

<p style="text-align: center;"><u>MEETING</u></p> <p style="text-align: center;">POLICY AND RESOURCES COMMITTEE</p>
<p style="text-align: center;"><u>DATE AND TIME</u></p> <p style="text-align: center;">MONDAY 17TH JUNE, 2019</p> <p style="text-align: center;">AT 7.00 PM</p>
<p style="text-align: center;"><u>VENUE</u></p> <p style="text-align: center;">HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ</p>

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

Chairman: Councillor Daniel Thomas
Vice Chairman: Councillor David Longstaff

Councillors

Councillor Dean Cohen	Councillor Anthony Finn	Councillor Ross Houston
Councillor Kath McGuirk	Councillor Arjun Mittra	Councillor Alison Moore
Councillor Sachin Rajput	Councillor Barry Rawlings	Councillor Gabriel Rozenberg
Councillor Peter Zinkin		

Substitute Members

Councillor Melvin Cohen	Councillor Val Duschinsky	Councillor Geof Cooke
Councillor Reema Patel	Councillor Alan Schneiderman	Councillor Mark Shooter

In line with the Constitution's Public Participation and Engagement Rules, requests to submit public questions or comments must be submitted by 10AM on the third working day before the date of the committee meeting. Therefore, the deadline for this meeting is Wednesday, 12 June at 10AM. Requests must be submitted to Maria Lugangira maria.lugangira@barnet.gov.uk

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

Andrew Charlwood – Head of Governance

Governance Service contact: Maria Lugangira 020 8359 2761

Media Relations Contact: Gareth Greene 020 8359 7039

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ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of last meeting	5 - 14
2.	Absence of Members	
3.	Declaration of Members' Disclosable Pecuniary interests and Non Pecuniary interests (If any)	
4.	Report of the Monitoring Officer (if any)	
5.	Public Questions and Comments (if any)	
6.	Members' Items (if any)	
7.	Review of Capita Contracts	15 - 142
8.	Business Planning 2020-24 and Budget Management 2019/20	143 - 160
9.	Cross Council Assurance Service (CCAS) Procurement	161 - 168
10.	Annual Equalities Report 2018/19	169 - 202
11.	End of Year (EOY) 2018/19 Strategic Performance Report	203 - 266
12.	London Counter Fraud Hub (LCFH)	To Follow
13.	Energy Contract Review and Authorisation for the Procurement of Energy Supplies & Ancillary Services	To Follow
14.	Committee Forward Work Programme	267 - 270
15.	Any item(s) the Chairman decides are urgent	
16.	Motion to Exclude the Press and Public	
17.	London Counter Fraud Hub (LCFH) [EXEMPT]	To Follow
18.	Energy Contract Review and Authorisation for the Procurement of Energy Supplies & Ancillary Services [EXEMPT]	To Follow
19.	Any other exempt item(s) the Chairman decides are urgent	

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Decisions of the Policy and Resources Committee

20 February 2019

Members Present:-

AGENDA ITEM 1

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

Councillor Dean Cohen	Councillor Alison Moore
Councillor Anthony Finn	Councillor Sachin Rajput
Councillor David Longstaff	Councillor Barry Rawlings
Councillor Kath McGuirk	Councillor Peter Zinkin

Also in attendance
Councillor Geof Cooke Councillor Alan Schneiderman

Apologies for Absence

Councillor Ross Houston Councillor Arjun Mittra

1. MINUTES OF LAST MEETING

RESOLVED that the minutes of the meeting dated 11 December 2018 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies for absence were received from Councillor Arjun Mittra, who was substituted for by Councillor Geof Cooke.

Apologies for absence were received from Councillor Ross Houston, who was substituted for by Councillor Alan Schneiderman.

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

None.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

Details of the questions asked and the answers provided were published and circulated at the meeting. Verbal responses were given to supplementary questions at the meeting.

Mr. John Dix and Mrs. Barbara Jacobson addressed the Committee and made public comments. Members asked questions of Mr. Dix and Mrs. Jacobson.

6. MEMBERS' ITEMS (IF ANY)

None.

THE CHAIRMAN ANNOUNCED AN ORDER TO THE AGENDA WITH THE ITEM 11 - COLINDALE UNDERGROUND STATION SUPPLEMENTARY PLANNING DOCUMENT (SPD) - BEING CONSIDERED NEXT.

7. COLINDALE UNDERGROUND STATION SUPPLEMENTARY PLANNING DOCUMENT (SPD)

Councillor Gill Sergeant, a Colindale Ward Member, addressed the Committee. The Committee noted the comments made by Councillor Sergeant.

The Leader introduced the report, which set out the detailed design requirements and scale of development which will be supported for the new station and associated residential-led, mixed use development to enhance the public realm and start to knit together the Colindale communities.

A Member expressed concern about the provision for adequate busses in the area and asked the Deputy Chief Executive to ask Transport for London to meet with Ward Councillors. **(Action)**

Following the consideration of the report, the Committee unanimously RESOLVED to:

- 1. Note the consultation response to the draft Supplementary Planning Document (SPD) and agrees the consequential proposed changes to the SPD outlined and explained in the Consultation Representation Report at Appendix B.**
- 2. Agree the adoption of the Colindale Underground Station SPD (Appendix A) and associated documentation (Appendices B, C, D and E), and delegates authority to the Deputy Chief Executive to make any necessary changes of a minor nature to the final wording of the SPD in consultation with the Leader before the final version of the SPD is published.**

8. BREXIT PREPAREDNESS

The Chairman introduced the report, which set out the Council's approach for identifying and mitigating potential risks and opportunities arising from Brexit

Councillor Barry Rawlings MOVED the following motion which was SECONDED by Councillor Alan Schneiderman:

“That the Committee agrees to schedule and hold regular meetings of the Local Strategic Partnership to respond to the developing Brexit situation and its impact on Barnet.”

Votes were recorded as follows:

For	5
Against	7
Abstentions	0

The motion was declared LOST.

The Chairman moved to the recommendation as set out in the report.

It was unanimously RESOLVED:

- 1. That the Committee considers the potential implications of the UK leaving the European Union for Barnet, and notes the action being taken to respond.**

9. CORPORATE PLAN, MEDIUM TERM FINANCIAL STRATEGY 2019/24 AND BUDGET FOR 2019/20

The Chairman introduced the report, which set out the Council’s refreshed Corporate Plan, MTFS, savings plans and capital programme. In introducing the report, the Chairman noted:

- A Supplemental addition to Appendix P which had been published and provided to Members and Members of the public.
- Recommendation 7 of the report should read from 18/19 to 19/20.

Following a request from a Member Officers undertook to check if the budget as set out in the report meant that Councillor’s surgeries will no longer be funded. **(Action: Section 151 Officer**

Commenting on the budget and reserves, the Section 151 Officer advised that his role required him to make a judgement on the ongoing position on the level of reserves. He noted that although challenging, he felt that the current position was acceptable at this point in time but must be monitored on an ongoing basis

Following discussion, the Committee agreed to note the following:

- To note that in relation to STR035 in the Corporate Risk Register on “Failure of third party pension administrator meeting standards” that LB Barnet has been called in by The Pensions Regulator following successive failures by Capita CSG to manage the Council’s Pension Fund properly.
- To request the Chief Executive to undertake that the administration of the Pension Fund be reviewed the and the phasing be bought forward. **(Action: Chief Executive)**

Following discussion, Officers undertook to include the following detail in the Environment Committee report in March 2019:

- Noting the Government's Consultation on Consistency in Household and Business Recycling Collections in England suggesting all households should have weekly separate food waste collections.
- A London Borough of Barnet response to the Government consultation on separate weekly food waste collections. **(Action: Strategic Director for Environment)**

The Chairman moved to recommendations as set out in report. Votes were recorded as follows:

For	7
Against	5
Abstentions	0

RESOLVED that Committee:

1. **Recommend to Council approval of the Corporate Plan 2019-2024, as attached at Appendix A;**
2. **Approve the Policy and Resources Committee Delivery Plan for 2019/20 attached at Appendix P;**
3. **Consider the issues that have emerged from the consultation when making their decisions. The committee make the decisions below also being mindful of the equalities impact assessments including the cumulative equalities impact assessments;**
4. **Recommend to Council for approval the MTFS attached as Appendix B and the detailed revenue budgets in Appendices D1 and D2. The MTFS sets out all of the budget changes over the period 2019-24, including assumptions around inflation, changes to levies, pressures, savings and grant funding. It is the model around which the council's financial strategy is based;**
5. **Recommend to Council that the budget for 2019/20 is prepared on the basis of an increase of 2.99% general Council Tax in 2019/20;**
6. **Recommend to Council the resolutions relating to Council Tax contained within Appendix C – Council Tax Resolutions;**
7. **Recommend to Council, on the advice of the Chief Finance Officer, that it determines that the council's basic amount of Council Tax for 2019/20 as set out in Council Tax resolution (Appendix C) 2(iv) is not excessive in accordance with the principles approved under section 52ZB and 52ZC of the Local Government Finance Act 1992, set out in the Referendums relating to Council Tax increases (Principles)(England) Report 2019/20**

8. **Recommend to Council that in accordance with Section 38(2) of the Local Government Finance Act 1992 the Chief Executive be instructed to place a notice in the local press of the amounts set under recommendation 5 above within a period of 21 days following the Council's decision;**
9. **Approve the proposed changes to the premium charged against Council Tax on long-term empty properties as set out in paragraphs 1.5.29-1.5.32;**
10. **Recommend to Council for approval the capital programme as set out in Appendix F1 and F2, and that the Chief Officers be authorised to take all necessary actions for implementation;**
11. **Approves the changes to the existing Capital Programme in relation to slippage and deletions as set out in paragraph 1.5.98 and Appendix E;**
12. **Approves the changes to the existing Capital Programme in relation to additions as set out in paragraphs 1.5.99 to 1.5.113;**
13. **Recommend to Council that the Chief Finance Officer be authorised to adjust capital project budgets and financing in 2019/20 throughout the capital programme after the 2018/19 accounts are closed and the amount of slippage and budget carry forward required are known;**
14. **Recommend to Council the approval of the Capital Strategy as set out in Appendix K;**
15. **Recommend to Council the approval of the Treasury Management Strategy for 2019/20 as set out in Appendix L;**
16. **Recommend to Council the approval of the following in relation to the Housing Revenue Account:**
 - a) **The proposed rent decrease by 1% for council dwellings as set out in paragraph 1.7.3 to take effect from 1 April 2019;**
 - b) **The proposed increase to service charges for council dwellings as set out in paragraph 1.7.7 to take effect from 1 April 2019; and,**
 - c) **The proposed rent increase of 3.1% for council garages as set out in paragraph 1.7.7 to take effect from 1 April 2019.**
17. **Recommend to Council the approval of the draft Schools Budget of £335.395m for 2019-20 as per paragraph 1.5.56;**
18. **Approve draft Post 16 Funding of £5.417m;**
19. **Recommend to Council that any changes to the Schools Budget reasonably required as a result of the final 2019/20 DSG and Post-16 settlement are delegated for decisions to the Strategic Director – Children & Young People in consultation with the Director of Finance;**
20. **Note the Adults, Children's and Environment fees and charges that were approved at their relevant Theme Committee as detailed in Appendix H;**

21. **Note the summary equality impact assessment (EIA) and cumulative assessment set out in section 5.6. Appendix J provides the cumulative impact and individual Delivery Unit assessments;**
22. **Recommend to Council approval of the reserves and balances policy as set out in Appendix M and indicative amounts as set out in paragraph 1.5.73 and the Director of Finance's assessment of adequacy of General Fund Balances in section 1.5.81. The Committee recommend to Council that the Director of Finance is authorised to adjust balances in 2019/20 after 2018/19 accounts are closed and the amount of balances carry forward required are known;**
23. **Approve the underlying Financial strategy of the Council as set out in the paragraph 1.5.1;**
24. **Approves the bad debt write offs as set out in section 1.10;**
25. **Approve the budget movements as set out in paragraphs 1.5.14 and 1.9.5 to 1.9.8, and;**
26. **Notes the corporate risk register and recommend it to Council as set out in Appendix O.**

10. Q3 2018/19 STRATEGIC PERFORMANCE REPORT

The Committee considered the report, which provided a strategic overview of performance for Quarter 3 and risk information related to the corporate priorities in the Corporate Plan 2018/19 Addendum.

Following the consideration of the report, the Committee unanimously **REOLVED**:

1. **To note the Period 9 (Q3 2018/19) revenue and capital forecasts.**
2. **To note the savings delivered in Period 9 (Q3 2018/19).**
3. **To scrutinise the performance and risk information related to the corporate priorities in the Corporate Plan 2018/19 Addendum, including the strategic and high level service/joint risks that form the corporate risk register at Appendix A.**

11. TRANSFER PROPERTIES ACQUIRED BY THE COUNCIL TO TBG OPEN DOOR HOMES LIMITED

The Chairman introduced the report and noted that there was also a separate, exempt paper.

Following the consideration of the report, the Committee unanimously **RESOLVED** to:

1. **Approve the financial arrangements relating to the transfer of the ownership of 174 properties, listed in in appendix 1 and appendix 2 (as detailed in the accompanying exempt report) from the council to TBG Open Door Homes Limited or the completion of acquisition of the properties by TBG Open Door Homes Ltd, in each case subject to obtaining any consents required from third**

parties. The properties may be transferred at different times. Authority is delegated to the Deputy Chief Executive, in consultation with the Section 151 Officer, to negotiate, settle and complete the documents to deal with the transfer (or sub-sale) of the properties and the financial arrangements, which will include land transfers, charges to secure the payments due to the council, a nomination agreement and a facility agreement governing the loan to TBG Open Door Limited, and such documentation as appropriate to cover the loan at recommendation 3.

2. Approve the transfer of the ownership of the properties listed in appendix 1 and appendix 2 (in the accompanying exempt report) from the council to TBG Open Door Homes Limited
3. Agree that the unspent balance of the council's current £40 million investment programme for acquiring properties for use as affordable temporary accommodation, should be made available to Open Door Homes in the form of a loan to complete the programme. This includes properties listed in appendix 2 (in the accompanying exempt report) which are currently in the process of being acquired by the council.
4. Note the risk in relation to the value of Minimum Revenue Provision required to be set aside by the council as set out in paragraph 4.5.3

12. THE BARNET GROUP (TBG) FIVE-YEAR STRATEGIC PLAN

The Chairman introduced The Barnet Group (TBG) Five-Year Strategic Plan, which set out The Barnet Group's vision and high-level ambitions for the period 2019-2024. The Chairman noted that a supplementary paper had been published and provided to Members and Members of the public.

Following the consideration of the report, the Committee unanimously RESOLVED:

To approve the Strategic Plan attached as Appendix A.

13. BRENT CROSS CRICKLEWOOD FUNDING AND DELIVERY STRATEGY REPORT

The Chairman introduced the report, which set out the Funding and Delivery Strategy for Brent Cross Cricklewood.

The Deputy Chief Executive, Cath Shaw noted that a Member of the public enquired about making a public comment on this. Ms. Shaw undertook to contact them and brief them outside of the meeting.

The Chairman advised that intended to move an amendment to Recommendation 3 of the report and noted that should this be agreed, it would be done by way of Delegated Powers Report for all Members of the Committee to be able to consider it. A Member asked that the draft DPR also be circulated to Members of ARG. This was agreed.
(Action)

The Chairman MOVED the following amendment to Recommendation 3

Recommendation 3: Delegate to the Chief Executive in consultation with the Chairman of the Policy and Resources Committee, approval of the Revised Funding Agreement agreed with HM Government. Should the Revised Funding

Agreement expose the council to material additional risks, to return the matter to Committee, having regard to:

- i. the revised financial tests set by this Committee on 11 December for the council to assure itself that the prudential code can be satisfied so that the council can make the required capital commitment to deliver the Thameslink Station (as set out in paragraphs 1.19 of this report); and**
- ii. The details to be published in the addendum report.**

The above was unanimously AGREED and became the substantive motion.

The Chairman MOVED the following amendments to recommendations 4 and 5 which were unanimously agreed, and became the substantive motion.

- 4. Subject to the approval of the RFA in accordance with Recommendation 3, authorise the Chief Executive in consultation with the Chairman of the Committee to finalise terms and enter into the RFA with HMG and to commission Schedule 2 (Rail Systems and Sidings) works as set out in the Implementation Contract with Network Rail dated 21 December 2018.
- 5. Subject to the approval of the RFA in accordance with Recommendation 3, approve the consequential changes to the capital budget to proceed with the BXT and delivery of core critical infrastructure to support the Brent Cross Cricklewood (BXC) revised delivery strategy as detailed in paragraphs 5.2.7 of this report.

The Chairman moved to the vote on the amended Recommendations 3 4, and 5 and the other recommendations as set out in the report.

RESOLVED that Committee:

1. Note that Full Council on 18 December 2018:

A: Confirmed the council's continuing commitment to the delivery of BXT and other elements of the critical infrastructure given the strategic importance of the regeneration scheme and the recognising the scale of the investment proposed in delivery of the new Thameslink station at Brent Cross West (BXT).

B: delegated to this Committee the decision to commission the Schedule 1B (rail systems and sidings) works provided: (a) a Revised Funding Agreement (RFA) has been agreed with HM Government (HMG); and (b) that the RFA does not expose the council to unacceptable risk.

2. Note that the Deputy Chief Executive is authorised entering into the Implementation Agreement with Network Rail and to commission the Schedule 1 (site setup) works set out in that agreement on 21 December 2018 in accordance with the approved recommendations by this Committee on 11 December and Full Council on 18 December and also that that the council commence an OJEU procurement for the station platforms and station access / pedestrian bridge elements of the programme.

3. Delegate to the Chief Executive in consultation with the Chairman of the Policy and Resources Committee, approval of the Revised Funding Agreement agreed with HM Government. Should the Revised Funding Agreement expose the council to material additional risks, to return the matter to Committee having regard to:

- i. the revised financial tests set by this Committee on 11 December for the council to assure itself that the prudential code can be satisfied so that the council can make the required capital commitment to deliver the Thameslink Station (as set out in paragraphs 1.20 of this report).**

4. Subject to approval of the RFA in accordance with Recommendation 3, authorise the Chief Executive in consultation with the Chairman of the Committee to finalise terms and enter into the RFA with HMG and to commission Schedule 2 (Rail Systems and Sidings) works as set out in the Implementation Contract with Network Rail dated 21 December 2018.

5. Subject to approval of the RFA in accordance with Recommendation 3, approve the consequential changes to the capital budget to proceed with the BXT and delivery of core critical infrastructure to support the Brent Cross Cricklewood (BXC) revised delivery strategy as detailed in paragraphs 5.2.7 of this report.

14. COMMITTEE FORWARD WORK PROGRAMME

The Committee considered the Forward Work Programme, as set out in the report.

RESOLVED that the Committee note the Forward Work Programme.

15. ANY ITEM(S) THE CHAIRMAN DECIDES ARE URGENT

There were none.

16. MOTION TO EXCLUDE THE PRESS AND PUBLIC

17. TRANSFER PROPERTIES ACQUIRED BY THE COUNCIL TO TBG OPEN DOOR HOMES LIMITED [EXEMPT]

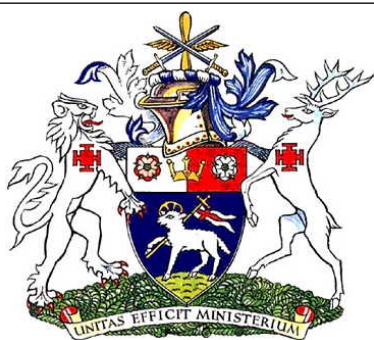
RESOLVED that the Committee note the information set out in the exempt report.

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

RESOVLED that the Committee note the exempt information.

The meeting finished at 9.20 pm

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Policy and Resources Committee

17 June 2019

Title	Review of Capita Contracts
Report of	Leader of the Council
Wards	All
Status	Public (except Appendix C, which is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972, as it contains Information relating to the financial or business affairs of any particular person [including the authority holding that information])
Urgent	No
Key	Yes
Enclosures	<p>Appendix A – Previous Committee Resolutions</p> <p>Appendix Bi – Report on the Outcomes of Consultation</p> <p>Appendix Bii – Consultation Document</p> <p>Appendix Biii – Consultation Questionnaire</p> <p>Appendix C – Financial Analysis (contains exempt information)</p> <p>Appendix Di – Equality Impact Assessment (Finance and Strategic HR)</p> <p>Appendix Dii – Equality Impact Assessment (SHaW and SEED)</p>
Officer Contact Details	<p>John Hooton, Chief Executive john.hooton@barnet.gov.uk 020 8359 2460</p> <p>Cath Shaw, Deputy Chief Executive cath.shaw@barnet.gov.uk 020 8359 4716</p>

Summary

This report provides a further update on the review of the council's contracts with Capita. It summarises the outcome of the public and best value consultation exercise that took place between 19th December 2018 and 15th February 2019. It also confirms the successful

transition of the Finance and Strategic HR services back to the council, which took place on 1st April 2019, following consideration of the consultation outcomes and publication of a Delegated Powers Report.

The report proposes that the Director of Place role and the Skills, Employment and Economic Development (SEED) team from within the Regeneration service, and the Safety, Health and Wellbeing (SHaW) service, be returned to the council, subject to completion of the necessary financial due diligence, and the report sets out the business case for so doing. This will have a direct impact on approximately 10 employees in total. It sets out a business case for strengthening the management arrangements for the Highways service. It also notes serious issues with the Pensions Administration service and sets out the proposed approach for ensuring that the service is delivered to the required standard in future.

Finally, the report proposes that the review of remaining services be conducted alongside the year 6 (CSG) and year 7 (RE) contract reviews.

Officer Recommendations

That the Committee:

- 1. Notes the outcome of public and best value consultation and updated Equality Impact Assessments.**
- 2. Notes the successful return of Finance and Strategic HR services to the council.**
- 3. Agrees that the Director of Place role and the Skills, Employment and Economic Development team from within the Regeneration service should be returned to the council, subject to the outcome of the necessary financial due diligence.**
- 4. Agrees that the Safety, Health and Wellbeing service should be returned to the council, subject to the outcome of the necessary financial due diligence.**
- 5. Authorises the Chief Executive to take the necessary action to conclude negotiations and effect the transfer of these two services.**
- 6. Notes the proposed arrangements to strengthen the management of the Highways service.**
- 7. Agrees that the Director of Finance should continue to work with Capita to achieve the necessary improvements to the Pensions Administration service.**
- 8. Instructs the Director of Finance to put appropriate measures in place to enable alternative service provision arrangements to be made for Pensions Administration, should the need arise, with a view to bringing a further report to Policy and Resources Committee in due course.**

- 9. Authorises the Deputy Chief Executive to review the future contractual arrangements with Capita for those staff involved in the management and governance of the Brent Cross Cricklewood (Brent Cross) development scheme.**
- 10. Further authorises the Deputy Chief Executive to commence staff consultation on any proposed changes arising out of that review and to report the outcome of the review and consultation to the Assets, Regeneration and Growth Committee, for noting, in due course, with any decisions to be referred to Policy and Resources.**
- 11. Agrees that the review of remaining services be carried out through the year 6 (CSG) and year 7 (RE) contract reviews commencing in the autumn of 2019, with terms of reference and progress being reported to the Financial Performance and Contracts Committee. Any resulting recommendations would be made in a further report to the Policy and Resources Committee.**

1. WHY THIS REPORT IS NEEDED

Background

- 1.1. At its meeting on 11 December 2018, Policy and Resources Committee considered a report setting out the work that had been carried out on developing the business case for realignment of the Capita contracts as originally agreed by the Committee on 19 July 2018. That report set out the findings of the analysis of the three options identified in the July report, which were:
 - Option 1: Maintain the status quo in relation to the contracts.
 - Option 2: Re-shape the contracts to better align service delivery to the council and Capita's strengths and priorities.
 - Option 3: Bring the partnership to an end and either bring services back in house or re-procure them.
- 1.2. The December report concluded that further detailed analysis would be needed to form the basis of a recommendation to the Committee in relation to the totality of the Customer Support Group (CSG) and Development and Regulatory Services (DRS) contracts.
- 1.3. Based on detailed analysis of the Finance and strategic Human Resources (HR) services, the report recommended that these services be returned to the council as a matter of priority, subject to the outcome of public and best value consultation.

- 1.4. The report also noted that the development of a comprehensive full business case covering all services would require significant further work. Consequently, it recommended that future delivery arrangements should be considered for prioritised groups of services in turn; and that the findings of each phase of analysis be reported to this Committee for decision.
- 1.5. The report recommended that, in the meantime, the council should continue to work collaboratively with Capita on the future of services, using existing partnership working and contractual levers to drive service improvement.
- 1.6. Finally, the report recommended public and best value consultation on the approach set out in the paper and the future of services.
- 1.7. The full resolutions from both the July and December Committee meetings are set out in Appendix A.

Public and Best Value Consultation

- 1.8. Public and best value consultation, involving an on-line questionnaire and two focus groups, was conducted between 19th December 2018 and 15th February 2019. An independent research organisation, ORS, was commissioned to conduct the focus groups and analyse the questionnaire responses. 21 people took part in the focus groups and there were 343 completed questionnaires submitted. ORS have conducted detailed analysis, as set out in their report, which is attached as Appendix B. The main findings are summarised in the following paragraphs.
- 1.9. Of the 248 respondents that answered the relevant question, 224 identified themselves as a “Barnet resident”, 11 as “a person working within the London Borough of Barnet area” and nine as “other”. There were four responses received on behalf of voluntary/community organisations:

Barnet Residents Association
The Barnet Society
An unnamed social housing residents’ association
One other unnamed organisation
- 1.10. Members of the Barnet Alliance for Public Services participated in one of the focus groups, which was specifically aimed at residents that have previously engaged with the council on the subject of the Capita contracts.

1.11. The consultation sought views on the three strategic aims for the review, which had been agreed by the Policy and Resources Committee. These were to:

- i. Deliver high quality services;
- ii. Secure best value for money for Barnet's residents; and
- iii. Strengthen the council's strategic control of services.

1.12. In response to questions on these strategic aims:

- a. Just over three fifths (63%) agreed that the three aims should be the basis on which future service delivery arrangements are assessed. A tenth (11%) disagreed.
- b. There was highest agreement with the "delivering high quality services" aim (65%), although there was also majority agreement with the "value for money" aim (59%) and the "strategic control" aim (60%).
- c. The level of disagreement with each of the three aims was consistent (15% or 16%).
- d. Whilst there was general support for the proposed aims, this was not without questions and comments. In particular, there were concerns expressed about whether the council's criteria for "value for money" adequately considers service quality. There was also comment that they are "motherhood and apple pie" aims that are difficult to disagree with.

1.13. On the proposed phasing of the review:

- a. Respondents were more or less evenly split in terms of their overall view on the proposed phasing of the review, with 43% agreeing with the proposed phasing and 42% disagreeing. However, a clear majority (approximately 58%) agreed with the services that were being prioritised in Phase 1. This is a higher level of agreement than for the other Phases.
- b. However, there is criticism of the phased approach itself, for example on the basis that it wastes costs, does not take account of services being dependent on each other and will have a negative impact on delivery. In general, there was a view that all services should be brought in-house, although there was recognition that this would present significant practical challenges.

- 1.14. Questions were also asked about the council's approach to a mixed economy on in-house and outsourced provision, where the most appropriate provider for a particular service is decided on its merits. Three-quarters of respondents opposed this approach, with in-house provision being the clear preference. There is little support for a mixed economy approach, although there was some recognition that, done well, outsourcing works.
- 1.15. Respondents were also asked for their views on the quality of services provided through the contracts. These views were largely negative and, taken together with the level of agreement with the "delivering high quality services" aim, suggests that improving service performance should be one of the key priorities for the council.
- 1.16. Responses have informed the remainder of this report.

Insourcing of Finance and Strategic HR Services

- 1.17. In accordance with the recommendations that were agreed by Committee in December, work progressed on the preparation for returning the Finance and Strategic HR services in parallel with the conduct of public and best value consultation. Following the conclusion of the consultation exercise on 15 February 2019, the Chief Executive, in consultation with the Chairman of the Policy and Resources Committee, duly considered the responses from the consultation, together with an updated equality impact assessment, and concluded that returning the Finance and Strategic HR services to the council should proceed on 1st April 2019, subject to completion of the necessary due diligence and contract change documentation. This decision was documented in a Delegated Powers Report, dated 27 March 2018. The contractual due diligence was completed and the necessary Contract Change Notice signed on 29 March 2019, thus enabling the transfer to take place on 1 April 2019.
- 1.18. The Change Notice with its appendices runs to some 400 sides of A4 and covers the critical contractual changes only, including revised output specifications and method statements. A further, supplementary Notice is required to confirm some of the supporting detail and it is anticipated that this will be completed by the end of June 2019. Once completed, these documents will be published (redacted as required) on the Open Barnet portal.
- 1.19. Due to the significant efforts of the teams from both parties, the transfer of staff and associated technology took place smoothly on 1 April 2019. The initial induction and integration of the transferring teams has gone well and the focus now is on delivering the necessary service improvements.

- 1.20. The business case for returning these services was centred on the need to improve strategic control in respect of these services. As identified in the December report, returning these services to the council has resulted in an increased cost of provision of £400k per annum. This has been confirmed through the financial due diligence work that was carried out prior to service transfer.
- 1.21. The December report also identified costs for continuation of the Strategic Contract Review that were anticipated to be approximately £350k, in addition to the £300k highlighted in the July 2018 Committee report. Against this total budget of £650k, the actual direct cost of conducting the contract review, including managing the transfer of these services, from July 2018 to April 2019 has been c.£390k. This relates primarily to the cost of the temporary programme team and legal advice. In addition, there was approximately 250 days of input from members of the council's commercial, finance, IT and HR teams. On the basis of an average cost of £500 per day (including all overheads), this equates to an opportunity cost of approximately £125k.
- 1.22. A "lessons learned" report on the insourcing process will be considered by the Financial Performance and Contracts Committee on 19th June 2019.

Phase II of the Contract Review

- 1.23. Since the December report, alongside work on the transfer of Finance and Strategic HR services, work has also been carried out on assessing the options for the future delivery of Regeneration and Highways services. This has included analysis of the detailed financial information in respect of these services, as well as giving more in-depth consideration to the issues that prompted consideration of the need to make changes in the current delivery arrangements.
- 1.24. In broad terms, it has been concluded that there is a need to strengthen strategic control of the SEED team from within the Regeneration service, to achieve greater flexibility and agility in the deployment of resources to meet emerging needs. On behalf of the council, the SEED team are responsible for coordinating the provision of business engagement and support, working with development partners and the Department of Work and Pensions to deliver training and apprenticeship projects, managing the relationship with town teams and leading on the preparation and implementation of town centre strategies.

- 1.25. The financial analysis suggests that this can be achieved at no additional cost to the council. It is therefore proposed that this service be returned to the council, subject to the conclusion of the necessary negotiations and financial due diligence.
- 1.26. With respect to Highways, key concerns relate to service quality. The service has suffered from a lack of senior leadership and, in particular, there not being a highways director in post for some considerable period. A highways director is being recruited and it is hoped that the post will be filled by the end of June 2019. It has been concluded that the nature of the quality concerns is such that they are no more likely to be resolved through the service being returned to the council than they are through jointly strengthening management arrangements, including the appointment of the highways director, and further improving the approach to performance management. Furthermore, it is clear that the service would cost more to deliver in-house, without very significant reconfiguration, and that the commercial complexities associated with the income guarantee would be extremely difficult to resolve. It is, therefore, proposed that the available resource in both the RE and council teams should focus on service improvement as the priority, rather than seeking to insource and reconfigure the service.
- 1.27. In addition to these two services, officers have also considered the future delivery arrangements for the Safety, Health and Wellbeing (SHaW) service and the Pensions Administration service.
- 1.28. The first contact advisory and some support service elements of the SHaW service are delivered from outside of Barnet. As a largely advisory service, this has led to some issues about consistency in support and a lack of sufficient strategic control. Current out of borough arrangements are due to end in July and there is some uncertainty about how these arrangements will be delivered in the future. It is considered that an in-house service will allow for more flexibility to align it to changing health and safety priorities. It is, therefore proposed that the service be brought back in-house, subject to being able to reach an agreement that provides reasonable value for money for Barnet residents.
- 1.29. Members of the Committee will be aware of the significant issues that have occurred with the Pensions Administration service, notably in respect of data quality and outstanding casework. Relevant contractual notices have been issued and an improvement plan is in place, delivery of which is being monitored by council officers. However, whilst it is recognised that Capita have made progress over recent months in addressing these issues, it is clear that the service is not currently in an acceptable position. This is further evidenced by the fact that the Pensions Regulator has recently issued the

council with a notice, which sets out a range of improvements that are required. Council officers will continue to work with Capita colleagues to achieve the necessary improvements. However, it is acknowledged that, if this does not happen within a reasonable timeframe, the council will have to make alternative arrangements for the future provision of the service. It is, therefore, proposed that the Committee also instructs the Director of Finance to put appropriate contingency measures in place to enable alternative service provision arrangements to be made, should the need arise.

Remaining Phases of the Review

- 1.30. The outcome of public and best value consultation suggests that the priority for residents is improving service quality. It is, therefore, proposed that the immediate, principal focus should be on service improvement, particularly in Highways and Pensions Administration.
- 1.31. There is also little support for a phased approach to reviewing the contracts, with particular concerns being expressed about the need to review inter-related services together. It is, therefore, proposed that the remaining phases of the review be conducted through the year six (CSG) and year seven (RE) contract reviews, which are due to commence in the autumn. This will enable a more holistic approach to be taken to the review, as well as further consideration to a broader range of delivery options, such as partnerships with other councils, as suggested in the public and best value consultation. It is further proposed that the terms of reference and progress on these reviews be reported to the Financial Performance and Contracts Committee. Any resulting recommendations would be made in a further report to the Policy and Resources Committee.
- 1.32. The detailed rationale for these proposals is set out in section 2 of this report.

2. REASONS FOR RECOMMENDATIONS

- 2.1. The council's project management toolkit requires that a Full Business Case sets out, for each option, the advantages, disadvantages and risks of that option; and that for the preferred option a detailed financial appraisal is undertaken. For more significant projects, best practice is to adopt the Treasury's 'Five Case Business Model Approach', which involves:

- A **strategic case** – a robust and evidence-based case for change, including the rationale for intervention, and a clear definition of the outcomes to be achieved.
- An **economic case** – identifying and appraising a ‘long list’ of realistic and achievable options, to assess how well they meet the objectives and critical success factors agreed for the scheme; and subjecting a short list of options to cost benefit analysis to identify a “preferred option”.
- A **commercial case** – typically this focuses on ensuring that the preferred option will result in a viable procurement and well-structured deal. In this case, the emphasis is on commercial deliverability, given the starting point of the existing contractual relationships.
- A **financial case** – to demonstrate that the preferred option will result in a fundable and affordable deal.
- A **management case** – to demonstrate that the preferred option can be delivered successfully.

Regeneration Service

Strategic case

- 2.2. The December report proposed that the Regeneration service be reviewed in phase II, primarily due to the financial control issues that had been identified as a result of the fraud that had taken place within the service. The recommendations that were made by Grant Thornton in respect of the service have now been implemented and verified by internal audit. The review has, therefore, focussed on the extent to which the service meets the three key aims identified in paragraph 1.11 of this report.
- 2.3. There are three main elements to the core Regeneration service:
 - 2.3.1. Director of Place role, which provides strategic direction and oversight to the service;
 - 2.3.2. Clienting partners to deliver major estate regeneration (Grahame Park, Dollis Valley, West Hendon) and growth programmes (Mill Hill East, Colindale), as well as developing smaller infill schemes (Granville Road, Upper and Lower Fosters); and
 - 2.3.3. Skills, employment & economic development (SEED), including Town Centre improvement.
- 2.4. In addition, there is a team that provides client and programme management services on the Brent Cross development scheme, which is now contracted and funded as a separate Special Project (SPIR). RE is also delivering the Brent Cross Thameslink scheme as a separate SPIR.

- 2.5. The service is, in many respects, performing well. It is delivering one of the most ambitious regeneration programmes in London, including a number of innovative projects such as at North Finchley Town Centre, and has a core of skilled and dedicated staff.
- 2.6. In terms of value for money, the service is largely funded through contributions from third party developers. The process of initiating Special Projects can be inefficient, both directly as a bureaucratic overhead, but also because it can be unnecessarily expensive to redeploy resources quickly as priorities change.
- 2.7. The Regeneration service is one of the council's main tools for creating the kind of place envisaged in our corporate plan. A timely and flexible response to emerging opportunities and challenges is essential. In particular, the SEED function is a key service for any rapid response in the event of an economic downturn. The current delivery arrangements do not provide sufficient flexibility in the deployment of resources and the consequent agility to respond quickly to emerging opportunities and changing needs. This is particularly the case with the SEED service and is exacerbated by the fact that the bulk of the "commissioning" resource and expertise sits within RE, rather than within the council. This includes the Director of Place, which is a key role in the management process for both Brent Cross and the broader Regeneration service. This role has been seconded to the council since March 2019, which has already generated benefits in terms of increased client and management capacity.
- 2.8. It is, therefore, considered that there is a strong case for change, to introduce more strategic control to the service and a shift of management resources from RE to the council.

Economic case

- 2.9. In respect of the core Regeneration service (i.e. excluding the Brent Cross teams), three options have been identified and assessed in terms of their ability to address the issues identified above:
1. Status quo
 2. Return key commissioning and management elements of the service (Director of Place role and Skills, Employment and Economic Development team) to the council
 3. Returning the whole Regeneration team (excluding Brent Cross) to the council
- 2.10. Work to develop the economic case has focused on the financial costs of each option based on a negotiated solution with RE for options 2 and 3. For

option 1, the current ongoing running costs for these services are the management fees that are paid for the delivery of services, along with any fees for additional services. To model the potential impact of option 2 and 3, RE actual costs have been used.

- 2.11. Management fees were set at the time the contracts were let, with any adjustments to reflect agreed changes in service levels actioned through contract change notices. The apportionment of the management fees is defined as commercially sensitive material under Schedule 21 of the DRS contract, actual costs are also commercially sensitive. Costs are therefore set out in Appendix C, which is exempt from publication.
- 2.12. A number of assumptions have been made in assessing the economic case. The RE financial model cannot be broken down by cost per post, making comparison of different options challenging, and therefore RE's actual costs shared with the council have been used. The monies that would transfer to the council in respect of such posts would be subject to further commercial negotiation. The interaction with the RE Guaranteed Income is also a consideration. Under option 2, there is minimal interaction with the Guaranteed Income, whereas under option 3 there is a much greater impact and a commercial negotiation would be required to agree any amendment to Guaranteed Income levels going forward. A prudent view has been taken in the modelling.
- 2.13. Pension costs for staff who acquire the right to join the Local Government Pension Scheme, when they enter council employment, are the primary source of additional costs for the council associated with insourcing these services. The additional ongoing running costs associated with option 3 are comparatively higher than those for option 2, primarily due to the larger number of staff involved and therefore greater impact of increased pension costs.
- 2.14. Options 2 and 3 would both create opportunities to reduce costs by deleting currently vacant council posts and this has been factored into the modelling. In addition, the impact of funding streams needs to be considered. Option 3 is part funded by Principal Development Agreement (PDA) income and, therefore, there is less certainty about funding streams and the potential for pressure to be created on the council's general fund budget.
- 2.15. Exit and transition costs would primarily be made up of project team resource, including HR support and legal advice, and could be contained within the monies already allocated to the Strategic Contract Review for either option 2 or 3. It is estimated these costs would be in the region of £80k. Option 1 would not incur any such costs.

2.16. Cost estimates indicate that:

- Option 1 – the status quo would have no direct financial implications
- Option 2 – running costs could be contained within the monies it is anticipated could be negotiated with Capita for the returning services, as any increase in pension costs would be off-set by savings on currently vacant posts within the council. There would be a one-off implementation cost as noted above.
- Option 3 – running costs could be around £200k higher than the monies it is anticipated could be negotiated with Capita for the returning services. There would be a one-off implementation cost as noted above. This option has more financial risk, as it would be subject to commercial negotiation around the RE Guaranteed Income and there is potential for a budget pressure arising from PDA income, depending on how the service is configured.

2.17. In terms of non-financial benefits, the primary benefit of options 2 and 3 would be increased flexibility, as an in-house team arguably has more flexibility to respond to changing priorities than one operating within the constraints of a contractual relationship. However, an outsourced team operating within a larger pool of specialists has a greater ability to manage peaks and flows of work.

Commercial case

2.18. The aim of the commercial case is to demonstrate that the preferred solution can be delivered commercially. Both options 2 and 3 would involve negotiating a price reduction from the RE contract, whereas option 1 would not. It is anticipated that a mutually acceptable price could be agreed for option 2.

2.19. Option 3 is commercially challenging, as it would also involve negotiating the impact on the Guaranteed Income. This could take significant time and an outcome favourable to the council is not assured. Option 2 would have a marginal impact on Guaranteed Income, which is more straightforward commercially.

Financial case

2.20. The economic case assesses which option offers the best balance of costs and benefits, whereas the role of the financial case is to test that the preferred option is affordable. Option 2 is considered to be deliverable at no additional cost to the council, subject to negotiation of a suitable price reduction. This would be achieved in part through economies of scale, i.e. deleting vacant council posts that would not require filling if resources from RE transferred.

- 2.21. Option 3 would incur additional, ongoing costs for the council, in the order of £200k per annum. This would create a budget pressure that would need to be considered alongside other demands on the council's resources.

Management case

- 2.22. Option 2 impacts on six employees, functioning as a discrete team, all of whom are based in Barnet. This is in addition to the Director of Place, who is currently seconded to the council. It is, therefore, considered to be achievable from a management point of view. Option 3 is more complex, due to the greater degree of integration with the wider RE and Capita organisation.

Conclusion

- 2.23. Whilst both options 2 and 3 would meet the strategic aim of improving strategic control, option 3 would involve significantly greater commercial complexity and cost. It is considered that the key strategic control and flexibility benefits would be achieved by insourcing the Director of Place role and the SEED team, which is consistent with comments made in the public and best value consultation. Any additional benefits that would be accrued by insourcing the whole service are not considered to be justified by the additional cost and complexity involved. Whilst there were concerns raised in the consultation around service dependency, it is noted that the interface between the Director of Place and the wider regeneration team has been tested through the secondment process and found to work successfully.
- 2.24. It is, therefore, proposed that the Committee agree that the Director of Place role and the SEED team be returned to the council, subject to the outcome of further financial due diligence and negotiation with Capita. The element of the Regeneration team that manages the programme of estate renewals would remain with RE. The return of the Director of Place role will improve clarity of accountability and also strengthen the council's capacity to manage the delivery of the planning service, both of which were raised as concerns in the public and best value consultation.

Brent Cross Cricklewood

- 2.25. Re provides services in relation to Brent Cross as part of the RE contract through Special Projects. There are two key services: a central team that provides integrated project management, planning support and a clienting function across the Brent Cross programme; and a Brent Cross Thameslink delivery team managing procurement and delivery of a train station and associated infrastructure, waste transfer station and Train Operating Company accommodation. The Special Project related to the central Brent Cross team is in the process of being agreed until September 2019, with the option of the Special Project then being further extended, or being subject to an alternative arrangement. The council is under no obligation to extend the

Special Project arrangement with RE. The other Brent Cross Thameslink Special Project is at a crucial stage in its delivery and utilising expertise from within the wider Capita Group to deliver the services.

- 2.26. It is recommended that the Special Project in relation to the central team is reviewed to ensure that delivery and governance arrangements are appropriate as the wider Brent Cross programme moves into the delivery phase. No changes to the arrangements for the Thameslink Special Project are proposed. This report recommends that authority is delegated to the Deputy Chief Executive to conduct this review. The review will take into account comments made in the public and best value consultation, particularly as they relate to accountability. As the outcome of that review may result in a TUPE transfer, it is further proposed that the Deputy Chief Executive be authorised to commence any consultation process that is required, to avoid any unnecessary delay in implementing the outcome of the review, and to report on the outcomes of the review and consultation to the Assets, Regeneration and Growth Committee in due course.

Highways Service

Strategic case

- 2.27. Highways was included in phase II of the review, because of significant ongoing performance issues with some aspects of the service. In respect of the public and best value consultation, it is noted that Highways was rated the second-worst public-facing service (after Social Care Direct). Specific comments were made about reports of poor maintenance and damage (such as potholes and broken pavement slabs) either being ignored, or the repairs being sub-standard, resulting in problems reoccurring. Comments were also made about badly organised roadworks and, within the general public focus group, there were extensive complaints about the current condition of the borough's roads.
- 2.28. Whilst large parts of the service are performing to the required level, RE has acknowledged and acted upon the need to change, to resolve the areas that are not performing to the required standard. To that end, an improvement plan has been developed and is in the process of being refined and implemented. This identifies the following key matters to be addressed:
1. Leadership of the service as a whole;
 2. Effective management of the Conway Aecom sub-contractor;
 3. Improving processes to provide better customer service;
 4. Improving support and information to Area Committees;
 5. Improving arrangements for flood management works; and

6. Improvements to the Network Recovery Plan (NRP) programme.

- 2.29. Until recently, a recurring and underlying problem has been Capita's inability, for a variety of reasons, to recruit to key senior roles in the service and to address the general level of vacancies. This has resulted in a lack of direction and capacity within the service. With respect to Conway Aecom, there is some disparity between the key performance indicators contained in that contract and those within the contract with RE. Whereas service credits can be applied to RE for service failures, there is no corresponding arrangement with the Conway Aecom contract, which weakens RE's ability to enforce standards. Information systems have also been identified as a weakness.
- 2.30. Significant progress has been made filling vacancies within the service, with the vacancy rate falling significantly over recent months. Capita is also nearing completion of the process to appoint a new director of highways, which is considered to be critical to delivering the required improvements to the service and tackling the performance of Conway Aecom. Good progress is also being made across other aspects of the improvement plan.
- 2.31. Whilst there are no specific issues with respect to the value for money and strategic control aims, there is clearly a case for change in order to ensure that the service is in a position to continue to deliver the improvement plan and meet the aim of delivering high quality services.

Economic case

- 2.32. For the Highways service, three options have been identified and assessed in terms of their ability to drive service improvement:
1. Status quo
 2. Strengthen performance management arrangements
 3. Return the service to the council
- 2.33. Option 2 would involve implementing additional performance management mechanisms, including a joint service improvement board and revised arrangements for the partnership operations board, to ensure an increased focus on Highways matters and improved planning of the programme of work. Using existing contractual mechanisms, key performance indicators and associated service credits would be reviewed and amended, as appropriate, to ensure they encourage the appropriate focus. The council's commercial team would work with the incoming director to develop a plan of action to ensure that Conway Aecom can be held to account for their performance and, in the longer term, to develop a re-procurement strategy for that contract.

- 2.34. As with the Regeneration service, work to develop the economic case has focused on the financial costs of each option based on a negotiated solution with RE for options 3. For options 1 and 2, the current ongoing running costs for these services are the management fees that are paid for the delivery of services, along with any fees for special projects or additional services. To model the potential impact of option 3, RE actual costs have been used.
- 2.35. Management fees were set at the time the contracts were let, with any adjustments to reflect agreed changes in service levels actioned through contract change notices. As stated above, the apportionment of the management fees is defined as commercially sensitive material under Schedule 21 of the DRS contract, actual costs are also commercially sensitive. Costs are therefore set out in Appendix C, which is exempt from publication.
- 2.36. There are a number of uncertainties in assessing the highways economic case. In particular, the impact on the RE Income Guarantee, under which RE make up any shortfall against the contractually agreed level of guaranteed income, a figure of approximately £1m in 2018/19. Highways is the largest service within the RE contract and there is a significant risk that the council and RE would not be able to agree a mutually acceptable apportionment of the Guaranteed Income targets. The most likely scenario to implement option 3 would therefore be a termination 'at will' i.e. one at the council's discretion that would result in considerable exit costs for the council, including RE's loss of profit. 'At will' exit costs would be avoided in an option 1 or 2 scenario.
- 2.37. For options 1 and 2 there would be no direct implementation costs, although option 2 would require some additional internal support to strengthen the existing performance management arrangements. There would also be no additional running costs for option 2.
- 2.38. For option 3, as for Regeneration, the pensions uplift would be the most significant additional cost. An assessment of the impact of this can be found in the exempt report. The impact of any change to the Guaranteed Income would likely place a significant financial pressure on the council. This strengthens the economic case for option 1 or 2.
- 2.39. Overall, cost estimates indicate that options 1 and 2 would not incur any direct additional cost. However, due to the scale of the service and the associated pensions cost, option 3 is estimated to cost up to an additional £1m per annum. This could be mitigated to some extent by reconfiguring the service, but it is considered that this would be a costly and disruptive exercise, which would distract efforts from service improvement. In addition, it is also probable that there would be a significant adverse financial impact due to the

impact of the Guaranteed Income and exit costs associated with a termination 'at will'.

Commercial case

- 2.40. Option 1 has no commercial impact, as it simply requires continuation of the current contractual arrangements. Option 2 would require a degree of negotiation to implement revised performance management measures, particularly in relation to key performance indicators and service credits, but this is considered to be achievable.
- 2.41. As described in the economic case, if the council were to decide to implement option 3 as matters currently stand, this would be a termination at will and result in significant costs for the council, including an ongoing pressure from a portion of shortfall in guaranteed income that is currently being met by RE. Furthermore, due to the size of the Highways service, option 3 could undermine the viability of the RE contract.

Financial case

- 2.42. As set out in the economic and commercial cases, it is not considered to be financially viable to bring the Highways service back in-house.

Management case

- 2.43. From a management perspective, both options 1 and 2 are deliverable. Due to the scale of the service (employing approximately 85 people) and the fact that it is not entirely based in Barnet, option 3 would be more complex and would, therefore, take longer and cost more to implement.

Conclusion

- 2.44. Option 1 is not considered to be appropriate, as it does not address the concerns about service performance that were raised in the public and best value consultation exercise. There is also no sound business case for option 3, as it would likely result in significant additional running costs, as well as one-off implementation costs. Furthermore, it would be commercially complex to achieve and there is no evidence to suggest that the service issues would be resolved simply by bringing the service back in-house. Indeed, considerable further work would be required, which could not commence until after service transfer, which would itself take at least three months. Option 2 is affordable and deliverable and is considered to be the option most likely to meet the aim of achieving service improvement.

Other Services

2.45. The December report delegated authority to the Chief Executive to bring services forward in the review process. Having considered the outcome of public and best value consultation, the future delivery arrangements for the following services have also been considered:

- a. Safety, Health and Wellbeing (SHaW); and
- b. Pensions Administration.

Safety, Health and Wellbeing

2.46. The Safety, Health and Wellbeing (SHaW) service is very small (less than three FTEs in total) and the first contact advisory and some support services are provided from outside of Barnet. Due to changes elsewhere within Capita, which will result in these arrangements ending in July, there is currently some uncertainty about how this service will be delivered in the future. It is a largely advisory service and the remote delivery arrangements have led to some issues about consistency in support and a lack of sufficient strategic control and flexibility in prioritising resources.

2.47. It is considered that there is a strategic case that an in-house service would allow for more flexibility to align the service to changing health and safety priorities. Co-location of advisory and support staff would also provide a more cohesive service, with a closer working relationship with council managers. Furthermore, direct management by the council's statutory health and safety officer (the Head of SHaW) would enable rapid and targeted deployment of resources in the event of significant emerging issues, risks or incidents. Direct management would also mean that the council had more strategic control of the services which links to the consultation responses.

2.48. Officers are in the early stages of assessing the detailed economic and financial implications of returning the SHaW service to the council. It is a relatively small, discrete service and indications are that it would be economically, financially and commercially viable. It would also be relatively straightforward from a management perspective. However, there is a risk that the actual cost of running the service is higher than the management fee paid to Capita and agreement of the reduction in the management fee would be subject to commercial negotiation.

2.49. It is, therefore, proposed that the service be returned to the council, subject to being able to reach an agreement that provides reasonable value for money for Barnet residents.

2.50. A financial review is set out in Appendix C, which is exempt from publication.

Pensions Administration

- 2.51. Members of the Committee will be aware that there are significant issues with the Pensions Administration service, which have been a matter of concern for some time. These issues relate primarily to data quality and completeness, which has a significant impact on the actuary's ability to value the Pension Fund and set employer contribution rates with any degree of accuracy. It has also affected Capita's ability to issue accurate and timely annual benefit statements to scheme members. It is also the case that admission agreements and bonds for third party employers (for example, schools) are not all in place. In addition, there is a significant backlog of outstanding casework, which can create unnecessary stress and concern for the scheme members involved.
- 2.52. The Pensions Regulator has been in correspondence with the council about these issues for the last two years. In March 2017 the Regulator fined the council (as Scheme Manager) for failing to provide a Scheme Return in accordance with legal requirements. Most recently, the Regulator has issued a notice, which sets out a number of actions that the Regulator considers to be necessary to provide assurance on the adequacy of internal controls in respect of the data quality issues.
- 2.53. Alongside the Pensions Regulator's attention, the council has been applying the appropriate contractual mechanisms in order to improve Capita's performance. There is currently a Final Warning Notice in place, along with an improvement plan. The council has also employed a pensions consultant, who is working with the council's Director of Finance and commercial colleagues to monitor progress against that plan.
- 2.54. It is recognised that Capita has made progress over recent months on correcting data inadequacies. In particular, locally based Capita colleagues have put significant effort into working with colleagues in Darlington, from where the service is provided, to drive the necessary improvements. However, despite these efforts, it is clear that the service is not yet in an acceptable position and there remains substantial work to be done to achieve this. With the upcoming round of annual benefit statements and the triennial valuation due to take place over the summer, it is essential that council officers continue to work with Capita colleagues to deliver the necessary improvements to meet the requirements of the fund actuary and the Pensions Regulator. Seeking to change the current delivery arrangements for the service, at this point in time, would disrupt the valuation process and would not, in itself, immediately resolve the outstanding data issues.

- 2.55. However, it is considered prudent that the council should take the necessary measures to prepare for a situation where it becomes necessary to secure alternative service provision. This would include obtaining the information from Capita that would be needed to assess the feasibility of either bringing the service back in-house or procuring an alternative provider, as well as preparing the initial documentation that would enable prompt commencement of a procurement exercise to secure an alternative external provider, should the need arise. It would also include market testing to investigate the likely appetite of other public and private sector suppliers to take on the provision of this service.
- 2.56. It is, therefore, proposed that the Committee instructs the Director of Finance, whilst working with Capita to improve matters, to also put appropriate contingency measures in place to enable alternative service provision arrangements to be made within a reasonable timeframe, should the need arise. The actual implementation of any alternative arrangements would require a further decision from Committee.
- 2.57. This proposal is considered to be consistent with the strategic aims of delivering high quality services and strengthening strategic control, as well as consultation responses regarding service performance, accountability and control.

Remaining Phases of the Review

- 2.58. The December report proposed a further two phases for the Review. Phase III would cover Barnet-based, customised services, such as Estates, Procurement and the Cemetery and Crematorium. Phase IV would cover transactional services, typically provided from outside of Barnet, including Revenues and Benefits, Payroll, Pensions Administration and Regulatory Services.
- 2.59. The outcome of public and best value consultation suggests that the priority for residents is improving service quality, which was the strategic aim that was most supported by respondents. Questionnaire respondents generally expressed negative views of all services that are being considered as part of the review and focus group participants were particularly critical of the Highways service. It is, therefore, proposed that the immediate, principle focus should be on service improvement, particularly in Highways and Pensions Administration.
- 2.60. The public and best value consultation also suggests that there is little support for the phased approach to reviewing the contracts. In particular, there were

concerns that related services were not being reviewed together and the proposed phasing was disjointed. It is acknowledged that consultation participants expressed an overall preference for services to be returned to the council, but it is also noted that there was some recognition that the council could not bring all or even a significant number of outsourced services back in-house without staggering the process. It is also noted that there was some support for a mixed economy approach, particularly if this involved other public-sector bodies, and an acknowledgement that outsourcing services can be appropriate in some circumstances.

- 2.61. In order to directly address the concerns regarding inter-dependent services, it is proposed that the remainder of the review be conducted through the year six (CSG) and year seven (RE) contract reviews, which are due to commence in the autumn. Considering the services provided under each of the contracts in turn will enable a more holistic approach to be taken to reviewing related services. It will also facilitate further consideration of a broader range of delivery options, such as partnerships with other councils, as suggested in the public and best value consultation, thereby resulting in a robust and coherent commissioning strategy for the future delivery of these services.
- 2.62. It is also proposed that the terms of reference and progress on these reviews be reported to the Financial Performance and Contracts Committee, with any resulting recommendations being made to the Policy and Resources Committee.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1. The Committee could choose to maintain the status quo in respect of the services that have been considered as part of phase II of the report, but this does not meet the strategic aims of the review and is not consistent with the outcomes of public and best value consultation.
- 3.2. The Committee could choose to return all services to the council, or secure alternative voluntary or public-sector providers, which was mentioned in the public and best value consultation responses. However, having considered the views expressed in the consultation and balanced those against the strategic aims of the Review and the economic, financial and commercial considerations set out in this report and the July and December reports, this is not currently recommended, as it is not considered that it will provide best value for the borough's residents.

