

**MEETING**

**FINANCIAL PERFORMANCE AND CONTRACTS COMMITTEE**

**DATE AND TIME**

**WEDNESDAY 18TH MARCH, 2020**

**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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Andrew Charlwood – Head of Governance**

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## ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of the Previous Meeting	5 - 12
2.	Absence of Members	
3.	Declarations of Members Disclosable Pecuniary Interests and Non-Pecuniary Interests	
4.	Report of the Monitoring Officer (if any)	
5.	Public Questions and Comments (if any)	
6.	Members' Items (if any)	
7.	Chief Financial Officer Report Month 10 (January 2020)	To Follow
8.	Year 6/7 Review of Capita Contracts	13 - 20
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12.	Any Other Items that the Chairman Decides are Urgent	

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## Decisions of the Financial Performance and Contracts Committee

29 January 2020

Members Present:-

AGENDA ITEM 1

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

Councillor Kathy Levine	Councillor Alex Prager
Councillor John Marshall	Councillor Barry Rawlings
Councillor Arjun Mittra	Councillor Julian Teare (Substitute)

Apologies for Absence

Councillor Anthony Finn

### 1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Committee, Councillor Peter Zinkin welcomed all attendees.

It was **RESOLVED** that the minutes of the previous meeting of the Financial Performance and Contracts Committee held on 28 October 2019 be agreed as a correct record.

### 2. ABSENCE OF MEMBERS

Apologies were received from Councillor Anthony Finn who was substituted by Councillor Julian Teare.

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

The following declarations were made during the meeting:

Councillor	Agenda Item(s)	Declaration
John Marshall	9	Non-pecuniary interest by virtue of being a Council appointed Director of Re
John Marshall	12	Non-pecuniary interest by virtue of being a Saracens Season ticket holder

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

None.

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



The Committee noted the responses to the Public Questions which were tabled and published prior to the meeting.

The Chairman invited Ms Musgrove and Mr Cox who joined the meeting and asked supplementary questions. The questions were responded to verbally by Officers and the Chairman.

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

None.

## **7. REFERRAL FROM THE ENVIRONMENT COMMITTEE - GUARANTEED INCOME**

The Committee noted the information in the report regarding the referral from the Environment Committee.

Officers noted the mechanism in place in relation to Highways which would result in income being generated in case of underperformance. In order to address this referral and other issues collectively, the referral will be picked up as part of the Year 6 and Year 7 Capita Contracts Review.

It was therefore unanimously RESOLVED:

- 1. That the Financial Performance and Contracts Committee noted the referral from the Environment Committee at its meeting on 27 November 2019.**
- 2. That the Financial Performance and Contracts Committee gave consideration to guaranteed income only and provided instructions as appropriate and set out above.**

## **8. CHIEF FINANCIAL OFFICER REPORT MONTH 8 (DECEMBER 2019)**

The Chairman introduced the item and invited Anisa Darr, Director of Finance and Shahida Nasim, Assistant Director of Finance who presented and summarised the report.

Referring to the figures in section 1.6 of the report, the Committee queried the impact of the measures being proposed in relation to the overall reserves. Officers informed that the figures reflect the planned drawdown from reserves as well as any additional overspend.

In respect of the next financial year, Officers informed the Committee about factors which may influence the overall financial position, including:

- Financial settlements received
- Planned drawdowns from earmarked reserves
- Unplanned drawdowns, if any, and
- Potential impact of increased pressures on social care services.



Following a request from the Committee, Officers agreed to highlight the savings within future CFO report(s) as a result of making early payments on pension employer contributions. (**Action:** CFO - Forward Work Programme)

Officers informed the Committee about the additional funding from Central Government towards the Dedicated Schools Grant and that the underspend will be carried forward.

The Committee queried the reasons for the variance in the savings target for Growth and Corporate Services as set out in the Table 6 of the report. Officers informed that this was due to technical accounting and was adjusted after it became apparent at the start of the financial year.

Referring to the recovery plans, the Committee asked whether the actions taken are sufficient. Officers spoke about the recovery plans which have been developed by service areas to mitigate against overspends. It was noted that demand was higher than expected and that this has been taken into account for next year's budget setting.

Members expressed concerns about the forecast on the Council's Capital Programme. Officers noted that a large proportion of the projects occur during the last few months of the financial year which will be monitored closely with a view to keep Members of the Committee updated.

