

MEETING

FINANCIAL PERFORMANCE AND CONTRACTS COMMITTEE

DATE AND TIME

MONDAY 28TH OCTOBER, 2019

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BG

**TO: MEMBERS OF FINANCIAL PERFORMANCE AND CONTRACTS COMMITTEE
(Quorum 3)**

Chairman: Councillor Peter Zinkin ,
Vice Chairman: Councillor Thomas Smith

Councillors

Anthony Finn	Barry Rawlings	John Marshall
Kathy Levine	Arjun Mittra	Alex Prager

Substitute Members

Geof Cooke	Lisa Rutter	Golnar Bokaei
Ammar Naqvi	Alison Moore	Julian Teare

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**You are requested to attend the above meeting for which an agenda is attached.
Andrew Charlwood – Head of Governance**

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Decisions of the Financial Performance and Contracts Committee

19 June 2019

Members Present:-

AGENDA ITEM 1

Councillor Peter Zinkin (Chairman)
Councillor Thomas Smith (Vice-Chairman)

Councillor Anthony Finn
Councillor Kathy Levine
Councillor Arjun Mitra

Councillor Alex Prager
Councillor Barry Rawlings
Councillor Julian Teare (Substitute)

Apologies for Absence

Councillor John Marshall

1. MINUTES OF THE PREVIOUS MEETING

The Chairman, Councillor Peter Zinkin welcomed all attendees, including Councillor Thomas Smith as new Vice-Chairman of the Committee and opened the meeting.

It was **RESOLVED** that the minutes of the previous meeting of the Financial Performance and Contracts Committee held on 11th March 2019 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies were received from Councillor John Marshall who was substituted by Councillor Julian Teare.

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

None.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

The Responses to the Public Questions were published prior to the meeting and tabled. There were no further supplementary questions.

6. MEMBERS' ITEMS (IF ANY)

There were none.

7. CHIEF FINANCIAL OFFICER REPORT - 2018/19 REVENUE AND CAPITAL OUTTURN

The Chairman introduced the report, which was presented by the Director of Finance, Anisa Darr and the Deputy Director of Finance, Paul Clarke.

Mr Clarke summarised the key points set out in the report.

Following a query about long-term loans, Officers noted that the total value of long-term loans to the Council as at 31 March 2019 was £304m and agreed to include in future reports, draw-downs of loans by the Council to third parties which are recorded in the accounts under short-term investments alongside long-term loans. **(Action: CFO Report)**

The Committee requested that Officers include the gross position in relation to outstanding debtors. **(Action: CFO Report)**

Following a comment from the Committee about making additional contributions to the Pension Fund, Officers informed Members that currently discussions are being held with Hymans as part of the tri-annual evaluation about pension contribution rates.

Officers spoke about that in the eventuality that the Authority pre-paid employee contributions rates for the coming 3-year period the Authority would have the benefit of the discount rate being higher than the borrowing rate and additional funding would be available for the Pension Fund for investment purposes.

In response to a comment about the underspend for Street Lighting, which was £324K due to cost saving actions taken, the Committee noted that the Environment Committee has recently approved a programme of works to replace Street Lighting with energy saving LED lighting.

It is anticipated that the programme of work will take approx. a year to be completed. The level of spend will continue to be reported to this Committee for monitoring purposes.

The Chairman and Councillor Levine requested an update from Officers in respect of the income from Libraries, the target commitment which was set and the current achievement against that target. **(Action: Finance/ Estates)**

The Committee noted the overall position in relation to the Children's Service budget, which is offset by the use of £2.3m one-off funding.

In response to concerns expressed by the Committee over ongoing pressures, Officers noted that future data for Q1 will inform plans to meet ongoing pressures and that some pressures remaining at the end of the year were recognised during the 2019/20 budget setting process.

In respect of the Community Infrastructure Levy (CIL) Reserve funding it was agreed that a breakdown of CIL spent over the last 2 years and current annual projected budget be circulated to the Chairman and Councillor Levine. **(Action: Finance)**

Following a comment from the Committee about the level of debt, it was noted that this information is a snapshot as at that date and the position is updated on a daily basis as payments are made.

Officers informed Members about the reduction in the overall level of debt and spoke about the work of the Debt Board and its aim to work strategically with organisations towards reducing the level of outstanding debt.

The Committee asked about the actions taken to address outstanding debt owed for more than 90 days – Officers informed that actions include seeking expert legal advice and mediation discussions with debtors in order to expedite recovery. The Committee requested an update about Comer Homes debt and any associated dispute resolution. **(Action: Forward Work Programme)**

It was unanimously **RESOLVED**:

1. **The Committee noted the 2018/19 revenue outturn, as detailed in Table 2 and Appendix A;**
2. **The Committee noted the savings delivered in 2018/19, as detailed in Table 6;**
3. **The Committee noted the level of reserves and balances as detailed in Table 11;**
4. **The Committee noted the 2018/19 capital outturn, as detailed in Table 7 and in Appendix B;**
5. **The Committee noted the treasury position outlined in section 4.**
6. **The Committee noted the debtors position outlined in section 5.**

8. LEGAL SERVICES REPORT

Upon invitation of the Chairman, David Tatlow Chief Legal Advisor & Monitoring Officer (LBB), Jessica Farmer Head of Legal Practice (HB Public Law) and Sarah Wilson Deputy Head of HBPL joined the meeting. The Committee welcomed the report which, as requested, will be included in future monitoring reports to the Committee.

Mr Tatlow presented the report and noted that the Inter Authority Agreement with Harrow was extended for a further period of five years until 1 September 2022 and that the revised Agreement has now been signed by both Harrow and Barnet. He noted that overall, performance is good and feedback has been positive.

In respect of budget monitoring, the Committee noted that the once centrally managed budget has been amalgamated to the various departments within the organisation with Chief Officers having responsibility to monitor their respective HBPL budget to avoid overspending.

Ms Farmer provided an analysis of the services provided by HBPL. The Committee heard about the various areas and types of work covered by HBPL, including fraud and other prosecutions.

Following a query about staff retention, it was noted that areas such as planning law have experienced some difficulty with recruitment – various actions have been

implemented to address this such as organising open days, workshops as well as offering internship and trainee opportunities.

It was unanimously **RESOLVED** that:

1. **That the Committee noted the report and completion of the revised Inter Authority Agreement with Harrow.**
2. **That the Committee noted the overview of the performance and financial position.**

9. **PERFORMANCE OF BACK OFFICE FUNCTIONS - OFF-CONTRACT AGENCY EXPENDITURE**

The Committee received a presentation and summary of the report from Natasha Edmunds, HR Director who spoke about the work delivered to continue to reduce off-contract agency spend.

It was unanimously **RESOLVED**:

That the Committee noted off-contract agency spend and the actions taken by officers to reduce this expenditure.

10. **REVIEW OF CAPITA CONTRACTS - LESSONS LEARNED**

The Commercial and IT Services Director, Deborah Hinde presented the item. The Committee noted the correction in relation to the link set out in paragraph 6.1 in the report:

<http://barnet.moderngov.co.uk/documents/s50134/Review%20of%20Capita%20Contracts.pdf>

Following a query from the Committee about service delivery and staff retention in respect of the transition, Officers informed that feedback from staff has been positive. The Committee also heard that the duration of the transition process was relatively long to ensure that staff are supported and that correct procedures were followed.

It was noted that good service delivery has been maintained during the transition period as well as the Office move to Colindale and that there has been no loss of staff.

In response to a query about the identification of new KPI's for Capita retained services, the Committee agreed that any material changes to KPI's be reported back to the Committee for review and approval. (**Action: Forward Work Programme** – to be incorporated within future report)

Councillor Rawlings moved a motion which was seconded and following discussion agreed by the Committee to amend recommendation 2 to read as follows:

2. Noted the lessons learned from the process, which will inform any future insourcing activity as will analysis of the financial information required in order for the Committee to make informed decisions.

It was therefore unanimously **RESOLVED** that the Committee:

1. **Noted the successful return of Finance and Strategic HR services to the council.**
2. **Noted the lessons learned from the process, which will inform any future insourcing activity as will analysis of the financial information required in order for the Committee to make informed decisions.**

11. END OF YEAR 2018/19 CONTRACTS PERFORMANCE REPORT

The Chairman introduced this agenda item and invited the Head of Commercial Management, Elaine Tuck to present the report.

In reference to the Capita Contracts Review report considered by the Policy & Resources (P&R) Committee on 17 June 2019, the Chairman drew the Committee's attention to recommendation 11 which was agreed by P&R Committee - 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 response to a query about the current scope of the reviews, the Chairman noted that a report will be brought to this Committee this year in order to agree the terms of reference and scope of the Y6 and Y7 reviews. (**Action: Forward Work Programme – Y6 and Y7 scope**)

It was unanimously **RESOLVED** that:

The Committee reviewed the End of Year (EOY) 2018/19 performance in relation to back-office functions delivered by the Customer and Support Group (CSG) and Planning delivered by Regional Enterprise (Re) and noted any recommendations to Policy and Resources Committee or Theme Committees on issues arising from this review.

12. COLINDALE OFFICE MOVE - UPDATE

The Chairman invited Chris Smith, Assistant Director Estates who summarised the report for the Committee.

He noted that as expected, there were some concerns expressed over travel routes and parking but that overall the feedback from staff has been positive. Housing Options and Family Services are due to move into the new Offices in Colindale in September.

In response to a query about anticipated footfall at the entrance of the building once Housing Options have re-located to Colindale, it was noted that there will be a separate entrance for Housing Options services with separate security for each entrance of the building.

It was **RESOLVED**:

1. That the Committee noted the progress including the first successful relocation of services to the new council office in Colindale.
2. That the Committee noted the current contractual position with the council's main construction partner delivering the new offices in Colindale.

13. COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the standing item on the agenda which lists the business items for consideration at future meetings of the Committee during 2019-2020.

It was **RESOLVED** that the Committee noted the Forward Work Programme 2019-2020 which was updated during the meeting with additional items.

14. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

15. MOTION TO EXCLUDE THE PRESS AND PUBLIC

The Chairman moved a motion, which was seconded and approved, to exclude the Press and Public on the basis that the exempt items will involve discussion of confidential information. Members of the press and public vacated the room and the public gallery was cleared.

16. LEGAL SERVICES (EXEMPT)

The Committee noted the exempt information as set out within the exempt report.

17. COLINDALE OFFICE MOVE - UPDATE (EXEMPT)

The Committee noted the exempt information as set out within the exempt report.

18. ANY OTHER EXEMPT ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

The meeting finished at 9.40 pm

	Financial Performance and Contracts Committee 28th October 2019
Title	Chief Financial Officer Report Month 5 (August 2019)
Report of	Director of Finance (Section 151 Officer)
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: Revenue forecast Appendix B: Capital forecast
Officer Contact Details	Shahida Nasim, Assistant Director of Finance shahida.nasim@barnet.gov.uk

Summary

This report contains a summary of the Council's revenue and capital financial performance for the financial year 2019/20 as forecasted at Month 5 ending 31st August 2019. It also contains information on the level of debt, debtors and treasury performance for the period to 31 August 2019.

Officer Recommendations

1. The Committee is asked to note the 2019/20 revenue forecast outturn, as detailed in Table 1 and in Appendix A;

2. The Committee is asked to note the savings anticipated to be delivered in 2019/20, as detailed in Table 6;

3. The Committee is asked to note the 2019/20 capital forecast outturn, as detailed in Table 7 and in Appendix B;

4. The Committee is asked to note the level of reserves and balances as detailed in Table

Officer Recommendations

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5. The Committee is asked to note the treasury position outlined in section 4.

6. The Committee is asked to note the debtors position outlined in section 5.

1. Executive Summary

- 1.1 This report provides an overview of the council's forecast financial outturn for the 2019/20 financial year.
- 1.2 The General Fund revenue forecast for 2019/20 is a net overspend of £4.654m. Although this appears to be an adverse movement of £0.509m on the month 4 forecast position, taking account of the adjustments which should have been reflected in month 4 the actual movement is £0.005m adverse. This forecast is stated after the contributions to and from specific and general earmarked reserves reported for month 5 totalling £4.769m net drawdown, as shown in Table 1. Excluding these reserve movements, the net forecasted overspend would be £9.423m.
- 1.3 This financial forecast at P5 gives an adverse movement of £0.005m (£0.509m) from month 4 (and are further detailed in Table 2 below this executive summary), with the most significant variance movements being set out as follows:
- **Children's Services £0.837m favourable movement:** The projected current forecast overspend for 2019/20 is £1.161m compared to £1.998m in month 4. The overall forecast reduced by £0.837m as a result of non-pay contract inflation being taken into account in month 5 and grant funding changes which have now been confirmed.
 - **Growth and Corporate Services £0.815m adverse movement:** The projected current forecast overspend for 2019/20 is £3.391m compared to £2.576m in month 4. The movement in variance between month 4 and month 5 is £0.815m. Of this, £0.802m is due to increased running costs of Brent Cross, an income shortfall of £0.320m in Brent Cross due to vacated leases, and payment of statutory rate compensation of £0.110m as a result of a legal settlement arising from negotiations to secure a lease on a commercial property.
 - **Housing £0.110m adverse movement:** relating to incentive payments to landlords, £0.040m in reduced savings due to property acquisitions, which will now commence in 2020/21 and a favourable reduction of £0.114m in net temporary accommodation costs. The Property Development Agreement (PDA) income is less than previously forecast which has resulted in an increase to the Guaranteed Income target. There is £0.086m pressure relating to additional legal costs.

- **Finance £0.529m adverse movement:** There was a release of £496k to service areas from contingency and the forecast had not been amended to take account of this.

- 1.4 The adverse month 5 position requires mitigation as per financial regulations and recovery plans detailing management actions are being developed.
- 1.5 The General Fund balance as at 1 April 2019 was £15.083m (excluding schools' balances). The net overspend of £4.564m would ordinarily reduce the General Fund balance as at April 1st 2019, however the balance is planned to be maintained by means of a transfer from the MTFS reserve.
- 1.6 The council has set aside specific amounts as reserves for future policy purposes or to cover contingencies. As at 1st April 2019, the council held reserves of £63.626m. Net drawdowns from earmarked reserves of £10.023m are forecast as at month 5 which would result in total earmarked reserves as at 31 March 2020 of £51.434m. This includes a drawdown for the forecast 2019/20 overspend (£4.654m). Table 9 provides a summary of the position at month 5.
- 1.7 The forecast as at 31 August 2019 on the council's 2019/20 capital programme is £317.595m; £226.534m which relates to the General Fund programme and £91.061m relates to the HRA capital programme. This is £320.329m less than the currently approved 2019/20 budget of £637.924m. However, £220.448m of the General fund variance relates to Brent Cross, giving a general fund variance excluding this of £82.578m. The variance is the net slippage after additions, accelerations and deletions. The figure approved at P&R report for slippage (after accelerations) of £153.447m. This figure did not include the later adjustments on Brent Cross which are still therefore subject to approval.
- 1.8 The council has operated within the Prudential Indicators for borrowing. For deposits there was an emphasis on high quality secure borrowers and to ensure that funds remain available to meet cash requirements.
- 1.9 Investment deposits are managed internally. As at 31 August 2019, deposits outstanding were £133.9 million, achieving an average annual rate of return of 0.79% against a benchmark average (7-day London Interbank Bid Rate - LIBID) of 0.57%. The benchmark is the rates that banks pay to attract deposits from other banks.
- 1.10 The total value of long-term loans as at 31 August 2019 was £384.08m. In the five months to 31 August 2019 £80 million of new 50-year borrowing was acquired from the PWLB. The average rate of interest on the new borrowing is 1.935% (range 1.67% to 2.15%) compared with an average interest rate for the existing long-term borrowing of 3.86%. It is planned to borrow a further £80 million (£160 million for the year) debt to fund the capital programme.
- 1.11 The total sundry debt owed to the Council over 30 days as at 31 August 2019 was £20.171m, a reduction of £3.321m for the same period in 2018. Between July and August 2019 overall debt increased by £1.068m, and the value of debts aged over 90 days decreased by £1.032m. Further detail and a summary table regarding the debt owed to the council is set out in section 8 of this report.

2. Financial Considerations

2.1. Revenue Forecast

General Fund

2.2 The General Fund revenue forecast for 2019/20 is a net overspend of £4.654m, an adverse movement of £0.005m (£0.509m) on the month 4 forecast position. This forecast is stated after the contributions to and from specific and general earmarked reserves reported at month 5 totalling £4.769m, as shown in Table 1. Excluding these reserve movements, the net forecasted overspend would be £9.423m.

Table 1: General Fund Revenue Forecast

	Revised Budget	Actuals to 31/08/2019	Period 5 forecast before reserves movements	Variation to revised budget	Reserve Movements	Period 5 forecast after reserve movements	Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000
Adults and Health	113,142	31,280	116,383	3,241	(621)	115,762	2,620
Assurance	5,678	2,551	6,683	1,005	(997)	5,686	8
Children's Family Services	66,711	29,841	68,236	1,525	(364)	67,872	1,161
Growth and Corporate services	38,372	20,410	43,446	5,074	(1,683)	41,763	3,391
Environment	21,885	17,078	24,522	2,636	(1,104)	23,418	1,532
Finance	55,396	9,647	51,339	(4,058)	0	51,339	(4,058)
Service Total	301,185	110,808	310,608	9,423	(4,769)	305,839	4,654

2.3 On the 3rd October, Policy and Resources Committee gave approval to allocate additional funds from the council's contingency budget. These movements are reflected in the forecast and budget adjustment will be reflected in the period 6 forecast.

2.4 The forecasted overspend as at month 5 (after reserve movements) has increased by £0.509m from £4.145m to £4.654m since the forecast reported at month 4. Although this appears to be an adverse movement of £0.509m on the month 4 forecast position, taking account of the late adjustment in contingency the actual movement is £0.005m.

2.5 The main movements are shown in Table 2 below.

Table 2: Movement from Period 4 Forecast to Period 5

Variance Movements	P4 Variance	P5 Variance	Movement Increase / (Decrease)	Explanation of significant movements
	£000	£000	£000	

Variance Movements	P4 Variance	P5 Variance	Movement Increase / (Decrease)	Explanation of significant movements
Adults and Health	2,666	2,620	(46)	The monthly forecast reduction of £46k is due an increase in vacant positions and delays in recruitment for various teams.
Assurance	(10)	8	18	Monthly movement due to several small costs changing in organisational resilience
Children's Family Services	1,998	1,161	(837)	There was a £0.521m non-pay contract inflation adjusted in month 5 and grant funding changes resulting in a further net favourable change of just over £0.316m
Growth and Corporate Services	2,576	3,391	815	A large number of changes related to housing strategy and Brent Cross. Detailed further in paragraphs 1.5.to 1.7 as part of the executive summary.
Environment	1,502	1,532	30	This was a number of non-material cost changes across several areas netting off.
Finance	(4,587)	(4,058)	529	There was a release of £496k to service areas where the forecast had not been amended to take account of this. The remaining £33k was due to a budget movement where the subscriptions budget was moved to Organisational Resilience to pay for London Local Authority Central Resilience Fund contributions.
Total	4,145	4,654	509	

- 2.6 The main reasons for the forecast overspend of £4.654m as at month 5 are set out below by exception and highlights only. Further detail can be seen in Appendix A.
- 2.7 Adults and Health:** The overall forecast to year end 2019/20 is an overspend of £2.620m. This includes Sports and Leisure budget pressure of £0.719m related to loss of income due to closure of wet area of Finchley Lido leisure centre. Service User placements area is forecasted to overspend by £1.467m, mostly due to Older Adults and Mental Health areas.
- 2.8 The non-placements budget is forecasting to overspend by £0.434m because of £621k of unfunded staffing pressure, offset by underspends in several other areas, mostly due to management recovery actions set in place to address these pressures.
- 2.9 Non-achievement of any savings and mitigating actions will lead to an increased pressure. Risks are being monitored monthly. The key risks being monitored in this area are demand risk and for a winter spike in activity.
- 2.10 Children's and Families:** The overall forecast to year end 2019/20 is an overspend of £1.161m. Key pressures making up the £1.161m overspend are identified in staffing, legal, no recourse to public funds, and placements. Children's budgets have been subject to detailed review led by the Director and budget managers and has now been re-aligned against priorities for better forecasting and management purposes. (This process would not adversely affect services and is focused on continuous improvements in management control and the clarity of reporting.) The ongoing pressures after this exercise are reflected in the current overspend.
- 2.11 Staffing budgets are £0.7m over spent. Detailed staffing monitoring continues to be undertaken, including detailed monitoring and forecasting all agency staff on a week by week basis. Forecasts reflect the service's recruitment plans and held vacancies.
- 2.12 There are ongoing pressures on the legal budget of £0.3m due to more children in proceedings.
- 2.13 No recourse to public funds is forecasted at £0.200m by year end in this demand led statutory area of spend.
- 2.14 The placements forecast, though currently within the realigned budget, includes considerable placement churn of: £1.4m, of which £1.288m is external placements and £0.127m is internal placements. There are, as demonstrated in the forecast movements experienced month by month, considerable pressures with significant shifts in demand patterns and risks across all such areas to be managed. These tend to mitigate towards year end if only due to part year effects of new placements coming in, however minor adverse changes towards year end can significantly impact following years.
- 2.15 Growth and Corporate** The overall forecast to year end is an overspend of £3.391m. This represents 8.8% of the total Delivery Unit budget, and is £0.815m higher than last month.

- 2.16 The key pressures remain within the **CSG Managed Budget**, which is reporting a £2.361m overspend, is made up of £0.690m of additional expenditures across a range of areas, including rates relief, security and estate fly tipping. A £0.469m shortfall on income relating to document solutions, £0.411m additional rates and service charges for NLBP due to the delay in moving to Colindale, £0.206m overspend in relation to additional depot costs and £0.150m savings not achieved regarding Barnet House rate relief. Further pressures arise from £0.147m in relation to additional security required around the Colindale building, and payment of statutory rate compensation of £0.110m as a result of a legal settlement and £0.180m for fly-tipping and additional repairs and maintenance.
- 2.17 The **CSG Management Fee** budget reports a £0.268m overspend mainly from delays in implementing the new Customer Services Model. Within Human Resources and OD there is a pressure of £0.130m in respect of staff recharges for trade union activities. There is a net pressure of £0.355m within the homeless budget from non-delivery of savings re acquisitions and incentive payments to landlords.
- 2.18 The balancing overspend is comprised of £0.9m unachieved savings across the budget areas. This forecast also reflects the proposed virement of the Flexible Housing Support Grant of a further £0.9m. It is worth noting that Guaranteed Income, Projects and the management fee for the provider Re are now reflected here.
- 2.19 A number of management actions have been taken and a recovery plan is being developed.
- 2.21 Environment:** The overall forecast to year end 2019/20 is an overspend of **£1.532m**. This includes **Frontline waste £1.162m** with the pressures related to the significant changes in this area including staffing, maintenance and other costs. Additionally, £0.367m forecast overspend is due to operational issues particularly with the Harrow Depot.
- 2.22 Greenspaces has an adverse variance of £0.237m and is principally adverse commercial income of £0.415m which is in part mitigated through s106 £0.181m and some minor other variances netting off. The balance for environment overall is made up in a number of smaller variances.
- 2.23 Environment has had an additional significant issue arise in year in regard to the Oakleigh depot and which has significant operational impacts. This is explained further below in Section 6 Strategic Financial Matters and the background papers to this paper include a link to the relevant Policy & Resources committee papers.
- 2.24 Finance and Assurance** the major part of the variance is due to a delay in the capital programme resulting in (1) reduced debt financing requirement and (2) additional interest income as a result of cash not being spent. The other major contributing factor has been £0.8m over achievement on Housing Benefits overpayment recovery.
- 2.26 Public Health** are forecasting to deliver over budget with a reserve contribution of £0.261m to balance. Table 3a is provided below summarising the position including the contribution to reserves.

Table 3a: Public Health Grant Forecast

Public Health 2019-20	2019-20 Budget £000	2019-20 Forecast £000	Overspend / (Underspend) £000	Change from Last Month £000
Adults Funding				
Savings	340	340	0	0
Wider Determinants	1,300	1,300	0	0
Adults Funding Total	1,640	1,640	0	0
Children's Funding				
Early Years	925	925	0	0
HV CommOfficer	75	75	0	0
MASH Officer	50	50	0	0
Savings	340	340	0	0
Health Visiting Services	4,281	4,362	80	0
School Nursing Service	955	982	27	0
Oral Health	59	59	0	0
Children's Funding Total	6,684	6,792	108	0
PH Direct Spend				
Drugs & Alcohol	2,906	2,906	(1)	0
Health Checks	257	257	0	0
Legal	0	10	10	0
Sexual Health	3,110	3,147	37	0
Staffing and Support	1,586	1,494	(92)	0
Tobacco Control	150	150	0	0
Young People's Public Health	256	502	246	0
Health In All Policies	38	0	(38)	0
Health Care PH	75	67	(8)	0
PH Own Budget Total	8,379	8,533	154	0
Total Before Reserves	16,703	16,954	261	0
Reserve Drawdown		(261)	(261)	0
Total After Reserves	16,703	16,703	(0)	0

3.0 Housing Revenue Account (HRA)

3.1 The HRA Revenue is forecasting a deficit of £2.8m against a budgeted deficit of £10.7m resulting in a net favourable variance of £7.902m. The HRA revenue balances are now showing an improved forecast at an estimated £9.5m at 31st March

2020 (c/fwd £12.3m at 31st March 2019 – table 12). This will be significantly above the required minimum level of £3m.