4. POST DECISION IMPLEMENTATION

- 4.1. If the Committee agrees the recommendations, work will continue on concluding the necessary commercial negotiations and financial due diligence. Alongside this, work will commence on implementing the transition of the SEED and SHaW services back to the council. This will include carrying out informal briefing of staff, with formal TUPE consultation commencing upon conclusion of the commercial negotiations.
- 4.2. Whilst the primary focus over the summer will be on service performance improvement, notably in Highways and Pensions Administration, work will also commence on planning for the year six (CSG) and year seven (RE) contract reviews.

5. IMPLICATIONS OF DECISION

5.1. Corporate Priorities and Performance

- 5.1.1. The aims of this review, as set out in the December report and confirmed through the consultation process, have been designed to ensure high quality, good value services as envisaged in the council's Corporate Plan.

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

- 5.2.1. On 19th July 2018, Policy and Resources Committee agreed resources of £300k for the development of the Full Business Case. A further allocation of £600k was agreed by the Committee on 11th December 2018, to cover the period to June 2019. As set out in paragraph 1.14, actual direct expenditure to date of approximately £390k has been incurred.
- 5.2.2. At this stage, it is considered that the balance of £510k is sufficient to maintain the programme team and provide any additional resource required to support the performance improvement requirements across Finance, Strategic HR, Highways and Pensions Administration, through to the autumn.
- 5.2.3. It should be noted that the initiation of the year six (CSG) and year seven (RE) contract reviews may result in additional resource requirements.
- 5.2.4. The costs involved are justified by the scale of the contracts and the importance to the council of delivering best value going forward. The costs are being funded from reserves, which were enhanced by the £4.12m commercial settlement agreed by the Urgency Committee on 30 November

2018.

5.3. Social Value

- 5.3.1. 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.
- 5.3.2. The contracts include several requirements that relate to social value, for example the provision of apprentices. The importance of at least maintaining these benefits will be reflected in the transfer of any service.

5.4. Legal and Constitutional References

- 5.4.1. Council Constitution, Article 7 (Committees, Forums, Working Groups and Partnerships) provides that the Policy and Resources Committee is responsible for 'Strategic Partnerships'.
- 5.4.2. Detailed legal support is being provided to ensure that the council meets its legal obligations, for example in relation to public procurement regulations.
- 5.4.3. Under the Local Government Act 1999 there is a duty to consult:
 - 3.— The general duty.
 - (1) A best value authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
 - (2) For the purpose of deciding how to fulfil the duty arising under subsection (1) an authority must consult—
 - (a) representatives of persons liable to pay any tax, precept or levy to or in respect of the authority,
 - (b) representatives of persons liable to pay non-domestic rates in respect of any area within which the authority carries out functions,
 - (c) representatives of persons who use or are likely to use services provided by the authority, and
 - (d) representatives of persons appearing to the authority to have an interest in any area within which the authority carries out functions.
 - (3) For the purposes of subsection (2) "representatives" in relation to a group of persons means persons who appear to the authority to be representative of that group.

- (4) In deciding–
- (a) how to fulfil the duty arising under subsection (1),
 - (b) who to consult under subsection (2), or
 - (c) the form, content and timing of consultations under that subsection,
- an authority must have regard to any guidance issued by the Secretary of State.

Revised Best Value Statutory Guidance - 2015

In considering the duty above, overall value should be considered, including economic, environmental and social value. The guidance reminds the reader about the duty to consider social value at pre-procurement stage (Social Responsibility duty). For the duty to consult the council should consider the involvement of local voluntary and community organisations and small businesses in the consultation.

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

- i. Where there is a statutory requirement in the relevant legislative framework as there is in this case.
- ii. 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
- iii. Exceptionally, where the matter is so important that there is a legitimate expectation of consultation
- iv. Where consultation is required to complete an equalities impact assessment.

Regardless of whether the council has a duty to consult, if it chooses to consult, such consultation must be carried out fairly. In general, a consultation can only be considered as proper consultation if:

- Comments are genuinely invited at the formative stage
- The consultation documents include sufficient reasons for the proposal to allow those being consulted to be properly informed and to give an informed response
- There is adequate time given to the consultees to consider the proposals
- There is a mechanism for feeding back the comments and those comments are considered by the decision-maker / decision-making body when making a final decision
- The degree of specificity with which, in fairness, the public authority should conduct its consultation exercise may be influenced by the identity of those whom it is consulting

- Where relevant and appropriate, the consultation is clear on the reasons why and extent to which alternatives and discarded options have been discarded. The more intrusive the decision, the more likely it is to attract a higher level of procedural fairness.

5.5. Risk Management

- 5.5.1. The key risk associated with any review of these contracts relates to their scale and complexity. Many months of detailed work and due diligence went into developing the detailed financial models and mechanisms that underpin the contracts. Understanding these, and how they relate to the current setup and operation of services, is critical to making sound decisions in relation to future delivery options. There is a very high risk that decisions may be based on incomplete or flawed data, leading to the council taking on services that it does not understand and/or cannot afford to operate.
- 5.5.2. A significant risk is that there is further deterioration in service quality, as key people, from both the council and Capita, focus their time and attention on the review process. Alongside the review work, the council is maintaining the established contract management mechanisms and continues to respond robustly to emerging performance issues.
- 5.5.3. There are further risks associated with the uncertainty created by the review process, which may lead to the loss of key personnel. The council is working with Capita to ensure that there is regular, joined-up, communication regarding progress. Dependent upon the outcome of the review process, there is also a risk that some Capita personnel may choose not to move across to the council. This is particularly likely with those staff that are based outside of London. Low unemployment locally is likely to make it hard to recruit to consequent vacancies.
- 5.5.4. Through the process of developing the business case and beyond, it is important that the council continues to comply with its obligations under the contract. For example, should the council behave as if the contract is terminated, it would risk a claim for “repudiatory breach”, which could entitle Capita to recover significant costs and damages. The council is complying, and intends to continue to comply, with its obligations under the contracts so that a such a scenario does not occur.
- 5.5.5. Comprehensive programme governance arrangements have been established. As part of these arrangements, a detailed risk register has been prepared and this is reviewed and updated on a regular basis.

5.6. Equalities and Diversity

- 5.6.1. Equality and diversity issues are a mandatory consideration in the council's decision-making process. Decision makers should have due regard to the public-sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Policy and Resources Committee, or the officer decision maker if the decision is delegated to them, has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public-sector equality duty are found at section 149 of the Equality Act 2010.

A public authority must, in the exercise of its functions, have due regard to the need to:

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

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) Tackle prejudice, and
- (b) Promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

5.6.2. An updated initial Equalities Impact Assessment for the decisions proposed in this report is attached at Appendix D. It has been drafted taking into account the consultation responses.

5.7. Corporate Parenting

5.7.1. Capita provide a small number of services to care leavers living in Barnet, most notably in relation to the revenues and benefits service. The continued focus on high quality services through the review process will ensure that these services continue to be provided.

5.8. Consultation and Engagement

Public consultation and Best Value consultation

5.8.1. The Best Value consultation was with the groups identified in paragraph 5.6, above.

5.8.2. A detailed report of the consultation responses is attached at Appendix B. The public and Best Value consultation focused on:

1. Do consultees agree with the strategic aims of: delivering high quality services; securing best value for money, strengthening the council's strategic control of services and that these should be the basis for assessing the future delivery arrangements for each service?
2. Are there any other factors that should be considered by the council in reaching a decision on future service delivery arrangements?

3. The proposed prioritisation and phasing of services for detailed analysis.

5.8.3. The public and Best Value consultation commenced on Monday 17th December 2018 and concluded on Friday 15th February 2019. The consultation process has informed the phasing of the remainder of the review and recommendations in respect of the future delivery of services.

Staff consultation

5.8.4. Any proposals that involve the transfer of services from one provider to another (including transfer in-house or to alternative providers) will entail a statutory requirement to provide information and consult with staff representatives under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). These requirements will be triggered once a decision to transfer services has taken place and prior to any transfer being effected.

5.8.5. However, it should be noted that it is good practice to engage with all staff from the point at which any potential for transfer of services becomes generally known, throughout the decision making and transition periods and for a period post transfer (if a transfer takes place). Early engagement with staff assists in managing the risks of staff becoming unsettled or distracted as outlined above. It also assists in preventing loss of key staff during the decision making and transition periods, as well as ensuring the council continues to attract high calibre individuals by maintaining its reputation as an employer of choice.

5.8.6. Likewise, early engagement and ongoing dialogue with staff representatives is also good practice, with the aim of early identification and resolution of issues, reaching agreement on processes and approach to managing the workforce aspects of transfer and addressing any issues that may arise at the earliest opportunity so that statutory consultation and the transition itself can run smoothly for affected staff.

5.9. Insight

5.9.1. The analysis undertaken to date has been based on the current contractual model, information provided by Capita, and legal review of the contract.

6. BACKGROUND PAPERS

6.1. Approval of NSCSO full business case:

<http://barnet.moderngov.co.uk/documents/s6649/NSCSO.pdf>

- 6.2. Approval of preferred bidder for DRS services:
<https://barnet.moderngov.co.uk/documents/s9226/DRS%20Cabinet%20Report.pdf>
- 6.3. Capita transformation update:
<https://www.capita.com/news/news/2018/transformation-update-and-proposed-fully-underwritten-701m-rights-issue/>
- 6.4. Year three review of CSG contract:
<http://barnet.moderngov.co.uk/documents/s35999/PCM%20report%20November%202016%20FINAL.pdf>
- 6.5. Year four review of RE contract:
<http://barnet.moderngov.co.uk/documents/s43591/PCM%20RE%20Contract%20Review%20Report%20Nov%202017.pdf>
- 6.6. Report to Financial Performance and Contracts Committee – End of Year 2017-18 Contracts Performance Report:
<https://barnet.moderngov.co.uk/documents/s47149/EOY%202017-18%20Contracts%20Performance%20Report.pdf>
- 6.7. Report to Audit Committee, CAFT annual report:
<https://barnet.moderngov.co.uk/documents/s46044/Appendix%201%20-%20CAFT%20Annual%20Report%20201718.pdf>
- 6.8. Reports to Performance and Contract Management Committee

Quarter 3 2017-18 Performance Monitoring Report (Part C: Contract Performance):
<https://barnet.moderngov.co.uk/documents/s45224/Q3%202017-18%20Report.pdf>

Quarter 2 2017-18 Performance Monitoring Report (Part C: Contract Performance):
<https://barnet.moderngov.co.uk/documents/s43586/Quarter%202%20201718%20Performance%20Monitoring%20Report.pdf>

Quarter 1 2017-18 Performance Monitoring Report (Part C: Contract Performance):
<https://barnet.moderngov.co.uk/documents/s42044/Q1%202017-18%20Performance%20Monitoring%20Report%20010917.pdf>

- 6.9. Report to Policy and Resources Committee, Review of Capita Contracts – Strategic Outline Case:
<http://barnet.moderngov.co.uk/documents/s47263/Capita%20Realignment.pdf>
- 6.10. Report to Audit Committee, Report of the Chief Executive (Grant Thornton report):
<http://barnet.moderngov.co.uk/documents/s49672/Report%20of%20the%20Chief%20Executive.pdf>
- 6.11. Report to Urgency Committee, Commercial Settlement of Historic Issues:
<http://barnet.moderngov.co.uk/documents/s49973/21.11.2018%20Capita%20Commercial%20settlement%20-%20Urgency%20Committee%20Report.pdf>
- 6.12. Report to Policy and Resources Committee, Review of Capita Contracts
<http://barnet.moderngov.co.uk/documents/s50134/Review%20of%20Capita%20Contracts.pdf>

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Appendix A – Previous Committee Resolutions

The July Committee resolved as follows:

That the Committee:

1. Agrees to review the council's partnership with Capita, and authorises the Chief Executive to develop a Full Business Case.
2. Agrees that the proposed strategic aims underpinning the Full Business Case should be to:
 - a) Deliver high quality services;
 - b) Secure best value for money for Barnet's residents; and
 - c) Strengthen the council's strategic control of services.
3. Notes the three options identified and considered in more detail in paragraphs 2.4 to 2.7 and Tables 1 to 4.
4. Agrees that option 2 – realigning the CSG and DRS contracts to bring back in house those services listed in Table 5 – is the proposed preferred option to be tested in the Full Business Case.
5. Agrees that option 3 is fully tested and considered in the Full Business Case.
6. Agrees that the Full Business Case should review the joint venture arrangement for the delivery of Development and Regulatory Services.
7. Agrees that the Full Business Case should be considered by Policy & Resources Committee, for referral to Council for final decision.

The December Committee resolved as follows:

That the Committee:

1. Notes the work undertaken in developing a business case for the realignment of the council's contracts with Capita, and the findings of the analysis to date, as set out in paragraphs 2.2 to 2.38.
2. Agrees that further analysis is required to allow the Committee to make informed, robust decisions on the future delivery of the Customer Support Group and Development and Regulatory Services contracts, and the impact on the future of the RE Joint Venture.
3. Notes the findings of the in-depth analysis of the Finance and Strategic Human Resources (HR) services, as set out in paragraphs 2.41 to 2.51.
4. Authorises the Chief Executive to take all reasonable action to prepare to insource Finance and Strategic HR services by 1 April 2019. Further authorises the Chief Executive, in consultation with the Chairman of the Committee, to consider the responses to the consultation (due in

February 2019) and proceed with implementation of the proposal, if appropriate.

5. Agrees a revised approach to completing the review, which considers groups of services on a phased basis, as set out in paragraphs 2.52 to 2.57.
6. Agrees that consultation on the future approach to all services should take place, as set out in section 5.8.
7. Agrees the draft service groupings and prioritisation set out in paragraphs 2.58 to 2.63 as the basis for consultation. Following this consultation authorises the Chief Executive, in consultation with the Chairman of the Committee, to agree a programme for reviewing services; the programme to be updated from time to time by the Chief Executive in consultation with the Chairman of the Committee with a view to completing the review as rapidly as possible.
8. Approves the budget allocation for the next stages of the review and the implementation of the proposed in-sourcing of Finance and Strategic HR as set out in paragraph 5.2.2
9. Agrees that the council will continue to work with Capita to seek to reach a collaborative negotiated solution to the future of the contracts.
10. Agrees that while the review is underway, the critical task of service improvement should continue to be driven through partnership working and contractual levers.



London Borough of Barnet

Review of Capita Contracts

Consultation 2019

Draft report of findings



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London Borough of Barnet Review of Capita Contracts Consultation 2019

As with all our studies, findings from this report are subject to Opinion Research Services' Standard Terms and Conditions of Contract.

Any press release or publication of the findings of this report requires the advance approval of ORS. Such approval will only be refused on the grounds of inaccuracy or misrepresentation

This study was conducted in accordance with ISO 20252:2012 and ISO 9001:2008.

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At all stages of the project, ORS' status as an independent organisation consulting the public as objectively as possible was recognised and respected. We are grateful for that trust and hope this report will contribute to decisions on LBB's future service provision.

1. Executive Summary

Summary of main findings

Background to the review and the commission

- ^{1.1} The London Borough of Barnet (henceforth LBB or the council) has a longstanding approach to service delivery, which is based on commissioning services from whichever organisation can deliver them most effectively. In accordance with this approach, the council currently has two major contracts with the private sector company Capita. The first, the CSG (Customer and Support Group) contract between the council and Capita, is for the delivery of the council's 'back office' functions, including finance, human resources, customer services and information technology. The second, known as the RE (Regional Enterprise) contract, relates to the provision of development and regulatory services. These include planning, regeneration, highways, environmental health and the cemetery/crematorium. These services are delivered through a joint venture company that is jointly owned by Capita and the council, known as Regional Enterprise Limited, or RE. The contracts began in September 2013 and October 2013 respectively and are due to run for ten years, with an option to extend for up to a further five.
- ^{1.2} In July 2018, a Strategic Outline Case for the review of the contracts was considered by the council's Policy and Resources Committee. This set out three options, which were:
- Option 1: maintain the status quo in relation to the CSG and RE contracts;
 - Option 2: re-shape the contracts to better align service delivery to the council and Capita's strengths and priorities;
 - Option 3: bring the partnership to an end and either bring services back inhouse or re-procure them from an alternative provider.
- ^{1.3} The Committee authorised the Chief Executive to develop a Full Business Case for the future of these arrangements - and agreed that the proposed strategic aims underpinning the Full Business Case should be to: deliver high quality services; secure best value for money for Barnet's residents; and strengthen the council's strategic control of services.
- ^{1.4} A further report (which was considered by the Committee in December 2018) concluded that further detailed analysis would be needed to form the basis of a sound recommendation in relation to the totality of the CSG and RE contracts. The Committee agreed that, subject to the outcome of consultation, Finance and Strategic HR services should be returned to the council as a matter of priority. It also agreed a revised phased approach to completing the review, which tests and considers each service against the proposed strategic aims to determine who is best placed to provide that service in the future. It was primarily this proposed new approach and strategic aims that LBB was seeking views on through a consultation questionnaire and focus groups with members of the public.

The commission and consultation process

- ^{1.5} The consultation was launched in late December 2018 and ended on 15th February 2019. Opinion Research Services (ORS) - a spin-out company from Swansea University with a UK-wide reputation for social research - was appointed by LBB to: independently report the findings from its open consultation questionnaire; and convene, facilitate and report on two focus groups.

- 1.6 The open consultation questionnaire was available via the council's Engage Barnet website and on paper. The questionnaire included questions about: the appropriateness of the council's strategic aims; the proposed phasing of the review; and service quality. 343 responses were received.
- 1.7 Two two-hour focus groups were held in February 2019: one with prominent 'frequent engagers' (members of the public who have previously commented or submitted questions on relevant Committee reports) and the other with randomly-selected members of the public and one with randomly-selected members of the public. Eleven participants attended the former and ten attended the latter.

The report

- 1.8 This executive summary summarises the consultation outcomes to highlight the overall balance of opinion. We trust that this summary is a sound guide to these outcomes, but readers are urged to consult the full report that follows for more detailed insights and understanding of the assumptions, arguments, conclusions and feelings about the review of Capita contracts and council service provision more generally. In contrast to the more thematic approach in this executive summary, the full report considers the feedback from the two main elements of the consultation in turn because it is important that the full report provides a full evidence-base for those considering the research and its findings. We trust that both this summary and full report will be helpful to all concerned.

Main findings

Outsourcing is acceptable if done for the right reasons with the right services and proper accountability

- 1.9 Most focus group participants had no fundamental objection to outsourcing council services, providing: it is done for the right reasons and to an organisation with a proven track record in service delivery; the organisation doing the outsourcing has the managerial capability to oversee contracts and ensure accountability; and the outsourced services can be appropriately delivered by an outside agency.
- 1.10 It was said that LBB did not outsource so many services to Capita because it felt it was the right thing to do, but because it sought to divest itself of its problems. In the views of many, though, these problems have apparently remained - with the council having relinquished any control it had over managing them.
- 1.11 There were concerns around accountability, particularly among the general public group members, who felt that neither the council nor Capita are willing to take responsibility for service delivery issues - leading to 'buck-passing' and a lack of resolution to problems.
- 1.12 In terms of the appropriateness of outsourced services, while the frequent engagers were of the view that some services (payroll for example) need not be provided-in house, they and the general public group members strongly argued that any provision that is local to Barnet (planning in particular) should have been retained at the outset, and certainly should be returned to council control now.
- 1.13 Ultimately, there was a sense that while outsourcing can be acceptable in the right circumstances, LBB has done so to an unacceptable degree - and to a company with a less than positive reputation among many residents. This has resulted in a local authority that feels more like a business than a public service.

The Capita contracts have ‘failed’ in many ways

- 1.14 Questionnaire respondents’ views of all the services being considered as part of the review were generally very negative, with many strongly criticising both service provision and Capita’s performance to date.
- 1.15 The frequent engagers group described what it saw as the ‘glaring failures’ of the Capita CSG and RE contracts, most notably in relation to: a lack of management, accountability and control (especially financial) on the part of the council; and the provision of important local services by people with no vested interest in (and thus no passion for) the area.
- 1.16 Indeed, there was certainly a great deal of anger evident among the frequent engagers about the original Capita contracts - particularly in terms of the inflexibility around aspects such as gain share and RPI inflators, which has allegedly had significant financial implications for LBB and for the remaining in-house services that are ‘more vulnerable to cuts’ as a result.
- 1.17 The frequent engagers also disagreed with LBB’s statement that the contracts have brought significant financial benefits and have helped deliver efficiencies, service improvements and increased income across a range of services. As below, they particularly challenged the stated level of day-to-day running cost savings; resident satisfaction improvements; better IT provision; and improved revenue collection rates.
- 1.18 As for the particular services provided under the two contracts, the frequent engagers were particularly concerned about planning and planning enforcement. They alleged that: communication is non-existent (access is high on impossible and messages are not returned); staff turnover is high; planning applications (with objections) are being passed by default due to delays in dealing with them on Capita’s part; and that mistakes are made with no recourse to rectifying them. Furthermore, both groups suggested that the apparent communication issues outlined above are not limited to planning. In fact, they were described as ‘endemic’ across the Capita-provided services.
- 1.19 The general public group complained extensively about the current condition of the borough’s roads and pavements, suggesting issues in the Highways department.
- 1.20 Overall, as one member of the frequent engagers group stated: *“Capita we do not like. And it’s left a huge legacy of something slapdash, not conscientious...”*

The proposed strategic aims are supported - but are also impossible to disagree with and ‘play into Capita’s hands’

- 1.21 Questionnaire respondents and focus group participants were informed that the council proposes to test and consider each of the services currently provided through the Capita contracts against a set of aims to determine who is best placed to provide them. The proposed aims are to: deliver high quality services; secure best value for money for Barnet’s residents; and strengthen the council’s strategic control of services.
- 1.22 Most questionnaire respondents (63%) agreed overall with the three aims, though many said they would appreciate clarification about exactly what they mean and how the council plans to assess whether they are being achieved.
- 1.23 In the focus groups, the frequent engagers described the aims as ‘ridiculous’ insofar as they are impossible to disagree with - and the general public group agreed that they are somewhat too generic and ‘woolly’. Some questionnaire respondents also commented that the aims were ‘trite’ and difficult to disagree with.

- 1.24 The frequent engagers also suggested that detail of the second aim could be construed as ‘playing into Capita’s hands’ insofar as the aspects to be evaluated are: the one-off costs of implementing change; the impact of any change on future running costs; and whether the cost of making any change is affordable. The general feeling was that any option other than remaining with Capita would be presented as unaffordable and thus untenable.
- 1.25 The general public group felt that, although alluded to in the third, the strategic aims should explicitly include the word ‘accountability’ to ensure the council is being as unambiguous as possible in addressing the crucial need for this.

The proposed phased approach is supported by some, but is too prescriptive and inflexible for others

- 1.26 Questionnaire respondents and focus group participants were told that to determine the future shape of the two contracts, the council proposes to undertake a detailed, service-by-service evaluation to assess whether the anticipated benefits would justify the cost of any change. This would be undertaken via the following phased approach: finance and strategic HR; highways and regeneration; Barnet-based, customised services; and volume transactional services.
- 1.27 Questionnaire respondents were split on the proposed phasing: 43% agreed and 42% disagreed. Various suggestions were made around which services ought to have higher or lower priority, but a large number of respondents felt that there should be no phasing at all (i.e. that the services should all be reviewed together).
- 1.28 In the focus groups, though acknowledging that the council could not bring all or even a significant number of outsourced services back in-house without staggering the process, the frequent engagers were of the view that the proposed phasing is too disjointed to be successful. In essence, they argued that LBB has not given enough consideration to the services that ‘naturally fit together’ in developing its approach (a point echoed by some questionnaire respondents): for example, while it is recommended that finance is returned to council control almost immediately, revenues & benefits - which was considered an inter-dependency of that service - would not be evaluated until Phase 4.
- 1.29 Some general public group members were concerned that many of the ‘public-facing’ services (that is, those used by most people and which ‘affect the public image of the borough’) are to be considered in the final two review phases. They suggested it might be prudent to include at least some of these earlier on to ensure residents feel comfortable that the council is looking to implement positive change, especially in the event of council tax increases.
- 1.30 However, it was recognised that: *“The problem is if they’re setting up departments they need to be managed. The infrastructure needs to be in place before they can change anything”*. (General Public)

Most services should be returned to in-house control

- 1.31 Three quarters of questionnaire respondents (75%) opposed Barnet’s approach of a mixed economy of in-house and outsourced provision. Based on their comments, this tended to be because they wanted all services (or as many as possible) to be provided in-house.
- 1.32 A smaller number were more supportive of the approach, but they tended to attach caveats, for example that: outsourcing should only ever be considered for certain types of services; it should only be used as a ‘last resort’ with an aim to return services in-house when possible; no one organisation should be allowed

to monopolise provision; and that the council should try to partner with other councils or with the voluntary sector where possible.

- 1.33 Overall, both focus groups were also overwhelmingly in favour of bringing most outsourced services back in-house, mainly in order to: strengthen the Council's accountability for service provision; increase the cohesion of interlinked services and reduce 'silo working'; and ensure services are provided by those with a fundamental desire to do what is best for the borough and its people. It should be noted that most of these points were also echoed by questionnaire respondents.
- 1.34 There was, however, recognition that this may not be an easy task given the level of outsourcing undertaken by LBB and that it would likely prove a more costly option than remodelling the Capita contracts - but it was generally argued that these should not be barriers to trying, and that any short-term financial pain would be offset by long-term gains in service improvements.
- 1.35 One prominent frequent engager strongly argued for a more radical approach to future service delivery though, and their proposal for what they described as 'Barnet 2.0' was enthusiastically supported by other group members. In essence, it was suggested that LBB abandon its 'mechanistic' service-by service evaluation in favour of a more holistic examination of council provision in an attempt to remodel an 'ideal' council from scratch - while also making reasonable efficiencies and developing more flexible ways of working.
- 1.36 Partnerships with other local authorities were also suggested for services that need not be provided locally, payroll and human resources (HR) for example.
- 1.37 Regardless of the approach taken to future council service delivery, the need for proper management, control, auditing and **independent** scrutiny was once again emphasised - especially at the general public group.

2. The Consultation Process

Overview of the consultation

Background to the review

- 2.1 The London Borough of Barnet (henceforth LBB or the council) has a longstanding approach to service delivery, which is based on commissioning services from whichever organisation can deliver them most effectively.
- 2.2 In accordance with this approach, the council currently has two major contracts with the private sector company Capita. The first, the CSG (Customer and Support Group) contract between the council and Capita, is for the delivery of the council's 'back office' functions, including finance, human resources, customer services and information technology. The second, known as the RE (Regional Enterprise) contract, relates to the provision of development and regulatory services. These include planning, regeneration, highways, environmental health and cemeteries/crematorium. These services are delivered through a joint venture company that is jointly owned by Capita and the council, known as Regional Enterprise Limited, or RE. The contracts began in September 2013 and October 2013 respectively and are due to run for ten years, with an option to extend for up to a further five.
- 2.3 The council regularly reviews its service delivery arrangements, in line with its commitment to ensuring that they are as effective and efficient as possible – and in July 2018, a Strategic Outline Case for the review of the contracts was considered by the Council's Policy and Resources Committee. This set out three options, which were:
 - Option 1: maintain the status quo in relation to the CSG and RE contracts;
 - Option 2: re-shape the contracts to better align service delivery to the council and Capita's strengths and priorities;
 - Option 3: bring the partnership to an end and either bring services back inhouse or re-procure them from an alternative provider.
- 2.4 Based on the Strategic Outline Case, the Committee agreed that its preferred option was option 2, re-shaping the CSG and RE contracts to bring some services back in-house, to be delivered directly by the council. However, the Committee also agreed that it required the Full Business Case to test and consider both options 2 and 3. The Committee thus authorised the Chief Executive to develop a Full Business Case for the future of these arrangements - and agreed that the proposed strategic aims underpinning the Full Business Case should be to: deliver high quality services; secure best value for money for Barnet's residents; and strengthen the council's strategic control of services.
- 2.5 A further report (which was considered by the Committee in December 2018) concluded that further detailed analysis would be needed to form the basis of a sound recommendation in relation to the totality of the CSG and RE contracts. The Committee agreed that, subject to the outcome of consultation, Finance and Strategic HR services should be returned to the council as a matter of priority. It also agreed a revised phased approach to completing the review, which tests and considers each service against the proposed strategic aims to determine who is best placed to provide that service in the future. It was primarily this proposed new approach and strategic aims that LBB was seeking views on through a consultation questionnaire and focus groups with members of the public.

The commission

- 2.6 The consultation was launched in late December 2018 and ended on 15th February 2019. Opinion Research Services (ORS) - a spin-out company from Swansea University with a UK-wide reputation for social research - was appointed by LBB to independently report the findings from its open consultation questionnaire and convene, facilitate and report two focus groups - one with 'frequent engagers' (members of the public who have previously commented or submitted questions on relevant Committee reports) and the other with randomly-selected members of the public.

Quantitative engagement

Open consultation questionnaire

- 2.7 The consultation was widely promoted via: the council residents' e-newsletter, the council's website, local press, Twitter, Facebook and posters in libraries. 'Super users' (i.e. users of non-universal services) were also invited to take part through the Communities Together Network, school circular and the council's service user newsletters/circulars.
- 2.8 The open consultation questionnaire was available for anyone to complete via the council's Engage Barnet website, with paper versions available upon request. An Easy Read version was prepared but was not requested. The questionnaire included questions about: the appropriateness of the council's strategic aims; the proposed phasing of the review; and service quality. 343 responses were received.
- 2.9 It should be noted that open questionnaires are important forms of engagement in being inclusive and giving people an opportunity to express their views; but they are not random sample surveys of a given population - so they cannot normally be expected to be representative of the general balance of opinion. For example, the young are usually under-represented while the elderly are over-represented; and the more motivated groups or areas are also typically over-represented compared with others.

Deliberative engagement

Focus groups

- 2.10 Two two-hour focus groups were held in February 2019: one with prominent local 'frequent engagers' and one with randomly-selected members of the public. 11 participants attended the former and ten attended the latter.
- 2.11 The local frequent engagers were initially invited by LBB and confirmed by ORS, whereas the randomly-selected members of the public were recruited by random-digit telephone dialling from ORS' Social Research Call Centre. Having been initially contacted by phone, all participants were then written to - to confirm the invitation and the arrangements; and those who agreed to come then received telephone or written reminders shortly before each meeting. Such recruitment by telephone is an effective way of ensuring that the participants are independent and broadly representative of the wider community.
- 2.12 In recruitment, care was taken to ensure that no potential participants were disqualified or disadvantaged by disabilities or any other factors, and the venues at which the focus groups met were readily accessible - and people's special needs were taken into account in the recruitment and venues. The random telephone recruitment process was monitored to ensure social diversity in terms of a wide range of criteria - including, for example: gender; age; ethnicity; social grade; and disability/limiting long-term illness (LLTI).

- 2.13 Overall, participants represented a broad cross-section of residents. As standard good practice, people were recompensed for their time and efforts in travelling and taking part.
- 2.14 Although, like all other forms of qualitative engagement, deliberative focus groups cannot be certified as statistically representative samples of public opinion, the meetings reported here gave diverse members of the public the opportunity to participate actively. Because the meetings were inclusive, the outcomes are broadly indicative of how informed opinion would incline on the basis of similar discussions.

Deliberative events: the agenda

- 2.15 Both focus groups lasted for around two hours and began with an ORS presentation to provide the contextual background information outlined above. Participants were encouraged to ask questions throughout and the meetings were thorough and truly deliberative in listening to and responding openly to a wide range of evidence and issues around: the principle of outsourcing; the Capita contracts; the proposed strategic aims and phasing of the Review; and future service delivery options.

The report

- 2.16 This report reviews the sentiments and judgements of respondents and participants on LBB's Review of Capita Contracts consultation. Verbatim quotations are used, in indented italics, not because we agree or disagree with them - but for their vividness in capturing recurrent points of view. ORS does not endorse any opinions, but seeks only to portray them accurately and clearly. The report is an interpretative summary of the issues raised by participants.

3. Open Consultation Questionnaire

Introduction

- 3.1 A consultation document outlining the issues under consideration was produced by LBB, and a corresponding consultation questionnaire was available for completion online (on the council's Engage Barnet website) and on paper. The questionnaire included questions about: the appropriateness of the council's strategic aims; the proposed phasing of the review; and service quality. Additional sections allowed respondents to make any further comments or alternative suggestions, and captured information about respondent demographics. Both the consultation document and the questionnaire are attached as appendices to this report.
- 3.2 The consultation document and open questionnaire were available throughout the entire engagement period, from late December 2018 until 15th February 2019. In total, 343 responses were received.

Interpretation of the data and response profile

- 3.3 Graphics are used extensively in this report to make it as user friendly as possible. The pie charts and other graphics show the proportions (percentages) of respondents making relevant responses. Where possible, the colours of the charts have been standardised with a 'traffic light' system in which:
- Green shades represent positive responses
 - Beige shades represent neither positive nor negative responses
 - Red shades represent negative responses
- The bolder shades are used to highlight responses at the 'extremes', for example, very satisfied or very dissatisfied.
- 3.4 Where percentages do not sum to 100, this may be due to computer rounding, the exclusion of "don't know" categories, or multiple answers.
- 3.5 It should be noted that open questionnaires are important forms of engagement in being inclusive and giving people an opportunity to express their views; but they are not random sample surveys of a given population - so they cannot normally be expected to be representative of the general population (and, as such, results should be treated as indicative rather than as statistically reliable estimates of the population's views).
- 3.6 For example, the table below summarising the response profile to the questionnaire shows that very few responses were received from the very youngest and oldest residents, whereas nearly 3 in 4 respondents (73%) were aged between 45 and 74.

Table 1: Open questionnaire responses by demographics and area

Characteristic	Unweighted Count	Unweighted Valid %
BY AGE		
18 to 24	1	1%
25 to 34	15	8%
35 to 44	31	16%
45 to 54	49	25%
55 to 64	54	27%
65 to 74	42	21%
75 or over	6	3%
Total valid responses	198	100%
<i>Not known</i>	145	-
BY GENDER		
Male	76	40%
Female	114	60%
Total valid responses	190	100%
<i>Not known</i>	153	-
BY ETHNIC GROUP		
White British	113	64%
Not White British	63	36%
Total valid responses	176	100%
<i>Not known</i>	167	-
BY WHETHER RESPONDENT HAS A DISABILITY		
Yes	22	12%
No	161	88%
Total valid responses	183	100%
<i>Not known</i>	160	-
BY RELIGION/BELIEF		
Baha'i	1	1%
Buddhist	1	1%
Christian	50	36%
Hindu	6	4%
Humanist	2	1%
Jain	2	1%
Jewish	17	12%
Muslim	1	1%
No religion	59	42%
Other religion/belief	1	1%
Total valid responses	140	100%
<i>Not known</i>	203	-
BY WHETHER RESPONDENT IS PREGNANT		
Yes		
No		
Total valid responses		
<i>Not known</i>		
BY WHETHER RESPONDENT IS ON MATERNITY LEAVE		
Yes		
No		
Total valid responses		
<i>Not known</i>		

BY WHETHER RESPONDENT'S GENDER IS DIFFERENT TO THAT DESCRIBED AT BIRTH		
Yes – different		
No – the same		
Total valid responses		
<i>Not known</i>		
BY SEXUAL ORIENTATION		
Bisexual	3	2%
Gay	3	2%
Heterosexual	135	92%
Lesbian	3	2%
Other	3	2%
Total valid responses		
<i>Not known</i>	196	
BY WARD		
Brunswick Park	8	3%
Burnt Oak	3	1%
Childs Hill	7	3%
Colindale	7	3%
Coppetts	12	5%
East Barnet	15	6%
East Finchley	13	5%
Edgware	6	2%
Finchley Church End	11	5%
Garden Suburb	8	3%
Golders Green	4	2%
Hale	5	2%
Hendon	7	3%
High Barnet	41	17%
Mill Hill	11	5%
Oakleigh	8	3%
Totteridge	12	5%
Underhill	26	11%
West Finchley ward	8	3%
West Hendon ward	4	2%
Woodhouse ward	20	8%
Other/Outside Barnet	5	2%
Total valid responses	241	100%
<i>Not known</i>	102	-
BY RESPONDENT TYPE		
A Barnet resident	224	90%
A person working within the London Borough of Barnet area	11	4%
Representing a voluntary/community organisation	4	2%
Other	9	4%
Total valid responses	248	100%
<i>Not known</i>	95	

- 3.7 Four responses were received on behalf of community organisations: **Barnet Residents Association**, the **Barnet Society**, an unnamed **social housing residents' association**, and one other unnamed organisation. Due to the low number of organisational responses, results from all stakeholder types have been reported together.

- 3.8 Nonetheless it should be remembered that responses from organisations may be submitted on behalf of a number of individuals, and in this context LBB may wish to pay particular attention to the views submitted by organisations. To this end, where particular quotations used in this report have been made by an organisation this has been indicated in brackets.

Main Findings

- There is general support for the proposed strategic aims, but respondents still have various questions and concerns
- There is a mix of views in relation to the proposed phasing, and many do not want the review to be phased at all
- Many oppose the proposed delivery model, preferring a fully 'in-house' approach
- Current perceptions of the services under review are generally negative.

General support for the proposed strategic aims, but not without questions and concerns

To what extent do you agree or disagree with each of the three aims that have been identified as the basis on which the future delivery arrangements for each service should be assessed?

If you disagree with any of our aims, or that they should be the basis on which future delivery arrangements should be assessed, please state why.

If you feel we should have any additional aims, or there are other factors that should be considered, please state what these should be and why.

- 3.9 Overall, just over three fifths (63%) agreed that the three aims should be the basis on which future delivery arrangements are assessed; a tenth (11%) disagreed. There was highest agreement with 'delivering high quality services' (65%), although majorities also agreed with 'securing best value for money' and 'strengthening the council's strategic control'.

- 3.10 Levels of disagreement were very consistent (15% or 16%) across all three of the aims.

Figure 1: Overall, to what extent do you agree or disagree that these aims should be the basis on which the future delivery arrangements for each service should be assessed? Base: All Respondents (327)

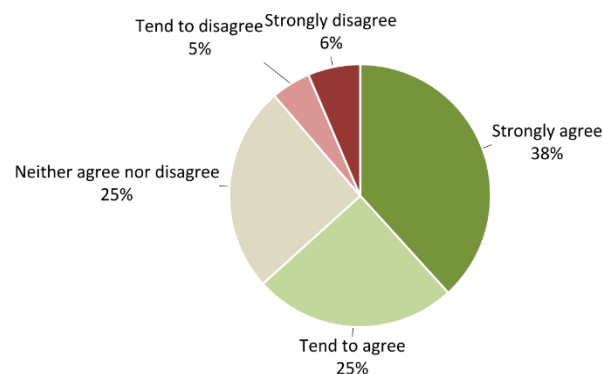
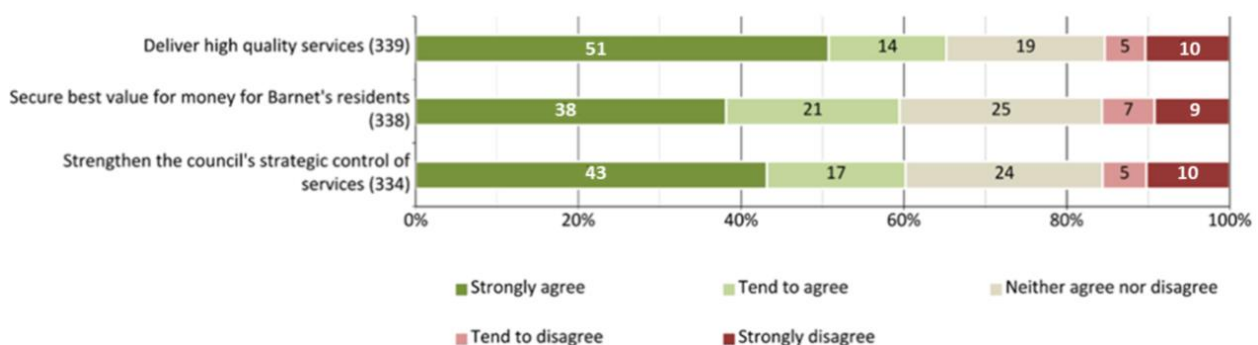


Figure 2: To what extent do you agree or disagree with each of the three aims that have been identified as the basis on which the future delivery arrangements for each service should be assessed? Base: All Respondents (number of respondents shown in brackets)



- 3.11 Some respondents commented that the aims were 'trite' and difficult to disagree with:

These are 'motherhood and apple pie' aims. The aims need to be smart and not wet and woolly
These are stupid and unhelpful questions. Who is going to say they want poor quality services, poor value for money or something that weakens strategic control?

- 3.12 Others wished to better understand the meaning behind the aims, with particular queries around how the council defines 'value for money' (i.e. whether it just means 'cheapest' or also takes quality into account).

I suspect that by value for money you actually mean 'saving money', but I don't know
Best value must take into account the user experience and not just the price
I would like to know what is the criteria for 'high quality services'. As a resident of Barnet I haven't yet had any that I would deem to be of 'high quality'

- 3.13 A number of respondents felt that the key issues are less around what the aims are, and more around whether and how they are to be achieved or delivered. To that end, they wished to understand how progress towards the aims would be assessed.

The aims are not an issue. The issue is Capita's inability to deliver them.
You have not given information about how you would assess costs or performance or over what period of time.
The council has provided no data on which to base an informed judgement, such as KPIs or costs. Timescales are vague.

- 3.14 It was asked what other, additional aims or factors the council might want to consider. Some of the main suggestions are listed below:

Taking the views of residents on board	Oversight and monitoring
Maximising customer satisfaction	Strong accountability and financial controls
Sustainability	Transparency and openness
Involving service users	Flexible provision (e.g. enabling LBB to adapt its services as necessary)
Locally based services	Providing permanent employment for local people
Tailoring services to the needs of the locality	Responsiveness
Adapting to changes in the borough	Efficiency and cost effectiveness
Delivering services on time and within budget	Safeguarding the vulnerable and promoting social mobility
Promoting health and wellbeing	Strengthening the council's management capabilities (Organisation)
'User friendliness' (relating to "how things are handled as well as the tangible result") (Organisation)	

Respondents' views are mixed when it comes to the phasing of the review

To what extent do you agree or disagree with the proposed order of services that are being prioritised in each phase?

Overall, to what extent do you agree or disagree with the proposed phasing of the review?

If you disagree with the order of any of the proposed phases, please state which services you think should be given higher or lower priority and why.

- 3.15 Respondents were more-or-less evenly split in terms of their overall view on the proposed phasing of the Review: 43% agreed and 42% disagreed (with nearly a third of all respondents (31%) disagreeing strongly). Levels of agreement for the proposed order of services being prioritised in each phase are summarised in Figure 4.

Figure 3: Overall, to what extent do you agree or disagree with the proposed phasing of the review? Base: All Respondents (265)

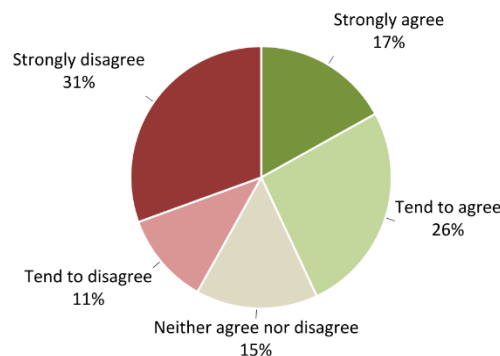
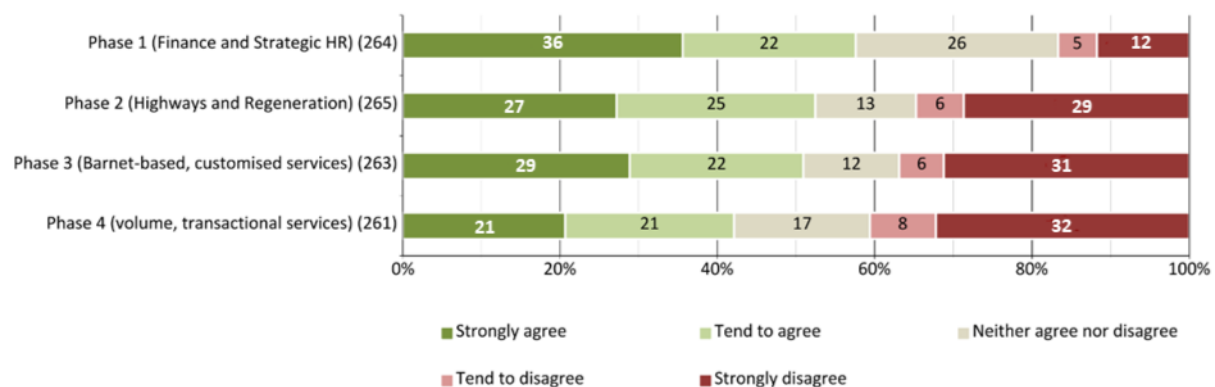


Figure 4: To what extent do you agree or disagree with the proposed order of services that are being prioritised in each phase? Base: All Respondents (number of respondents shown in brackets)



- 3.16 Some respondents commented in some detail about the services that should be prioritised in each phase, though there was no overwhelming consensus on what the most appropriate order would be. For example, while many respondents felt highways needed to be reviewed as a particularly high priority, many others felt that the services in Phase 3 (Barnet-based, customised services) should be prioritised more highly than Phase 2 (highways and regeneration).
- 3.17 Planning was described by one respondent as a 'mess' and there were numerous comments in support of it being reviewed in as early a phase as possible. A few others prioritised customer services as being

particularly key (i.e. as the first point of contact with the council), whereas others highlighted pensions administration and payroll as being among the services most requiring urgent review.

- 3.18 It was also suggested that IT services needed to be in the first phase, as ‘*without decent IT all services suffer*’.
- 3.19 Many respondents questioned whether there ought to be phases at all, stating a preference for all services being reviewed and returned in-house at once. Reasons included:

The phasing is likely to cause delays, negatively impact on service delivery and prove more inefficient

In-sourcing in a piecemeal fashion at a slow pace will not only cost more but impede service delivery. [Having] further, drawn out periods of uncertainty does not help efficient and effective service delivery and hinders recruitment and staff retention

Services are interrelated and so would benefit from a more joined-up approach

Finance will come back [in Phase 1] but all the IT necessary to run Finance will still be controlled by Capita remotely. Also, you will control the Finance function in Phase 1 but the key source of revenue in Revenues and Benefits will not come back till Phase 4

The [phasing] decisions should be based on how related the services are and not, as appears, on how profitable or not they are to the outsourcing firm (the most lucrative having all been loaded into the 4th phase)

I do not agree that development management function should be separated from the planning policy and strategic planning functions. They should all be considered together as one function

Phasing the review serves Capita’s interests ahead of those of Barnet residents

[It] is simply a means of dragging out the contract in Capita's interests, whether that wastes public money or not. I believe the council is tied to Capita and has no choice but to protect Capita by keeping this dreadful contract alive

Work should be put in hand to bring services in house promptly, not dilly dally - which seems to be the agenda here, so that one ‘runs down the clock’ and hey presto - the 10-year period is up

- 3.20 It was also said that: the services were all outsourced together, so ought to be reviewed together; and that other councils (Southampton, Birmingham and Sheffield for example) are currently bringing their outsourced services back in-house over a shorter timeframe.

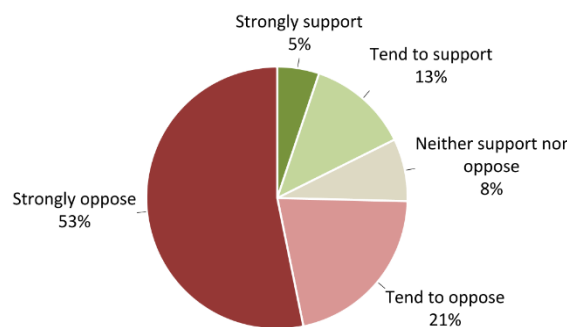
Concerns about the proposed delivery model: many prefer fully 'in-house'

To what extent do you support or oppose this approach, i.e. a mixed economy of in-house and outsourced provision, where the most appropriate provider for a particular service is determined on its merits?

Do you have any views or preferences on how services should be provided?

- 3.21 Three quarters (75%) of the 248 respondents who answered this question, opposed the approach for a mixed economy of in-house and outsourced provision, where the most appropriate provider for a particular service is decided on its merits. Moreover, just over half of all respondents were strongly opposed (53%).
- 3.22 Just under a fifth (18%) of those who answered supported the approach, with only one-in-twenty expressing strong support.

Figure 5: To what extent do you support or oppose this approach, i.e. a mixed economy of in-house and outsourced provision, where the most appropriate provider for a particular service is determined on its merits? Base: All Respondents (248)



- 3.23 Respondents were asked to describe their preferences for the way services should be delivered. Comments commonly focused on factors such as control, quality, accountability and sustainability, with many respondents stating a clear preference for all services being brought back in-house. Some verbatim examples of respondents' preferences are provided below.

A joined-up service, where employees and councillors work together with the public in a transparent way, would be my preference

Services should be under direct control to ensure quality and long-term sustainability

In-house preferred, with long-term employees, staff development programme, service standards and monitoring, and rewards for staff for excellence

Barnet Council must take responsibility for control of its finances, overall strategy, planning and delivery of services

They should be in house, strictly and rigorously controlled by independent assessors, not the council

- 3.24 Many gave specific reasons for favouring a largely or fully in-house approach, which are summarised overleaf.

It gives the council greater control over services and improves monitoring and compliance;
It is more accountable and democratic, as decisions are made by elected councillors and staff employed directly by the council;

There would be greater transparency (for example because information is less likely to be withheld from the public on the grounds of being 'commercially sensitive');

Quality would improve, as external providers are motivated by profit/satisfying shareholders, and therefore are less likely to reinvest in local services;

Those who live and work locally will be more 'invested' in the local area and therefore more likely to care about the quality of services (as opposed to those *'for whom Barnet is simply an area on a map'*);

Keeping services unified under one leadership will help to prevent 'silo working';

There would be more flexibility to meet unexpected or additional demands without incurring significantly higher costs (e.g. due to unforeseen contract variations).

- 3.25 There was some acceptance of outsourcing, but usually with some caveats or qualifications. For example, a few supported a mixed approach depending on the type of service, and elsewhere it was suggested that outsourcing could work as a 'last resort'. Another respondent felt outsourcing was acceptable, but that no one organisation should be allowed to monopolise provision to the extent they felt Capita does currently.

Functions that evolve and change or have a regulatory or policy focus (such as environmental health, children's services, education and planning) are less suitable for outsourcing than focused fixed obligations (such as parking catering or refuse collection).

There may be some very specialist services which you outsource where they require very technical skills. For most of the other services there is more control and flexibility if the services are in-house.

Vendors should be selected but not on a mass basis as with Capita now. This does not encourage any competition as they are sole provider.

- 3.26 There was some view that it would be preferable to partner with another council or with the voluntary sector rather than a private company (usually again with some caveats – for example that the council would need to ensure proper monitoring and accountability).

The only partnership I might not object to, would be one with (an)other council(s), i.e. a consortium.

Where services are commissioned, priority should be given to the voluntary and community sector...with clear, viable management and monitoring specifications.

- 3.27 However at least one respondent was concerned that any increased use of volunteers might give the council a reason to dispense with its trained staff (which they felt had happened with the library service in recent years, with a negative impact).
- 3.28 A couple of respondents stated that they agreed with the proposed 'mixed economy' approach in principle but could not fully support it because they were concerned about the council's ability to deliver it appropriately (that is, they felt the council has a very poor track record in commissioning services).
- 3.29 At least one respondent described not being 'ideologically wedded' to any particular approach, but simply stated that they want services delivered efficiently.

Respondents' perceptions of the services under review are largely negative

If you, your family or your business have had direct experience of using any of the following services, please rate the quality of that service(s) overall

If you rated any of the services as poor or very poor, please state which service and why.

- 3.30 To support the council's assessment of service delivery options, the questionnaire asked respondents to assess the quality of the services under review, where they had used them. While highways and customer services were widely used, most of the services were only rated by a minority of respondents – and this should be borne in mind when considering the charts below.
- 3.31 The vast majority of views provided were negative, with most services rated as 'very poor' by more than half of respondents. In terms of internal support services, the most negative views were seen in relation to strategic planning and procurement. The most negatively viewed public-facing services were social care direct and highways.

Figure 6: If you, your family or your business have had direct experience of using any of the following services, please rate the quality of that service(s) overall – council internal support services. Base: All Respondents (number of respondents shown in brackets)

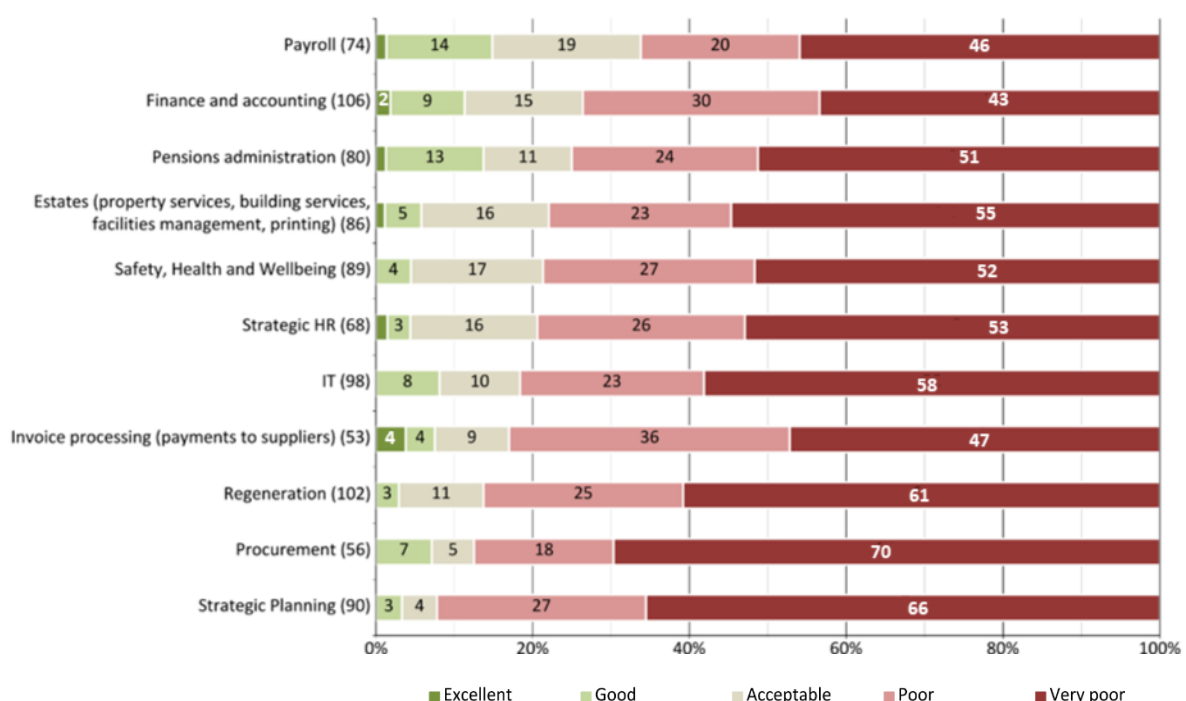
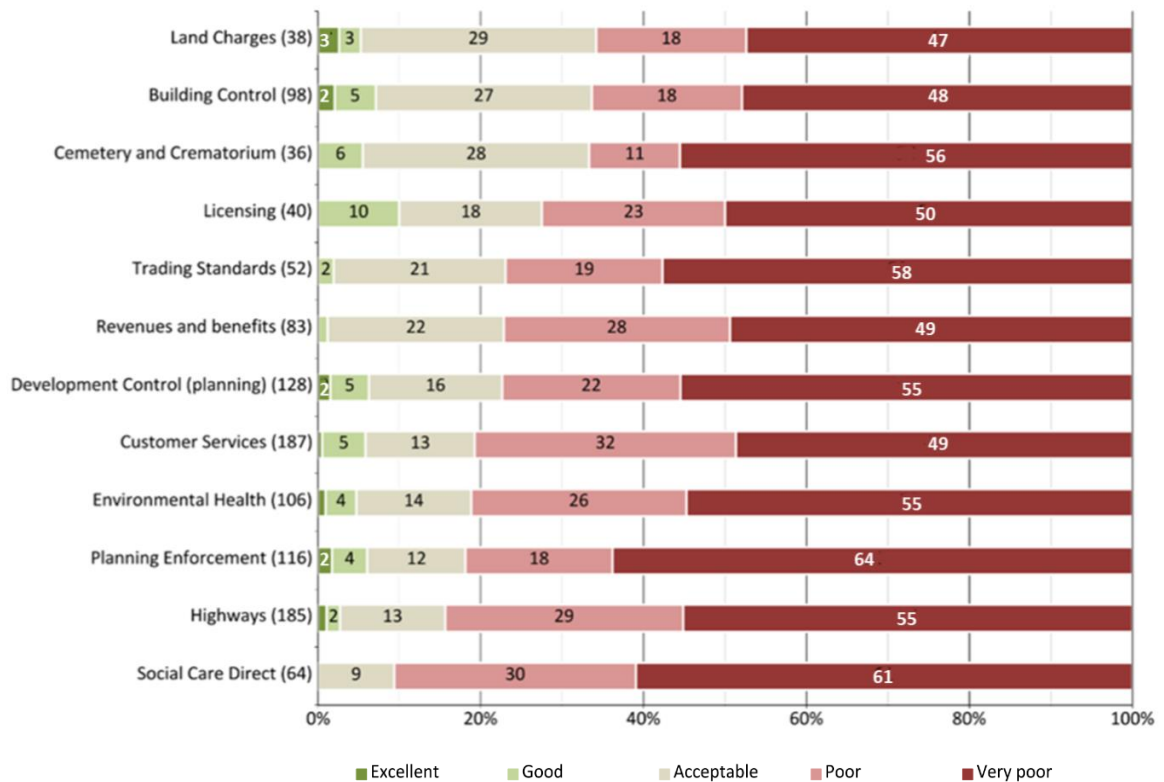


Figure 7: If you, your family or your business have had direct experience of using any of the following services, please rate the quality of that service(s) overall – public facing services. Base: All Respondents (number shown in brackets)



3.32 Respondents were also invited to explain any negative ratings they had given to particular services, and a large number of them made comments that were extremely critical of Capita's performance. Some of the frequently mentioned services, and the main criticisms made of them, are listed below:

Customer services (and communicating with the council more generally): difficulties getting through to the relevant person by phone; staff who lack training and local knowledge; emails not being responded to; and issues with the Council website

Planning and building/development control: problems getting in contact with relevant staff; residents' concerns and objections being ignored; permissions being granted inappropriately (with one organisation claiming 'conflicts of interest' may be at work); and repeated failures to take enforcement action when breaches occur

Highways: reports of poor maintenance and damage (such as potholes and broken pavement slabs) are either ignored, or the repairs are sub-standard and the problems reoccur; badly organised roadworks; and problems with gritting

Environmental health: major issues with rubbish collection; rat infestations; litter, food and human waste left on streets/parks; air and noise pollution.

