and minutes going forward. **(Action)**

The Board requested that an update be circulated to the Board about core competencies, refresher training and invitations to Pensions seminars. It was agreed that officers will be discussing the approach forward in consultation with the Chairman and circulate to the Board accordingly. **(Action)**

The Board agreed that the holding date of 23rd March 2017 be confirmed as its March meeting date.

It was agreed that Mr Millar would discuss the option of reporting an update on the administration of the LGP Scheme with the Chairman and agree when it would be reported to the Board. **(Action)**

The Chairman thanked the Board for their contribution.

It was **RESOLVED:**

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

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

None.

The meeting finished at 8.10 pm

Terms of Reference for the London Borough of Barnet Pension Board

The purpose of this document is to set out the detailed Terms of Reference for the Local Pension Board of the London Borough of Barnet Pension Fund.

1. Role of the Local Pension Board

1.1 The role of the local Pension Board, as defined by sections 5(1) and (2) of the Public Services Pension Act 2013 and regulation 106 of the Local Government Pension Scheme (LGPS) Governance Regulations 2013.

- To assist with:
 - securing compliance with LGPS Government regulations and any other legislation relating to the governance and administration of the LGPS
 - securing compliance with the requirements imposed in relation to the PGPS by the Pensions Regulator.
 - such other matters that the LGPS regulations may specify
- Ensure the effective and efficient governance and administration of the LGPS for the LBB Pension Fund.
- Ensure the Pension Fund's strategy and policy documents are in place and have been maintained in accordance with the LGPS Regulations. These documents are the: communications policy statement; funding strategy statement; governance compliance statement; statement of investment principles and the Pension Fund annual report and accounts.
- Ensure the Pension Fund's internal Risk Register is in place and reviewed at least annually.
- Review the Pension Fund's performance in complying with the requirements of the LGPS Regulations and any other legislation relating to the governance and administration of the LGPS.
- Review the Pension Fund's performance in complying with the requirements of the Pension Regulator.
- Annually submit a proposed work plan for the forthcoming financial year, to the Pension Fund Committee.
- To carry out any other activities relating to the efficient governance and administration of the Pension Fund.
- To submit an annual budget to the Barnet Pension Fund Committee for approval.

1.2 The Local Pension Board does not replace the Administering Authority or make decisions or carry out duties other than those which are the responsibility of the Administering Authority (refer to Compliance statement). The Pension Board is an advisory/scrutiny board and does not have decision making powers.

- 1.3 The Administering Authority retains ultimate responsibility for the administration and governance of the scheme. The role of the Board is to support the Administering Authority to fulfil that responsibility and secure compliance with any requirements imposed by the Pensions Regulator.

2. Appointment of members of the Pension Board

- 2.1 All Board members will be appointed by Full Council. It is a statutory requirement (section 248A of the 2004 Act) that the Administering Authority must be satisfied that every individual member of the Pension Board is;
- 2.2 conversant with;
- the legislation and associated guidance of the Local Government Pension Scheme
 - any document recording policy about the administration of the fund which is for the time being adopted by LBB Fund; and
- 2.3 have knowledge and understanding of;
- the law relating to pensions; and
 - such other matters as may be prescribed

3 Rules governing Membership the Local Pension Board

- 3.1 Local Pension Boards must include an equal number of employer and member representative with a minimum requirement of no fewer than four in total.
- 3.2 No officer or Councillor who would is responsible for the discharge of any functions under the Regulations (apart from any relating to LPB) may be a Member of the Local Pension Board of that authority.
- 3.3 Officer precluded would be any officer named in the scheme of delegation (e.g. Section 151 Officer and the head of investments). The guidance also states that consideration should be given as to whether officers of the Fund at a senior level, who are not named in the formal scheme of delegation, but who are responsible for discharging functions under the Regulations, should be precluded from being a member of the LPB.