The Chairman commended Officers on behalf of the Committee for the savings achieved as part of the acquisition of a long-term loan with an average interest rate of 1.9% compared to the average interest rate of 3.8% for existing long-term borrowing.

Members queried about the position of the debt with Comer Homes and NHS Barnet CCG. Ms Darr informed that legal discussions are ongoing with Comer Homes and that good progress has been made with Barnet CCG who have agreed to pay invoices from the 30-60 days category and another from the 60-90 days category. It was agreed that Ms Darr write to the Chairman and Councillor Marshall with an update on the debt with the London Borough of Ealing as set out in Table 16 of the report. (**Action:** Director of Finance)

The Committee requested that the next CFO report include an update on the progress made towards debt management and to reduce the level of debt owed to the Council since the start of the 2019-20 financial year. (**Action:** CFO Report)

It was unanimously **RESOLVED** that:

1. **The Committee noted the 2019/20 revenue forecast outturn, as detailed in Table 1 and in Appendix A;**
2. **The Committee noted the savings anticipated to be delivered in 2019/20, as detailed in Table 6;**
3. **The Committee noted the 2019/20 capital forecast outturn, as detailed in Table 9 and in Appendix B;**
4. **The Committee noted the level of reserves and balances as detailed in Appendix C;**
5. **The Committee noted the treasury position outlined in section 9; and**
6. **The Committee noted the debtors position outlined in section 10.**



## 9. YEAR 6 AND 7 CAPITA CONTRACTS REVIEW - TERMS OF REFERENCE

The Chairman welcomed the report and noted that the Year 6 and Year 7 review of the contracts with Capita will be reported to the Committee.

He noted that discussions will be held within the public domain as far as possible, except where legally exempt discussions are concerned. The Chairman also stated that additional meetings of the Committee may be accommodated where this is required in light of the discussions of the review.

The Commercial and Customer Services Director Deborah Hinde presented and summarised the report.

The Committee agreed that the contracts review programme be assessed together with Members, Officers and the Chairman to give Members the opportunity to query Officers within the relevant service areas as part of the review. Members also noted that in some cases, the review would benefit from a potential peer review of service delivery at other Local Authorities.

Members requested that the Committee be given the opportunity to analyse all matters associated with the contracts review. The Chairman welcomed suggestions from the Committee about any additional steps which may be taken as part of the programme. As a result, it was agreed that a meeting be convened between Officers, the Chairman, Councillor Levine and Councillor Rawlings.

It was noted that going forward, the review will be informed by various reports to this Committee which will consider the full range of options for service areas within the contracts. The Committee also noted that comparative data for bringing services in house will also be considered as part of the review.

In light of recommendation 1(b) in the report, the Committee requested commitment from Officers that year 6/7 Capita Contracts review focus on service quality, value for money and meet future service delivery as far as possible. (**Action:** Contracts review reporting)

To support the discussions on the programme of the current contracts review, it was agreed that reports relating to the previous review of the Capita Contracts be circulated to the Committee. (**Action:** Commercial)

Having been seconded, the Committee agreed to an additional recommendation to read:

1. That the Committee agrees that the aims of the Year 6/7 Review of Capita contracts should be:
  - e) *To ensure that any changes or recommendations should include reference to the appropriate degree of benefits and burdens between LBB and Service Providers.*

The Committee expressed concerns over the public consultation process, it was agreed that a meeting be convened with Officers, the Chairman and Councillor Levine in order to define the specifics of the consultation.

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

1. **That the Committee agreed that the aims of the Year 6/7 Review of Capita contracts should be to:**



- a. Establish the council's long-term vision for service provision and the consequent requirements for each service;
  - b. Understand the current performance of each service, including special projects, in terms of service quality and value for money;
  - c. Develop the future delivery strategy for each service, post-2023; and
  - d. Agree any changes required to the existing contractual arrangements between now and 2023 (i.e. the end of the existing contracts).
  - e. To ensure that any changes or recommendations should include reference to the appropriate degree of benefits and burdens between LBB and Service Providers.
2. Agreed the approach to conducting the Review, as set out in paragraphs 1.15 to 1.24 of this report;
  3. Noted the outline timeline, set out in paragraph 1.32 of this report; and
  4. Noted the work that has been carried out to date in respect of the Pensions Administration service, set out in paragraphs 1.34 and 1.35 of this report.

## 10. UPDATE ON MAJOR CONTRACTS AND CONTINGENCY PLANNING

The report was presented to the Committee by Elaine Tuck, Head of Commercial.