Administrative services e.g. payroll, pensions, finance etc.: errors made regularly (and often repeatedly) – such as the wrong salaries or pensions being paid, paperwork being sent out to the wrong address; the iTrent system being 'not fit for purpose'

- 3.33 Other criticisms were around: the recent fraud case involving RE; the changes to Barnet's library service; and Ofsted's inspections of children's services. For example:

Where do I begin? You'll probably ignore all of this, but the recent Capita fraud case in Barnet with no checks and balances should ring alarm bells. I was also distressed to read that children's services were deemed to be failing, the library services are appalling...

- 3.34 In this context it is worth noting that some of the comments expressed criticism of services that are not provided by Capita (such as waste collection, children's services and libraries).

Other comments

- 3.35 Although fairly small in number (especially relative to the very large number of comments criticising the current contracts) there were some supportive comments about outsourcing and Capita, for example:

The private sector has been proven to be far better and more efficient at delivering services. More things should be privatised and what already has been should be kept as such

I am now able to, as a manager, manage personal performance, give staff performance stats and help them improve [through] coaching and support that I couldn't [provide] before, as Barnet had no place for actual people skills. You were busy doing too many things to focus on empowering staff. Fighting fires was not the best way and I have more resources with Capita

- 3.36 Others felt that it was difficult to make a judgement on Capita's performance due to a lack of information.

We believe that those [services] provided by Capita/RE have often fallen short of an acceptable minimum standard [but] are not familiar with their contractual KPIs, so note that the faults may not always lie with Capita/RE. It would have been helpful to have had [this] information (Organisation)

- 3.37 Elsewhere there was some scepticism about the consultation itself, most notably in terms of how it had been publicised and whether the council is really concerned with listening to residents' views. There were also a few comments querying the scope of the review.

I don't believe this is a genuine act of consultation: it has not been widely or properly advertised, and the first time I tried to complete the questionnaire I found it blocked by a security warning: the Capita run website was deemed a risk! Says it all, really.

I was expecting to see questions on other outsourcing apart from Capita, e.g. Cambridge Education who have been involved with Barnet for a while.

- 3.38 Whatever their preferences, some respondents expressed a view that the key priority is to achieve effective services, regardless of which organisation ultimately provides them:

Our enthusiasm for better town centres and neighbourhoods across the borough needs to be matched by committed and effective services - whichever combination of organisations provides them (Organisation)

4. Focus Groups

Introduction

- 4.1 This chapter reports the views from the two deliberative focus groups with prominent local ‘frequent engagers’ and randomly-recruited members of the public.
- 4.2 The focus groups were independently facilitated by ORS. Each meeting began with a presentation that outlined the context and background to the Review, which was followed by a series of discussions around:
- The council’s current approach to service provision (i.e. a mixed economy of inhouse and outsourced provision) and what determines whether a service is suitable for outsourcing or not;
 - The council’s strategic aims against which it proposes to test/consider each service to determine who is best placed to provide it (i.e. delivering high quality services; securing best value for money for Barnet’s residents; and strengthening the council’s strategic control of services; and
 - The proposed phasing of the Review;
- 4.3 Participants were encouraged to ask questions throughout - and the meetings were thorough and truly deliberative in listening to and responding openly to a wide range of evidence and issues.

Main Findings

- Outsourcing is acceptable if done for the right reasons with the right services
- The Capita contracts have failed in many aspects
- The proposed strategic aims are impossible to disagree with - but ‘play into Capita’s hands’
- The proposed phased approach may be too prescriptive and inflexible
- Most services should be returned to in-house control – and the Council should be ‘brave’ in remodelling its provision
- Partnerships with other local authorities could be considered for some services

Outsourcing is acceptable if done for the right reasons with the right services and proper accountability

- 4.4 Most of the frequent engagers and members of the general public had no fundamental objection to outsourcing council services, providing: it is done for the right reasons and to an organisation with a proven track record in service delivery; the organisation doing the outsourcing has the managerial capability to oversee contracts and ensure accountability; and the outsourced services can be appropriately delivered by an outside agency.

“Outsourcing works really well if there’s a specific solution that an organisation isn’t doing or don’t have the capability to do; someone else has something proven that works; and the organisation that’s outsourcing is set up to manage it. If you have that it can work and it can yield massive savings and improvements. So I’m not against outsourcing ...” (Frequent Engagers)

“I’m a freelancer myself and I know about the savings businesses can make by having someone like me on their team instead of having someone on payroll” (General Public)

“As I work for a local authority, I’m very aware that there isn’t the money any more and they have to take some very hard decisions about services...” (General Public)

- 4.5 In relation to the first point, it was said that LBB did not outsource so many services to Capita because it felt it was the right thing to do, but because it sought to divest itself of its problems. Many felt that these problems, though, have remained - with the council having relinquished any control it had over managing them.

“Ideologically I don’t have an issue with outsourcing, but you have to do it for the right reasons, and you have to do it in a measured way. And for me, this has been done for all the wrong reasons; it’s been done because of ideology and not because it solves a problem. I think they thought they would outsource their problems to someone else. The problem is that we still have problems, we just don’t have control over them now. We’ve outsourced our flexibility and control” (Frequent Engagers)

“The golden rule is you don’t outsource a problem” (Frequent Engagers)

- 4.6 There were concerns around accountability among the general public group members, who felt that neither the council nor Capita are willing to take responsibility for service delivery issues - leading to ‘buck-passing’ and a lack of resolution to problems.

“There are a lot of things that are planned by Capita and carried out by Barnet, but neither will take responsibility. And a lot of that is going on in areas like planning, revenues & benefits etc.” (General Public)

“I think there is an issue with outsourcing around responsibility and where the buck stops...when the council were doing things you could complain to them and they could do something about it whereas now it’s like ‘we can’t do much about that because we’re not in control about it anymore” (General Public)

- 4.7 In terms of the appropriateness of outsourced services, while the frequent engagers were of the view that some services (payroll for example) need not be provided-in house, they and the general public group members strongly argued that any provision that is local to Barnet (planning in particular) should have been retained at the outset, and certainly should be returned to council control now.

"Payroll is one where you could think 'why would you do it in house?' It doesn't make any sense" (Frequent Engagers)

"I have a background in business, and we did a lot of back-office, IT, customer service, call centre, Revenue & Benefits outsourcing and we did it because we were genuinely experts in it. All the other aspects on the RE contract were things Capita had never done before and they were all things that need to be local. You can't maintain a cemetery from Coventry. You can't do planning if your officers don't know the area and the differences between area...and all of those aspects of the second contract should never have been outsourced because there needs to be pride in the people doing it; they need to love Barnet" (Frequent Engagers)

"With planning, it needs to be local. Why should someone in Birmingham decide whether or not there should be a building on Somerset Road. It's sterilised decision-making from 500 miles away" (General Public)

- 4.8 Ultimately, there was a sense that while outsourcing can be acceptable in the right circumstances, LBB has done so to an unacceptable degree - and to a company with a less than positive reputation among many residents. This, it was said, has resulted in a local authority that feels more like a business than a public service.

"Small pockets of what you do can be outsourced. Just not the huge amounts being done here. And it has to be managed properly" (General Public)

"Capita has a terrible reputation for the things it does...and it's not just locally. You see them on the news and they seem to be stuffing up everywhere. It doesn't fill us with confidence" (General Public)

"It's become a business; there's no compassion anymore. It's turning a public service into a business transaction" (General Public)

The Capita contracts have 'failed' in many ways

- 4.9 The frequent engagers group described what it saw as the 'glaring failures' of the Capita CSE and RE contracts, most notably in relation to: a lack of management, accountability and control (especially financial) on the part of the council; and the provision of important local services by people with no vested interest in (and thus no passion for) the area. Some of the many typical comments were:

"If anyone goes through the CSG contract it's horrifying; there are a number of glaring failures. There's the £2 million fraud and the lack of financial controls which still seems to be going on...the report of the last Audit Committee said Capita didn't have the controls it should have done and that it's not being monitored properly by Barnet" (Frequent Engagers)

"There is very poor commercial management of the Capita contracts from Barnet. The levels of audit are laughable..." (Frequent Engagers)

“Every public sector outsourcing contract that has been in trouble has been in trouble because the organisation could not manage properly the outsourcing company...” (Frequent Engagers)

“A group of Barnet residents went down to the Capita AGM last year...and we were quite shocked to hear them say that the problems Barnet is facing with the Capita Contracts are due to the fact that Barnet Council is not capable of administering a large contract like the ones we have here. It’s not Capita’s job to do anything other than make money for their shareholders, and if Barnet hasn’t done a good job in administering them, that is a problem for the council” (Frequent Engagers)

“It is clear that there are big problems with the way the council is operating at the moment, and it sounds like most of those problems are because it’s outsourced so much to Capita. And when you ask ‘why is this a problem?’ then firstly, a company like Capita’s officers aren’t truly motivated to operate for the benefit of the residents. And secondly, Barnet Council doesn’t seem to have the systems in place to manage those contracts and keep in control of what Capita is doing” (Frequent Engagers)

- 4.10 Indeed, there was certainly a great deal of anger evident among the frequent engagers about the original Capita contracts - particularly in terms of the inflexibility around aspects such as gain share and RPI inflators, which has allegedly had significant financial implications for LBB and for the remaining in-house services that are ‘more vulnerable to cuts’ as a result.

“It’s not there anymore, but they have taken millions in gain share. The council had to consult lawyers because they knew they were being ripped off, but the contract was written in such a way that they couldn’t do anything about it. Everyone now recognised that this was a disaster” (Frequent Engagers)

“The reason why they’ve had to make such severe cuts to Streetscene is that the CSG and RE contracts have no flexibility on costs and they have inbuilt RPI inflators. So every year they have RPI increases at a time when budgets are being cut and the in-house services are much more vulnerable to cuts because Capita have them tied up. They are milking us dry and as a result, things like bins are having to be cut” (Frequent Engagers)

“It seems like no-one read the contract properly...and they were first-timers at outsourcing so they didn’t understand the implications” (Frequent Engagers)

- 4.11 The frequent engagers also disagreed with LBB’s statement that the contracts have brought significant financial benefits and have helped deliver efficiencies, service improvements and increased income across a range of services. As below, they particularly challenged the stated: level of day-to-day running cost savings; resident satisfaction improvements; better IT provision; and improved revenue collection rates.

“CSG has not saved 25% and we have evidence of this. There have not been increases in resident satisfaction; the latest performance figures that came out yesterday show failings in a number of areas. We’ve had a number of problems with IT so that’s not better. The improved revenue collection rates is a mis-statement because if you look at what the rates were before outsourcing, they are slightly lower than they were then...” (Frequent Engagers)

"We're part of the Barnet Alliance so we have a lot of contact with people and people are emailing us from time to time...I haven't yet come across a satisfied resident. So to say that resident satisfaction is going up..." (Frequent Engagers)

"There is a view that we're a small group of frequent engagers who aren't representative of the community, but I'd say we are. And a lot of us have heard other people in our communities saying things about services..." (Frequent Engagers)

- 4.12 As for the particular services provided under the two contracts, the frequent engagers were particularly concerned about planning and planning enforcement. They alleged that: communication is non-existent (access is high on impossible and messages are not returned); staff turnover is high; planning applications (with objections) are being passed by default due to delays in dealing with them on Capita's part; and that mistakes are made with no recourse to rectifying them.

"Improvements in planning and planning enforcement...at a recent review pretty much everyone talked about problems with these" (Frequent Engagers)

"There's a revolving door of planners; you can never speak to the same one and they only seem to last about a month...and people who are trying to get planning through just cannot speak to anyone in the planning department on any sort of basis. You can't get access...and they never get back to you about anything" (Frequent Engagers)

"A planning application with objections was passed by default because Capita sat on it for a year, and the law states that if you don't process it in due time you get planning by default. I've never heard of that happening in Barnet before...and for something quite big with several public objections, it's absolutely shocking" (Frequent Engagers)

"Despite our local objections, certain plans have been given approval and I have written to the Head of Planning...and they admitted that they had made mistakes and that some shouldn't have been given. So I've written back and asked 'well, can you undo them?' and I've been told there's no mechanism for that" (Frequent Engagers)

- 4.13 Furthermore, both groups suggested that the apparent communication issues outlined above are not limited to planning. In fact, they were described as 'endemic' across Council-provided services.

"That is endemic across the whole council. If you send anything to anyone, you never get a response. If they were running it as a commercial enterprise...absolutely disgraceful" (Frequent Engagers)

"In most cases when you call the council you don't manage to get through and you get cut off" (Frequent Engagers)

"The telephone system; you have to go through about 12 different modes before you get to your place and when you get there you get cut off" (General Public)

"Finding the right person to speak to is impossible..." (General Public)

- 4.14 The general public group complained extensively about the current condition of the borough's roads and pavements, suggesting issues in the Highways department.

“Talking about Highways, the state of the roads is dreadful, and the pavements are in really bad condition too. They seem to do the pavements in the more visible areas...” (General Public)

“There are holes all the way down the road I live on, and they seem to just fix it in strips where the holes are. They did it a couple of months ago and it’s already cracking” (General Public)

“The pavements are awful. I use a mobility scooter and I find it very difficult to visit some areas because they’re so dodgy. I also know a few people who are visually impaired and I don’t know how they manage with their long canes. It must be a complete nightmare” (General Public)

- 4.15 Overall, as one member of the frequent engagers group stated:

“Capita we do not like. And it’s left a huge legacy of something slapdash, not conscientious...” (Frequent Engagers)

The proposed strategic aims are impossible to disagree with - but ‘play into Capita’s hands’

- 4.16 Participants were informed that the council proposes to test and consider each of the services currently provided through the Capita contracts against the following set of aims to determine who is best placed to provide them.

Deliver high quality services
Secure best value for money for Barnet’s residents
Strengthen the council’s strategic control of services

- 4.17 The frequent engagers described the aims as ‘ridiculous’ insofar as they are impossible to disagree with - and the general public group agreed that they are somewhat too generic and ‘woolly’.

“Who wants poor quality services? Who wants poor value for money? Who wants less control? They are ridiculous; you can’t do anything other than agree with them” (Frequent Engagers)

“I’m sure if you went to every single council in England and Wales, they’d have similar statements. It’s a bit airy fairy really isn’t it?” (General Public)

- 4.18 The frequent engagers also suggested that detail of the second aim could be construed as ‘playing into Capita’s hands’ insofar as the aspects to be evaluated are: the one-off costs of implementing change; the impact of any change on future running costs; and whether the cost of making any change is affordable. The general feeling was that any option other than remaining with Capita would be presented as unaffordable and thus untenable.

“This is playing into Capita’s hands; saying ‘this is how it’s done in Capita, that’s how you’re going to have to do it back in Barnet, it’s probably going to cost more money so we should probably stay with Capita” (Frequent Engagers)

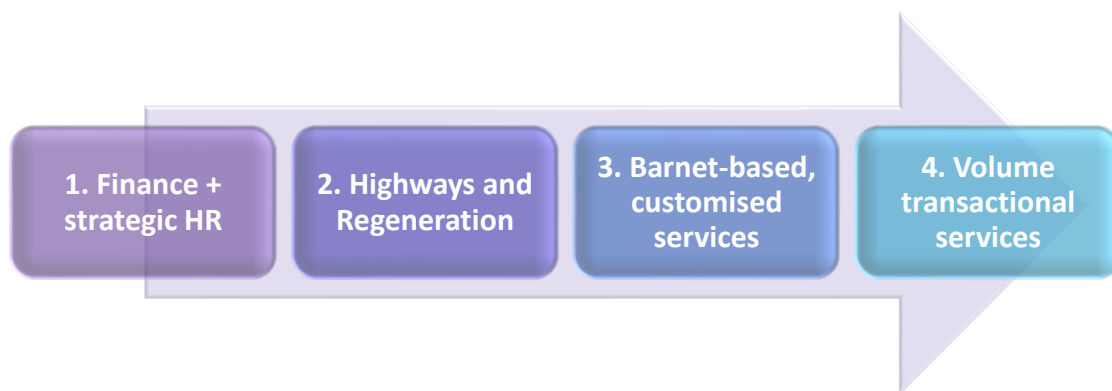
- 4.19 The general public group felt that, although alluded to in the third, the strategic aims should explicitly include the word ‘accountability’ to ensure the council is being as unambiguous as possible in addressing the crucial need for this.

“The word accountability needs to be there. It needs to be direct, clear and in a language people understand” (General Public)

“As soon as that fraud thing hit, or as soon as the roads aren’t being done or as soon things aren’t being achieved...the council should be able to backtrack and get out of the contract. So something about how the contracts are set up and how accountable the delivery service is to the council to deliver” (General Public)

The proposed phased approach may be too prescriptive and inflexible

- 4.20 Participants were told that to determine the future shape of the two contracts, the Council proposes to undertake a detailed, service-by-service evaluation to assess whether the anticipated benefits would justify the cost of any change. This would be undertaken via a phased approach as follows.



- 4.21 Though acknowledging that the council could not bring all or even a significant number of outsourced services back in-house without staggering the process, the frequent engagers were of the view that the proposed phasing is too disjointed to be successful. In essence, they argued that LBB has not given enough consideration to the services that ‘naturally fit together’ in developing its approach: for example, while it is recommended that finance is returned to council control almost immediately, revenues & benefits - which was considered an inter-dependency of that service - would not be evaluated until Phase 4.

“You talk about bringing finance back in-house...revenues & benefits, which is critical if you want to have control of your finances, is in phase four. The concern is that they have set this up in such a way that it will fail because it’s so disjointed... Under this phasing, it’s only a very small part of finance coming back, so they are still going to have to deal with Capita who input the data somewhere else, the Revs & Bens people who collect the revenue somewhere else...all of whom have different objectives. The really big concern is that they haven’t looked at which services naturally fit together” (Frequent Engagers)

- 4.22 Some general public group members were concerned that many of the ‘public-facing’ services (that is, those used by most people and which ‘affect the public image of the borough’) are to be considered in the final two review phases. They suggested it might be prudent to include at least some of these earlier

on to ensure residents feel comfortable that the council is looking to implement positive change, especially in the event of council tax increases.

"I think the order is wrong. I definitely think some of the more people-based services should be at the beginning...that would be more effective. Start with the things that affect the most people first, and the things that affect the public image of the borough. Make the bigger changes that people want first then you can justify any enhancement in council tax rates because people will be able to see the difference" (General Public)

4.23 However, it was recognised that:

"The problem is if they're setting up departments they need to be managed. The infrastructure needs to be in place before they can change anything" (General Public)

The council should develop a business case for all three options

4.24 Chapter 2 of this report outlines that a Strategic Outline Case for the review of the Capita contracts had set out three options (maintain the status quo in relation to the CSG and RE contracts; re-shape the contracts to better align service delivery to the council and Capita's strengths and priorities; and bring the partnership to an end and either bring services back inhouse or re-procure them from an alternative provider) - and that LBB's Policy & Resource Committee had authorised the Chief Executive to develop a Full Business Case to test and consider all three options.

4.25 The frequent engagers were concerned that this has not yet been done, accusing council officers of disregarding the wishes of a cross-party group of elected representatives.

"Why hasn't the council done what it was asked to by a Committee of cross-party councillors and not put forward business cases for all three options? When did it become possible for public servants to run the council and tell elected members what to do?" (Frequent Engagers)

"They over-ruled the decision of the Policy and Resources Committee. How can a council employee, no matter how senior they are, overrule the agreed decision of a committee?" (Frequent Engagers)

"The councillors should be driving policy and the officers should be picking that up" (Frequent Engagers)

Most services should be returned to in-house control – and the council should be brave in remodelling its provision

4.26 Overall, both groups were overwhelmingly in favour of bringing most outsourced services back in-house, mainly in order to: strengthen the council's accountability for service provision; increase the cohesion of interlinked services; and ensure services are provided by those with a fundamental desire to do what is best for the borough and its people.

"I'm not ideologically wedded to bringing anything back in-house unless it offers better value for money and quality services, but what we have at the moment is a total lack of accountability" (Frequent Engagers)

"At the very least it will be bringing everything back under one entity rather than spread all over the place because it feels disorganised" (General Public)

"Planning leads to development control, building control, licensing, land charges, environmental health, trading standards...so which part of that do you separate because everything is interlinked? The core of what the council is doing should be in-house because you have the efficiency of interacting with different departments whereas if you have subsets outsourced and some in-house it's not going to work, and it isn't now" (General Public)

"Services need to be provided by people who are passionate about Barnet and who are passionate about providing services for the people of Barnet..." (Frequent Engagers)

"People employed in-house may have more of a heritage and identity" (General Public)

"Within the council you have loyalty, you have a pride in working for it..." (General Public)

- 4.27 There was, however, recognition that this may not be an easy task given the level of outsourcing undertaken by LBB and that it would likely prove a more costly option than remodelling the Capita contracts - but it was generally argued that these should not be a barriers to trying, and that any short-term financial pain would be offset by long-term gains in service improvements.

"There are two solutions: firstly, Barnet employs a whole raft of employees and increases it's managerial capacity which would negate all the savings (if there are any) of outsourcing; or secondly, you get rid of the contract and bring it all back in house...if indeed the toothpaste can get back in the tube again from what's been broken by outsourcing... How do you operationally go back to providing everything in-house? You can argue that you want it, but how do you do it? Without resources, it might not even be possible" (Frequent Engagers)

"It might be difficult but that's no reason not to do it" (Frequent Engagers)

"Council tax will probably go up initially to bring the services back in-house but going forward the services rendered to the community will far outweigh the actual payment initially...and the savings will come afterwards. It's a long-term gain because what you get will be far better than what you're getting now" (General Public)

- 4.28 One prominent frequent engager strongly argued for a more radical approach to future service delivery though, and their proposal for what they described as 'Barnet 2.0' was enthusiastically supported by other group members. In essence, it was suggested that LBB abandon its 'mechanistic' service-by service evaluation in favour of a more holistic examination of council provision in an attempt to remodel an 'ideal' council from scratch - while also making reasonable efficiencies and developing more flexible ways of working.

“They have fallen into the trap of looking at individual specific services and said ‘we will bring that individual specific service back in house and the cost of doing that will be x’. But this is an opportunity to remodel the council as ‘Barnet 2.0’ and look at how you would structure a council if you were staring with a blank sheet of paper. So saying ‘we don’t want to have Strategic HR structured this way’ or ‘if we look at things this way maybe we can take out 20% of the people’. There’s an opportunity to look at having a flexible workforce for example...a core team of people that can move between departments at certain times of year according to peak demand. There are certain services that could come together and share resources. Maybe there are certain services we shouldn’t be providing at all. This is a very mechanistic way of looking at it...we need to be looking at what model we want to create”

- 4.29 Regardless of the approach taken to future council service delivery, the need for proper management, control, auditing and **independent** scrutiny was once again emphasised - especially at the general public group.

“There needs to be an independent department of scrutiny that overlooks what the council or Capita is doing” (General Public)

“Bringing services back in-house would be a good move but you need the checks and balances throughout...” (General Public)

“Whether services are being delivered in-house or are outsourced, we have to have the compliance and auditing in place” (General Public)

Partnerships with other local authorities could be considered for some services

- 4.30 Partnerships with other local authorities were also suggested for services that need not be provided locally, payroll and human resources (HR) for example.

“Maybe payroll isn’t something we should be doing, but maybe with Enfield we could have a joint payroll department...shared services with other local authorities and other public organisations might not be a bad thing” (Frequent Engagers)

“You might find that you could outsource to other councils who are experts in certain things” (Frequent Engagers)

“Some of the inner London boroughs have been getting together...so you have three boroughs sharing a HR department for example. It would be useful for Barnet to look at that sort of thing to see if other authorities are finding it successful” (General Public)

The council should involve local ‘experts’ in its work

- 4.31 Finally, it should be noted that the local frequent engagers were strongly in favour of LBB co-opting local ‘experts’ onto council committees to both advise on issues and add a layer of scrutiny and accountability to local democratic processes.

“Any one of the people around this table would make a massive contribution to the governance of the council if they were to be adopted as co-opted members...asking questions and scrutinising and holding them to account” (Frequent Engagers)

“Many of us have suggested that the council co-opts local, knowledgeable people onto committees...there are acknowledged experts who should be invited to share that expertise and knowledge with councillors” (Frequent Engagers)

5. Conclusions

Main views expressed:

- Outsourcing is acceptable if done for the right reasons with the right services
- The Capita contracts have failed in many aspects
- The proposed strategic aims are supported - but are also impossible to disagree with and 'play into Capita's hands'
- The proposed phased approach is supported by some, but is too prescriptive and inflexible for others
- Most services should be returned to in-house control - and the council should be 'brave' in remodelling its provision

- 5.1 Though there was some support for the principle of outsourcing, there was a great deal of concern among both questionnaire respondents and focus group participants around: the level of outsourcing undertaken by LBB; Capita's performance in service delivery; and the council's management and scrutiny of the outsourced contracts.
- 5.2 In light of these concerns, there was an overall preference for most services (and especially those that are local to Barnet) to be insourced; that is, brought back under council control. This, it was felt, would: strengthen the council's management of and accountability for service provision; increase the cohesion of interlinked services and reduce 'silo working'; and ensure services are provided by those with a fundamental desire to do what is best for the borough and its people. The strength of feeling around this issue means it is something LBB must closely consider.
- 5.3 The council may also wish to consider the local frequent engagers' proposal for a more radical approach to future service delivery: 'Barnet 2.0', whereby LBB abandons its service-by service evaluation in favour of a more holistic examination of council provision in an attempt to remodel an 'ideal' council from scratch. Furthermore, partnerships with other local authorities were supported for services that need not be provided locally, and may again be worthy of consideration.
- 5.4 If the council does proceed with the Contracts Review in the way it suggests, there is support for the strategic aims it proposes to use in doing so. However, it should be noted that there was frequent criticism of the aims as somewhat 'trite', 'generic' and 'woolly' - and the frequent engagers were concerned that the value for money aim in particular 'plays into Capita's hands' as, in their view, any option other than remaining with Capita will be presented as unaffordable and thus untenable. It would thus seem that work is needed to convince many people that the Review is not a *fait accompli*.
- 5.5 Finally, while the proposed phasing of the Review garnered some support among questionnaire respondents, many others considered it too inflexible, prescriptive and disjointed - especially in terms of not considering inter-dependent services together. The council may thus wish to revisit its plans to account for this. Moreover, some focus group participants were concerned that many of the 'public-facing' services (that is, those used by most people and which 'affect the public image of the borough') are to be considered in the final two review phases, and so it might be prudent to examine at least some of these earlier on to reassure residents that progress is being achieved.

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Review of Capita contracts

19 December 2018 – 15 February 2019

Consultation document

Section 1: The purpose of this consultation document

The council has an ongoing statutory duty to make improvements in the economy, efficiency and effectiveness of its functions. This is known as the “best value” duty. As part of this duty, the council is reviewing the arrangements under which it currently delivers some of its services through two major contracts. We would like to know your views on how the council can achieve best value in the way these services are delivered in the future. This document sets out information about the review and the questions on which we would like your views. Details of how to respond to this consultation can be found in section 4.

The consultation responses will be taken into account by the council in deciding on the way forward.

Section 2: Background

The council has a longstanding approach to service delivery, which is based on commissioning services from whichever organisation can deliver them most effectively. This might be from a partner in the private sector, the voluntary or community sector, or the public sector, or it might be provided “in-house”, by which we mean provided by staff employed directly by the council.

In accordance with this approach, the council currently has two major contracts with the private sector company Capita, and this consultation concerns these two contracts.

The first, known as the CSG (Customer and Support Group) contract, is for the delivery of the council’s “back office” functions, including finance, human resources, customer services and information technology. The CSG contract is between the council and Capita.

The second, known as the RE (Regional Enterprise) contract, relates to the provision of development and regulatory services. These include planning, regeneration, highways, environmental health and cemeteries/crematorium. These services are delivered through a joint venture company that is jointly owned by Capita and the council, known as Regional Enterprise Limited, or RE.

The contracts began in September 2013 and October 2013 respectively and are due to run for ten years, with an option to extend for up to a further five years.

Both contracts have delivered significant financial benefits since their commencement in 2013 and have been instrumental in delivering efficiencies, service improvements and increased income across a range of services. Particular benefits have included:

- Significant improvements in resident satisfaction across both contracts
- Investment in technology and better IT security
- Improved revenue collection rates
- Implementation of a new pay and reward structure (Unified Reward) for council staff
- Improvements in planning and planning enforcement
- Additional savings through, for example, office rationalisation
- National recognition

However, there have also been various issues in respect of service performance across the two contracts. In relation to the CSG contract, recent issues have included: financial controls and reporting, linked to the fraud committed within the Regeneration service; pensions administration; estates; and user satisfaction with back office services. In relation to the RE contract, there are issues with financial controls, identified as a result of the fraud committed by an employee of RE, and the operation of the Highways service.

The council regularly reviews its service delivery arrangements, in line with its commitment to ensuring that they are as effective and efficient as possible. Detailed reports on the performance of both contracts were provided to the Council's Performance and Contract Management Committee (now Financial Performance and Contracts Committee) on 15th November 2016 in relation to the CSG contract (available at: <https://tinyurl.com/yby82ta4>) and 28th November 2017 in relation to the RE contract (available at: <https://tinyurl.com/yc8qhb8f>). Further reviews are due under the contracts in 2019 and 2020 respectively.

The environment in which local government is operating has changed since the contracts were let. Whilst both contracts envisaged the need to adapt to changing circumstances, the outsourcing market has changed over time.

Against this backdrop, it is considered to be timely to take stock of the arrangements made under the CSG and RE contracts. To that end, a **Strategic Outline Case** (available at: <https://tinyurl.com/y8684zj2>) for the review of the contracts was considered by the Policy and Resources Committee on 19th July 2018. The Strategic Outline Case set out three options, which were:

- Option 1 – maintain the status quo in relation to the CSG and RE contracts;
- Option 2 – re-shape the contracts to better align service delivery to the council and Capita's strengths and priorities (in practice, this would mean some services being returned in-house to be delivered directly by the council in future)
- Option 3 – bring the partnership to an end and either bring services back in-house or re-procure them from an alternative provider

The Committee agreed that there should be a review of the council's arrangements under the CSG and RE contracts, and to that end authorised the Chief Executive to develop a Full Business Case for the future of these arrangements. The Committee agreed that the proposed strategic aims underpinning the Full Business Case should be to:

- a) Deliver high quality services;
- b) Secure best value for money for Barnet's residents; and
- c) Strengthen the council's strategic control of services.

Based on the Strategic Outline Case, the Committee agreed that its preferred option was option 2, re-shaping the CSG and RE contracts to bring some services back in-house, to be delivered directly by the council. However, the Committee also agreed that it required the Full Business Case to test and consider both options 2 and 3.

A further report, setting out the work that had been undertaken on developing the business case, was considered by the Policy and Resources Committee on 11th December 2018 (available at: <https://tinyurl.com/ybgvt5w5>). The report concluded that further detailed analysis would be needed to form the basis of a sound recommendation to the Committee in relation to the totality of the CSG and RE contracts. The Committee agreed that, subject to the outcome of consultation, the Finance and strategic HR services should be returned to the council as a matter of priority. It also agreed a revised approach to completing the review, which tests and considers each service against the strategic aims (as outlined above) to determine who is best placed to provide that service in the future. These reviews will cover all services provided through the contracts on a phased basis. It is this new approach and the strategic aims that we are seeking your views on.

Section 3: What we are seeking your views on

The council is asking for your views on the proposed approach, to assist us in selecting the most appropriate option for delivering best value from each of these services in the future. We would like your views on the proposed aims, which we intend will form the basis of assessing who is best placed to provide these services in the future. We also want your views on the proposed prioritisation of services in the review, which will be conducted on a phased basis, and your views on the council's approach for delivering services.

Details of how to respond to this consultation can be found in section 4.

Our aims

In developing the Strategic Outline Case, officers were guided by three key aims, which were also agreed by the Policy and Resources Committee on 19th July 2018. It is proposed that the options for each service should be evaluated against these aims, which are to:

- a) Deliver high quality services;
- b) Secure best value for money for Barnet's residents; and
- c) Strengthen the council's strategic control of services.

In assessing each service against the three aims identified above, the council would consider the following factors:

For the high-quality services aim:

- Performance of CSG and RE against key performance indicators in the contract
- Customer satisfaction data (where available)
- Which provider is best placed to improve performance in that service area, if required

For the value for money aim:

- The one-off costs of implementing any change
- The impact of any change on future running costs
- The extent to which the cost of making any change is affordable, in the context of the council's wider budget challenges

For the strategic control aim:

- The role of the service in developing and delivering the council's strategic direction
- The requirement for the service to respond rapidly to evolving priorities and circumstances
- The extent to which the service is based on standard processes across different councils

We would like to hear your views on:

- *The extent to which you agree or disagree with each of the three aims that have been identified, as the basis on which the future delivery arrangements for each service should be assessed*
- *If you disagree with any of our aims, or that they should be the basis on which future delivery arrangements should be assessed, why that is the case*
- *If you feel we should have any additional aims, or there are other factors that should be considered, what you think these should be and why.*

Phasing of the review

The report to Policy and Resources Committee proposed that services be reviewed in the following order of priority:

Phase 1: Finance (budgeting, accounting and financial control) and strategic Human Resources (advice and support to the council on people management issues)

These services have been prioritised in light of the recent performance issues, and because the process of insourcing services requires the council to have access to appropriate HR and finance resource. On 11th December 2018, the Policy and Resources Committee agreed that, subject to the outcome of consultation, these services should be returned to the council as a matter of priority. The implementation of this proposal will be reviewed in the light of the responses to this consultation.

Phase 2: Highways and Regeneration (supporting growth and development in the borough)

It is proposed that the next phase of the review should cover these services, due to ongoing concerns regarding performance and financial control issues, as well as the strategic importance of these services.

Phase 3: Barnet-based, customised services

It is proposed that the third phase of the review will cover services that are local to Barnet, and do not align with Capita's strategic direction of travel. This includes:

- Estates (managing the council's land and buildings)
- Social Care Direct (first point of contact for social care services)
- Safety, Health and Wellbeing (advising the council on health and safety matters and staff welfare)
- Strategic planning (planning policy, major developments and infrastructure planning, heritage services)
- Cemetery and Crematorium
- Procurement (advice and support to the council on buying goods and services)

Phase 4: volume transactional services

It is proposed that the final phase will be high volume transactional services, many of which are based outside of Barnet. These will be considered alongside the Year 7 contract reviews of CSG and RE, beginning from September 2019, and will include:

- Revenues and benefits (council tax and non-domestic rates billing and collection; housing benefits)
- Customer services (first point of contact for the public across all services, other than social care)
- Information Services (provision of IT systems and hardware to the council)
- Planning (planning applications and planning enforcement) and regulatory services (building control, land charges, trading standards, licensing and environmental health)
- Payroll and Pensions Administration

The phases are currently just what is proposed and it may be that circumstances (including, but not limited to, your consultation responses) mean that they are changed as the review progresses.

We would like to hear your views on:

- *The extent to which you agree or disagree with the proposed order of services that are being prioritised in each phase*
- *If you disagree with the order of any of the proposed phases, which services you think should be given higher or lower priority and why.*

Additional information to support the council's assessment of service delivery options

To inform the council's assessment of service performance, we are keen to hear about your experience of using the services that are provided through the two contracts.

We would like to hear your views on:

- *If you, your family or your business have had direct experience of using any of the following services, what you think about the quality of that service(s) overall.*
- *If you rate any of the services as "poor" or "very poor", why you think that.*

Council services can be outsourced, where they are provided by a partner in:

- the private sector;
- the voluntary or community sector; or
- the public sector, for example by another council

Alternatively, they can be provided in-house, where they are delivered by staff employed directly by the council.

As stated in Section 2, Barnet council has a longstanding approach to service delivery, based on commissioning services from which ever organisation can deliver them most effectively, i.e. a mixed economy of in-house and outsourced provision, where the most appropriate provider for a particular service is determined on its merits.

We would like to hear your views on:

- *The extent to which you support or oppose this approach, i.e. a mixed economy of in-house and outsourced provision, where the most appropriate provider for a particular service is determined on its merits.*
- *If you have any views or preferences on how services should be provided please write in.*
- *Any other comments you wish to make about the review.*

Section 4: How to respond to the consultation

We are opening this consultation to all service users, residents and business owners in the borough, as well as to people who work in Barnet.

Respondents are asked to complete the questionnaire online at www.engage.barnet.gov.uk by 15th February 2019.

If you would like a copy of the survey in an alternative format, please contact:

Kieran Hyland, SCR Programme Support
Commissioning Group
Barnet Council
Building 2 NLBP, Oakleigh Road South, London, N11 1NP

E-mail: kieran.hyland@barnet.gov.uk
Telephone: 020 8359 3224

Section 5: How we will use the results and feedback

We will be taking all your views, ideas, opinions and feedback on board to inform the basis for assessing the future delivery arrangements for each service and the proposed prioritisation of services for review.

In respect of the proposal to bring the Finance and strategic HR services back in-house, the Chief Executive, in consultation with the Chairman of the Policy and Resources Committee, will consider the responses to the consultation and assess whether or not to proceed with the in-sourcing of those services.

A report will be submitted to the Policy and Resources Committee setting out the findings from consultation, as soon as possible after the conclusion of the consultation process. We will also publish the findings on Engage Barnet.

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Review of Capita contracts

19 December 2018 – 15 February 2019

Questionnaire

Please complete using block capitals.
It is important that you read the accompanying instructions

Introduction

In December, the Policy and Resources Committee authorised the council to begin a public consultation on the review of its two major contracts with Capita.

The first contract, known as the CSG (Customer and Support Group) contract, is for the delivery of the council's "back office" functions, including finance, human resources, customer services and information technology.

The second, known as the RE (Regional Enterprise) contract, relates to the provision of development and regulatory services. These include planning, regeneration, highways, environmental health and cemeteries/crematorium.

The contracts started in 2013 and are both due to run for 10 years.

The council regularly reviews its service delivery arrangements, in line with its commitment to ensuring that they are as effective and efficient as possible. In line with that approach, the council is carrying out a phased review of all of the services that are provided through the contracts, to consider the most appropriate delivery arrangements for each service in the future. This may result in services being delivered in the future by the council, by Capita or by another provider.

For more information on our detailed plans, please take the time to read the enclosed consultation document, and then complete this questionnaire.

How to complete this survey

We have tried to make this questionnaire as easy as possible to complete.

Many of the questions have a range of options for you to choose from. Please choose the option closest to your opinion and tick the relevant box or boxes.

We really value your views. The questionnaire will take approximately 10 minutes to complete.

Thank you for your co-operation – your participation in this questionnaire is greatly appreciated.

Confidentiality

The council does not collect personal information in this questionnaire, which means the information you provide is anonymous. We do not ask for your name, address, email address, telephone number, full post code or any other information that would allow us to identify you. The information you choose to give us in the equalities questions is also anonymous, so we cannot identify you from it.

Since the data we collect is anonymous, it is not considered to be personal data under data protection legislation (such as the General Data Protection Regulation or the Data Protection Act 2018).

If you have any questions about this statement please email first.contact@barnet.gov.uk.

Section 1: Aims of the contract review

In developing the Strategic Outline Case, officers were guided by three key aims, which were also agreed by the Policy and Resources Committee on 19th July 2018. It is proposed that the options for each service should be evaluated against these aims, which are to:

- a) Deliver high quality services;
- b) Secure best value for money for Barnet's residents; and
- c) Strengthen the council's strategic control of services.

In assessing each service against the three aims identified above, the council would consider the following factors:

For the high-quality services aim:

- Performance of CSG and RE against key performance indicators in the contract
- Customer satisfaction data (where available)
- Which provider is best placed to improve performance in that service area, if required

For the value for money aim:

- The one-off costs of implementing any change
- The impact of any change on future running costs
- The extent to which the cost of making any change is affordable, in the context of the council's wider budget challenges

For the strategic control aim:

- The role of the service in developing and delivering the council's strategic direction
- The requirement for the service to respond rapidly to evolving priorities and circumstances
- The extent to which the service is based on standard processes across different councils

- 1. To what extent do you agree or disagree with each of the three aims that have been identified as the basis on which the future delivery arrangements for each service should be assessed? (Please tick one option on each row)**

Aims	Strongly Agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Not sure/ Don't know
Deliver high quality services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Secure best value for money for Barnet's residents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strengthen the council's strategic control of services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall, to what extent do you agree or disagree that these aims should be the basis on which the future delivery arrangements for each service should be assessed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 2. If you disagree with any of our aims, or that they should be the basis on which future delivery arrangements should be assessed, please state why: (Please write in your answer)**

- 3. If you feel we should have any additional aims, or there are other factors that should be considered, please state what these should be and why: (Please write in your answer)**

Section 2: Phasing of the review

The report to Policy and Resources Committee proposed that services be reviewed in the following order of priority:

Phase 1: Finance (budgeting, accounting and financial control) and strategic Human Resources (advice and support to the council on people management issues)

These services have been prioritised in light of the recent performance issues, and because the process of insourcing services requires the council to have access to appropriate HR and finance resource. On 11th December 2018, the Policy and Resources Committee agreed that, subject to the outcome of consultation, these services should be returned to the council as a matter of priority. The implementation of this proposal will be reviewed in the light of the responses to this consultation.

Phase 2: Highways and Regeneration (supporting growth and development in the borough)

It is proposed that the next phase of the review should cover these services, due to ongoing concerns regarding performance and financial control issues, as well as the strategic importance of these services.

Phase 3: Barnet-based, customised services

It is proposed that the third phase of the review will cover services that are local to Barnet, and do not align with Capita's strategic direction of travel. This includes:

- Estates (managing the council's land and buildings)
- Social Care Direct (first point of contact for social care services)
- Safety, Health and Wellbeing (advising the council on health and safety matters and staff welfare)
- Strategic planning (planning policy, major developments and infrastructure planning, heritage services)
- Cemetery and Crematorium
- Procurement (advice and support to the council on buying goods and services)

Phase 4: Volume transactional services

It is proposed that the final phase will be high volume transactional services, many of which are based outside of Barnet. These will be considered alongside the Year 7 contract reviews of CSG and RE, beginning from September 2019, and will include:

- Revenues and benefits (council tax and non-domestic rates billing and collection; housing benefits)
- Customer services (first point of contact for the public across all services, other than social care)
- Information Services (provision of IT systems and hardware to the council)
- Planning (planning applications and planning enforcement) and regulatory services (building control, land charges, trading standards, licensing and environmental health)
- Payroll and Pensions Administration

The phases are currently just what is proposed and it may be that circumstances (including, but not limited to, your consultation responses) mean that they are changed as the review progresses.

4. To what extent do you agree or disagree with the proposed order of services that are being prioritised in each phase? (Please tick one option on each row)

Phases	Strongly Agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Not sure/ Don't know
Phase 1 (Finance and Strategic HR)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Phase 2 (Highways and Regeneration)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Phase 3 (Barnet-based, customised services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Phase 4 (volume, transactional services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall, to what extent do you agree or disagree with the proposed phasing of the review?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. If you disagree with the order of any of the proposed phases, please state which services you think should be given higher or lower priority and why: (Please write in your answer)

Section 3: Additional information to support the council's assessment of service delivery options

To inform the council's assessment of service performance, we are keen to hear about your experience of using the services that are provided through the two contracts.

- 6. If you, your family or your business have had direct experience of using any of the following services, please rate the quality of that service(s) overall: (Please tick one option on each row)**

Council internal support services	Excellent	Good	Acceptable	Poor	Very poor	Not sure/ Don't know	I have not used this service
Finance and accounting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Invoice processing (payments to suppliers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estates (property services, building services, facilities management, printing)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strategic HR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safety, Health and Wellbeing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pensions administration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
IT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Procurement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strategic Planning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regeneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. If you, your family or your business have had direct experience of using any of the following services, please rate the quality of that service(s) overall: (Please tick one option on each row)

Public-facing services	Excellent	Good	Acceptable	Poor	Very poor	Not sure/ Don't know	I have not used this service
Revenues and benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customer Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social Care Direct	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development Control (planning)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Planning Enforcement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Highways	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cemetery and Crematorium	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Building Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Land Charges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trading Standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Licensing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental Health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. If you rated any of the services as 'poor' or 'very poor', please state which service and why: (Please write in your answer)

Section 4: Delivery model

Council services can be outsourced, where they are provided by a partner in:

- the private sector;
- the voluntary or community sector; or
- the public sector, for example by another council.

Alternatively, they can be provided in-house, where they are delivered by staff employed directly by the council.

As stated in Section 2, Barnet council has a longstanding approach to service delivery, based on commissioning services from whichever organisation can deliver them most effectively, i.e. a mixed economy of in-house and outsourced provision, where the most appropriate provider for a particular service is determined on its merits.

9. To what extent do you support or oppose this approach, i.e. a mixed economy of in-house and outsourced provision, where the most appropriate provider for a particular service is determined on its merits? (Please tick one option only)

Strongly support	<input type="checkbox"/>
Tend to support	<input type="checkbox"/>
Neither support nor oppose	<input type="checkbox"/>
Tend to oppose	<input type="checkbox"/>
Strongly oppose	<input type="checkbox"/>
Not sure / don't know	<input type="checkbox"/>

10. If you have any views or preferences on how services should be provided, please write in the space below: (Please write in your answer)

Section 5: Any other comments

11. Are there any other comments you wish to make about the review? (Please write in your answer)

About you – Where you live

When consulting with our residents and service users Barnet Council needs to understand the views of our different communities.

So that we can analyse the findings by different locations in the borough, please can you provide the Barnet ward that you live in.

If you do not know the Barnet ward that you live in you can find it by visiting www.writetothem.com and entering your postcode. You should then see a page like the image below - you will find the name of your ward on the left-hand side of the page under the heading "Your councillors". In this example, the name of the ward is Brunswick Park.

Alternatively, please telephone 020 8359 7016 to find out which ward you live in.

WriteToThem

ENTER POSTCODE CHOOSE REPRESENTATIVE WRITE MESSAGE SEND MESSAGE

Choose your representative

You have several elected representatives at different levels of government.

[Not sure who to contact?](#)

Your councillors

Your **Brunswick Park** councillors represent you on the Barnet Borough Council. The Borough Council is responsible for **local services**, including **planning, council housing, rubbish collection, local roads, and public paths**. Most councillors are not paid a salary, but get a basic allowance for the work they do.

[Roberto Weeden-Sanz](#) (Conservative) [Write to all your councillors](#)
[Kathy Levine](#) (Labour) [Correct a mistake in this list](#)
[Lisa Rutter](#) (Conservative)

Your London Assembly Members

12. Which ward do you live in? (Please write in your answer)

13. Are you responding as: (Please tick one option only)?

A Barnet resident	<input type="checkbox"/>	Go to Q 16
A person working within the London Borough of Barnet area	<input type="checkbox"/>	Go to Q 16
A business based in Barnet	<input type="checkbox"/>	Go to Q 16
Representing a school	<input type="checkbox"/>	See bottom of next page*
Representing a voluntary/community organisation	<input type="checkbox"/>	Go to Q 14
Representing a public-sector organisation	<input type="checkbox"/>	Go to Q 15
Prefer not to say	<input type="checkbox"/>	Go to Q 16
Other (please specify)		

14. Please specify the type of stakeholders or residents your community group or voluntary organisation represents: (Please write in your answer)

15. Please specify the type of public sector organisation you are representing: (Please write in your answer)

***If you are representing a school, a community group, or an organisation you do not need to complete the diversity monitoring questions. Thank you for taking the time to complete this questionnaire.**

About you

The Equality Act 2010 identifies nine protected characteristics: age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation, and requires the council to pay due regard to equalities in eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations between people from different groups. We ask questions about the groups so that we can assess any impact of our services and practices on different groups. The information we collect helps the council to check that our policies and services are fair and accessible.

Collecting this information will help us understand the needs of our different communities and we encourage you to complete the following questions.

All your answers will be treated in confidence and will be stored securely in an anonymous format. All information will be stored in accordance with our responsibilities under the Data Protection Act 1998.

For the purposes of this questionnaire we are asking nine of the protected characteristics included in the Equality Act 2010.

16. In which age group do you fall? (Please tick one option only)

16-17	<input type="checkbox"/>	55-64	<input type="checkbox"/>
18-24	<input type="checkbox"/>	65- 74	<input type="checkbox"/>
25-34	<input type="checkbox"/>	75+	<input type="checkbox"/>
35-44	<input type="checkbox"/>	Prefer not to say	<input type="checkbox"/>
45-54	<input type="checkbox"/>		

17. Are you: (Please tick one option only)

Male	<input type="checkbox"/>	Go to Q19	Female	<input type="checkbox"/>	Prefer not to say	<input type="checkbox"/>	Go to Q19
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If you prefer to use your own term please provide it here: (Please write in your answer)
(Go to Q19)

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Females only: Pregnant and on maternity leave

As part of the Equality Act 2010 the council has a statutory requirement to collect information in relation to 'protected characteristics' which includes information on women who are pregnant and on maternity leave. Answering this question will assist us in meeting our legal obligations. It will also help us understand the different needs of our communities.

18. Are you pregnant and/or on maternity leave? (Please tick one option on each row)

	Yes	No	Prefer not to say
I am pregnant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am currently on maternity leave	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

As part of the Equality Act 2010 the council has a statutory requirement to collect information and pay due regard in relation to 'protected characteristics' which includes gender re assignment. Answering this question will assist us in meeting our legal obligations. It will also help us understand the different needs of our communities.

19. Is your gender identity different to the sex you were assumed to be at birth? (Please tick one option only)

Yes, it's different	No, it's the same	Prefer not to say
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

20. What is your ethnic origin? (Please tick one option only)

Asian / Asian British		Other ethnic group	
Bangladeshi	<input type="checkbox"/>	Arab	<input type="checkbox"/>
Chinese	<input type="checkbox"/>	Any other ethnic group (✓ AND WRITE BELOW)	<input type="checkbox"/>
Indian	<input type="checkbox"/>	White	
Pakistani	<input type="checkbox"/>	British	<input type="checkbox"/>
Any other Asian background (✓ AND WRITE BELOW)	<input type="checkbox"/>	Greek / Greek Cypriot	<input type="checkbox"/>
Black / African / Caribbean / Black British		Gypsy or Irish Traveller	<input type="checkbox"/>
African	<input type="checkbox"/>	Irish	<input type="checkbox"/>
British	<input type="checkbox"/>	Turkish / Turkish Cypriot	<input type="checkbox"/>
Caribbean	<input type="checkbox"/>	Any other White background (✓ AND WRITE BELOW)	<input type="checkbox"/>
Any other Black / African / Caribbean background (✓ AND WRITE BELOW)	<input type="checkbox"/>	Prefer not to say	<input type="checkbox"/>
Mixed / Multiple ethnic groups		
White & Asian	<input type="checkbox"/>		
White & Black African	<input type="checkbox"/>		
White & Black Caribbean	<input type="checkbox"/>		
Any other Mixed / Multiple ethnic background (✓ AND WRITE BELOW)	<input type="checkbox"/>		

Disability

The Equality Act 2010 defines disability as ‘a physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities’.

In this definition, long- term means more than 12 months and would cover long-term illness such as cancer and HIV or mental health problems.

21. Do you consider that you have a disability as outlined above? (Please tick one option only)

Yes ☐ No ☐ (Please go to Q22)

If you have answered ‘yes’, please select the definition(s) from the list below that best describes your disability/disabilities:

Hearing (such as deaf, partially deaf or hard of hearing)	<input type="checkbox"/>	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)	<input type="checkbox"/>
Vision (such as blind or fractional/partial sight. Does not include people whose visual problems can be corrected by glasses/contact lenses)	<input type="checkbox"/>	Severe Disfigurement	<input type="checkbox"/>
		Learning Difficulties (such as dyslexia)	<input type="checkbox"/>
Speech (such as impairments that can cause communication problems)	<input type="checkbox"/>	Mental Illness (substantial and lasting more than a year, such as severe depression or psychoses)	<input type="checkbox"/>
Mobility (such as wheelchair user, artificial lower limb(s), walking aids, rheumatism or arthritis)	<input type="checkbox"/>	Physical Co-ordination (such as manual dexterity, muscular control, cerebral palsy)	<input type="checkbox"/>
Other disability, please specify			
Prefer not to say <input type="checkbox"/>			

22. What is your marital status? (Please tick one option only)

Single (never married)	<input type="checkbox"/>	Divorced	<input type="checkbox"/>
Married, or in a domestic partnership	<input type="checkbox"/>	Separated	<input type="checkbox"/>
Widowed	<input type="checkbox"/>	Prefer not to say	<input type="checkbox"/>

23. What is your religion or belief? (Please tick one option only)

Baha'i	<input type="checkbox"/>	Jain	<input type="checkbox"/>
Buddhist	<input type="checkbox"/>	Jewish	<input type="checkbox"/>
Christian	<input type="checkbox"/>	Muslim	<input type="checkbox"/>
Hindu	<input type="checkbox"/>	Sikh	<input type="checkbox"/>
Humanist	<input type="checkbox"/>	No Religion	<input type="checkbox"/>
Prefer not to say	<input type="checkbox"/>	Other religion/belief (Please specify)	<input type="checkbox"/>

24. Do you consider yourself to be? (Please tick one option only)

Bisexual	<input type="checkbox"/>	Lesbian	<input type="checkbox"/>
Gay	<input type="checkbox"/>	Other	<input type="checkbox"/>
Heterosexual	<input type="checkbox"/>	Prefer not to say	<input type="checkbox"/>

In addition, if you prefer to define your sexuality in terms other than those used above, please let us know below: (Please write in your answer)

**Thank you for taking the time to complete this questionnaire.
Please return in the enclosed reply-paid envelope provided, by 15 February 2019.**

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Appendix Di: Equalities Impact Assessment – Finance and Strategic HR

Employee Equality Impact Analysis (EIA)

1. Delivery Unit/Function and/or Service: Strategic HR	
Date assessment completed: 30 th May 2019	
Title of project/proposal/policy change/Alternative Delivery model/organisation change being assessed: Defined elements of existing strategic HR and Finance services to be TUPE'd in from Capita to LBB on anticipated date of 1 st April 2019.	
2. This EIA is being undertaken because it is: <input checked="" type="checkbox"/> A result of organisation change <input checked="" type="checkbox"/> Part of a project proposal for the Barnet Transformation programme 2018 – 2020 <input type="checkbox"/> Other please specify:–	
3. Names and roles of officers completing this assessment:	
Lead officer	Natasha Edmunds
Stakeholder groups	All DUs
Representative from internal stakeholders (please specify)	HR, Equalities Allies Group, Trade Unions
Representative from external stakeholders (please specify)	Capita
Delivery Unit Equalities Network rep	Not known
Commissioning Equalities rep (where appropriate)	Not known
HR rep (for employment related issues)	Natasha Edmunds

4. Employee Profile for the Proposal

On 11th December, Policy & Resources Committee approved the decision to return some defined Finance and Strategic HR services to the Council as part of a fast-track return.