4 Composition of the Board

- 4.1 The Board shall consist of 5 members constituted as follows:
- 2 Council representatives (employers side) comprising:
 - 1 Councillor who is not a member of the Pension Fund Committee
 - 1 employer representative from an admitted or scheduled body (e.g. Re, CSG or Middlesex University)
 - 2 scheme member representatives (employee side) comprising:
 - 1 active member
 - 1 retired/deferred member

- **1 independent member/advisor**
Having no current employment, contractual, financial or other material interest in the Council or any scheme employer fund and not being a member of the LGPS Fund.

4.2 Independent and Scheme Members shall be appointed following a public recruitment, selection and interview process.

5. Chairman and Vice-Chairman of the Board

5.1 The Chairman and Vice-Chairman of the Board will be appointed by Members of the Board as the first business at their first meeting.

5.2 Should the elected Chairman be an Employer representative the Vice-Chairman must be a Scheme Member representative and vice versa.

NB: Independent member cannot be appointed Chairman or Vice-Chairman.

6. Substitute Members

6.1 Each member will have a substitute to act as Board member in their absence, which will be recommended following a recruitment process consistent with their own appointment. These nominations will be approved as part of the overall appointments made by Full Council.

NB: The independent member shall not have a substitute.

7. Quorum

7.1 The Pension Board will be quorate when three voting Pension Board Members are in attendance.

8. Period of Office

8.1 Each Board member shall be appointed for a fixed period of four years, which will usually occur at the Annual Council meeting.

9. Termination of office

9.1 Each Board member will be expected to attend all meeting and training sessions during the year. The membership of any member who fails to attend two or more meetings shall be reviewed and determined by other Board members in consultation with officers.

9.2 The removal of a member from office during their term of appointment can only be enacted by the unanimous agreement of the other members present at the meeting.

9.3 In absence of mitigating factors a Board member can be removed from the Board in the following circumstances (but not limited to):

- A poor attendance record;
- If a member does not undertake training as requested;

- If a member is In breach of Council’s Code of Conduct, Pension Board Code of Conduct and Conflict of Interest policy;
- If a member has a conflict of interest that cannot be managed in accordance with the Board’s conflicts policy.

9.4 Should the Council representative members, or the active scheme member(s) cease to be Council representatives or active scheme members, he/she will automatically cease to be a member of the Board and the Administering Authority will conduct a replacement process.

95. If a Board member chooses not to continue their role, they must provide a written notice of their resignation from their post to the Governance Service. The notice period shall be two months. Once the written notice is received the Board shall be notified accordingly and arrangements shall be made for a replacement in line with the procedures for their original appointment.

10. Voting Rights (this is dependent on makeup of the Board)

10.1 The Independent Member will not have any voting rights. All other members of the board will be entitled to vote.

10.2 In the event of an equality of voted the Chairman will have the casting vote.

11. Frequency of meeting

11.1 The number of meetings a year should be in alignment with the number of the Pension Committee meetings year, or should be determined by the Board once it has agreed a work plan, with a minimum of two meetings annually.

12. Notice of meeting and circulation of papers

12.1 In accordance with the Access to Information Procedure Rules as set out in the Council’s Constitution.

13. Minutes

13.1 In accordance with the Access to Information Procedure Rules as set out in the Council’s Constitution.

14. Accountability and reporting

14.1 The Board is accountable solely to the Council for the effective operation of its functions.

14.2 The Board shall report to the Pensions Committee as often as the Board deems necessary and at least annually:

- a summary of the work undertaken;
- the work plan for the next 12 months;
- details of training received and planned; and
- details of any conflicts of interest and how they were dealt with.