It was unanimously **RESOLVED**:

**That the Committee noted the contingency planning arrangements set out in the report.**

## 11. Q2 2019/20 CONTRACTS PERFORMANCE REPORT

The Chairman introduced the Q2 Performance report and welcomed Elliot Sweetman Group Director for Operations and Property Barnet Group to join the meeting.

Mr Sweetman delivered a presentation to the Committee and spoke about the Barnet Homes Annual Delivery Plan which includes 31 KPI's covering key areas such as

- Homelessness and housing options
- Housing management of Council homes
- Affordable housing development

The Committee noted the presentation and the performance at Q2 as well as the improvement plans being implemented to enhance resident satisfaction levels and achieve cost reductions.

Following a query about efficient working, Mr Sweetman informed the Committee about the range of efficiency measures being which includes aligning of tasks and roles.

It was unanimously **RESOLVED**:

**The Committee reviewed the Q2 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.**

## **12. SARACENS LOAN - UPDATE REPORT**

The Deputy Chief Executive, Cath Shaw presented and summarised the Saracens Loan Update report.

Following a query about the Council's financial position in respect of the loan, Officers noted that robust arrangements and guarantee structures have been put in place based on lessons learnt from other Local Authorities to protect the Council's position against potential eventualities.

The Committee requested to receive updates if anything occurs of material significance to the Council's position that requires action. (**Action:** Deputy Chief Executive)

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

- 1. Noted the position with the loan to Saracens Copthall LLP and the safeguards in place to protect the council's interests.**
- 2. Noted the proposed next steps set out in paragraphs 2.1 to 2.3.**

## **13. BRENT CROSS CRICKLEWOOD**

The Chairman welcomed Karen Mercer Programme Director Re to present and summarise the report.

The Chairman informed Members that the next update report will involve a review of how the contracts are performing. The report will set out any financial settlements which the Committee will be asked to consider alongside the recommendations.

It was also noted that the update report on the works delivery contracts will include the new overall project timetable and cost implications. (**Action:** Forward Work Programme)

In response to a request from Members, Ms Shaw informed Members that the invitation to conduct a site visit will also be extended to Members of this Committee. (**Action:** Deputy Chief Executive)

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

- 1. The works delivery contracts placed and will have been placed by calendar Year Q2 2020 in respect of the Brent Cross Thameslink (BXT) programme and Critical Infrastructure so that the council can meet its delivery responsibilities in respect of the overall project.**
- 2. That the council is working with Network Rail, HM Government (HMG) and its delivery partners to agree a revised integrated programme and update the Anticipated Final Cost (AFC) estimate for the BXT programme. Once approved, this will form the baseline for future reporting and performance**



monitoring.

3. The progress on Brent Cross South and commencement of the demolition and enabling works in anticipation of letting the first significant infrastructure contract in Calendar Year Q1 2020.
4. That Brent Cross Shopping Centre Partners (BXN) have deferred start on site. As such, no significant contracts have been let. An update on next steps will be provided to the Housing and Growth (H&G) Committee on 27 January 2020.

#### **14. COMMITTEE FORWARD WORK PROGRAMME**

The Committee noted the standing item on the agenda, which has been updated during this meeting for consideration at future meeting during 2020.

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

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

The Chairman thanked Ms Elaine Tuck Head of Commercial, who will be leaving the Council, on behalf of the Committee for all her work and contributions to work of the Committee.

#### **16. 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.

#### **17. EXEMPT - BRENT CROSS CRICKLEWOOD**

The Committee noted the exempt information.

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

None.


The meeting finished at 9.59 pm



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## AGENDA ITEM 8

	<p style="text-align: center;"><b>Financial Performance and Contracts Committee</b></p> <p style="text-align: center;"><b>18 March 2020</b></p>
<b>Title</b>	<b>Year 6/7 Review of Capita Contracts</b>
<b>Report of</b>	Director, Commercial and Customer Services
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
<b>Officer Contact Details</b>	Deborah Hinde – Director, Commercial and Customer Services <a href="mailto:deborah.hinde@barnet.gov.uk">deborah.hinde@barnet.gov.uk</a> 020 8359 2461

<b>Summary</b>
<p>The purpose of this report is to provide an update on the Year 6/7 Review of Capita contracts. The terms of reference for the Review were agreed by Financial Performance and Contracts Committee on 29<sup>th</sup> January 2020. The report also sets out the proposed arrangements for ensuring proper scrutiny of emerging proposals by Members of the Financial Performance and Contracts Committee, as well as outlining the proposed arrangements for engaging members of the public.</p>