These functions were:

Strategic HR

- HR Business Partners/Assistants

Finance

- Accounts Receivable
- Treasury Management
- Closing and Monitoring Team
- Accounts Reconciliations
- Business Partnering
- Pension Fund Accounting and Investments
- Schools accounting and schools funding team

The following services have remained with Capita:

- Payroll
- Schools HR Traded Services
- Recruitment
- Pensions Administration
- Pay & Data
- Printing AR invoices
- Accounts Payable (scanning, remittances, payment processing etc.)
- Revenues and Benefits
- Schools Finance Traded Services
- Integra System and Support (Financial management system)

Naturally, there was data about Capita staff in scope to be TUPE transferred in to LBB across the range of protected characteristics. The requirements of the Public-Sector Equality Duty rested with both Capita and LBB because the staff in scope for the project were Capita staff who would become as a result of the TUPE transfer taking place. The duty for leading the transfer of staff, and for therefore leading the TUPE process, including staff consultation, laid with the transferring organisation, in this case Capita. However, due consideration will need to be given to any adjustments that may be required post transfer

LBB (the receiving organisation) worked very closely with Capita (the transferring organisation) to ensure disruption to staff being TUPE'd over was minimised and the process was as transparent and strain free as possible. LBB had established a Strategic HR Transition Group to agree the process and the associated communications and stakeholder engagement plan.

All staff successfully transferred from Capita to LBB on their existing or similar Terms and Conditions, as agreed in the Measures Letters. Against this background, we believe the impact on staff transferring to LBB from Capita has been considered as neutral/positive.

The following table measures the impact on the 10 defined characteristics from the Equality Act 2010. Due to the small number of persons transferring across (48), to protect and maintain anonymity for any individual, the council has elected not to provide information at a delivery unit or service level but instead to provide all requested information as a totality of the numbers of people transferring across. This is within accepted practice

Protected Characteristic		Team /Workforce Group	n/a	n/a
Gender	Female	26		
	Male	22		
Age/Date of Birth	1986 – 1997	6		
	1976-1986	7		
	1966-1975	17		
	1965-1951	12		
	1950-1941	2		
	1940 and earlier			
Ethnicity	White British Irish Other White	21 (other ethnic groups identified but too small a sample to include in case it identifies individuals		
	Mixed White and Black Caribbean White and Black African White and Asian Other Mixed	See above		
	Asian and Asian British Indian	See above		

Protected Characteristic		Team /Workforce Group	n/a	n/a
	Pakistani Bangladeshi Other Asian			
	Black or Black British Caribbean African Other Black	See above		
	Chinese or Other Ethnic Group Chinese Other Ethnic Group	See above		
Disability	Physical co-ordination (such as manual dexterity, muscular control, cerebral palsy)	See above		
	Hearing (such as: deaf, partially deaf or hard of hearing)	See above		
	Vision (such as blind or fractional/partial sight. Do not include people who wear glasses/contact lenses)	See above		
	Speech (such as impairments that can cause communication problems)	See above		
	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)	See above		
	Severe disfigurement	See above		
	Learning difficulties (such as dyslexia)	See above		

Protected Characteristic		Team /Workforce Group	n/a	n/a
	Mental illness (substantial and lasting more than a year)	See above		
	Mobility (such as wheelchair user, artificial lower limb(s), walking aids, rheumatism or arthritis)	See above		
Gender Identity	Transsexual/Transgender (people whose gender identity is different from the gender they were assigned at birth)	No person identified / disclosed		
Pregnancy and Maternity	Pregnant	No person identified / disclosed		
	Maternity Leave (current)	As above		
	Maternity Leave (in last 12 months)	As above		
Religion or Belief	Christian	19 (other religions or beliefs were identified but too small a sample to include in case it identifies individuals		
	Buddhist	See above		
	Hindu	See above		
	Jewish	See above		
	Muslim	See above		
	Sikh	See above		
	Other religions	See above		
	No religion	See above		
	Not stated	See above		

Protected Characteristic		Team /Workforce Group	n/a	n/a
Sexual Orientation	Heterosexual	40		
	Bisexual	Undisclosed		
	Lesbian	Undisclosed		
	Gay	Undisclosed		
Marriage and Civil partnership	Married	23 (other relationship status groups identified but too small a sample to include in case it identifies individuals		
	Single	See above		
	Widowed	See above		
	Divorced	See above		
	In Civil partnership	See above		

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.*

Not known due to lack of available data due to TUPE regulations which stipulate data will be available 28 days before Capita services (disciplines to be defined) TUPE transfer date predicted as 1 April 2019.

Equality Strand	Affected?	Explain how affected	Indicate any action planned or
-----------------	-----------	----------------------	--------------------------------

			taken to mitigate negative impact?
1. Age	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> X	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> X	
2. Disability	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> X	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> X	
3. Gender reassignment	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> x	
4. Pregnancy and maternity	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> x	
5. Race / Ethnicity	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> x	
6. Religion or belief	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> x	
7. Gender / sex	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> x	
8. Sexual orientation	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/>	

		Neutral <input type="checkbox"/> x	
9. Marital Status	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	
10. Other key groups? Carers	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Please assess Young, Parent and Adult carer. Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	

6.Overall impact and Scale		
<p>Positive impact:</p> <p>Minimal <input type="checkbox"/>x</p> <p>Significant <input type="checkbox"/></p>	<p>Negative Impact or Impact Not Known</p> <p>Minimal <input type="checkbox"/>x</p> <p>Significant <input type="checkbox"/></p>	

7.Outcome			
<p>No change to decision</p> <p><input type="checkbox"/>x</p>	<p>Adjustment needed to decision</p> <p><input type="checkbox"/></p>	<p>Continue with decision (despite adverse impact / missed opportunity)</p> <p><input type="checkbox"/></p>	<p>If significant negative impact - Stop / rethink</p> <p><input type="checkbox"/></p>

8.Please give full explanation for how the overall assessment and outcome was decided
<p>The total number of staff who transferred over was a very small sample of just 48. This compares to c.1,800 staff currently employed by the council, meaning the staff transferring back to the council represented just over 2.6% of the total workforce.</p> <p>As a result, the numbers are so small as to draw any statistical meaning.</p> <p>Since everyone transferred on their existing terms and conditions, there was no material change to their individual circumstances, or to their working practices.</p> <p>As a result, we believe the overall impact has been neutral.</p>

9. Equality Improvement Plan

Please list all the equality mitigations that have been identified from the Equality Analysis (continue on separate sheets as necessary). Make sure these are reflected in the project plan/ for mainstreaming and performance management purposes.

Equality Mitigation	Action	Officer responsible	By when	
<p>Negatives are changes for HR employees after 5 years firstly shifting to Capita with substantial changes. There is the recent LBB change programme and employee support within the TUPE In programme and a strong LBB Induction being developed as there have been changes in LBB.</p> <p>Minimum Positive for residents – communications will not change – or any HR work on My Account.</p> <p>Residents Satisfaction Survey data is currently good at 70% that LBB is giving value for money. We will keep this under review.</p>				

Equality Mitigation	Action	Officer responsible	By when	
In terms of equality it reduces differences and clarifies the organisations accountability and how we are organised to deliver our services.				
They will only have one point of access which is LBB. Only one front door and will enhance our reputation for giving value for money services.				
Monitor at point of implementation and subsequently Employee Attitude Service, Staff Led Sessions. Keeping an eye on Residents Perception Survey. This is based on continuity of service and we don't expect any impact on residents and based on Resident Perception Survey expect to see and increase or certainly no reduction in satisfaction.				
Community Participation and Engagement				

Equality Mitigation	Action	Officer responsible	By when	
<p>Corporation Plan 20-25</p> <p>Building resilient community.</p> <p>Are CSG dealing with Charity and Faith sector – more control, better communication and more timely.</p>				
<p>Once Committee has reached a decision on the option it will pursue we will review requirements for Public Consultation and Capita will begin the process of staff consultation as required by TUPE.</p> <p>Once options are chosen and any modus operandum for TUPE we will look again.</p> <p>Residents Participation Survey under review, Community Participation and Engagement Newsletter fortnightly and three public meetings per annum.</p>				

Equality Mitigation	Action	Officer responsible	By when	
<p>Community Network.</p> <p>Board Partnerships and Health and Wellbeing.</p> <p>Will be consulting through established partnerships and network boards.</p> <p>Monitor</p> <p>Residents Participation Survey</p> <p>Indicators for Residents</p> <p>DU - communicate any changes in residents' perception</p> <p>Public Consultation</p> <p>Not anticipated services will change though Service Provider will change</p>				

Name	Date	Version Number and Summary of Changes
Jeannette Stennett	22.10.2018	V1 – original draft
Andrew Merritt-Morling	19.11.2018	V1.1 - minor
Andrew Merritt-Morling	02.06.2019	Fundamental redraft of the narrative text
Mairead Mooney	03.06.2019	Inclusion of all the data that forms protected characteristics
Andrew Merritt-Morling	03.06.2019	Final review, and clearance of text by Sharni Kent

Appendix Dii: Equalities Impact Assessment – Review of Capita Contracts, Safety, Health & Wellbeing (SHaW); and Skills, Employment and Economic Development (SEED) within Regeneration

Equality Impact Analysis (EIA)

1. Delivery Unit/Function and/or Service: Policy and resources report review of capita contracts, including Safety, Health and Wellbeing (SHaW), and Skills, Employment and Economic Development (SEED) within Regeneration (disciplines to be defined)	
Date assessment completed: 30 May 2019	
Title of project/proposal/policy change/Alternative Delivery model/organisation change being assessed: Review of Capita Contracts. Defined elements of existing Safety, Health and Wellbeing (SHaW) and Skills, Employment and Economic Development (SEED) within Regeneration services to possibly be TUPE'd in from Capita to LBB. Impact	
2. This EIA is being undertaken because it is: <input checked="" type="checkbox"/> A result of organisation change <input checked="" type="checkbox"/> Part of a project proposal for the Barnet Transformation programme 2018 – 2020 <input type="checkbox"/> Other please specify:	
3. Names and roles of officers completing this assessment:	
Lead officer	Cath Shaw
Stakeholder groups	All DUs, public
Representative from internal stakeholders (please specify)	HR, Equalities Allies Group, Trade Unions
Representative from external stakeholders (please specify)	Capita,
Delivery Unit Equalities Network rep	Not known
Commissioning Equalities rep (where appropriate)	Not known
HR rep (for employment related issues)	Not yet known

4. Employee Profile for the Proposal

On 11th December 2018, the Policy & Resources Committee approved the return of some Strategic Finance and HR functions to the council (subject to the outcome of a public and best value consultation exercise).

Since the December report, alongside work on the transfer of Finance and Strategic HR services, work has also been carried out on assessing the options for the future delivery of other services that were to be included in potential future phases of work. This has included analysis of the detailed financial information in respect of these services, a public and best value consultation, as well as giving more in-depth consideration to the issues that prompted consideration of the need to make changes in the current delivery arrangements.

The report to Policy and Resources Committee of 11th June recommends as follows:

That the Committee:

1. Notes the outcome of public and best value consultation and updated Equality Impact Assessments.
2. Notes the successful return of Finance and Strategic HR services to the council.
3. Agrees that the Director of Place role and the Skills, Employment and Economic Development team from within the Regeneration service should be returned to the council, subject to the outcome of the necessary financial due diligence.
4. Agrees that the Safety, Health and Wellbeing service should be returned to the council, subject to the outcome of the necessary financial due diligence.
5. Authorises the Chief Executive to take the necessary action to conclude negotiations and effect the transfer of these two services.
6. Notes the proposed arrangements to strengthen the management of the Highways service.
7. Agrees that the Director of Finance should continue to work with Capita to achieve the necessary improvements to the Pensions Administration service.
8. Instructs the Director of Finance to put appropriate measures in place to enable alternative service provision arrangements to be made for Pensions Administration, should the need arise, with a view to bringing a further report to Policy and Resources Committee in due course.
9. Authorises the Deputy Chief Executive to review the future contractual arrangements with Capita for those staff involved in the management and governance of the Brent Cross Cricklewood (Brent Cross) development scheme.
10. Further authorises the Deputy Chief Executive to commence staff consultation on any proposed changes arising out of that review and to report the outcome of the review and consultation to the Assets, Regeneration and Growth Committee, for noting, in due course, with any decisions to be referred to Policy and Resources.
11. Agrees that the review of remaining services be carried out through the year 6 (CSG) and year 7 (RE) contract reviews commencing in the autumn of 2019, with terms of reference and progress being reported to the Financial Performance and Contracts Committee. Any resulting recommendations would be made in a further report to the Policy and Resources Committee.

In broad terms, it has been concluded by officers taking into account the themes from the public and best value consultation that there is a need to strengthen strategic control of the SEED team from within the Regeneration service, to achieve greater flexibility and agility in the deployment of resources to meet emerging needs. On behalf of the council, the SEED team are responsible for coordinating the provision of business engagement and support, working with development partners and the Department of Work and

Pensions to delivery training and apprenticeship projects, managing the relationship with town teams and leading on the preparation and implementation of town centre strategies.

As the main report makes clear, the financial analysis suggests that this can be achieved at no additional cost to the council, due to the ability to delete vacant roles within the council. It is therefore proposed that this service be returned in-house, subject to the conclusion of the necessary negotiations and financial due diligence.

In addition to SEED, officers have also considered the future delivery arrangements for the Safety, Health and Wellbeing (SHaW) service.

The first contact advisory and some support service elements of the SHaW service are delivered from outside of Barnet. As a largely advisory service, this has led to some issues about consistency in support and a lack of sufficient strategic control. Current out of borough arrangements are due to end in July and there is uncertainty about how these arrangements will be delivered in the future. It is considered that an in-house service will allow for more flexibility to align it to changing health and safety priorities. It is, therefore proposed that the service be brought back in-house, subject to being able to reach an agreement that provides reasonable value for money for Barnet residents.

In total, 10 employees are likely to be affected by transferring from Capita to LBB (Director of Place, six members of the SEED team and three from SHaW).

Under this, or any of the other options to be set out to Policy & Resources Committee, there will be data about Capita staff in scope to be TUPE transferred in to LBB across the range of protected characteristics. The duty for leading the transfer of staff, and for therefore leading the TUPE process, including staff consultation, lies with the transferring organisation, in this case Capita. However, due consideration will need to be given to any adjustments that may be required post transfer. It will not be possible to undertake a detailed assessment of equality impacts until the TUPE process is triggered as this will be the mechanism by which LBB will be provided with individual staff details and information on any protected characteristics for which any reasonable adjustments or mitigations will be required. In the event that a TUPE process is triggered this EQIA will be reviewed and updated accordingly.

LBB (the receiving organisation) will be working very closely with Capita (the transferring organisation) to try and ensure that disruption to staff being TUPE'd over is minimised and the process is as transparent and strain free as possible.

It is not yet possible to be certain the impact on staff that will TUPE from Capita to LBB. However, certain staff Terms and Conditions are arguably better with LBB and others arguably better with Capita. These include the differences in the Capita versus the Local Authority Pension Scheme, certain staff benefits (including maternity leave, etc.). Against this background, we estimate that the impact on staff transferring to LBB from Capita will be considered neutral, or even minimum/positive. However, this will have to be clarified as part of a formal review of the EQIA as part of the TUPE process.

There are no immediate plans to change any aspect of how they are delivered. The proposed in-sourcing will have no direct impact on members of the public. In the event that changes to service provision are proposed in the future, this will require further consideration of any potential equality impacts for members of the public. There is nothing in the consultation responses that indicates that those with a particular protected characteristic felt that the insourcing of these functions would have an impact on them.

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 2018 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.

Initial analysis set out below. To be reviewed further immediately after transfer as some data is not currently available.

Protected Characteristic		Team/Workforce Group	Public Consultation Respondents	Barnet Workforce
Gender	Female	This information will not be confirmed until at least 28 days prior to the point of transfer as part of the ELI data	114	734
	Male		76	1067
	Unknown		153	15
Age	18-21		1	17
	22-29	This information will not be confirmed until at least 28 days prior to the point of transfer as part of the ELI data – however, at present, we believe the majority of those transferring will be between the ages of 22 and 55	15	205
	30-39		31	397
	40-49		49	386
	50-64		54	705
	65-74		42	72
	75+		6	3
	White			
Ethnicity	British		64	735

Protected Characteristic		Team/Workforce Group	Public Consultation Respondents	Barnet Workforce
	Irish		5	42
	Other White		17	155
	Mixed			
	White and Black Caribbean			14
	White and Black African		1	15
	White and Asian		1	5
	Other Mixed		2	23
	Asian and Asian British			
	Indian		4	109
	Pakistani		1	17
	Bangladeshi			26
	Other Asian		1	24
	Black or Black British			
	Caribbean			155
	African		1	139
	Other Black		2	29
	Chinese/Other Ethnic Group			
	Chinese			8
	Other Ethnic Group		3	5
Disability	Yes		22	
	No		161	
	Physical co-ordination (such as manual dexterity, muscular control, cerebral palsy)			1
	Hearing (such as: deaf, partially deaf or hard of hearing)			10

Protected Characteristic		Team/Workforce Group	Public Consultation Respondents	Barnet Workforce
	Vision (such as blind or fractional/partial sight. Do not include people who wear glasses/contact lenses)			7
	Speech (such as impairments that can cause communication problems)			1
	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)			8
	Severe disfigurement			Unknown
	Learning difficulties (such as dyslexia)			24
	Mental illness (substantial and lasting more than a year)			6
	Mobility (such as wheelchair user, artificial lower limb(s), walking aids, rheumatism or arthritis)			7
	Unknown		183	
Gender Identity	Transsexual/Transgender (people whose gender identity is different from the gender they were assigned at birth)			Unknown
Pregnancy and Maternity	Pregnant			Unknown
	Maternity Leave (current)			Unknown
	Maternity Leave (in last 12 months)			Unknown
Religion or Belief	Christian		50	730
	Buddhist		1	8
	Hindu		6	79
	Jewish		17	41

Protected Characteristic		Team/Workforce Group	Public Consultation Respondents	Barnet Workforce
	Muslim		1	93
	Sikh			8
	Other religions		6	59
	No religion		59	250
	Not stated		203	244
Sexual Orientation	Heterosexual		135	1238
	Bisexual		3	15
	Lesbian		3	19
	Gay		3	15
Marriage and Civil partnership	Married			558
	Single			730
	Widowed			11
	Divorced			79
	In Civil partnership			18

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.

This data is not yet known since how individual equality strands will be affected will not become clear until the ELI data has been shared by the transferring organisation. The TUPE regulations currently stipulate that this information does not need to be made available to the transferring organisation until 28 days prior to the date of transfer.

However, based on the very small sample size of those expected to transfer (currently estimated to be 9 people), we do not believe there will be any material impact (positively or negatively) on those transferring. Anyone who does transfer from Capita to LBB will be TUPE'd across on their existing Terms and Conditions of employment.

Equality Strand	Affected?	Explain how affected	Indicate any action planned or taken to mitigate negative impact?
1. Age	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input type="checkbox"/> x	
2. Disability	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	Not known at this stage
3. Gender reassignment	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	Not known at this stage
4. Pregnancy and maternity	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	
5. Race / Ethnicity	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	Not known at this stage
6. Religion or belief	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/>	Not known at this stage

		Neutral <input checked="" type="checkbox"/> x	
7. Gender / sex	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	
8. Sexual orientation	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	Not known at this stage
9. Marital Status	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	Not known at this stage
10. Other key groups? Carers	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/> x	Please assess Young, Parent and Adult carer. Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral <input checked="" type="checkbox"/> x	

There are no specific comments from the public and best value consultation about a detrimental equalities impact.

6.Overall impact and Scale		
Positive impact:	Negative Impact or Impact Not Known	
Minimal <input checked="" type="checkbox"/> x Significant <input type="checkbox"/>	Minimal <input checked="" type="checkbox"/> x Significant <input type="checkbox"/>	

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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
<input checked="" type="checkbox"/> x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8.Please give full explanation for how the overall assessment and outcome was decided
<p>The overall assessment and outcome is based on there being no immediate changes to how services are provided or to the physical location of staff or to any part time working arrangements that staff may have to enable them to carry on with any caring responsibilities.</p> <p>A total of 343 responses to the public and best value consultation was received. Of these, 198 had noted their age range. Of these, just 93 were aged 43 or under, with 105 therefore being aged 44 or over. This demonstrates that the consultation questionnaire had relatively few responses from younger residents, whereas nearly 3 in 4 respondents (73%) were aged between 45 and 74. Full details can be found in the Capita Contracts Consultation report, appended to the main P&R Report to which this document is also appended.</p> <p>This equality impact assessment will be updated as more information is made available.</p>



Policy & Resources Committee ITEM 8

17 June 2019

Title	Business Planning 2020-24 and Budget Management 2019/20
Report of	Chairman of the Policy and Resources Committee
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix A: Capital funding changes
Officer Contact Details	Anisa Darr – Section 151 Officer anisa.darr@barnet.gov.uk Paul Clarke – Deputy Section 151 Officer paul.clarke@barnet.gov.uk

Summary

This report provides a summarised overview of the council's outturn for the 2018/19 financial year including the impact on reserves and balances. The report also sets out the context for the Business Planning process for the years 2020-24. Finally the report sets out operational decisions required in line with the financial management of the council's budgets.

Officers Recommendations

1. The Committee is asked to note the overview of the council's 2018/19 revenue outturn, as detailed in Section 1;
2. The Committee is asked to note the impact of outturn on the council's reserves, as detailed in section 2;
3. The Committee is asked to note the 2019/20 – 2023/24 savings position, as detailed in Section 3.1

4. The Committee is asked to note the current strategic context, as detailed in Section 3.2
5. The Committee is asked to approve the budget virements as detailed in Section 3.3
6. The Committee is asked to approve delegation of the decision regarding the virement to be made for non-pay inflation to the Director of Finance, as detailed in Section 3.3.6
7. The Committee is asked to approve the Capital Bids, set out in Section 3.4
8. The Committee is asked to approve the capital funding changes as summarised in paragraphs 3.4.15 to 3.4.18 and detailed in Appendix A

1. Overview of the council's outturn for the 2018/19 financial year

- 1.1. The General Fund Revenue Outturn for 2018/19 was a net overspend of £0.822m. This is a significant reduction from the pressure identified in June 2018 of £9.500m.
- The revenue outturn is stated after services contributed a net £1.333m into revenue reserves.
 - Although there has been a reduction in reserves from £12.129m (£75.755m to £63.626m), this reduction entirely results from a planned decision to use CIL funding to fund a capital project. In total, the position of reserves is £11.113m better than forecast in June 2018. Revenue reserves reflect a £6m increase mainly as a result of the one off transactions such as the Capital commercial settlement and NLWA levy balances
- 1.2. The General Fund balance as at 1 April 2018 was £15.083m (excluding schools' balances). The net overspend of £0.822m would ordinarily reduce the General Fund balance as at April 1st 2019; however the balance is being maintained by means of a transfer from the MTFS reserve.
- 1.3. The capital outturn realised the expectation of a reduced capital spend compared to the original plan. In summary, the main change was on the Regional Enterprise (Re) budget, dominated with £49.9m (or 91%) of the GF slippage. The HRA essentially delivered to plan.

Table: Capital spend compared to original plan £m/%

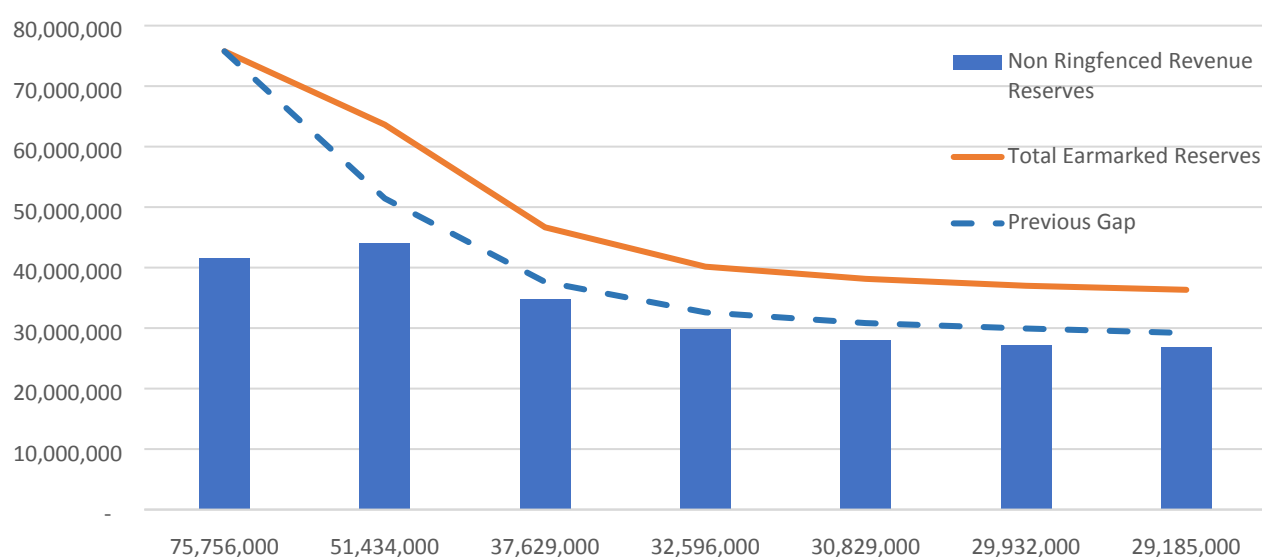
	Original Budget £m	Deletion £m	Slippage £m	Spend £m	% Change on Original Budget

General Fund	262.855	(0.816)	(54.003)	208.035	(20.9)
Housing HRA	33.564	nil	(0.517)	33.047	(1.5)

- 1.4. The Prudential Indicators relating to treasury management have not been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.
- 1.5. As at 31 March 2019, deposits were £65.350m, achieving an average annual rate of return of 0.79% against a benchmark average (London Interbank Bid Rate - LIBID) of 0.57%. The benchmark is the rates that banks pay to attract deposits from other banks.
- 1.6. The total value of long-term loans as at 31 March 2019 was £304.080m, taken at an average interest rate of 3.86%. There has been no new external long-term borrowing in the 2018/19 financial year to date, but the council did borrow £45m on a short term basis split into £15.000m on the 1st of November 2018, £20.000m on the 7th December 2018 and £10.000m on the 30th March 2019. All short term borrowing was taken for a period of 6 months, with the first two tranches being taken at a rate of 1%pa and the final tranche being taken at a rate of 0.95% p.a. (and additional broker commission of £0.004m).
- 1.7. The total sundry debt owed to the Council as at 31 March 2019 was £48.188m. Between February and March 2019 overall debt increased by £14.911m, with the value of debts aged over 60 days decreasing by £4.666m.
- 1.8. A fuller analysis of the council's outturn position can be found within the Strategic Performance report on this Committee's agenda or otherwise within the Outturn report being presented to the Financial Performance and Contracts Committee on the 19th June 2019.

2. Impact of outturn on reserve forecasts

- 2.1. The financial position achieved by the council at the end of 2018/19 was significantly improved from that being forecast throughout the year which has had a consequential beneficial impact on the level of reserves held.
- 2.2. During 2018/19, the council anticipated it would hold £51.4m at the end of 2018/19 compared with an outturn position of £63.326m. At the end of the 5 year MTFS period this means an increase in forecast reserves from £29.185m to £36.330m. Despite this improvement, the risks to the council's financial position remain stark given challenging savings requirements of £19.965m in 2019/20 and £14.6m in 2020/21 plus a remaining 2020/21 gap of £5.9m.
- 2.3. The improvement in forecast reserves levels can be seen within the graph and table below.



	2017/18 closing bal	2018/19 closing bal	2019/20 forecast bal	2020/21 forecast bal	2021/22 forecast bal	2022/23 forecast bal	2023/24 forecast bal
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Capital</u>							
Capital - CIL	22,560	2,388	2,388	2,388	2,388	2,388	2,388
Revenue implications of capital	-	1,441	1,153	865	576	288	-
Total Capital Reserves	22,560	3,829	3,541	3,253	2,964	2,676	2,388
<u>Revenue</u>							
New Homes Bonus	19,330	-	-	-	-	-	-
MTFS	11,045	34,036	28,679	25,713	25,712	26,579	26,818
Strategic Contract Realignment	-	600	-	-	-	-	-
Revenue - Projects	2,612	1,629	406	-	-	-	-
Transformation	3,432	3,083	2,466	1,850	1,233	617	-
Revenue - Service Specific	5,144	4,771	3,323	2,215	1,108	-	-
Non Ringfenced Revenue Reserves	41,563	44,119	34,874	29,778	28,053	27,196	26,818
<u>Ringfenced</u>							
DSG	501	1,543	-	-	-	-	-
Collection Fund Smoothing Reserve	2,482	6,380	3,064	3,064	3,064	3,064	3,064
Housing Benefits	3,542	3,981	3,981	3,981	3,981	3,981	3,981
North London Sub Region	567	79	79	79	79	79	79
PFI	-	-	-	-	-	-	-
Public Health	2,392	1,462	-	-	-	-	-
Special Parking Account	2,149	2,233	1,117	-	-	-	-

Total Ringfenced	11,633	15,678	8,241	7,124	7,124	7,124	7,124
Total Earmarked Reserves	75,756	63,626	46,656	40,155	38,141	36,996	36,330

3. Business Planning for the years 2020-24

3.1 Savings

- 3.1.1 The delivery of savings is a key challenge given their scale therefore officers are prioritising their delivery accordingly. Savings are being actively monitored, with progress and operational progress being discussed and challenged in regular delivery sessions with all service areas. The council's financial management arrangements will track savings against targets and trigger immediate implementation of mitigation strategies where needed.
- 3.1.2 There are savings totalling £20m being delivered in 2019/20. Any difficulty in delivering these savings will be reported through the Financial Performance and Contracts Committee during the year. Should any savings be unachievable and suitable mitigations not be sufficient, additional savings will be required in 2020/21 in order to ensure the budget deficit does not increase.
- 3.1.3 The 2020/21 savings total identified is £14.6m which presently leaves a gap of £5.9m. Officers are actively working on proposals to bridge the gap and these will be presented to Theme Committees for consideration in autumn.
- 3.1.4 The following table displays the summary of currently identified savings proposals within the MTFS.

Theme Committees	19/20	20/21	21/22	22/23	23/24	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Adults & Safeguarding	(6,081)	(3,402)	(1,724)	(1,332)	(1,092)	(13,631)
Assets, Regeneration & Growth	(1,064)	(2,273)	(1,757)	(700)	(500)	(6,294)
Children, Education & Libraries	(3,912)	(1,959)	(1,009)	(1,404)	(1,509)	(9,793)
Community Leadership	(243)	-	-	-	-	(243)
Environment	(4,630)	(3,800)	(1,800)	(2,400)	(2,500)	(15,130)
Housing	(1,248)	(869)	(1,640)	(1,660)	(1,237)	(6,654)

Policy & Resources	(2,312)	(1,827)	(661)	(434)	(361)	(5,595)
Public Health	(1,132)	(424)	(310)	(350)	(352)	(2,568)
Identified Savings	(20,622)	(14,554)	(8,901)	(8,280)	(7,551)	(59,908)
Adults Pipeline Savings	-	-	(1,200)	(2,375)	(1,950)	(5,525)
Total Savings	(20,622)	(14,554)	(10,101)	(10,655)	(9,501)	(65,433)
CT growth and CT support savings (shown as CT income)	(657)	-	-	-	-	(657)
Savings as per MTFS	(19,965)	(14,554)	(10,101)	(10,655)	(9,501)	(64,776)

3.2 Strategic context

- 3.2.1 The council is operating in an extremely uncertain environment. Arrangements for the Fair Funding Review, which will establish new baselines for each local authority in time for the start of the new 75% business rates retention scheme, have been expected to come into force from April 2020. Should this happen it will mark a fundamental change to the mechanism of local authority funding.
- 3.2.2 The next spending review is also anticipated to take place during 2019. This will effectively be a Government announcement of new spending plans for public services and investment, covering as a minimum the 2020/21 Financial Year and in all probability the two following financial years as well. Spending reviews are a mechanism enabling the Government to set out policies to support its vision for the country, and hence have the potential to bring about big changes in the shape of public services
- 3.2.3 These two fundamental changes in local government funding could significantly affect the council and given their timing, may not allow sufficient time for it to respond prior to their implementation.
- 3.2.4 The council is satisfied that at such an early stage in the financial year, the underlying assumptions underpinning the MTFS remain consistent with the current iteration of the MTFS as presented in the budget report to the Policy and Resources Committee. As this can change quickly, and, recognising the uncertainty in the economic environment, the council will undertake a thorough refresh of its MTFS during the summer and present back an updated picture in October 2019.

3.2.5 This refresh of the MTFS will coincide with the presentation of options to Theme Committees in relation to the closing of the 2020/21 budget deficit. This will also confirm which proposals are recommended to be taken forward in the budget setting process.

3.3 Operational issues

3.3.1 There are a number of decisions which are required of the Policy and Resources Committee in order to ensure the day to day financial management of the council remains robust.

Coroners Budget

3.3.2 The Coroners budget is currently located within the Central Expenses division however it is managed by officers within the Environment service. The current estimated value of the virement is £290k however the value to be transferred will be based on the actual 2019/20 costs once the value is confirmed. Committee are recommended to approve the virement.

Legal Services Budget

3.3.3 The legal services budget overspent by £700k in 2018/19 as a result of service demand and a difficult income target. £600k of growth funding was approved by Council for 2019/20 which means a remaining £100k pressure would occur if expenditure remained at 2018/19 levels. In order to ensure that demand is managed down it is recommended that budgets are disaggregated across all council departments accessing the service.

3.3.4 This table shows a comparison of 18/19 and 19/20 Legal Services budgets.

Year	Value
Budget Allocation for the year 2018/2019	£2,882,178
Budget Allocation for the year 2019/2020	£3,482,178
Budget increase	£600,000
2018/19 Overspend	(£700,000)
2019/20 Residual pressure (to manage down)	(£100,000)

3.3.5 The table below shows the budget allocations across service areas for 2019/20, based on 18/19 forecast outturn. Taking the additional funding into account, service areas will receive budgets for 85% of their 2018/19 costs. In this way the service areas will be expected to manage access to the service within their resource allocations.

Service area	Allocated Budget	Estimated share of residual pressure
Adults and Health	£185,316	-£5,322
Assurance	£162,656	-£4,671
Children's Family Services	£1,646,487	-£47,283
Children's Service DSG	£5,731	-£165
Deputy Chief Executive	£895,828	-£25,726
Environment	£89,337	-£2,566
Finance	£40,456	-£1,161
HRA	£146,907	-£4,219
Regional Enterprise	£309,460	-£8,887
Total	£3,482,178	-£100,000

Non pay inflation allocations

3.3.6 Provision is made within the MTFS each year for non-payroll related inflationary costs. For 2019/20 this totals £3.144m. Officers are presently calculating the likely effect of contractual increases that will be paid in during the year. To support financial management and minimise budget variances early in the financial year it is recommended that a decision to enact a virement for non pay inflationary increases to departments up to the budgeted value of £3.144m is delegation to the Director of Finance (Section 151 Officer). This will take place once a robust assessment of requirement has taken place.

Pay Inflation

3.3.7 The council makes provision for a cost of living increase for employees during the MTFS process. This budget is then allocated to services once the revised pay scales are confirmed. This allocation purely relates to the inflationary increase. Any further increase as a result of performance, promotions or any other arrangements are met from within existing service resource levels.

3.3.8 The agreed pay award was for 2% for the majority of the workforce however staff on lower grades will experience a much greater percentage increase. This particularly affects Streetscene where there is a larger proportion of staff on the affected grade. As such, a recommendation is made to delegate a decision to the Director of Finance to allocate an additional amount to cover this higher increase once calculated.

3.3.9 The pay inflation virement for the base 2% increase as recommended is displayed in the table below.

Service area	2% pay award
Adults and Health	320,243
Assurance	75,588
Children's Family Services	584,903
Growth and Corporate Services	95,988
Environment	394,020
Finance	79,045
Grand Total	1,549,788

Agency Recharge Virement

3.3.10 On the 20th February 2019, this Committee was informed of the need to adjust the budgets for service areas in relation to the removal of an internal recharge mechanism relating to agency staff.

3.3.11 Previously when service areas paid the cost of their agency workers, a premium was applied in the form of an administrative charge which was then credited to a central budget within the council. Under the new payment arrangements, no such premium is applied or credited. This means that service areas will benefit as the costs being charged to service areas are lower, however, this leaves a funding gap where the premium used to be credited to.

3.3.12 In order to correct this, service areas will see a budget reduction as set out in the table below. This reduction will be used to eradicate the expectation of recharge income within central budgets. The impact of this change is effectively nil on service areas as both the costs and budgets will be reduced by the same amount.

3.3.13 The reduction is calculated on the outturn level of agency spend and incorporates planned reductions in agency staff in line with MTFS savings proposals.

Service	Budget & Cost Reduction £m
Adults & Communities	0.179
Assurance	0.001
Commissioning	0.265
Family Services	1.181

Street Scene	0.244
<hr/>	
Total	1.870

3.4 Capital Changes

Capital Bids

The following projects are recommended to Policy and Resources Committee for approval.

Work to replace the gas supply at Silk House and Shoelands in the fire safety programme: Capital cost £1.965m

3.4.1 In October 2018, fire safety works were identified in relation to the gas supply to two buildings containing 93 flats. To mitigate these risks, the Deputy Chief Executive has given her approval for the supply to be cut off before June 2019 and a recommendation has been put forward for a new system put in place before the winter months. The cost for these works will be circa £2m and will be sourced from capital receipts in 2019/20 and 2020/21.

Reinstating properties following fire damage

3.4.2 In the past year there have been fires in two blocks managed by Barnet Homes. These were successfully controlled and contained, but did cause significant damage. The full refurbishment was not covered by the insurance policy. The £442k cost will be funded by through HRA borrowing, which puts the HRA business plan under significant pressure. Getting these flats back into usage will reduce cost of temporary accommodation and will reinstate an income stream.

Barnet Homes GLA Development Programme: Capital cost £27.625m

3.4.3 The GLA as awarded Barnet Homes a grant of £8.7m to develop 87 affordable homes across 4 sites. This is a large portion of the total £27.6m required to complete the project. The remaining £18.9m would require capital funding. In order to satisfy the grants funding criteria, development must have started across all sites by 31st March 2022.

3.4.4 The cost of this capital will be funded by borrowing within the HR. The scheme will bring in income from rent as well as being a cost avoidance for temporary accommodation within the General Fund.

HRA Acquisitions (phase 2): Capital cost £31.0m (agreed at ARG in March 2019)

3.4.5 In November 2016 the Council approved an outline business case for the delivery of new affordable homes acquired with HRA borrowing. This saw the delivery of 21 new affordable homes for housing applicants.

3.4.6 Building upon this success, the Council approved various phases of purchases utilising General Fund borrowing which saw the deployment of an additional £13m budget and plans to acquire an additional tranche of affordable homes outside London. By the end of Q1 2019-20, The Barnet Group will have delivered over 170 new affordable homes for Barnet's housing applicants in a little over 2 years.

3.4.7 This bid supplements the previously approved HRA programme and focuses on the acquisition of a further 82 properties purchased from Q1 2019/20 onwards funded through HRA borrowing.

Highways Capitalisation: Capital cost £2.0m

3.4.8 The Council maintains over 750km of roads and pavements. Much of this maintenance is funded through revenue however some significant works enhance the network asset and are therefore eligible for capitalisation. This project costs £2m for 2019/20 and will be funded through capital borrowing. This outlay and project was approved by Environment Committee in January 2019

Pinkham Way Modular Housing: Capital cost £1.2m

3.4.9 Originally funding was secured for modular homes, but this has since been revised to 200 permanent mixed tenure homes. There is already £1.5m funding from MHCLG, with a further £1.2m capital funding required to complete the site master plan and planning application process. Along with the 200 homes that will be built on the site, there will be an extra care facilities to support the local community's needs. The cost of this scheme will be General Fund borrowing and will be afforded through the additional rental income generated by the properties.

Colindale and Burnt Oak Infrastructure: Capital cost £0.64m

3.4.10 The infrastructure works in Colindale and Burnt Oak involves using Section 106 and CIL money in conjunction to fund the three elements; Pedestrian and public realm improvements - RAF crossing (£0.34m), Pavement works, (£0.15m) and Southern Square (£0.15m). The funding for this is split at £0.102m of S106 contributions towards the cost of Southern Square, with the remainder funded by CIL

Brent Cross Feasibility Study: Capital cost £0.004m

3.4.11 A Capacity Planning exercise of all existing health estate to determine the health infrastructure requirements of the population growth of the Brent Cross & Cricklewood regeneration zone. This is to be funded entirely by S106 contributions, at a cost of £0.004m.

Grahame Park Health Centre: Capital cost £0.119m

3.4.12 Essential infrastructure/resilience Works to extend the life of the building, and enable the health Centre to meet the initial population demand from the Colindale Gardens and Grahame Park Regeneration schemes. This is to be funded entirely by S106 contributions, at a cost of £0.119m

Highways Commissioning: £0.080m

3.4.13 Following the 2017-18 and 2018-19 S106 and CIL audits, a substantial proportion of the funding identified as most at risk, relates to the various Highways, Parking and Travel-related S106 agreements. These present a delivery challenge that to date has not been able to be addressed through existing capacities and resources. Therefore, it is recommended to bring in a new commissioning capacity to secure the timely resolution of historic problems and ensure delivery of projects.

3.4.14 S106 funding will be used over the next two years to fund a post to deliver the backlog of the schemes. This would be split over three years, with £0.01m in the first year and £0.035m in the subsequent two.

Impact of capital outturn

3.4.15 The capital outturn confirmed reduced capital spend (slippage) of £54.5m compared to the original plan. In summary, the main change was on the General Fund (GF), of which, one item Regional Enterprise (Re), dominated with £49.9m (or 91%) of the GF slippage. The HRA essentially delivered to plan.

3.4.16 It is proposed to approve the 2018/19 capital slippage which will then increase the 2019/20 approved budgets, subject to an officer review to verify that the budgets are still needed

3.4.17 It is therefore recommended that the carry-forward of the £54.5m Capital slippage into the 2019/20 Capital budgets is approved. A scheme by scheme analysis can be found at Appendix A.

3.4.18 Additionally, scheme deletions identified at year end totaling £0.816m can also be found within Appendix A for approval.

5 REASONS FOR RECOMMENDATIONS

4.1 These recommendations are to provide this Committee with the necessary information to obtain oversight of Business planning for the years 2020-24.

4.2 Additionally operational decisions are provided to ensure robust financial management is in place during 2019/20.

6 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

6.1 None

7 POST DECISION IMPLEMENTATION

7.1 None

8 IMPLICATIONS OF DECISION

8.1 Corporate Priorities and Performance

8.1.4 This report provides a summarised strategic overview of the Council's Outturn for the 2018/19 financial year (revenue and capital), as well as an oversight of Business planning for the years 2020-24

8.1.5 Robust business planning is essential to ensure that there is adequate and appropriately directed information and insight to support delivery and achievement of council priorities and targets as set out in the Corporate Plan.

7.1.3 Relevant council strategies and policies include the following:

- Corporate Plan 2015-2020
- Corporate Plan - 2016/17, 2017/18 and 2018/19 Addendums
- Medium Term Financial Strategy
- Performance and Risk Management Frameworks

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

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

7.2.1 The report considers the council's financial position.

8.3 Social Value

8.3.4 None in the context of this report.

8.4 Legal and Constitutional References

8.4.1 Section 151 of the Local Government Act 1972 states that: "without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 111 of the Local Government Act 1972, relates to the subsidiary powers of local authorities.

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

8.4.3 The council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Policy and Resources Committee:

(1) To be responsible for:

- Strategic policy, finance and corporate risk management including recommending: Capital and Revenue Budget; Medium Term Financial Strategy; and Corporate Plan to Full Council
- Finance including:

- Treasury management Local taxation
 - Insurance
 - Corporate procurement
 - Grants
 - Writing-off debt
 - Virements
 - Effective use of resources
 - Procurement Forward Plan
 - Local Plans (except for matters reserved to Full Council)
 - Information Technology
 - Strategic Partnerships
 - Customer Services and Resident Engagement
 - Emergency Planning
- (2) To be responsible for those matters not specifically allocated to any other committee affecting the affairs of the Council.
- (3) Consider for approval budget and business plan of the Barnet Group Ltd.
- (4) To determine fees and charges for services which are the responsibility of the committee.

8.4.4. The council's Financial Regulations can be found at:
<http://barnet.moderngov.co.uk/documents/s46515/17FinancialRegulations.doc.pdf>

8.5 Risk Management

8.5.1 The council has an established approach to risk management, which is set out in the Risk Management Framework. Risks are reviewed quarterly (as a minimum) and any high level (scoring 15+) risks are reported to the relevant Theme Committee and Policy and Resources Committee.

8.6 Equalities and Diversity

8.6.1 Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty which requires a public authority (or those exercising public functions) 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 persons who share a relevant protected characteristic and persons who do not.
- Fostering of good relations between persons who share a relevant protected characteristic and persons who do not.

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

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

- Try to understand the diversity of our customers to improve our services.

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

This is also what we expect of our partners.

8.6.4 This is set out in the council's Equalities Policy, which can be found on the website at: <https://www.barnet.gov.uk/your-council/policies-plans-and-performance/equality-and-diversity>

8.7 Corporate Parenting

8.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles when carrying out functions in relation to children and young people. There are no implications for Corporate Parenting in relation to this report.

8.8 Consultation and Engagement

8.8.1 Consultation on the Corporate Plan 2015-2020 was undertaken between summer 2013 and March 2015. Consultation on the new Corporate Plan 2019-24 was carried out in the summer 2018. The Corporate Plan will be approved by Council in March 2019.

8.9 Insight

8.9.1 None in the context of this report.

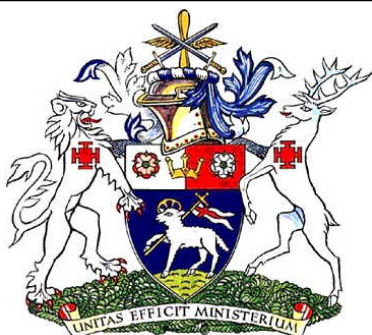
9 BACKGROUND PAPERS

Committee	Item & Agenda	Link
Council	Item 11 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=9456&Ver=4
Policy & Resources 20 February 2019	Item 8 Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9461&Ver=4
Policy & Resources 11 December 2018	Item 8 Corporate Plan 2019-24, Business Planning - Medium Term Financial	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9460&Ver=4

	Strategy 2019/24 and Draft Budget for 2019/20	
Policy & Resources 23 October 2018	Item 10 Budget Management 2018/19	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9459&Ver=4
Policy & Resources 19 July 2018	Item 7 Business Planning	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9725&Ver=4
Policy & Resources 11 June 2018	Item 4 Business Planning	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9458&Ver=4
Full Council 6 March 2018	Item 12 Business Planning 2018-20	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=9162&Ver=4
Policy & Resources 13 February 2018	Item 13 Business Planning 2018-20	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8742&Ver=4
Policy & Resources 21 July 2014	Item 6 Finance and Business Planning – Capital programme and review of reserves	http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7860&Ver=4

Funding Template: Additions & Deletions, Slippage & Accelerated Spend Template					
Directorate	Year	Capital Programme	Funding Type	Additions/ Deletions	Slippage/Accel erated Spend
				£'000	£'000
Adults and Communities	2018/19	Investing in IT	Borrowing	(1,181)	(388)
Adults and Communities	2018/19	Investing in IT	Capital receipts	700	
Commissioning	2018/19	Depot relocation	Capital receipts		(174)
Commissioning	2018/19	Community Centre - Tarling Road	Borrowing		(28)
Commissioning	2018/19	Community Centre - Tarling Road	RCCO/ MRA	(195)	(5)
Commissioning	2018/19	Community Centre - Tarling Road	Grants/contribution	195	
Commissioning	2018/19	Asset Management	CIL	(16)	
Commissioning	2018/19	Asset Management	Capital receipts	(297)	(609)
Commissioning	2018/19	Asset Management	Grants/contribution	313	
Commissioning	2018/19	Libraries asset management	Capital receipts	(65)	(68)
Commissioning	2018/19	Libraries asset management	Borrowing		(167)
Commissioning	2018/19	Libraries asset management	Grants/contribution	65	
Commissioning	2018/19	ICT strategy	Capital receipts		270
Commissioning	2018/19	Customer Services Transformation Programme	Capital receipts		(698)
Commissioning	2018/19	Implementation of Locality Strategy	Capital receipts		(151)
Commissioning	2018/19	Sport and Physical Activites	CIL		326
Commissioning	2018/19	Saracen Loan	Borrowing		(9)
Commissioning	2018/19	Office Build	Borrowing	(128)	(3,640)
Children's services -Education and Skills	2018/19	Modernisation - Primary & Secondary	Grants/contribution	(3)	(655)
Children's services -Education and Skills	2018/19	Healthy Pupils Fund	Grants/contribution	3	154
Children's services -Education and Skills	2018/19	Urgent Primary Places - Temporary Allocated	Grants/contribution	111	
Children's services -Education and Skills	2018/19	Monkfrith	Grants/contribution	(39)	(50)
Children's services -Education and Skills	2018/19	Wren Academy	Grants/contribution	1	
Children's services -Education and Skills	2018/19	London Academy	Grants/contribution	3	(10)
Children's services -Education and Skills	2018/19	St Agnes	Grants/contribution		(8)
Children's services -Education and Skills	2018/19	Saracens Primary	Grants/contribution	(15)	
Children's services -Education and Skills	2018/19	Kosher Kitchen	Grants/contribution		(100)
Children's services -Education and Skills	2018/19	Christ college	Grants/contribution	1	
Children's services -Education and Skills	2018/19	Oak Lodge Special School	Grants/contribution		(45)
Children's services -Education and Skills	2018/19	St Mary's & St John's	Grants/contribution		85
Children's services -Education and Skills	2018/19	St James / Blessed Dominic	Grants/contribution		(745)
Children's services -Education and Skills	2018/19	Christ College Facilities Upgrade	Grants/contribution	(2)	
Children's services -Education and Skills	2018/19	Chalgrove Primary school ASD	Grants/contribution	37	
Children's services -Education and Skills	2018/19	Whitings Hill, Colindale and Northway/Fairway	Grants/contribution	(39)	(6)
Children's services -Education and Skills	2018/19	School place planning (Primary)	Grants/contribution	(21)	21
Children's services -Education and Skills	2018/19	SEN	Grants/contribution	(37)	37
Children's services -Education and Skills	2018/19	Alternative Provision	Grants/contribution		(80)
Children's services - Family Services	2018/19	Early Education and Childcare place sufficiency	CIL	(170)	(187)
Children's services - Family Services	2018/19	Information Management	Capital receipts		85
Children's services - Family Services	2018/19	Unitas Youth Zone (Youth Facilities)	CIL	368	
Children's services - Family Services	2018/19	Unitas Youth Zone (Youth Facilities)	Capital receipts	(1)	1
Children's services - Family Services	2018/19	Unitas Youth Zone (Youth Facilities)	S106	33	
Children's services - Family Services	2018/19	Unitas Youth Zone (Youth Facilities)	Borrowing	(400)	
Children's services - Family Services	2018/19	Loft conversion and extension policy for Foster Carers	Capital receipts		(110)
Children's services - Family Services	2018/19	Meadow Close Children's Homes	Borrowing		(162)
Children's services - Family Services	2018/19	Family Services Estate - building compliance, extensi	Capital receipts	(136)	(49)
Children's services - Family Services	2018/19	Family Services Estate - building compliance, extensi	S106	136	
Housing Needs Resources	2018/19	Empty Properties	Capital receipts		(1,670)
Housing Needs Resources	2018/19	Direct Acquistions	Borrowing		4,230
Housing Needs Resources	2018/19	Modular Homes	Borrowing		(182)
Housing Needs Resources	2018/19	Hermitage Lane - mixed tenure residential conversion	Capital receipts	33	
Housing Needs Resources	2018/19	Hermitage Lane - mixed tenure residential conversion	RCCO/ MRA	(33)	(313)
Housing Needs Resources	2018/19	New Build Housing (Open Door)	Borrowing		1,606
Housing Needs Resources	2018/19	New Build Housing (Open Door)	Capital receipts		1,465
Housing Needs Resources	2018/19	Pinkham Way land release	Grants/contribution		(122)
Housing Needs Resources	2018/19	Micro site development for affordable housing	S106		119
Housing Needs Resources	2018/19	Micro site development for affordable housing	Capital receipts	59	17
Housing Needs Resources	2018/19	Micro site development for affordable housing	Grants/contribution	(59)	59
Parking and Infrastructure	2018/19	Lines and Signs	Borrowing		(137)
Parking and Infrastructure	2018/19	Pay and Display parking machine estate upgrade	Borrowing		(120)
Parking and Infrastructure	2018/19	Moving traffic cameras	Borrowing		(31)
Parking and Infrastructure	2018/19	Controlled parking zones review	Borrowing		(50)
Parking and Infrastructure	2018/19	Highways (permanent re-instatement)	Capital receipts		(123)
Regional Enterprise	2018/19	Local Implementation Plan 2016/17 and onwards	Grants/contribution	(535)	
Regional Enterprise	2018/19	Bridge Assessment	Grants/contribution	19	
Regional Enterprise	2018/19	Borough Cycling Programme	Grants/contribution	672	
Regional Enterprise	2018/19	Highways Improvement	S106		27
Regional Enterprise	2018/19	Travel Plan Implementation	S106		(50)
Regional Enterprise	2018/19	Carriageways	Borrowing		334
Regional Enterprise	2018/19	Saracens - highways works	S106	31	(24)
Regional Enterprise	2018/19	Drainage Schemes	Grants/contribution		(69)
Regional Enterprise	2018/19	Drainage Schemes	Borrowing		159
Regional Enterprise	2018/19	Road Traffic Act - Controlled Parking Zones	S106		(60)

Regional Enterprise	2018/19	Investment in Roads & Pavement (NRP)	Borrowing	(691)	(666)
Regional Enterprise	2018/19	Investment in Roads & Pavement (NRP)	Grants/contribution	691	
Regional Enterprise	2018/19	BXC - Funding for land aquisition	Borrowing		(1,074)
Regional Enterprise	2018/19	Colindale – Highways and Transport	S106		(608)
Regional Enterprise	2018/19	Colindale – Parks, Open Spaces and Sports	CIL		(206)
Regional Enterprise	2018/19	Colindale – Parks, Open Spaces and Sports	S106		35
Regional Enterprise	2018/19	Grahame Park – Community Facilities	S106		(10)
Regional Enterprise	2018/19	Town Centre	Grants/contribution		(92)
Regional Enterprise	2018/19	Thames Link Station	Grants/contribution		(28,670)
Regional Enterprise	2018/19	Thames Link Station	Borrowing		(2,874)
Regional Enterprise	2018/19	Development pipeline	Borrowing		(13)
Regional Enterprise	2018/19	Development Pipeline Strategic Opportunities Fund	Borrowing		20
Regional Enterprise	2018/19	Strategic Infrastructure Fund	Borrowing		(16,000)
Regional Enterprise	2018/19	Refurbish and regenerate Hendon Cemetery and Crematorium	Capital receipts		5
Regional Enterprise	2018/19	Hendon Cemetery & Crematorium Enhancement	Grants/contribution	84	
Regional Enterprise	2018/19	Hendon Cemetery & Crematorium Enhancement	Capital receipts	(84)	(32)
Regional Enterprise	2018/19	Decent Homes Programme	Capital receipts		(65)
Streetscene	2018/19	Old Court House - public toilets	S106		(40)
Streetscene	2018/19	Parks & Open Spaces and Tree Planting	Grants/contribution		(12)
Streetscene	2018/19	Parks & Open Spaces and Tree Planting	Capital receipts		(7)
Streetscene	2018/19	Park Infrastructure	Grants/contribution	(51)	
Streetscene	2018/19	Park Infrastructure	S106	(85)	
Streetscene	2018/19	Victoria Park Infrastructure	Capital receipts		(75)
Streetscene	2018/19	Data Works Management system	Grants/contribution	52	
Streetscene	2018/19	Data Works Management system	Capital receipts	(52)	(380)
Streetscene	2018/19	Parks Equipment	Grants/contribution	84	
Streetscene	2018/19	Parks Equipment	Capital receipts	(86)	(7)
Streetscene	2018/19	Parks Equipment	Borrowing	(8)	
Streetscene	2018/19	Weekly Collection Support Scheme	Grants/contribution	1	
Streetscene	2018/19	Vehicles	Borrowing		(684)
Streetscene	2018/19	Vehicles	Capital receipts		1
Streetscene	2018/19	Street cleansing and greenspaces - vehicles and equipment	Borrowing		(1)
Streetscene	2018/19	Green spaces development project	Borrowing	(79)	(288)
HRA	2018/19	Major Works (excl Granv Rd)	RCCO/ MRA		(210)
HRA	2018/19	Regeneration	RCCO/ MRA		(345)
HRA	2018/19	Miscellaneous Repairs	RCCO/ MRA		491
HRA	2018/19	M&E/ GAS	RCCO/ MRA	(1,773)	(104)
HRA	2018/19	M&E/ GAS	Grants/contribution	1,773	
HRA	2018/19	Voids and Lettings	RCCO/ MRA		307
HRA	2018/19	Advanced Acquisitions (Regen Estates)	Capital receipts	(12)	
HRA	2018/19	Advanced Acquisitions (Regen Estates)	RCCO/ MRA	12	
HRA	2018/19	Ansell Court - extra care housing	Borrowing	(5,469)	(600)
HRA	2018/19	Ansell Court - extra care housing	RCCO/ MRA	2,461	
HRA	2018/19	Ansell Court - extra care housing	Capital receipts	3,008	
HRA	2018/19	Dollis Valley - prpoerty acquisitions	Capital receipts		(12)
HRA	2018/19	Extra Care- housing (Stag & Cheshire)	Grants/contribution	(40)	(20)
HRA	2018/19	Extra Care- housing (Stag & Cheshire)	Borrowing	(300)	
HRA	2018/19	Extra Care- housing (Stag & Cheshire)	Capital receipts	340	
HRA	2018/19	Burnt Oak Broadway Flats - additional storey	Capital receipts	48	32
HRA	2018/19	Burnt Oak Broadway Flats - additional storey	Borrowing	(48)	
HRA	2018/19	Upper & Lower Fosters Community Led Design	Capital receipts	439	
HRA	2018/19	Upper & Lower Fosters Community Led Design	RCCO/ MRA	(439)	(480)
HRA	2018/19	Stag house - property purchase	Capital receipts	325	
HRA	2018/19	Stag house - property purchase	Borrowing	(325)	(585)
HRA	2018/19	HRA Fire Safety Programme	RCCO/ MRA		1,009
			Total	(816)	(54,521)



AGENDA ITEM 9

Policy and Resources Committee

17 June 2019

Title	Cross Council Assurance Service (CCAS) Procurement
Report of	Chairman of the Policy and Resources Committee
Wards	All
Status	Public
Urgent	Yes The lead authority for collaborative procurement has withdrawn. London Borough of Barnet requires authorisation to procure to enable lead delivery of the collaborative procurement to establish a framework to commence 1 April 2020.
Key	Yes
Enclosures	None
Officer Contact Details	Clair Green, Director of Assurance Clair.Green@barnet.gov.uk Caroline Glitre, Head of Internal Audit Caroline.Glitre@barnet.gov.uk

Summary

Since 2014 Barnet have been in contract with Pricewaterhouse Coopers (PwC) to deliver internal audit, assurance, and advisory services under a framework contract known as the Cross-Council Assurance Service (CCAS). The framework was open to all local authorities, health bodies, and arms-length management organisations in Greater London and the South East, and was led by Islington Council. The contract was initially for a four-year period, and was extended for a further two years in 2018. It will expire with no option to renew on 31 March 2020.