Table 3b: Housing Revenue Account Forecast

2019/20 P5	Budget	Actual to date	Forecast	Variance
	£000	£000	£000	£000
Dwelling Rent	(48,634)	(17,303)	(49,159)	(525)
Service & Other Charges	(8,897)	(5,953)	(8,572)	325
Housing Management	20,473	8,576	21,779	1,306
Repairs & Maintenance	7,570	3,796	7,580	10
Provision for Bad Debt	250	0	250	0
Regeneration	837	(52)	893	56
Capital Charges	30,134	0	30,134	0
RCCO	9,074	0	0	(9,074)
Interest on Balances	(95)	(2)	(95)	0
HRA (Surplus) / Deficit	10,712	(10,940)	2,810	(7,902)
Transfers to/(from) reserves	(10,712)		(2,810)	7,902
HRA (Surplus) / Deficit	0	0	0	0

- 3.1** The main reasons for the variance from budget are; (i) a shortfall in rental income (garages and commercial property) income (ii) additional costs within housing management for increases in insurance premiums, cost of a head lease and agreed change notices with Barnet Homes. These are offset by the partial benefit of additional rental income due to the additional rent week in 2019/20.
- 3.2** A review of the HRA commitments was undertaken and budget revisions have been put forward to restore the level of balances. The main change has been to remove revenue contributions to capital outlay (RCCO) funding and replace with borrowing.

Dedicated Schools Grant (DSG)

- 3.3** The DSG budget for 2019/20 has been revised to take into account the brought forward reserve of £1.543 and additional funding from Central Government of £0.964m announced in December 2018. With these additions to the budget the DSG is forecasting an underspend of £0.594m. This is reflected in Table 4.
- 3.4** The High Needs block is forecasting an overspend of £1.171m 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.

- 3.5** 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.
- 3.6** The High Needs pressure is partly offset by underspends in the Schools Block. The Growth Fund for expanding schools is forecasted to underspend by £1.565m. In addition, there is underspend in school improvement de-delegation of £0.200m, as agreed with School's forum.
- 3.7** 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 gradually been used up, largely to pay for growth funding and because of the growing pressures on the High Needs budget.

Table 4: Dedicated Schools Grant

Dedicated Schools' Grant			
	Revised Budget	Period 5 forecast after reserve movements	Variation to revised budget
	£000s	£000s	£000s
Schools			
Schools Budget	144,013	142,248	-1,765
Central schools expenditure	2,183	2,183	0
Sub-total	146,196	144,431	-1,765
Early Years Block	28,928	28,928	0
High Needs Block	46,888	48,059	1,171
Sub-total	222,012	221,418	-594
DSG Income	-220,469	-220,469	0
DSG c/f	-1,543	-949	594

Dedicated Schools' Grant			
	Revised Budget	Period 5 forecast after reserve movements	Variation to revised budget
	£000s	£000s	£000s
Total	0	0	0

Savings

3.7. In 2019/20 the council budgeted to deliver £19.965m of savings. Table 5 below summarises the value of savings that are expected to be achieved against the savings programme. In total, £18.356m of savings is expected to be delivered by year end, representing 89% of the target. Delivery of these expected savings is included in the forecasts reported in table 1.

3 Table 5: Savings 2019/20

Service Area	MTFS Savings target 2019/20	Savings Delivered as at P5	Total Savings Expected to be Delivered by 31/3/20	Savings expected to be achieved
	£.000	£.000	£.000	
Adults & Safeguarding	(7,518)	(4,603)	(7,213)	95.9%
Children and Family Services	(3,912)	(2,366)	(3,912)	100.0%
Environment	(4,567)	(375)	(3,973)	87.0%
Growth and Corporate Services	(3,925)	(1,981)	(3,131)	79.8%
Assurance	(43)	(27)	(27)	62.4%
Total	(19,965)	(9,351)	(18,256)	
Percentages	100%	47%	91%	

3.8. Adults and Health savings of £7.518m are broadly to be achieved in 2019/20. The £0.305m gap (£7.518m less £7.213m) relates to staffing efficiencies and a further review of savings is ongoing for period 6 which might result in reduction in achievable savings forecast.

3.9. Growth and Corporate Services forecasted gap is £0.794m (£3.925m less £3.131m) and is partly due to the new model of customer services being delayed. The main cause, totalling £1.186m which was planned to be achieved by the transfer properties and debt management to Open Door Homes. However due to an update to guidance

on the setting aside additional money for repayment of borrowing this saving is no longer achievable.

- 3.10.** The Environment variance is due to delays on savings and income in Greenspaces and the inability to institute certain savings, which is now being reviewed in current MTFS budget development process. The total forecasted gap is £0.594m (£4.567m less £3.973m).

4.0. Capital Programme

4.1. Capital

The forecast as at 31 August 2019 on the council's 2019/20 capital programme is £317.595m, of which £226.534m relates to the General Fund programme and £91.061m relates to the HRA capital programme. This is £320.329m less than the currently approved 2019/20 budget of £637.924m. However, it should be noted that £220.448m of the General fund variance relates to Brent Cross, excluding this the general fund variance would be £82.578m or 31% of £265.624m budget. To reconcile to the earlier P&R report of 3rd October take off the Brent Cross adjustment to the grand totals and the net slippage is then £153.447m and the variance is £99.881m. The table below provides a summary of the position as reported at Period 5.

Table 6: Capital Forecast

	2019/20 Budget	Additions / (Deletions)	(Slippage)/ Accelerate d Spend	2019/20 P5 Forecast	Variance from Approved Budget	Exp to 31/08 2019
Service Area	£000	£000	£000	£000	£000	£000
Adults and Health	14,679	300	(795)	14,184	(495)	8,778
Children's Family Services	49,430	(34)	(24,427)	24,969	(24,461)	8,974
Growth and Corporate services	165,959	6,355	(58,626)	113,688	(52,271)	28,472
Environment	35,556	1,050	(6,401)	30,205	(5,351)	3,732
Brent Cross	263,936		(220,448)	43,488	(220,448)	32,446
General Fund Programme Total	529,560	7,671	(310,697)	226,534	(303,026)	82,402
HRA	108,364	45,895	(63,198)	91,061	(17,303)	16,445
Grand Total	637,924	53,566	(373,895)	317,595	(320,329)	98,847

Note: To reconcile the table to the P&R 3rd October report the £373.895m less the £220.448m Brent cross adjustment adds up to £153.447m in net slippage/accelerated spend and £99.881m total variance. Brent cross adjustments funding allocations are still to be confirmed and are shown pro-rata to the funding below in table 8.

- 4.2. Highlights of the key issues arising in regard to variances in the table above are provided below by service area.

- 4.3 Adults and Health** have forecasted slippage of £0.128m on Mosaic which will cover phase two of the implementation project; and £0.667m on the Sports and Leisure capital project to cover retention payments to the provider for the building of the two new centres.
- 4.4. Children and family services** - The original budget for 2019/20 was known to require significant and detailed reprofiling during 2019/20 to better reflect the programmes and plans for schools. The reprofiled capital budget now reflects more appropriately the current project plans, the various school requirements and the externally agreed direct funding from the DfE. This has resulted in slippage of £24.427m, the deletion from the programme of £0.046m reflects reduced modernisation grant funding.
- 4.5 Growth and Corporate service** has an overall predicted spend of £113.688m with a net variance of £52m slippage to budget and significant areas are detailed below.
- 4.6 Projects outside of housing have 3 significant items.** The £22m Saracens Loan to construct their new West Stand. To date Saracens have drawn down £1.122m to date and will continue to do so as required. The Asset Management Project which is to capitalise appropriate repairs and maintenance charges has £1.649m approved in 19/20 with £0.408 spent to date and is on target to spend on budget. Lastly ICT strategy which has a budget of £2.980m and is being re-profiled significantly as the move to Colindale has delayed £0.428m.
- 4.7. Within **Housing Strategy**, the Housing Needs and Resources (Tackling Homelessness) capital programme is showing predicted slippage of £52.89m. The most significant movements were due to two schemes being delivered by Open Door homes where the phasing of the delivery of these programmes are being reviewed and this has resulted in £47.732m being reprofiled to later years. The balance is made up of slippages and changes to a number of micro / modular housing projects.
- 4.8** Environment has a budget of £35.556m and is expecting to spend some £30m with a net predicted slippage of £3.501m. This is due principally to LED lighting which has had a slow start and some £3.8m of spend has been moved to next year . There have been a number of changes across highways programmes making up the difference and this includes prioritisation of Network Recovery Programme works and other priority needs within contractor capacity.
- 4.9. Brent Cross** has been reprofiled and the forecast spend is likely to be £43m in 2019/20. However further reprofiling is underway with third party partners. A significant level of the slippage has been reprofiled to 2020/21 and thereafter.
- 4.10. The HRA (Barnet Homes)** is forecast at month 5 to spend £91m out of a total budget of £108m. However considerable reprofiling and re-planning is ongoing and updates into period 6 may reduce this forecast further. The period 5 position is as follows .
- 4.11.** At month 5 there is slippage of £63.198m due to re-profiling of major programmes principally. These are notably:
- Extra care housing £33.789m where a delay was caused by a longer period to acquire the site;
 - Dollis Valley £6.589m due to reprofiling; and

- HRA safety works of £16.489m where consultations are required before projects can commence. This reprogramming was necessary to incorporate all of the different elements approved by the Housing Committee into individual packages, ensuring an approach which is the most efficient and least disruptive for residents

The overall position is offset by additions/deletions of £45.895m around major works and gas £36.418m and voids and lettings £12.223m and some small items offset by £4.418m deletion as funds are no longer required on certain advanced acquisitions.

Funding of Capital Programme

4.12. Table 7 below updates how the 2019/20 forecast capital programme is being funded.

Table 7: Funding of 2019/20 Capital Programme

Service Area	Grants/ Other contributions	S106	Capital Receipts	Revenue /MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000
Adults and Health	2,000				10,124	2,060	14,184
Children's Family Services	21,418	921	228		408	1,994	24,969
Growth and Corporate services	3,088	16,966	14,632	2,191	1,620	75,191	113,688
Environment	4,337	527	3,092	457	5,138	16,653	30,205
Brent Cross	37,029					6,459	43,488
General Fund Programme	67,872	18,414	17,952	2,648	17,290	102,357	226,534
HRA	6,270	-	4,712	49,893	-	30,186	91,061
Total Capital Programme	72,872	18,414	21,543	22,215	17,290	114,947	317,595

Note: Some allocations are indicative pending confirmations and approvals including the re-allocation of Re within directorates. To reconcile to P&R 3rd October report reverse the later Brent Cross figures, all shown as indicative.

4.13. Table 8 shows the movements in the capital programme and reflection in Funding from the original.

Table 8: Funding movements of 2019/20 Capital Programme at month 5

Service Area	Grants / Other £000s	S106 £000s	Capital Receipts £000s	Revenue /MRA £000s	CIL £000s	Borrowing £000s	Total £000s
Adults and Health	(667)					172	(495)
Children's Family Services	(24,461)						(24,461)
Growth and Corporate services	(529)	(1,973)	(670)		(5,114)	(43,985)	(52,271)
Environment		(532)	(775)			(4,044)	(5,351)
Brent Cross	(187,709)					(32,739)	(220,448)
General Fund Programme	(25,657)	(2,505)	(1,445)		(5,114)	(268,305)	(303,026)
HRA	32,061		(11,007)			(38,357)	(17,303)
Total Capital Programme	6,404	(2,505)	(12,452)		(5,114)	(306,662)	(320,329)

Note: To reconcile the table to the P&R report 3rd October remove the later Brent cross adjustments. Brent cross funding allocations are still to be confirmed and are shown pro-rata to the funding.

5.0. Reserves and Balances

- 5.1 The council's total reserves are forecast to be £44.605m at the end of 2019/20. This will be £19.021m lower than at the start of the year. This reduction includes planned use of reserves of £8.057m which was budgeted for within the MTFs to achieve a balanced position for 2019/20.
- 5.2 There are several one-off items which are expected to reduce reserves in the current financial year. These include transformation expenditure (£0.778m), use of the Special Parking Account (£1.104m) and a drawdown from contingency to support the adjustment to of Re contract payments (£1m). For this item, the council previously received the benefit of a management fee payment reduction of £1m and now receives a one-off reduction in the level of guaranteed income.

Table 9: Reserves and Balances

All figures £000s	Reserves	SPA Reserve	Transformation	Other specific Reserves	Total	Notes Ref
b/fwd total	49,150	2,233	3,083	9,160	63,626	
Planned Drawdowns						
Planned Revenue Drawdown	5,357	0	0	0	5,357	
CF Smoothing Reserve	2,700	0	0	0	2,700	
Planned Total	8,057	-	-	-	8,057	
Service Drawdowns						
Adults and Health Assurance	0	0	360	261	621	1
Environment	0	1,104	0	0	1,104	
Family Services	0	0	0	364	364	2
Growth and Corporate Services	1,265	0	0	0	1,265	3
Finance	250	0	0	0	250	4
Other	0	0	418	0	418	
	0	0	0	0	0	
Sub total Service Drawdowns	1,515	1,104	778	1,372	4,769	
General fund Forecast Revenue Contributions to Capital	4,654	0	0	0	4,654	
	600	-	-	-	600	
Total in year Drawdown	6,769	1,104	778	1,372	10,023	5
Available c/fwd	34,324	1,129	2,305	6,587	45,546	

Notes to Table

1. Includes specific reserves drawdown of £0.261m from Public Health from a c/fwd of £1.462m see public health section and table
2. Troubled Families grant
3. Income Guarantee and Contract review
4. Strategic Contract Realignment - Strategic HR & Finance

To reconcile to P&R report of 3rd October, the reported forecast general fund spend to year end at that point was £1.111m higher at £5.765m and is now £4.654m, because of further forecasting work and differences in reporting times. The overall drawdown reduces from £11.134m by £1.111m to £10.023m

6.0. General Fund Balance

- 6.1. The General Fund balance as at 1 April 2019 was £15.083m (excluding schools' balances). The net overspend of £4.654m at month 5 would ordinarily reduce the General Fund balance as at 31st March 2020, however, the balance will be maintained by means of a transfer from the MTFS reserve.

Earmarked Reserves

- 6.2. The council has set aside specific amounts as reserves for future policy purposes or to cover contingencies. As at 1st April 2019 the council held reserves of £63.626m. Net drawdowns from earmarked reserves of £10.023m are forecast as at month 5 which would result in total earmarked reserves as at 31 March 2019 of £51.434m.

Table 10: Estimated drawdown details

Reserve drawdown	£000
Impact of forecast budget variances on the MTFS reserve	(4,654)
Transformation reserve expenditure	(778)
Drawdown to support Re contract adjustment between years	(1,000)
Strategic Contract Realignment - ongoing review	(265)
Strategic Contract Realignment - Strategic HR & Finance	(250)
Revenue Implications of capital	(600)
Community Budgets and Troubled Families	(364)
Public Health expenditure	(261)
Payment of recovery of the proceeds of crime act	(747)
Drawdown from Parking Reserve towards eligible expenditure	(1,104)
Total	(10,023)

To reconcile to P&R report of 3rd October the reported forecast spend to year end at that point was £1,111m higher and this has now be adjusted downwards after additional work, favourably, for final figures at P5.

Public Health Reserve

- 6.3. Included within earmarked reserves is the ring fenced public health reserve which, after proposed drawdowns, is forecast as £1.201m. The service is continuously identifying proposals to deliver better public health outcomes and where significant opportunities arise including work with partners to maximise the leverage the grant provides then additional programmes will be presented for appropriate approvals. Some budgets are demand led and final figures may change.

Table 11: Public Health Grant Reserve

Public Health Grant Reserve	£000
Public Health Ringfenced Reserve as at 1 April 2019	1,462
Budgeted deficit (planned drawdown)	261
Public Health Forecast Balance 31 March 2020	1,201

Housing Revenue Account Balance

- 6.4. The Housing Revenue Account (HRA) has a budgeted contribution from balances of £10.712m in 2019/20. The forecast outturn for the year as at 31st August 2019 is a deficit of £2.810m, therefore the forecast balance is £9.512m for the 31st March 2020.

Table 12: HRA Balance

HRA Balance	£000
HRA Balance brought forward 1 April 2019	(12,322)
Budgeted deficit	10,712
variance from budget	(7,902)
Forecast HRA Balance 31 March 2020	(9,512)

Dedicated Schools Grant Balance

- 6.5. The DSG reserve as at 1 April 2019 was £1.543m which was budgeted to be drawn down. As at Period 5, an in-year overspend is forecast which would result in the DSG balance £0.594m.

Table 13: DSG Balance

DSG Balance	£000
DSG Balance brought forward 1 April 2019	(1543)
Budgeted drawdown	1543
In-year overspend	594
Forecast DSG Balance 31 March 2020	(594)

- 6.6. The Schools Forum need to approve any carry forward of a DSG deficit on central expenditure to the following year, if it is to be funded from the schools' budget. Otherwise, the deficit will fall on the General Fund.

The options to reduce / limit the forecast deficit are as follows:

- Move 0.5% or less from the school block to the high needs block with Secretary of State approval. A recovery plan will be needed. Internally the council already requires all services with an overspend to develop a recovery plan.
- Reduce the high needs top up rates for SEN pupils/ reduce out of borough education places, review central services and operate full cost recovery charging.

7.0. Treasury Management

TREASURY MANAGEMENT

Investment Performance

7.1 Investment deposits are managed internally. As at 31 August 2019, deposits outstanding were £133.9 million, achieving an average annual rate of return of 0.79% against a benchmark average (7-day London Interbank Bid Rate - LIBID) of 0.57%. The benchmark is the rates that banks pay to attract deposits from other banks. The list of deposits outstanding is detailed in table 14 below.

Table 14: Investments Outstanding as at 31 August 2019

	Principa l (£'000)	Interes t Rate (%)	Start Date	Maturity Date	Lowest long term rating	Histori c risk of Default (%)
Money Market Fund						
MMF Federated Investors	25,000	0.74			AAA	0.000
MMF Invesco	12,000	0.71			AAA	0.000
MMF Aviva	15,500	0.72			AAA	0.000
Total Money Market	52,500					
Banks						
Australia & New Zealand	10,000	0.85	17-Jun-19	30-Sep-19	AA-	0.002
Australia & New Zealand	5,800	0.88	20-Jun-19	31-Oct-19	AA-	0.004
Australia & New Zealand	7,500	0.82	05-Aug-18	29-Nov-19	AA-	0.006
Sumitomo Mitsui	10,000	0.76	15-Aug-19	31-Jan-20	A	0.022
Sumitomo Mitsui	10,000	0.77	20-Aug-19	20-Nov-19	A	0.012
Sumitomo Mitsui	5,000	0.77	27-Aug-19	29-Nov-19	A	0.013
LLOYDS BANK	6,500	0.97	21-Jun-19	29-Nov-19	A+	0.013
LLOYDS BANK	6,600	0.82	13-Aug-19	23-Dec-19	A+	0.016
LLOYDS BANK	10,000	0.85	15-Aug-19	28-Feb-20	A+	0.026
Santander	10,000	0.79	27-Aug-19	28-Feb-20	A	0.026
Total Banks	81,400					
Total Investments	133,900	0.79				0.007

NB: All the above counterparties have a limit of £25 million. No limits are exceeded.

Borrowing

7.2 The council has operated within the Prudential Indicators for borrowing. For deposits there was an emphasis on high quality secure borrowers to ensure that funds remain available to meet cash requirements. The Local Government Act 2003 requires the council to set maximum limits on its total outstanding debt. During the period to 31 August 2019, there were no breaches of the Authorised Limit (maximum permitted debt) and the Operational Boundary (the value of debt considered affordable).

The council's timeframes and credit criteria for placing cash deposits and the parameters for undertaking any further borrowing are set out in the Treasury Management Strategy (TMS). The TMS for 2019/20 was approved by Council on 5 March 2019. The Treasury Management Strategy requires regular compliance reporting to include an analysis of deposits made during the period. This also reflects good practice and will serve to reassure that all current deposits for investment are in line with agreed principles as contained within the corporate Treasury Management Strategy.

- 7.3 The total value of long-term loans as at 31 August was £384.08m. In the five months to 31 August 2019 £80 million of new 50-year borrowing was acquired from the PWLB. The average rate of interest on the new borrowing is 1.935% (range 1.67% to 2.15%) compared with an average interest rate for the existing long-term borrowing of 3.86%. It is planned to borrow a further £80 million (£160 million for the year) debt to fund the capital programme.

Short-term Borrowing

- 7.4 During the five months to 31 August 2019 short term borrowing of £15 million has been repaid on maturity. The remaining short-term borrowing of £30 million matures in September (£10m at 0.95% p.a.) and December (£20m at 0.9% p.a.).
- 7.5 The total loans outstanding has increased in the five months by £65 million to £414.08 million (31 March 2019: £349.08 million). The projected debt as at 31 March 2020 is £464.08 million. The authorised debt limits (absolute maximum permitted) is £739.4 million and the Operational Boundary (maximum consistent with long term affordability) is £639.4 million.

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

These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.

The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

Table 15: Maturity Structure of Fixed Rate Borrowing

	Limits for 2019/20 %
Upper Limit for Fixed Rate Exposure	100
Compliance with Limits:	Yes
Upper Limit for Variable Rate Exposure	40
Compliance with Limits:	Yes

Table 16: Maturity Structure of Fixed Rate Borrowing

Maturity Structure of Fixed Rate Borrowing	Lower Limit %	Upper Limit %	Actual Fixed Rate Borrowing as at 31/08/19 £'000	% Fixed Rate Borrowing as 31/08/19	Compliance with Set Limits?
Under 12 months	0	50	30,000	7.24%	Yes
12 months and within 24 months	0	50	0	0.00%	Yes
24 months and within 5 years	0	75	0	0.00%	Yes
5 years and within 10 years	0	75	22,516	5.44%	Yes
10 years and above	0	100	361,564	87.32%	Yes
Total			414,080	100.00%	

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

Table 17: Capital Financing Requirement and External Debt

	Forecast for March 2020 £'000
Prudential Indicator – Capital Financing Requirement (CFR)	
CFR – Non-housing	510,370
CFR – Housing	244,616
Total CFR	754,986
Prudential Indicator – The Operational Boundary for External Debt	
Borrowing	639,385
Other long-term liabilities	15,601
Total debt	654,986

Normally, borrowing should be less than the CFR indicating that all borrowing is for capital purposes.

8.0. Debtors

- 8.1. An analysis of debtors as at the 31 August 2019 is provided below at Table 18 and 19. It should be noted that this information is a snapshot as at that date and the position will change daily.
- 8.1.2. Between July and August 2019 overall debt increased by £1.068m. The value of debts aged over 90 days decreased by £1.032m.
- 8.1.3. Concerted effort by the council's finance team has been dedicated to reducing the level of outstanding debt. Table 19 gives detail of the top ten individual debts by debtor (totalling £11.556m). The total of outstanding debt as at 31 August 2019 was £23.187m a reduction of £25m since 31st March 2019.
- 8.1.4. Overdue debt (up to 30 days and older) as at 31 August 2019 was £20.171m a reduction of £3.321m for the same period in 2018 where the outstanding balance was £23.492m, resulting in a material improvement to the council debt position.

Table 18: Aged Debt Analysis as at 31st August 2019 (All figures £000s)

Period	Current £000	Up to 30 days £000	30 - 60 days £000	60 - 90 days £000	Over 90 days £000	Total Debt £000
Month 5	3,017	2,195	1,401	784	15,790	23,187
Month 4	1,582	1,859	1,481	374	16,821	22,117
Movement	1,435	336	-80	410	(1,031)	1,068

Table 19: Top 10 debtors as at 31st August 2019 (All figures £'s)

Debtor	Current	Up to 30 days	30 - 60 days	60 - 90 days	Over 90 days	Total Debt
NHS Barnet CCG	51,545	602,871	0	462,500	5,977,089	7,094,005
Comer Homes	0	0	0	0	992,522	992,522
The Fremantle Trust	0	7,595	0	0	804,572	812,167
New Granville LLP	0	481,500	0	0	0	481,500
The Archer Academy	0	461	584	0	334,020	335,065
Deeya Limited	0	0	0	0	318,807	318,807
Choices For Grahame Park Ltd	0	59,988	252,145	0	6,606	318,739

Debtor	Current	Up to 30 days	30 - 60 days	60 - 90 days	Over 90 days	Total Debt
The Barnet Group (see Creditor below)	448,776	20,814	16,457	99,158	153,479	738,684
Reading Borough Council	0	0	237,336	0	0	237,336
Affinity Water (see Creditor below)	2,684	28,769	195,246	(700)	1,442	227,441
Total	503,005	1,201,998	701,768	560,958	8,588,537	11,556,266

8.1.4 The committee requested that the relevant creditor balances for these particular debtor is provided. There are only to from the above that have creditor balances at this point in the reporting cycle (refer to table 20).

Table 20 Associated creditor balance related to Top 10 debtors

	Creditor Balances relating to the above debtors
The Barnet Group	14,639,334
Affinity Water	1,640,6170
	16,279,951

9.0. Strategic Financial Matters

9.1. Oakleigh Depot – Streetscene

- 9.1.1. The recent report to Policy and Resources committee sets out the background and plans in regard to the ground issues at the Oakleigh Road South Depot (depot), the remedial works required, and the service implications for residents and businesses.
- 9.1.2. The report including exempt part (see the background reports table below for the link) taken to October 3rd 2019 P&R provides a detailed background and review of the issues and implications.
- 9.1.3. The works and resultant mitigations have a significant impact on ongoing operations and the management actions and planning has been considerable to ensure the health and safety, residents, staff, continuing services and financial impacts are minimised to best effect.
- 9.1.4. The additional costs are being separately monitored outside the normal directorate monitoring and the council has reserved the right to reclaim costs incurred throughout correspondence with Willmott Dixon. More detailed monitoring will be provided as costs and commitments arise (from October) onwards at the next committee.

9.2. Children’s Consultations We have consulted on staff absence scheme and 3 responses received wishing the scheme to continue and given the level of response the council is advising schools forum that the scheme will be ended end of March 2020. There is a viable well established external market available to schools. We have also consulted schools and Schools Forum on the Scheme for Financing Schools.