On certain matters the board will report directly to Council;

14.3 The Board shall report annually to Full Council on its work.

14.4 It will also and as necessary from time to time to report to Full Council any breach in compliance or other significant issues such as:

- any areas of persistent non-compliance
- any area of non-compliance within the LGPS Regulations that have been reported to the Pension Fund Committee
- areas raised to the Board to be investigated and how they were dealt with;
- any risks or other areas of potential concern it wishes to raise;

15. Code of Conduct

15.1 All members of the Board are expected to act in accordance with Barnet Council's Code of Conduct for Councillors, and where applicable and the Pensions Regulator's Code of Practice.

16. Conflicts of interest

16.1 All members of the Board must declare on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Board.

16.2 In accordance with s5(5) Public Service Pension Act 2013, a Board member must not have a financial or other interest that could prejudice him/her in carrying out his/her Board duties. This does not include a financial or other interest arising merely by virtue of being a member of the LGPS.

16.2 On appointment to the Board and following any subsequent declaration of potential conflict the conflict must be managed in line with the Council's Members Code of Conduct, the Local Government Pension Scheme (LGPS) Guidance on Conduct of Members and Conflicts of Interest, the requirements of the Public Service Pensions Act 2013 and the requirements of the Pensions Regulator's codes of practice on conflict of interest for Board members.

17. Knowledge and understanding including training

17.1 All new members must follow an induction training plan and all members of the Board will be expected to attend the training provided to ensure that they have the requisite knowledge and understanding to fulfil their role.

17.2 All members must be prepared to participate in such regular personal training needs analysis or other processes as are put in place to ensure that they maintain the required level of knowledge and understanding to carry out their role.

17.3 Failure to attend training or participate in the processes may lead to membership being reviewed.

18. Definitions

The undernoted terms shall have the following meaning when used in this document:

<i>Administering Authority</i>	London Borough of Barnet
<i>Board or Pension Board</i>	The local Pension Board for the London Borough of Barnet, Administering Authority for the London Borough of Barnet Pension Fund as required under the Public Service Pensions Act 2013
<i>Board Member</i>	A member of the Board including Employer representatives, Scheme Member representatives and an independent member
<i>Code of Practice</i>	The Pensions Regulator's [draft] Code of Practice no 14 entitled " <i>Governance and administration of public service pension schemes.</i> "
<i>Conflicts of Interest</i>	As defined in the Public Service Pensions Act 2013
<i>Employer Representative</i>	A person appointed to the Board for the purpose of representing employers for the Scheme
<i>Fund</i>	The London Borough of Barnet Pension Fund within the Scheme administered and maintained by the Scheme Employer
<i>Independent Member</i>	A Member of the Board who is neither an Employer Representative nor a Member Representative
<i>LGPS</i>	The Local Government Pension Scheme as constituted by the Local Government Pension Scheme Regulations 2013, the Local Government Pension Scheme (Transitional

Provisions, Savings and Amendment) Regulations 2014 and The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009.

Member Representative

A person appointed to the Board for the purpose of representing members of the Scheme

Scheme

The Local Government Pension Scheme as defined under LGPS

Scheme Manager

London Borough of Barnet as administering authority of the London Borough of Barnet Pension Fund

This page is intentionally left blank


**London Borough of Barnet
Local Pensions Board Forward
Work Plan -
November 2016- May 2017**

Contact: Salar Rida salar.rida@barnet.gov.uk 02083597113

Subject	Decision requested	Report Of	Contributing Officer(s)
7 November 2016			
Admitted Bodies Report	London Borough of Barnet Pension Fund - Admitted Bodies update report	Chief Executive / Section 151 Officer	Service Delivery Manager (Pensions) Capita Employee Benefits
Barnet Council Pension Fund Performance - Quarterly report	This report encloses the report on Barnet Council Pension Fund Performance for the previous Quarter	Head of Governance	Head of Treasury CSG
Pension Board Budget	That the Board notes the Local Pension Board Budget for 2016-17	Head of Governance	Governance Officer
25 January 2017			
Admitted Bodies Report	London Borough of Barnet Pension Fund - Admitted Bodies update report	Chief Executive / Section 151 Officer	Service Delivery Manager (Pensions) Capita Employee Benefits
Pension Fund Risk Register Review	That the Board review the Pension Fund's Risk Register.	Chief Executive / Section 151 Officer	Head of Treasury CSG