The CCAS has been used to support the delivery of our internal audit work programme, improve our risk management processes, and to provide advisory services across the council.

This report requests authorisation to commence a procurement activity, led by Barnet, to secure a provider or providers to continue the Cross-Council Assurance Service for the provision of audit, assurance, and advisory services from April 2020, after the end of the current contract. Barnet will work with the following named authorities to agree the specification, conduct the procurement, and undertake the evaluation of tender submissions:

- Barking and Dagenham
- Enfield
- Hammersmith & Fulham
- Kensington and Chelsea
- Lambeth
- Waltham Forest
- Westminster

Barnet and other members of the CCAS framework will use the contract to access these services when required on an optional basis. The framework will also look to develop our in-house internal capacities through collaboration and knowledge sharing with the chosen provider(s) and the other councils that form part of CCAS.

Officers Recommendations

- 1. That the Policy and Resources Committee authorises officers to commence and lead on collaborative procurement activity with identified contracting authorities to establish a framework agreement for a provider of audit, assurance, and advisory services from April 2020, for four (4) years until March 2024, accessible by London councils and other public sector bodies, with the option to extend this term to be explored.**

1. WHY THIS REPORT IS NEEDED

- 1.1 In 2013 Barnet commenced a procurement activity with a number of other boroughs, led by Islington Council, for a provider of internal audit, assurance, and advisory services on a framework contract known as the Cross-Council Assurance Service (CCAS).
- 1.2 Pricewaterhouse Coopers (PwC) was selected as the provider for the framework in 2014 following the conclusion of the procurement process. PwC have worked with member boroughs to both develop the framework and to directly deliver internal audit and assurance related work. The original contract ran for four years before the decision to extend for a two-year period was passed in June 2018. The contract is due to expire in 31 March 2020 and has no option to extend.
- 1.3 Barnet require approval to lead on the procurement of a new provider or providers for the provision of audit, advisory, risk management, and anti-fraud services. This will be a framework contract, with a number of named boroughs taking part in the procurement process. The chosen provider or providers will commence 1 April 2020 to allow for the continuation of the CCAS following the 31 March 2020 expiry of the current contract. This will be a framework contract and we envisage a number of other boroughs and public bodies taking out access agreements over time.
- 1.4 The CCAS will allow for the provision of audit, assurance, and advisory services. Barnet will be able to access these services when needed, particularly when specialist knowledge or experience is required to meet our objectives. The CCAS will also be used to develop our own in-house capability, through knowledge sharing and collaboration with the chosen provider(s) and the other councils that will use the contract.
- 1.5 The services provided by the CCAS will be used to support the delivery of our internal audit and anti-fraud forward plans, as well as providing advisory work for other areas of the council. It means we do not need to embark on lengthy and potentially expensive individual procurement processes when areas require these services.
- 1.6 The combined purchasing power of the named boroughs and public bodies and other potential framework members will help to reduce costs whilst maintaining the high quality needed for internal audit, assurance, and advisory services. The importance of quality for these services will be reflected in the tender evaluation.

2. REASONS FOR RECOMMENDATIONS

- 2.1 We require approval to commence procurement activity to secure a provider or providers for the provision of audit, assurance, and advisory services. This will be a framework contract led by Barnet, as this will provide the best value for money, generate market interest, will provide opportunity for service development, and allows for better contract governance and scrutiny, ensuring it meets our needs of delivering high quality services.
- 2.2 The CCAS has provided valuable services to Barnet, and assists in helping us meet our statutory duties and corporate priorities. It has been widely used to support our audit and anti-fraud forward plans, including for the provision of specialist audits and advice that cannot be delivered by our in-house function. The risk management provisions were

used to review our risk management framework, and the advisory services have been used across the council, such as for the Performance Governance Review, Three Lines of Defence work, Family Services Document Reclassifications, and Highways SPIRs reviews. Commencement of a new procurement will allow us to tailor any future contract further to our needs.

- 2.3 The CCAS will facilitate cross-council working and standardisation, as well as the development of our own in-house capability through knowledge sharing and collaboration with the chosen provider or providers and other boroughs.
- 2.4 Failure to initiate this procurement process risks leaving Barnet without a provider for internal audit, assurance, and advisory services. As per The Accounts and Audit Regulations 2003, we are required to “maintain an adequate and effective system of internal audit”. The CCAS assists us in delivering this duty.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The Committee could choose to not commence this procurement. However, this option is not recommended as it will negatively impact Barnet’s capacity to deliver our internal audit and anti-fraud functions. The in-house Internal Audit team would not have the capacity or capability to deliver the entire Internal Audit plan. An “adequate and effective system of internal audit” is required under section 6 of The Accounts and Audit Regulations 2003.
- 3.2 Barnet could choose to procure the services separately or on an ad hoc basis, but this would not be the most cost-effective option, and would not provide the valuable opportunity for collaborative working, with both the provider and other councils, the framework would offer.
- 3.3 There is the option to join a different framework, but this framework does not match our needs and is therefore not recommended.
- 3.4 The option for another council to lead on the procurement has been discussed with colleagues at other councils and it was agreed that Barnet is best placed to do this. This is because Barnet is one of the six founding members of CCAS, therefore has knowledge of the current contract that is in place, and Barnet has an in-house Head of Internal Audit to drive the procurement forward.

4. POST DECISION IMPLEMENTATION

- 4.1 If the Committee approves the recommendation;
- we will commence and lead on procurement activity seeking to secure a provider or providers of audit, assurance, and advisory services. This activity will be undertaken on the basis that Barnet will establish a framework agreement, with other councils and public bodies being able to access the framework through access agreements;
 - we will make further recommendations regarding decisions on awarding a framework agreement for these services following the conclusion of the procurement process.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Effective audit and risk assurance arrangements support continuous improvement in the delivery of the Council's objectives set out in the Corporate Plan 2019-2024, and thus supports the delivery of those objectives by giving an auditor judgement on the effectiveness of the management of the risks associated with delivery of the service.
- 5.1.2 A comprehensive Internal Audit Plan is essential to giving an annual Internal Audit Opinion on the internal control environment (ICE) which is fundamental for the achievement of all of the Council's objectives. This opinion forms an integral element of the Annual Governance Statement.
- 5.1.3 The Annual Internal Audit Plan is based on the risks identified by the organisation.
- 5.1.4 The Council, under the Financial Regulations of the Council's Constitution, requires provision of an adequate and effective system of internal audit.
- 5.1.5 The advisory services will help to deliver Corporate Plan 2019-2024 objectives relating to the area using the services.

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

- 5.2.1 This is an opportunity to lead a large number of boroughs in a collaborative procurement and therefore the potential to achieve lower rates and better value for money.
- 5.2.2 The framework agreement will be divided into Lots. Any spend against the Internal Audit lot will be funded from the Internal Audit budget; for Anti-Fraud from the CAFT budget. Any Advisory or Risk Management work commissioned through the framework will be funded by the team commissioning the work.

5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. As such social value will be considered as part of the scoring criteria within the tender process.

5.4 Legal and Constitutional References

- 5.4.1 The Council has powers and duties to provide audit, assurance and advisory services under the Local Audit and Accountability Act 2014 and The Accounts and Audit Regulations 2003, including maintaining an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with proper internal audit practices.
- 5.4.2 The threshold for the application of the Public Contracts Regulations 2015 (PCR) to public procurement of services is currently £181,302. The value of the contracts that may be let under the proposed framework agreement will exceed this threshold and must therefore be advertised in the Official Journal of the European Union (OJEU), and be procured under a competitive tendering procedure in compliance with the (PCR).
- 5.4.3 The council can establish a framework agreement under Regulation 33 of the PCR. A framework agreement can be between one or more authorities and one or more suppliers, and contracts can be 'called off' under the framework as required by the participating authorities. The call off procedures will be set out in the framework agreement.

The framework agreement can include Lots.

The term of a framework agreement cannot exceed 4 years, except in exceptional cases duly justified, in particular by the subject-matter of the framework agreement.

- 5.4.4 The procurement process will be conducted in a transparent, fair and proportionate and non-discriminatory way in compliance with the PCR and tenders will be subject to evaluation in accordance with the published tender evaluation model.
- 5.4.5 Under Barnet's Contract Procedure Rules, this procurement must be authorised by a decision of the relevant theme committee, which for Audit functions is the Policy and Resources Committee, unless it is included on the Annual Procurement Forward Plan.
- 5.4.6 The Council's Financial Regulations require the council to have in place a framework for managing the financial affairs of the Council.
- 5.4.7 Legal services should be instructed to support the procurement process

5.5 Risk Management

- 5.5.1 The risks of failing to commence this procurement are:
 - a) Weaknesses in the effectiveness of internal control in key areas are not identified and addressed owing to an inability to complete the audit plan and the inability to achieve the required audit coverage across all council service areas.
 - b) An inability, owing to lack of adequate coverage, for Internal Audit to support assertions in the Annual Governance Statement or to express an opinion around the effectiveness of the council's Governance framework, including the system of internal control which must be reported in the Annual Governance Statement under

Regulation 4(2) of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (Amendment) England Regulations 2006.

- c) Non-compliance with the Accounts and Audit Regulations 2003 which states at Section 6 that “a relevant body shall maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices”

5.6 Equalities and Diversity

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

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

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

The equalities and non-discrimination policies and procedures of tenderers will be evaluated during the tender process to assess compliancy.

5.6.2 The provision of audit, assurance, and advisory services affects all members of the community in a consistent way, including those with protected characteristics.

5.7 Corporate Parenting

5.7.1 Not applicable to this decision.

5.8 Consultation and Engagement

5.8.1 Not applicable to this decision.

5.8 Insight

5.8.1 Not applicable to this decision.

6. BACKGROUND PAPERS

- 6.1 The decision to enter into the original framework procurement was made on 18 April 2014 by Cabinet Resource Committee. See decision item 6:

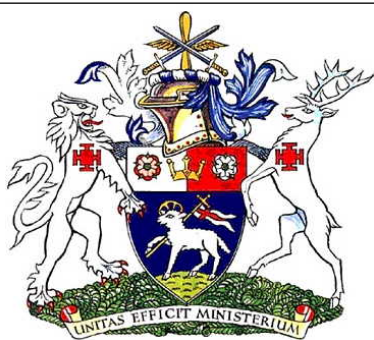
<http://barnet.moderngov.co.uk/documents/g6759/Printed%20minutes%2018th-Apr-2013%2020.00%20Cabinet%20Resources%20Committee.pdf?T=1>

- 6.2 The decision to access the extended framework contract with Pricewaterhouse Coopers (PwC) for a two-year period was agreed in June 2018. See decision item 1.

<http://barnet.moderngov.co.uk/documents/s47483/Access%20to%20the%20Cross-Council%20Assurance%20Service%20CCAS%20Internal%20Audit%20Anti-Fraud%20Risk%20Management%20and.pdf>

- 6.3 A report on the activities of CCAS was taken to the Audit Committee on 3 November 2016. A further update on the activities of CCAS is due to be taken to the Audit Committee on 16 July 2019. See decision item 7.

<http://barnet.moderngov.co.uk/documents/s35664/Appendix%203%20-%20CCAS%20Annual%20Report.pdf>



Policy and Resources Committee

17 June 2019

Title	Annual Equalities Report 2018/19
Report of	Chairman of Policy and Resources Committee
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	<p>Appendix 1: Annual Equalities Report 2018/19</p> <p>Appendix 2: Barnet Council Workforce Equalities Data</p> <p>Appendix 3: Progress against Equalities Action Plan 2018/19</p> <p>Appendix 4: Equalities, Diversity and Inclusion Action Plan 2019/20</p>
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Summary

This report seeks approval for the council's Annual Equalities Report for the financial year 2018-19 which demonstrates how the council complies with the Public Sector Equality Duty in the Equality Act 2010. The publication of the Annual Equalities Report (AER) forms part of that process.

This AER looks back over the previous financial year and details how the council has approached its statutory responsibilities under The Equality Act and the Public Sector Equality Duty; our approach to implementing our equalities policy; and our progress against our Strategic Equalities Objective, which is set out in the Barnet 2024 Corporate Plan. The AER also proposes a number of priorities for further work that are included in the Equalities, Diversity and Inclusion (EDI) Action Plan 2019/20. The Plan incorporates legal duties as well as best practice and internal audit findings (Appendix 4). This action plan will be overseen by the council's cross-cutting steering group on Equalities, Diversity and Inclusion chaired by CMT Sponsor for this agenda.

Officers Recommendations

- 1. That the Committee approve the Annual Equalities Report 2018/19 for publication on the council website.**
- 2. That the Committee approve Equalities, Diversity and Inclusion Action Plan implementation for 2019/20.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Public Sector Equality Duty requires public bodies and others carrying out public functions to have due regard to the need to eliminate discrimination, to advance equality of opportunities and foster good relations.
- 1.2 The council has a Strategic Equalities Objective (SEO) that states how it will meet the duty. The current SEO – that residents be treated equally, with understanding and respect, and will have equal access to quality services - is set out in the current Corporate Plan: *Barnet 2024* which was published in March 2019. An annual Equalities and Diversity Action plan provides a detailed view of how the objective will be met. This report provides an update on progress against the 18/19 plan, and includes the updated plan for 19/20.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Council is strengthening Equalities, Diversity and Inclusion agenda in order to demonstrate its legal duty, implement best practice and ensure our workforce reflects communities we serve.
- 2.2 Furthermore, in order to transparently monitor performance against the SEO, an Annual Equalities Report is produced by the council and published on the council website.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 There are no alternative reporting options considered.

4. POST DECISION IMPLEMENTATION

- 4.1 Once the Annual Equalities Report has been considered and approved by Policy and Resources Committee, it will be published on the equalities pages of the council's website. The priority actions identified in the Equalities, Diversity and Inclusion Action Plan for the financial year 2019/20, set out in the report, will be implemented.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 For the reporting period of 2018/19, the council's Strategic Equalities Objective (SEO) was part of the Corporate Plan 2016-2020. It was that citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the tax payer. The new Corporate Plan, Barnet 2024, included a refresh of the SEO as outlined in section 1.2.
- 5.1.2 To transparently monitor performance against the SEO, an Annual Equalities Report is publicly reported to council. The report details how the council has approached its statutory responsibilities under The Equality Act 2010 and Public Sector Equality Duty, (the report is included at Appendix 1 to this report).

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

- 5.2.1 There are no resource implications as a result of this report. However, the EDI Action Plan 19/20 (Appendix 2) does identify some areas where additional resources will be required to meet the stated objectives. These resources have been identified within a transformation budget.

5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2012 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 council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Policy and Resources Committee to be responsible for Strategic policy and to be responsible for those matters not specifically allocated to any other committee affecting the affairs of the Council

- 5.4.2 The council has statutory obligations under the Equality Act 2010 - and s149 which sets out the Public Sector Equality Duty (PSED) - which came into force on 5 April 2011.

5.4.3 General Public Sector Equality Duty

The Public Sector Equality Duty ('PSED') consists of a general duty, with three main aims. The general duty requires public bodies to have due regard to the need to:

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

5.4.4 Obligations to publish information and set objectives

By the Equality Act 2010 (Specific Duties and Public Authorities) Regulations, SI 2017/ 353 the council is required to publish information to demonstrate its compliance with the Public Sector Equality Duty. The information must include information relating to persons who share a protected characteristic, who are its employees, or who are affected by the council's policies or practices. Publication is required annually. This information has been set out in each Annual Equalities Report published since 2014. Under the same regulations the council is also required to set and publish equality objectives to comply with the Public Sector Equality Duty, at least every 4 years.

5.4.5 Protected Characteristics

The 2010 Equality Act identifies the following protected characteristics:

- age
- disability

- gender reassignment
- marriage and civil partnership
- pregnancy and maternity
- race
- religion or belief
- sex
- sexual orientation

5.4.6 In addition to assessing the impact of proposals on the nine protected characteristics, the council also assess the impact on certain other groups, whenever possible, who may be considered disadvantaged and/or vulnerable. These additional groups include; carers, people on a low income, those who are unemployed, young people who are not in education employment or training (NEET), people with mental health issues and some families and lone parents.

5.5 Risk Management

5.5.1 Progress will be monitored against the council's Strategic Equalities Objective, to mitigate against a range of equalities risks, and to ensure that the council meets its statutory obligations under the Equality Act 2010 and the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

5.5.2 The council's 2014 Equalities Policy outlines how the council works with partners to ensure that our obligations under the Equality Act 2010 are understood and implemented. This Policy is currently being updated.

5.5.3 We work in partnership with organisations that have processes in place to meet their obligations under the Equality Act 2010. Equalities impact assessments are required as part of contractual agreements. The Strategy Team has supported officers from across the council during 2018/19 to ensure that equalities considerations are embedded into the decisions the council and partners make, and into business and financial planning processes. This has moved from being the responsibility of the Equalities Lead, to a shared responsibility across the team, which has been supported by Equality Champions from September 2018 onwards.

5.5.4 The Independent Government Review into PSED (September 2013) recommended that public sector bodies should take a proportionate approach to the requirement to pay due regard to equalities and not seek to 'gold plate'. It also recommended that the PSED should be further reviewed, suggesting in three years' time (September 2016). No further information is available about any proposed review of the PSED.

5.6 Equalities and Diversity

5.6.1 The legal requirements of the 2010 Equality Act are outlined above and describe the requirement for public bodies to pay due regard to equalities.

- 5.6.1 This Annual Equalities Report responds to the requirement to publish information to show compliance with the Equality Duty at least annually.

5.7 Corporate Parenting

- 5.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. Age is a protected characteristic and Barnet's approach to Equalities is to ensure that the most vulnerable are protected.

5.8 Consultation and Engagement

- 5.8.1 It is not considered necessary to consult on the Annual Equalities Report. The Annual Equalities Report will be published on the council's website.

5.8 Insight

- 5.8.1 This report demonstrates how Equality and Diversity Data is used by the council to meet it's PSED, including the Joint Strategic Needs Assessment.

6. BACKGROUND PAPERS

- 6.1 December 2018 Policy and Resource Committee: Annual Equalities Report 2017/18
<http://barnet.moderngov.co.uk/documents/s50100/Annual%20Equalities%20Report%20201718.pdf>
- 6.1 June 2017 Policy and Resource Committee: Annual Equalities Report 2016/17
<https://barnet.moderngov.co.uk/documents/s40460/Annual%20Equalities%20Report%202016-17.pdf> .
- 6.2 June 2016 Policy and Resource Committee: Annual Equalities Report 2015/16
<https://barnet.moderngov.co.uk/documents/s32732/Annual%20Equalities%20Report%20201516.pdf> .
- 6.3 January 2015 Full council: Adoption of Equalities Policy
https://www.barnet.gov.uk/dam/jcr:45f49f6e-2d2f-4d0c-a35f-bd9a200def51/008627_Equalities_A4_Booklet_digital_.pdf
- 6.4 At the meeting on [24 June 2013](#), Cabinet Resources Committee approved the performance measures for monitoring progress against the council's Strategic Equality Objective, as set out in the Corporate Plan and required by the PSED.

Appendix 1: ANNUAL EQUALITIES REPORT 18/19

Contents:

- 1. Introduction and context**
- 2. Demographics of Barnet**
- 3. Our approach to equalities**
- 4. Progress in 2018/19**
- 5. Next steps for 2019/20**

1. Introduction and context

- 1.1 This report details how the council has implemented its equality duty and met our statutory responsibilities in 2018/19. The report outlines our progress against the Strategic Equalities Objective (SEO) and how the council takes account of equalities in decision making. The report also includes an Action Plan for 2019/20 with a set of cross-cutting development areas.
- 1.2 The 2010 Equality Act outlines the provisions of the general and specific Public-Sector Equality Duty (PSED) and requires Barnet 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;
 - Set and publish equality objectives, at least every four years; and
 - Publish information to show their compliance with the Equality Duty, at least annually. The information published must include information relating to employees (for public bodies with 150 or more employees) and information relating to people who are affected by the public body's policies and practices.
- 1.3 This places a legal obligation on the council to pay due regard to equalities. We do this by assessing the impact of our actions on different groups in Barnet including those identified in equality legislation as protected characteristics, namely: age, disability, gender, gender reassignment marriage, civil partnership, pregnancy, maternity, sexual orientation, religion or belief.
- 1.4 In addition to assessing the impact of proposals on the nine protected characteristics, the council also assess the impact on certain other groups, whenever possible, who may be considered disadvantaged and/or vulnerable. These additional groups include people with learning disabilities, people with mental health issues, carers (including young carers), people on low incomes, people from areas of deprivation and the unemployed.

2. Demographics of Barnet

- 2.1 Barnet Council uses demographic and equalities data to identify trends and barriers to help inform decision making and meet the SEO. This report uses evidence on demographic change in the borough taken from the recent 2018 update of the [Joint Strategic Needs Assessment \(JSNA\)](#). The JSNA contains a wide range of demographic data from national and local sources, and where possible, this has been benchmarked against regional and national data and put into time series so that the major trends in Barnet can be understood over time and compared. We also use evidence from other sources about

service users and their needs from consultation feedback and the individual EIAs carried out for budget saving / income generation proposals.

2.2 The JSNA data highlights continuing and increasing pressure and demand for council services especially for children and older people, as the borough continues to grow, change and become increasingly diverse in race, ethnicity and religion due to natural growth, regeneration and migration. Key headlines include:

- For 2018, the population of Barnet is estimated to be 394,400, which is the largest of all the London boroughs. The borough's overall population is projected to increase by 6% by 2030, taking the number of residents to approximately 419,200.
- The number of people aged 65 and over is projected to increase by 33% between 2018 and 2030, compared with a 2% decrease in the 0-19 age group and a 4% increase for working age adults aged 16-64.
- The Barnet population is projected to become increasingly diverse, with the proportion of Black, Asian and Minority Ethnic (BAME) people in the borough population rising from 39.5% in 2018 to 42.3% in 2030.
- According to the 2011 census, by religion, Christianity is the largest faith in Barnet accounting for 41.2% of the total population. The next most common religions are Judaism (15.2%), Islam (10.3%), Hinduism (6.2%) and Buddhism (1.3%).
- Life expectancy in Barnet is better than London and England's average and women, in particular, have higher life expectancy than men locally. The life expectancy of people living in the most deprived areas of the borough are on average 7.4 years less for men and 7.8 years less for women than those in the least deprived areas.
- In 2018, there are an estimated 6,100 adults in the borough aged under 65 with learning disability and 1,176 older people (aged 65+) giving a total of 7,276 adults for Barnet
- As of 2018, there are an estimated 23,735 adults in Barnet with either a moderate or serious physical disability.
- Children and young people from minority ethnic groups account for 52% of this cohort's population
- The percentages of children and young people from minority ethnic groups who receive statutory social care services account for 61% of Children in Need cases, 56% of child protection cases and 60% of all Children in Care.
- The proportion of children and young people with English as an additional language across primary schools is 44% (the national average is 18%).

3. Our approach to equalities

3.1 Since 2012 the council has adopted a consistent and proportionate approach to meeting the Public-Sector Equality Duty so that we pay due regard to equalities as we respond to the needs of residents, Council staff and businesses in the borough. We take account of equalities considerations in delivering services and in establishing the council's priorities, and the council incorporates equalities considerations into delivery plans and work plans. This includes addressing dementia, mental health and safeguarding issues for vulnerable adults and young people; promoting independent living; helping people to support each other and keep well for as long as possible in the community; reducing, delaying and avoiding reliance on statutory services for as long as possible; building individual, family and community resilience; sharing the benefits of growth and regeneration and supporting people into employment. Our approach to meeting the Public Sector Equality Duty for staff has been under review during the past year and, following the return of Strategic HR from Capita to the Council, will be further developed going forward. Some of the changes to the Council's approach to workforce equalities are outlined below, including the establishment of the Equality, Diversity and Inclusion Working Group and the increased role and profile of the Barnet Equalities Allies.

- 3.2** Since August 2018 there have been a number of developments to the Council's approach to Equality, Diversity and Inclusion. The role of Equalities Lead was not replaced when the post holder retired in September 2018. Instead, Equalities, Diversity and Inclusion agenda has been integrated in all we do across the Council with a crucial co-ordination and supporting role provided by the Strategy and Engagement and HR teams. Senior Leadership was strengthened by identifying a sponsor role at CMT level.
- 3.3** The approach taken supports embedding equalities considerations in all council business and is strengthened by the recruitment of Equality Champions, the Equality Diversity and Inclusion Steering Group that was set up to develop and oversee 2019/20 EDI Action plan, the progress made by the Barnet Equality Allies, and the outcome of the internal audits into PSED and workforce equalities data to identify and strengthen areas for improvement.
- 3.4 Strategic Equalities Objective (SEO)**
The council's Strategic Equalities Objective (SEO) is: that citizens will be treated equally, with understanding and respect, and will have equal access to quality services. The SEO was updated in 2018 and forms part of the Corporate Plan, Barnet 2024. The plan outlines how we will work together with residents and businesses to achieve the following outcomes for the borough:
- A pleasant and well-maintained borough that we protect and invest in
 - Our residents live happy healthy and independent lives with the most vulnerable protected
 - Safe and strong communities where people get along well
- 3.5** The council formally monitors progress against the SEO through a set of indicators within the Policy and Resources delivery plan. These are:
- Improve the reporting and recording of protected characteristics to achieve a more comprehensive profile of the workforce
 - Ensure relevant policies and programmes that go to Committee identify equality related impacts and demonstrate how these impacts will be mitigated
 - Work in partnership with the voluntary, community and faith sector and the Barnet Multi Faith Forum to bring communities together and celebrate diversity and foster community cohesion
- 3.6** This is reported to committee on a quarterly basis through the council's performance framework. In addition to this, performance against the SEO is also reported on through this report on an annual basis, which gives further detail to how the council has approached its statutory responsibilities under The Equality Act 2010 and PSED.
- 3.7 Equalities Impact Assessments**
All council programmes should include an assessment of the potential equalities impact for employees, service users, and residents. It is the responsibility of service areas to conduct Equalities Impact Assessments (EIA) on their programmes and projects. These should ensure that any impact on people with protected characteristics is considered, and wherever possible should be mitigated. The analysis must be brought to the attention of decision makers and taken into account at each relevant stage of decision making. Templates and supporting documents for completing Equalities Impact Assessments are included in the Project Management Toolkit.
- 3.8 Annual Business Planning Process**
Equalities considerations are embedded into Council decision making processes and the annual business planning process. We are reviewing how to further strengthen this process. Proposed changes to policies and services are analysed to assess the potential equalities impacts and risks and mitigate them wherever possible. This information is provided to decision makers within an EIA, with information on the full impact before implementation. In addition to producing EIAs for individual budget proposals, the Cumulative Equalities Impact Analysis (CEIA) explores the cumulative impact of Barnet Council's budget

proposals on protected groups within the borough. This is provided and published alongside each year's budget proposals.

3.9 The Cumulative Equalities Impact Analysis (CEIA) is published each year alongside the budget and includes evidence about service users and their needs, any relevant consultation feedback and a summary of all the individual EIAs carried out for the budget savings proposals. The 2018/19 CEIA can be found at the following link:

<https://barnet.moderngov.co.uk/documents/s44932/Appendix%20I%20-%20Corporate%20Equalities%20Impact%20Analysis%20CEIA.pdf>

Published in March 2018, the 2018/19 CEIA shows that the budget proposals for that year would result in some positive benefits for Barnet residents and businesses including those with protected characteristics. However, the following minimal negative impacts were noted:

- Continuing minimal negative impact from Library services for young people under 16, pregnant women and people with disabilities during unsupervised hours of opening and toilet closure during that time. This to be monitored as the proposals are implemented.
- Broader socio-economic trends indicate a continuing minimum negative impact for disadvantaged groups in low pay, including some of the protected characteristics.
- Government policy has resulted in people on in-work and out of work benefits seeing those benefits frozen for four years until 2020.
- The impact of any increase in Council Tax is likely to impact disproportionately on those with low income, those in debt and those in receipt of council tax benefit including lone parents.

3.10 Mitigations for any specific impacts are set out in the relevant EIAs. Other mitigations to equalities impacts listed in the CEIA are:

- Promoting the benefits of work and encouraging people to remain and return to work; especially the longer term unemployed.
- Supporting people into employment through such initiatives as the Welfare Reform Task Force, which has brought together the council's housing officers, Jobcentre staff and health advisers into a single team to work with those impacted by Welfare Reform. This integrated team has engaged with 96% of residents affected by the Benefit Cap and helped over a third of them into work.
- Working with the Greater London Authority and other London Boroughs in the West London Alliance to lead on the London devolution deal on skills to develop a strategic vision for skills needed in the capital and to ensure that young people (and other residents from 16) have access to training opportunities.
- The CEIA also takes account of state Pension increase of 3.0% in April 2018 and increases in pension credit which are a useful source of support to older residents.

3.11 The CEIA for the budget proposals for 2019/20 showed three EIAs with a negative impact and two where the impact is negative/unknown. The full report can be found at:

<http://barnet.moderngov.co.uk/documents/s51235/Appendix%20J%20Cumulative%20Equalities%20Impact%20Analysis%20CEIA.pdf>

3.12 Overall it was identified that there may be a cumulative negative impact on residents with disabilities, on those within certain age groups and on individuals depending on their marital status. In addition to those with protected characteristics, the following groups may be negatively impacted by the 19/20 budget: carers, people on a low income, those unemployed and young people who are NEET. Mitigations for each of these impacts are outlined in the CEIA, for example:

- Undertaking full consultation on care packages to ensure these are led by a thorough assessment of need.
- Researching best practice before implementing environmental changes

3.13 Consultation and Engagement

Barnet Council takes an active approach in consulting and engaging with residents and businesses when we are making changes to the way in which we deliver services, or when we want to seek views on the councils' plans and priorities. Over the past year we conducted over 60 consultations. All consultations are published on our [Engage Barnet](#) micro site.

Guidance on equalities has been incorporated into our consultation and engagement toolkit, to ensure that consultations are accessible and inclusive to different groups. Paper copies and alternative formats of consultations are also made available on request to ensure residents who do not have access to the internet or have different requirements can take part in our consultations. All consultations/questionnaires also include demographic questions, and where the consultation is statutory or part of an EIA we will collect data on the protected characteristics. The results are analysed and incorporated into the results of the consultation, to help us to understand how views may differ between consultees and to identify if there are any negative impacts by the proposals for the protected characteristics. Service leads can then use this information to help shape the way in which services are designed and delivered.

With regard to consultation and engagement on workforce matters the council has an embedded approach to consulting and engaging with recognised staff representatives on all workforce matters. The council further recognises the role of groups such as the Equalities Allies in providing insight to planned changes that impact on the workforce, for example HR policies. A further example of the council's approach to engaging with specific groups is in relation to the council's move to its new offices in Colindale, where a network of change champions, including disabilities champions has been instrumental in the engagement process and informing management actions.

3.14 Equalities Champions

At the end of August 2018 Directors were asked to nominate members of their teams to become Equalities Champions. The purpose of this role is to provide peer-to-peer support to colleagues who are developing EIAs or dealing with complaints that have an equalities element. In September 2018, two half days of training were provided to these individuals to support them in this role.

3.15

One of the requests from champions was to introduce an Equalities Champions Network that would meet on a quarterly basis. This would allow Champions to feedback and share their experiences. The Equalities Champions Network met for the first time in November 2018. Some of the points raised included a request for greater clarity over the role of a champion and how they are nominated; and a need for further training in the theoretical and legal context to the Public Sector Equality Duty and the EIA process. A review of the Equalities Champions Programme is planned for 2019/20 and training providers have now been shortlisted.

3.16 Barnet Equalities Allies

Barnet Equalities Allies (BEA) are a group of staff who are passionate about championing equality in the workplace. BEA work to raise awareness of EDI at a senior and strategic level, start more discussions about important topics, and trigger effective action going forward. The group also recognise and celebrate the diverse identities and cultures within our organisation.

In 2018/19, following the departure of the Council's Equalities Strategic Lead, BEA refreshed and restructured the group; developing a Terms of Reference, Annual Work Plan and Events Schedule to formalise and define BEA's purpose and objectives. Two key achievements of 2018/19 were the co-planning and delivery of an equalities focused Leadership Conference in December 2018, which featured external speakers from pay gap reporting software firm, Gap Square, and the GLA. During the event, BEA facilitated a staff workshop on Unconscious Bias which received very positive feedback from attendees. A further key achievement was highlighting and driving the need for an equalities action plan to the Council Management Team, and being core contributors to the plan.

In 2019/20, the group will focus on increasing their membership, delivering key learning events and highlighting and removing structural barriers to fairness and equality within the Council.

3.17 Equalities, Diversity and Inclusion Steering Group

The Equalities, Diversity and Inclusion Steering Group (EDISG) held its first meeting on 28 January 2018 and is chaired by the Director of Public Health, who is also CMT Equalities and Diversity Lead. The purpose of the EDISG is to bring together the different elements of the council that play a role in supporting its equality duty and to proactively champion equality and diversity both internally and within our communities. The first priority of the group was to establish co-ordination across the council on equalities and diversity and to produce a joint action plan. This plan (included as Appendix) has replaced the former EDI Action Plan and is based on a nationally recognised framework and best practice.

3.18 Internal Audit Report (PSED)

In January 2019, a final Internal Audit Report on the Council's ability to deliver against the Public Sector Equalities Act Duty (PSED) was produced. The audit looked at whether monitoring processes are sufficiently robust to allow the Council to assess whether it is meeting the requirements of the PSED, and ensure that:

- Progress against Strategic Equality Objective (SEO) indicators is accurately reported through the Annual Equalities report
- There is ongoing monitoring of equalities indicators outside the annual reporting cycle and issues are appropriately escalated when they are identified
- EIAs are carried out for all programmes within the Council and form a mandatory tool within the Project Management Toolkit
- Equality Impact Assessments are carried out for all changes to corporate policy.

3.19 There were a number of areas of good practice identified in the audit, particularly in relation to work being carried out around community cohesion, the embedding of equalities considerations into project and programme planning, and the quality of narrative reporting around equalities. However, it also found that the previous Strategic Equalities Objective was not measurable, and plans to support the council's duties following the retirement of the Equalities Lead were not sufficiently detailed at that stage. These points have already been addressed. The audit also recommended that the current Equalities Policy be updated and this will be carried out in 2019.

3.20 Internal Audit Report (workforce equalities data)

In November 2018, a separate audit was undertaken into how equalities data is gathered, processed and reported by the council. This audit looked at whether:

- Published equalities data is accurate, and appropriately reviewed and authorised prior to publication.
- Data analysis carried out over equalities data is meaningful and informs ongoing strategy.

The audit made four recommendations; two rated as high risk, and two as low risk. The report can be found here: <https://employeeportal.lbbarnet.local/dam/documents/departments-and-services/central->

- 3.21 The first of the high-risk findings concerned the reporting of equalities analysis of the annual performance review process. This is conducted in order to assess whether any staff members with protected characteristics have been adversely affected in the review process. The audit found a number of issues with how this had been conducted and these have been addressed by HR.
- 3.22 Further data quality issues were identified with the reporting of workforce statistics in Annual Equalities Reports. In future this will include details of any investigations into discrepancies between staff demographics and the surrounding borough, as well as the results of these. The audit also identified a need for clarity over who is responsible for monitoring staff equalities data. A procedure has since been agreed and responsible officers nominated.

4. Progress in 2018/19

4.1 Strengthening internal processes

As part of the council's change to working practices in alignment with the move to Colindale, the council has had the opportunity to review flexible working arrangements and make reasonable adjustments to the working environment. These include improvements to technology and facilities that enable access by staff with particular physical needs and mobility issues, as well as better supporting remote access. Equalities, diversity and inclusion have been key considerations throughout the TW3 process. This flexible working may help to support our employees who have caring responsibilities as it gives them the option of being able to work from home more frequently, or at other touch down points across the borough, with less of a focus on the traditional office based working.

Equalities for staff

- 4.12 Through our Employer Supported Volunteering Scheme (ESV), we are encouraging staff to get more involved in the Borough through volunteering in the community. The scheme was promoted in June 2018 during Small Charities Week. The scheme provides an opportunity for staff to achieve a greater understanding of our local communities, increases opportunities for team working and better working relationships with colleagues. A further relaunch in 2019 offers extended options for accessing ESV, including the chance for staff to offer pro-bono support to organisations using their professional skills.
- 4.13 The Council has continued to invest in improving the Council's learning and development offer with a range of skills development opportunities available to all staff. The Council now includes a mandatory EDI induction module for all new staff and managers; a new EDI, Bullying and Harassment training course is being rolled out for all staff from May 2019. The Council run bi-annual conferences for senior managers and as part of reinvigorating the Council's approach to EDI the most recent conference in December 2018 was focused in its entirety on EDI and unconscious bias, supported by the BEA.
- 4.14 In March 2018 the Council published its Gender Pay statistics which showed that on average, female staff earned more than male staff (see Appendix Two). The Council has invested in specialist software to enhance its analytical capability for pay gap reporting following internal audit review that identified flaws in the previous analysis. The revised approach also introduces more detailed quality assurance on the analysis and the Council is now in the process of using the new approach to analyse the ethnicity pay gap as well as the gender pay gap for its workforce. The Council's gender pay gap is a matter of public record in line with statutory requirements, once completed the Council's ethnicity pay gap will also be published and any resulting actions incorporated into the Equalities Action Plan.

- 4.15 The annual Our Stars Staff Awards ceremony is an opportunity for the council to recognise and reward the contribution of our staff. The annual recognition awards process has been in place for several years and includes the Council's values as award categories, recognising those staff who have gone above and beyond to the benefit of residents and colleagues.
- 4.16 The Council undertakes an all staff survey on a bi-annual basis together with regular pulse surveys each year to gain staff views and feedback on their experience of management, supervision, working conditions and training. The next survey will be conducted in 2019. We will analyse the results of this and involve staff in addressing any areas for improvement. The results of the staff survey alongside a staff survey action plan will be published on the intranet.
- 4.17 Following the return of the Strategic HR function to the council, a review of equalities data and equalities data analysis is planned. One issue already identified is the lack of data available for analysis where staff prefer not to declare a protected characteristic. For example, 29.95% of council staff prefer not to declare their sexual orientation compared to 8.4% on average across London.
- 4.18 All review of HR policies is planned and all policies will be subject to equalities impact assessment and relevant groups will be consulted during the policy development stage e.g. BEA.
- 4.19 We continue to assess the equality impacts on staff of our proposals to modernise services and transformation projects through Equalities Impact Assessments (EIAs).
- 4.20 Updated staff demographic data is included at Appendix Two to this report.

4.2 Expanding the Communities Together Network

Barnet is continually building stronger community partnership links through the refreshed Community Participation Action Plan and the Communities Together Network (CTN). The CTN is co-facilitated by Barnet Council and Inclusion Barnet, one of our key strategic Voluntary Community and Faith Sector (VCFS) partners. CTN is the operational networking and information sharing forum to support Barnet's diverse communities. The CTN helps foster community cohesion and enables organisations to take on more responsibility for their local areas to deliver better outcomes for residents and service users. Over the course of the year, it has increased its membership from 250 to over 700 bringing together the VCFS with public sector partners. The CTN enables a dialogue where the council can consult and seek input into decisions such as the refresh of the Community Participation Action Plan, and is a key way in which the council supports fostering good relations between different groups within the community.

4.3 Barnet Multi Faith Forum (BMFF)

The BMFF is the council's strategic partner for faith organisations within Barnet. The group is a voluntary organisation that meets on a regular basis to address issues with regards to promoting understanding between religious groups within Barnet and to challenge discrimination concerning age, disability, race, religion and sexual orientation. They support social action projects designed to enhance the environment and living conditions of all in the Borough. Examples of events and activities the forum have been involved in over the past year include:

- Interfaith Tree Planting - On 22 March 2019, BMFF facilitated and supported an event that promoted relations between different faiths and backgrounds after the Christchurch terror attacks. The event called on faith organisations to celebrate unity.
- Patient Journeys – the BMFF participated and promoted a conference 'Supporting Transitions', that aims to prevent re-admission through advocacy support to older people who are being discharged from hospital. BMFF were acting as representatives from the local diverse faith communities.
- Hate Crime Awareness Week – During this week BMFF worked with faith communities to ensure they were aware of mechanisms of how to report hate crime. They placed stalls outside Middlesex University and North Finchley Mosque following an attack at a Mosque in the neighbouring borough.

4.4 Barnet Islamic Centre Forum

In 2018 a forum of Muslim organisations was brought together in partnership with Barnet Police as a way to effectively communicate with the diverse communities that belong to the Muslim faith. The formation of the group has meant better communication links between these communities, the council and the police. With a rise in anti muslim hate crime, this forum has proved to be an effective way to relay helpful information when incidents occur that affect this community. Two meetings have been facilitated so far, with over 12 organisations attending. The agendas have included presentations on hate crime reporting, and police safety policies. The network has also provided a chance for the various Islamic centres to work with each other to help build stronger relations and support. Barnet intends to share this model with other London councils.

4.5 Children's and Family Services

Since the last Children and Young People's plan the council has worked towards the vision of creating a Family Friendly Barnet, enabling opportunities for Barnet's children and young people to achieve their best. Barnet's Family Services is improving with significant change being made to ensure the practice is of a high standard and the needs of children are well served. Complimenting this work, the council's Resident, Engaged, Achieving Children Hub (REACH) team is achieving success with young people benefiting from a coordinated response to meet sometimes very complex needs

Barnet monitors the educational outcomes and progress of all pupils, including specific groups where attainment is lower. Barnet's School Improvement Team monitor and challenge the performance of schools and provides regular meetings to communicate education updates and priorities and disseminate good practice. Effective monitoring and challenge from the Local Authority influences decisions on how schools spend their Pupil Premium, which is additional funding allocated specifically for raising the educational achievement of disadvantaged pupils. Barnet is proud that the educational attainment of most pupil groups is significantly above the national average at the end of both primary and secondary school.

- 4.6 A series of programmes for children and young people designed to promote mental health awareness have been launched. The council has developed and rolled out delivery plans for schools as part of our Resilient Schools Programme, which covers support for pupils, staff curriculum development, digital resilience and several other key strands developed through research.

4.7 Voice of the Child

The Youth Assembly is a public-debating body made up of young people who work, live or study in the borough. Members raise motions that are both relevant to Barnet and important to them, and then have the opportunity to debate or vote on those motions. The Assembly, now in its third year, has had 39 members signed up in 2018/19.

- 4.8 The UK Youth Parliament (UKYP) candidate and election campaigns were promoted to our Children in Care through the Children in Care Council and Onwards & Upwards Team. We had two Children in Care Council members attend our information evening, however unfortunately decided not to go forward as candidates due to other commitments. A member of the Children in Care Council attended the UKYP weekend residential as a Youth Representative with the British Youth Council and hundreds of their peers in April 2018, where they commenced their 'Youth Leadership Programme'. The learning from the weekend has supported the young person to take on the role of leading the Children in Care Council.

4.9 Support for children in care and care leavers through Live Unlimited

As part of our commitment to give every child the best start in life, the council set up Live Unlimited, a charity for children and young people in our care and care leavers. Launched in February 2018, Live

Unlimited provides support, encouragement and inspiration to Barnet's 310 looked after children and 273 care leavers. The charity complements the extensive support the council provides to every looked after child, and funds the sort of additional activities which families might provide for their children outside of school hours, such as music or sport lessons, trips and expeditions.

- 4.10 The Imagination Trust was the first scheme run by Live Unlimited. It gives Barnet's looked after children and care leavers the opportunity to apply for grants between £25 and £250 to encourage them to explore a passion or interest. The current scheme is 'Driving Ahead', which provides 30 hours free driving lessons for 12 individuals through a partnership with the AA Driving School.

4.11 Support for older and vulnerable residents

Silver Week was held 1-7 October 2018 to provide a diverse range of adults aged 55 and over with the opportunity to attend prevention awareness activities and events. The week encouraged residents to try new activities, develop healthy lifestyle choices and have access to health and wellbeing information. Funded by Public Health and working in partnership with our voluntary community sector partners, the council hosted over 80 activities and events throughout the borough. In addition, 167 Health and Wellbeing consultations were carried out including Diabetes screening and 22 Hearing screening sessions. Over 1,277 people participated, including over 300 at the afternoon tea from a diverse range of communities. Silver Week 2018 even involved the Nepalese Community for the first time.

4.12 Argenti care technology

Adult Services have been working with Argenti care technology partnership to enable vulnerable people in the London Borough of Barnet to live more independent lives using technology. It provides various technology that lets residents live more safely and independently in their own home. Social care professionals refer people to the service, and Argenti then recommend the technology they would most benefit from and install it in their home. Some of the functions include reminding people to take medication, providing call buttons to alert carers in emergencies and GPS sensors that tell friends or family if people unintentionally wander too far from home. Over 4,000 people in Barnet now have technology as part of their care, which has generated a saving of £900,000 in the project's first year.

Argenti are also training social care professionals to recognise opportunities where technology would support someone's independence. That training is strengthened through a partnership with the Centre of Excellence for Technology Enhanced Care at Barnet and Southgate College. The college has a state of the art 'living lab' – a replica flat with integrated digital technology.

Launch of Fit and Active Barnet (FAB)

- 4.13 The council continues to work with Better (GLL) to deliver an innovative leisure contract that promotes a whole systems approach, delivering a range of services that meet the diverse needs of Barnet residents. Examples over the previous year include (but are not limited to):

- The launch of Fit and Active Barnet (FAB); a campaign that encourages and inspires residents to include more physical activity into their day. The campaign represented a diverse range of residents to reflect the population, including age, race and disability.
- As of April 2019, 20,825 residents had registered for a FAB card offering a number of physical activity benefits and discounts
- Barnet's commitment to registered carers, looked after children, and care leavers provides them with enhanced benefits to the FAB Card including free swimming at anytime
- Delivery of specialist health programmes that include children's weight management, adult weight management and a cancer rehabilitation scheme
- Delivery of community based sessions that seek to challenge barriers to participation, making physical activity accessible to all residents. Delivery is targeted at low participation groups and families with a focus on areas of deprivation, BAME, women and girls, disabled and older residents (55+)

- Gender specific sessions at leisure centres ensuring that the diversity of cultures in the borough are supported to remain physically active
- Better staff have received a range of training to ensure diverse needs of our residents can be met including; disability awareness, dementia friends and mental health awareness. Each leisure centre has a nominated Dementia Champion and have pledged to a Mental Health Charter

4.13 Weight Management programmes

People from certain ethnic communities, those with learning disabilities and older population are at increased risk of increased weight and consequently diabetes. Therefore, it was important to consider the unique needs of these groups when refreshing the weight management care pathways during the 2018/19 financial year. Through focus groups and events (supported by VCFS organisations and faith groups including MENCAP, Greek Cypriot Brotherhood and Finchley Mosque), in addition to national care guidance, new pathways were developed that reflected these needs. For example, adults from Black and Minority Ethnic groups (BAME) can now be referred onto weight management services with a BMI of 27.5 rather than 30, providing the population cohort most vulnerable to diabetes with earlier access to support services. We are continuing to explore alternative programme offers for children and young people with Special Educational Needs and Disabilities (SEND) and adults with learning disabilities to ensure weight management services can maximise benefits for these groups too.

5. Next steps for 19/20

- 5.13 The council will continue to develop its approach to equalities, and meeting the Public-Sector Equality Duty, by delivering services and the council's priorities in a proportionate way which relates to the needs of our workforce, residents and businesses in the borough. A proposed Equalities, Diversity and Inclusion Action Plan for the council for 2019/20 is attached at Appendix 4 to this report.
- 5.14 Key elements of the EDI Action Plan for 2019/20 are:
- **Leadership and management** – Corporate Management Team (CMT) members will include an objective on Equality, Diversity and Inclusion in their objectives for 2019/20. It is envisaged that 'golden thread' will filter down the whole organisation.
 - **Together We Are Barnet campaign** – focused on celebrating Barnet's diverse communities. The campaign includes inspiring stories of the rich mix of people who call our borough home, highlighting some of our many groups, sports teams and local projects, as well as individuals, who contribute to our community. This campaign is a joint initiative of Barnet council working in partnership with CCG, Saracens Rugby Club, West London Alliance, Inclusion Barnet, Groundwork, Federation of Small Businesses, Argent, Middlesex University, DWP, Barnet and Southgate College and Brent Cross Shopping Centre.
 - **Further internal review** – we will continue to look at our internal processes, with a particular focus on the 'Equalities Champions' model. We plan to strengthen this by gaining more involvement across the council, and by having a more formal support mechanism in place which will include the development of an online space to share best practice.
 - **Equalities training** – this will be commissioned and rolled out to Equalities Champions, Members and Strategy Team officers to ensure each are equipped with the right level of knowledge to be able to carry out their duties. Training will also be offered to other officers to support them in developing the skills to carry out EIAs effectively and at the right stage of developing proposals. The council's

corporate Equalities training offer will be monitored and evaluated, and new modules introduced in line with the Equalities Action Plan.

- **Refresh of key information** – we will work to refresh some of our key EDI documents including the Equalities Policy and our guidance material on EIAs and the PSED. For workforce data, a campaign of data refresh and update is being planned.
- **Stonewall Index** – the Equalities, Diversity and Inclusion Steering Group have proposed that the council applies of inclusion on the Stonewall Workplace Equality Index. This is a comprehensive framework for self-assessment of EDI in our employment practices.

Appendix 2: Barnet Council Workforce Equalities Data

Data Sources

Staff data LBB Human Resources HR Core April 2019

Barnet Citizen Data Census 2011 (and updated by the GLA's 2015 Round Population Projections (Borough Preferred))

The following tables summarise the data updated in May 2019 on the make-up of Barnet staff in relation to the protected characteristics. This is broken down by Directorate where possible, and placed alongside comparative data for the borough of Barnet overall – taken as percentage of working age population (16-64 years old). It compares the percentage of each group represented in the Council with the information we hold about the make-up of Barnet residents from the Census 2011 (and updated by the GLA's 2015 Round Population Projections (Borough Preferred)). The findings, and a comparison of the data are presented below.

1. Gender make up of staff

Table One shows that women are the majority of Council staff at 58.89% in comparison with 51.20% in the Barnet Population. There has been a very slight decrease in the number of males from 41.67% in 2018, to 40.19% in 2019. The most significant change can be seen in Street Scene, where the number of women employed has increased from 22.22% in 2018, to 24.27% in 2019; a percentage increase of 10.84%.

Table One: Gender make up of staff

Directorate	Female	Male	Unknown
Adults & Communities	76.00%	22.00%	2.00%
Assurance	52.54%	47.46%	0.00%
Education & Skills	57.14%	42.86	0.00%
Environment	30.00%	70.00%	0.00%
Family Services	79.41%	19.34%	1.25%
Finance	51.02%	48.98%	0.00%
Growth & Corporate Services	55.13%	43.59%	1.28%
Street Scene	24.27%	75.73%	0.00%
Total Council	58.89%	40.19%	0.93%
Schools	92.70%	7.30%	0.00%
Barnet Population	51.20%	48.80%	0.00%

2. Gender Pay Gap

As reported in March 2018, women employed by Barnet Council earn £1.29 for every £1 that men earn when comparing median hourly wages. Their median hourly wage is 28.7% higher than men's.

Women occupy 71.4% of the highest paid jobs and 35.3% of the lowest paid jobs in the organisation.

3. Ethnicity of staff

Table Two shows in alphabetical order the ethnic groups employed in Barnet, compared with their overall representation in the Barnet population. There are fewer white employees in comparison with their overall representation in the borough (51.59% compared to 64.10%). This is also true for Chinese (0.46%), Indian (5.91%), Pakistani (0.87%), and Other Asian (1.10%). However, further analyses is needed to describe ethnicity distribution by pay grades.

Table Two: Ethnicity of staff

Ethnic Group	% in Council employment	% in Barnet Population
Bangladeshi	1.33%	0.6%
Black African	7.87%	5.4%
Black Caribbean	8.80%	1.3%
Black Other	1.56%	2.7%
Chinese	0.46%	2.3%
Indian	5.91%	7.8%
Other Asian	1.10%	7.9%
Other	4.01%	6.3%
Pakistani	0.87%	1.5%
Prefer not to say	16.50%	2.1%

White	51.59%	64.1%
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4. Sexual orientation of staff

The lack of reliable data on sexual orientation of the UK population makes it difficult to make meaningful comparisons with staff data. Almost third (28.95%) of Barnet staff preferred not to disclose their sexual orientation, a significantly higher proportion than the London average figure of 8.4%. Due to the fact that this large minority have chosen not to disclose their sexual orientation, there are very few conclusions that can be drawn.

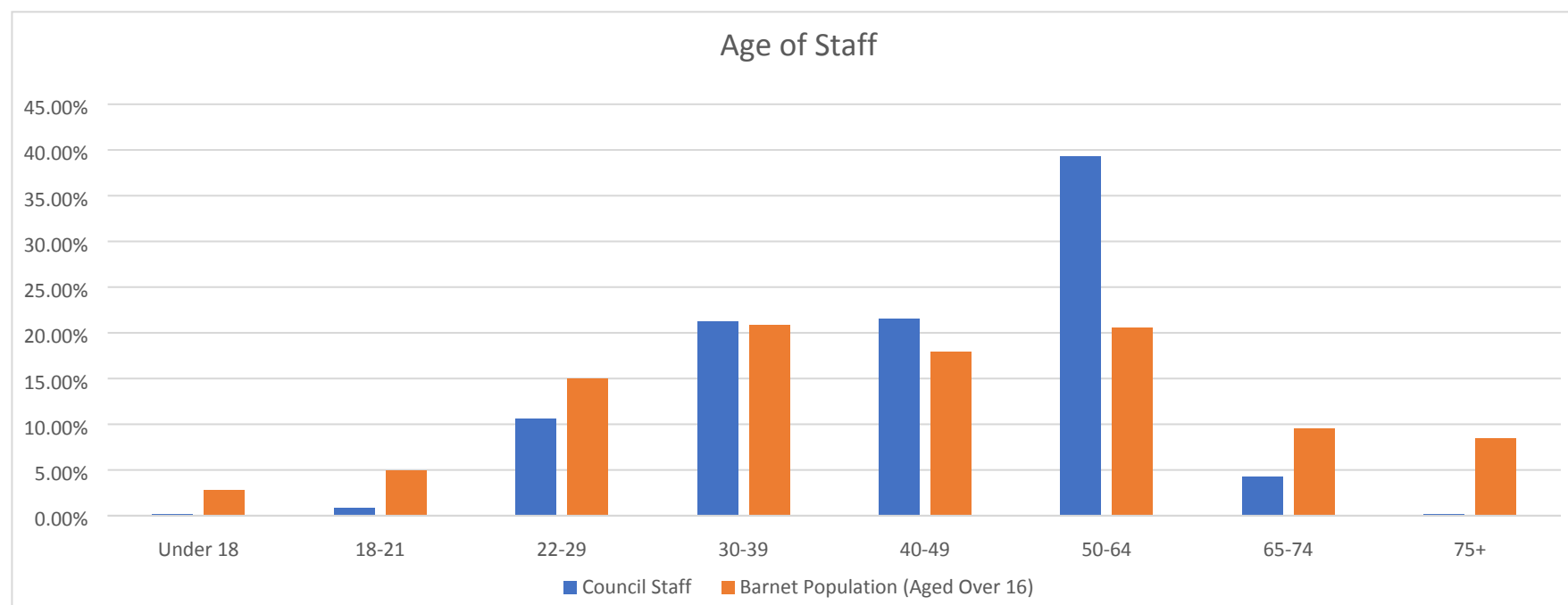
Table Three: Sexual orientation of Staff

Grouping	Heterosexual	Bisexual	Gay	Lesbian	Prefer not to say
London Average	89.0%	0.7%	1.9%	1.9%	8.4%
Total Council	68.7%	0.75%	0.93%	0.93%	28.95%

5. Age of staff

Average age of our workforce in 2018 was 46. This is higher than UK average age of 39 that is predicted to raise to 43 by 2030. Table Four below shows there are fewer staff aged 29 and below than in comparison with their overall representation in the borough. Staff aged 50-64 make up 39.26% of employees, compared with just 20.55% of the Barnet population. Also, there are significantly fewer staff aged over 65 compared to the resident population as a whole, so this is to be expected.