9.2.1. Following the September 2019 DfE announcement, we await details of the additional £700m High Needs funding that will be available nationally for 2020/21. As the High Needs block is formula based, we do not know how this will be distributed, but the DfE has stated that the funding floor will be set at 8%, so each local authority can plan for an increase. This may result in an increase in the base for Barnet of over £3m (compared to £964k in 2019-20). However the Schools Forum received a report in July forecasting a need for £47.4m for High Needs against 2019-20 base DSG funding of £44.1m, indicating a need for an extra £3.3m to fund projected increases in demand for specialist places.

9.3. Medium and Long Term Financial Planning

- 9.3.1. A more detailed review of the current situation and process is provided in Business Planning 2020-25 and Budget Management 2019/20 Report presented to the P&R Committee on 3rd October. Key highlights only are provided below.
- 9.3.2. The Government released a one-year spending round on the 4 September 2019. For Local Government, the main headlines announced were that central funding for Local Government will increase by £1.1 billion and increase through 2021/2.
- 9.3.3. For Barnet, the council expects the benefit to be in the region of £15.8m over and above the assumptions previously made in the MTFS. Set against this are pressures of £22.1m arising principally from increasing care needs.

- 9.3.4. Additionally, a consultation on the reintroduction of a Social Care Precept was announced - allowing local authorities to raise up to 2% (£3.6m) specifically to fund pressures within Adult Social Care. It is unclear if this proposal is for than one year and therefore has been assumed for 2020/21 only within the MTFs.
- 9.3.5. While officers continue to work on remedial actions for prudency at present, £2.8m has been assumed in 2020/21 as a gap resulting from non-delivery of savings during 2019/20 and 2020/21
- 9.3.6 Through a thorough review of budget pressures, officers have identified the requirement to invest £16m in 2020/21 as detailed in para 1.3.9. £5.255m had already been factored in the previous iteration of the MTFs resulting in an increased requirement of £10.375m. Officers are continuing to review these and any subsequent reduction, would reduce the gap for 2020/21 and future years.
- 9.3.7 The results on savings and pressures work will be presented to Theme Committees running through November
- 9.3.8 There were also in the main P&R paper some specific updates on specific service issues in more detail
- 9.3.9 A paper on Brexit was separately considered and a link is provided under Background Papers section below to this paper.

10. Reasons for Recommendations

- 10.1 The report provides an overview of the council's financial performance to Period 5 of the 2019/20 financial year as forecasted at Period 5 ending 31st August 2019. The report also provides a commentary on the strategic financial issues facing the council during the period.

11. Alternative options considered and not recommended

- 11.1. None.

12. Post decision implementation

- 12.1 As per Committee's instructions.

13. Implications of decision

13.1 Corporate Priorities and Performance

- 13.1.1 This supports the council's corporate priorities as expressed through the Corporate Plan for 2019-24 which sets out our vision and strategy for the next 5 years. This includes the **outcomes** we want to achieve for the borough, the **priorities** we will focus limited resources on, and our **approach** for how we will deliver this.
- 13.1.2 Our three outcomes for the borough focus on place, people and communities:

- a pleasant, well maintained borough that we protect and invest in
- our residents live happy, healthy, independent lives with the most vulnerable protected
- safe and strong communities where people get along well

13.1.3 The approach for delivering on this is underpinned by four strands; ensuring residents get a fair deal, maximising on opportunities, sharing responsibilities with the community and partners, and working effectively and efficiently

13.1 Resources (Finance and Value for Money, Procurement, Staffing, IT, Property, Sustainability)

13.1.3 This report considers the financial position of the Council.

13.2 Social Value

13.2.3 None applicable to this report, however the council must take into account the requirements of the Public Services (Social Value) Act 2012 to try to maximise the social and local economic value it derives from its procurement spend. The Barnet living wage is an example of where the council has considered its social value powers.

13.3 Legal and Constitutional References

13.4.1 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.

13.4.2 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.

13.4.3 The council’s Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Financial Performance and Contracts Committee as being Responsible for the oversight and scrutiny of:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Assets, Regeneration & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee; or Housing Committee
- The council’s major strategic contracts including (but not limited to):
 - Analysis of performance
 - Contract variations
 - Undertaking deep dives to review specific issues
 - Monitoring the trading position and financial stability of external providers
 - Making recommendations to the Policy & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers

- At the request of the Policy & Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee
- To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with this Article.

13.4.4 The council's Financial Regulations can be found at:

<https://barnet.moderngov.co.uk/documents/s49777/17FinancialRegulations.doc.pdf>

13.4.5 Section 2.4.3 states that amendments to the revenue budget can only be made with approval as per the scheme of virements table below:

Virements for allocation from contingency for amounts up to and including £250,000 must be approved by the Chief Finance Officer
Virements for allocation from contingency for amounts over £250,000 must be approved by Policy and Resources Committee
Virements within a service that do not alter the approved bottom line are approved by the Service Director
Virements between services (excluding contingency allocations) up to and including a value of £50,000 must be approved by the relevant Chief Officers
Virements between services (excluding contingency allocations) over £50,000 and up to and including £250,000 must be approved by the relevant Chief Officer and Chief Finance Officer in consultation with the Chairman of the Policy and Resources Committee and reported to the next meeting of the Policy and Resources Committee
Virements between services (excluding contingency allocations) over £250,000 must be approved by Policy and Resources Committee.

13.5 Risk Management

13.5.1 Various projects within the council's revenue budget and capital programme are supported by time-limited grants. Where there are delays to the implementation of these projects, there is the risk that the associated grants will be lost. If this occurs either the projects will be aborted or a decision to divert resources from other council priorities will be required.

13.5.2 The revised forecast level of balances needs to be considered in light of the financial performance reported.

13.6 Equalities and Diversity

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

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

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

13.6.3 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.

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

13.6.5 Progress against the performance measures we use is published on our website at: <https://barnet.moderngov.co.uk/documents/s52957/Appendix%204%20-%20Equalities%20Diversity%20and%20Inclusion%20Action%20Plan%20201920.pdf>

13.7 Corporate Parenting

13.7.1 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.

13.8 Consultation and Engagement

13.8.1 None in the context of this report

14. Insight

14.9.1 None in the context of this report

15. Background Papers

Meeting	Description	Link
Financial Performance and Contracts Committee Thursday 3 rd October 2019 7pm	15. Oakleigh Depot Remedial Works and 19. Exempt part	https://barnet.moderngov.co.uk/ielistDocuments.aspx?CId=692&MId=9851&Ver=4
Financial Performance and Contracts Committee 19 th June 2019 7pm	7 Chief Finance Officer report – Year End	https://barnet.moderngov.co.uk/ielistDocuments.aspx?CId=693&MId=9866&Ver=4
Policy and Resources	8 Business Planning	https://barnet.moderngov.co.uk/iel

Committee Thursday 3 rd October, 2019 7.00 pm	2020-25 and Budget management 2019/20	istDocuments.aspx?CId=692&MId=9851&Ver=4
Council 5 th March 2019	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 and Resources Committee Thursday 3 rd October, 2019 7.00 pm Brexit paper to P&R 3 rd Oct	7 Brexit Preparedness	https://barnet.moderngov.co.uk/ielistDocuments.aspx?CId=692&MId=9851

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Appendix A - Revenue Forecast 2019/20
Period 5 for FPCC Committee 28th October 2019

Adults and Health												
	Original Budget	Revised Budget	Actuals to 31/08/2019	Period 5 forecast	Variation to revised budget	Reserve Movements	Period 5 forecast after reserve movements	Variation to revised budget	Variance P4	Variance move P4 to P5	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Integrated Care - LD	28,156	30,254	6,927	29,619	(636)		29,619	(636)	(636)		0 The underspend is mostly due to mitigating actions (£616k) aligned against this budget. The forecast includes: demographic growth covering: net client churn and complexity (35 new and 7 existing clients at an average care cost at £23k per year); transition cases transferred from families' services (36 clients costing on average £22k per year). The number of open care packages at month three is 898, covering 668 unique clients. The forecast includes £1,080 of MTFS savings. The budget variance explained by service type is due to underspends on several client care services: Residential Care (£1,015k) Direct payments (£462k); Respite (£95k); Extra Care (£56k), Other services (£14k); offset by overspends in Supported Living (£736k), Fairer Contributions (£101k); Homecare (£73k) and Nursing Care (£96k).	(2.1%)
Integrated care - MH	7,331	8,689	1,338	8,912	223		8,912	223	223		0 The budget pressure is mostly due to unfunded demographic growth which includes 21 new clients at an average yearly cost of £30k; 7 exiting clients forecasted to have increased complexity needs costing on average £20k more per case. The pressure is offset by mitigating actions of £135k and £412k due to underspends in other areas. The number of open care packages covered by this budget at month three is 366, covering 357 unique clients. The forecast includes £471k of MTFS savings. The budget variance explained by service type is due to net overspends on several client care services: Supported Living (£395k); Fairer Contributions income (£90k); Other services (£43k), Extra Care (12k); offset by underspends in Homecare (£160k); Residential Care (£130k); Direct payments (£20k), Nursing (£4k) and Enablement (£3k).	2.6%
Integrated Care - OA	31,073	29,567	8,904	31,583	2,016		31,583	2,016	2,016		0 The budget pressure is mostly because of unfunded growth due to forecasted care cost complexity increase for 21 clients at an average yearly cost of £68k, recoded care packages from Physical and Learning Disabilities under 65s (£1,007k). The forecast includes £2,941k of MTFS savings. The forecast is offset by £419k of mitigating actions. The number of open care packages covered by this budget at month three is 2394, covering 2,286 unique clients. The budget variance explained by service type is due to net overspends on several client care services: Homecare (1,266k); Residential (£826k); Supported Living (£260k); Extra Care (£201k); Direct Payments (£198k); Other Services (£84k), offset by underspends in; Nursing (£546k); Fairer Contribution (£217k); Day Care (£45k), Respite (£6k) and Enablement (£5k).	6.8%
Integrated Care - PD	8,134	8,935	2,417	8,799	(136)		8,799	(136)	(136)		0 The budget underspend is mostly due to transferring of care packages to Older Adults. The forecast includes £43k of mitigating actions and £222k of MTFS savings. The number of open care packages covered by this budget at month three is 555, covering 526 unique clients. The budget variance explained by service types is due to net underspends on several client care services: Residential (£300k); Direct Payments (£267k); Supported Living (£132k); Other Services (£116k) and Day Care (£64k) and Enablement (£17k); offset by overspends in: Home Care (£494k); Nursing (£174k); Fairer Contribution (£89k) and Respite and Other (£3k). The monthly movement of £155k is because of £573k ILF grant income included in the budget but previously shown as income offset by care package cost reductions due to recoding of clients to Older Adults (£418k).	(1.5%)
Prevention Services	4,830	3,571	3,037	3,385	(186)		3,385	(186)	(186)		0 The favourable budget variance is due to underspends in: Equipment and Adaptations (£250k) because less demand and cheaper equipment; Telecare (£104k) because of in year recovery plans (£100k); Receivership budget (£31k); Vol Orgs (£16k); and Other (£12k); offset by overspends in DOLS assessment costs £118k and £109k on software licence and support. The forecast includes £435k of MTFS savings.	(5.2%)

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Workforce	14,376	14,902	5,578	15,522	621		15,522	621	667	(46)	The overspend is due to a combination of budget reductions: £305k of Senior Management MTFS savings; £179k contribution to corporate pot to reduce the agency deficit; £59k unavaialable saving on a post covered by Public Health Funding; Mosaic Revenue costs (£230k), offset by underspends in various areas (£152). Un-filled c34 posts currently being held vacant or part time, which are contributing to c£0.599m savings on top of the MTFS savings of £932k, and though nominally beneficial immediately this can present workload and efficiency issues that are being managed within the service. The monthly forecast reduction is due to the same issues, amounting to £46k vacant postion increase and delays in recruitment for various teams.	4.2%
Leis, Sports and Phys Activity	509	521	86	1,239	719		1,239	719	718	1	The current budget variance and monthly forecast movement is because of income loss due to closure of swimming pools only at Finchley Lido Leisure centre. The centre has been closed from March 2019 due to structural issues with the roof and the closure is forecasted to remain in place until December 2019. The actual income loss will increase if the centre remains closed beyond December 2019.	138.1%
Public Health Adults transformation programm	16,707 0	16,703 0	2,837 156	16,964 0	261 0	(261)	16,703 0	0 0	0 0	0 0		0.0% 0.0%
Total	111,117	113,142	31,280	116,023	2,881	(261)	115,762	2,620	2,666	(46)		2.3%
Reserves Previously Reported				360	360	(360)					Adjust for reserves and transformation awards already in projections and figures from earlier reporting months so as to restate figures showing the full reserve usage.	
Total	111,117	113,142	31,280	116,383	3,241	(621)	115,762	2,620	2,666	(46)		2.3%

Assurance

	Original Budget	Revised Budget	Actuals to 31/08/2019	Period 5 forecast	Variation to revised budget	Reserve Movements	Period 5 forecast after reserve movements	Variation to revised budget	Variance P4	Variance move P4 to P5	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Electoral Service	665	804	171	653	(151)	150	803	(1)	(1)	0		(0.1%)
Legal Advice and Monitoring	2,688	0	879	0	0		0	0	0	0		
Assurance & Business Dev	794	860	253	861	2		861	2	2	0		0.2%
Counter Fraud Operations	350	437	466	1,168	731	(731)	437	0	0	0		0.0%
Governance	2,185	2,266	645	2,266	0		2,266	0	0	0		0.0%
Information Management	1,025	529	(161)	544	16		544	16	15	1	Overspend due to shredding costs and copyright software licensing	3.0%
Internal Audit	371	376	64	376	(0)		376	(0)	(0)	0		(0.0%)
Organisational Resilience	367	407	233	398	(9)		398	(9)	(26)	17	Monthly movement due to additional pressures - City of London 30k, 9k of Airwave radio license renewals and 8k of Emergency Responder costs	(2.1%)
Sub total	8,444	5,678	2,551	6,267	589	(581)	5,686	8	(10)	18		0.1%
Reserves Previously Reported				416	416	(416)					Adjust for reserves and transformation awards already in projections and figures from earlier reporting months so as to restate figures showing the full reserve usage.	
Assurance Total	8,444	5,678	2,551	6,683	1,005	(997)	5,686	8	(10)	18		0.1%

Appendix A - Revenue Forecast 2019/20
Period 5 for FPCC Committee 28th October 2019

Children's Family Services												
	Original Budget	Revised Budget	Actuals to 31/08/2019	Period 5 forecast	Variation to revised budget	Reserve Movements	Period 5 forecast after reserve movements	Variation to revised budget	Variance P4	Variance move P4 to P5	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Family Services Management	5,414	(1,625)	511	(1,824)	(199)		(1,824)	(199)	(5,386)	5,188	Additional DSG income £0.419m has now been included along with £0.521m inflation bid for contract inflation and CE inflation £0.235m which has been assumed to be successful.	12.2%
Social Care Management	631	1,214	267	851	(363)		851	(363)	212	(575)	Forecast underspend - £0.343m staffing. Comprising of £0.300m agency budget parked centrally, (partially offsets agency pressures in CSC 0-25) and £0.023m relates to held vacancies. Non-staffing of £0.020m forecasted underspend due to reduction in mentoring spend estimate.	(29.9%)
CSC 0-25	7,885	7,896	3,346	8,909	1,013		8,909	1,013	1,365	(353)	Forecast overspend relates to: staffing £0.362m. There are currently 13 agency staff in the service. In addition pressure of £0.651m relates to non-staff, increase in case complexity hence package costs. Current budget average unit cost per year is £0.027m whereas forecasted unit cost per year is £0.031m. There are 187 clients with support packages supported by budgets in this area. Movement - Additional clawbacks of Direct payments of £0.055m. identification of one transitions case £0.125m previously not on Mosaic transferred to Adults as young person is 25.	12.8%
Permanence Trns & CorParenting	4,089	4,363	2,927	5,046	684		5,046	684	827	(143)	Forecast overspend relates to: staffing £0.078m. Comprises of £0.044m in the family resource centre for 2 staff cover on long term sick and £0.034m additional agency costs for 4 agency staff are covering vacancies across service. Non-staffing pressure of £0.606m. All attributable to Leaving Care accommodation pressures. Monthly movement - Onwards and Upwards client costs increase. EU nationals not eligible to Housing benefit. There were 6 new entrants into the leaving care service	15.7%
Placements	17,944	21,489	7,645	21,294	(195)		21,294	(195)	2,977	(3,172)	Forecast overspend relates to: staffing £0.200m, relating to £0.115m Internal residential homes staffing and £0.085m as 7 agency staff are covering vacancies across the service. Forecast net underspend Non-staffing £0.395m. Four under 18 residential placements (£0.570m) have transferred to 18-25 service. Underspend partially offset by £0.175m pressure on External Fostering and additional residential support costs. Movements - Internal Fostering reduced by £0.240m whilst External Fostering went up by £0.428m mainly due to the high number of new entrants (18 in total from July and August) into Independent Foster Agency (IFA) placements. There was also one external placement of £0.115m (transfer from internal residential placement) however this was netted off with some other placements cost reductions to £0.057m. There were also some additional residential support costs.	(0.9%)
Assessmnt, Intervntion & Planning	7,818	10,796	3,831	11,298	502		11,298	502	2,342	(1,841)	Legal Cost £0.300m and no recourse to public funds £0.223m pressures	4.6%
Clinical Services	1,387	1,391	493	1,391	(0)		1,391	(0)	(0)	0		(0.0%)
Early Help 0-19	4,366	4,463	1,609	4,758	294	(364)	4,394	(70)	0	(70)		(1.6%)
YOT, Risk & Vulnerability	477	484	164	476	(8)		476	(8)	(8)	0		(1.7%)
Safeguarding, QA & Workforce Development	2,674	2,714	1,083	2,554	(160)		2,554	(160)	(160)	0	Forecasted underspend mainly due to management actions undertaken to reduce agency spend on the back of good Ofsted rating	(5.9%)
Commissioning	1,066	1,166	188	1,074	(92)		1,074	(92)	(60)	(32)	Forecasted underspend due to held vacancies	(7.9%)
Comm, Complaint & Business Support	1,080	1,372	533	1,358	(15)		1,358	(15)	60	(75)		(1.1%)
Libraries & Comm. Engagement	3,474	3,538	1,801	3,618	80		3,618	80	45	35	Projecting an overspend mainly relates to rate increases at Colindale and Church End Library.	2.3%
Performance Improvement & Customer Engagement	1,337	1,226	260	1,234	8		1,234	8	33	(25)		0.6%
Partnership and VofChild	390	416	123	416	0		416	0	20	(20)		0.0%
Central Education	26	(305)	(201)	(328)	(23)		(328)	(23)	(355)	331		7.7%
Education Skills	6,175	6,111	5,261	6,111	(0)		6,111	(0)	85	(85)		
Total Children	66,234	66,711	29,841	68,236	1,525	(364)	67,872	1,161	1,998	(838)		1.7%

Appendix A - Revenue Forecast 2019/20
Period 5 for FPCC Committee 28th October 2019

Growth and Corporate Services												
	Original Budget	Revised Budget	Actuals to 31/08/2019	Period 5 forecast	Variation to revised budget	Reserve Movements	Period 5 forecast after reserve movements	Variation to revised budget	Variance P4	Variance move P4 to P5	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Commercial Management	1,110	1,384	329	1,324	(60)		1,324	(60)	(60)	0	Underspend on Staff costs net against overspend in Performance.	(4.3%)
CSG Managed Budget	2,847	3,819	865	6,180	2,361		6,180	2,361	1,558	802	The overspend is due to:£100k fly tipping with a significant bill expected this year for Fairway clearance and other smaller sites; delayed implementation of £150k MTFS saving from Barnet Homes rates relief, due to delays moving Housing Options; £147k additional Security including Tarling Road Community Centre, the YOT in the East, and Colindale office; £80k reactive R&M Budgets have been re-aligned to cover-off the cost of planned and cyclical maintenance leaving a shortfall in the estimated requirement for repairs; £411k rates and service charges at NLBP due to Colindale delay; £206k unfunded Leasing and Service charges in relation to Harrow Depot for StreetScene, Highways and Salt Barns, which are continuing to occur in 19/20 because of delays to the capital project to re-locate services to a new site; £469k shortfall in income to the document solutions service; £368k reduction in Brent Cross income, which has reduced as assets are deliberately vacated to facilitate regeneration. In previous years the budget has been supported by income from sites specifically acquired to support the regeneration. A total of £319k Brent Cross running costs have also been incurred, made up of various costs associated with regeneration, such as additional site security at vacant sites and setting up of short-term leases etc, none of which is currently funded. The movement in the variance between Month 4 and Month 5 was £802k comprised of a £110k payment of statutory rent compensation, £690k associated with Brent Cross income shortfall and running costs.	61.8%
CSG Management Fee	19,311	20,150	5,863	20,418	268		20,418	268	288	(20)	The overspend is due to:£100k fly tipping with a significant bill expected this year for Fairway clearance and other smaller sites; delayed implementation of £150k MTFS saving from Barnet Homes rates relief, due to delays moving Housing Options; £147k additional Security including Tarling Road Community Centre, the YOT in the East, and Colindale office; £80k reactive R&M Budgets have been re-aligned to cover-off the cost of planned and cyclical maintenance leaving a shortfall in the estimated requirement for repairs; £411k rates and service charges at NLBP due to Colindale delay; £206k unfunded Leasing and Service charges in relation to Harrow Depot for StreetScene, Highways and Salt Barns, which are continuing to occur in 19/20 because of delays to the capital project to re-locate services to a new site; £469k shortfall in income to the document solutions service; £368k reduction in Brent Cross income, which has reduced as assets are deliberately vacated to facilitate regeneration. In previous years the budget has been supported by income from sites specifically acquired to support the regeneration. £319k Brent Cross running costs have also been incurred, made up of various costs associated with regeneration, such as additional site security at vacant sites and setting up of short-term leases etc, none of which is currently funded. The movement in the variance between Month 4 and Month 5 was £802k comprised of a £110k payment of statutory rent compensation, £690k associated with Brent Cross income shortfall and running costs.	1.3%
Customer Services & Digital	359	683	(11)	705	22		705	22	22	0	The overspend in Month 5 is £30k on out of hours telephony costs due to a contract change and £58k of web team staffing costs previously charged to Capital net the £(64k) improved Registrars income.	3.3%
Deputy Chief Executive	509	505	215	559	54		559	54	44	10	Overspend relating to £29.6k SPIR cost relating to the Senior Management Restructure and £24.7k Key Worker permits for the Barnet Group move to Colindale net of a £10k underspend on staffing due to Month 3 projected Graduate Trainee post being covered but Central Govt. Brexit funding. The movement from Month 4 is due to £10k of Miscellaneous expenditure and Publications	10.6%
Employment Skills & Ec Dev	200	200	49	200	0		200	0	0	0		0.0%
Estates	180	502	102	536	35		536	35	35	0	Projecting an overspend due to increased staffing costs.	6.9%
Growth and Housing	234.64	234.37	152.85	234.37	0.00		234.37	0.00	0	0.00	Spend to budget currently forecast pending restructure/recruitment	0.0%

Appendix A - Revenue Forecast 2019/20
Period 5 for FPCC Committee 28th October 2019

Housing Strategy	6,178	6,399	6,433	6,754	355		6,754	355	245	110	The net overspend position includes (i) the non delivery of savings relating to the transfer of acquisitions £1.1m. It assumes savings relating to the OD acquisitions programme being delivered in 2020-21. (ii) additional incentive payments to landlords of £184k in 2019/20 resulting from the additional top up grant funding totalling for Homelessness Prevention, although this is expected to deliver cost reductions in the coming years, and a reduction in net TA costs of £115k. The forecast also includes income from the Flexible Homelessness Support Grant of £900k. The movement from period 4 relates to incentive payments to landlords £184k as above, £40k non delivery of savings relating to property acquisitions which will instead commence in 2020/21 with ODH instead of the last quarter of 2019/20 and reduction in net TA costs of £114k.	5.5%
Human Resources & OD	830	975	344	1,106	131		1,106	131	124	7	The overspend is mainly due to £142k in relation to staff recharges for time spent on Trade Union activities net of an £(18k) underspend in HR. The TU budget is only £33k and recharges of £176k are being projected for 5 members of staff from Adults, Schools and libraries. The movement from Month 4 is due to 7k spend on an induction film	13.5%
Programmes, Performance & Risk Strategy & Communications	338	403	115	430	27		430	27	27	0	Overspend on Staff costs net against underspend in Commercial Mgt.	6.8%
Transformation Programme - DCE	916	1,121	318	1,181	60	(60)	1,121	0	20	(20)	The movement in the forecast from Month 4 is due to additional Brexit Funding and Service contribution budget movements	0.0%
	0	0	10	266	266	(266)	0	0	0	0		0.0%
Total (excl Re)	33,014	36,375	15,247	39,894	3,519	(326)	39,568	3,193	2,304	889		8.8%
Guaranteed Income	(16,549)	(16,815)	(2,860)	(16,617)	198		(16,617)	198	(727)	925	The variance relates to (i) £107k estimated LBB costs for maintaining void properties (ii) £91k estimated Legal costs. The movement from Month 4 includes £161k reduction in PDA income shortfall, £345k budget increase for contractual inflation (matching management fee increase below) and £86k increase in forecast legal costs.	1.2%
RE Projects	0	1	(69)	1	0		1	0	0	0		0.0%
Management Fee	17,466	18,811	8,092	19,811	1,000	(1,000)	18,811	0	1,000	(1,000)	£1m overspend on the management fee relates to the fee increase for the deferral in 2017/18 to 2019/20. The change from month 4 is due to the budget being increased for inflation (£345k), matching the income increase to GI budget above	0.0%
Growth and Corporate Services Incl Re elements	33,931	38,372	20,410	43,089	4,717	(1,326)	41,763	3,391	2,576	814	Per last CMT	8.8%
Reserves Previously Reported				357	357	(357)					Adjust for already in projections and figures from earlier reporting months. To show full reserve usage.	
Growth and Corporate Services Total	33,931	38,372	20,410	43,446	5,074	(1,683)	41,763	3,391	2,576	814		8.8%