<b>Officer Recommendations</b>
<p><b>That the Committee:</b></p> <ol style="list-style-type: none"> <li><b>1. Notes the progress that is being made on the Review; and</b></li> <li><b>2. Agrees the proposed approach to Member and public engagement.</b></li> </ol>

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

- 1.1. At its meeting on 29<sup>th</sup> January 2020, the Financial Performance and Contracts Committee agreed terms of reference for the Year 6/7 Review of Capita contracts.
- 1.2. Work on the Review is now well under way. Joint working groups have been established for each of the phase 1 services:
  - Highways
  - Customer Services (including RE service hub and Social Care Direct)
  - Information Technology
  - Revenues & Benefits
  - Estates
- 1.3. The groups are meeting regularly, with the early focus being on carrying out an analysis of the service's strengths, weaknesses, opportunities and threats (SWOT) and exploring the potential future vision for the service. The groups are being supported by members of the programme team and the commercial service, to ensure an appropriate degree of consistency in approach and to enable the identification of common issues and interdependencies.
- 1.4. Cross-cutting workstreams on Financial Assessment and Performance have also been mobilised to support the work of the service-specific joint working groups. Additional specialist support has been commissioned to benchmark Information Technology services and further support is being sought to provide benchmarking analysis on other services, together with a broader market analysis and insight on best practice elsewhere.
- 1.5. The terms of reference for the Review anticipated that reports on progress and recommendations arising from the Review would be brought to each meeting of this Committee during 2020. The terms of reference highlighted that, if considered necessary, additional meetings would be arranged to enable the proper involvement of Members and public scrutiny at all stages of the progress.
- 1.6. During the debate on the terms of reference in January, Members of the Committee expressed some concern that the routine meeting format would not facilitate sufficient scrutiny in advance of recommendations being



finalised. It is, therefore, proposed that dedicated workshops be arranged, in advance of scheduled Committee meetings. All Members of the Committee will be invited to attend. The purpose of the workshops will be to enable detailed scrutiny and discussion on the findings and draft recommendations for each service. In light of the commercially confidential information that will be involved, it is not proposed that these meetings be held in public. The workshops will not be Member decision-making meetings. It is proposed that the first such workshop be held on Monday, 1<sup>st</sup> June 2020, from mid-day to 8.00pm. It is further proposed that the meeting of the Financial Performance and Contracts Committee that is currently scheduled for 15<sup>th</sup> June 2020 be moved to 22<sup>nd</sup> June 2020, to allow sufficient time for papers to be modified in light of the workshop outcomes.

- 1.7. In respect of public engagement, the report to this Committee on 29<sup>th</sup> January referenced the extensive consultation that had taken place through the review of Capita contracts as reported to Policy and Resources Committee on 17<sup>th</sup> June 2019. It also acknowledged that the Year 6/7 Review is a continuation of the review of Capita contracts and will take into account the feedback already provided, including when developing vision and commissioning options. In addition to the consultation that has already been carried out, further engagement will take place on specific services, where further insight is required, through the use of targeted questionnaires and focus groups. This will be designed to ensure that it does not duplicate the work that has already been carried out.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1. This report provides an update on progress, together with further clarification on the approach to Member and public engagement.

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

- 3.1. Not relevant to this report.

## **4. POST DECISION IMPLEMENTATION**

- 4.1. The council continues to implement the Year 6/7 Review in line with the Terms of Reference agreed by this Committee.



## **5. IMPLICATIONS OF DECISION**

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

- 5.1.1. The aims of this Review are consistent with the council's Corporate Plan, Barnet 2024, in that it aims to ensure high quality, good value services.

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

- 5.2.1. The Capita contracts collectively have a value of approximately £80m per annum (including core fee, income and special projects). It is anticipated that around £500k, less than 1% of the value of the contracts, will be required to carry out the Year 6/7 Review. This will be required for programme management, specialist input (including procurement and legal) and additional commercial capacity. Combining the reviews will assist in minimising the cost.
- 5.2.2. The costs involved are justified by the scale of the contracts and the importance to the council of delivering best value going forward. The costs are being funded from reserves, which were enhanced by the £4.12m commercial settlement agreed by the Urgency Committee on 30 November 2018.