Table Four Age of staff



6. Staff with disabilities

Table Five below suggests that the disability profile of Barnet employees is less than the representation of People with Disabilities living in Barnet. However, this difference is small, and does represent an improvement on last year's figure of 4.8% of staff.

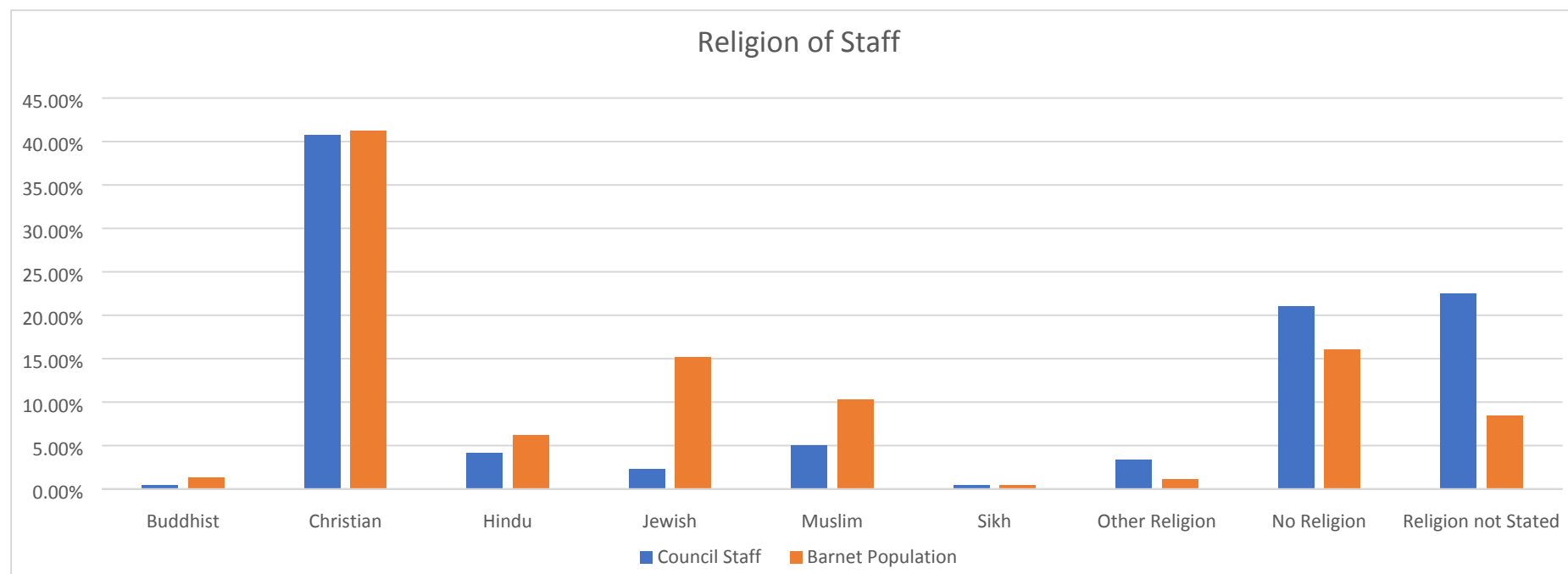
Table Five: Staff with Disabilities

Delivery Unit	Percentage Declared Disability
Barnet Population % People whose Day-to-day activities are limited a lot	6.0%
Total Council Staff	5.27%

7. Religion/Belief of staff

Table Six below shows that there are significantly fewer Jewish, and Muslim employees than in comparison with their overall representation in the borough. However, there are more staff with no religion than in the wider population.

Table Six: Religion/Belief of Staff



Appendix 3: Progress against Equalities Action Plan 2018/19

Equalities Action Plan 2018/19	Lead	Timescale	Progress at June 2019	Comment
Mainstream equalities into the business of the organisation				
Monitor existing commitments to incorporate equalities considerations into strategies and decision-making, ensuring due regard is given to the needs of different groups	Deputy Chief Executive Strategic Directors Legal and Governance	Ongoing via EIAs	Ongoing via EIAs	
Leading on the development and implementation of a fully mainstreamed approach to Equalities within the council following the departure of the Equalities Lead.	Deputy Chief Executive CMT EDI Lead Strategic Directors Strategy Team	September 2018 onwards	Commenced and ongoing for 2019	See 2019/20 action plan
Set-up and develop a network of Equalities Champions to provide peer to peer equalities support across the council.	Strategy Team Equalities Champions	September 2018	Completed	A review of the Equalities Champions programme will be carried out in 2019
Hold quarterly Equalities Champions Network meeting to monitor the effectiveness and gather feedback on the new approach	Strategy Team Equalities Champions	Quarterly from September 2018	Ongoing	First meeting took place on 28 November 2018
Produce an Annual Equalities Report setting out the Council's commitment and activities relating to equalities and analysing key equality issues, trends and priorities, and publish this on the council's website	Strategy Team	To be published in June 2019	Completed	Annual Equalities Report 2018/19 submitted to Policy and Resources Committee, 11 June 2019
Monitor progress against the council's Strategic Equalities Objective and identify any	Strategy Team	To be published	Published through the	The indicators can be found in the Annual

Equalities Action Plan 2018/19	Lead	Timescale	Progress at June 2019	Comment
emerging issues shown by the data		in June 2019	Annual Equalities Report 18/19.	Equalities Report, section 3.4
Incorporate equality considerations into the business planning process				
Review the current integration of equalities into the business planning process and implement any steps needed to improve this, as laid out in the Internal Audit Report	Strategy Team Legal Services Strategic Directors Corporate Finance and Delivery Units (DUs)	January 2019	Commenced and ongoing for 2019	A meeting is scheduled for June 2019 with Legal Services and Finance to review current processes for the 2019/20 business planning process
Develop analysis of the cumulative impact on specific groups (particularly protected characteristics) of decisions taken to set the Council's budget for 2019-20, and publish this with the 2019-20 budget report.	Strategy Team	February 2019	Completed	
An update to the Strategic Equalities Objective and performance measurement as part of the business planning process and update of the Corporate Plan	Strategy Team Strategic Directors	November 2018- March 2019	Completed	

Equalities Action Plan 2018/19	Lead	Timescale	Progress at June 2019	Comment
Resources, support and capacity-building				
Maintain guidance and support on equalities	Strategy Team Legal Services Programmes and Performance Team	Ongoing	Ongoing	
Promote community cohesion and resilience				
Support the Communities Together Network to promote community wellbeing and encourage safe and cohesive communities (facilitating three meetings a year; developing and delivering a forward plan)	Strategy Team	Ongoing.	Ongoing	
Policy and horizon-scanning				
Maintain a horizon-scanning process to identify any relevant policy developments, their impact, and any response needed (such as the upcoming reviews of the Human Rights Act and the Public Sector Equality Duty).	Strategy Team	Ongoing	Ongoing	Strategy Team will be producing regular policy briefings in an email bulletin. These will look ahead at local, national and international policy developments, including those with Equalities impact
Carry out an annual review of the Council's Equalities Policy to ensure it remains up to date and accessible internally and externally via intranet and internet pages.	Strategy Team	December 2018	Commenced	The Equalities Policy will be updated over the summer of 2019

Equalities Action Plan 2018/19	Lead	Timescale	Progress at June 2019	Comment
Support a robust and representative corporate consultation and engagement function				
Work with the Council's Local Voluntary and Community Sector (VCS) through CTN and community participation lead to engage with hard to reach groups and communities and understand any key equalities issues.	Strategy Team Communications	Ongoing	Ongoing	The Strategy Team continue to work with partner organisations in order to engage with Barnet's diverse communities. For example, the recent establishment of a Muslim Network has enabled positive discussions between members of different Islamic faiths.
Use the Communities Together Network (CTN) where appropriate to support relevant corporate consultation and engagement	Communications Strategy Team	Ongoing	Ongoing	For example, the CTN was used to encourage people to participate in the consultation on the refresh of council priorities to inform the Corporate Plan, Barnet 2024. The CTN was also a key stakeholder in the development of the 2018 Community Participation Action

Equalities Action Plan 2018/19	Lead	Timescale	Progress at June 2019	Comment
				Plan.

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Cross-Council Equality, Diversity and Inclusion (EDI) Action Plan 2019-2020

Theme	Focus area	Outcome	Actions	Timescales	Progress as at June 2019	Responsible
Leadership, partnership and organisational commitment	Communication and awareness raising	Improved communication on Equality, Diversity and Inclusion (EDI) across the council	EDI to be embedded into leadership conferences	From April 2019	Leadership conference in December 2018 had a significant focus on EDI. The Equalities Allies presented a session on unconscious bias. Next leadership conference in July 2019 will focus on socialising action plan with managers and identifying their specific contribution to delivery of the plan.	Strategy and Communications teams/HR/Barnet Allias CMT Lead and Equalities, Diversity and Inclusion Steering Group
			EDI embedded within corporate and departmental comms plans	From April 2019	Communications team ensures equalities is considered in the planning of all campaigns and engagement opportunities. This has been evident with the Together We Are Barnet, Barnet 2024 and All About Me campaigns. These have all had a strong equalities and diversity focus.	
			Equalities intranet pages to be reviewed and updated annually	Sep-19	Currently liaising with the Equalities Allies to set up an intranet hub where all equalities pages and support will be. This will be live by 30th June 2019.	
			Ensure that action taken in response to engagement on EDI is reported back in 'You said, we did' updates	Ongoing		
			Develop mechanisms to enable staff EDI feedback, including anonymously, e.g. Yammer and online form	Apr-20	Several equalities focussed groups have been set up on Yammer, which are used to promote equalities issues and invite feedback from a diverse range of people from across the organisation. BEA also sit on EDI Steering Group. BEA and Comms are working together on EDI segment for next round of chief exec briefings to update on progress, and invite staff to utilise feedback channels and join staff groups.	
			Hold internal awareness raising events	Throughout year	On a yearly basis we hold events for a range of celebrations such as Black History Month and International Womens Day and have also marked a number of other similar events.	
	Strategic Equality Objective (SEO)	Refresh of the SEO to link up with the Corporate Plan	Performance against the SEO will be reported quarterly through the Policy and Resources Action Plan	Jun-19		Deputy Head of Strategy
			The Annual Equalities Report to include an assessment of outcomes against the previous Equalities Action Plan	Jun-19	Annual Equalities Report 18/19 submitted to P&R Committee 11 June 2019	
	Fostering good relations	The organisation takes a sophisticated approach to fostering good relations which has resulted in measurable improvements in relationships between diverse communities	Harassment and hate crimes in the borough are monitored and analysed regularly, and appropriate action is taken to address the issues that have been identified	Ongoing	Monitoring is in place, and the Strategy team's Community Engagement Coordinator works closely with Community Safety and the Faith sector	Community Safety Partnership Board / Community Engagement Coordinator / HR
			LBB to explore gaining accreditation for the Stonewall index	Apr-20	To commence, following the move to Colindale	
			Data should be available disaggregated to cover the protected characteristics		MOPAC hate crime dashboard provides a detailed breakdown of target groups	

	Accountability and leadership	Political and executive leaders demonstrate personal knowledge and understanding of local communities and continue to show	Review the staff survey to ensure questions on equality and diversity are included	Next staff survey	Some basic demographic data collected in the current staff wellbeing survey	Council Management Team/Human Resources
		Organisational values are reflected in all council business	Revise recruitment and induction to ensure equality and diversity is being incorporated (e.g. balanced recruitment panel that are all trained on unconscious bias, equality and diversity duties) – to include in training module	Sep-19		
		Clarity on which roles are responsible for monitoring of documents and facilitating equality activities	Deliver training to members on equality, diversity and inclusion	Apr-20	Training providers have been identified	
			Quarterly report to CMT on progress of EDI action plan	From March 19	Agreed to bring reports at the CMT Assurance meetings.	
	Data and Insight	We ensure that commissioning and procurement processes and practices include diverse needs of our residents and that providers understand requirements of public sector Equality Duty (e.g. Committee Papers)	All new standard contracts to include equality standards and consideration given to equality and diversity agenda		In place and ongoing	Procurement and commissioners
			All new contracts have performance measures built in to ensure equality issues are addressed	Apr-19	In place and ongoing	
Knowing your communities	Published data on the profile of its communities and the extend of inequalities and disadvantage – Joint Strategic Needs Assessment	A comprehensive set of information about the demographics of our local communities is regularly updated and published and used to identify priorities for the local area	Webpages to be reviewed and links to outdated documents removed from the public internet and internal intranet	Jul-19	Some out of date content still to be removed. However the JSNA has up to date demographic data.	Public Health/Intelligence and Insight Network
		Relevant and appropriate information and data is mapped, disaggregated and used with partners, to assess needs and priorities and set equality objectives	JSNA to include a section on borough demographics and to be updated regularly	Apr-19 and ongoing	JSNA is under constant review and is the most up to date source of local data	
			Health and Wellbeing Board and Community Safety Partnership Board to regularly review needs assessment of local population and ensure that policy decisions are influenced and shaped by intelligence and insight	Ongoing		
			Use events across the borough/community engagement events to communicate intelligence and insight on borough's diversity	Apr-20	The Together we are Barnet campaign will be publicly launched at Brent Cross shopping centre on 4 July 2019. The campaign will then run throughout the year highlighting diversity and celebrating groups and organisations that support cohesion.	
Involving your community	Community Engagement structures are being developed throughout the organisation	The organisation engages with all its communities when making decisions, including those with protected characteristics	Effective use of Community Together Network in involving diverse range of communities in shaping our local services	Apr-19	All consultations are publicised through the CTN bulletin	Strategy Team Community Participation Action Plan
		Local people are encouraged to participate in public life or in other activities where they are under-represented	Effective use of consultation and engagement tool to inform service planning	Ongoing	Engage-Barnet is regularly updated and its functions developed. It is the online hub for the Together We are Barnet campaign, facilitating uploads of photos and stories from the community	

Responsive services and customer care			Utilise Barnet Community Directory to help inform residents and partners about local CVS services	Ongoing	Strategy Team are working with the commissioned provider of the Directory to increase content on the Directory and ensuring all comms materials relating to VCS references the Directory and provides a link to it	
	Shared engagement structures developed with partners	Engagement mechanisms and structures are in place to involve equality stakeholders and scrutinise service delivery, decision-making and progress	Utilise Barnet Together website and direct residents to it	Ongoing		Deputy Head of Strategy - Community Participation Action Plan
	Equalities Policies and Published Information	Equality Policy and the Staff Equalities Statement to be brought up to date	Equalities Policy will be reviewed for 2019 then updated every two years	Oct-19		Deputy Head of Strategy
			A review of HR policies to ensure that any with an impact on equalities are up to date	Jun-19		HR
	Equalities Impact Assessment	Improve the current EIA/EC model to ensure robust systems and accountability is in place	A review of current Equalities Champion model, invite other EA's, Change Champions and other relevant colleagues to be EC's and ensure Equality Champions come from diverse backgrounds	Sep-19		Equalities Champions / Deputy Head of Strategy
		Equality analysis/ impact assessment is integrated systematically into planning and decision making across the organisation	Communication on the Equalities Champion model is clear and promoted across the organisation and individual departments	Sep-19		
			Equalities Champions have adequate training in EDI & Unconscious Bias to ensure they can carry out the tasks accordingly	Sep-19	Potential training providers have been identified	
			Each Directorate to have EIAs action plan presented to their SMT on a regular basis and overseen by Service's Equality Champions	Dec-19	To be established as part of Business Planning cycle	
			Develop a shared location (eg OneDrive/Sharepoint) to upload and share EIA's to ensure transparency and enable from ECs and peers	Sep-19		
			Training to be set up and offered to officers to ensure EIAs are carried out at the appropriate stage	Sep-19	Potential training providers have been identified	
			HR to support the council in undertaking a refresh of workforce equality data	Next staff survey	Staff can update own records. This will be communicated to staff in a comms campaign	
	Workforce diversity	The organisation's workforce profile (including the profile of major providers of commissioned services) broadly reflects the community it serves/local labour market across all levels	Succession plans and recruitment process to address under-representation of specific groups	Apr-20	Will follow implementation of the HR transformation programme	Human Resources and Senior Managers
			Model staff development in same way as apprenticeships and graduate scheme e.g. formal mentor opportunities/scheme, bespoke opportunities for under-represented groups etc.	Apr-20		
			Introduce indicators for diversity in all recruitment (including management training scheme)	Apr-20		
			Review recruitment process and introduce methods which eradicate potential for discrimination and/or bias in process - fairness at all stages e.g. cross department panels and blind applications in terms of names and education	Apr-20		
			Explore implementing 'Return to Work Scheme'	Apr-20		
	Training and culture	Remove challenges and barriers at work in the Council so all staff can flourish and are free from discrimination	Design, implement and review impact of mandatory EDI training for all council staff	Jul-19	Training designed and in delivery, under review as to whether to make mandatory. E-learning module already in place as part of induction	Learning & Development/ Communication, Engagement, Participation and Strategy Lead/Equalities Allies

			Conduct benchmarking exercise that allows staff to comment or suggest changes to the physical office space/ working culture that would provide indication of what to address and help the Council be more inclusive	Apr-20	Could be addressed via TW3 or staff survey.	
			Commission EDI training for delivery units who are responsible for dealing with issues around discrimination e.g. complaints team to ensure they are appropriately equipped to understand underlying issues and respond	Sep-19	Potential training providers have been identified	
			Commission EDI training for Equalities Champions	Sep-19	Potential training providers have been identified	
	Promoting an inclusive working environment	There are high satisfaction levels with the working environment across all staff groups particularly those with protected characteristics	Flexible working arrangements, and reasonable adjustment policies are in place and are being implemented on a case by case basis	May-19	Already in place and being implemented on a case by case basis. TW3 training also captured flexible working and reasonable adjustments, New Modern Working and Flex Working policies being rolled out as part of move to Colidale.	HR/Senior Managers/H&S
			Access and utilisation of occupational health has been equal across the organisation and those with protected characteristics	Sep-19	Data from 2018 suggest that there is a large number of referrals for people with mental ill health and stress. Those with temporary mobility problems will be referred to OH and reassessed for reasonable adjustments in the next few months. It is envisaged to get quarterly information on OH referrals and protected characteristics, whenever available.	
			Analyse staff survey across all protected characteristics	Next staff survey		



Policy and Resources Committee

17 June 2019

Title	End of Year (EOY) 2018/19 Strategic Performance Report
Report of	Chairman of the Policy and Resources Committee
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: Corporate Risk Register
Officer Contact Details	Alaine Clarke, Head of Programmes, Performance and Risk alaine.clarke@barnet.gov.uk Paul Clarke, Deputy Director of Finance paul.clarke@barnet.gov.uk

Summary

This report provides an **annual strategic overview** of performance for **2018/19** focusing on budget outturns (revenue and capital) and performance on activities and key indicators, as well as risk information related to the corporate priorities in the Corporate Plan 2018/19 Addendum.

Officer Recommendations

1. The Committee is asked to note the revenue and capital outturn for 2018/19.
2. The Committee is asked to note the savings delivered in 2018/19.
3. The Committee is asked to scrutinise the performance and risk information related to the corporate priorities in the Corporate Plan 2018/19 Addendum, including the strategic and high level (scoring 15+) service/joint risks that form the corporate risk register at Appendix A.

PURPOSE OF REPORT

1 Introduction

- 1.1 This report provides a **strategic overview** of performance for the **End of Year (EOY) 2018/19** focusing on the budget outturns and outcomes for the corporate priorities in the Corporate Plan 2018/19 Addendum. It also includes high level (scoring 15+) risks linked to the delivery of the corporate priorities
- 1.2 The report is in addition to the EOY 2018/19 Themed Performance Reports to each Theme Committee (8 May to 20 June 2019) and the EOY 2018/19 Contracts Performance Report to Financial Performance and Contracts (FPC) Committee on 19 June 2019. These reports will be published on the committee section of the council's website at: <https://barnet.moderngov.co.uk/ieDocHome.aspx?bcr=1> prior to the committee.

2 General Fund

- 2.1 The General Fund revenue outturn for 2018/19 was a net overspend of £0.822m; the comparable Month 11 figure was £1.427m. This outturn was stated after the net contribution to/from specific and general earmarked reserves.

Table 1: General Fund Revenue Outturn

Service	Revised Budget £000	Outturn £000	Variance from Revised Budget Adv/(fav) £000	Reserve Movts £000	Outturn after Reserve Movts £000	Variance after Reserve Movts Adv/(fav) £000
Adults and Communities	95,493	95,101	(392)	(191)	94,910	(583)
Assurance	6,348	6,892	544	(277)	6,615	267
Central Expenses	44,790	41,636	(3,154)	303	41,939	(2,851)
Children's Services	66,718	67,718	1,000	(256)	67,462	744
Commissioning Group	19,510	17,946	(1,564)	121	18,067	(1,443)
CSG and Council Managed Budgets	25,062	24,559	(503)	3,315	27,874	2,812
Housing General Fund (Tackling Homelessness)	6,926	7,454	528	(418)	7,036	110
Public Health	17,160	18,090	930	(930)	17,160	-
Development and Regulatory Services (Including Re)	684	1,900	1,216	(409)	1,491	807
Street Scene	12,053	12,937	884	75	13,012	959
Total General Fund	294,744	294,233	(511)	1,333	295,566	822

Service	Revised Budget £000	Outturn £000	Variance from Revised Budget Adv/(fav) £000	Reserve Movts £000	Outturn after Reserve Movts £000	Variance after Reserve Movts Adv/(fav) £000
Housing Revenue Account	754	2,682	1,928	0	2,682	1,928

- 2.2 The main reasons for the General Fund outturn overspend of £0.822m are set out below.

Adults and Safeguarding

- 2.3 The service recorded an underspend of £0.583m.
- 2.4 The non-placements budgets underspent by £0.598m, which is the net effect of £0.766m underspend on staffing budget and £0.167m overspend mostly due to voluntary organisations budget and Deprivation of Liberty safeguards (DOLs) assessment costs. The voluntary organisations budget pays for several contracts on prevention services.
- 2.5 The placements budget overspent by £0.015m with adverse variances in working age Learning and Physical Disability clients being offset by underspends in Older Adults and Mental Health clients. The placements budget includes Winter Pressures funding from the Government of £1.400m which was allocated to the relevant client budgets to reflect pressure from hospital discharge.
- 2.6 There are several significant debtors (such as the CCG) for the service which could result in debt write offs being written back to the service. The service management are working hard to resolve the debt issue and the council has put in place a Debt Board to look at how debt is managed and pursued.

Assurance

- 2.7 The revenue outturn position for Assurance was an overspend of £0.267m with the variance being driven by an overspend in the HB Public Law contract (£0.713m) offset by an underspend in Elections (£0.311m). The underspend on election costs was partially caused by the £0.15m expected contribution to the Elections Reserve not being made for 18/19 owing to prior year contributions being sufficient to meet future commitments. The HB Public Law service is a demand-led service and this year demand has exceeded the available budget. The outturn for 2017/18 was a £0.789m overspend. This increased in 2018/19 due to a combination of increased contract prices and demand for the service.

Central Expenses

- 2.8 The revenue budget for Central Expenses outturn position was an underspend of £2.851m relating mainly to capital financing costs caused by slippage on the capital programme (£2.110m). This was coupled with underspends on levies (£0.184m) and insurance costs (£0.775m). The significant underspend was partially offset by the one-off payment of pension strain areas due to the Pension Fund (£0.218m).

Commissioning Group

- 2.9 The revenue budget for Commissioning Group was underspent by £1.443m, with the below areas being the key contributors to this position.
- 2.10 Environment elements of the Commissioning Group underspent by £0.607m due primarily to the adjustment to NLWA levy to reflect lower volumes of household waste processed in 2018/19. NLWA will apply the reduction to the 2019/20 levy charge however, as it relates to prior year accrued balances, a year end debtor was recognised and subsequently the majority of the surplus was transferred to reserves.
- 2.11 The Special Parking account underspent by £1.058m and was due to additional income for Moving Traffic Contraventions.
- 2.12 Resources outturn position was an underspend of £0.410m due to additional Housing Benefit overpayment.
- 2.13 Street Lighting achieved an underspend of £0.324m due to actions taken throughout the year to reduce costs such as active management of the lighting network and improved contract management.
- 2.14 The Strategic Commissioning Board (now Council Management Team) overspent by £0.118m, due to interim staff costs.
- 2.15 Information management outturn position was an overspend of £0.254m due to overspends in the confidential waste contract, on O365 licences, and additional temporary staffing in Civil Protection agreed as part as a corporate review of the Authority's arrangements.
- 2.16 Human resources outturn position was an overspend of £0.690m due to staff costs in Trade Unions (£0.058m), HR staff costs (£0.235m) and additional costs in relation to project work including work on Pay Modelling, Equal Pay Audit Review and Apprenticeship Scheme 2017.
- 2.17 Adults and health underspent by £0.110m due to part-year vacancies being held in the Joint Commissioning Service.
- 2.18 Growth and Development underspent by £0.039m. The net position was due to an overspend on the Local Plan, Regeneration Strategy and related policy workstreams that the council were required to deliver however no permanent budget provision exists. This is partially offset by an underspend on the Care Leavers Participation staffing budget.
- 2.19 The Registrar service overspent by £0.047m, primarily due to staff cost increases (£0.021m) and a reduction in the Government contribution to the citizenship ceremony grant (£0.015m).

CSG and Council Managed Budgets

- 2.20 The revenue budget for CSG and Council Managed Budgets was an overspend of £2.812m, with the below areas being the key contributors to this position.
- 2.21 The overspend was due to pressure on the CSG Managed Budget (£1.120m) which was due to ongoing structural pressures within the Estates budget. Towards this £0.919m pressures funding has been allocated for 2019/20. Income shortfalls on retained income lines (£0.425m), the loss of Agency admin recharge of £0.899m (for which a benefit has been recognised in frontline service areas) and £0.610m due to Collection Fund gainshare costs (where the additional income was credited to the Collection Fund) are all causing a £1.692m pressure on the CSG Management Fee line.

Children's Services

- 2.22 Children's Services reported an adverse outturn variance of £0.744m on a budget of £66.718m. Cost pressures to be managed within the Children Services at the start of 2018/19 were £12.375m in addition to the service savings identified of £2.337m. The majority of these pressures have been mitigated and savings achieved. The overspend has arisen from staffing projections, placement pressures, non-pay pressures and inspection preparation. These have been offset by additional income relating to Cambridge Education Contract, the use of grants and a reduction in agency costs due to the new contract, of approximately £0.590m. The overall position is offset by the use of £2.3m one-off funding. Pressures remaining at the end of the year were recognised during the 2019/20 budget setting process.
- 2.23 The nature of services provided to children and families by Family Services manage significant levels of risk. The implementation of the Barnet Children's Services Improvement Action Plan based on inspection findings and recommendations reduce this risk and drive forward improvements towards good quality services.
- 2.24 Family Services Management has a £4.649m underspend as additional resources from the Performance and Resources Committee of February and June 2018 are being held here. The service has not yet allocated this budget across the department.
- 2.25 Education skills have a £0.671m underspend, principally due to £0.231m reductions in costs for the CE contract and additional unbudgeted DSG contributions in relation to £0.300m SEN support and inclusion costs charged to the DSG.
- 2.26 The Corporate Parenting, Disability and Permanence service has a £4.741m overspend. The service is broken down into Social Care Management (£0.225m), CSC 0-25 (£0.605m), Permanence Transitions and Corporate Parenting (£1.287m) and Placements (£2.624m). The overall service overspend was due to a staffing variance of £1.342m and a non-staffing variance of £3.399m generated principally by use of agency staff and increases in the number and unit cost of placements and support packages.
- 2.27 Assessment, Intervention and Planning reported an overspend of £2.692m. £1.785m was principally due to agency staffing and over-establishment and £0.849m of this overspend was a result of Section 17 costs and people with no recourse to public funding pressures.

- 2.28 Early Help 0-19 underspent by £0.494m, principally generated by credits received for overpayment of Centrepont accommodation and additional DSG income.
- 2.29 Risk and Vulnerability underspent by £0.361m, mainly relating to the receipt of the Youth Justice Board Grant.
- 2.30 Central Education underspent by £0.350m, principally to receipt of a Schools grant.
- 2.31 De-minimis variances across the service result in a projected £0.119m underspend.
- 2.32 Libraries and Community Engagement overspent by £0.055m due to late notification of £0.122m backdated rate charges to 2017/18 for Church End library. This was offset by £0.061 reduction for security costs. In addition, credits for utilities were received for £0.012m which were backdated to 2017/18.

Housing General Fund (Tackling Homelessness)

- 2.33 The revenue budget for Housing General Fund (Tackling Homelessness) has overspent by £0.110m. The outturn includes mitigations put in place, including the acquisition of affordable properties to replace temporary accommodation, additional Flexible Homelessness Support Grant and appropriate recharging of costs to the HRA.

Public Health

- 2.34 The revenue budget for Public Health achieved a balanced position against its budget.

Development and Regulatory Services (including Re)

- 2.35 The revenue outturn for Re Guaranteed Income and Management Fee was an overspend of £0.807m.
- 2.36 There was a shortfall in income totalling £1.280m, generated primarily by income targets on a number of areas not being achieved. The adverse variance is offset by income to the HRA that was allowed against Re's contractual target, but which cannot contribute to the budget as this is in the General Fund. The Management Fee underspent by £0.491m due to a £0.350m Brent Cross rebate and additional contributions from CIL/S106 admin fee.

Street Scene

- 2.37 The Street Scene outturn variance was an overspend of £0.959m, an improvement of £0.189m when compared to the Period 9 (Q3) position. The key contributor to this position was Waste (frontline) – this service overspent by £2.015m. The delays in the start of, and difficulties embedding, the recycling and waste service changes resulted in increased expenditure relating to the recognition of the existing overspend and enhanced by the non-delivery of historic savings. This was exacerbated by increased costs of transformation due to the service not being fully embedded by Christmas and additional unresolved pressure generated by increased costs of maintenance on the recycling and waste fleet as it ages. The adverse variance was partially offset by an

underspend of £0.385m relating to ground maintenance, generated by grass cutting savings due to weather conditions, as well as an underspend of £0.672m relating to planned management and service support savings.

Housing Revenue Account (HRA)

2.38 The Housing Revenue Account (HRA) has a budgeted contribution from balances of £0.754m in 2018/19. The outturn shows a deficit of £2.681m. There was a year-end balance of £12.321m as at 31 March 2019.

Table 2: HRA Outturn

	Revised Budget	Outturn	Variance from Budget Adv/(Fav)
	£000	£000	£000
Dwelling rents	(49,810)	(49,902)	(92)
Service and other charges	(9,133)	(7,832)	1,301
Housing management	20,375	21,717	1,343
Repairs and maintenance	7,570	7,553	(17)
Provision for bad debts	250	325	75
Regeneration	837	116	(720)
Capital charges	30,760	30,863	103
Interest on balances	(95)	(159)	(65)
Total	754	2,681	1,927

2.39 The main reasons for the variance from budget are set out below.

2.40 **Income** - Dwelling rents over achieved by £0.092m compared with the revised budget. The outturn for Service and Other Charges shows that this under recovered by £1.301m. The variance relates to the following: garage and commercial rents, service charges and water services. Garage and commercial rental income was a £0.490m underachievement due to a higher level of voids and lower numbers of relets (i.e. how long it takes to re-let after they become void). Service Charges to tenants and leaseholders was a £0.602m underachievement primarily related to the number of voids on regeneration sites prior to demolition. There was a reduction in the income received on the commission for collecting water rates from tenant.

2.41 **Expenditure** - Housing management costs mainly reflect the core management fee of £17m paid to Barnet Homes to manage the housing stock in addition to £3m for Insurance and other service costs. This budget was overspent by £1.343m as follows: £0.545m increase in the insurance premiums on the housing stock for fire and leaseholder insurance and fees relating to commissioned services of £0.798m which includes the cost of wardens on the regeneration estates, costs of decanting, revenue costs relating to the fire on Guilfoyle and additional bin collections.

2.42 The repairs and maintenance budget of £7.570m relates to the management fee paid to Barnet Homes for the repair and maintenance of housing stock and refurbishment

of properties when they become void. The outturn showed an underspend of £0.017m.

- 2.43 The housing regeneration showed increased income of £0.721m for cost recovery from developers on several regeneration schemes at Dollis Valley, Grahame Park, West Hendon and Granville Road.

Dedicated Schools Grant (DSG)

- 2.44 The DSG budget for 2018/19 was revised to take into account the brought forward reserve of £0.501m, £0.500m prior year Early Years adjustment and additional High Needs funding from Central Government of £0.964m announced in December 2018. The £0.501m carry forward has, as planned, been offset against the position, giving a total underspend of £1.543m.
- 2.45 The High Needs block was an overspend of £0.246m due to top-up funding for high needs pupils. The high needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25, enabling both local authorities and providers to meet their statutory duties under the Children and Families Act 2014. High needs funding is also intended to support good quality Alternative Provision for pre-16 pupils who cannot receive education in schools.
- 2.46 DSG High Needs funding has not kept up with inflation or the rate of demographic growth in recent years, whereas demand, driven by a mixture of demographic change, the growing complexity of needs and the new framework created by the SEN reforms, has grown significantly. Local authorities across England are facing similar problems and many are known to have faced significant overspending on their High Needs budgets.
- 2.47 The High Needs pressure was partly offset by underspends in the Schools Block. The Growth Fund for expanding schools was underspend by £0.073m, the late conversion of a school to the maintained sector has resulted in a £0.234m underspend.
- 2.48 Although the Early Years Block underspent by £0.983m, clawback of funding is expected in 2019/20 where there has been a change between January 2018 and January 2019 in early years pupil numbers.
- 2.49 The Council had submitted a request to the Secretary of State in relation to the transfer from the school's block of DSG to the high needs block in order to address pressures in this area. However, following a funding announcement in December where an additional £0.964m was allocated for 2018/19 and 2019/20, this request was withdrawn.
- 2.50 There have been no previous transfers between funding blocks under the new ring-fenced arrangements for funding blocks. In previous years there has been underspending in the overall Schools Budget, which helped to create reserves that could be used to address new pressures, such as the need to allocate 'growth funding' for new and expanding schools. However, the reserves have generally

reduced, largely to pay for growth funding and because of the growing pressures on the High Needs budget.

- 2.51 This is a reflection of the fact that there was an overall shortfall in the High Needs Block nationally. 'London Councils' is continuing to lobby the Government to request this is dealt with as part of the Comprehensive Spending Review.
- 2.52 At year end a recovery plan was in place to secure savings within the High Needs Block. Savings of £1.2m have already been achieved and plans are in place to achieve further savings of over £1m in 2019/20, rising to £2m in 2020/21. Combined with the additional funding announced in December of £1.928m over two years for the High Needs block, this should remove the deficit 2019-20, provided demand pressures are in line with current forecasts.

Table 3: Dedicated Schools Grant

	Revised Budget £000	Outturn £000	Variance from Budget Adv/(Fav) £000
Schools			
- Individual Schools Budget	141,227	140,993	(234)
- Growth Fund	897	825	(72)
- Central Schools Expenditure	1,268	1,268	0
- ESG Retained Funding	852	852	0
Sub-total	144,245	143,938	(306)
Early Years Block	29,037	28,054	(983)
High Needs Block	45,182	45,428	246
Sub-total	218,464	217,420	(1,043)
DSG Income	(217,963)	(217,963)	0
DSG c/f	(501)	0	501
Early Years 2017/18		(500)	(500)
DSG Total	0	(1,044)	(1,044)

Capital Programme

- 2.53 The outturn on the council's 2018/19 capital programme was £241m, of which £208m relates to the General Fund programme and £33m to the HRA capital programme. This was £55m less than the currently approved 2018/19 budget of £296m. Table 4 summarises the actual expenditure, budget and variance by service.

Table 4: Capital Outturn

Service	18/19 Budget £000	Additions/ (Deletions) £000	(Slippage)/ Accelerate d Spend £000	18/19 Outturn £000	Variance from Approved Budget £000	Variance from Approved Budget %
Adults and Communities	2,400	(481)	(388)	1,531	(869)	(36.2)
Commissioning Group	53,856	(128)	(4,954)	48,774	(5,082)	(9.4)
Children's services -Education	21,361	0	(1,401)	19,961	(1,401)	(6.6)

and Skills						
Children's services - Family Services	6,046	(170)	(421)	5,455	(591)	(9.8)
Housing Needs and Resources	44,246		5,208	49,454	5,208	11.8
Parking and Infrastructure	1,517		(461)	1,056	(461)	(30.4)
Regional Enterprise (Re)	129,603	187	(50,093)	79,697	(49,906)	(38.5)
Street Scene	3,825	(225)	(1,493)	2,107	(1,718)	(44.9)
General Fund Programme	262,855	(816)	(54,003)	208,035	(54,820)	(20.9)
HRA (Managed by Barnet Homes)	33,564		(517)	33,047	(517)	(1.5)
Total Capital Programme	296,419	(816)	(54,521)	241,082	(55,337)	(18.7)

2.54 All but one service areas had slippage, with five areas identifying deletions. The principal variances from budget and the reasons for these are highlighted below.

- **Adults and Communities** had slippage of £0.388m and a deletion of £0.481m on the Mosaic project. The deletion was due to project costs being transferred to revenue and funded under the flexible use of capital receipts as approved by Council in March 2019.
- **Commissioning** had slippage of £4.95m and deletions of £0.128m. The deletion was as a result of the community centre fit out and the Tarling Road community centre projects being combined, releasing funds that were no longer required. The slippage related primarily to the Office build where construction will not be completed until 2019/20 and the ICT Strategy where implementation of systems is now scheduled in 2019/20.
- The **Children's Services (Education)** has slippage of £1.401m, this was largely due to re-phasing works within the Schools Modernisation Programme and the budget held for emergency reactive works not being required (£0.655m). Underground contamination problems caused delays to the Blessed Dominic build which resulted in £0.745m slippage.
- The **Children's Services (Family Services)** had slippage of £0.421m. This was primarily due to delays to Meadow Close (£0.162m), re-profiling of Early Education and Childcare place sufficiency works into 2019/20 (£0.186m) and delays in Foster Carers adoptions (£0.110m).
- The **Housing General Fund (Tackling Homelessness)** reported an overspend of £5.208m. This was largely due to accelerated spend of £7.300m for Direct acquisitions where there have been additional acquisitions and the Open Door project where further funds were required to be drawdown to facilitate the new build. The Empty Properties programme also slipped by £1.670m as a number of CPO's were delayed.
- The **Parking and Infrastructure** programme slipped by £0.461m. This was as a result of expenditure on the lines and signs project being completed in the next financial year; the upgrade of pay and display machines will take place in 2019/20

and the Highways permanent re-instatements, which is ongoing, and will continue into the next financial year.

- The **Re (Regeneration)** outturn was £66.512m (slippage of £49.583m). The Thameslink Station (£31.544m) slippage was due to a delay in signing the Implementation Agreement and securing HMG funding following Brent Cross North's deferral. Slippage on the Strategic Infrastructure Fund (£16.000m) resulted from the Legal Agreement taking longer than expected.
- **Street Scene** slippage was £1.493m, which together with deletions of £0.225m, resulted in a programme that was £1.718m less than budget. The slippage mainly related to vehicles where further purchases will take place in 2019/20; the procurement of the Data Management System which completed in April 2019 and the next stage of the Green spaces development project will commence in 2019/20.
- The **HRA** capital programme was £33.047m against a revised budget of £33.564m, resulting in a forecast variance of £0.517m. The most significant movements were:
 - The HRA fire and safety programme accelerated spend of £1.009m following a review of the plans for delivery of all the various improvements to the tower blocks.
 - The Upper and Lower Fosters project slipped by £0.480m following a review of the profile of the spend and the phasing of the project.
 - The extra care pipeline project slipped by £0.585m following delays in the purchase of leaseholder properties
 - Ansell Court (formerly Moreton Close) slipped by £0.600 mainly due to the retention payment which is due in 2019/20.
 - The main housing programme has accelerated expenditure of £0.139m due to increased works across the programme.

Funding of Capital Programme

2.55 Table 5 shows how the 2018/19 forecast capital programme was funded.

Table 5: Funding of 2018/19 Capital Programme

Service	Grants/ Other Contribns £000	S106 £000	Capital Receipts £000	Revenue/ MRA £000	CIL £000	Borrowing £000	Total £000
General Fund Programme	57,875	8,617	13,289	0	29,092	99,162	208,034
HRA	1,773	0	4,997	26,276	0	0	33,047
Total Capital Programme	59,648	8,617	18,286	26,276	29,092	99,162	241,080

2.56 Table 6 shows the impact of the movements in the forecast of the capital programme when compared to the budget.

Table 6: Funding movements of 2018/19 Capital Programme

Service	Grants/ Other Contribns	S106	Capital Receipts	Revenue /MRA	CIL	Borrowing	Total
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	£000	£000	£000	£000	£000	£000	£000
General Fund Programme	(28,777)	(496)	(2,303)	(546)	115	(22,812)	(54,820)
HRA	1,713	0	4,168	928	0	(7,327)	(517)
Total Capital Programme	(27,064)	(496)	1,865	382	115	(30,139)	(55,338)

3 Staffing

- 3.1 There were 1,711 staff in established posts (1,416 FTEs) and 316 agency staff (199 agency FTE) in March 2019 (see tables 7a, 7b, 8a and 8b).

Table 7a: LBB Staff Headcount (Q4 2018/19)

Service	Jan-19	Feb-19	Mar-19
Adults and Communities	318	318	316
Commissioning Group	249	249	241
Family Services	677	680	675
Street Scene	477	477	479
Overall	1,721	1,724	1,711

**Figures exclude vacancies and Education and Skills
Source: HR Establishment Pack*

Table 7b: LBB Staff Full Time Equivalent (Q4 2018/19)

Service	Jan-19	Feb-19	Mar-19
Adults and Communities	284	284	282
Commissioning Group	229	229	223
Family Services	500	503	500
Street Scene	409	409	411
Overall	1,422	1,425	1,416

**Figures exclude Education and Skills
Source: HR Establishment Pack*

- 3.2 At the end of September 2018, Family Services had agency Social Workers covering 28.9% of the Qualified Social Worker workforce¹. This included all employees that were Social Work qualified e.g. Managers, Quality Assurance staff, etc. In comparison with other Outer London Boroughs, Barnet was 8th out of 17. This is an improving position, with local data indicating a steady decline in reliance on agency Social Workers and a more stable workforce.

Table 8a: Agency Headcount (Q4 2018/19)

Service	Jan-19	Feb-19	Mar-19
Adults and Communities	23	21	22
Commissioning Group	28	28	30
Family Services	150	141	144
Street Scene	107	126	121
Overall	308	316	316

**Figures exclude Education and Skills
Source: Agency data extracted from Matrix 10 days after the end of the month. The figures exclude agency staff outside of Matrix and non-active agency staff e.g. not paid or contract ended on Matrix.*

¹ DfE return.

Table 8b: Agency Full Time Equivalent (Q4 2018/19)

Service	Jan-19	Feb-19	Mar-19
Adults and Communities	15	12	13
Commissioning Group	20	22	23
Family Services	115	99	94
Street Scene	46	60	69
Overall	196	192	199

*Figures exclude Education and Skills

Source: Agency data extracted from Matrix 10 days after the end of the month. The figures exclude agency staff outside of Matrix and non-active agency staff e.g. not paid or contract ended on Matrix. Agency FTE is calculated by dividing total hours worked by FTE hours in period.

3.3 Agency staff expenditure included in the revenue outturn is shown in table 8c. Agency spend for the year up to 31 March 2019 was **£16.652m**, £2.541m less than last year (£19.193m).

Table 8c: Expenditure on Agency Staff (2018/19)

Service	17/18 Outturn £000	18/19 Outturn £000	Change %
Adults and Communities	2,510	1,653	-34.2
Assurance	16	10	-37.3
Children's Services	10,407	9,600	-7.8
Commissioning Group	1,501	2,210	47.2
Customer Support Group	50	93	86.9
HRA	0	1	N/A
Public Health	8	176	2102.4
Development & Regulatory Services (including Re)	0	68	N/A
Street Scene	2,427	1,868	-23.0
Capital	2,274	973	-57.2
Total	19,193	16,652	-13.2

3.4 A range of health and wellbeing initiatives helped to reduce sickness absence over the year, which fell from 10.10 days in April 2018 to 8.24 days in March 2019 (see table 9).

Table 9: Sickness Absence (Q4 2018/19)

Service	Average days lost per FTE (rolling 12 months)		
	Jan-19	Feb-19	Mar-19**
Adults and Communities	7.85	7.63	6.92
Commissioning Group	3.28	3.44	3.76
Family Services	7.17	7.07	7.06
Street Scene	12.24	12.60	12.16
Overall*	8.13	8.18	8.24

*Figures include Education and Skills

**Figures reflect revised structure, so may not be directly comparable to previous months. For purposes on this report Commissioning Group in Mar-19 = Assurance, Growth & Corporate Services and CEO

Source: HR Dashboard (average over rolling 12 months)

4 Performance and Risk

- 4.1 The corporate priorities were set out in the Corporate Plan 2018/19 Addendum. These were the top 15 priorities for the council. As well as these, the Theme Committees had additional priorities that have been reported to them as part of the performance and risk reporting framework. Information relating to the additional priorities is not included in this Strategic Performance Report, except where there were indicators that did not meet the annual target and/or high level (scoring 15+) risks.
- 4.2 The update on **corporate priorities** is presented by Theme Committee and includes performance and risk information as follows:
- Progress on activities
 - Performance of key indicators²
 - High level (scoring 15+) risks from the Corporate Risk Register³
- 4.3 In addition, any indicators that did not meet target and/or high level (scoring 15+) risks linked to **additional priorities** for the Theme Committee are presented; along with any strategic issues/escalations related to the Theme Committee's Terms of Reference.
- 4.4 There were a number of indicators in the Corporate Plan Addendum 2018/19 that were due to reported as part of the Residents' Perception Survey. These indicators are not included in the report, as the survey has been delayed until autumn 2019.
- 4.5 An overall status is given for each corporate priority (see table 10). This reflects the EOY 2018/19 position for budget forecasts, progress on activities, performance of key indicators and any high level (scoring 15+) risks.

Table 10: Overall Status for Priorities (EOY 2018/19)

Corporate priority	Overall status
Children, Education and Safeguarding	
Children's Services Improvement Action Plan	Amber
Delivering the family-friendly Barnet vision	Amber
Adults and Safeguarding	
Embedding strength-based practice	Amber
Integrating local health and social care	Amber
Assets, Regeneration and Growth	
Regenerating Brent Cross Cricklewood	Amber

² RAG rating reflects the percentage variance of the result against the target as follows: On target = **GREEN (G)**; Up to 9.9% off target = **AMBER (A)**; 10% or more off target = **RED (R)**. The Direction of Travel (DOT) status shows the percentage variation in the result since last year e.g. Improving (**↑ I**), Worsening (**↓ W**) or Same (**→ S**). The percentage variation is calculated as follows: EOY 18/19 result minus EOY 17/18 result equals difference; then difference divided by EOY 17/18 result multiplied by 100 = percentage variation. Any results not for the full year are illustrated by (s) snapshot at end of year or (r) rolling 12 months.

³ The Corporate Risk Register includes strategic risks (strategic and business critical risks) and high level (scoring 15+) service/joint risks (service and contract delivery risks). All risks are managed in line with the council's risk management framework. The risk registers are live documents and the Q4 18/19 Corporate Risk Register provides a snapshot in time (as at end March 2019). All risk descriptions for the strategic and high level (scoring 15+) service/joint risks are available in Appendix A.

Corporate priority	Overall status
Increasing the housing supply	Amber
Helping people into work	Green
Housing	
Building compliance and fire safety	Green
Environment	
Modernising environmental services	Amber
Delivering highways improvements	Amber
Community Leadership and Libraries	
Safer communities	Amber
Tackling issues with domestic violence, mental health and substance misuse	Amber
Policy and Resources	
Implementing The Way We Work programme	Amber
Continuing to improve customer services	Amber
Medium and long term strategic planning	Amber

5 CHILDREN, EDUCATION AND SAFEGUARDING (CES) COMMITTEE

Children's Services Improvement Action Plan

- 5.1 Children's Services in Barnet were judged by Ofsted to be inadequate when Ofsted undertook a Single Inspection Framework (SIF) of these services in April and May 2017. The council fully accepted the findings of the report and has worked collectively with the partnership to drive the improvements needed to transform social care services for children, young people and their families from inadequate to good rapidly.
- 5.2 Under the Inspection of Local Authority Children's Services (ILACS) Framework, local authorities judged as inadequate are subject to ongoing monitoring activity from Ofsted; in Barnet, this has included an action planning visit, quarterly monitoring visits and a full ILACS inspection after February 2019 due to satisfactory progress noted during monitoring visits.
- 5.3 Since November 2017, Ofsted have conducted six monitoring visits of Barnet Children's Services, focusing on 'front door' services, Duty and Assessment, Intervention and Planning, Children in Care, work with vulnerable adolescents and Care Leaver services. During this period, Ofsted have found there to be a steady and strong focus on improving services and the quality of social work practice in Barnet. Although the pace of change has established improved social work practice over the last year, there is more work to do to ensure consistent quality of practice across all services.
- 5.4 A sixth monitoring visit took place on 14 and 15 February 2019. This focused on the leaving care service, Onwards and Upwards, and young people transitioning to leaving care. Ofsted have confirmed that this was the last monitoring visit for the local authority. The next visit by Ofsted was the full ILACS inspection in May 2019, which was a re-inspection of all services.
- 5.5 The latest progress report was presented to CES Committee on 8 May 2019 and is available online at:
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=9471&Ver=4>
- 5.6 There were two key indicators linked to this priority in the Corporate Plan. Overall progress against the Children's Services Improvement Action Plan is shown in the table below.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Overall progress against Children's Services Improvement Action Plan	Monitor	Monitor	Pace of change begun to establish improved social work practice	New for 18/19	New for 18/19	No benchmark available
Findings of Ofsted Monitoring Visits	Monitor	Monitor		New for 18/19	New for 18/19	No benchmark available

- 5.7 In addition to these, CES Committee received a comprehensive datapack of indicators that were subject to additional focus through the Children's Services

Improvement Action Plan. This included updated data on **caseloads**, which has been extracted for information below (see paragraph 1.23). The latest Performance Matters (February 2019) was presented at the May 2019 meeting and is available online at:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=9471&Ver=4>

Caseloads

- 5.8 The council has invested in additional staffing in Family Services to keep caseloads down, especially in the Duty and Assessment (DAT) and Children in Care (CIC) teams. The data for March 2019 (see table 11) shows that since the Ofsted inspection, the average caseload has decreased across all teams except one, with a notable decrease of circa 45 per cent in the Duty and Assessment Team.
- 5.9 Caseloads have increased slightly in the Onwards and Upwards service. This is linked to the increase in unaccompanied children arriving in Barnet, prior to and since the Ofsted inspection; the number of unaccompanied children has increased by 16 per cent since 2016/17. Unaccompanied Asylum Seeking Children often arrive in Barnet's care with multiple risks and vulnerabilities, and require additional support to deal with issues such as immigration status and health checks. To sufficiently support this cohort to recover from their experiences and provide consistent support with fewer points of transition, the Transitions Protocol was updated in 2018.
- 5.10 Under the new protocol, all newly arrived unaccompanied asylum seeking children are now allocated directly to Onwards and Upwards for assessment, once initial checks have been undertaken by the MASH team. This means that from the point of transfer, unaccompanied young people are now allocated to one personal Advisor within the team. This enables more consistent planning and decision making for this cohort, and their lived experience to be better understood by one worker who supports them from the point of arrival.
- 5.11 The feedback letter from the Onwards and Upwards (February 2019) Ofsted Monitoring visit noted this change, stating that "Caseloads were reported to be manageable for most staff, although some were high, and for others had recently increased."

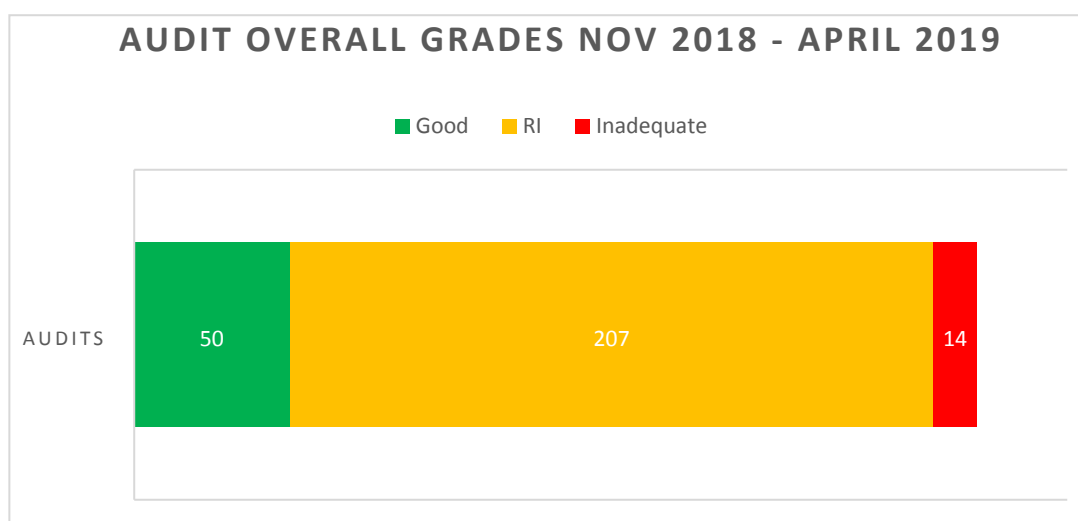
Table 11: Average Caseloads (March 2019)

	Apr/May-17 (Ofsted Inspection)	March 2019
Duty and Assessment (DAT)	28.3	15.6
Intervention and Planning (I&P)	17.3	16.7
Children in Care (CIC)	15.9	12.7
0-25	17.6	17.0
Onwards and Upwards	21.2	21.5
REACH	9.8	9.0

Source: Data Dashboard, Performance Matters, March 2019

Quality Assurance

- 5.12 Quality Assurance (QA) processes measure practice against the Practice Standards and instil clear expectations and a strong sense of accountability in staff for the impact of their work on the lives of children and families. QA activities aim to ensure staff are supported to deliver best practice through appreciative inquiry and reflective and meaningful feedback, which focuses on practice strengths and encourages learning. The process is closely aligned to the Workforce Development Strategy and informs workforce development and training offer.
- 5.13 A variety of audits across predefined areas of practice, which form regular audit activity are completed. Themed audits are decided quarterly based on strategic priorities or identified areas for learning and are allocated to auditors (QA Officers, IRO/CRO's, Team Managers) for completion. Key learning points are disseminated across the service and where appropriate across the local partnership. Impact is monitored through routine case tracking and analysis and quality assurance approaches.
- 5.14 Data from the six months between November 2018 and April 2019 showed audit outcomes at 5.1% Inadequate, 76.3% Requires Improvement (RI) and 18.4% Good.



- 5.15 There was one high level (scoring 15+) strategic risk linked to this priority in Q4 2018/19.
- **STR021 - Delivery of Ofsted Improvement Action Plan and strengthening safeguarding (residual score 16).** Ofsted undertook a sixth and final monitoring visit on 14 to 15 February 2019, which focused on the quality of practice in the care leavers service. Inspectors found the quality of social work practice is improving steadily and changes to the service are making a positive difference with appropriate support offered to care leavers. Inspectors noted high levels of consistent, regular and skilled planning was helping to achieve positive outcomes for young people but acknowledged that some challenges remain.