Appendix A - Revenue Forecast 2019/20
Period 5 for FPCC Committee 28th October 2019

Environment												
	Original Budget	Revised Budget	Actuals to 31/08/2019	Period 5 forecast	Variation to revised budget	Reserve Movements	Period 5 forecast after reserve movements	Variation to revised budget	Variance P4	Variance move P4 to P5	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Commercial Services Streetscene	(2,086)	(2,011)	(2,655)	(1,936)	74		(1,936)	74	74		0 Forecasting a slight overspend based on current income levels, projected business growth and commercial client turnover, and anticipated levels of bad debt. This level includes income and savings from the ongoing review of these commercial customers, based on weight of bins to ensure profitability of operators.	(3.7%)
Fleet and Transport	560	560	1,835	558	(2)		558	(2)	(2)		0 Forecasting on or very close to budget based on Q1 performance and 2018/19 outturn.	(0.3%)
Ground Maintenance(Front line)	2,343	2,301	869	2,295	(6)		2,295	(6)	15	(20)	At present forecasting a small underspend, this will improve when service specific pay inflation is allocated and also the service will review agency spend as they move into Autumn Winter months.	(0.3%)
Green Spaces & Leisure	874	1,015	208	1,252	237		1,252	237	241	(4)	Overspend due to Parks and Open Spaces and the MTFS savings of £0.450m deliverability. This has been partially mitigated by additional income of £.0182m from S.106 funding and other sundry movements.	23.4%
Management and Service Support	1,215	839	409	850	11		850	11	(36)	48	Slight overspend, due to staffing costs and reduction of budget regarding agency costs top slice due to centralisation corporately.	1.4%
Street Cleansing (Front Line)	2,533	2,991	807	2,991	(0)		2,991	(0)	(0)	0	Forecasting on budget - Street Cleansing budgets virement agreed corporately to correct budget change from Street Scene Management.	(0.0%)
Waste (Front Line)	6,825	6,781	2,290	7,943	1,162		7,943	1,162	1,162	0	Forecast overspend is due to; the cost of running the service from two sites, increase in staffing costs, and fleet repair cost arising from an aging vehicle fleet. There is a profiled reduction in spend through 2019/20 as waste round balancing continues and green waste cost will reduce for the winter months. There are significant risks given challenging plans to achieve the profile of reductions needed to bring to this level of overspend by year end and therefore budget position is very sensitive to external factors and events and other risks. Detailed review and oversight is being exercised on this key service and budget. Part of the fleet replacement is expected at the end of 2019/20 which will help in later years on some of the cost pressures.	17.1%
Environment Management	15,504	15,500	5,958	15,558	58		15,558	58	0	58	Forecast £58k overspend on Mortuaries, this is through the lead borough (LB Brent) and budget underpinning this is to be reviewed going forward for appropriateness. Previously reported NLWA levy underspend expected to go to reserves. Service now includes Coroner's Court (£320k actual and budget) which effects variation to P4 column.	0.4%
Highway Inspection/Maintenance	273	276	354	746	470	(469)	277	1	0	1	Highways service is currently predicting an underlying overspend £654k. Consisting of £469k for Winter Highways Maintenance. There is also an accepted risk, that projections are based on a mild winter and council contingency funds will need to be called upon where more severe conditions occur. A mitigated overspend of £185k for Advertising is also accruing in this area, an MTFS saving is subject to a part year effect as a key contract is now commencing October 2019.	0.4%

Appendix A - Revenue Forecast 2019/20

Period 5 for FPCC Committee 28th October 2019

Highways and Transport Managem	0	358	54	358	0		358	0	0	0	This is a new budget line to capture management salaries. The actual underlying movement though P3 to P4 was zero and the forecast in balance, so this does not effect the underlying position.	0.1%
Parking	(558)	(545)	26	(545)	0		(545)	0	0	0	0 Off Street Parking is expected to achieve it's income target this year.	0.0%
Special Parking Account	(13,264)	(13,694)	4,705	(13,265)	429	(450)	(13,715)	(21)	(21)	0	There are risks with surplus generated in this area amd use of reserves for this year has been applied to maintain budget levels of work. Actions are in hand for future years to help mitigate where changes due to external factors cause changes in the baseline receipts supporting planned activity.	0.0%
Street Scene Management	1,121	1,121	292	1,196	75		1,196	75	75	0	The projected small over spend is due to costs of staff cover for long term sick and cost increases for weed spraying and haulage costs. A virement has been completed to realign the budgets for various services including Street Cleansing.	6.7%
Street Lighting	5,919	6,272	1,898	6,265	(7)		6,265	(7)	(7)	0	Revised electricity rates have helped to bring this area close to budget.	(0.1%)
Advertising	0	(350)	0	(165)	185	(185)	(350)	0	0	0	Projecting an underlying overspend of £225k for Advertising,as the service is unable to fully achieve the MTFS saving for Advertising, due to a part year effect with the contract now commencing October. This is pending the transfer of budget to corporte of £0.040m and associated actuals and any variances that may occur due to this change (this has been reversed tempoarily for technical reasons this month and caused the movement from P4 of £0.040m). Budget pressures on this line are shown as fully mitigated by use of reserves as will any effects of the centralisation of communications referred to.	0.0%
Environment Sub total	21,258	21,413	17,052	24,101	2,688	(1,104)	22,997	1,584	1,502	82	This is an increase on the last month in the variance to budget of £32k adverse (£1.502m to £1.532m adverse), principally caused by the Environment Management adverse variance this month of £58k and a number of small favourable and adverse movements on other projects make up the rest of the movement.	7.4%
Re managed budgets	437	472	27	421	(51)		421	(51)	0	(51)	Forecasting £51k underspend on vehicles as the work will be funded from capital	(10.9%)
Part Theme Total	21,695	21,885	17,078	24,522	2,636	(1,104)	23,418	1,532	1,502	30		

Appendix A - Revenue Forecast 2019/20
Period 5 for FPCC Committee 28th October 2019

Finance												
	Original Budget	Revised Budget	Actuals to 31/08/2019	Period 5 forecast	Variation to revised budget	Reserve Movements	Period 5 forecast after reserve movements	Variation to revised budget	Variance P4	Variance move P4 to P5	Commentary	% Variation to revised budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Central Expenses	50,492	47,195	11,463	43,939	(3,256)		43,939	(3,256)	(3,787)	530	The Month 5 variance is made up of as £28k overspend on Subscriptions less the following underspends; £71k on Levies, £7k on External Audit costs, £40k on WLA subscriptions, £227k on early retirement/ pension strain payments and £2,940k on Capital financing resulting from a reduction of borrowing costs and increase in interest receivable.	6.9%
Finance	2,576	3,053	1,490	3,053	0		3,053	0	0	0	The movement from Month 4 is due to an increase in staff costs which have been funded by a £200k Contingency allocation	0.0%
Grants	139	104	7	104	0		104	0	0	0		0.0%
Health and Safety	97	98	32	97	(1)		97	(1)	(1)	0		(1.4%)
Revs & Bens	4,929	4,946	(3,346)	4,146	(800)		4,146	(800)	(800)	0	Expecting to overachieve housing benefit overpayment recovery. Exceptionally underspend has been adjusted for 900k of Flexible Homelessness Support Grant to show the outturn assuming the further approvals.	(16.2%)
Total	58,232	55,396	9,647	51,339	(4,058)	0	51,339	(4,058)	(4,588)	531		(7.3%)
Rounding									1		Rounding difference	
Subtotal TOTAL	299,653	301,185	110,808	310,608	9,423	(4,769)	305,839	4,654	4,145	509		1.5%

Appendix B CFO Report for FPCC Committee - Capital			2#2	2#2	2#2	2#2	2#2	2#2
Capital Programme Description	Original Budget 2019-20	Slippage & Accelerated spend	Additions / (Deletions)	2019-20 P5 Forecast	Variance	Spend to Date	% slippage of 2019/20	Comments
	£000	£000	£000	£000	£000	£000	£000	
Sport and Physical Activities	12,791	(667)	0	12,124	(667)	8,361	-5.2%	
Investing in IT	1,888	(128)	300	2,060	172	417	-6.8%	
Adults and Communities Total	14,679	(795)	300	14,184	(495)	8,778	-5.4%	
Adjustments post P5 & Re		0	12	12	12			
Modernisation - Primary & Secondary	4,248	(697)	(50)	3,501	(747)	459	-16.4%	Profile for 2019/2020 still in progress to complete. Grant funding has decreased therefore a decrease in budget (£0.046m). Some slippage confirmed for two schemes. One scheme is slipped due to delay in SPIR sign off and one scheme is being delivered by school which has been delayed due to planning issues. Further slippage is expected due to delay in SPIR sign off. This will be confirmed in Qtr 2.
Healthy Pupils Fund	15	0	4	19	4	19	0.0%	Additional funds required from modernisation Emergency Reactive Works for final fees in relation to the scheme. All schemes now complete and fully paid.
Orion Primary School	40	(20)	0	20	(20)	-	-50.0%	Amended remedial works have been agreed, to take place over 2 years, £20k retention due this FY, remaining £20k to be slipped to next FY.
Monkfrith	112	0	0	112	0	-	0.0%	Remaining spend relates to technical fees, tbc for M6 monitoring. All spend expected in 2019/2020, no slippage envisaged.
St Agnes	823	(38)	0	785	(38)	55	-4.6%	Construction expected to commence in September 2019. Scheme is still expected to be complete this financial year. Retention (£0.038m) payment to be slipped to 2020/2021.
Saracens Primary	2,200	(2,200)	15	15	(2,185)	2	-100.0%	This project is being delivered by the ESFA. We are awaiting their project timetable which will be clear by the end of December. Project profile reflected to show contributions. No contribution expected this financial year. Only legal costs expected to be spent this financial year. Legal cost to be funded from school place primary. Legal cost forecast expected to be the same as last year.
Kosher Kitchen	800	(600)	0	200	(600)	138	-75.0%	Remodelling of the entrance works (phase one) are now complete and we are awaiting final account for this phase. Other phases of Moving early years provision and kitchen expansion are currently being scheduled however not they are not expected to be completed this financial year therefore slippage of funds into 2020/2021.
Permanent All Through Expansion Program	-	0	0	-	0	-		
London Academy	21	0	0	21	0	-	0.0%	Remaining spend relates to technical fees and legal fees tbc for M6 monitoring. All spend expected in 2019/2020, no slippage envisaged.
St Mary's & St John's	349	0	0	349	0	56	0.0%	Remaining spend relates to furniture/ IT costs from school, will be less than £349k, but clarification of actual amount for 19/20 awaited from school. Diocese have recently indicated slippage may be required into 20/21, further confirmation awaited, tbc for M6 monitoring.
Permanent Primary/Secondary(reallocation)	-	0	0	-	0	-		
St James / Blessed Dominic	11,036	(628)	2,179	12,587	1,551	6,592	-5.7%	Additional funds of £2.179m still required due to contaminated land (School pitch & Car park) and highway works. Final costings for Highway works now received. Works still expected to be complete by Sept 2019 with final retention payment of £0.629m due in 2020/2021 financial year. The forecast has been profiled
Permanent Secondary Expansion Program	-	0	0	-	0	-		
Oak Lodge Special School	45	0	(5)	40	(5)	40	0.0%	Project completed. Underspend to be transferred to school place primary.
Grammar school projects	1,000	(920)	0	80	(920)	-	-92.0%	St Michael's Grammar profiled in. Awaiting decision from DfE on Henrietta Barnett in Autumn. £515k for Henrietta Barnett project all currently profiled in 2022/2023
SEN Programme	-	0	0	-	0	-		

Appendix B CFO Report for FPCC Committee - Capital			2#2	2#2	2#2	2#2	2#2	2#2
Capital Programme Description	Original Budget 2019-20	Slippage & Accelerated spend	Additions / (Deletions)	2019-20 P5 Forecast	Variance	Spend to Date	% slippage of 2019/20	Comments
	£000	£000	£000	£000	£000	£000	£000	
Oakleigh SEN	-	(1,700)	1,820	120	120	75		From SEN as per Azeem request
Claremont SEN	-	(100)	100	-	0	-		From SEN as per Azeem request
Whitefield School ASD	1,858	(45)	0	1,813	(45)	689	-2.4%	Project underway, contractors on site and project is expected to be complete this financial year. Retention to be paid in the next financial year.
Other Projects	-	0	0	-	0	-		
Whitings Hill, Colindale and Northway/Fairway	6	0	(6)	-	(6)	3	0.0%	Project completed. Underspend to be transferred to school place primary. Current spend relates to SPIR charges. This has been incorrectly coded and will be journalled in M6.
School place planning (Primary)	3,531	(1,348)	(2,183)	-	(3,531)	-	-38.2%	Funds held for new schemes and current project shortfalls. £2.1m to be removed to fund additional works at BDSJ due to contaminated land, highway works. £0.006m returned from Northway project and 0.004m returned for Oak lodge project. No further drawdown expected this year therefore remaining funds slipped in 2020/2021.
School place planning (Secondary)	609	(609)	0	-	(609)	-	-100.0%	Funds held for new schemes and current project shortfalls. No further drawdown expected this financial year therefore funds can slipped into 2020/2021.
SEN	8,423	(6,503)	(1,920)	-	(8,423)	-	-77.2%	Funds held for new SEN schemes and current project shortfalls. £1.920m moved for a new SEN schemes at Oakleigh (0.120m to be spent in 2019/2020 and remaining 1.7m to be spent in 2020/2021) and £0.1m to be moved for a new scheme at Claremont School. This is to be spent in 20/21. Remaining funds of £6.503m to be slipped to 2021/2022 as agreed at CSB. Profile for remaining funds (£6.503m) will be confirmed at a later stage.
Alternative Provision	8,701	(6,001)	0	2,700	(6,001)	367	-69.0%	
Capital Schemes managed by Schools (Locally Controlled VA Programme)		0	0		0	-		
Early Education and Childcare place sufficiency	687	(279)	0	408	(279)	207	-40.6%	Awaiting bids for additional £0.250m therefore allowing £0.279m to slip 2020/2021. Additional slippage to be confirmed by Qtr 2.
Information Management	298	0	0	298	0	90	0.0%	No change to forecast. Potential of funds needing to be slipped into 20/21 due to staff vacancy from end Sept 2019. Further clarity will be known by qtr 2.
Loft conversion and extension policy for Foster	240	0	0	240	0	30	0.0%	Current spend relates to two commitments for loft conversions. Further four commitments are expected this financial year which are currently being processed. Three of these are firm commitments. Potential additional budget required for final loft conversion for which a capital bid is being prepared. Further clarity will be known by qtr 2 as some of these scheme may have to be scheduled next financial year.
New Park House Children's home	3	0	0	3	0	-	0.0%	No change in forecast. Project expected to be completed by summer 2019.
Meadow Close Children's Homes	2,619	(1,876)	300	1,043	(1,576)	122	-71.6%	Project is still forecasting an overspend of c£300k. However, the project team are still working with contractors to reduce cost price. This overspend is being funded by Family estate capital budget. This is to be added to 2021/2022 budget. Project was due to receive planning determination in September, however, LBB planning have pushed this to be heard at the October committee due to a technical issue with the consultation. This may result in some further slippage on budget but this won't be known until the next period

Appendix B CFO Report for FPCC Committee - Capital				2#2	2#2	2#2	2#2	2#2
Capital Programme Description	Original Budget 2019-20	Slippage & Accelerated spend	Additions / (Deletions)	2019-20 P5 Forecast	Variance	Spend to Date	% slippage of 2019/20	Comments
	£000	£000	£000	£000	£000	£000	£000	
Family Services Estate - building compliance,	1,766	(863)	(300)	603	(1,163)	30	-48.9%	£0.528m earmarked for library building works.£0.3m agreed to be deleted in order to fund overspend at Woodside ave/ Meadow Close children's home. Potential £0.075m used for new PM post awaiting further clarity. Remaining £0.938m slipped into 20/21. No further works expected this financial year.
Children's - Family Services Total	49,430	(24,427)	(34)	24,969	(24,461)	8,974	-49.4%	
Adjustments post P5 & Re	21,581	5,787	5,987	21,781	200	29	-26.8%	
Depot relocation	834	0	0	834	0	68	0.0%	
Community Centre - Tarling Road	33	0	0	33	0	-	0.0%	
Asset Management	1,649	0	0	1,649	0	324	0.0%	
Libraries asset management	235	0	0	235	0	-	0.0%	
ICT strategy	2,980	0	0	2,980	0	379	0.0%	
Customer Services Transformation Programme	1,038	0	0	1,038	0	12	0.0%	
Implementation of Locality Strategy	573	0	0	573	0	197	0.0%	
Saracen Loan	13,295	0	0	13,295	0	1,122	0.0%	
Gaelic playing pitch relocation	700	0	0	700	0	-	0.0%	
Office Build	10,882	0	0	10,882	0	5,683	0.0%	
Empty Properties	3,670	(670)	0	3,000	(670)	66	-18.3%	No change to budget. 3 CPOs in progress
Chilvins Court	60	0	0	60	0	-	0.0%	
Out of borough acquisition	7	0	(7)	-	(7)	10,575	0.0%	Budget no longer required
Direct Acquisitions	9,770	0	0	9,770	0	-	0.0%	
Modular Homes	2,676	(1,318)	0	1,358	(1,318)	-	-49.3%	
St Georges Lodge temporary accommodation	350	(17)	0	333	(17)	-	-4.9%	
Hermitage Lane - mixed tenure residential care	590	0	0	590	0	25	0.0%	
New Build Housing (Open Door)	54,032	(24,032)	0	30,000	(24,032)	9,354	-44.5%	
Housing acquisitions Open Door	32,000	(23,700)	0	8,300	(23,700)	-	-74.1%	
Pinkham Way land release	1,372	(1,172)	0	200	(1,172)	-	-85.4%	£1.2m was approved at June 2019 P&R funded from borrowing to complete the site mater plan and planning application process - profiling to be confirmed by buget holder
Micro site development for affordable housing	5,505	(1,930)	(44)	3,531	(1,974)	-	-35.1%	
Disabled Facilities Grants Programme	1,899	0	643	2,542	643	638	0.0%	Additional grant received - to go to next P&R. Forecast includes £995k adults claim
Decent Homes Programme	224	0	(224)	-	(224)	-	0.0%	SPiR with Re ended. Therefore budget not being spent
DECC - Fuel Poverty	4	0	0	4	0	-	0.0%	No change to forecast
Growth and Corporate services Total	165,959	(58,626)	6,355	113,688	(52,271)	28,472	-35.3%	
HIGHWAYS TFL - LOCAL IMPLEMENTATION PLAN								28,443
Local Implementation Plan 2016/17 and onwards	3,067	0	0	3,067	0	322	0.0%	No change to forecast
Bus stop Accessibility		0	0	-	0	1		No change to forecast
Bridge Assessment		0	0	-	0	-		No change to forecast
Borough Cycling Programme		0	0	-	0	100		No change to forecast
Highways TFL Total	3,067	0	0	3,067	0	421	0.0%	
HIGHWAYS non-TFL								
Footway Reconstruction	43	0	0	43	0	-	0.0%	No change to forecast
Traffic Management	4	0	0	4	0	-	0.0%	No change to forecast
Highways Improvement	323	(143)	0	180	(143)	41	-44.3%	No change to forecast
Travel Plan Implementation	91	(31)	0	60	(31)	-	-34.1%	No change to forecast

Appendix B CFO Report for FPCC Committee - Capital			2#2	2#2	2#2	2#2	2#2	
Capital Programme Description	Original Budget 2019-20	Slippage & Accelerated spend	Additions / (Deletions)	2019-20 P5 Forecast	Variance	Spend to Date	% slippage of 2019/20	Comments
	£000	£000	£000	£000	£000	£000	£000	
Carriageways	1,368	(798)	0	570	(798)	70	-58.3%	19/20 forecast increase to cover machine patching. Reduce 20/21 to compensate
Highways Planned Maintenance Works Progr	40	(1,050)	1,050	40	0	-	-2625.0%	No change to forecast
Saracens - highways works	40	0	0	40	0	-	0.0%	No change to forecast
Drainage Schemes	70	0	0	70	0	-	0.0%	No change to forecast
Road Traffic Act - Controlled Parking Zones	108	(33)	0	75	(33)	-	-30.6%	No change to forecast
Investment in Roads & Pavement (NRP)	7,191	0	0	7,191	0	2,244	0.0%	No change to forecast
Highway Asset Management/Network Recovery Plan (NRP) Phase 2	2,000	0	0	2,000	0	-	0.0%	No change to forecast
Highways Non- TFL Total	11,278	(2,055)	1,050	10,273	(1,005)	2,133	-18.2%	
Adjustments post P5 & Re		1,154		1,154	1,154			
Colindale – Parks, Open Spaces and Sports	5,404	(104)	0	5,300	(104)	1,132	-1.9%	No change to forecast. Works to complete Jan 20
Refurbish and regenerate Hendon Cemetery	995	0	440	1,435	440	-	0.0%	£440k budget applied to scheme below in error
Hendon Cemetery & Crematorium Enhancem	472	0	(440)	32	(440)	5	0.0%	£440k budget addition applied here but should be to scheme above
Lines and Signs	307	0	0	307	0	-	0.0%	Programme to be fully completed in 19/20
LED Lighting	7,600	(3,800)	0	3,800	(3,800)	-	-50.0%	Programme of installations is expected to start in September 2019 with a 12 month programme to completion. This spend indicates the expected progress of the programme up to year end,.
Pay and Display parking machine estate upgr	120	0	0	120	0	-	0.0%	The programme of P&D machines commenced w/c 17/06 Works expected to be completed within 8 weeks. The invoice for this element will be added to NSL monthly invoice and paid within FY 19/20, to be journalled once invoice is paid.
Moving traffic cameras	231	0	0	231	0	-	0.0%	Work started with contractor NSL on assessment of new sites. Anticipate spending within FY 19/20 on feasibility studies, camera survey and new camera equipment, installation and maintenance, journal to be completed once invoice is paid.
Controlled parking zones review	150	0	0	150	0	-	0.0%	External commission to be started subject to approval from Jamie Cooke.
Highways (permanent re-instatement)	1,375	(675)	0	700	(675)	-	-49.1%	The actual spend very much depends on the mix or Capital and Revenue related works undertaken during the year. This anticipated outturn is based on the extent of Rubber Crumb work in this years programme and the current resources being deployed on Member Footway Improvement requests.
Old Court House - public toilets	40	0	0	40	0	-	0.0%	Projections have been based as per the FY19-20 delivery plan
Parks & Open Spaces and Tree Planting	19	0	0	19	0	-	0.0%	Projections have been based as per the FY19-20 delivery plan
Park Infrastructure	325	(325)	0	-	(325)	-	-100.0%	Slipped due to delay the delivery of the programme
Victoria Park Infrastructure	611	0	0	611	0	8	0.0%	Projections have been based as per the FY19-20 delivery plan
Data Works Management system	380	(100)	0	280	(100)	22	-26.3%	based on the current known cost for phase 1 and 2 until end of March'20. Further update to be provided end of December'19.
Parks Equipment	107	0	0	107	0	-	0.0%	Projections have been based as per the FY19-20 delivery plan
Vehicles	2,453	0	0	2,453	0	-	0.0%	Projections have been based as per the FY19-20 Delivery plan
Street cleansing and greenspaces - vehicles a	1	0	0	1	0	1	0.0%	Various types of vehicles (Refuse, Greenspaces and Street Cleansing) will be purchased throughout the year, to deliver Street Scene Services.
Green spaces development project	621	(496)	0	125	(496)	10	-79.9%	Procurement forward plan for Copthall will take place in September
Environment Total	35,556	(6,401)	1,050	30,205	(5,351)	3,732	-18.0%	
BXC - Funding for land aquisition	16,198	0	0	16,198	0	249	0.0%	No change to forecast. Majority spend due Q4
Thames Link Station	212,538	0	0	212,538	0	16,244	0.0%	No change to forecast. No update received from budget holder
Critical Infrastructure	12,200	0	0	12,200	0	-	0.0%	sb cc 51453. Exp £18k to date. No change to forecast
Strategic Infrastructure Fund	23,000	(220,448)	0	197,448	(220,448)	16,451	-958.5%	Brent Cross slip not apportioned at P5

Appendix B CFO Report for FPCC Committee - Capital			2#2		2#2	2#2	2#2	2#2
Capital Programme Description	Original Budget 2019-20	Slippage & Accelerated spend	Additions / (Deletions)	2019-20 P5 Forecast	Variance	Spend to Date	% slippage of 2019/20	Comments
	£000	£000	£000	£000	£000	£000	£000	
Brent Cross	263,936	(220,448)	0	43,488	(220,448)	32,446	-83.5%	
Re. Memo only for consistency.					0	-		
Colindale – Highways and Transport	6,062	(2,762)	0	3,300	(2,762)	24	-45.6%	No change to forecast. Review of works due Pd6
Colindale Station Works	11,000	1,300	0	12,300	1,300	-	11.8%	No change to forecast. 1st payment £9.6m to be made once proof of work received from TfL
Grahame Park – Community Facilities	2,132	(1,973)	0	159	(1,973)	-	-92.5%	Works on improvement of current facilities in 19/20.
Town Centre	2,374	(2,248)	0	126	(2,248)	5	-94.7%	5 schemes for 2019/20
Development pipeline	13	0	(13)	-	(13)	-	0.0%	Costs 18/19 transferred to revenue. Budget brought forward but not required
Strategic opportunities fund	-	0	6,000	-	0	-		No expenditure planned for 2019/20
Regional Enterprise (memo) Total	21,581	(5,683)	5,987	15,885	(5,696)	29	-26.3%	
					0	-		
General Fund Programme Total	529,560	(310,697)	7,671	226,534	(303,026)	82,402	-58.7%	
HRA Capital		0	0		0	2,730		
Housing Revenue Account		0	0		0	-		
Major Works (excl Granv Rd)	6,229	(2,315)	20,421	24,335	18,106	6,923	-37.2%	Housing Committee in Jan 19 agreed the budgets for 2022/23 to 2024/25
Regeneration	1,401	903	2,038	4,342	2,941	11	64.5%	Housing Committee in Jan 19 agreed the budgets for 2022/23 to 2024/26
Miscellaneous Repairs	2,387	(468)	6,477	8,396	6,009	1,531	-19.6%	Housing Committee in Jan 19 agreed the budgets for 2022/23 to 2024/27
M&E/ GAS	4,945	1,009	9,520	15,474	10,529	258	20.4%	Housing Committee in Jan 19 agreed the budgets for 2022/23 to 2024/28
Voids and Lettings	2,990	708	12,223	15,921	12,931	25	23.7%	Housing Committee in Jan 19 agreed the budgets for 2022/23 to 2024/29
Advanced Acquisitions (Regen Estates)	4,718	0	(4,418)	300	(4,418)	-	0.0%	Deletion as no further spend required on this project
Ansell Court - extra care housing	805	(805)	0	-	(805)	-	-100.0%	
Dollis Valley - property acquisitions	6,589	(6,589)	0	-	(6,589)	-	-100.0%	
Extra Care- housing (Stag & Cheshire)	34,994	(33,789)	0	1,205	(33,789)	-	-96.6%	
Burnt Oak Broadway Flats - additional storey	4,889	(4,521)	0	368	(4,521)	-	-92.5%	
Upper & Lower Fosters Community Led Design	845	(445)	1,600	2,000	1,155	559	-52.7%	Addition agreed by Council
Stag house - property purchase	901	0	0	901	0	782	0.0%	
Barnet Homes GLA development programme	1,397	(397)	0	1,000	(397)	-	-28.4%	
HRA acquisitions	10,000	0	0	10,000	0	-	0.0%	
Silk House and Shoelands	1,965	0	0	1,965	0	-	0.0%	As agreed by Housing Committee
HRA Fire Safety Programme	23,309	(16,489)	(1,965)	4,855	(18,454)	3,626	-70.7%	The total approved budget was £51,917m at Housing Committee in Jan 19 & P&R in Feb 19. £10,097 was spent in 2017/18 and 2018/19 - a further £1.965m was approved by P&R in June 2019
HRA Programme Total	108,364	(63,198)	45,896	91,062	(17,302)	16,445	-58.3%	
Total Capital Programme	637,924	(373,895)	53,567	317,596	(320,328)	98,847	-58.6%	

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	Financial Performance and Contracts Committee 28th October 2019
Title	Capital Programme 2019-2025
Report of	Director of Finance (Section 151 Officer)
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: Capital Programme by Theme Committee Appendix B: Capital Programme by Directorate
Officer Contact Details	Paul Clarke, Deputy Section 151 Officer paul.clarke@barnet.gov.uk

Summary

This report contains a deep dive into the current capital programme including its purpose, its funding and progress in its delivery.