Subject	Decision requested	Report Of	Contributing Officer(s)
Barnet Council Pension Fund Performance - Quarterly report	This report encloses the report on Barnet Council Pension Fund Performance for the previous Quarter	Head of Governance	Head of Treasury CSG
23 March 2017			
Admitted Bodies Report	London Borough of Barnet Pension Fund - Admitted Bodies update report	Chief Executive / Section 151 Officer	Service Delivery Manager (Pensions) Capita Employee Benefits
Barnet Council Pension Fund Performance - Quarterly report	This report encloses the report on Barnet Council Pension Fund Performance for the previous Quarter	Head of Governance	Head of Treasury CSG
Pension Fund Investment Strategy	Report providing further information on revisions to the Pension Fund Investment Strategy	Chief Executive / Section 151 Officer	Head of Treasury CSG
Review of LPGS Governance Reports	To review LGPS governance reporting compliance	Chief Executive / Section 151 Officer	Head of Treasury
Scheme administration compliance	To note report on scheme administration	Chief Executive / Section 151 Officer	Service Delivery Manager (Pensions) Capita Employee Benefits

This page is intentionally left blank

	<p>COUNCIL</p> <p>1 November 2016</p>
<p>Title</p>	<p>Report of Head of Governance</p>
<p>Report of</p>	<p>Head of Governance</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>Appendix A – Changes to the Calendar of Meetings 2016/17</p>
<p>Officer Contact Details</p>	<p>Andrew Charlwood, Head of Governance, 020 8359 2014, andrew.charlwood@barnet.gov.uk</p>

<p>Summary</p>
<p>This item presents various constitutional and administrative matters for Council’s agreement. Full details are as set out in the appended reports.</p>

<p>Recommendations</p>
<p>1. That Council note the changes to the Calendar of Meetings 2016/17 as attached in Appendix A.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 The Head of Governance report seeks Council's approval for various matters of business relating to the Council's statutory and constitutional functions.

2. REASONS FOR RECOMMENDATIONS

- 2.1 As set out in the attached appendices.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 N/A

4. POST DECISION IMPLEMENTATION

- 4.1 Council decisions will be minuted and implemented through the Head of Governance.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 As set out in attached Appendices.

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

- 5.2.1 Any specific implications are set out in the attached Appendices.

5.3 Legal and Constitutional References

- 5.3.1 Council Constitution, Full Council Procedure Rules – requires that Council “Agree the Council Calendar of meetings including for ordinary meetings of the Council”.

5.4 Risk Management

- 5.4.1 As set out in attached Appendices.

5.5 Equalities and Diversity

- 5.5.1 As set out in attached appendices.

5.6 Consultation and Engagement

- 5.6.1 None specifically arising from this report.

6. BACKGROUND PAPERS

- 6.1 None.

CHANGES TO THE CALENDAR OF MEETINGS**2016/17 Municipal Year**

Committee	Date(s) of Meeting(s)	New date(s) of Meeting(s)
Pension Fund Committee	N/A	13th September 2016
Environment Committee	26th September 2016	29th September 2016
Special Planning (pre-application)	N/A	7 November 2016
Local Pension Board	N/A	23rd March 2017

RECOMMEND that Council note the changes to the calendar of meetings contained in the table above.

This page is intentionally left blank

Council: 1st November 2016

OPPOSITION Motion in the name of Cllr Phil Cohen

AGENDA ITEM 15.1

Funding of community pharmacies

Council welcomes the Government's decision to delay the £170 million of planned cuts to community pharmacies beyond October and to re-open negotiations with the pharmacy profession over future plans.