Delivering the family-friendly Barnet vision

- 5.16 A new Children and Young People's Plan (CYPP) was approved by the CES Committee in March 2019, following a period of public consultation in April 2019. Key outcomes to support the aspiration of a 'family-friendly Barnet' included a series of mental health initiatives to support children and young people, enhanced plans to prevent young people from getting involved in violence, crime and anti-social behaviour, as well as increasing the number of schools in Barnet rated as good or outstanding.
- 5.17 The CYPP takes account of the changing needs of the large and growing number of children, young people and families in the borough. The approach supplements the ambition to be the most 'Family-Friendly Borough' by 2020'. It has been informed by conversations with young people, elected members, council officers, heads of service and partner agencies to drive out the best outcomes. The results enable the council, partners and young people to work in a more responsive and empowering way.
- 5.18 In addition, Barnet has a three-year agreement with UNICEF to deliver the Child Rights Partners Programme across the borough, working in partnership to ensure all children, including the most vulnerable, can be supported to grow up healthy, happy, safe and resilient. Over 36 months Barnet will work towards six badges that will be assessed by UNICEF and will underpin the new CYPP.
- 5.19 A Young People's Perception Survey is carried out every two years. The survey provides insight to what young people think about living in the borough, their perception of the council, the services they receive and helps with understanding young people's priorities and concerns. The latest survey showed 84 per cent of young people thought Barnet was a family-friendly place to live. Top personal safety concerns were gangs, bullying and drug taking. These results have helped to inform the new CYPP and responses will assist with better targeting and improvement of services
- 5.20 A full update on progress against the family-friendly Barnet priority was presented to CES Committee on 8 May 2019 and is available online at:
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MIId=9471&Ver=4>
- 5.21 The quality of Barnet's schools is a significant contributory factor to making the borough a popular and desirable place to live and supports the council's priority to be the most family-friendly borough in London.

Barnet was among the top performing local authority areas in the country in relation to the achievement of children and young people and the quality of schools. Barnet's aspiration continues to be among the top 10% of local authorities in relation to the quality of provision in its schools. The results for national examinations and assessments that took place across the early years, primary and secondary phases in summer 2018 have been published. Barnet's secondary schools continued to perform very well and there were improvements across early years and primary schools, with Barnet performing in the top quartile of local authorities for most indicators and in the top 10% on several measures.

- The percentage of Good and Outstanding schools in Barnet at the end of March 2019 was 94.3%. This was within the top 10% in the country.

- Primary attendance was 96.1%, with Barnet's ranking improving from 82nd in 2016 to 15th in 2018.
- At Key Stage 2 (KS2), attainment of the expected standard in Reading, Writing and Mathematics combined was in the top 10%, with Barnet ranked 8th out of 152 local authorities. Attainment in Writing was in the top 20% of local authorities, with Barnet's ranking improving from 100th in 2016 to 21st in 2018.
- Barnet was ranked 1st in the country for attainment in Reading, Writing and Mathematics combined by Key Stage 2 pupils on SEN Support.
- Attainment in Reading, Writing and Mathematics combined by disadvantaged KS2 pupils was in the top 10% of local authorities, with Barnet ranked 9th in the country.
- End of Key Stage 4 (KS4) GCSE attainment and progress was in the top 5% nationally (Attainment 8 and Progress 8) for all pupils and for disadvantaged pupils.
- Barnet's Attainment 8 rank was 5th and its Progress 8 rank was 2nd (behind the Isles of Scilly, which only had 14 pupils in the relevant cohort).
- On all measures at KS4, Barnet pupils on SEN Support were among the top 10% nationally.
- For disadvantaged pupils Barnet's Attainment 8 rank was 5th best and its Progress 8 score was ranked 4th.
- The gap between Barnet's disadvantaged pupils and non-disadvantaged pupils nationally at Attainment 8 was the 5th smallest in the country. On the Progress 8 measure Barnet disadvantaged pupils performed better than non-disadvantaged pupils nationally.

5.22 A report providing information on the validated results for 2017/18 assessments and national examinations was presented to CES Committee on 13 March 2019 and is available online at:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=9470&Ver=4>

5.23 There were no key indicators linked to this priority in the Corporate Plan; and no high level (scoring 15+) risks in Q4 2018/19.

Strategic issues/escalations

5.24 There were no strategic issues/escalations in relation to the EOY 2018/19 CES Committee performance for P&R Committee.

6 ADULTS AND SAFEGUARDING (A&S) COMMITTEE

Embedding strength-based practice

- 6.1 Strength-based social care practice has continued to be embedded throughout the year. This has involved regular quality checks managed through the panel authorisation process, training, and internal and external audit activity. Significant improvements have been seen in the relevant ASCOF measures (reported in Q3) and external audit results (reported in Q4).
- 6.2 The Adult Social Care User Survey for 2017/18 showed that performance for key indicators on strength-based practice had been maintained or improved; and Barnet performed strongly against comparator local authorities. Overall satisfaction (those who stated they were extremely or very satisfied) with care and support increased from 61.7% in 2016/17 to 63.6% in 2017/18, with Barnet ranked 2nd against the comparator group of 16 local authorities. Barnet also maintained strong performance in relation to social care-related quality of life and ranked 4th against the comparator group, and Barnet ranked 2nd when people were asked about the impact of social care on their quality of life against the comparator group.
- 6.3 New services to support individuals into employment have been prototyped in the latter part of the year, involving close work with senior operational managers, and will be rolled out more widely in 2019/20.
- 6.4 There were 11 key indicators linked to this priority in the Corporate Plan. Five met the annual target; three cannot be reported because of difficulties reporting from the case management system (Mosaic); and three did not meet the annual target.
- **Adults with learning disabilities in paid employment (RAG rated RED) – 8.9% against an annual target of 10.9%.** There was a slight fall in the numbers of adults with learning disabilities in paid employment known to the council's adult social care service, from 78 to 74 adults, with the percentage score reduced due to a substantial increase in the learning disabilities cohort during Q4 from 802 to 830. This cohort includes all adults with learning disabilities who have been in receipt of a long-term service over the course of the year. To support these adults, the new day opportunities and employment support service has been prototyped with service users and social workers have used the annual care and support plan review process to identify adults suitable for referral into the employment support service.
 - **Adults with mental health needs in paid employment (RAG rated AMBER) – 7.3% against an annual target of 7.5%.** The new day opportunities and employment service is due to be rolled-out to adults with mental health needs in 2019/20. Although slightly below the annual target, the service has performed better than the London and England averages. To allow the council to benchmark its performance, this indicator follows a national definition which counts all adults with significant mental health needs rather than only adults in contact with council adult social care services. This means that the cohort covered by this indicator is much larger than those supported by adult social care.
 - **Adults with mental health needs who live independently with or without support (RAG rated AMBER) – 80.9%% against an annual target of 83%.** In Q4, there was an increase in the number of new referrals to the service with a housing

need, via hospital wards, crisis resolution teams and the Recovery House. Although slightly below the annual target, the service has performed better than the London and England averages. Again, this indicator counts all adults with significant mental health needs rather than only adults in contact with local authority social care services.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Permanent admissions to residential and nursing care homes, per 100,000 population age 65+	Smaller is Better	468.5 ⁴	381.4 (G)	↓ W +22%	312.5	CIPFA Neighbours 383.4 London 406.2 England 585.6 (NASCIS, 17/18)
Permanent admissions to residential and nursing care homes, per 100,000 population age 18-64	Smaller is Better	12.0	9.1 (G)	↓ W +181%	3.2	CIPFA Neighbours 8.8 London 9.6 England 14.0 (NASCIS, 17/18)
Adults with learning disabilities who live in their own home or with their family	Bigger is Better	72.5%	78% (G)	↑ I +4%	75%	CIPFA Neighbours 70.9% London 73.3% England 77.2% (NASCIS, 17/18)
Adults with learning disabilities in paid employment	Bigger is Better	10.9%	8.9% (R)	↓ W -11%	10.1%	CIPFA Neighbours 9.3% London 7.5% England 6.0% (NASCIS, 17/18)
Adults with mental health needs in paid employment	Bigger is Better	7.5%	7.3% (A)	↑ I +8%	6.7%	CIPFA Neighbours 7.8% London 6% England 7% (NASCIS, 17/18)
Adults with mental health needs who live independently, with or without support	Bigger is Better	83%	80.9% (A)	↓ W -2%	82.4%	CIPFA Neighbours 67.1% London 61% England 57% (NASCIS, 17/18)
Contacts that result in a care package	Monitor	Monitor	No result ⁵	N/A	22.9%	No benchmark available
Service users receiving ongoing services with telecare	Bigger is Better	26.5%	No result ⁶	N/A	25.4%	No benchmark available
Instances of information, advice and guidance provided to carers	Bigger is Better	3600	No result ⁷	N/A	3874	No benchmark available

⁴ This target has been revised to bring it into line with the trajectory agreed in Better Care Fund monitoring.

⁵ This indicator cannot be reported because of difficulties with Mosaic configuration, reports and data quality.

⁶ This indicator cannot be reported because of difficulties with Mosaic configuration, reports and data quality.

⁷ This indicator cannot be reported because of difficulties with Mosaic configuration, reports and data quality.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
People who feel in control of their own lives (Annual)	Bigger is Better	73%	75.8% ⁸ (G)	↑ I +8%	69.9% ⁹	CIPFA Neighbours 74.1% London 73.2% England 77.7% (NASCIS, 17/18)
Service users who find it easy to get information (Annual)	Bigger is Better	69.8%	69.1% ¹⁰ (G)	↓ W -4%	72.1% ¹¹	CIPFA Neighbours 71.2% London 70.1% England 73.3% (NASCIS, 17/18)

6.5 There were four high level (scoring 15+) risks linked to this priority in Q4 2018/19. One was a strategic risk and three were service risks.

- **STR007 - Significant adults safeguarding incident (residual score 15).** The safeguarding risk in Adult Social Care is being managed by various policies and procedures, including adoption of the Pan-London procedures, practice standards, training; and quality assurance, including case audits and supervision audits. The service reports to CMT Assurance, Barnet Safeguarding Adults Board, Adults and Safeguarding Committee and the Health and Wellbeing Board annually. Oversight of safeguarding has been effectively maintained during the restructuring period and the implementation of the new senior management structure which is underway. The Safeguarding Board and Quality Assurance sub-group have met to ensure safeguarding standards are met across the council and partners. An external case audit took place early in Q4 and all safeguarding cases audited met safeguarding standards of practice. The Quality Assurance programme is ongoing and led by the Executive Director of Adults and Health.
- **AC001 - Increased overspend to meet statutory duties (residual score 20).** The uncertainty of the operating environment could lead to insufficient resources for the service to meet its statutory duties. The demand for care services has continued to increase, particularly in complexity and the cost of individual care packages. Recovery planning has been ongoing and measures implemented, including holding vacant posts; scrutiny of new spend by an Assistant Director to ensure care planning is appropriate and proportionate; recruitment of additional capacity to carry out financial assessments to ensure income is realised. These actions have contributed to a forecast underspend position for 2018/19 but the medium-term pressures remain and 2019/20 will be extremely challenging.
- **AC031 – Budget management (residual score 16).** Delays in resolving issues with Mosaic have limited the ability to produce routine budget reports, which could result

⁸ This survey indicator has a confidence interval of +/-4.2%pts.

⁹ The EOY results for 2017/18 show the results of the annual social care survey for 2016/17, which are reported a year in arrears. The measures from the survey were subject to further validation which was not reflected in the published NHS Digital results or in previous reports. This survey indicator has a confidence interval of +/-3.4%pts.

¹⁰ This survey indicator has a confidence interval of +/-5.0%pts.

¹¹ The EOY results for 2017/18 show the results of the annual social care survey for 2016/17, which are reported a year in arrears. The measures from the survey were subject to further validation which was not reflected in the published NHS Digital results or in previous reports. This survey indicator has a confidence interval of +/-4.7%pts.

in budget issues not being identified and addressed in a timely fashion leading to an overspend. Following the procurement of Bettergov to deliver the implementation of the Mosaic system, the Mosaic programme plan focuses in its initial stages on streamlining the brokerage processes to ensure more timely purchasing of care. The new finance reporting solution is in use with trend analysis tools being developed and tested for rollout at the end of Q4.

- **AC028 - Lack of fully functioning case management system (residual score 15).** If the substantial remedial work required to Mosaic is not implemented in a timely manner, the lack of a fully functioning case management system will have an impact on key business processes and on data/information. The main commercial process has completed and a new contractor, Bettergov, has been procured to complete implementation of Mosaic. Good progress has been made in programme delivery.

Integrating local health and social care

- 6.6 Although there has been a slight increase in overall health and care delays to hospital discharge in Q4, those attributable to social care have remained low throughout the year. This reflects close working with partners in the NHS and the ongoing commitment to support timely discharge. Increasing capacity in the homecare market in Q3 also contributed to the achievement of this outcome.

The council has worked closely with the Clinical Commissioning Group (CCG) on the Care Closer to Home Programme over the year. This programme has supported the development of six Care Closer to Home Networks (CHINs). In Q4, a diagnostics project to improve quality and reduce variation in care was mobilised. The programme is now focused on further developing social prescribing in Barnet, targeting Dementia and Diabetes within specific CHINs and exploring opportunities for digital transformation.

The Transforming Care Partnership has performed well throughout the year, with the only hospital admissions being in Q3. There is no financial impact for ongoing placements on Barnet Adult Social Care due to agreements with other local authorities. A number of complex cases have arisen where funding responsibilities are subject to dispute with other CCGs and legal advice has been sought on these. Officers continue to work closely to identify and manage risks; although it is likely that the risks will be held by the CCG.

- 6.7 There were two key indicators linked to this priority in the Corporate Plan. Reducing Delayed Transfers of Care (DTC) has been a priority for Adult Social Care, with national targets set for DTC reduction in July 2017 and the improved Better Care Fund (iBCF) was linked to achieving this target.
- **Delayed transfers of care (DTC) from hospital per day per 100,000 population (aged 18+) which are attributable to NHS and adult social care (RAG rated RED) – 9.45 against an annual target of 6.84.** This measure shows performance in February 2019 (the most recent month for which data was available at the time of reporting). Barnet achieved the target for social care delayed discharges in February 2019 and has kept social care delays below target since April 2018, despite a more aggressive target being set in July 2018 which reduced the target rate of 2.6 delays per day per 100,000 population down to 2.03 delays per day per 100,000 population.

The total rate of delayed discharges did not achieve the target due to higher rates of NHS and joint delays.

Despite an increase in care provision since the autumn, the main reason for delays has continued to be due to provider capacity for complex needs, including housing support, availability of residential/nursing placements and non-weight bearing provision in the community. Winter pressures also had an impact on this final result for 2018/19.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Delayed transfers of care from hospital per day per 100,000 population (aged 18+) which are attributable to NHS and adult social care (s)	Smaller is Better	6.84 ¹²	9.45 ^[2] (R)	↓ W +0.5%	9.4 ¹³	CIPFA Neighbours 5.61 London 6.17 England 10.9 (Feb 18, Department of Health)
Delayed transfers of care from hospital per day per 100,000 population which are attributable to adult social care only (s)	Smaller is Better	2.03 ¹⁴	2.01 ^[5] (G)	↑ I -13%	2.3 ¹⁵	CIPFA Neighbours 1.77 London 1.93 England 2.92 (Feb 18, Department of Health)

6.8 There were two high level (scoring 15+) service risks linked to this priority in Q4 2018/19.

- **AC002 - Failure of care provider (residual score 20).** The failure of a care provider could lead to services not being delivered. Due diligence is undertaken at the start of all contracts to ensure the quality and sustainability of providers; and regular contract monitoring take place. The service works across the care market to share best practice, support staff development and improve the quality of care. A provider failure / closure approach is in place to manage closure of homes and the safe transition of service users. The quality of social care providers continues to be broadly good across Barnet. There continues to be a low level of provider concerns identified. However, there remains a focus on supported living providers in the borough and through this work the Care Quality team is identifying providers where significant improvements are required to improve quality. The inflation bidding process is underway for 2019/20 and uplifted minimum sustainable price rates have been communicated to the market. The potential provider failure of Allied Healthcare in Q3 2018/19 has been avoided after a rescue deal was agreed with Castlerock

¹² The DTOC targets are set by NHS England at a national level and were subject to revision when the Corporate Plan 2018/19 Addendum was published. Subsequently, the target changed from 9.1 to 6.84.

^[2] The results for the DTOC indicators are a snapshot of performance in the most recent month for which data is available at the point of report production (February 2019) – they do not show data over the preceding year.

¹³ A new methodology was introduced for DTOC indicators by the Department of Health in 2017/18, so results are not comparable.

¹⁴ The DTOC targets are set by NHS England at a national level and were subject to revision when the Corporate Plan 2018/19 Addendum was published. Subsequently, the target has changed from 2.6 to 2.03.

^[5] The results for the DTOC indicators are a snapshot of performance in the most recent month for which data is available at the point of report production (February 2019) – they do not show data over the preceding year.

¹⁵ A new methodology was introduced for DTOC indicators by the Department of Health in 2017/18, so results are not comparable.

Recruitment Group (CRG) in December 2018. The risk score remains unchanged due to the continued fragility across the industry.

- **AC005 - Challenges to recruit and retain qualified staff (residual score 16).** A challenging job market could lead to difficulties in recruiting and retaining sufficient staff. An increasing number of posts are being held vacant to support financial recovery planning and in other cases recruitment has been postponed. This has an impact on remaining staff who are managing increased caseloads and holding higher volumes of incoming work as a result. The service is monitoring the effect on staff morale. Most agency staff who are not in project-based posts have been transferred to permanent contracts or left. Work has continued to monitor any additional risks posed by the office move to Colindale and Brexit.

Additional priorities

- 6.9 There were three additional priorities for A&S Committee: **Needs-based support; Improving leisure facilities and physical activity; and Health and wellbeing.** EOY budget, performance and risk information in relation to these will be reported to A&S Committee on 5 June 2019. Any indicators that did not meet the annual target and/or high level (scoring 15+) risks linked to these **additional priorities** are presented below.
- 6.10 There were two key indicators linked to the additional priority “**Improving leisure facilities and physical activity**”. Neither indicator met the annual target.
- **Population taking part in sport and physical activity at least twice in the last month (RAG rated AMBER) – 72.2% against an annual target of 78.5%.** This indicator is measured through the Active Lives Survey. The sample size for the survey was 500 people and the variation from target equates to three people. The council has invested in a number of schemes to support the improvement of physical activity infrastructure and opportunities in the borough, including new leisure facilities, sports facility enhancements via master planning exercises at Barnet Copthall, West Hendon, King George V Playing Fields, and the FAB campaign. In addition, work with key stakeholders has led to new community based initiatives, including new weekly Parkrun events in Friary Park (juniors) and Sunny Hill Park.
 - **Total number of leisure attendances (RAG rated AMBER) – 1,133,326 against an annual target of 1,163,000.** The EOY result was impacted by lower than anticipated attendances in Q1 and new facilities being installed during the year. All facilities have seen increased year on year usage, with Burnt Oak seeing the highest growth which can be linked to the opening of the nursery, uplifted usage from the improved 3G pitch and an increase in Health and Fitness members. The growth in FAB Card members since its launch in July 2018 has had a positive impact on centre usage.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Population taking part in sport and physical activity at least twice in the last month (Annual) ¹⁶	Bigger is Better	78.5%	72.2% 17 (A)	↓ W -7%	77.9%	Rank 30 (out of 33 London Boroughs) (2018, Sport England)
Total number of leisure attendances	Bigger is Better	1,163,000	1,133,326 (A)	New for 18/19	New for 18/19	No benchmark available

6.11 There were five key indicators linked to this the additional priority “**Health and wellbeing**”. One indicator did not meet the annual target.

- **NHS Health Checks – Uptake (RAG rated AMBER) - 7812 against a target of 9300.** Health check invitations was above target, an improvement on last year where the target was not met. Uptake of health checks was below target. This target was ambitious, and the result was an improvement on last year.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
NHS Health Checks - Invites	Bigger is Better	20155	20225 (G)	↑ I +13%	17938	No benchmark available
NHS Health Checks - Uptake	Bigger is Better	9300	7812 (A)	↑ I +24%	6286	No benchmark available

6.12 There was one high level (scoring 15+) service risk linked to the additional priority “**Health and wellbeing**” in Q4 2018/19.

- **PH06 - Pandemic Influenza type disease outbreak (residual score 20) - A** Declaration of Pandemic Influenza by the World Health Organisation (WHO) could lead to severe resource and capacity issues for the council and partner agencies resulting in an impact on service delivery and the health protection of residents. [Pandemic Influenza is a national risk and is recorded on the Borough Resilience Forum Risk Register. Local Authority management of a Pandemic Influenza outbreak is in accordance with the council's category 1 statutory responsibilities and obligations, in line with the Civil Contingencies Act (2004)]. Mitigations are in place in terms of the Pandemic Flu plan – signed off in 2017 - which will be reviewed and updated. The controls and mitigations remain in place. The Pandemic Flu Plan has been updated during the quarter and sent to the Borough Resilience Forum for approval.

¹⁶ The Active Lives Adult Survey was sent out to a randomly selected sample of households across England in May 2018. The overall sample size was around 198,250 people, with 500 from Barnet. The data is weighted to the Office for National Statistics (ONS) population measures for geography and key demographics. The result is impacted slightly due to the ONS producing revised estimates of the sub-national population in June 2018, where Barnet's population has increased. A confidence interval of +/-2% points applies.

¹⁷ This is a provisional result, which will be confirmed in May 2019. Another survey was undertaken in November 2018, which will be published in 2019/20. Comparisons with other London Boroughs should be considered with caution, as a sample size of 500 was used regardless of the population size.

Strategic issues/escalations

- 6.13 There were no strategic issues/escalations in relation to the EOY 2018/19 A&S Committee performance for P&R Committee.

7 ASSETS, REGENERATION AND GROWTH (ARG) COMMITTEE

Regenerating Brent Cross Cricklewood

- 7.1 An update on Brent Cross Cricklewood was reported to ARG Committee on 25 March 2019. This reported on progress since November 2018, with particular focus on the Revised Funding Agreement (RFA) agreed with the Government to enable the Brent Cross Thameslink (BXT) scheme to proceed. Subsequently, the Schedule 2 (Rail Systems and Sidings) works were approved for commissioning and legal negotiations with Brent Cross North (BXN) Development Partners, Hammerson and Aberdeen Standard, which enabled the re-sequencing of work to bring forward the core critical infrastructure and deliver the first phases of Brent Cross Thameslink (BXT) and Brent Cross South (BXS). The report is available online at: <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9484&Ver=4>
- 7.2 The key challenge faced by the programme was the need to re-sequence delivery and secure a new funding strategy for the Thameslink Station following the announcement by Hammerson, the joint owner of the Brent Cross Shopping Centre with Aberdeen Standard Investments, that they were deferring start on site of the shopping centre expansion due to increased risks in the current market climate. Whilst there is no confirmed start on site, **Brent Cross North (BXN)** have re-confirmed their commitment to working with the council and Argent Related in ensuring the wider scheme can continue ahead of BXN.
- 7.3 The Reserved Matters Applications (RMA) for Plot 11 in **Brent Cross South (BXS)** was approved by Planning Committee in March 2019, along with the associated highways drop-in application. A further RMA for Plot 13 was considered by Planning Committee in April 2019. The council is continuing to assemble the land within the Claremont Industrial Estate, so the BXS site preparatory works can commence. Vacant possession of the Estate is close to being achieved.
- 7.4 The Early Works for the Thameslink Sidings in **Brent Cross Thameslink (BXT)** completed in early 2019. This will allow the start on site of the new sidings development and Train Operating Company (TOC) compound. The council has entered into contract with Graham's to deliver the TOC compound and fuel farm that forms part of the Thameslink sidings work package. Alterations have been made to the railways track and signalling equipment, as part of the staged works, to bring into use the newly constructed railway sidings by the end of the year. In February 2019, the OJEU Notice was issued to select a contractor for the delivery of the station platforms and station/pedestrian access bridge. Three contractors were selected to proceed to the Invitation to Tender stage, which is expected to take several months with a recommendation to be considered by ARG Committee in September 2019.
- 7.5 There were no key indicators linked to this priority in the Corporate Plan.
- 7.6 There were two high level (scoring 15+) service risks linked to this priority in Q4 2018/19.
- **G&C002 - Brent Cross funding strategy (residual score 15).** Risk that the funding strategy will not be agreed in time for the required committee approvals could lead to delays in the Brent Cross project, including delivery of the Thameslink station. A long-term funding strategy was expected to be agreed with the Government by the

end of March 2019 following regular meetings with the Treasury and Ministry of Housing, Communities and Local Government (MHCLG). An updated position was reported to P&R Committee on 20 February 2019. The risk remains at a high score as the potential for delays remain though this is expected to be lowered in Q1 2019/20 following final agreement of the funding strategy.

- **OP27 - Affordability of the Thameslink project (residual score 15).** If the Thames Link project becomes un-affordable this could lead to the project not going ahead and potentially the grant being clawed back from Government, impacting on the viability of Brent Cross South. The updated anticipated final cost was received from Network Rail and this was included in the updated funding strategy, which has been agreed with the Treasury and Ministry of Housing, Communities and local Government (MHCLG). Delivery of the project is now expected to occur. There is a residual risk of overspend as with all major infrastructure projects. A risk strategy is in place and the contract will be monitored by FPC Committee.

Increasing the housing supply

- 7.7 Stonegrove Spur Road regeneration scheme was the first of the council's **regeneration schemes** to complete in May 2018. 999 homes of mixed tenure and a new purpose-built community facility – One Stonegrove – which incorporates St Peter's Church, community centre, nursery and café (run and managed by the Stonegrove Community Trust) were created and surrounded by high quality public open spaces and communal gardens.
- 7.8 37 **affordable homes** across three sites at Gordon Court (13 homes), Basing Way Garages (14 homes) and Pyrus Court (10 homes) were completed as part of Opendoor Homes' affordable housing delivery programme (which will deliver 320 homes across 21 sites). Overall, 74% of the programme (16 of 21 sites) has been completed or are on-site. These 16 sites will deliver 225 homes.
- 7.9 Work progressed on the **extra care schemes** delivered by Barnet Homes. Ansell Court completed in January 2019 delivering 53 homes for rent. The first lettings took place in March 2019 with the official launch due April 2019. The programme for obtaining vacant possession of **Stag House** for the development of the extra care scheme was delayed until end May 2019.
- 7.10 ARG Committee approved the capital expenditure to progress the **Upper and Lower Fosters** scheme to RIBA stage 3. A bid to the Greater London Authority (GLA) for grant funding to support the delivery of **Upper and Lower Fosters** was confirmed and the Outline Business Case for delivery of an 18 home additional storey "top hatting" scheme at Burnt Oak Broadway flats was approved by ARG Committee in March 2019. ARG Committee also approved the Strategic Outline Case for delivery of c.200 new homes on the Pinkham Way site; and amendments to the Grahame Park Principal Development Agreement, which will allow demolition of Plot 10 and for Barnet Homes to take forward infill development at Little Strand.
- 7.11 Planning Committee approved the phase 2 planning application for the former Peel Centre site (**Colindale Gardens**) in November 2018, which will deliver 1,208 units and 7,094 sqm of non-residential floorspace. Works to Montrose and Silkstream parks commenced in November 2018.

- 7.12 The Compulsory Purchase Order (CPO) in relation to the pram sheds at **Granville Road** was confirmed in January 2019. The planning application for **Dollis Valley** phase 3, which will deliver 135 homes, was approved by Planning Committee in March 2019.
- 7.13 **West Hendon** phases 3B and C completed.
- 7.14 The Annual Regeneration Report 2018/19, providing a detailed update on the regeneration and development programmes, will be submitted to ARG Committee in June 2019.
- 7.15 There were five key indicators linked to this priority in the Corporate Plan. Homes started on site through the development pipeline is a 'Monitor only' indicator. The result for new homes completed is provisional (no RAG rating applied). Two Estates indicators did not meet the annual target.
- **New homes completed – 830 (provisional) against an annual target of 3100.** The result (as at end March 2019) is significantly below target and completions for last year (provisional 1183; final 2360). The provisional result is expected to change upwards when finalised in the autumn 2019. Two factors affected performance. Firstly, homes that had expected to be completed in Q1 were brought forward and included in the 2017/18 figures. Secondly, some developers suspended works in reaction to conditions in the housing market to maximise potential profits.
 - **Statutory compliance with civic estate (planned inspections) (RAG rated RED). 1947 against an annual target of 2267.** Poor performance from contractors at the start of the year, when some inspections were missed and amenities were out of order, impacted on the EOY result. In subsequent quarters, inspections were carried out within the required timeframes and tolerance. The missed inspections are now up-to-date.
 - **Running costs of estate (RAG rated RED) - £9.83m against a target of £6.89m.** The overspend for corporately managed buildings was due to property leases for Street Scene and additional security requirements for various buildings. Repair and maintenance costs were also higher than anticipated due to essential high value repairs that were undertaken. Other miscellaneous costs included the Freemantle care home legacy repair liabilities and property review programme.

The total available funding for Estates comprised income of £5.75m (£2.05m more than target - see table below) plus the Estates budget of £3.16m, which totalled £8.91m. The total expenditure was £9.83m, so the deficit associated with the Estates budgets was £0.92m (the difference between the total available funds and the total expenditure).

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
New homes completed ¹⁸	Bigger is Better	3100	830 ¹⁹ (prov.)	↓ W -30%	1183 (prov.) 2360 (final)	No benchmark available
Homes started on site through development pipeline programme ²⁰	Bigger is Better	Monitor	206	↑ I +112%	97	No benchmark available
Statutory compliance with civic estate (planned inspections)	Bigger is Better	100% (2267) ²¹	1947 (R)	N/A	N/A ²²	No benchmark available
Income from the estate	Bigger is Better	£3.70m ²³	£5.75m (G)	↑ I +41%	£4.05m	No benchmark available
Running costs of estate (designated civic buildings only)	Smaller is Better	£6.89m ²⁴	£9.83m (R)	↓ W +95%	£5.03m	No benchmark available

7.16 There were no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Helping people into work

7.17 A wide range of initiatives were carried out by the council and partners, such as BOOST, to support people into work. In Q4, funding was secured from Section 106 employment and skills monies to support delivery of the BOOST project - £260k per year for three years, with a possible two-year extension. The funding, which represents c.43 per cent of the total budget, will be used to cover core staff costs as well as those associated with the STRIDES initiative, which builds motivation and confidence among those furthest from employment. This funding will be critical in ensuring the ongoing delivery of this project. With the roll-out of Universal Credit, more residents (and agencies) are expected to use the service.

7.18 The council also supported employment and skills outcomes via partners and external organisations, such as developers, with 59 residents commencing apprenticeships in the borough to help kick-start careers in construction. As part of Brent Cross Cricklewood regeneration, the council and partners will work with colleagues on the Thameslink development to ensure that the Employment and Skills Action Plan fully meets the council's expectations.

¹⁸ This indicator measures all new homes in the borough (including as part of regeneration schemes and private development schemes).

¹⁹ This is a provisional result (830) as at March 2019, so no RAG rating applied. The result is sourced internally and relates to the number of new homes added to council tax records. The final result will be confirmed in 2019/20. Last year's result (2360) was confirmed in May 2019. This differs to the 2208 reported in October 2018, as further data validation has taken place.

²⁰ This indicator relates to schemes developed by Opendoor Homes (the development pipeline), which planned 264 starts on site and 320 completions in 2018/19. Note, starts on site may not be completed within the same year.

²¹ The annual target may change throughout the year because of the number of items/amenities that require inspection may change.

²² Results not comparable due to significantly different number of buildings in the programme. In 17/18 the programme covered five buildings; whilst in 18/19 the programme covered 95 buildings.

²³ Annual target revised from £3.046m to £3.70m after publication of Corporate Plan 2018/19 Addendum.

²⁴ The 2018/19 budget has been increased from £4.54M to £6.88M contingency budget and this has been represented in the quarterly targets.

- 7.19 Some focused work on supporting care leavers into education, employment and training also commenced, with a re-engagement programme run by the local organisation, Bridging the Gap, to work on confidence and motivation. The young people will be supported into apprenticeships or other employment or training.
- 7.20 There was one key indicator linked to this priority in the Corporate Plan. The unemployment rate is a 'Monitor only' indicator. Unemployment (4.7%) has slightly increased on the same time since last year (4.4%) and is on a par with London.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Unemployment (of people on out of work benefits) (r)	Smaller is Better	Monitor	4.7% (Jan - Dec 18)	↓ W -7%	4.4% (Jan - Dec 17)	London 4.7%, National 4.2% (Jan - Dec 18, NOMIS)

- 7.21 There were no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Additional priorities

- 7.22 There was one additional priority for ARG Committee: **Investing in key town centres and making Barnet the best place in London to be a small business.** EOY budget, performance and risk information in relation to this was reported to ARG Committee on 13 June 2019. Any indicators that did not meet the annual target and/or high level (scoring 15+) risks linked to these **additional priorities** are presented below.
- 7.23 There were four key indicators linked to the additional priority "**Investing in key town centres and making Barnet the best place in London to be a small business**". Two indicators did not meet the annual target.
- **Business survival rate (RAG rated RED) – minus 3.0%pts against an annual target of +3.5%pts.** The business survival rate in Barnet declined 3.0%pts from the 2011 baseline of 66.6% to 63.6% in 2018, and was lower than comparable London Boroughs (73.7%). Last year, the business survival rate in Barnet improved 3.9%pts from the 2011 baseline of 66.6% to 70.5%. This was also lower than comparable London Boroughs (76.5%). This indicator is influenced by national socio-economic factors and trends that can be challenging to mitigate at a local level such as Brexit. Specific projects to promote Barnet's High Street were outlined in the Skills and Enterprise Annual Plan.
 - **Vacant High Street Properties (RAG rated RED) – minus 7.5%pts against an annual target of minus 8.4%pts.** Vacant high street properties in Barnet improved 7.5%pts from the 2011 baseline of 13.3% to 5.9% in 2018, and was better than comparable London Boroughs (6.8%). This was just short of target. Last year, vacant high street properties in Barnet improved 7.6%pts from the 2011 baseline of 13.3% to 5.7%. This was also better than comparable London Boroughs (6.8%). This indicator is influenced by national socio-economic factors and trends that can be challenging to mitigate at a local level such as increasing costs of business rents and competition from online retailers.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Council spend with local businesses (excluding direct debits) (r)	Bigger is Better	Monitor	37%	↑ I +16%	32% ²⁵	No benchmark available
Business survival rate (Annual)	Bigger is Better	69.5% (+3.5%pts = 5%pts more than comparable boroughs)	63.6% (-3.0%pts ²⁶ (R))	↓ W -177%	70.5% (+3.9%pts)	Comparable boroughs 73.7% (-1.5%pts) (2018, ONS)
Vacant High Street Properties (Annual)	Smaller is Better	4.9% (-8.4%pts = 2.5%pts better than comparable boroughs)	5.9% (-7.5%pts ²⁷ (A))	↓ W -1.6%	5.7% (-7.6%pts)	Comparable boroughs 6.8% (-5.9%pts) (2018, Experian)
Business satisfaction with the council and area (Annual)	Bigger is Better	Monitor	N/A ²⁸	N/A	27%	No benchmark available

Strategic issues/escalations

- 7.24 Approval was sought from P&R Committee in February 2019 on the Revised Funding Strategy (RFA) with the Government for Brent Cross Thameslink; along with authorisation for the Chief Executive in consultation with the Chairman of the Committee to finalise terms and enter into the RFA to commission Schedule 2 (Rail Systems and Sidings) works as set out in the Implementation Contract with Network Rail. This was identified as a significant strategic risk for the council.

²⁵ The indicator is reported for a 12 month period a quarter in arrears, so EOY 2018/19 covers January to December 2018. EOY 2017/18 updated to show April 2017 to March 2018 (previously reported as 31% for January to December 2017, as a quarter in arrears).

²⁶ This indicator compares Barnet's rate of improvement (from a 2011 baseline) with comparable boroughs (Brent, Bromley, Harrow, Havering). The comparable boroughs business survival rate of 73.7% represents a 1.5%pts decline on their 2011 baseline position (75.2%). Barnet's business survival rate of 63.6% represents a 3.0%pts decline on its 2011 baseline (66.6%). The target was for Barnet to be 5%pts better than the comparable boroughs %pts position (2011 to 2018), so Barnet needed to achieve a 3.5%pts increase of the 2011 baseline – the equivalent of 69.5% business survival rate in 2018.

²⁷ This indicator compares Barnet's rate of improvement (from a 2011 baseline) with comparable boroughs (Croydon, Havering and Hounslow). The comparable boroughs vacancy rate of 6.8% represents a 5.9%pts improvement on the 2011 baseline position (12.6%). Barnet's vacancy rate of 5.9% represents a 7.5%pts improvement on its 2011 baseline (13.3%). The target was for Barnet to be 2.5%pts better than the comparable boroughs %pts position (2011 to 2018), so Barnet needed to achieve an 8.4%pts decrease on the 2011 baseline – the equivalent of 4.9% vacancy rate in 2018.

²⁸ A decision was made during the year to change the frequency of the survey from annual to biennial. Therefore, the next survey will be carried out and results reported in 2019/20.

8 HOUSING COMMITTEE

Building compliance and fire safety

- 8.1 Significant progress was made on the £30m fire safety programme across the council properties managed by Barnet Homes throughout the year. The replacement of the cladding system to the three blocks at Granville Road was completed in October 2018 and work progressed on the Whitefield and Silk and Shoelands estates. The Government approved the £5m grant application for the cladding replacement works.
- 8.2 In January 2019, Housing Committee approved a proposal to increase the programme of improvement works to include the installation of sprinklers to all high-rise buildings with 10 or more floors and all sheltered settings and hostels. It also included a proposal for fire safety in medium and low-rise buildings and for the replacement of composite flat front entrance doors. With the approval of these proposals, the total provision for fire safety improvement across the council housing stock rose to £52m. During Q4, initial resident consultation exercises and designs for schemes at Longford Court and Prospect Ring/Norfolk Close were completed.
- 8.3 Following statements issued by the Government regarding systemic failures discovered within the fire door industry, updated fire risk assessments (FRAs) were completed for all blocks that contained GRP composite doors. There were 5,000 of these doors in the stock and a replacement programme was developed in accordance with risk assessment recommendations.
- 8.4 With regards to building compliance in Shops under Flats, all 66 leases were reviewed to understand the tenants' obligations and landlord's rights, in relation to works highlighted in the last FRAs. 18 tenants provided evidence that they were compliant. The remaining 48 tenants will be issued with the required signage, with clear guidance on how it should be displayed so they can install it themselves. Where other physical work is required or fire-fighting equipment is needed to be in place, a strategy will be developed to ensure tenants comply with the FRA recommendations. This may include formal enforcement against tenants where they are deemed to be in breach of the terms of their lease or other legal action.
- 8.5 There were two key indicators linked to this priority in the Corporate Plan. Both indicators met the annual target.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Scheduled fire risk assessment completed (council housing) on time	Bigger is Better	100%	100% (G)	↑ I +3%	96.7%	No benchmark available
Priority 0 and 1 fire safety actions completed on time	Bigger is Better	90%	100% (G)	→ S	100%	No benchmark available

- 8.6 There were no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Additional priorities

- 8.7 There were three additional priorities for Housing Committee: **Tackling homelessness; Driving up the quality of the private rented sector; and Providing suitable housing to support vulnerable people.** EOY budget, performance and risk information in relation to these will be reported to Housing Committee on 20 June 2019. Any indicators that did not meet the annual target and/or high level (scoring 15+) risks linked to these **additional priorities** are presented below.
- 8.8 There were ten indicators linked to the additional priority “**Tackling homelessness**”. Families with children in temporary accommodation is a ‘Monitor only’ indicator. The results for affordable housing completions and new homes that are affordable are provisional (no RAG rating applied). Four indicators did not meet the annual target.
- **Affordable housing completions – 211 (provisional) against an annual target of 294.** A significant reduction of completions at the West Hendon development, the largest scheme for 2018/19, impacted the EOY result. 119 completions were projected but 54 were completed. This was due to delays in obtaining fire certification from the London Fire Brigade, which resulted in delayed handover of sites to Metropolitan and Thames Valley Housing; and the financial collapse of the mechanical and engineering sub-contractor for Barratts, which resulted in a delay in completing the remaining homes until 2019/20. A new mechanical and engineering contractor has been appointed and is on-site completing the outstanding works.
 - **New homes that are affordable – 37% (provisional) against an annual target of 40%.** See comment above.
 - **Average re-let time for routine lettings (RAG rated RED) - 15.6 days against an annual target of 12 days.** A combination of factors affected performance, including void works not completed on time; refusal of offers/appeals process; essential fire safety works; and lettings of sheltered units. Performance was significantly worse compared to last year (10.7 days). Actions to improve performance include a more rigorous inspection process to ensure potential delays of void works by contractors can be identified and addressed quicker; and a review process for refusals.
 - **Respondents very or fairly satisfied with repairs and maintenance (RAG rated Amber) – 95.1% against an annual target of 96%.** A drop in performance in Q4 (90% satisfaction) affected the EOY result. There were a higher number of complaints, particularly in relation to delays in repairs, customer care and missed appointments.
 - **Emergency Temporary Accommodation (ETA) (RAG rated RED) - 275 against an annual target of 200.** Whilst the overall number of households in Temporary Accommodation (TA) fell slightly to 2545 (from 2579 last year), the number of households in ETA increased to 275 (from 244 last year). There has been a lack of affordable supply of longer-term accommodation due to sub-standard properties being handed back to the provider and the procurement of fewer longer-term accommodation for financial reasons.
 - **Current arrears as a percentage of debit (RAG rated AMBER) – 3.2% against an annual target of 3.1%.** This equates to £56k from a total rent roll of £57.6m. IT

issues affecting the upload of housing benefit and debit details caused some delays to 'rent in time' and Barnet Homes is working with the contractor, Aareon, to address this. The processes are also being reviewed as part of the Customer Experience Project. Although overall performance was slightly worse than target, there was an improvement on last year (3.3%) due to additional resources allocated to targeted works and effective management of Universal Credit arrears.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Affordable housing completions	Bigger is Better	294	211 ²⁹ (prov.)	↓ W -30%	303 (prov. & final)	No benchmark available
New homes that are affordable (net) (Annual)	Bigger is Better	40%	37% ³⁰ (prov.)	↑ I +42%	26% (prov.) 27% (final)	Rank 14 (out of 33 London Boroughs) (2017, GLA) ³¹
Average re-let time for routine lettings (days) (s)	Smaller is Better	12	15.6 (R)	↓ W -44%	10.7	Rank 1 (out of 7 London Boroughs) (Q3 18/19, Housemark)
Respondents very or fairly satisfied with repairs and maintenance	Bigger is Better	96%	95.1% (A)	↓ W -4%	98.7%	Rank 1 (out of 2 London Boroughs) (Q2 18/19, Housemark)
Families with Children in Temporary Accommodation	Smaller is Better	Monitor	60.5%	↑ I -4%	62.9%	No benchmark available
Emergency Temporary Accommodation (s)	Smaller is Better	200 ³²	275 (R)	↓ W +13%	244	Rank 12 (out of 33 London Boroughs) (Q4 17/18, DCLG)
Current arrears as a percentage of debit (s)	Smaller is Better	3.1%	3.2% (A)	↑ I -3%	3.3%	Rank 3 (out of 9 London Boroughs) (Q3 18/19, Housemark)

Strategic issues/escalations

8.9 There were no strategic issues/escalations in relation to the EOY 2018/19 Housing Committee performance for P&R Committee.

²⁹ This is a provisional result (211) as at March 2019, so no RAG rating applied. The result is sourced from GLA data releases. The final result will be confirmed in 2019/20. Last year's result (303) is the final result, as confirmed in October 2018; and will be published in the GLA Annual Monitoring Report in 2019.

³⁰ This is a provisional result (37%) as at March 2019, so no RAG rating applied. The result is sourced from GLA data releases. The final result will be confirmed in 2019/20. Last year's result (27%) is the final result, as confirmed in October 2018; and will be published in the GLA Annual Monitoring Report for 2019.

³¹ The GLA Annual Monitoring Report is published in May each year, prior to the final results being confirmed in the summer. Therefore, the benchmarking refers to the final results published in the previous summer (summer 2016) for the 2015/16 financial year. Barnet's 2015/16 result was 12%, as published in summer 2016.

³² The target is 200 at any point in time due to the supply of accommodation and demand availability.

9 ENVIRONMENT COMMITTEE

Modernising environmental services

- 9.1 As part of achieving the MTFs savings for Street Cleansing, changes were made to the service, including a reduction in staffing levels. To mitigate against the impact of these staffing changes, capital funding was invested into new mechanised cleansing equipment namely small “Hako” mechanical sweepers and “Glutton” pavement vacuums. This equipment was to increase productivity of the town centre cleansing; enable mechanised pavement sweeping; and increase the speed and dexterity with which residential roads could be swept. The implementation of this plan was disappointing. The changes within the main town centres both to the shift pattern of the town keepers and the use of the “Glutton” pavement vacuums made improvements to these areas. The pavements were clearer of litter and litter bins were emptied more regularly through the day. The smaller elements of detritus, including cigarette butts, were also significantly reduced. However, the deployment of small “Hako” mechanical sweepers was not to the level expected. This was in part due to the level of sickness absence within the service and management focus on the changes to the recycling and waste collection rounds. Steps are in place to increase deployment of the “Hako” mechanical sweepers in 2019/20.
- 9.2 Changes to the recycling and waste collection rounds were introduced in November 2018 to:
- Bring the recycling and waste service costs to within the budget envelope of the service
 - Balance the rounds using both data and local knowledge to ensure a more equitable work load between staff
 - Create an easier system for residents with all bins collected in one day
 - Create more productive rounds
 - Create a more resilient service by area based working mirroring of recycling and refuse rounds
 - Move garden waste collections into the week
- 9.3 Temporary service disruption and associated issues were expected with a change of this sort and were experienced across the borough. Particular problems emerged over the Christmas period and the service had settled by February 2019. Reported missed collections returned to around the pre- change level. Work is still needed to balance some collections and this will continue into 2019/20 as agreed by Environment Committee on 14 March 2019. The report can found on the website at: <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=695&MId=9669&Ver=4>
- 9.4 Street Scene are in the process of procuring a Data and Works Management System. The system should transform the service through a digital and data driven method of managing service operations and information management. The system should also enable integration with and alignment to the corporate Customer Transformation Programme better utilising the Customer Relationship Management System.
- 9.5 There was one key indicator linked to this priority in the Corporate Plan, which did not meet the quarterly target.
- **Household waste sent for reuse, recycling and composting (RAG rated RED) - 32.6% against quarterly target of 40.1%.** The rate has fallen from 35.9% in Q2 and

performance is lower than last year (36.1%) due to a weather-related decrease in garden waste and the food waste recycling suspension pending service review.

Indicator	Polarity	17/18 EOY	18/19 Target	Q3 18/19			Q3 17/18	Benchmarking
				Target	Result	DOT	Result	
Household waste sent for reuse, recycling and composting	Bigger is Better	36.9%	42%	40.1%	32.6% (R)	↓ W -10%	36.1%	Rank 10 (out of 32 London Boroughs) (17/18, Waste Dataflow)

9.6 There were no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Delivering highways improvements

- 9.7 The planned repairs programme under the Network Recovery Plan (NRP) for 2018/19 saw the completion of 19 carriageway surfacing schemes, 33 micro asphalt schemes and 31 footway relay schemes. Post works residents' satisfaction surveys showed that residents were satisfied with the NRP and informed prior to works commencing. The NRP for 2019/20 was approved at Environment Committee on 14 March 2019, with an additional £6million secured for the following two years. The report can be found on the website at: <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=695&MId=9669&Ver=4>
- 9.8 With the grant received from the Department for Transport, the successful infrared proactive patching programme was increased, with two machines operating throughout the year. In total, 17,805 square metres of patching were completed, across 236 roads.
- 9.9 The 2018/19 Local Implementation Plan (LIP) was completed, which will result in the funds allocation to be fully utilised on network improvements. The GLA approved the LIP Three submission and investment for the next three years.
- 9.10 A relatively mild winter in 2018/19, with average road surface temperatures warmer than last year, meant that less precautionary gritting was required.
- 9.11 IT issues affecting the transfer of information, instructions and photographs between Re and Conway Aecom continued. An interface to address the issues was implemented in October 2018 but there remains a backlog of interventions.
- 9.12 Vacancies within the Highways Service challenged performance but the vacancy rate has been reduced in recent months.
- 9.13 The Local Flood Risk Management Strategy was published in November 2018, with areas highlighted for improvement to mitigate future flood events. The strategy can be found on the website at: <https://www.barnet.gov.uk/roads-and-pavements/drains-and-gullies-flooding/flood-risk-management-strategy>.
- 9.14 There were five key indicators linked to this priority in the Corporate Plan. As mentioned above, vacancies within the Highways Service challenged performance and three indicators did not meet the annual target.

- **Highways Category 1 defects rectification timescales completed on time (RAG rated AMBER) – 78.8% against an annual target of 100%.** The EOY result was impacted by two main factors early in the year: an increase in potholes due to adverse weather conditions in 2017/18 and significant IT issues. The DLO assisted the contractor to help reduce the volumes for a short period of time; and a new interface was developed to resolve the issue of transferring information, instructions and photographs between the Exor and Icon systems. This IT issues have now been resolved, but continue to be monitored.
- **Highways Category 2 defects rectification completed on time (RAG rated RED) – 69.2% against an annual target of 100%.** See comment above.
- **Satisfaction with NRP repairs – footways (RAG rated AMBER) – 86% against an annual target of 93%.** An annual survey was carried out in March 2019 to identify public perceptions for footways and carriageways repairs. 68 surveys were completed for footways. Satisfaction with footways repairs was 86%, which was less than target (93%) and worse than last year (90%). Comments on dissatisfaction included the refusal of a vehicle crossover; and lack of communication about repairs. All comments were reviewed and changes will be considered for the NRP going forward.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Emergency defects rectification timescales completed on time	Bigger is Better	100%	100% (G)	↑ I +1%	98.9%	No benchmark available
Highways Category 1 defects rectification timescales completed on time (48 hours)	Bigger is Better	100%	78.8% (R)	↓ W -10%	87.5%	No benchmark available
Highways Category 2 defects rectification completed on time	Bigger is Better	100%	69.2% (R)	↓ W -4%	73%	No benchmark available
Satisfaction with NRP repairs – footways (Annual)	Bigger is Better	93%	86% ³³ (A)	↓ W -4%	90% ³⁴	No benchmark available
Satisfaction with NRP repairs – carriageways (Annual)	Bigger is Better	90%	96% ³⁵ (G)	↑ I +20%	80% ³⁶	No benchmark available

9.15 There were two high level (scoring 15+) service risks linked to this priority in Q4 2018/19.

³³ The result refers to the survey undertaken in March 2019. 68 surveys were completed for footways.

³⁴ The result refers to the survey undertaken in February 2018 and reported in Q1 2018/19. The result provides baseline data for the 2018/19 target 93%. 101 surveys were completed for footways.

³⁵ The result refers to the survey undertaken in March 2019. 89 surveys were completed for carriageways.

³⁶ The result refers to the survey undertaken in February 2018 and reported in Q1 2018/19. The result provides baseline data for the 2018/19 target 90%. 118 surveys were completed for carriageways.

- **PI022 - Ongoing operation of Central Management System (residual score 15).** The Harvard Central Management System operates street lights and provides reports to the Meter Administrator on energy consumption to inform monthly energy bills. The company went into Administration and obtaining replacement parts and reporting of data may not be possible. The Administrator announced that the business had been sold to a competitor in the same industry, LucyZodion. At end March 2019, it was unknown whether LucyZodion would continue to operate all parts of the business and what the impact of this would be.
- **PI011 - Winter Service (residual score 15).** The relocation of the gritting depot from Barnet to Harrow could lead to increased travel time and the effectiveness of the service. As there was no other alternative available during this winter season, this risk was tolerated with a focus on ensuring that decisions and deployment were carried out in a timely manner. The weather for the winter period for 2018/19 was mild, which meant the gritting service did not need to work in severe conditions such as heavy snow. Therefore, the contingency site at Gateway services was not utilised over the winter.

Additional priorities

- 9.16 There were three additional priorities for Environment Committee: **Delivering transport improvements; Investing in parks and open spaces; and Delivering efficient regulatory services.** EOY budget, performance and risk information in relation to these were reported to Environment Committee on 4 June 2019. Any indicators that did not meet the annual target and/or high level (scoring 15+) risks linked to these **additional priorities** are presented below.
- 9.17 There was one high level (scoring 15+) service risk linked to the additional priority **“Delivering transport improvements”** in Q4 2018/19.
- **TS013 - Passenger transport services (PTS) move (residual score 20).** The handback of NLBP will necessitate the relocation of PTS vehicles with operation to a suitable alternate site; not being able to secure a suitable site could result in additional costs to extend the current lease (subject to availability) or disruption to the Home to School transport service for Special Education Need children in and out of borough. The Project Board are investigating options at possible sites with a planning exercise at one potential site underway. The present arrangement where Passenger Transport are located at NLBP is being reviewed.

Strategic issues/escalations

- 9.18 There were no strategic issues/escalations in relation to the EOY 2018/19 Environment Committee performance for P&R Committee.

10 COMMUNITY LEADERSHIP AND LIBRARIES (CLL) COMMITTEE

Safer communities

- 10.1 Barnet remains one of London's safest boroughs. The overall crime rate is 23 per cent below the London average and the violence with injury rate is 34 per cent below the London average.
- 10.2 There were 28,745 total notifiable offences in Barnet over the rolling 12 months to February 2019. This was a seven per cent increase compared to a year ago (London has seen a three per cent increase). Barnet's crime rate per 1000 population is the 9th lowest and the rate of violence with injury offences is the 2nd lowest out of the 32 London Boroughs. There was a four per cent reduction in knife injury offences in the rolling 12 months to February 2019 compared to a year ago. There was also a one per cent reduction in anti-social behaviour reports to the Police in the 12 months to February 2019 and a 17 per cent reduction in the number of repeat victim anti-social behaviour reports compared to a year ago. A 40 per cent reduction in anti-social behaviour calls was seen in Burnt Oak following implementation of Barnet's first Public Space Protection Order (PSPO) in October 2018. Since then PSPOs to tackle street drinking related anti-social behaviour have been introduced in Edgware and Childs Hill.
- 10.3 During the year, the Barnet Safer Communities Partnership:
- o Increased engagement with local communities, informing residents of actions being taken to tackle crime and anti-social behaviour – over 12,500 residents signed up to the OWL (Online Watch Link) app, which provides the latest crime prevention advice and updates from the Neighbourhood Policing Teams and Neighbourhood Watch;
 - o Worked with local community groups to respond to Hate Crime through joint working with Barnet Mencap to deliver the Barnet Zero Tolerance to Hate Crime project, with 250 residents signing up to become Hate Crime Reporting Champions;
 - o Delivered a multi-agency response to areas subject to persistent crime and anti-social behaviour, including co-ordinating multi-agency weeks of action and increasing enforcement against environmental crimes such as littering and fly-tipping.
- 10.4 There were three key indicators linked to this priority in the Corporate Plan. The overall crime rate has worsened since last year.
- **Overall crime rate in Barnet – 74.12 compared to 71.8 last year.** Whilst overall crime has increased in Barnet, this is in line with other London Boroughs. Barnet remains the 9th lowest London Borough for overall crime and has the 2nd lowest rate of violent crime in the capital.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Overall crime rate in Barnet (total notifiable offences) (r)	Smaller is Better	Sustained reductions	74.12 ³⁷	↓ W +3%	71.8 ³⁸	London 96.0 (Mar 18 - Feb 19, Met Police)
Racist and religious hate crime (r)	Smaller is Better	Monitor	729 ³⁹	↑ I -11%	815 ⁴⁰	No benchmark available
Proven re-offending rate (r)	Smaller is Better	Monitor	27.1% ⁴¹	↑ I -7%	29.1%	London 27.8% National 28.5% (Apr-Mar 17, Ministry of Justice)

10.5 There were no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Tackling issues with domestic violence, mental health and substance misuse

- 10.6 The Public Health and Community Safety teams undertook a joint piece of work to produce an in-depth analysis on domestic abuse, mental health and substance misuse. The key findings were presented to senior managers and the Violence Against Women and Girls (VAWG) Delivery Group and informed the development of recommendations for service delivery and practice.
- 10.7 The rate of Domestic Abuse (DA) incidents in Barnet was 12 per 1000 population (12 months to February 2019). This was the 3rd lowest rate of all 32 London Boroughs. There were 769 Domestic Violence with Injury offences in the 12 months to February 2019 compared to 806 last year (a decrease of three per cent). The Sanction Detections for DA Violence with Injury offences in the 12 months to February 2019 was 17.4 per cent (134 offences) compared to 27.1 per cent last year.
- 10.8 Through the Identification and Referral to Improve Safety (IRIS) project, the council and Barnet VAWG continued to work with primary health care practitioners to increase awareness of the signs of DA and the referral pathways available to support victims. By the end of Q4, 19 surgeries had engaged with the project and received training. A notable increase in DA referrals from these surgeries was seen.
- 10.9 There was one key indicator linked to this priority in the Corporate Plan. This is a 'Monitor only' indicator and has worsened since last year.
- **Sanction detection rate of Domestic Abuse – 16.9% compared with 23.4% last year.** The sanction detection rate has fallen for the fourth consecutive quarter (Q4 23.4%; Q1 23.0%; Q2 21.2%, Q3 18.4% and Q4 16.9%) and is lower than the rate for London (23.2%). Whilst noting that Barnet is below the Met average for London, the downward trend over the last couple of years in the sanction detection rate for DA is something that has been London-wide and not only in Barnet. The Police have

³⁷ Rolling 12 months to February 2019.