Officer Recommendations

1. That the Committee note the current position of the Capital Programme;
2. That the Committee consider whether there is any additional information they require in relation to the contents of the report.

1. Purpose of the capital programme

- 1.1. Delivering successful capital programmes can improve the quality of services that councils provide. It can help achieve local outcomes and improve the overall efficiency of how the public sector service provision operates and can reduce costs in the long term. To deliver successful capital programmes, councils need to ensure plans are well-designed and well-executed. Poor planning and lack of accountability and leadership can undermine investment. Good programme and project management increase the likelihood that investment is well-directed, delivered to time, cost and quality targets and provides the intended benefits.
- 1.2. The council should have a clear vision for capital investment - aligning major capital investment activity to the strategic objectives of the council. A clear vision should focus on ensuring the right buildings, infrastructure and equipment are in place to support service delivery. Delivering sustainable services, achieving local outcomes and maintaining and developing the existing asset base should be the main drivers for major capital investment.
- 1.3. The capital programme at the London Borough of Barnet sets out the council's plans for investment in buildings, roads, equipment and other assets, and how they will be funded. Both the revenue budget and the capital programme are linked to Barnet 2024 , focussing limited resources on priorities and taking outcomes and taxation consequences into consideration.
- 1.4. The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019/20, all local authorities to prepare an additional report, a capital strategy report. The council's current capital strategy report covers the strategic context to capital investment within Barnet and sets the objectives of the capital strategy as follows:
 - Maintain an affordable rolling capital programme of up to ten years
 - Ensure capital resources are aligned with the Council's strategic vision and corporate priorities
 - Undertake prudential borrowing only when there are sufficient monies to meet, in full, the implications of capital expenditure, both borrowing and running costs
 - Maximise available resources by actively seeking appropriate external funding and disposal of surplus assets
- 1.5. The capital strategy also sets the priorities for capital investment as follows:
 - Driving and supporting responsible growth and development as a critical component of financial sustainability and independence
 - Improving outcomes and supporting a reduction in demand on services
 - Enabling delivery of high value changes in the MTFS
 - Enabling delivery of new statutory requirements
 - Maintaining a balanced and affordable approach to funding

2. Capital programme approval and monitoring process

- 2.1. The council's capital programme is approved annually by full council as part of the Medium Term financial Strategy (MTFS). In March 2019, the updated Corporate Plan (Barnet 2024) was approved by Council. This sets the strategic direction of the council, including the high level outcomes for the borough, including the approach.
- 2.2. The capital programme is monitored on a monthly basis by various officer groups. Any additions or changes to the capital programme are presented to Policy and Resources Committee for approval. The changes include updates on funding, project slippage or accelerations and budget virements. The Financial Performance and Contracts Committee is also presented with progress reports on the delivery of major projects for oversight and scrutiny.
- 2.3. When the capital programme is approved the inclusion of schemes within the capital programme is based on a 'best estimate' of when delivery and completion should be achieved and a profile of expected spending across the financial years. Slippage reflects delays in the physical progress of a project against this approved profile and is measured in financial terms by comparison of actual against anticipated payments, however is not always controllable and to some extent can reflect over ambitious spending profile rather than delays in a programme. The end of each financial year (31st March) is used as the fixed point in time against which the extent of progress on the delivery of a project is assessed. Slippage can be controllable to varying degrees, and common causes are detailed below.

Lower level of control:

- Legal constraints;
- Physical works (e.g. delays in groundworks);
- Supplier related (e.g. supplier failure);
- Changes to project scope;
- Profiling of availability of key resources.

Higher level of control:

- Contingency and / or retention budgets being profiled into current year rather than at the end of the project;
- Budgets for projects not yet in flight profiled in year;
- Affordability of the scheme causing a pause;
- Budget profiling error at the initial authorisation of the scheme;
- Project managers not updating project profiling regularly in line with delivery.

- 2.4. In financial terms, slippage in the delivery of the capital programme has an impact on the Treasury Management Strategy. It can lead to an assumption of borrowing that will have to be undertaken which is inaccurate and means the council is committed to revenue costs in association with that borrowing. Slippage can also have a short term positive impact on revenue budgets. In recent years slippage has resulted in one-off revenue underspends in capital financing costs as a result of borrowing being lower than anticipated.
- 2.5. Like most public sector bodies, the council has experienced significant slippage in capital projects in most financial years. In 2018/19 financial year the level of borrowing

needed has been less than planned, even after adjusting for changes in the amount of external grant funding or capital receipts. The graphic below displays the key information relating to the 2018/19 Financial year:



2.6. On 3rd October 2019, Policy and Resources Committee approved slippage of £153.447m from 2019/20 financial year into future periods. Whilst this value is significant, it is part of a sustained effort to improve the accuracy of the current programme and support stronger financial management. However, more work needs to be done to ensure slippage isn't just being moved to the next year.

3. Planned Improvements

3.1. Uncertainty and risks are inherent in long term capital planning, making it difficult to estimate both the scale of expenditure and its timing at the outset of projects. However, there are a number of controls and improvements the council has introduced to improve the capital budgeting and monitoring processes. These improvements are aimed at improving the accuracy of the capital programmes profiling and their related expenditure to strengthen the decision making process in light of the limited financial resources.

3.2. In 2019/20 new developments in the budget monitoring systems and reporting were introduced and it is now possible to monitor the programme over 6 years on a service-by-service and scheme-by-scheme basis in a systematic way on Integra. The aim was to improve the capital budget setting and monitoring process in accordance with recommendations made by Grant Thornton.

3.3. The budget monitoring process for capital schemes is reviewed regularly to determine if additional and proportionate controls could be implemented to improve the ability of finance business partners and senior management to detect unexpected variations. Capital budget monitoring training was also developed for budget managers. The capital budget monitoring training includes raising awareness of the detrimental impact of forecasting to budget for capital; e.g. due to the borrowing costs associated with funding the capital programme.

3.4. For the purpose of development and maintenance of a capital programme, the Capital Strategy Board (CSB) was setup in 2018 to have officer oversight of the Council's capital

programme and ensure that it is consistent with Council priorities. The CSB is an officer body with a remit to discuss capital strategy at a senior director level cross cutting level. It takes any decision-making power from the delegated authority of officers attending as set out in the Financial Regulations and the Council's Constitution.

3.5. CSB's role includes identifying and monitoring the resources available to fund the capital programme ensuring all approved schemes are fully funded. The Board also monitors and reviews progress of the capital programme and key variances between plans and performance.

3.6. A new Assistant Director was also created for Capital Works. The postholder will be a core member of the Capital Strategy Board and will chair internal Education Capital Scheme Board, Development Scheme Board and Operational Capital Scheme Board, thereby managing a significant proportion of the forecasted pipeline of schemes. The responsibility of the new role excludes all regeneration schemes including Brent Cross related programmes.

4. Funding options and associated rules

4.1. The capital programme shown above is funded from the following sources:

- **Grants:** capital grants from central government departments (e.g. MHCLG) or other partners (Transport for London, Education Funding Authority);
- **S106:** developer contribution towards infrastructure; confined to specific area and to be used within specific timeframe;
- **Community Infrastructure Levy (CIL):** developer contribution towards infrastructure; can be used borough wide but still has time restrictions on use; paid into infrastructure reserve;
- **Capital Receipts:** these are proceeds of capital sales (land, buildings, etc.) and are re-invested into purchasing other capital assets; and
- **Borrowing:** typically, Public Works Loan Board loans to support capital expenditure; this type of capital funding has revenue implications (i.e. interest and provision to pay back loan)

4.2. Capital receipts

- The current capital programme is estimating to spend £1.120bn over the next five years, £41.01m of which is planned to be funded by capital receipts. Current receipts are standing at £21.19m with £19.36m being HRA receipts and the remaining £1.83m are General Fund (GF) receipts. However, £1.4m of the GF receipts have been ringfenced and set aside as they are in dispute with Barratts and may need to be refunded.
- Of the £41.01m capital receipts, £26.01m will be funded from HRA capital receipts (RTB Receipts). Current HRA capital receipt balances plus future estimates suggest that there will be enough HRA capital receipts to fund the relevant projects.
- The remaining £15m is expected to come from General Fund capital receipts. With £12.34m needed in 2019/20. There are currently no General Fund disposals in process however it is estimated that capital receipts by the end of the year will be £10m
- Assuming no further disposals for the General Fund for 2019/20 there is a gap of £12.01m.

- If no capital receipt was generated in 2019/20, the capital receipt funding will be replaced by borrowing. This will result in additional £0.21m interest costs in 2019/20 and £0.4m of MRP increase in 2020/21 and future years.

4.3. Capital Grants & Contributions (including s106 and CIL)

- The current capital programme funding forecast shows £493.11m will be funded from Capital Grants and Contributions. Of this value, S106 and CIL combined are standing at £62.7m of the total Capital Grants and Contribution funding.
- Based on the current capital programme forecast and future estimates it is expected that there will be enough S106 contributions to fund the relevant projects.
- Based on the current forecasts for CIL funded projects, there is a gap of £4.62m in 2019/20. Should there be slippage, this gap will reduce.
- The projected plan to use S106 and CIL contributions and the funding gaps/surplus balances for each year are detailed in the tables below:

4.4. Capital Financing and Borrowing

- The council has been able to 'internally borrow' funding for a period of time due to cash held in relation to its reserves and liabilities it has not yet had to pay
- This cash positive situation is starting to switch over to a position requiring additional borrowing as a result of significant capital expenditure
- Every £1m of capital funding through borrowing requires a revenue provision of around £53k to be set aside for 40 years until the loan is repaid
- Based on the revised capital forecasts there will be a borrowing requirement of £143.01m in 2019/20 with £12.59m relating to HRA borrowing which will not require any MRP charges.
- The council has taken £80m of additional long term borrowing so far from a planned £160m (GF share £124m) of new debt at an average rate of 2.1%. This generates additional annual GF interest of £2.604m.
- The table below shows the current Capital Financing costs as per the latest forecasted capital expenditure to be funded from Borrowing and is illustrative only.

	2019/20	2020/21	2021/22	2022/23	2023/24
Borroiwnng B/F	212,088	345,208	447,918	501,655	535,244
In Year Borrowing	133,120	102,710	53,737	33,589	33,000
Total Borrowing	345,208	447,918	501,655	535,244	568,244
Cost of Borrowing					
Interest Costs (Old Borrowing)	4,297	4,297	4,297	4,297	4,297
Interest Costs (New Borrowing)	1,680	2,810	4,531	5,491	6,224
Total Cost of Borrowing	5,977	7,107	8,828	9,788	10,521

- The cost of borrowing for certain schemes is underpinned by additional income. The key schemes which will contribute are Open Door, Saracens loan and Strategic Infrastructure Fund.

5. Capital programme and its relationship to the revenue budget

- 5.1. There is a direct links between capital spending and other council financial activity such as treasury management and revenue spending. Capital programme investment is linked to future service delivery requirements and achieving local outcomes and priorities. These outcomes and priorities can be financial and/or non-financial.
- 5.2. In assessing the capital programme, the financial impact of the borrowing costs and the future return on investment is monitored regularly. For example, the council's capital expenditure plans are a key driver of treasury management activity. The borrowing requirement for the capital programme can change due to slippages, acceleration, additions and/or funding swap due to shortages in other funding sources. Increases or decreases in borrowing requirements results in changes to level of debt and subsequently financing costs (Interest charges) on revenue budgets in any financial year and also over the long term.
- 5.3. The accuracy of the council's forward projections for borrowing and revenue budgeting for financing costs are dependent on the accuracy of the approved capital programme, accurate profiling of schemes spending in each year and the availability of all funding sources i.e. capital receipts and other grants and contributions.
- 5.4. Nonetheless, in addition to interest cost charged to revenue, local authorities are required to charge Minimum Revenue Provision (MRP) to revenue for any capital spend that was funded through borrowing in previous years. MRP charges are usually charged on a straight-line basis over the life of the asset created from any specific capital programme. This is akin to depreciation however it is a real cost which must be funded from the council's revenue bottom line.
- 5.5. Before 2008, the 2003 Regulations contained details of the method that local authorities were required to use when calculating MRP. This has been replaced by the current Regulation 28 of the 2003 Regulations, which gives local authorities flexibility in how they calculate MRP, providing the calculation is 'prudent'. In calculating a prudent provision, local authorities are required to have regard to this guidance. It is the responsibility of the Section 151 officer to deem whether the policy is 'prudent' and it is something the External Auditor will take a view on each year during the year end audit.
- 5.6. It is a statutory duty for the council to determine and keep under review how much it can afford to borrow. The council is required to make sure that the total capital investment remains with sustainable limits and that the impact upon its future council tax and council rent levels is 'acceptable'.
- 5.7. The table below shows the current and projected MRP charges from the capital programme over the next five years:

	2019-20	2020-21	2021-	2022-23	2023-24	2024-2025	2025-26
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			2022				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Expenditure Prior to 1 April 2008 (4% reducing balance)	1,588	1,524	1,463	1,405	1,349	1,295	1,243
Capital Expenditure 2008/09 to 2016/17	7,518	6,236	5,636	5,008	4,780	4,678	4,360
2017/18 Capital Expenditure	689	689	689	741	741	741	741
2018/19 Capital Expenditure	1,764	1,764	1,764	2,189	2,189	2,023	2,023
2019/20 Capital Expenditure	0	3,316	3,316	4,100	4,018	4,018	4,018
2020/21 Capital Expenditure	0	0	889	889	889	889	889
2021/22 Capital Expenditure	0	0	0	1,092	1,092	1,092	1,092
2022/23 Capital Expenditure	0	0	0	0	665	665	665
2023/24 Capital Expenditure	0	0	0	0	0	660	660
	11,559	13,529	13,757	15,423	15,723	16,060	15,691

6. Current Capital programme

6.1. The council has a significant capital programme across both the General Fund and the Housing Revenue Account (HRA). Capital projects are considered within the council's overall medium to long term priorities, and the preparation of the capital programme is an integral part of the financial planning process. This includes taking account of the revenue implications of the projects in the revenue budget setting process.

6.2. Following approval by the Policy and Resources Committee on the 3rd October, this paper sets out the Council's latest capital programme position which is set over a six year timeframe. The proposed Capital programme for 2019/20 to 2024/2025 takes the essential elements of the previous years' programmes and moves them forward in the context of the financial and political environment for 2019/20. The current approved Capital Programme totals £1.121bn and is set out below in summary form.

Theme Committee	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total
	£000	£000	£000	£000	£000	£000	£000
Adults and Safeguarding	14,884	795					15,679
Assets, Regeneration & Growth	334,303	191,483	91,407	46,600	32,850		696,643
Children, Education & Safeguarding	25,192	16,284	7,769	539			49,784
Environment	23,751	13,751	6,250	50			43,802
Housing	21,388	6,024					27,412
Policy & Resources	20,402	9,449					29,851
Total - General Fund	439,920	237,786	105,426	47,189	32,850		863,171
Housing (HRA)	40,748	92,335	64,299	25,625	16,911	17,721	257,637
Total - all services	480,668	330,121	169,725	72,814	49,761	17,721	1,120,808

6.3. The capital programme shown above is funded from the following sources:

Theme Committee	Grants	S106	Capital Receipts	RCCO/MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000
Adults and Safeguarding	2,000	700	500		10,291	2,188	15,679
Assets, Regeneration & Growth	362,268	14,764	12,677		15,732	291,202	696,643
Children, Education & Safeguarding	39,235	3,536	910		852	5,251	49,784
Environment	3,156	965	3,380	440	12,040	23,821	43,802
Housing	6,012	3,817	4,137	650		12,796	27,412
Policy & Resources			6,074	5		23,772	29,851
Total - General Fund	412,671	23,782	27,678	1,095	38,915	359,030	863,171
Housing (HRA)	17,740		13,331	141,162		85,404	257,637
Total - all services	430,411	23,782	41,009	142,257	38,915	444,434	1,120,808

7. Explanation of the current programme

7.1. The above capital programme is presented using the council's decision-making theme committees. To support delivery of the outcomes in the capital programme and in line with the Corporate Plan, each Theme Committee will be responsible for delivering the programmes that fall within its remit.

7.2. **Adults and Safeguarding Committee** Is responsible for all matters relating to vulnerable adults, adult social care and leisure services and currently has a total budget of £15.7m. The largest project within this committee is the Sport and Physical Activities with a budget of £12.7m. The purpose of the scheme is the delivery of two new leisure centres at Barnet Copthall and Victoria Recreation Ground in New Barnet, funded through a combination of Community Infrastructure Levy (CIL), Capital receipts and other Grants.

There are a number of positive revenue implication from the is the Sport and Physical Activities capital programme. This include the New leisure management contract (awarded in 2017) to provide anticipated annual average income of £1.6m per annum. This represents a £2.7m positive 'turnaround' from the previous position and delivers a saving within the MTFS.

A capital budget of £2.18m is currently being used for systems implementation and enhancements to enable better quality recording of client level information and data extraction for the Adults and Health directorate. This will help to manage performance and budgets robustly. £1.8m is currently ringfenced for phase 1 of BetterGov Mosaic implementation which included new user journeys, forms development and training along with reporting universe, warehouse development. Phase 2 of this project will deliver mental health recording, and custom-built reports for the directorate. There is a current pressure of £0.38m significant part of which will be met by HIE (Health Information Exchange programme).

7.3. **Assets, Regeneration & Growth committee** has biggest budget within the council's capital programme at £696.6m which accounts for 62% of the total council's budget. Brent Cross Cricklewood with a total budget of £402m is the largest programme in the Assets, Regeneration & Growth committee. The Committee has responsibility for regeneration strategy and oversee major regeneration schemes, asset management, employment strategy, business support and engagement. Below is a list of major projects within the committee:

- **Brent Cross Cricklewood - £16m**

Brent Cross Cricklewood (BXC) is made up of two projects, Brent Cross North (BXN) and Brent Cross South (BXS). The projects will facilitate comprehensive regeneration of the 151 hectare area including affordable homes, employment, retail, leisure and social infrastructure such as schools, public realm and green space. This 'new town centre for London' will offer benefits to both the local population and, through its strategic location and enhanced connectivity, the whole Greater London region. Income will be generated over time in the form of land receipts received on the disposal of BXS development plots, growth in business rates from commercial development in both BXS and BXN and on-going council tax from the 7,500 new homes delivered. The Council secured three Compulsory Purchase orders to acquire the land needed to deliver the programme. Acquisition of land is funded from council borrowing.

- **Thameslink Station and Critical Infrastructure - £363m**

The delivery of a new Thameslink mainline rail station and associated critical infrastructure works will provide local residents and visitors improved access to the area, pedestrian, cycling and vehicle links across the railway, and replace outdated waste and freight facilities. The station and critical infrastructure are funded by a partially repayable grant from the Ministry of Housing, Communities & Local Government.

- **Strategic Infrastructure Fund –£23m**

The Strategic Infrastructure Fund represents a commercial funding agreement between Barnet and a joint venture with Argent Related, the BXS Limited Partnership (JVLP). The fund is being utilised for Strategic Infrastructure or such other Development Costs in respect of the redevelopment of BXS, which are recoverable by way of the Strategic Infrastructure Charge. It is anticipated that the funding provided by the council will be repaid in January 2020 via a separate facility agreement between Homes England and JVLP.

- **The Parks and Open Spaces Strategy (POSS) - £6.9m**

Approved in 2016 this project outlines a strategic approach to guide future investment in parks, ensuring that they are practical and are part of the well-used fabric of a local community. The strategy also acknowledges that in consideration of regeneration and development, parks in Barnet will have to fulfil a new function in supporting the development of sustainable communities and attractive neighbourhoods and in bringing businesses and employment to town centres. There is a relationship to revenue budgets particularly in regard to ongoing maintenance and revenue income (café's, leisure etc) and underpins corporate outcomes in several areas including across wellbeing and health and strong Barnet economy as well as being a specifically mentioned as a priority in getting the best out of our parks. It should be noted some elements of these, particularly around design, are subject to further consultations with residents, users and negotiations with key partners. The overall programme is funded by CIL (£6.506m), other grants and s106 contributions.

- **New Build Housing & Housing acquisitions (Open Door) - £60m & £163m**

With a combined budget of £223m, the purpose of these two programmes is to develop 320 new homes at affordable rent in the borough by 2022 and purchase of 500 residential properties in Greater London and other areas within 50-mile radius for use at affordable rent. The aim is to increase the supply of affordable housing for homeless households which will result in reduced pressure on the General Fund, by avoidance of higher Temporary accommodation costs. Nonetheless, the council will generate additional capital receipts from Open Door loan repayment which can be used to fund future capital programmes and reducing the revenue implication of further borrowing costs. The two programmes will be funded from Right To Buy receipts & PWLB Borrowing

- **Strategic opportunities fund - £26m**

The budget was established for short-notice strategic purchases which will generate a return over and above the cost of investment. Any opportunities will be funded from borrowing.

7.4. **Children, Education & Safeguarding Committee** capital programme has a budget of £49.8m. The Committee has a wide range of responsibilities for all matters relating to children, schools and education. This includes approving the Children and Young People Plan and leading on the council's responsibilities under the Children Act 2004, Children and Social Work Act 2017 and Education and Inspection Act 2007.

The two elements to the Education programme include Modernisation programme which is used to improve school infrastructure and currently covers 28 schools with a 2019/20 budget of £3.5m. Additional Places programme for Primary & Secondary Schools is funded from the Basic need funding grant of £14.1m and it is used to deliver school places across 9 schools. This scheme has been able to re-provide 60 places at a primary school level and to create an additional 60 new places at a secondary school. This scheme has also allowed the provision of land to the DfE which in-turn, facilitated the building of the new 6 form entry Saracens High School.

The budget for Special Educational Need (SEN) Schemes for 2019/20 is £4.7m. This scheme has allowed an additional 34 SEN places to be created at 3 schools and 1 PRU.

The family services element of the capital programme in this committee has a budget of £2.6m in 2019/20 and this is across different programmes:

- Creation of new nursery places,
- Creation of a new children's home and loft conversions which will improved provision and help avoid future external high cost placements.
- IT infrastructure 'single view' of the child in one system. There are no financial benefits from this scheme, but the purpose of this programme is to the provision of better information.
- Library management system for upgrading current IT infrastructure and buildings helping to deliver £1.6m of revenue savings over 4 years.

7.5. **Environment Committee** is responsible for all borough-wide or cross-constituency matters relating to the street scene including, parking, road safety, lighting, street cleaning, transport, waste, waterways, refuse, recycling, allotments, parks, trees, crematoria and mortuary, trading standards and environmental health. The capital programme budget for this committee is £43.8m.

The overall Environment programme is £43.8m consisting of £23.8m borrowing and £20m of other funding and is firmly based in Barnet policy, priorities and supporting corporate outcomes together with resultant MTFs savings. The current capital programme has several significant key projects approved and ongoing as part of the strategy detailed in the report.