Council notes that the Member's Item on this subject discussed at the Health Overview & Scrutiny committee (HOSC) in May did not achieve a consensus: the Labour members of the committee voted to respond to the Government's consultation by opposing the cuts, and the Conservative members of the committee voted against this.

Council notes the Labour Group's subsequent submission to the consultation, a copy of which was circulated to all members of HOSC.

It had been feared that up to 3,000 community pharmacies across the country could face closure under the proposals and over one million people signed a petition calling on the Government to think again.

Health Minister David Mowat said to the Royal Pharmaceutical Society on September 5, "We've seen the petition, and that's frankly an accolade to the way you are regarded amongst communities.

"There's been a long consultation on the proposals and we've been considering the results of that consultation for some while. It was our intention that these plans go ahead from October. We are not now going to be in a position to do that."

This decision reflects the strength of feeling among residents in Barnet and elsewhere about the vital health role that pharmacies have in the community. They can offer advice and support and take the load off GPs and the hospital sector.

Council supports any proposals to strengthen this and welcomes constructive discussions between the Government and the pharmacy profession on the contribution of community pharmacies.

Council asks the Chair of HOSC to write to the Health Minister urging him to support the sustainable funding of community pharmacies and to withdraw the threat of cuts.

Under Full Council Procedure Rule 23.5: if my item is not dealt with by the end of the meeting I ask that it be voted upon at the Council meeting

This page is intentionally left blank

Council: 1st November 2016

OPPOSITION Motion in the name of Cllr Arjun Mittra

AGENDA ITEM 15.2

Royal British Legion "Count Them In" Campaign: Making the next census count for our Armed Forces community

Council places on record its gratitude for the courage, service and sacrifice of members of Her Majesty's armed forces, past and present, during military conflicts, in countering terrorism and in carrying out peacekeeping and humanitarian duties.

Council notes:

- The obligations it owes to the Armed Forces community within the Borough of Barnet as enshrined in the Armed Forces Covenant; that the Armed Forces community should not face disadvantage in the provision of services and that special consideration is appropriate in some cases, especially for those who have given the most.
- The absence of definitive and comprehensive statistics on the size or demographics of the Armed Forces community in Barnet. This includes serving Regular and Reserve personnel, veterans, and their families.
- That the availability of such data would greatly assist the Council, local partner agencies, the voluntary sector, and national Government in the planning and provision of services to address the unique needs of the Armed Forces community in Barnet.

Council therefore resolves to:

- Support and promote The Royal British Legion's campaign 'Count Me In' to include a new topic in the 2021 census that concerns military service and membership of the Armed Forces community.
- Urge Barnet's elected members to sign up as individual supporters to the 'Count Me In' campaign.
- Ask the Leader of the Council and the Leader of the Opposition to jointly write to the Secretary of State for Defence, setting out the Council's position that we wish to see the UK Parliament approve a final census questionnaire in 2019, which includes questions concerning our Armed Forces community, for use in the 2021 Census.

- Ask the interim Chief Executive to write to the Borough's three Members of Parliament, and the Assembly Member for Barnet & Camden, asking them to also make representations on this matter to the Secretary of State for Defence.

Under Full Council Procedure Rule 23.5: if my item is not dealt with by the end of the meeting I ask that it be referred to the appropriate committee or sub-committee for consideration and any necessary action.

Social care crisis in Barnet

As Barnet's Graph of Doom so clearly expressed, there is a crisis in social care in Barnet caused by an increasingly ageing population with more complex needs, more demand for social care services and less funding to pay for it.

Demand for assessments and support under the Care Act is rising in Barnet, with 42,039 calls to Social Care Direct in 2015/16 - 7,755 more than the previous year, although so far this has not resulted in an increase in the number of service users.

Barnet has increased cost pressures from residential care placements (there are 80 residential care homes and 23 nursing homes registered with the CQC in Barnet), delayed transfers of care from hospital and deprivation of liberty safeguards.