³⁸ 71.8 per 1000, 12 months to 30 March 2018.

³⁹ Rolling 12 months to February 2019.

⁴⁰ This figure was reported as 178 as data was available for a period of three months. This has been updated to reflect the rolling nature of the indicator.

⁴¹ Rolling 12 months to January 2019 (data refers to Apr 2016 – Mar 2017).

continued their efforts to ensure opportunities are taken to capture evidence to support prosecution in cases of domestic abuse. This includes the use of Body Ward Video to help improve the quality of evidence captured by officers responding to DVA calls and utilising a specialist Domestic Violence arrest car. Training has also been provided to Health Practitioners on identifying early signs of domestic abuse and campaigns on the Domestic Violence Disclosure Scheme (DVDS) have been promoted in Barnet.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Sanction detection rate of Domestic Abuse - violence with injury offences (r)	Bigger is Better	Monitor	16.9% ⁴²	↓ W -28%	23.4%	London 23.2% (Mar 18 – Mar 19, Met Police)

10.10 There were no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Strategic issues/escalations

10.11 There were no strategic issues/escalations in relation to the EOY 2018/19 CLL Committee performance for P&R Committee.

⁴² Rolling 12 months to March 2019.

11 POLICY AND RESOURCES (P&R) COMMITTEE

Implementing The Way We Work programme

- 11.1 This programme focused on preparing the council's workforce for the office move to Colindale, ensuring staff had the right tools to be able to work from any location across the borough; and delivering the accommodation and travel arrangements that would enable staff to work effectively.
- 11.2 Office 2016, Skype for Business and Skype telephony were rolled out during the year; along with a Skype training programme for over 900 staff. These tools have enabled improved collaboration through instant messaging, calls, voice and video conferencing. Mailbox migration was undertaken in Q1 to give significantly increased storage capacity.
- 11.3 Handover of the Colindale office was delayed until April 2019, and a phased move of staff commenced in late April 2019. A financial risk remains due to the ongoing dispute with the contractor. 290 business user parking spaces have been leased from the RAF Museum and Middlesex University; and improvements have been made to the car park on Watling Avenue that will provide 180 spaces for commuters.
- 11.4 A development programme was delivered to equip staff and managers with the skills to work and manage teams in a more flexible working environment and utilising the new technology to support this. Team Principles have been drawn up to support this and create a positive team culture.
- 11.5 There were no key indicators linked to this priority in the Corporate Plan; and no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Continuing to improve customer services

- 11.6 A new website was launched in February 2019 with a focus on resident testing and engagement to ensure the website addressed key concerns and feedback. The new website has improved navigation and search, enabling residents to find information quicker and easier. Web satisfaction increased slightly in Q4 to 34%, but the EOY result was 32%. Improvements were also made to the 'MyAccount' functionality.
- 11.7 For the first time in three years, call volumes remained within the 10 per cent threshold since September 2018. Therefore, the council has not been charged additional costs for this. The reduction in call volumes should lead to further savings in 2019/20.
- 11.8 There were three key indicators linked to this priority in the Corporate Plan. Two indicators did not meet the annual target.
- **Satisfaction with the council's website (RAG rated RED) – 32% against an annual target of 55%.** The 'MyAccount' functionality impacted negatively on scoring throughout the year and the identified issues continue to be worked through. Issues with the Street Scene bin collection data were also responsible for negative feedback, which were resolved and ratings have improved for this service. The new website (launched in February 2019) was well received and further improvements were made to the 'MyAccount' functionality and Advantage Digital forms. A Web Performance

Group was set up in Q1 and continues to work on addressing individual issues. As an example, the password re-set process in the 'MyAccount' was made simpler. The GovMetric survey for the website saw fewer responses as the year progressed. An improved survey, which is intended to be more neutral and allows results to be filtered between operational and online ratings was designed and put in place. This should allow a more accurate view of satisfaction with the website and increase the overall response volumes.

- **Customer cases closed within agreed timescales (RAG rated AMBER) – 90% against an annual target of 94%.** The EOY result was impacted by performance in Street Scene (58%) and Re (89%). Operationally, Street Scene responded to cases such as missed bins on time, but systems were not always updated on time. Re improved slightly throughout the year, achieving 91% of cases closed on time in Q4 (but remained below target).

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Overall satisfaction with customer services (excl. web satisfaction)	Bigger is Better	89%	90% (G)	↓ W -1%	91%	No benchmark available
Satisfaction with the council's website	Bigger is Better	55%	32% (R)	↓ W -33%	48%	No benchmark available
Customer cases closed within agreed timescales	Bigger is Better	94%	90% (A)	↓ W -1%	91%	No benchmark available

11.9 There were no high level (scoring 15+) risks linked to this priority in Q4 2018/19.

Medium and long term strategic planning

11.10 Significant work was undertaken to resolve the £62m budget gap. The Corporate Plan (Barnet 2024), Medium Term Financial Strategy (MTFS) and Budget for 2019/20 were approved by Council in March 2019. Annual Delivery Plans setting out how the corporate priorities will be delivered in Year 1 were approved by each Theme Committee.

11.11 There were two key indicators linked to this priority in the Corporate Plan. Council tax and business rate collections both met the annual target.

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Council tax collection (Not in-year)	Bigger is Better	98.5% (4-year target)	98.7% (G)	↑ I +0.1%	98.6%	No benchmark available ⁴³

⁴³ The in-year council tax collection was: Barnet 96%; Outer London 97.1%; London 96.7% and England 97.1% (17/18, MHCLG)

Indicator	Polarity	Annual Target	EOY 18/19		EOY 17/18	Benchmarking
			Result	DOT	Result	
Business rate collection (Not in-year)	Bigger is Better	99.0% (4-year target)	99.4% (G)	→ S	99.4%	No benchmark available ⁴⁴

- **Council tax and business rate collections** are reported for a four-year period. There is currently no benchmarking data available for four-year collection rates, which makes it difficult to know how well Barnet is performing in comparison with other London Boroughs and nationally. This creates a potential financial risk to the council by increased bad debt provisions owing to aged debt being more difficult to collect. The benchmarking data available from MHCLG for in-year collection rates is set out in table 12 below. This shows that in-year collection rates for Barnet have been behind the Outer London Boroughs for some time.

Table 12: In-year collection rates for council tax and business rates

Council tax collection (in-year)				Business rate collection (in-year)			
	Barnet	Outer London	England		Barnet	Outer London	England
15/16	96.1%	96.8%	97.1%	15/16	96.7%	98.4%	98.2%
16/17	96.1%	97.0%	97.2%	16/17	97.0%	98.6%	98.2%
17/18	96.0%	97.1%	97.1%	17/18	96.9%	98.7%	98.4%
18/19	95.8%	Not available	Not available	18/19	96.7%	Not available	Not available

11.12 There were 12 high level (scoring 15+) risks linked to this priority in Q4 2018/19. Eight were strategic risks and four were service risks.

- **STR004 - Future financial pressures and funding uncertainty (residual score 20).** This risk captures the uncertainty of the impact on Barnet finances of changes in the national and regional political landscape. Contingency and reserves are in place to mitigate the short-term impact; forward planning is undertaken to update the budget assumptions and monitor the Government's fiscal announcements; and a recruitment freeze is in place for non-frontline services. Actions have been identified to help mitigate the forecast overspend and future year MTFS savings are undergoing robust challenge to minimise future financial pressures. The 2019/20 budget was approved by P&R Committee on 20 February 2019 and there are significant risks with some budget savings put forward. To manage the risks there will be continuous monitoring in the progress of savings made alongside with regular updates to CMT.
- **STR033 - Implementation of 19/20 savings (residual score 20 – increased from 15).** This risk is on the financial challenges facing the council over the next five years. 2019/20 is a particularly challenging year and the savings identified as part of the MTFS are required to achieve a balanced budget and minimise the use of reserves. Actions to implement some of the savings have been identified as part of the Theme Committee Delivery Plans, including risks to implementation. Budget monitoring will take place monthly, as part of financial/performance/risk reporting arrangements for

⁴⁴ The in-year business rate collection was: Barnet 96.9% Outer London 98.7%; London 98.8%; England 98.4% (17/18, MHCLG)

2019/20 to senior management. The risk score has been increased from 15 to 20 as potential difficulties in making savings have been identified (reflected by an increased likelihood score).

- **STR034 – Debt management (residual score 16).** This risk relates to the management of debts to minimise unnecessary extra borrowing or an overspend on the revenue budget. A concerted effort has been allocated to major debtors; however, processes need to be reviewed for older debts. An officer working group has convened and management arrangements for the Accounts Receivable team have been revised.
- **STR013 - Brexit (residual score 15).** This risk relates to the effectiveness of the council's response to Brexit which may impact on the ability to deliver organisational objectives, financial impact and reputational damage. A paper on Brexit and associated risk register was approved at P&R Committee on 20 February 2019. Weekly meetings, chaired by the Deputy Chief Executive, are in place to identify and review the potential impacts of Brexit. These have been recorded on a Brexit 'impact log'.
- **STR023 - Commercial viability of strategic suppliers (residual score 15).** If the commercial viability of a strategic supplier declines this could lead to operational failures. This risk is being managed using the contract management framework and policy/procedures for commercial activity. Contract monitoring takes place monthly with quarterly reporting to the Financial Performance and Contracts (FPC) Committee. The contract register is kept under review with checks on the financial status of strategic suppliers. The council is continuing to collate relevant information should it be necessary to take over any services on short notice.
- **STR028 - Impact of insourcing Re and CSG services (residual score 15).** The insourcing of Finance and Strategic HR was approved by P&R Committee on 11 December 2018, subject to the outcome of public consultation; and the services transitioned to the council on 1 April 2019. Comprehensive programme governance is in place, with regular Programme Board meetings and a detailed risk register that is reviewed regularly. Phase 2 of the review covering Highways and Regeneration is underway.
- **STR031 - Financial controls (residual score 15).** This risk was identified because of known/identified weaknesses in internal controls. The actions from the Grant Thornton audit continue to be implemented to ensure internal financial controls are strengthened. An update on implementation of the actions was provided to Audit Committee in January and May 2019 by the Head of Finance and Head of Internal Audit. The latest progress report is available online at: <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=144&MId=9496&Ver=4>
- **STR035 - Failure of third party Pension administrator meeting standards (residual score 15).** The risk relates to the poor performance levels resulting in delays meeting statutory deadlines (e.g. annual benefit statements / valuations) and / or member benefits being inaccurate or paid late resulting in enforcement action by the Pensions Regulator. The council met with the Pension Administrator on 26 February 2019 to understand the number of outstanding pension admissions agreements / bonds. Around 25 outstanding admission agreements, bonds and/or cessation valuations were identified in the process. Discussions are ongoing around

who is responsible for the bond process. The review into the Pension Administration Strategy has been completed and recommendations are being followed up. There remain ongoing concerns about the data quality maintained and this is resulting in inaccurate benefit statements being sent and late submission of pension statements. A conditional data cleanse plan has been in place and the details of this have been sent to the Pensions Regulator. The HR data was submitted for an independent analysis of data conducted by Hymans Robertson who identified a significant number of critical errors that are to be addressed before the valuation. The council has requested another upload to Hymans Robertson for a second analysis.

- **G&C001 - Challenge to deliver capital projects (residual score 15).** Lack of capabilities to deliver capital and infrastructure projects within CSG Corporate Programmes could lead to strategic partners being unable to provide the required specialist resource resulting in projects being delivered over budget/time. A future structure for CSG Corporate Programmes has been agreed.
- **CSG99 - Brexit uncertainty leads to increase in the cost of goods and services (NEW) (residual score 15).** This was a new risk for Q4. The expected departure from the European Union could lead to implementation of tariffs and/or staffing shortages resulting in an increase cost of goods and services for the council. Adults and Communities, Family Services and Street Scene are managing risks associated with their major suppliers and this is being reported to the Brexit Group. Consideration is being given as to whether to extend existing contracts (where applicable) to mitigate any financial costs then pursue a procurement exercise.
- **CSG100 - Brexit uncertainty leads to delays in receiving procured goods and services (NEW) (residual score 15).** This was a new risk for Q4. The expected departure from the European Union could lead to delays in receiving procured goods and services resulting in an impact on service quality and outcomes. Areas of concerns are construction and energy/fuel sectors. The council's partners in these two sectors have been asked for an updated position on the possible impact and mitigations in place. Service areas will be encouraged to think ahead and begin procurement processes early if there is a tangible belief that there will be a significant delay between contract signing and goods being available.
- **CSG07 - Quality of CSG finance support falls below required standard (residual score 15).** Inadequate resourcing and/or poor processes could lead to incomplete or misleading financial information. The CSG Management Team continued to work closely with the client team to manage the risk and ensure resources were deployed in the most effective manner. This risk will be closed in Q1.

Additional priorities

- 11.13 P&R Committee has two additional priorities in the Corporate Plan: **“A culture of transparency and accountability for personal information”** and **“Emergency planning, preparedness and response”**. An update on these additional priorities is provided below.

A culture of transparency and accountability for personal information

- 11.14 The council continued to meet its obligations under data protection legislation to be accountable and transparent in the handling of personal information. The appropriate

measures required under the Data Protection Act (which came into effect on 25 May 2018) were put in place; and the GDPR legislation was incorporated into the council's policy framework and service-specific privacy notices.

- 11.15 The risk to the council of not meeting its statutory requirements to address privacy risks at the beginning of any project remains. Further consideration will be given to how to address this and build privacy into governance procedures; project planning; and committee and delegated powers reporting procedures.
- 11.16 Targeted communications improved data protection e-learning completion (c.60%) and work will continue to increase completion rates across all services areas.
- 11.17 Crucial projects and information sharing workstreams, especially in Family Services, required additional support from the Information Management Team. Appropriate Impact Assessments and Information Sharing Agreements are fundamental under the legislation and are key areas of risk if not actioned appropriately.
- 11.18 A commercial data protection package was designed and marketed to schools. Interest did not translate into clients largely due to financial pressures. The Information Management Team will develop smaller, tailored solutions at lower costs for schools, and continue to consider other streams of commercial work.
- 11.19 FOI performance remains high at 99%, with 43% of requests answered with information published on the Open Data Portal. Barnet was recognised as one of the highest performing councils in London in the 2017/18 'FOI Good Practice: A Survey of London Local Authorities'; and praised by the Campaign for Freedom of Information for the work to channel shift from FOI to self-service.
- 11.20 There were no key indicators linked to this priority.
- 11.21 There were three high level (scoring 15+) risks linked to this priority in Q4 2018/19. One was a strategic risk and two were service risks.
- **STR027 - Compliance with Equality Duty (residual score 15 – increased from 12).** The risk relates to non-compliance of the Public Sector Equality Duty under the Equality Act 2010. There have been challenges in embedding the new system, which has impacted on the integration of the equalities process and an increased risk score of 16. Additional training has been funded for equalities to support the new system and is expected to commence in June 2019.
 - **AG020 - Audit actions not implemented (residual risk 16).** If audit actions are not implemented this could lead to a deterioration in the council's control environment and result in the Head of Internal Audit providing a Limited Assurance Annual Opinion. Audit Committee was held on 1 May 2019, with four of the recommended actions in the Grant Thornton report on CPO Fraud ongoing. Performance improved in Q4 with implementation of high priority audit actions being at 82% (Q3 49%). All high priority audit actions relating to Strategic HR and Finance have been reviewed and ownership for those actions agreed between Capita and the council. The risk rating will remain at 16 until this improvement is evident over a sustained period.
 - **CSG08 - Misstatement of Pension Fund (residual score 15).** The lack of appropriate resourcing and non-escalation of issues to the appropriate manager

could lead to a misstatement of pension fund statutory accounting and reporting (errors and delays) resulting in a qualified audit report. The ongoing audit issues relating to the data quality of membership information for 2017/18 have continued and a conditional data cleanse plan has been in place. The details of this have been sent to the Pensions Regulator. The HR data was submitted for an independent analysis of data conducted by Hymans Robertson who identified a significant number of critical errors that are to be addressed before the valuation. The council has requested another upload to Hymans Robertson for a second analysis.

Emergency planning, preparedness and response (incl. business continuity)

11.22 An internal review of the council's emergency planning and business continuity arrangements commenced in Q3. The review was commissioned to ensure services remained robust and responsive to the changing standards across London, the evolving requirements of Barnet's residents and businesses, as well as to the challenges to service delivery. The recommendations of the review are now being implemented to refresh the emergency response arrangements and make them compliant with Resilience Standards for London. The council is now on course to take full part in exercise Safer City, in May 2019, a London-wide exercise managed by London Resilience and involving all London Boroughs.

A new council Business Continuity Plan was developed. Work on the refreshed Business Continuity Management System will continue into Q1, whilst the process of continuous review and updating of emergency response arrangements is now firmly established and will form part of ongoing improvement of emergency response in support of communities.

11.23 There were no key indicators linked to this priority.

11.24 There was one high level (scoring 15+) service risk linked to this priority in Q4 2018/19.

- **AG022 - Inability to effectively respond to Major Emergency Incidents (residual score 15).** The failure to implement the Emergency Planning 2020 recommendations and Resilience Standards for London could lead to the inability to effectively respond to a major emergency. Good progress has been made on implementing the workplan such as the recruitment campaign for volunteer roles, with almost all roles now filled. Training and exercises have taken place to prepare for a response to an incident. More work is ongoing to implement the workplan, which should reduce the risk score in subsequent quarters.

12 REASONS FOR RECOMMENDATIONS

- 12.1 These recommendations are to provide this Committee with the necessary information to oversee the performance of the corporate plan and service and contract performance. This paper enables the council to meet the budget agreed by Council on 6 March 2018.

13 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 13.1 None.

14 POST DECISION IMPLEMENTATION

- 14.1 None.

15 IMPLICATIONS OF DECISION

15.1 Corporate Priorities and Performance

- 15.1.1 The report provides an overview of performance for EOY 2018/19, including budget forecasts, staffing, progress on activities, performance of key indicators and any high level (scoring 15+) risks.

- 15.1.2 The EOY 2018/19 results for all Corporate Plan indicators are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>

- 15.1.3 Robust budget, performance and risk monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of council priorities and targets as set out in the Corporate Plan.

- 15.1.4 Relevant council strategies and policies include the following:

- Corporate Plan 2015-2020
- Corporate Plan - 2016/17, 2017/18 and 2018/19 Addendums
- Medium Term Financial Strategy
- Performance and Risk Management Frameworks

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

15.2 Resources (Finance and Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 15.2.1 The budget forecasts are included in the report. More detailed information on financial performance will be provided to FPC Committee.

15.3 Social Value

- 15.3.1 The Public Services (Social Value) Act 2012 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. The council's contract management framework oversees that contracts deliver the expected services to the expected quality for the agreed cost. Requirements for a contractor to deliver activities in line with Social Value will be monitored through this contract management process.

15.4 Legal and Constitutional References

15.4.1 Section 151 of the Local Government Act 1972 states that: "without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 111 of the Local Government Act 1972, relates to the subsidiary powers of local authorities.

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

15.4.3 The council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Policy and Resources Committee:

(1) To be responsible for:

- Strategic policy, finance and corporate risk management including recommending: Capital and Revenue Budget; Medium Term Financial Strategy; and Corporate Plan to Full Council
- Finance including:
 - Treasury management Local taxation
 - Insurance
 - Corporate procurement
 - Grants
 - Writing-off debt
 - Virements
 - Effective use of resources
- Procurement Forward Plan
- Local Plans (except for matters reserved to Full Council)
- Information Technology
- Strategic Partnerships
- Customer Services and Resident Engagement
- Emergency Planning

(2) To be responsible for those matters not specifically allocated to any other committee affecting the affairs of the Council.

(3) Consider for approval budget and business plan of the Barnet Group Ltd.

(4) To determine fees and charges for services which are the responsibility of the committee.

15.4.4 The council's Financial Regulations can be found at:

<http://barnet.moderngov.co.uk/documents/s46515/17FinancialRegulations.doc.pdf>

15.5 Risk Management

15.5.1 The council has an established approach to risk management, which is set out in the Risk Management Framework. Risks are reviewed quarterly (as a minimum) and any high level (scoring 15+) risks are reported to the relevant Theme Committee and Policy and Resources Committee. The strategic risks and all high level (scoring 15+) risks associated with the priorities for this Committee are outlined in the report.

15.6 Equalities and Diversity

15.6.1 Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty which requires a public authority (or those exercising public functions) 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 persons who share a relevant protected characteristic and persons who do not.
- Fostering of good relations between persons who share a relevant protected characteristic and persons who do not.

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

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

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

This is also what we expect of our partners.

15.6.4 This is set out in the council's Equalities Policy, which can be found on the website at: <https://www.barnet.gov.uk/your-council/policies-plans-and-performance/equality-and-diversity>

15.7 Corporate Parenting

15.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

15.8 Consultation and Engagement

15.8.1 Consultation on the Corporate Plan 2015-2020 was undertaken between summer 2013 and March 2015. Consultation on the new Corporate Plan 2019-24 was carried out in the summer 2018. The Corporate Plan will be approved by Council in March 2019.

15.9 Insight

- 5.9.1 The report identifies key budget, performance and risk information in relation to the Corporate Plan 2018/19 Addendum.

16 BACKGROUND PAPERS

- 6.1 Council, 6 March 2018 – approved 2018/19 addendum to Corporate Plan.
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=9162&Ver=4>

Risk ID	Short Risk Title	Long Description	Risk Owner Job Title	Primary Risk Category	Corporate Plan Priority	Controls and Mitigations in Place	Inherent Risk (with no controls)		Residual Risk (with existing controls)			Target Risk		Response Option
							Impact	Likelihood	Impact	Likelihood	Risk Score	Impact	Likelihood	
Strategic Risks (27)														
STR004	Future financial pressures and funding uncertainty	The uncertainty and therefore lack of clarity on impact of changes in the national and regional political landscape, legislative changes and local government funding changes (e.g. business rates localisation and fair funding review) that affect council services could lead to further reduction of the multi-year budget resulting in non-achievement of MTFS target, reduction in service quality, resident dissatisfaction, deterioration of services, use of reserves and reputational damage.	Chief Executive	Finance	P&R - Medium and long term strategic planning	-Contingency and reserves in place to mitigate the short term impact. -Undertake forward planning, regularly updating budget assumptions and monitoring the Government's fiscal announcements. However, also maintain flexibility within existing plans to instigate recruitment freezes in non-frontline services whilst long term plans are being put into place. -Maintain good contacts with Central Government to remain as informed as possible.	5	4	5	4	20	4	4	Treat
STR033	Implementation of 19/20 savings	If the savings identified for 2019/10 are not fully implemented this could lead to non-achievement of MTFS targets and an overspend on the revenue budget resulting in the use of reserves, reduction in service quality or provision, resident dissatisfaction and reputational damage.	Chief Executive	Finance	P&R - Medium and long term strategic planning	-Monthly budget monitoring	5	5	5	4	20	4	2	Treat
STR034	Debt management	If debts are not managed effectively this could lead to extra borrowing or an overspend on the revenue budget resulting in further financial strain, reduction in service quality or provision, resident dissatisfaction and reputational damage.	Director of Finance/ s151 Officer	Finance	P&R - Medium and long term strategic planning	- Debt management strategy	4	5	4	4	16	3	2	Treat
STR021	Delivery of Ofsted Improvement Plan and strengthening safeguarding	If the Ofsted Improvement Action Plan is not delivered across the partnership quickly enough, this could lead to negative safeguarding outcomes for children, young people and families, services not improving at the pace required; also this may result in negative monitoring reports and future inspection outcomes.	Strategic Director, Children and Young People	Statutory Duty	CE&S - Children's Services Improvement Plan	-Delivery of robust action plan to take recommendations forward. -Monitoring of impact of action plan on outputs and outcomes for children, young people and families, and taking action if outcomes don't improve as expected. -Refresh of the Barnet Safeguarding Children's Partnership functions, membership and work programme. -Leadership from the Chief Executive to drive forward action plan, and galvanise resources from across the council to support improvement (including support services). -Strong communication/engagement plan at all levels of the partnership and organisation, to keep the focus, energy and momentum at all levels (particularly when moving at pace).	5	4	4	4	16	4	3	Treat
STR027	Compliance with Equality Duty	If new processes are not embedded quick enough this could lead to non-compliance with the Public Sector Equality Duty under the Equality Act 2010 resulting in worsening outcomes for Barnet residents and legal action against the council.	Chief Executive	Statutory Duty	P&R - A culture of transparency and accountability	-Equality Policy 2014 in place -Strategic Equalities Objective in place -Corporate Performance Indicators in place -Equality Annual Report in place -Equality commitments to residents published -Equality Champions trained and in place -Mandatory Equality learning and development in place -Equality guidance material and advice available to all staff -Equality Duty is considered when any policy is developed, decided upon, implemented and reviewed -Joint Senior Leadership ownership of improved outcomes for people who have protected characteristics	5	5	4	4	16	4	1	Treat
STR007	Significant adults safeguarding incident	If council services and partners do not effectively manage their relevant safeguarding risks, this could lead to a safeguarding incident resulting in potential harm to individuals and/or families, potential legal challenge, resident dissatisfaction and public scrutiny.	Chief Executive	Statutory Duty	A&S - Embedding strength-based practice	-Adherence to the London multi-agency safeguarding adults policy and procedures. -Training programme and supervision policy and practice standards. -Quality assurance programme, including case audit, supervision audit, performance monitoring. -Report to CMT Assurance, Barnet Safeguarding Adults Board and PQA sub-group; also to Adults and Safeguarding Committee and Health and Wellbeing Board annually. -Quality assurance ongoing in adult social care. -Provisional Mosaic safeguarding reports are in place.	5	5	5	3	15	5	3	Tolerate
STR013	Brexit	Due to the complex nature of services provided, demographic changes and macro-economic changes, the council may be unable to effectively respond in an agile way to Brexit resulting in not being able to deliver organisational objectives, financial impact and reputational damage.	Chief Executive	Business Continuity	P&R - Medium and long term strategic planning	-The council undertakes forward planning at the corporate level, as well as business planning. -The corporate risk management framework and audit process also control this risk. -Budget modelling takes into account latest population projections, changes in legislation and emerging pressures. Therefore, long-term planning allows for financial planning and certainty but an annual review allows for any emerging pressures to be factored in. - Weekly meetings chaired by DCE on Brexit	5	4	5	3	15	5	1	Treat

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STR023	Commercial viability of strategic suppliers	If the commercial viability of a strategic supplier declines this could lead to operational failures resulting in service disruption/reduction, failure to discharge statutory duties and financial costs.	Deputy Chief Executive	Business Continuity	P&R - Medium and long term strategic planning	-Contract management framework, with policy and procedures for commercial activity. -Contract monitoring takes place monthly with quarterly reporting to Financial Performance and Contracts Committee. -Contract register kept under review with checks on financial status of strategic suppliers. -Contract management arrangements in place, including indicators to identify financial stress. -Business continuity plans in place.	5	4	5	3	15	4	3	Treat
STR028	Impact of insourcing Re and CSG services on performance, contract and finance management	Proceeding with the business case for insourcing services delivered by Re and CSG (subject to committee agreement) without comprehensive and effective change management and risk management could lead to service disruption, temporary or longer-term performance reduction, additional costs, reduced long-term savings, contractual complications with remaining outsourced services, loss of technical knowledge and experience through personnel changes and failure to deliver statutory duties. This could result in additional costs to the council being incurred.	Chief Executive	Finance	P&R - Medium and long term strategic planning	1. Officers identified to carry out financial analysis ahead of choosing which of the business case options will provide best value for money and highest performance. 2. Elected members scrutiny of the business case decision via Full Council. 3. Effective management of "STR008 Successful challenge to the decision-making process" in relation to this insourcing risk.	5	5	5	3	15	5	1	Treat
STR031	Financial controls	If financial controls are not sufficient this could lead to the council not ensuring appropriate administration of public funds resulting in possible financial and reputational losses.	Director of Finance/ s151 Officer	Finance	P&R - Medium and long term strategic planning	-A thorough review of internal controls has been independently completed by Grant Thornton. The action plan that has been developed is in the process of being tested post implementation	5	5	5	3	15	5	1	Treat
STR035	Failure of third party Pension administrator meeting standards	Poor performance levels could result in delays meeting statutory deadlines (e.g. annual benefit statements / valuations) and / or member benefits being inaccurate or paid late resulting in enforcement action by the Pensions Regulator, which can include financial penalties; reputational risk through negative media exposure; and members not receiving the correct benefits or receiving benefits late.	Deputy Chief Executive	Finance	P&R - Medium and long term strategic planning	-Recruitment of a pensions consultant to enhance client side management. -Monthly update meetings to measure progress against data cleanse plan. - Recruitment of a pensions consultant to manage the third part administrator relationship	5	4	5	3	15	3	2	Treat
STR022	Development of Barnet House	Colindale Full Business Case (FBC) has a challenge to remove the liabilities around Barnet House. Failure to buy Freehold and opportunity to negotiate the purchase/early termination of long lease agreement could result in increased costs, reduced margins, reduced stakeholder confidence, reputational damage and reduced revenues.	Deputy Chief Executive	Finance	P&R - Implementing The Way We Work programme	-An option appraisal has been written, which details the available options to maximise value from Barnet House and the Colindale office building. The most financially beneficial option has been confirmed to be moving to Colindale and negotiating an early Barnet House lease surrender Negotiations with the Barnet House freeholder / head-lease holder will take place once the report has been presented at TW3 Board.	5	4	4	3	12	2	3	Treat
STR006	Complexity of partnership working in the borough	Differences of geographical footprint and governance structures of key strategic partners (e.g. NHS, NLWA) exacerbated by any changes in leadership may lead to conflicting priorities between partner agencies, including in the use of critical local infrastructure, resulting in non-achievement of targets, increased risk of safeguarding incidents, resident dissatisfaction, ineffective allocation of resources and reputational damage.	Chief Executive	Statutory Duty	P&R - Continuing to improve Customer Services	-We maintain good relationships with strategic partners, and have aligned our strategic plans where possible. We also hold regular update meetings with these partners, and members and senior officers are represented on key strategic boards. -Barnet Partnership Board meetings.	4	4	4	3	12	4	3	Tolerate
STR001	Ability to attract and retain scarce skills or those in high demand	If the council is unable to attract and retain scarce skills or those in high demand within the labour market there could be an impact on the ability to deliver outcomes for residents and statutory responsibilities resulting in financial pressure, reputational damage and poor customer satisfaction.	Deputy Chief Executive	Statutory Duty	P&R - Medium and long term strategic planning	-Targeted interventions are underway to attract social workers in children's social care, and a further intervention is underway to convert agency social workers to permanent staff. -A new recruitment system is being implemented to improve and streamline the recruitment process making it easier for both hiring managers and prospective candidates. -The council is investing in new office accommodation in Colindale which will provide a new, modern working environment where staff can work in a more flexible, agile way. -The council is investing in its training and development offer so that staff can continuously develop within their profession. Including accessing opportunities presented by the Apprenticeship Levy. -An audit of the staff onboarding process is about to commence reviewing and seeking improvement to the processes for new starters. - Continued roll out of the healthy workplace charter action plan with a rolling monthly programme of healthy initiatives for staff.	4	4	4	3	12	4	2	Treat

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							Impact	Likelihood	Impact	Likelihood	Risk Score	Impact	Likelihood	
STR002	Capacity for business continuity responsiveness	If there is insufficient resource or capability to deal with crisis, such as those involving critical local infrastructure, and insufficient testing of Business Continuity Plans/incident response plans, the council may be unable to respond effectively in the event of a crisis resulting in financial loss, disruption to services, resident dissatisfaction and reputational damage.	Chief Executive	Business Continuity	CL - Emergency planning, preparedness and response	-The council has a corporate Business Continuity Strategy and Plan, and maintains a network of business continuity leads, with quarterly meetings on this subject.	4	5	4	3	12	4	2	Treat
STR032	Implementation of new recycling and waste collection rounds	If issues with the implementation of the new recycling and waste collection rounds continue into the New Year this could lead to further service disruption and financial strain resulting in resident dissatisfaction and reputational damage.	Chief Executive	Statutory Duty	ENV - Modernising Environmental Services	-Ongoing communication with residents on new/revised collection days. -Additional and narrow access vehicles deployed to complete rounds. -Issues with blocked access and assisted collections followed-up. -Additional resources put into Contact Centre to handle increased volume of customer contacts. -Social media monitored and follow-up daily.	4	5	3	3	9	2	2	Treat
STR019	Fire health and safety (Housing)	Failure to sufficiently manage policies and procedures around health and safety (including fire) could lead to an incident that results in structural damage to property, litigation/compliance breach, financial loss, personal injury or death.	Deputy Chief Executive	Health and Safety	HOUS - Building compliance and fire safety	-Health and safety policies and processes for managing compliance in respect of the council's estate and homes are in place; health and safety audits and inspections are carried out in accordance with policy; and fire risk assessments (FRAs) are undertaken and reported and actioned for all residential housing managed by Barnet Homes and main housing association partners.	5	3	5	2	10	4	1	Treat
STR008	Successful challenge to the decision-making process	If statutory obligations to consult are not considered as part of the decision making process by any part of the organisation (retained or commissioned) when they are required to be, this may lead to successful legal challenges to the decision-making process resulting in judicial review of process, which has implications for officers and members, and could lead to reputational damage.	Chief Executive	Statutory Duty	P&R - Medium and long term strategic planning	-Corporate advice and guidance on decision-making are in place, with a clearance process. -Senior officers and members have oversight of decisions.	5	4	5	2	10	5	2	Tolerate
STR010	Potential fraud, bribery or corruption incident	If there are ineffective internal controls, governance arrangements, and policies and procedures are neither fit for purpose nor adhered to, this could lead to the council being unable to prevent an incident of organised or high value fraud, bribery or corruption resulting in loss of revenue, cost to the business (disposal and prosecution), staffing issues and reputational damage.	Director of Finance/ s151 Officer	Finance	P&R - Medium and long term strategic planning	-The council observes financial regulations, internal controls and standing orders, and contract procedure rules. Responsibilities relating to fraud prevention, detections and investigations are set out in the council's constitution. -There is a policy framework in place called the counter-fraud framework which contains counter-fraud, bribery and corruption policy and a whistleblowing policy. -The council also has an employee code of conduct which includes a gifts and hospitality policy, also other HR policies are in place. There is oversight by the Audit Committee. -The council has a dedicated fully qualified Corporate Anti-Fraud Team (CAFT), and an internal audit team who work closely together and have a risk based joint work plan which includes a communication/publicity strategy to ensure fraud risks/issue are identified and the control environment is reviewed as well as consideration and continued planning in relation to new risks and outcomes from internal audits/fraud investigations. -The CAFT also conduct proactive fraud drives and provide Fraud Awareness programmes and advice. CAFT take part national data matching initiatives (such as the National Fraud Initiative) in high fraud risk areas. They are able to respond to referrals of fraud and investigate them through to the appropriate outcome. They work closely with HR where internal fraud also raises disciplinary issues and are the only authorised team to conduct financial investigations on behalf of the council under Proceeds of Crime Act.	4	4	3	3	9	3	2	Treat
STR016	Neglecting corporate parenting duty	The council and its partners neglecting to fulfil their duty as Corporate Parents could lead to poorer outcomes for children in care and care leavers across key areas including education, health and placements resulting in an increased gap between children in care/care leavers and their peers in the shorter term and poorer outcomes in the longer term.	Strategic Director, Children and Young People	Statutory Duty	CE&S - Children's Services Improvement Plan	-A joint motion by councillors to the Full Council in November 2015 resulted in the Barnet's Pledge for Children in Care and Care Leavers. The Children in Care Council has been refreshed and the advocacy service is active across Family Services. A Children's Services Improvement Action Plan is being implemented. The Virtual School has invested in a strong structure and resources are targeted to improve outcomes, through the Personal Education Plan (PEP) process. -The 'Onwards and Upwards' care-leaving service is located in a town centre, where care leavers can access support and a broad range of multi-agency services. Strategic links have been developed with key partners. -A multi-agency forum, Corporate Parenting Officers Group, has been established to track and monitor planning for children in care and care leavers. -Members at Full Council agreed new arrangements for the Corporate Parenting Advisory Group at its meeting on 6 March 2018.	4	4	3	3	9	3	2	Treat

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							Impact	Likelihood	Impact	Likelihood	Risk Score	Impact	Likelihood	
STR024	Tri-borough reorganisation of the Met Police	Reorganisation of the Met Police into a tri-borough format may result in a dip in performance while the changes take place, police resources previously available to Barnet being reallocated to Harrow and Brent, and an increase in police response times due to the service being delivered over a larger geographical area and the relocation of police hubs. These events may ultimately lead to a decrease in community safety, reputational damage and a reduction of public confidence in policing in Barnet.	Strategic Director, Environment	Statutory Duty (the Met Police are responsible for these duties)	CL - Safer communities	-Regular sharing of data including the police staffing numbers and police response times. -Regular meetings with the Met Police borough commander. -Regular monitoring of confidence in police via Resident Perception Surveys by the council and Metropolitan Police surveys. -There is increased collaboration between the Met Police borough commander and Barnet's senior management team. -A monitoring regime has been implemented in advance of the implementation of the Tri-borough reorganisation.	3	5	3	3	9	2	3	Treat
STR017	Exposure to cyber-security attack	Connecting to untrusted networks could expose IT networks to attacks the results of which could compromise the confidentiality, integrity and availability of ICT and the information they store and process.	Chief Executive	Business Continuity	CL - Emergency planning, preparedness and response	-Policies and risk management approaches to protect IT networks developed and implemented; and security controls applied, including patch upgrades. - Process is in place for reporting for breaches of security to SIRO (Senior Information Risk Owner)	4	4	4	2	8	4	2	Tolerate
STR018	Incident management	Failure to respond effectively to an information security incident (e.g. a cyber-security attack) could lead to disruption of IT networks resulting in a loss of access to information assets and disruption to council services.	Chief Executive	Business Continuity	CL - Emergency planning, preparedness and response	-Incident management policies in place to improve resilience and support business continuity, including regular assessment of information assets - Reviewing Incident management as part of wider Business Continuity	4	4	4	2	8	4	2	Tolerate
STR011	Impact of change in policies across the council/for specific committees	If there is a change in policies or in priorities across the council/for specific committees, this could result in increased workloads across the council associated with reworking of strategies, impacting on finances and ability to operate within budget.	Chief Executive	Business Continuity	P&R - Medium and long term strategic planning	-Decisions are made in accordance with legal advice and the council undertakes forward planning at the corporate level. -The risk to the budget is controlled by the MTFS and business planning process, and Members are fully engaged.	4	3	4	2	8	4	2	Tolerate
STR012	Potential health and safety incident or negative impact on wellbeing of Barnet employees, Members and members of the public	If health and safety / compliance policies and procedures are not sufficiently developed, tested or adhered to by officers, members or the council's contractors, this could lead to an incident resulting in harm to Barnet employees/council members/members of the public, legal challenge and reputational damage.	Director of Public Health	Health and Safety	P&R - Medium and long term strategic planning	-Health and safety policies and processes around managing compliance are in place (available on the intranet), and the 95 buildings are being managed effectively. There are plans to identify gaps for other council stock. -Training is undertaken so staff can find the right information, with some advertising on the intranet, and first team messaging to staff. Leaflets are distributed among the workforce. We have a web-based portal for referrals, with HR leading on some of these. -There is a "split" service, allowing access to additional health and safety advice available as required, but alongside Barnet-based staff with health and safety knowledge of local issues carrying out monitoring activities (including health and safety audits and inspections) as well as a statutory officer in place. -We have systems to collect information on incidents, and undertake regular health and safety audits and reports to senior officers and committees. 1. Health and Safety Training - roll out action plan with mandatory training for all staff. 2. Support - CSG Safety, Health and Wellbeing (SHaW) to support DU Directors in reviewing arrangements for policy implementation, Health and Safety risk review and Health and Safety performance monitoring.	5	4	4	2	8	4	2	Tolerate
STR029	Employer failure to pay contributions to the Pension Fund	If the Pension Fund does not receive the correct amount of contributions from employers to fund employee pension liabilities this could lead to a scheme deficit resulting in member dissatisfaction, reputational damage and legal consequences.	Deputy Chief Executive	Finance	P&R - Medium and long term strategic planning	-Monthly monitoring of contribution payments received by the finance and administration teams. -Reconciliation through annual scheme returns.	4	5	4	2	8	2	1	Treat
STR025	Contractual disputes due to underperforming commissioned services	The potential for contract underperformance or non-delivery of commissioned services could result in disputes between Barnet and its delivery partners which, if unresolved, could lead to ongoing service delivery underperformance, failure to discharge statutory duties, legal/contractual costs, reputational damage and ultimately commissioned services being brought back in-house with the loss of planned savings and guaranteed income.	Commercial Director	Finance	P&R - Medium and long term strategic planning	-Contract performance is measured by monthly/quarterly/annual indicators and the output specification. -Contract performance is monitored via monthly/quarterly performance reports and monthly contract management meetings. -Dispute resolution is supported by a jointly managed issues log, the contract dispute resolution processes including escalation to exceptional meetings and legal support -Service continuity is ensured by provisional service continuity plans. - contractual mechanisms are used where appropriate	5	4	3	3	9	3	2	Treat
Service Risks (13)														
Adults, Communities and Health (6)														

Risk ID	Short Risk Title	Long Description	Risk Owner Job Title	Primary Risk Category	Corporate Plan Priority	Controls and Mitigations in Place	Inherent Risk (with no controls)		Residual Risk (with existing controls)			Target Risk		Response Option
							Impact	Likelihood	Impact	Likelihood	Risk Score	Impact	Likelihood	
PH06	Pandemic Influenza type disease outbreak - LA business continuity risk	A Declaration of Pandemic Influenza by the World Health Organisation (WHO) could lead to severe resource and capacity issues for the council and partner agencies resulting in an impact on service delivery and the health protection of residents	Director of Public Health	Statutory Duty	A&S - Health and Wellbeing	Secure tools developed to support the recording and updating of cases offline in emergency situations. Barnet multi-agency pan flu preparedness exercises and plans.	5	4	5	4	20	5	4	Tolerate
AC001	Increased overspend to meet statutory duties	LBB could have insufficient resources to meet its statutory duties with regard to adult social care due to operating in an environment in which there is inherent uncertainty in future demand for services, exacerbated by a potential inability to deliver savings, reduced ability to raise income from clients, the rising cost of care, other in year financial pressures due to unexpected demand, the increasing complexity and cost of care packages, and legislative changes. This could result in harm to individuals, legal challenge, worsening budget overspend, and reputational damage. Alternatively, it would lead to a deterioration in the Council's overall financial position. There are reduced opportunities to invest through reserves, service budgets are not currently balanced and this could reduce opportunities to invest in preventative services.	Strategic Director, Adults, Communities and Health	Statutory Duty	A&S - Embedding strength-based practice	The council's budget management process (MTFS) forecasts demographic growth and pressures over a multi-year period. Budget and performance monitoring and management controls are used throughout the year. Work to reduce addressable spend (such as expenditure on agency staff) is being carried out in year. The new MTFS to 2024 will identify future demand pressures, and the council will undertake initiatives focused on reducing and managing future demand in response. There is a programme of work underway and a pipeline of activity due to commence to maximise existing arrangements for prevention spend and proactively manage other financial risks.	5	5	5	4	20	3	3	Treat
AC002	Failure of care provider	A care provider could suddenly be unable to deliver services, due to: - provider going into administration - failure of regulatory inspection relating to quality of service - care provider chooses not to deliver services - HS&E breach leading to operational disruption to manage the situation, harm to individuals by not having their care and support needs met, unexpected financial consequences and breach of statutory duty.	Head of Integrated Care Quality	Business Continuity	A&S - Integrating local health and social care	For all contracted services due diligence is undertaken at the start of each contract to ensure quality and sustainability of providers. Regular contract monitoring is undertaken with providers, with more visits to higher risk providers. Care Quality advisors support homes through best practice support and supporting staff development. If issues identified then there is a clear provider concerns process to access risk to individuals and support improvement. There is also a clear provider failure / closure approach to manage closure of homes and safe transition of service users if required. A regular report setting out provider risks and concerns is circulated to the DASS and to the DU's Leadership team on a monthly basis and discussed through the regular DASS assurance meeting. On-going work across the care market to share best practice, support staff development and improve quality of care. Development of a provider support 'offer' to ensure support offered by care quality team is meeting need. Implementing a new approach to monitoring - more streamline and better focus on quality. Working across North Central London to share ideas / learning how quality improvement programmes, including scoping opportunities for a more integrated approach with health. Ongoing work to monitor the sustainability of the sector and explore best use of council resources to support this (including the awarding of inflationary uplifts)	5	5	4	5	20	4	3	Treat
AC031	Budget management	Following the move to the new case management system, delays in resolving issues have limited the ability for the council to produce routine budget reports, which could result in budget issues not being identified and addressed in a timely fashion, leading to overspend.	Assistant Director for Community and Performance	Finance	A&S - Embedding strength-based practice	Workarounds in place to provide financial forecasts.	4	5	4	4	16	1	1	Treat
AC005	Insufficient staffing levels to deliver essential services	The council's financial position could lead to sustained recruitment freeze resulting in reduced capacity to deliver the work of the directorate. A challenging job market (rest of London competing for the limited supply of social workers, qualified occupational therapists and other social care staff across all levels) could lead to difficulties in recruiting and retaining sufficient staff, resulting in insufficient staff to meet demand, reliance on agency workers impacting on budget, inability to carry out quality work, knock on effect on morale, non-statutory duties being de-prioritised.	Assistant Director Ongoing Support	Staffing and Culture	A&S - Integrating local health and social care	Priority posts are being presented to the Chief Executive for permission to recruit. There is a workforce development plan in place to mitigate this risk in the medium to long term.	5	4	4	4	16	4	4	Tolerate

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AC028	Lack of fully functioning case management system	If the programme plan to complete the substantial remedial work required to the Mosaic case management system is not agreed and implemented in a timely manner, the lack of a fully functioning case management system will have an impact on key business processes which may become unable to function, and on data and information which may become incomplete or misunderstood, This may lead in turn to a risk of harm to individuals, lack of compliance with statutory duties, financial loss or penalties, legal challenge, and reputational damage.	Assistant Director for Community and Performance	Statutory Duty	A&S - Embedding strength-based practice	A programme board is in place to drive delivery of a fully functioning case management system (Mosaic) -A new provider, Bettergov, has been appointed to complete the implementation of the system -Regular reports are being used to confirm that frontline social care business processes are running to expectations and that any issues are quickly identified -Mitigation measures are in place to manage specific risks such as provider failure or bad debt, arising from delays to key business processes such as paying invoices or issuing bills to clients -LBB to continue close monitoring of plan and delivery	5	5	5	3	15	1	1	Treat
Assurance (2)														
AG020	Audit actions not implemented	If audit actions are not implemented this could lead to a deterioration in the council's control environment and result in the Head of Internal Audit providing a Limited Assurance Annual Opinion.	Head of Internal Audit	Statutory Duty	P&R - A culture of transparency and accountability	Audit actions are recorded within Barnet Performs and discussed at monthly Contract Monitoring meetings (CSG and Re) to encourage implementation - Auditees are emailed asking for updates / evidence in advance of quarterly reporting to Audit Committee - Quarterly meeting to discuss non-implementation with Assurance Director or Chief Exec in attendance - Attendance required at Audit Committee if not implemented - Audit actions are agreed with auditees (as opposed to audit recommendations with management responses) to improve clarity over what is expected in order for audit to assess as implemented - Growth bid submitted for 2019/20 to address risk of increased number of audit actions being raised and subsequent non-implementation / additional follow-up work	4	5	4	4	16	4	3	Treat
AG022	Inability to effectively respond to Major Emergency Incident	The failure to implement the EP2020 recommendations and Resilience Standards for London, could lead to the inability to effectively respond to a major emergency resulting in failure to deliver statutory support of emergency services under the Civil Contingencies Act 2004, increased risk/harm to individuals, legal challenge, financial and reputational.	Assurance Director	Business Continuity	P&R - Emergency planning, preparedness and response	1. Current review of EP and BC arrangements including EP2020 and resilience standards 2. Tested Plans and arrangements in place 3. Interim support arrangements in place in service and also with Haringey EP team in event of major incident	5	5	5	3	15	4	2	Treat
Growth and Corporate Services (2)														
G&C001	Challenge to deliver capital projects with CSG corporate programmes	Lack of capabilities to deliver capital and infrastructure projects within CSG corporate programmes could lead to strategic partners being unable to provide the required specialist resource resulting in projects being delivered over budget and over time.	Deputy Chief Exec	Finance	P&R - Medium and long term strategic planning	1. Continue to monitor via Relevant Programmes Boards and Contract Management Meetings 2. There is ability to take resource from the wider Capita supply chain, at day rate costs. 3. Ability to procure resource from other frameworks, at day rate costs. 4. Prioritisation of capital schemes to ensure appropriate focus of resources.	5	4	5	3	15	5	1	Treat
G&C002	Brent Cross funding strategy	The lack of agreement of a long-term funding strategy could lead to delays in the Brent Cross project specifically the delivery of the Brent Cross Thameslink station resulting in a financial impact to the Council's future income streams.	Deputy Chief Exec	Finance	ARG - Regenerating Brent Cross Cricklewood	1. The risk is being managed by the Brent Cross Governance Board and Assurance Board where Officers were working on finalising a long term funding strategy. 2. There is Short term financing of the project has been agreed to March 2019 which has allowed for more time for a long-term financing agreement.	3	5	3	5	15	3	2	Treat
Environment (3)														
TS013	Passenger transport services move	The handback of NLBP will necessitate the relocation of PTS vehicles with operation to a suitable alternate site, not being able to secure suitable site will result in either incurring additional costs to extend the current lease (subject to availability) or cause disruption to the Home to School transport service for Special Education Need children in and out of borough.	Street Scene Director	Business Continuity	ENV - Delivering transport improvements	Depot move project are currently working on space planning exercise for Watling Carpark and Watling Market combine site. There are 2 other sites being considered as a back up, if Watling Carpark proves to be insufficient space.	5	5	5	4	20	4	3	Treat
PI022	Ongoing Operation of the Central Management System	Risk related to the Harvard Central management system being incapable of operating the street lights and providing reports to the Meter Administrator of the energy consumption usage to inform the monthly energy bills. This is due to the fact that Harvard have gone into Administration and as a consequence obtaining replacement parts and reporting of data may not be possible.	Commissioning Director & Assistant Director Environment	Health and Safety	ENV - Delivering highways improvements	Authority client team has written to the PFI Service Provider Barnet Lighting Services to ask them to immediately identify the impact of Harvard going into administration, including: 1. Identifying historical faults to determine the quantity of spare parts required; 2. to identify current stock levels; 3. Based on 1 and 2 to identify timescale to meet BAU requirements; 4. to formulate an urgent Business Continuity Plan; 5. To identify any issues relating to providing data to the Meter Administrator each month for the electricity billing as failure to provide this would lead to at least a 40% increase in bills.	5	5	5	3	15	5	2	Treat

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PI011	Winter Service	As a result of relocating the gritting depot from Barnet to Harrow there is a risk that the associated increased travel time will be detrimental to the ability to deliver an effective service in terms of speed of response and in particular the possibility that this may prevent the three eastern routes from being treated within the required timescale which may lead to road traffic accidents, associated insurance claims and even non-compliance with statutory duty in extreme cases.	Strategic Director, Environment	Business Continuity	ENV - Delivering highways improvements	1. Contingency site found (at Gateway Services - Highways England site)and implemented. 2. Legal Agreement has been signed by Highways England granting the free use of the Gateway Services site to reload up to four of the Barnet gritting vehicles in times of snow. 3. Information supplied to the Property Team on the Service depot requirements - this is now in the hands of the Property Team to find a suitable site and is ongoing. 4. Relevant contacts at TfL identified and daily exchange of plans/information implemented. 5. Lessons learnt exercise from the 2017/18 gritting season and the review and subsequent changes in operations is planned and underway in advance of the 2018/19 winter gritting season due to commence in October 2018. The intention of this exercise is to make changes that will improve service outcomes, including changes that will assist in reducing timescales of completing gritting operations.	5	4	5	3	15	5	2	Treat
Joint Risks (5)														
Customer Support Group (4)														
CSG 99	Brexit uncertainty leads to increase in the cost of goods and services	Uncertainty around Brexit may lead to tariffs and/or workforce shortages being enforced resulting in increased cost of goods and services.	Strategic Lead Commercial	Finance	P&R - Medium and long term strategic planning	Adult Services, Family Services and Street scene are managing risks associated with their major supplier workforces and reporting to Brexit group. Brexit Group is getting national updates.	4	5	4	4	16	3	2	Treat
CSG 100	Brexit uncertainty leads to delays in receiving procured goods and services	Uncertainty around Brexit may lead to delays in receiving procured goods and services due in particular to supply chain delays and this may have impact on the delivery of service quality and outcomes for residents.	Strategic Lead C	Business Contin	P&R - Medium and long term strategic planning	Risk has been highlighted to service areas, especially construction and energy/fuel. 'Brexit Group is getting national updates.	4	5	4	4	16	3	2	Treat
CSG07	Quality of CSG finance support falls below required standard	Inadequate resourcing and/or poor processes could lead to incomplete or misleading financial information resulting in sub-optimal financial performance and poor value for money outcomes.	Head of Finance	Finance	P&R - Medium and long term strategic planning	-Weekly meetings to discuss issues and challenges and current staffing provision. -Temporary staff appointed to cover vacancies.	5	5	5	3	15	2	3	Treat
CSG08	Misstatement of pension fund	The lack of appropriate resourcing and non-escalation of issues to the appropriate manager could lead to a misstatement of pension fund statutory accounting and reporting (errors and delays) resulting in a qualified audit report, cost overruns/variations from auditor and associated reputational damage.	Head of Finance	Statutory duty	P&R - A culture of transparency and accountability	An improvement plan is in place to improve membership data, reducing the risk of material errors within valuations underpinning the pension fund valuation All recommendations contained within the draft 2017/18 Pension Fund ISA260 document will be implemented in full Additional controls will be implemented in relation to debts outstanding to the pension fund to reduce the risk of them becoming irrevocable	4	5	3	5	15	2	1	Treat
Re (1)														
OP27	Affordability of the Thames Link project	If the Thames link project becomes un-affordable this could lead to the project not going ahead and potentially the grant being clawed back from government, this would result in LBB being liable for any abortive costs, this would also have an impact on the viability of Brent Cross South.	Deputy Chief Executive (LBB)	Finance	ARG - Regenerating Brent Cross Cricklewood	1. Governance board has overcite of the project budget, monthly meetings are in place to review this. 2. Dedicated finance Resource is being recruited and will report to Finance Manager 3. Re are exploring whether the grant is at risk should the project not go ahead.	5	3	5	3	15	3	1	Treat

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**London Borough of Barnet
Policy and Resources
Committee Work Programme**

2019 - 2020

Title of Report	Overview of decision	Lead Officer(s)	Issue Type (Non key/Key/Urgent)
3 October 2019			
Cross Council Assurance Service (CCAS) – Decision to award	Authorisation to award contract for the provision of audit, assurance, and advisory services (£500k and above). LB Barnet will be the Framework contract owner with a number of other public sector bodies intending to take out Access Agreements. Contract to run from 1 st April 2020.	Director of Assurance	Key
Q1 2019/20 Strategic Performance Report	To receive a quarterly performance report.	Director of Finance (Section 151 Officer) Director of Commercial & ICT Services	Non-key
Street Naming and Numbering Policy	Committee to consider and approve the revised policy	Director – Growth and Development Head of Development Management	Key
10 December 2019			
Business Planning	To approve the Business Planning report prior to a period of public consultation	Director of Finance (Section 151 Officer)	Key
Procurement Forward Plan 2020/21	To approve the Forward Plan	Director of Finance (Section 151 Officer) Director of Commercial & ICT Services	Key
Q2 2019/20 Strategic Performance Report	To receive a quarterly performance report.	Director of Finance (Section 151 Officer) Director of Commercial & ICT Services	Non-key

Title of Report	Overview of decision	Lead Officer(s)	Issue Type (Non key/Key/Urgent)
19 February 2020			
Business Planning	To approve and recommend the Budget and Medium Term Financial Strategy to Full Council on 3 March 2020.	Director of Finance (Section 151 Officer and Chief Finance Officer)	Key
Q3 2019/20 Strategic Performance Report	To receive a quarterly performance report.	Director of Finance Director of Commercial & ICT Services	Non-key
Items to be Allocated			
Barnet's Local Plan – Preferred Approach (Reg 18 stage)	To agree and approve Barnet's Local Plan (Preferred Approach) for public consultation.	Deputy Chief Executive	Key
Greenspaces Assessment Report	Committee to consider and approve the proposals for the alternative use of greenspaces.	Executive Director - Environment Strategic Lead: Greenspaces & Leisure	Non-Key
Increasing Room Hire Charges for Hendon Town Hall and North London Business Park	To consider the proposed increases to room hire charges.	Deputy Chief Executive Assistant Director Estates	Non-key
Draft Affordable Housing Supplementary Planning Document	To approve the draft Supplementary Planning Document for Affordable Housing for consultation.	Deputy Chief Executive	Non-key

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