Corporate priorities include highways and a comprehensive programme is ongoing. The Network Recovery Programme £21.19m (£12m CIL and the balance £9.19m borrowing) is an agreed multi-year programme to improve the highway system in Barnet. This dovetails with the specific and general works ongoing around Highways works to improve the boroughs infrastructure, parking, environment, air quality and traffic flow £3.14m of which £2.4m is borrowing, CIL s106 and Grants bring in £0.72m. Due to contractor capacity to undertake programmes some slippage is being managed to balance workflows. Much of this is delivered through our partners in Re. Additionally the highways element of the LIP is £3.07m of grants bringing the total programme across highways excluding (parking infrastructure and proactive works) up to £27.4m.

Hendon Cemetery / Crematoria enhancement works is a priority and also supports revenue and is for £1.44m and is funded by borrowing, Revenue Contributions, and capital receipts; very roughly a third split from each.

Parking infrastructure includes works to develop signs, traffic cameras and zones and proactive works to ensure traffic safety and flow and environmental benefits. The work is a key priority for Barnet to ensure we keep the borough moving, supporting local business and on environmental improvements and anti-social behaviour. The planned total programme is £2.78m and is funded by £1.78m of borrowing and £1.01m of Capital Receipts.

LED Lighting is replacing existing street lighting with LED and has a £7.6m total planned budget all from borrowing, with both environmental and cost saving benefits already in MTFs the improved lighting effects will help across all the council priorities by giving a better night time perception.

The replacement of Waste and Street cleansing vehicles is a major capital spend that is both necessary due to the simple need to replace an aging fleet and will also save revenue costs/pressures and improve air quality among other benefits helping across a number of priorities and outcomes. With the routing software to aid in efficient route planning and execution (which further supports revenue, environment and air quality, anti-social behaviour and many of the other priorities) this gives a total programme focused on Streetscene Service of £2.83m funded by £1.66m borrowing and £1.18m of capital receipts.

7.6. Policy & Resources has a capital programme budget of £29.85m. This committee is responsible Strategic policy, finance and corporate risk management including recommending: Capital and Revenue Budget; Medium Term Financial Strategy; and Corporate Plan to Full Council.

Saracens loan is the biggest capital item within the Policy & Resources Committee portfolio. The loan agreement with Saracens Copthall LLP is for £22.9m repayable over 30 years at an interest rate of 6% for the purposes of constructing a replacement west stand as part of their Allianz park stadium at Copthall. It follows the P&R committee decision on 11th December 2018 to authorise the Deputy Chief Executive to take steps

to prepare the loan agreement. The council has made this loan (as a form of investment) to an organisation operating in the Borough that brings community benefit. The loan will be funded from borrowing. It will be borrowed by the council from the Public Works Loan Board (PWLB), the prevailing interest rate at which point the loan was agreed was 2.93% at October 2018. Although interest rates are more favourable at the moment the council will need to manage the interest rate risk. The loan is being drawn down by Saracens over time and to date this amounts to £1.7m.

The committee is also responsible for the I.T strategy capital programme with £2.98m remaining budget in 2019/20. This programme was agreed to support 'the way we work' (TW3) programme and deliver the internal digital transformation supporting this wider initiative. So far it has funded the implementation and deployment of a range of Microsoft products enabling more flexible working as accommodation is reduced. There is also an element to facilitate the move of staff into the new Colindale offices and an IT asset refresh programme (that replaces devices every 5 years on a rolling basis) and systems to reduce physical on-site storage.

7.7. **Housing (GF & HRA)** has a combine total capital programme budget of £280.16m (HRA - £252.75m and GF - £7.41m). This committee is responsible for housing matters including housing strategy, homelessness, social housing and housing grants, commissioning of environmental health functions for private sector housing. Below is a list of major programmes within the committee:

- **Direct Acquisitions (Phase 3) - £9.77m**
This programme is for open market purchases of 90 affordable (out of borough) Housing. The outcomes desired is to increase the supply of affordable housing to homeless households and lower the costs of providing temporary accommodation, hence reducing the pressure on General fund revenue budgets. The funding source is PWLB General Fund Borrowing.
- **Micro site development for affordable housing - £5.46m**
The purpose of this programme is to develop 17 new homes at affordable rent on council land to increase the supply of affordable housing for homeless households. The aim is to reduced pressure on the General fund revenue budget by avoidance of higher Temporary accommodation costs. This programme will be funded from a various funding sources (Section 106, GLA grant and & PWLB Borrowing)
- **Major Works - £41.39m**
The budget provides for significant work programmes of energy efficiency, specific work to Athol houses as well as the cyclical external painting programme and work to wall and balconies. Significant spend is allocated to Decent Homes work, including the replacement of kitchens, bathrooms, doors and windows. This also includes estate improvements, including door entry systems. Funding source is HRA Major Repair Reserve
- **Regeneration - £4.75m**
This budget is for work that falls outside of a major programme, e.g. due to no access or a particular problem has arisen. The work addresses key building components to ensure the property remains safe and is kept in good repair. It includes new windows, rewiring as well as new kitchens and bathrooms with similar volumes of work being carried out in each year. It also includes a budget for decanting properties and associated work to link in with the regeneration programme. Funding source is HRA Major Repair Reserve
- **Miscellaneous Repairs - £13.5m**

This HRA capital programme deals with the replacement of water mains, domestic and communal heating systems, aerials, one off electrical rewiring and re-roofing that falls outside of other programmes or is combined with other relevant work. Funding source is HRA Major Repair Reserve

- **M&E/ GAS £24.21m**

Budget is for significant spend on domestic rewiring and the replacement of electrical rising mains in blocks of flats. It also includes a budget for the replacement of collapsed drains and the installation of new water mains. Funding source is HRA Major Repair Reserve

- **Voids and Lettings £22.42m**

The voids budget, which also includes voids work on hostels and adaptations that are needed to make homes suitable for the particular needs of new tenants. Funding source is HRA Major Repair Reserve

- **Extra Care- housing (Stag & Cheshire) - £35M**

The purpose of this HRA project is to develop 126 Extra Care homes at affordable rents for vulnerable older people to diversifying Barnet's accommodation to support older people and allow them to remain independent, give them security of tenure and further their quality of life. This will help in reducing pressure on the General fund, by minimising residential care costs which are higher than extra care costs. Funding for this project will be from HRA receipts and GLA grant

- **Barnet Homes GLA development programme - £27.63m**

This HRA capital programme is for developing 87 new homes for affordable rent to increase the supply of homes in borough. This will help in increasing rent receipts to the HRA and reduced pressure on the General fund, by avoidance of higher Temporary accommodation costs. This programme will be Funded from a combination of GLA grant & HRA Borrowing

- **HRA acquisitions – £31m**

The purpose of this HRA programme is to purchase of 82 residential properties in the borough for use at affordable rent. The desired outcome is to increase the supply of affordable housing for homeless household and reduced pressure on the General fund, by avoidance of higher Temporary accommodation costs. This programme will be funding from HRA PWLB Borrowing & Right To Buy receipts.

- **HRA Fire Safety Programme - £39.86m**

The purpose of this HRA capital [programme is to ensure all of council's high-risk properties (high rise, sheltered schemes and hostels) meet and exceed the requirements of the fire regulations ensuring the tenants and leaseholders are safe and that the council is proactively meeting the expected changes to the building regulations. The funding of this capital programme will be from grants and HRA Major Repair Reserve.

8. Reasons for Recommendations

8.1 The report provides an overview of the council's capital programme and associated revenue implications as at month 5.

9. Alternative options considered and not recommended

9.1 None.

10. Post decision implementation

10.1 None.

11. Implications of decision

11.1 Corporate Priorities and Performance

11.1.1 The report supports the council's corporate priorities as expressed through the Corporate Plan for 2019-24 which sets out our vision and strategy for the next 5 years. This includes the outcomes we want to achieve for the borough, the priorities we will focus limited resources on, and our approach for how we will deliver this.

11.1.2 Our 3 outcomes for the borough focus on place, people and communities:

- a pleasant, well maintained borough that we protect and invest in
- our residents live happy, healthy, independent lives with the most vulnerable protected
- safe and strong communities where people get along well

11.1.3 The approach for delivering on this is underpinned by four strands; ensuring residents get a fair deal, maximising on opportunities, sharing responsibilities with the community and partners, and working effectively and efficiently

11.2 Resources (Finance and Value for Money, Procurement, Staffing, IT, Property, Sustainability)

11.2.1 This report considers the financial position of the council in respect of the Capital Programme and associated revenue implications.

11.3 Social Value

11.3.1 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.

11.4 Legal and Constitutional References

11.4.1 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.

11.4.2 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.

11.4.3 The council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Financial Performance and Contracts Committee as being Responsible for the oversight and scrutiny of:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Assets, Regeneration & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee; or Housing Committee
- The council's major strategic contracts including (but not limited to):
 - Analysis of performance
 - Contract variations
 - Undertaking deep dives to review specific issues
 - Monitoring the trading position and financial stability of external providers
 - Making recommendations to the Policy & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers
- At the request of the Policy & Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee
- To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with this Article.

11.4.4 The council's Financial Regulations can be found at:

<https://barnet.moderngov.co.uk/documents/s47388/17FinancialRegulations.doc.pdf>

11.4.5 Section 2.4.3 states that amendments to the revenue budget can only be made with approval as per the scheme of virements table below:

Virements for allocation from contingency for amounts up to and including £250,000 must be approved by the Chief Finance Officer
Virements for allocation from contingency for amounts over £250,000 must be approved by Policy and Resources Committee
Virements within a service that do not alter the approved bottom line are approved by the Service Director
Virements between services (excluding contingency allocations) up to and including a value of £50,000 must be approved by the relevant Chief Officers
Virements between services (excluding contingency allocations) over £50,000 and up to and including £250,000 must be approved by the relevant Chief Officer and Chief Finance Officer in consultation with the Chairman of the Policy and Resources Committee and reported to the next meeting of the Policy and Resources Committee
Virements between services (excluding contingency allocations) over £250,000 must be approved by Policy and Resources Committee.

11.5 Risk Management

11.5.1 Various projects within the council's revenue budget and capital programme are supported by time-limited grants. Where there are delays to the implementation of these projects, there is the risk that the associated grants will be lost. If this occurs either the projects will be aborted or a decision to divert resources from other council priorities will be required.

11.5.2 The revised forecast level of balances needs to be considered in light of the financial performance reported.

11.6 Equalities and Diversity

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

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

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

11.6.3 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.

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

11.6.5 Progress against the performance measures we use is published on our website at: www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity

11.7 Corporate Parenting

11.7.1 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.

11.8 Consultation and Engagement

11.8.1 None in the context of this report

11.9 Insight

11.9.1 None in the context of this report

12. Background Papers

Meeting	Description	Link
Financial Performance and Contracts Committee 19 th June 2019 7pm	7 Chief Finance Officer report – Year End	https://barnet.moderngov.co.uk/documents/s53051/Finance%20Outturn%20report.pdf
Policy and Resources Committee Thursday 3 rd October, 2019 7.00 pm	8 Business Planning 2020-25 and Budget management 2019/20	https://barnet.moderngov.co.uk/documents/s55387/Business%20Planning%202020-25%20and%20Budget%20Management%20201920.pdf

Theme Committee	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adults and Safeguarding	14,884	795					15,679	2,000	700	500		10,291	2,188	15,679
Assets, Regeneration & Growth	334,303	191,483	91,407	46,600	32,850		696,643	362,268	14,764	12,677		15,732	291,202	696,643
Children, Education & Safeguarding	24,957	16,284	7,769	539			49,549	39,235	3,536	842		852	5,084	49,549
Community Leadership and Libraries	235						235			68			167	235
Environment	23,751	13,751	6,250	50			43,802	3,156	965	3,380	440	12,040	23,821	43,802
Housing	21,388	6,024					27,412	6,012	3,817	4,137	650		12,796	27,412
Policy & Resources	20,402	9,449					29,851			6,074	5		23,772	29,851
Total - General Fund	439,920	237,786	105,426	47,189	32,850		863,171	412,671	23,782	27,678	1,095	38,915	359,030	863,171
Housing Revenue Account	40,748	92,335	64,299	25,625	16,911	17,721	257,637	17,740		13,331	141,161		85,405	257,637
Total - all services	480,668	330,121	169,725	72,814	49,761	17,721	1,120,808	430,411	23,782	41,009	142,256	38,915	444,435	1,120,808

Adults and Safeguarding	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Sport and Physical Activities	12,124	667					12,791	2,000		500		10,291		12,791
Gaelic playing pitch relocation	700						700		700					700
Investing in IT	2,060	128					2,188						2,188	2,188
	14,884	795					15,679	2,000	700	500		10,291	2,188	15,679

Assets, Regeneration & Growth	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000							
BXC - Funding for land acquisition	16,198						16,198						16,198	16,198
Colindale – Parks, Open Spaces and Sports	5,300	1,104	500				6,904	333	65			6,506		6,904
Office Build	10,882						10,882		102			1,159	9,621	10,882
Colindale – Highways and Transport	3,300	4,189					7,489	948	2,715			3,826		7,489
Colindale Station Works	12,300	200					12,500		9,750				2,750	12,500
New Build Housing (Open Door)	30,000	30,089					60,089			12,677			47,412	60,089
Housing acquisitions Open Door	8,300	40,700	40,700	40,700	32,600		163,000						163,000	163,000
Grahame Park – Community Facilities	159	1,973					2,132		2,132					2,132
Town Centre	126	2,998	750	750	250		4,874	633				4,241		4,874
Thames Link Station	212,538	61,430	29,110	5,150			308,228	305,354					2,874	308,228
Critical Infrastructure	12,200	42,800					55,000	55,000						55,000
Development pipeline														
Strategic opportunities fund		6,000	20,347				26,347						26,347	26,347
Strategic Infrastructure Fund	23,000						23,000						23,000	23,000
	334,303	191,483	91,407	46,600	32,850		696,643	362,268	14,764	12,677		15,732	291,202	696,643

Children, Education & Safeguarding	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Modernisation - Primary & Secondary	3,501	697					4,198	4,198						4,198
Healthy Pupils Fund	19						19	19						19
Orion Primary School	20	20					40	40						40
Monkfrith	112						112	112						112
St Agnes	785	38					823	823						823
Saracens Primary	15	1,650	550				2,215	2,211	4					2,215
Kosher Kitchen	200	600					800	800						800
Permanent All Through Expansion Programme														
London Academy	21						21	21						21
St Mary's & St John's	349						349	349						349
Permanent Primary/Secondary(reallocation) Expansion Programme														
St James / Blessed Dominic	12,587	628					13,215	11,036	2,179					13,215
Permanent Secondary Expansion Programme														
Oak Lodge Special School	40						40	40						40
Grammar school projects	80	241	140	539			1,000						1,000	1,000
SEN Programme														
Oakleigh SEN	120	1,700					1,820	1,820						
Claremont SEN		100					100	100						
Whitefield School ASD	1,813	45					1,858	1,858						1,858
Other Projects														
Whitings Hill, Colindale and Northway/Fairway														
School place planning (Primary)		1,348					1,348	1,263	85					1,348
School place planning (Secondary)		609					609	341	268					609
SEN			6,503				6,503	5,503	1,000					6,503
Alternative Provision	2,700	6,001					8,701	8,701						8,701
Early Education and Childcare place sufficiency	408	444					852					852		852
Information Management	298						298			53			245	298
Loft conversion and extension policy for Foster Carers	240						240			175			65	240
New Park House Children's home	3						3						3	3
Meadow Close Children's Homes	1,043	1,300	576				2,919						2,919	2,919
Family Services Estate - building compliance, extensive R&M, H&S, DDA	603	863					1,466			614			852	1,466
	24,957	16,284	7,769	539			49,549	39,235	3,536	842		852	5,084	47,629

Community Leadership and Libraries	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Libraries asset management	235						235			68			167	235
	235						235	-	-	68			167	235

Environment	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HIGHWAYS TfL - LOCAL IMPLEMENTATION PLAN														
Local Implementation Plan 2016/17 and onwards	3,067						3,067	3,067						3,067
HIGHWAYS non-TfL														
Footway Reconstruction	43						43		43					43
Traffic Management	4						4		4					4
Highways Improvement	180	143					323		323					323
Travel Plan Implementation	60	31					91		91					91
Carriageways	570	798					1,368						1,368	1,368
Highways Planned Maintenance Works Programme	40	1,050					1,090					40	1,050	1,090
Saracens - highways works	40						40		40					40
Drainage Schemes	70						70	69					1	70
Road Traffic Act - Controlled Parking Zones	75	33					108		107				1	108
Investment in Roads & Pavement (NRP)	7,191						7,191						7,191	7,191
Highway Asset Management/Network Recovery Plan (NRP) Phase 2	2,000	6,000	6,000				14,000					12,000	2,000	14,000
Refurbish and regenerate Hendon Cemetery and Crematorium	1,435						1,435			438	440		557	1,435
Hendon Cemetery & Crematorium Enhancement	32						32			32				32
Old Court House - public toilets	40						40		40					40
Parks & Open Spaces and Tree Planting	19						19	12		7				19
Park Infrastructure		325					325	8	317					325
Victoria Park Infrastructure	611						611			611				611
Data Works Management system	280	100					380			380				380
Parks Equipment	107						107			107				107
Vehicles	2,453						2,453			799			1,654	2,453
Street cleansing and greenspaces - vehicles and equipment	1						1						1	1
Green spaces development project	125	496					621						621	621
Lines and Signs	307						307						307	307
LED Lighting	3,800	3,800					7,600						7,600	7,600
Pay and Display parking machine estate upgrade	120						120						120	120
Moving traffic cameras	231	150	100				481						481	481
Controlled parking zones review	150	150	150	50			500						500	500
Highways (permanent re-instatement)	700	675					1,375			1,006			369	1,375
	23,751	13,751	6,250	50			43,802	3,156	965	3,380	440	12,040	23,821	43,802

Housing	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Empty Properties	3,000	1,137					4,137			4,137				4,137
Chilvins Court	60						60				60			60
Out of borough acquisition														
Direct Acquisitions	9,770						9,770						9,770	9,770
Modular Homes	1,358	1,318					2,676						2,676	2,676
St Georges Lodge temporary accommodation conversion	333	17					350						350	350
Hermitage Lane - mixed tenure residential conversion	590						590				590			590
Pinkham Way land release	200	1,172					1,372	1,372						1,372
Micro site development for affordable housing	3,531	1,930					5,461	1,644	3,817					5,461
Disabled Facilities Grants Programme	2,542	450					2,992	2,992						2,992
Decent Homes Programme														
DECC - Fuel Poverty	4						4	4						4
	21,388	6,024					27,412	6,012	3,817	4,137	650		12,796	27,412

Policy & Resources	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Depot relocation	834						834			834				834
Community Centre - Tarling Road	33						33				5		28	33
Asset Management	1,649						1,649			649			1,000	1,649
ICT strategy	2,980						2,980			2,980				2,980
Customer Services Transformation Programme	1,038						1,038			1,038				1,038
Implementation of Locality Strategy	573						573			573				573
Saracen Loan	13,295	9,449					22,744						22,744	22,744
	20,402	9,449					29,851	-	-	6,074	5		23,772	29,851

Housing Revenue Account	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Major Works (excl Granv Rd)	3,914	5,470	7,993	8,505	7,062	8,444	41,388				41,388			41,388
Regeneration	2,304	525	787	644	274	217	4,751				4,751			4,751
Miscellaneous Repairs	1,919	2,315	2,325	2,315	2,315	2,315	13,502				13,059		443	13,502
M&E/ GAS	5,954	5,116	3,615	3,940	2,440	3,140	24,205				24,205			24,205
Voids and Lettings	3,698	4,055	3,905	3,655	3,505	3,605	22,423				22,423			22,423
Advanced Acquisitions (Regen Estates)	300						300			300				300
Ansell Court - extra care housing		805					805						805	805
Dollis Valley - property acquisitions		6,589					6,589			6,589				6,589
Extra Care- housing (Stag & Cheshire)	1,205	16,646	17,143				34,994	4,040		3,000			27,954	34,994
Burnt Oak Broadway Flats - additional storey	368	2,900	1,621				4,889			1,445			3,444	4,889
Upper & Lower Fosters Community Led Design	400	2,045					2,445				480		1,965	2,445
Stag house - property purchase	901						901			32			869	901
Barnet Homes GLA development programme	1,000	10,042	14,017	2,566			27,625	8,700					18,925	27,625
HRA acquisitions	10,000	21,000					31,000						31,000	31,000
Silk House and Shoelands	1,965						1,965			1,965				1,965
HRA Fire Safety Programme	6,820	14,827	12,893	4,000	1,315		39,855	5,000			34,855			39,855
	40,748	92,335	64,299	25,625	16,911	17,721	257,637	17,740		13,331	141,161		85,405	257,637

Directorates	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adults and Health	14,184	795					14,979	2,000		500		10,291	2,188	14,979
Brent Cross	263,936	104,230	29,110	5,150			402,426	360,354					42,072	402,426
Children's Family Services	24,957	16,284	7,769	539			49,549	39,235	3,536	842		852	5,084	49,549
Growth and Corporate services	91,907	86,262	40,700	40,700	32,600		292,169	6,012	4,619	22,956	655	1,159	256,768	292,169
Environment	29,051	14,855	6,750	50			50,706	3,489	1,030	3,380	440	18,546	23,821	50,706
Regional Enterprise	15,885	15,360	21,097	750	250		53,342	1,581	14,597			8,067	29,097	53,342
Total - General Fund	439,920	237,786	105,426	47,189	32,850		863,171	412,671	23,782	27,678	1,095	38,915	359,030	863,171
Housing Revenue Account	40,748	92,335	64,299	25,625	16,911	17,721	257,637	17,740		13,331	141,162		85,404	257,637
Total - all services	480,668	330,121	169,725	72,814	49,761	17,721	1,120,808	430,411	23,782	41,009	142,257	38,915	444,434	1,120,808

Adults and Health	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Sport and Physical Activities	12,124	667					12,791	2,000		500		10,291		12,791
Investing in IT	2,060	128					2,188						2,188	2,188
	14,184	795					14,979	2,000		500		10,291	2,188	14,979

Brent Cross	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000							
BXC - Funding for land acquisition	16,198						16,198						16,198	16,198
Thames Link Station	212,538	61,430	29,110	5,150			308,228	305,354					2,874	308,228
Critical Infrastructure	12,200	42,800					55,000	55,000						55,000
Strategic Infrastructure Fund	23,000						23,000						23,000	23,000
	263,936	104,230	29,110	5,150			402,426	360,354					42,072	402,426

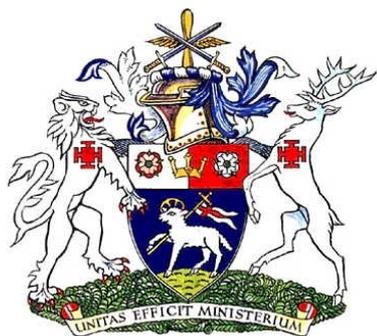
Children's Family Services	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Modernisation - Primary & Secondary	3,501	697					4,198	4,198						4,198
Healthy Pupils Fund	19						19	19						19
Orion Primary School	20	20					40	40						40
Monkfrith	112						112	112						112
St Agnes	785	38					823	823						823
Saracens Primary	15	1,650	550				2,215	2,211	4					2,215
Kosher Kitchen	200	600					800	800						800
Permanent All Through Expansion Programme														
London Academy	21						21	21						21
St Mary's & St John's	349						349	349						349
Permanent Primary/Secondary(reallocation) Expansion Programme														
St James / Blessed Dominic	12,587	628					13,215	11,036	2,179					13,215
Permanent Secondary Expansion Programme														
Oak Lodge Special School	40						40	40						40
Grammar school projects	80	241	140	539			1,000						1,000	1,000
SEN Programme														
Oakleigh SEN	120	1,700					1,820	1,820						1,820
Claremont SEN		100					100	100						100
Whitefield School ASD	1,813	45					1,858	1,858						1,858
Other Projects														
Whitings Hill, Colindale and Northway/Fairway														
School place planning (Primary)		1,348					1,348	1,263	85					1,348
School place planning (Secondary)		609					609	341	268					609
SEN			6,503				6,503	5,503	1,000					6,503
Alternative Provision	2,700	6,001					8,701	8,701						8,701
Early Education and Childcare place sufficiency	408	444					852					852		852
Information Management	298						298			53			245	298
Loft conversion and extension policy for Foster Carers	240						240			175			65	240
New Park House Children's home	3						3						3	3
Meadow Close Children's Homes	1,043	1,300	576				2,919						2,919	2,919
Family Services Estate - building compliance, extensive R&M, H&S, DDA	603	863					1,466			614			852	1,466
	24,957	16,284	7,769	539			49,549	39,235	3,536	842		852	5,084	49,549

Growth and Corporate services	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000						
Depot relocation	834						834			834				834
Community Centre - Tarling Road	33						33				5		28	33
Asset Management	1,649						1,649			649			1,000	1,649
Libraries asset management	235						235			68			167	235
ICT strategy	2,980						2,980			2,980				2,980
Customer Services Transformation Programme	1,038						1,038			1,038				1,038
Implementation of Locality Strategy	573						573			573				573
Saracen Loan	13,295	9,449					22,744						22,744	22,744
Gaelic playing pitch relocation	700						700		700					700
Office Build	10,882						10,882		102			1,159	9,621	10,882
Empty Properties	3,000	1,137					4,137			4,137				4,137
Chilvins Court	60						60				60			60
Out of borough acquisition														
Direct Acquisitions	9,770						9,770						9,770	9,770
Modular Homes	1,358	1,318					2,676						2,676	2,676
St Georges Lodge temporary accommodation conversion	333	17					350						350	350
Hermitage Lane - mixed tenure residential conversion	590						590				590			590
New Build Housing (Open Door)	30,000	30,089					60,089			12,677			47,412	60,089
Housing acquisitions Open Door	8,300	40,700	40,700	40,700	32,600		163,000						163,000	163,000
Pinkham Way land release	200	1,172					1,372	1,372						1,372
Micro site development for affordable housing	3,531	1,930					5,461	1,644	3,817					5,461
Disabled Facilities Grants Programme	2,542	450					2,992	2,992						2,992
Decent Homes Programme														
DECC - Fuel Poverty	4						4	4						4
	91,907	86,262	40,700	40,700	32,600		292,169	6,012	4,619	22,956	655	1,159	256,768	292,169