Because of the increase in demand for care services overall, Barnet's adults' social care budget is regularly overspent - currently by around £4m;

Social care providers are also under pressure, and are increasingly subsidising people paid for by the Council who have complex needs that are not recognised in the way social care is paid for.

The lack of resources is adversely impacting stability and capacity in the social care workforce, and the quality of care. The burden of unmet social care need is falling on unpaid family carers, and the NHS.

Everyone agrees that the situation is not sustainable.

In a recent statement responding to the Care Quality Commission's State of Care 2015/16 report which finds that the sustainability of the adult social care market is approaching a tipping point, Margaret Willcox, Vice-President of the Association of Directors of Adult Social Services, said:

"We have been arguing for some time now that adult social care needs to be given adequate recognition and resourcing. Services are being cut and the outlook for future care is bleak. We are at a tipping point where social care is in jeopardy and unless the Government addresses the underfunding of the sector, there will be worrying consequences for the care market, the NHS and, most importantly, for older and disabled people, their families and carers."

Council believes that a decent society provides the necessary resources to care for its older and disabled people.

Council welcomes the possibility of additional funding through the social care precept, but notes that in one year the maximum barely covers the current local overspend in adults social care, and will not cover future demand for services.

Council therefore asks the Leader of the Council and the Leader of the Opposition to jointly write to the Prime Minister and Chancellor of the Exchequer calling on them to address the widening social care funding gap.

Council also asks the Adults & Safeguarding Committee to establish a time-limited sub-committee or panel to review the social care market in Barnet, with the involvement of health partners and social care providers, in order to make recommendations by July next year on a sustainable local way forward.

Under Full Council Procedure Rule 23.5: if my item is not dealt with by the end of the meeting I ask that it be voted upon at the Council meeting

Council: 1st November 2016

ADMINISTRATION Motion in the name of Cllr Richard Cornelius

AGENDA ITEM 15.4

STPs and local political involvement in health and social care integration

Council notes, with some concern, the significant demographic changes that are creating pressures for adult social care and health services in the North Central London (NCL) region and more widely.

For example, Council notes that in Barnet the over-65 population is forecast to grow three times faster (at 34.5%) than the overall population from 2015 to 2030, with the over-85 population set to increase by two-thirds (66.6%) during that time.

Council notes that residents are not only living longer, but longer with complex needs and disabilities. There has been a rapid increase in the number of people living with dementia in the borough and, with over 3,000 beds in residential units, Barnet continues to be a large net importer of people in need of care.

Council recognises the imperative of not only meeting such demand challenges but ensuring those residents are able to access the quality care required to meet their needs.

Council further recognises the relationship between the care sector and the health service and notes that, despite the £12bn in additional funding supplied to the NHS by the government, many areas like North Central London (of which Barnet is a part) are facing substantial deficits in the coming years unless action is taken.

Council notes the Sustainability and Transformation Plan (STP) produced by the local health service to consider its challenges and how to address them.

Council believes that greater integration between health and social care must be a key part of the solution and that local authorities should be able to play a more leading role than they are currently afforded. Council believes that the interests of residents, patients and taxpayers, would be better served by increased local political involvement.

Whilst welcoming the ambitions of the NCL STP to work in partnership to transform services, improve patient outcomes and tackle the large forecast deficits, Council believes it would benefit from greater input and scrutiny from the council, its elected members and the public.

Council, therefore, calls for the STP to be made open for political and public consideration and for it to be discussed and scrutinised at the Health and Wellbeing

Board, the Health Overview and Scrutiny Committee and the subsequent Policy and Resources Committee.

Council also asks the Leader of the Council and the Leader of the Opposition (if willing) to write together to the Secretary of State for Health to call for more meaningful local political involvement at the earliest stage in the integration of health and social care and the response to the financial and demographic challenges being faced.

Under Full Council Procedure Rule 23.5: if my item is not dealt with by the end of the meeting I ask that it be voted upon at the Council meeting