Environment	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Local Implementation Plan 2016/17 and onwards	3,067						3,067	3,067						3,067
HIGHWAYS non-TfL														
Footway Reconstruction	43						43		43					43
Traffic Management	4						4		4					4
Highways Improvement	180	143					323		323					323
Travel Plan Implementation	60	31					91		91					91
Carriageways	570	798					1,368						1,368	1,368
Highways Planned Maintenance Works Programme	40	1,050					1,090					40	1,050	1,090
Saracens - highways works	40						40		40					40
Drainage Schemes	70						70	69					1	70
Road Traffic Act - Controlled Parking Zones	75	33					108		107				1	108
Investment in Roads & Pavement (NRP)	7,191						7,191						7,191	7,191
Highway Asset Management/Network Recovery Plan (NRP) Phase 2	2,000	6,000	6,000				14,000					12,000	2,000	14,000
Colindale – Parks, Open Spaces and Sports	5,300	1,104	500				6,904	333	65			6,506		6,904
Refurbish and regenerate Hendon Cemetery and Crematorium	1,435						1,435			438	440		557	1,435
Hendon Cemetery & Crematorium Enhancement	32						32			32				32
Old Court House - public toilets	40						40		40					40
Parks & Open Spaces and Tree Planting	19						19	12		7				19
Park Infrastructure		325					325	8	317					325
Victoria Park Infrastructure	611						611			611				611
Data Works Management system	280	100					380			380				380
Parks Equipment	107						107			107				107
Vehicles	2,453						2,453			799			1,654	2,453
Street cleansing and greenspaces - vehicles and equipment	1						1						1	1
Green spaces development project	125	496					621						621	621
Lines and Signs	307						307						307	307
LED Lighting	3,800	3,800					7,600						7,600	7,600
Pay and Display parking machine estate upgrade	120						120						120	120
Moving traffic cameras	231	150	100				481						481	481
Controlled parking zones review	150	150	150	50			500						500	500
CCTV														
CCTV Projects Retention														
Town Centre Bays														
Parking signs and lines introduction and replenishment														
Car Parking improvement														
Highways (permanent re-instatement)	700	675					1,375			1,006			369	1,375
	29,051	14,855	6,750	50			50,706	3,489	1,030	3,380	440	18,546	23,821	50,706

Regional Enterprise	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Colindale – Highways and Transport	3,300	4,189					7,489	948	2,715			3,826		7,489
Colindale Station Works	12,300	200					12,500		9,750				2,750	12,500
Grahame Park – Community Facilities	159	1,973					2,132		2,132					2,132
Town Centre	126	2,998	750	750	250		4,874	633			4,241			4,874
Development pipeline														
Strategic opportunities fund		6,000	20,347				26,347						26,347	26,347
	15,885	15,360	21,097	750	250		53,342	1,581	14,597			8,067	29,097	53,342

Housing Revenue Account	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Grants	S106	Capital Receipts	RCCO/ MRA	CIL	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Major Works (excl Granv Rd)	3,914	5,470	7,993	8,505	7,062	8,444	41,388				41,388			41,388
Regeneration	2,304	525	787	644	274	217	4,751				4,751			4,751
Miscellaneous Repairs	1,919	2,315	2,325	2,315	2,315	2,315	13,502				13,060		442	13,502
M&E/ GAS	5,954	5,116	3,615	3,940	2,440	3,140	24,205				24,205			24,205
Voids and Lettings	3,698	4,055	3,905	3,655	3,505	3,605	22,423				22,423			22,423
Advanced Acquisitions (Regen Estates)	300						300			300				300
Ansell Court - extra care housing		805					805						805	805
Dollis Valley - property acquisitions		6,589					6,589			6,589				6,589
Extra Care- housing (Stag & Cheshire)	1,205	16,646	17,143				34,994	4,040		3,000			27,954	34,994
Burnt Oak Broadway Flats - additional storey	368	2,900	1,621				4,889			1,445			3,444	4,889
Upper & Lower Fosters Community Led Design	400	2,045					2,445				480		1,965	2,445
Stag house - property purchase	901						901			32			869	901
Barnet Homes GLA development programme	1,000	10,042	14,017	2,566			27,625	8,700					18,925	27,625
HRA acquisitions	10,000	21,000					31,000						31,000	31,000
Silk House and Shoelands	1,965						1,965			1,965				1,965
HRA Fire Safety Programme	6,820	14,827	12,893	4,000	1,315		39,855	5,000			34,855			39,855
	40,748	92,335	64,299	25,625	16,911	17,721	257,637	17,740		13,331	141,162		85,404	257,637



Financial Performance and Contracts Committee

28 October 2019

Title	Colindale Office Move - Update
Report of	Assistant Director, Estates
Wards	All
Status	Public (with exempt report 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 and business affairs of the building contractor and the council)
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	Chris Smith, Assistant Director – Estates Chris.Smith@barnet.gov.uk

Summary

This report provides a further update on the Colindale office moves, following the reports submitted to Financial Performance and Contracts Committee in March and June 2019, including the settlement reached with the construction contractor.

Officers Recommendations

1. That the Committee notes the progress including the successful relocation of over 1700 staff to the new council office in Colindale
2. That the Committee notes the exempt report.

1. WHY THIS REPORT IS NEEDED

INTRODUCTION

- 1.1 The Way We Work (TW3) Programme aims to deliver new office accommodation for council staff and partners in the heart of the regeneration area in Grahame Park, Colindale. This will result in all staff moving out of the existing buildings in NLBP and Barnet House and requires staff to undergo a change programme in how they think about and perform work, by transforming working environments, business processes, working practices, management culture and employee behaviour. There are approx. 2300 staff that will be impacted, based across three sites; North London Business Park (NLBP) Building 2, NLBP Building 4 and Barnet House. This includes staff from partner organisations, including: The Barnet Group, Customer Support Group (CSG), Re, and Cambridge Education – the majority of which have now moved into the new offices.

UPDATE ON PROGRESS

- 1.2 The overarching vision of The Way We Work Programme is to *Empower people to choose where, when and how they work to deliver the best service to customers.*
- 1.3 Following handover of the building from the main contractor in April 2019, a series of moves took place throughout May to September. Over 1700 staff have now moved into the new office building. This includes Growth & Corporate Services, Public Health, Environment, Finance, HR, Adults and Health, Re, Cambridge Education, Assurance, and the majority of The Barnet Group and CSG. Staff from Family Services, Revenues & Benefits and some staff from The Barnet Group are still to move from NLBP Building 2 and Barnet House. Family Services were delayed in order to reduce the impact on OFSTED assessments etc. and Housing Options have been delayed as a result of difficulties experienced with securing a contractor for the fit-out of their new space, in the new office.
- 1.4 Staff in the Way We Work programme team have been present across the floors helping staff settle in and answering their queries. Over 160 Change Champions were recruited from services and they, along with line managers, were crucial to ensuring staff felt prepared and supported ahead of their moves. CSG IT, Re and Facilities Management ensured that the building was ready for occupation and resolved issues that emerged during early occupation.
- 1.5 Feedback on the moves process and the new environment has been very positive. Open plan office supports collaboration across staff who also are enjoying trying out the new audio-visual equipment in meeting rooms; eating lunch on the fourth floor terrace; and exploring their new surroundings in Colindale. A survey of nearly 350 staff in August 2019 found that 76% of staff are satisfied with the new office environment (compared with 51% in 2017), 75% feel settled in the new office, 90% are able to find space to work and 86% work away from the office at least once per week. The building was described as modern, clean, spacious, bright and professional.

- 1.6 Following the relocation of all staff from Building 4 at North London Business Park (NLBP), decommissioning took place and the building was handed back to the landlord successfully at lease end.
- 1.7 In August 2019 Family Services relocated from the 2nd to the 1st floor of NLBP Building 2. Decommissioning will now commence on the 2nd floor ahead of exiting the least in November. Decommissioning is also set to commence on the unoccupied floors of Barnet House.
- 1.8 Ahead of Building Handover, the council was in a contractual dispute with the main building contractor delivering the new office building over the final fit-out and costings. The council worked closely with its lawyers and engaged specialist technical and legal advice on the matter to protect the council's interests and help resolve this contractual dispute. A settlement was reached in July 2019, the details of which are included in the exempt attachment to this report.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The programme has to date relocated over 1700 staff to Colindale.
- 2.2 The Council worked closely with its lawyers to resolve the ongoing dispute with the building contractor. This has been absorbed into the existing TW3 budget and has not currently created any budget pressure.

3. POST DECISION IMPLEMENTATION

- 3.1 Following the successful transition of all staff to Colindale by autumn 2019, the Council should conduct a post-project evaluation 3 months after the final move.

4. IMPLICATIONS OF DECISION

4.1 Corporate Priorities and Performance

- 4.1.1 The Council is committed to providing staff and service users with office accommodation that provides a flexible working environment in line with modern working practices. The relocation to Colindale brings front line staff closer to service users and other agencies.
- 4.1.2 The new building will also include purpose-built space for the Housing Options service and a Family Friendly Hub with improved facilities for resident interaction with staff and Council provided services.

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

- 4.2.1 A capital budget of £50.3m was allocated through the original FBC approved at ARG Committee in July 2016. This included the total build cost (including compensation for land, over 50 years) and other associated costs (fit out furniture, audio visual etc). The programme is expected to come in within this allocated budget at this time,

although it is becoming increasingly likely that the final cost for the Housing Options fit-out and Plot 9a and Southern Square developments will introduce a pressure.

- 4.2.2 MTFS associated with the move of £250k savings in 19/20 and a further £750k in 20/21 are at risk, as a result of the delayed move of Housing Options and Family Services but work is underway to mitigate this as much as possible.

4.3 Social Value

4.3.1 The new building contributes toward regeneration benefits for the Grahame Park area including improvements to the wider public space through redevelopment of the Southern Square.

4.3.2 The inclusion of a publicly accessible café on the ground floor will provide local recruitment opportunities.

4.4 Legal and Constitutional References

4.4.1 The council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Financial Performance and Contracts Committee as being responsible for the oversight and scrutiny of:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Assets, Regeneration & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee; or Housing Committee
- The council's major strategic contracts including (but not limited to):
 - Analysis of performance
 - Contract variations
 - Undertaking deep dives to review specific issues
 - Monitoring the trading position and financial stability of external providers
 - Making recommendations to the Policy & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers

4.5 Risk Management

4.5.1 All risks and issues are being managed in accordance with the Council's Risk Management Framework and Project Management Methodology and Toolkits.

4.5.2 Elements of the Programme have been the subject of a review by the council's internal audit function, with a 'substantial assurance' rating received.

4.6 Equalities and Diversity

4.6.1 An assessment was carried out on the impact of the proposed Colindale Office relocation on both staff and service users within the Equality Impact Assessments contained within appendices to the original Full Business Case approved by Assets, Regeneration and Growth Committee in July 2016. These demonstrated that the proposals set out in the FBC were designed to ensure fair and equitable treatment of all Barnet's communities and its staff in relation to their access to The Civic Estate

4.6.2 The Employee Equality Impact Assessment as appended to the Full Business Case approved by Assets, Regeneration and Growth Committee in July 2016 was revised in 2018 to reflect updates to the programme as it has progressed.

4.7 Corporate Parenting

4.7.1 In line with the 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.

4.8 Consultation and Engagement

4.8.1 LBB has made a commitment to regeneration of the borough, and in particular within the Colindale area. Specifically, the Colindale Area Action Plan (CAAP) sets out the framework for future development and change in the local area. The CAAP was prepared in partnership with key stakeholders and local communities in the area and represents the outcome of an intensive period of public consultation covering an area of approximately 200ha. It includes an additional 10,000 new homes and a mix of retail, office and other land uses. The vision is that by 2021, Colindale 'will be a vibrant, successful and diverse neighbourhood where people will want to live, work and visit. It will accommodate high quality sustainable developments within four 'Corridors of Change' and a new neighbourhood centre. Colindale will become a successful suburb in North London, providing existing and new communities with high quality local services, improved transport and access to enhanced green space and leisure facilities.' Co-locating an office on the site would likely bring additional employment opportunities, improvements in local infrastructure and support local businesses.

4.8.2 During the construction period the building contractor ensured on-site liaison with residents in addition to travel related consultation.

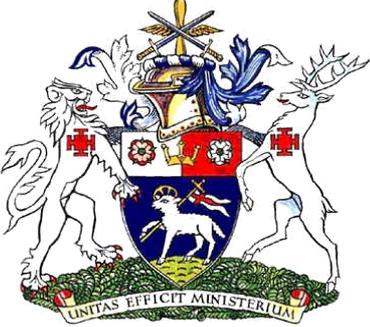
5. BACKGROUND PAPERS

5.1 Colindale Office Move – Update submitted to FPC Committee 19 June 2019 – <http://barnet.moderngov.co.uk/documents/s53049/Colindale%20Update%20Report%20-%20Public.pdf> (and exempt attachment)

5.2 Accommodations Options Review Final Business Case (FBC) submitted to ARG Committee in July 2016 – <https://barnet.moderngov.co.uk/documents/s33264/ARG%20committee%20report%20-%20Colindale%20FBC%20v0.3.pdf>

5.3 Locality Strategy submitted to ARG Committee in July 2016 – <https://barnet.moderngov.co.uk/documents/s33204/ARG%20committee%20report%20-%20Locality%20Strategy.pdf>

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	Financial Performance and Contracts Committee 28 October 2019
Title	Q1 2019/20 Contracts Performance Report
Report of	Director (Commercial and IT Services)
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	<p>Elaine Tuck, Head of Commercial Management elaine.tuck@barnet.gov.uk</p> <p>Alaine Clarke, Head of Programmes, Performance and Risk alaine.clarke@barnet.gov.uk</p> <p>Bukky Adeosun, Performance Monitoring Manager olubukola.adeosun@barnet.gov.uk</p>

Summary

This report provides an overview of performance for the key strategic contracts, where information has not been reported to a Theme Committee as part of the Quarter 1 (Q1) 2019/20 Themed Performance Reports.

Officers Recommendations

The Committee is asked to review the Q1 2019/20 performance in relation to back-office functions delivered by the Customer and Support Group (CSG), Planning services delivered by Regional Enterprise (Re) and Legal services delivered by Harrow and Barnet Public Law (HBPL) and note any recommendations to Policy and Resources Committee or Theme Committees on issues arising from this review.

1. PURPOSE OF REPORT

Introduction

- 1.1 This report provides an overview of performance for the key strategic contracts, where information has not been reported to a Theme Committee as part of the Q1 2019/20 Themed Performance Reports. The report covers the **back-office functions** delivered by **CSG** (except Estates, which is reported to Assets, Regeneration and Growth Committee), **Planning (Re)** and **Legal (HBPL)** services. It also includes contract KPIs¹ for Cambridge Education and The Barnet Group that did not meet target in Q1, which are escalated for scrutiny.

Back office functions (CSG)

Overview

- 1.2 Following the return of Finance and Strategic HR to the council on 1 April 2019, CSG remains responsible for transactional HR services, accounts payable, the finance system and services for schools. This report reflects performance on those services.
- 1.3 In relation to **finance**, progress has been made in implementing the financial controls action plan, including the development of capital budget monitoring for the council's finance system and roll out of a "No Purchase Order (PO) No Pay" policy with suppliers. At the beginning of October 2019, the internal audit service issued a 'Limited Assurance' audit over Accounts Payable, with the ownership of the majority of the associated actions resting with LBB Finance. This will be reported to Audit Committee on 30 October 2019. An Accounts Payable taskforce will remain in place to oversee the delivery of these actions and to deliver other incremental improvement activities.
- 1.4 Following launch of the new council **website**, there has been an increase in the web quality content score to 95%, compared with the national average of 85%, meaning that the website has high levels of readability, completeness, user experience and security. There has also been good take up of electronic forms for the Revenues and Benefits service (with between 50% to 95% take up rates depending on the form), going some way to help the service manage additional demand from the introduction of Universal Credit. A detailed customer experience survey was completed by over 2,000 residents in Q1 and will be used to inform investment activity in customer services going forwards. A provider survey was also sent out and feedback will be used to help shape procurement processes.
- 1.5 In terms of **HR**, payroll errors made during Q1 have been investigated to understand the root causes and to review the internal control environment. The council and Capita have commenced work on a project to improve the Starters, Leavers and Movers (SLAM) process for council staff, with the aim of providing a more joined-up and efficient process.

¹ KPI = Key Performance Indicator

- 1.6 **Pensions Administration** remains under scrutiny by the Pensions Regulator, following the issue of an Improvement Notice in July 2019, which stipulated improvements required by end August 2019. These improvements were substantially made. Annual Benefit Statements were substantially issued on time, with some follow up work taking place to encourage data submission from third party employers (such as schools). Fortnightly meetings are in place to monitor progress against the Improvement Plan, with significant further work to be undertaken by the end of the year.

Finance

- 1.7 **Financial controls** - following the Grant Thornton report issued in 2018, which identified the need for significant improvements in financial controls, most improvement actions have been implemented. This was a significant undertaking and progress has been reported to Audit Committee throughout the year. As of September 2019, the action plan had been substantially implemented, including improvements to the finance system to enable capital budget monitoring on the system. Two actions remain in progress, one relates to removing leavers from the council's finance system (this is linked to the aforementioned HR project that is underway on Starters, Leavers and Movers (SLAM)), and one relates to capital budget monitoring activity being undertaken budget managers and supported by LBB finance.
- 1.8 **Accounts Payable** – an Account Payable taskforce with representatives from the council and Capita has been set up to target service improvements, including resolution of multiple issues affecting service delivery. A “No PO No Pay” policy was introduced on 1 June 2019 and Capita led on external communications to suppliers. A backlog of 377 invoices without POs were cleared during Q1. In Accounts Payable an additional resource has been recruited and started in August 2019 to provide a permanent interface between the Accounts Payable team in Chichester and the council. At the beginning of October 2019, the internal audit service issued a ‘Limited Assurance’ audit over Accounts Payable, with the ownership of the majority of the associated actions resting with LBB Finance. This will be reported to Audit Committee on 30 October 2019. An Accounts Payable taskforce will remain in place to oversee the delivery of these actions and to deliver other incremental improvement activities.
- 1.9 **Traded Schools** – year-end deadlines were met for the 67 schools supported by the Traded Schools Service. A budget setting workshop was held in February 2019 with 68 staff attending from 35 schools. The transfer of the Traded Schools team into Entrust Education (the Capita Education Company) was discussed with the unions and staff, including any implications of the transfer.
- 1.10 Subsequent to the transfer of Finance back in-house, a review of the KPIs was undertaken to reflect the services that remain with Capita. There are three new KPIs for Finance, which will be reported from Q2.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Operational availability of financial application to the hosted network	Bigger is Better	New for 19/20	98%	98%	Due Q2 19/20	New for 19/20	New for 19/20

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Invoice documents in accounts payable processed within agreed timescales	Bigger is Better	New for 19/20	90%	90%	Due Q2 19/20	New for 19/20	New for 19/20
Completion of audit recommendations by Capita in relation to their provision of finance services	Bigger is Better	New for 19/20	100%	100%	Due Q2 19/20	New for 19/20	New for 19/20

1.11 There were no high (15 to 25) level risks on the joint risk register with CSG for Finance in Q1.

Pensions

1.12 On 25 July 2019, The Pensions Regulator (TPR) issued the council with an Improvement Notice, which stipulated improvements in three main areas by the 31 August 2019. This was reported to the Pensions Fund Committee on 29 July 2019. The council did not appeal against the issue of the Notice. The Committee report is available at:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=191&MId=9918&Ver=4>

1.13 The improvements stipulated for the Scheme Manager were:

- Implement monthly monitoring of contributions and demonstrate that an analytical review is being undertaken; and implement a series of checks on the data received in End of Year Certificates
- Ensure the first two phases of the Conditional Data Cleanse Plan provided to the Pensions Regulator in January 2019 have been completed
- Implement and operate adequate internal controls to provide accurate Annual Benefit Statements for financial year 2018/19.

1.14 The council submitted evidence to the Pensions Regulator to show that the required improvements were made by 31 August 2019, namely:

- An enhanced contribution monitoring process is in place with detailed returns to Capita from scheme employers being received on a monthly basis. All employers are now compliant in confirming outstanding contributions and late paying employers and, as at the end of the July 2019, 95% of employers covering 96% of contributing members were fully-compliant in their returns. Council and Capita officers are continuing to work with the remaining employers to ensure 100% compliance in providing outstanding contribution breakdown slips and carrying out contribution materiality and variance analysis.
- The first two phases of the Conditional Data Cleanse Plan have been completed. As at 22 August 2019, all of the amber and the majority of the red rated errors that emerged from the conditional data check performed in March 2018 (previously reported to TPR in January 2019) have been investigated and subsequently corrected or otherwise resolved. Work is continuing to resolve the remaining errors.

- Enhanced, detailed, sample testing of Annual Benefit Statements was undertaken by LGPS technical specialists who found no systemic errors in the production process. Annual Benefit Statements were despatched to all members due to receive a statement by the statutory deadline.

1.15 Two further matters of note were included in the letter to TPR:

1. The discovery of a population of 1880 deferred members whose Normal Pension Age (NPA) was incorrectly held on the administration system. This had come to light following queries from affected members. The records for the affected members were corrected in April 2019.
2. The service remediation plan, which has been put in place regarding the administration service provided by Capita. This covers a wide range of initiatives, including:
 - A backlog reduction plan aimed at eliminating the overdue actionable casework by the end of December 2019, and a plan to obtain the necessary data to bring currently non-actionable cases into a workable position
 - Annual independent controls assurance reviews to be undertaken to AAF01/06 standards
 - Enhanced staff training, awareness and education regarding the Barnet Pension Fund, including incentivisation to undertake professional qualifications
 - Improved data integrity delivered through monthly employer data capture and reconciliation
 - Enhanced monthly performance reporting
 - Improved resource planning and caseload management
 - Improved back office and front office co-ordination on call-handling.

1.16 Council officers are monitoring progress against the plan on a fortnightly basis, with weekly monitoring of the backlog reduction also in place.

1.17 A report on the outcome of the Annual Benefit Statement exercise, the scheme actuary's assessment of the data for the 2019 valuation, and progress on the reduction of the casework backlog and issuing of the remaining Annual Benefit Statements will be reported to TPR in the autumn 2019.

1.18 There are no KPIs for Pensions.

1.19 There were no high (15 to 25) level risks on the joint risk register with CSG for Pensions in Q1.

Human Resources

1.20 Work has taken place with Capita to look at the processes used for managing Starters, Leavers and Movers (SLAM) to make them more effective and reduce risks to the organisation (such as inappropriate access to IT systems, building access and incorrect salary payments). This workstream will cut across Finance, IT, HR and Estates.

1.21 Significant work has taken place to address internal controls and improve payroll accuracy; there have been some recent improvements and the area remains under

close review to ensure this is sustained. In support of this, Capita are applying for independent assurance of the control environment via ISAE3402², an external assurance framework.

1.22 Subsequent to the transfer of Strategic HR back in-house, a review of the KPIs was undertaken to reflect the services that remain with Capita. Two of the three KPIs that reported in Q1 met the target and one KPI did not meet the target

- **Payroll accuracy - error rates (RAG rated RED) – 0.32% against a Q1 target of 0.1% (62 errors out of 19,224 transactions).** These errors were caused by the HR system where staff had been automatically re-enrolled into the Pension scheme by the system without prior communication. The affected staff were paid by 3 May 2019 and removed from re-enrolment. Letters were sent to staff not enrolled on the Pension scheme to inform that automatic re-enrolment, in line with Government regulation, would take place in the July 2019 payroll. Actions have been taken to prevent a recurrence.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Payroll Accuracy - error rates	Smaller is Better	0.65%	0.1%	0.1%	0.32% (R)	↓ W -146%	0.13%
Payroll - correct pay date ³	Bigger is Better	100%	100%	100%	100% (G)	→ S	100%
DBS verification audits	Bigger is Better	100%	100%	100%	100% (G)	→ S	100%

1.23 From Q2, these KPIs will be replaced with the four KPIs in the table below.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Payroll Accuracy - error rates and correct date	Smaller is Better	N/A	0.1%	N/A	N/A	N/A	New for 19/20
Offer letters issued	Bigger is Better	N/A	100%	N/A	N/A	N/A	New for 19/20
Pre-Employment vetting	Bigger is Better	N/A	99%	N/A	N/A	N/A	New for 19/20
DBS verification audits	Bigger is Better	N/A	100%	N/A	N/A	N/A	100%

1.24 There were no high (15 to 25) level risks on the joint risk register with CSG for HR in Q1.

² The ISAE 3402 standard provides assurance to clients that the service organisation has appropriate controls in place.

³ No longer a KPI as from 1 July 2019

Corporate Programmes

- 1.25 Throughout Q1, work continued across programmes and projects, including key programmes such as The Way We Work (TW3), leisure centres and schools:
- The TW3 programme has been a priority, with the move into the new office at Colindale. Over 1,700 staff were transitioned into the new office. CSG developed the TW3 passport, enabling teams to identify needs before, during and after the move. CSG were the first point of contact for staff arriving at the new office building, providing initial IT support and floorwalkers, enabling a smooth changeover.
 - The two new **leisure centres** at New Barnet and Copthall were completed and opened to the public in August and September 2019. CSG have provided project management and technical advice.
 - CSG have provided project management and other technical services for Blessed Dominic and Saint James' schools to enable them to deliver an additional two forms of entry, further additional Sixth Form places, and replacement of two forms of primary entry. They have also provided advice on the re-location of the Pupil Referral Unit.
 - The **Customer Transformation Team** is working on the development of the next phase of the Customer Transformation Programme.
- 1.26 There were no KPIs or high (15 to 25) level risks on the joint risk register with CSG for Corporate Programmes in Q1.

Customer Services

- 1.27 **Demand Management** – the year-to-date phone volumes (calls to the council) remain within budget. Work is ongoing to improve digital content and transactional online form usage has increased. It is expected that overall phone and email volumes for the year will be less than 500,000 contacts for the first time since the start of the contract, despite the higher than forecasted volumes received for Street Scene and the European elections.
- 1.28 **Web satisfaction** - following the launch of the new council website in February 2019, the focus of the improvement programme has been on engaging staff and residents to ensure the changes work for them. Although it is still relatively early to measure the full impact of the changes, the measures below show a positive direction of travel:
- Users visits to the website went up by 10% to 1,673,364 in May 2019 from 1,520,668 in May 2018 and a 19% increase in use of the top five transactional forms
 - Over 56,000 people in total have signed up for a digital 'My Account'
 - Call volumes went down by 5.4% to 494,779 in May 2019 from 521,393 in May 2018
 - Web content quality score (rating on readability, completeness, user experience and security) has increased to 95% (national average is 85%)
 - Customer satisfaction in phone, email and face-to-face channels has remained consistent (above the target of 89%).
- 1.29 A **customer experience** survey was completed by over 2,000 residents in Q1 and the data has been analysed to understand what causes high levels of contact and

frustration for residents. Residents were asked to rank what was important to them, with the following aspects considered most important:

- Customers want to have confidence that issues would be dealt with right first time
- Customers want to transact completely online
- Customers want confidence that issues will be easy to deal with
- Customers want the 'safety net' of being able to speak to someone⁴.

1.30 This data will be used to target and prioritise interventions for the next phase of customer improvements that will be developed in the autumn. These are summarised as:

- A focus on whole customer experience improving the end-to-end process
- Improving transparency with better progress updates preventing the need to chase
- Ensuring frontline staff have the right information to prevent being passed around
- Improving communications and setting clearer expectations
- Improving process failures to ensure we get it right first time.

1.31 There are five KPIs for Customer Services. Four KPIs met the Q1 target. One KPI did not meet the Q1 target.

- **Cases/transactions completed via self-service channels (RAG rated AMBER) – 47.8% against Q1 target of 48% (103,020 out of 215,730 transactions).** There was a 2% improvement on Q4 (45.8%). The Q1 result was affected by performance in April 2019, which was 44.4%. This was due to a high volume of calls on the elections. If these calls (519 in April 2019 and 3551 in May 2019) were discounted the target would have been met (48.7% against a target of 48%).

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Cases/transactions completed via self-service channels	Bigger is Better	48.0%	47.1%	48%	47.8% (A)	N/A	New for 19/20 ⁵
Customers who rate phone calls, emails and face-to-face service as good (GovMetric)	Bigger is Better	90.0%	89%	89%	90.1% (G)	↑ I +0.2%	89.9%
Customers satisfied following case closure	Bigger is Better	70.6%	65%	65%	74.7% (G)	↑ I +4%	71.8%
Customer Services closing cases on time	Bigger is Better	96.9%	94%	94%	96.0% (G)	↓ W -2.4%	98.3%

⁴ Online is most often the first choice for simple transactions but where there is an emotional element, a case is being chased and/or re-assurance is sought, customers tend to use the phone.

⁵ The methodology changed in Q3 18/19 and the target changed from 77% to 48% in Q3 18/19. The methodology previously included self-service i.e. web forms but also included 'web sessions' i.e. users browsing the website as self-service. 'Web sessions added significant volume that skewed the results without adding any value and was removed as a form of self-service and the target was revised down. This will go up as demand is reduced.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Customer Services closing cases on time (Customer Advocacy Service)	Bigger is Better	100%	96.9% ⁶	96.9% ⁷	100% (G)	→ S	100%

1.32 There were no high (15 to 25) level risks on the joint risk register with CSG for Customer Services in Q1.

Information Systems

1.33 During Q1, the service supported a range of activities related to the move to Colindale, including migration of services from NLBP4 to Colindale, as well as setting up the new office for staff and helping with the transition to the new office. CSG reported no major issues during the transition of staff to Colindale in Q1.

1.34 Alongside the regular IT Surgery, the Desktop Team has introduced 'How Do I' sessions on key themes that see a high number of visits to surgery. There continue to be issues with some staff using Skype and accessing systems remotely over the Virtual Private Network (VPN); investigation work is ongoing to improve stability. New tools have been introduced to enable IT to provide support remotely to staff with IT issues and increase the number of staff working away from the office.

1.35 The council engaged SOCITM (Society for IT practitioners in the public sector) in Q4 to carry out a benchmarking exercise to review IT costs, estate and performance, and a user satisfaction survey. This will enable the council to focus its IT investment and future improvement plan to maximise financial and customer benefit. The results will be available in Q3.

1.36 The proof of concept to introduce 'Bring Your Own Device' has progressed well and a wider roll out to Members and staff is anticipated in Q3. However, staff handling sensitive data on a regular basis will continue to receive and use a corporate device.

1.37 There are two KPIs for Information Systems. Both KPIs met the Q1 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Incident resolution	Bigger is Better	93.3%	95% ⁸	95%	95.7% (G)	↑ I +4.8%	91.4%
Critical system availability	Bigger is Better	99.9%	99.5%	99.5%	100% (G)	→ S	100%

1.38 There were no high (15 to 25) level risks on the joint risk register with CSG for Information Systems in Q1.

⁶ The target for this KPI is to achieve more than the period's result for the Customer Services closing cases on time KPI.

⁷ The target for this KPI is to achieve more than the period's result for the Customer Services closing cases on time KPI.

⁸ The target was increased from 90% to 95% in 18/19 in line with the contractual provisions.

Procurement

- 1.39 There was a higher than normal volume of procurement activity in Q1, with 88 live procurements (compared with 62 in Q4). Procurement has also worked with the council on development of the Social Value Strategy, which will be embedded into procurement processes.
- 1.40 The Procurement service has reviewed its operating model and new procurement templates and processes will be developed in Q2 and Q3 with service users and providers. A supplier survey has been sent to those registered and seeking procurement opportunities from the council and through the Barnet branch of the Federation of Small Businesses (FSB), to seek feedback on their experiences of the procurement process.
- 1.41 Key procurement activity in Q1 included Brent Cross West Station, Electoral Service Print and Postage, Learning Disability Review, Short Breaks to Carers of Disabled Children, Tippers/Accessibility Buses/Supervisor Vans, Street Scene ICT and Advocacy Services.
- 1.42 Although there is no longer a target for procurement savings, savings achieved through procurement activity will be monitored going forward.
- 1.43 There are five KPIs for Procurement. All KPIs met the Q1 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Contract compliance - new contracts over £25k ⁹	Bigger is Better	100%	100%	100%	100% (G)	→ S	100%
Contract compliance - legacy contracts over £25k ¹⁰	Bigger is Better	99.9%	98.9%	98.9%	100% (G)	↑ I +0.1%	99.9%
Effective contract management - complex legacy contracts (Contract Procedure Rules)	Bigger is Better	100%	60%	60%	100% (G)	→ S	100%
London Procurement Pledge - cumulative apprenticeships ¹¹	Bigger is Better	65	70	60	85 (G)	↑ I +31%	65
London Procurement Pledge - cumulative work experience ¹²	Bigger is Better	258	280	240	353 (G)	↑ I +37%	258

- 1.44 There were no high (15 to 25) level risks on the joint risk register with CSG for the Procurement service in Q1.

⁹ Percentage of the value of new contracts over £25k awarded and managed in accordance with CPR's and procurement legislation.

¹⁰ Percentage of the value of legacy contracts over £25k managed in accordance with CPR's and procurement legislation.

¹¹ Cumulative refers to the start of the contract - September 2013.

¹² Cumulative refers to the start of the contract - September 2013.

Revenue and Benefits

- 1.45 Four-yearly collection targets for both Council Tax (98.73%) and Business Rates (99.18%) were met. Direct Debit take up remains above target (66.02% against a target of 65%).
- 1.46 Housing Benefit Overpayment Recovery dropped by 7.5% from last year (from £471,707 in Q1 18/19 to £438,415 in Q1 19/20) with a £33,292 reduction in income. The council continues to work with CSG to finalise the proposal on gainshare arrangement.
- 1.47 Full Service Universal Credit in Barnet has continued to generate increasing volumes of additional work and the Department of Works and Pensions (DWP) has provided some funding to support this additional work. The council's Council Tax Support Scheme was designed with this issue in mind and CSG are working on automating transactions to manage the workload.
- 1.48 Since the launch of the council's new website and introduction of new improved e-forms, the council has seen an increase of up to 95% activity in customers completing forms online. It is, however, acknowledged that some form types still require additional work to increase the up-take of these forms. There has been good take-up of the new digital forms for Council Tax collection that went 'live' in March 2019. Some forms have shifted to 95% electronic communications whereas others have reached 50% only. More work is required to encourage and improve this channel shift for all forms but early indications are very positive.
- 1.49 Despite some earlier concerns, the 2017/18 Annual Housing Benefit Subsidy Audit has been finalised and DWP will recover just £2,045 of overpaid subsidy against the overall subsidy claim of £273million.
- 1.50 There are three KPIs for Revenue and Benefits. Two KPIs met the Q1 target. One KPI did not meet the Q1 target.
- **Accuracy of benefit assessments (RAG rated AMBER) – 94.7% against Q1 target of 95%.** This KPI slightly missed the Q1 target. There has been an improvement in the performance of this KPI since the methodology was updated in Q2 18/19 (91%) to make it more robust and improve the accuracy of benefit assessments carried out by CSG Revenue and Benefits service.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Accuracy of benefit assessments	Bigger is Better	91.5%	95%	95%	94.7% (A)	↓ W -1.8%	96.4%
Speed of processing new claims	Smaller is Better	20	22	22	21 (G)	→ S	21
Speed of processing changes	Smaller is Better	5	6	6	5 (G)	↑ I +17%	6

1.51 There were no high (15 to 25) level risks on the joint risk register with CSG for Revenue and Benefits in Q1.

Safety, Health and Wellbeing (SHaW)

1.52 The service is on target to meet its annual plan; a risk profiling heat map has been developed and has been presented to the Council Management Team. Further discussions are now taking place with services to focus on the actions required to support areas of high risk. The service is continuing to deliver support, guidance and advice to staff, as well as carrying out audits, inspections and investigations.

1.53 A Workplace Health and Wellbeing Steering Group meets regularly. The group's current priority is to refresh the London Healthy Workplace Award. The council achieved 'excellent' rating in the last award in 2016 and is aiming to achieve the same rating by 2020.

1.54 The Policy and Resources Committee, at its meeting on 17 June 2019, agreed the recommendation to return the SHaW service back to the council. This will enable more strategic control of a vital support service; an in-house service will also allow for more flexibility to align it to changing health and safety priorities.

1.55 There were no high (15 to 25) level risks on the joint risk register with CSG for SHaW in Q1.

Cross-cutting

1.56 There is one cross-cutting KPI. **Compliance with Authority Policy** met the Q1 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Compliance with Authority Policy	N/A	Fail (Q1)	Pass	Pass	Pass	↑ I	Fail

Planning and Building Control (Re)

1.57 Re continued to deliver an overall good and effective planning service that compares well with other councils. The service met all the KPIs that reported in Q1.

1.58 The Enforcement team continued to progress a significant number of cases and a number of complex cases; this included two stop notices being issued (an unusual tool to be used in practice) to address breaches relating to an unlawful travellers site and a car wash site. The service provided support to Planning Committees to ensure the soundness of decision-making.

1.59 The Building Control service has been supporting strategic outcomes alongside the day-to-day business, including sign-off of the new Colindale office, and built relationships to secure work from strategic partners such as Redrow and Saracens. Changes to the insurance schemes used by approved Building Control Inspectors have created uncertainty for developers in the market and the service is fielding questions and concerns. This issue will be monitored going forward.

1.60 Contract KPIs that are not part of the Theme Committees Annual Delivery Plans are presented in the table below. All five KPIs met the Q1 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Compliance with planning application statutory timescales for major, minor, other applications	Bigger is Better	84.4%	75%	75%	83.4% (G)	↓ W -1.8%	85.0%
Decisions made within building regulation statutory timescales	Bigger is Better	99.7%	100%	100%	100% (G)	→ S	100%
Average time taken to process requests for Full Official Searches (online and post) in Land Charges	Smaller is Better	2.5 days	3 days	3 days	1.5 days (G)	↑ I +49%	2.9 days
Section 106 cases cleared annually (payment of Section 106 obligations by developers to the Authority)	Bigger is Better	76% ¹³	80%	80%	87.5% (G)	↑ I +27%	69.0%
Community Infrastructure Levy (CIL) cases cleared annually (payment of overall CIL obligations by developers to the Authority)	Bigger is Better	82%	80%	80%	89.2% (G)	↑ I +9%	81.8%
Enforcement or breach of condition notices shall be service within timescales	Bigger is Better	70.7%	60%	60%	Report due in Q2	N/A	81% (Q2 18/19)
Prosecution and direct action ¹⁴	Bigger is Better	39.5%	60%	60%	Annual	N/A	Annual

High level risks

1.61 There were no high (15 to 25) level risks on the joint risk register with Re for Planning in Q1.

Legal (Harrow and Barnet Public Law)

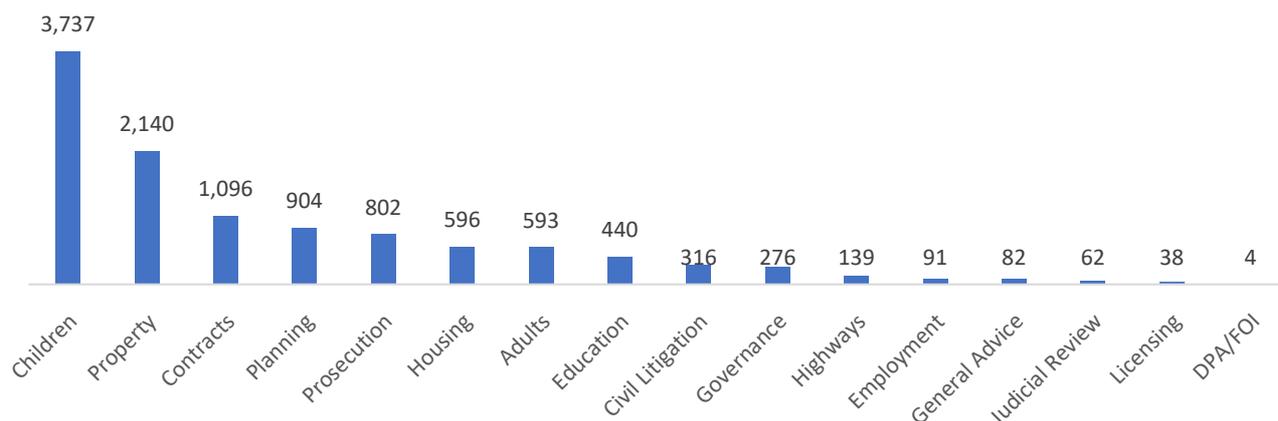
Contracts and Property transactions

1.62 During Q1, the Legal service worked on 3,067 cases. 556 new cases were opened and 840 were closed. There were 11,316 chargeable hours at a total cost of £775,000. The additional cost of external Solicitor & Barrister's and disbursements was £301,654. Children's Services had the highest number of chargeable hours due to the nature of the service, supporting vulnerable children and families. The chargeable hours by service type is shown in the chart below.

¹³ This was originally published in 18/19 EOY report as 74.5%.

¹⁴ The purpose of this KPI is to monitor the effectiveness of the Enforcement team in protecting the environment by prosecuting or taking direct action where the requirements of an effective notice have not been complied with within 3 or 6 months period of compliance expiring.

Chargeable Hours by service areas (Total Hours - 11,316)



1.63 HBPL had the following key achievements during Q1:

- Successfully transferred a contract with Freemantle for the delivery of services at three care homes to Your Choice Barnet at no cost to the council. The homes provide care to around 450 vulnerable residents whose continuity and quality of care is now secured.
- Supported the Corporate Anti-Fraud Team (CAFT) for non-occupation of a council property. A possession order was made on 28 March 2019. Permission to enforce was obtained in the High Court. Following an agreed suspension of the warrant, possession of a four-bed house was recovered in June 2019.
- Successfully defended a Judicial Review in respect of school placement and further grounds of appeal defeated.
- Won a number of cases including for fly tipping, breach of HMO licence conditions, Blue Badge misuse, Unlicensed Street Trading, and breach of planning enforcement notices, resulting in over £115,000 in fines and compensation being awarded to the council.

Escalated KPIs from Strategic Contracts – TBG, Cambridge Education and Re

1.64 This section presents any contract KPIs that are not part of the Theme Committee Annual Delivery Plans where they did not meet target in Q1. These KPIs are escalated to FPC Committee for scrutiny.

Cambridge Education

1.65 All 12 contract KPIs met the Q1 target.

The Barnet Group

1.66 Six of 33 contract KPIs did not meet the Q1 target.

- **Current arrears as a percentage of debit (RAG rated AMBER) – 3.7% against Q1 target of 3.4%.** The arrears in financial terms are c.£115k off target. This was

caused by a series of reduced payments from customers. New actions have been put in place to help address the issue, including improved prioritisation of cases, clearer performance data, clarity of information and roll out of automated letters.

- **Repairs survey (% satisfied customers) (RAG rated RED) – 86% against Q1 target of 96%.** There was a back log of repairs due to delays with the sub-contractor and this had an impact on resident satisfaction as surveys are carried out on recently completed jobs. An improvement plan is in place and most of the overdue jobs were completed at the end of July 2019 and the rest are expected to be completed by the end of Q2.
- **First Time Fix Repairs (RAG rated AMBER) – 88.1% against Q1 target of 92%.** There was a back log of repairs due to underperformance by the sub-contractor and this affected first time fix. An improvement plan is in place and most of the overdue jobs were completed at the end at the of July 2019 and the rest are expected to be completed by the end of Q2.
- **Calls answered within SLA (RAG rated RED) – 86.2% against Q1 target of 93%.** There were technical issues with Mitel, the phone system used, which have now been fixed. Also, additional training has been provided to staff on call handling to improve performance.
- **Emails responded to within 5 working days (RAG rated RED) – 83.3% against Q1 target of 95%.** The KPI did not meet target due to an increase in volume of emails resulting from an issue with the phones. The technical issue has been fixed and daily checks have been introduced to ensure emails are responded to within 5 working days.
- **Customers that rate website as ‘Good’ (RAG rated RED) – 39.7% against Q1 target of 45%.** This KPI did not achieve the Q1 target due to a variety of issues. The website has been updated following customer feedback, a number of new pages on overcrowding and complaints following repairs has been added and a secure site certificate (SSL) has been installed to ensure edited data is protected and secured when opening links on the website.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Current arrears as a percentage of debit	Smaller is Better	3.2%	3.4%	3.4%	3.7% (A)	↑ I +6%	3.4%
Repairs survey (% satisfied customers)	Bigger is Better	95.1%	96%	96%	86% (R)	↓ W -13%	98.6%
First Time Fix Repairs	Bigger is Better	92.1%	92%	92%	88% (A)	↓ W -4.6%	92.2%
Calls answered within SLA	Bigger is Better	76.6% ¹⁵	93%	93%	86.2% (R)	↑ I +21%	71.4%

¹⁵ Q1, Q2 and Q3 average. No data in Q4.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Emails responded to within 5 working days	Bigger is Better	82.8%	95%	95%	83.3% (R)	↑ +17%	71.4%
Customers that Rate website as 'Good'	Bigger is Better	35.3%	45%	45%	39.7% (R)	↑ +23%	32.4%

Re

1.67 Two of 71 contract KPIs did not meet the Q1 target.

- Compliance with Environmental Health Service Standards (Priority 1 incidents and service requests) (RAG rated RED) – 88.2% against Q1 target of 100%.** There was an issue with accessing the portal RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations), which places duties on employers to report certain serious workplace accidents, occupational diseases and specified dangerous occurrences (near misses). This resulted in two cases not being responded to within the agreed service standards of 24 hours. These cases have now been investigated and closed.
- Appropriate response to statutory deadlines within the licencing and gambling Acts (RAG rated AMBER) – 99.7% against Q1 target of 100%.** This failure related to one application only, where the consultation was not sent within the 24 hours prescribed by the legislation. The consultation was sent as soon as the issue was spotted and in time for any responsible authorities to comment.

Indicator	Polarity	18/19 EOY	19/20 Target	Q1 19/20			Q1 18/19
				Target	Result	DOT	Result
Compliance with Environmental Health Service Standards (Priority 1 incidents and service requests)	Bigger is Better	100%	100%	100%	88.2% (R)	↓ W -12%	100%
Appropriate response to statutory deadlines.	Bigger is Better	99.6%	100%	100%	99.7% (A)	↓ W -0.3%	100%

2 REASONS FOR RECOMMENDATIONS

- 2.1 The report provides an overview of performance for the key strategic contracts, where information has not been reported to a Theme Committee, as part of the Q1 2019/20 Themed Performance Reports. The Committee is asked to review the Q1 2019/20 performance in relation to back-office functions delivered by CSG, Planning services delivered by Re and Legal services delivered by HBPL, which are not reported to any Theme Committee.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4 POST DECISION IMPLEMENTATION

- 4.1 None.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Budget, performance and risk information for the key strategic contracts in relation to the priorities in the Corporate Plan and Annual Delivery Plans have been reported to the relevant Theme Committees.
- 5.1.2 The Q1 2019/20 results for all Corporate Plan and Delivery Plan KPIs are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>
- 5.1.3 Robust budget, performance and risk monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of corporate and committee priorities as set out in the Corporate Plan (Barnet 2024) and Annual Delivery Plans.
- 5.1.4 Relevant council strategies and policies include the following:
- Medium Term Financial Strategy
 - Corporate Plan (Barnet 2024)
 - Performance and Risk Management Frameworks.

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

- 5.2.1 The budget forecasts for CSG are reported as part of the CFO paper to this Committee.

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. As set

out in the council's Contract Procedure Rules, commissioners should use the Procurement Toolkit, which includes Social Value guidance. The Contract Management Toolkit should also be used to help ensure 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 the contract management process.

5.4 Legal and Constitutional References

5.4.1 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 to take actions which are calculated to facilitate, or are conducive or incidental to, the discharge of any of their functions.

5.4.2 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.

5.4.3 The council's Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Financial Performance and Contracts Committee as being Responsible for the oversight and scrutiny of:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Assets, Regeneration & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee; or Housing Committee
- The council's major strategic contracts including (but not limited to):
 - Analysis of performance
 - Contract variations
 - Undertaking deep dives to review specific issues
 - Monitoring the trading position and financial stability of external providers
 - Making recommendations to the Policy & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers
- At the request of the Policy & Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee
- To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with this Article.

5.4.4 The council's Financial Regulations can be found at:
<https://barnet.moderngov.co.uk/ecSDDisplay.aspx?NAME=SD349&ID=349&RPID=638294>

5.5 Risk Management

5.5.1 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 (15 to 25) level risks are reported to the relevant Theme Committee and Policy and Resources Committee. All high (15 to 25) level joint risks with CSG, Re (Planning) and HPBL (Legal) are outlined in the report.

5.6 Equalities and Diversity

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

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

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

5.6.3 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.

5.6.4 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>

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. There are no implications for Corporate Parenting in relation to this report.

5.8 Consultation and Engagement

5.8.1 Obtaining customer feedback is part of the contract management process to inform service delivery, service development and service improvement.

5.9 Insight

5.9.1 The report identifies performance and risk information in relation to the back-office functions provided by CSG, Planning services delivered by Re and Legal services delivered by HBPL.

6 BACKGROUND PAPERS

- 6.1 Grant Thornton review of financial controls, September 2018
<https://www.barnet.gov.uk/your-council/finance-funding-and-pensions/fraud-investigation/financial-controls>

**London Borough of Barnet
Financial Performance and
Contracts Committee
Forward Work Programme
2019-2020**

Contact: Salar Rida 020 8359 7113 salar.rida@barnet.gov.uk

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
28 October 2019			
Chief Finance Officer Report	To review and note the council's financial performance.	Director of Finance (S151 Officer) Deputy Chief Finance Officer	Non key
Deep Dive into Capital Programme	To provide an in-depth look at the capital programme.	Director of Finance (S151 Officer) Deputy Chief Finance Officer	Non key
Update on Colindale Office Move (Exempt)	To provide an update on the Colindale Office Move.	Director of Corporate Programmes (CSG)	Non key
Q1 2019-2020 Contracts Performance Report	To review and note the performance of strategic contracts.	Director (Commercial and IT Services)	Non key
16 December 2019			
Chief Finance Officer Report	To review and note the council's financial performance.	Director of Finance (S151 Officer) Deputy Chief Finance Officer	Non key
Update on Finance Matters	To provide an update on finance matters, including Council Tax/Business Rates collection and Revenues/Benefits complaints.	Deputy Chief Finance Officer	Non key
Strategic Contract Reviews	To set out plans for the Year 6 and Year 7 strategic contract review	Director (Commercial and IT Services)	Non key
Update on Major Contracts and Contingency Planning	To provide an update on the council's contingency planning arrangements, in the event of the failure of one of its providers of significant outsourced services.	Director (Commercial and IT Services)	Non key

Subject	Decision requested	Report Of	Type
Brent Cross, incl. Thameslink Station	To provide an update on delivery of the contract for Brent Cross, including the Thameslink Station.	Director of Growth	Non key
Q2 2019-2020 Contracts Performance Report	To review and note the performance of strategic contracts.	Director (Commercial and IT Services)	Non key
18 March 2020			
Chief Finance Officer Report	To review and note the council's financial performance.	Director of Finance (S151 Officer) Deputy Chief Finance Officer	Non key
Copthall Leisure Centres	To provide an update on delivery of the contract for the Copthall leisure centres.	Executive Director of Adults & Health Assistant Director Green Spaces and Leisure	Non key
Q3 2019-2020 Contracts Performance Report	To review and note the performance of strategic contracts.	Director (Commercial and IT Services)	Non key

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

AGENDA ITEM 14

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