### **5.3. Social Value**

- 5.3.1. The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

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

- 5.4.1. Council Constitution, Article 7 (Committees, Forums, Working Groups and Partnerships) provides that Financial Performance and Contract Management Committee is responsible for the oversight and scrutiny of the council's major strategic contracts. It may '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.' Policy and Resources Committee on 17<sup>th</sup> June 2019 agreed that terms of reference and progress on the Year 6/7 Review should be reported to the Financial Performance and Contracts Committee. Any resulting recommendations would be made in a further report to the Policy and Resources Committee.



- 5.4.2. Legal advice will be sought as required, including on contractual, public procurement, consultation, and employment related matters, to ensure that the council acts lawfully at all times.
- 5.4.3. Best Value public consultations as required by Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007) will be carried out as appropriate in the context of the Review.
- 5.4.4. Consultation with staff will be carried out as appropriate and the council will comply with its legal obligations under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) (TUPE) in connection with the transfer of any affected staff.

## **5.5. Risk Management**

- 5.5.1. Key risks associated with the Review include:
- Time and/or resource constraints lead to the Review not being carried out effectively, resulting in poor decision-making
  - Relationship with Capita deteriorates during or as a result of Review outcomes, leading to poorer service delivery
  - Lack of clarity on scope and deliverables from the Review results in disappointed and/or confused stakeholders
  - Resource requirements and/or organisational focus on the Review leads to deterioration in service quality or seeking value for money.
- 5.5.2. Risks will be monitored and mitigating actions are being put in place, including through close partnership working with Capita, ensuring appropriate resourcing (please refer to 5.2.1) and through the detailed planning stage.

## **5.6. Equalities and Diversity**

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

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

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;



- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

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

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

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

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

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

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

5.6.2. Equalities Impact Assessments will be undertaken where required as the Review progresses.

## **5.7. Consultation and Engagement**

### *Public consultation and Best Value consultation*

5.7.1. As mentioned above, extensive consultation has taken place through the review of Capita contracts as reported to Policy and Resources Committee on 17<sup>th</sup> June 2019. The Year 6/7 Review is a continuation of the review of Capita



contracts and will take into account the feedback already provided, including when developing vision and commissioning options. Further engagement will take place on specific services, where further insight is required, through the use of targeted questionnaires and focus groups. Additional stakeholder engagement will also be undertaken with council staff and with Barnet Group and Cambridge Education who also use Capita services, as these service users were not well represented in previous consultation.

#### *Staff consultation*

- 5.7.2. Any proposals that involve the transfer of services from one provider to another (including transfer in-house or to alternative providers) will entail a statutory requirement to provide information and consult with staff representatives under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). These requirements will be triggered once a decision to transfer services has taken place and prior to any transfer being effected.
- 5.7.3. However, it should be noted that it is good practice to engage with all staff from the point at which any potential for transfer of services becomes generally known, throughout the decision making and transition periods and for a period post transfer (if a transfer takes place). Early engagement with staff assists in managing the risks of staff becoming unsettled or distracted as outlined above. It also assists in preventing loss of key staff during the decision making and transition periods, as well as ensuring the council continues to attract high calibre individuals by maintaining its reputation as an employer of choice.
- 5.7.4. Likewise, early engagement and ongoing dialogue with staff representatives is also good practice, with the aim of early identification and resolution of issues, reaching agreement on processes and approach to managing the workforce aspects of transfer and addressing any issues that may arise at the earliest opportunity so that statutory consultation and the transition itself can run smoothly for affected staff.

### **5.8. Insight**

- 5.8.1. Multiple qualitative and quantitative data and information sources will be used to derive insight during the Review.

### **5.9 Corporate Parenting**

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



## **6. BACKGROUND PAPERS**

- 6.1. Report to Financial Performance and Contracts Committee, 29<sup>th</sup> January 2020:

<https://barnet.moderngov.co.uk/documents/s57531/Year%206%20and%20Y7%20review%20ToR.pdf>





# Financial Performance and Contracts Committee

AGENDA ITEM 9

18 March 2020

**Title**

**Finchley Lido Leisure Centre:  
Remedial Programme**

**Report of**

Executive Director: Adults & Health

**Wards**

All

**Status**

Public

**Urgent**

No

**Key**

No

**Enclosures**

Appendix A – Finchley Lido Remedial Photos  
Appendix B – Finchley Lido Remedial Programme

**Officer Contact Details**

Assistant Director: Greenspaces & Leisure  
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Assistant Director: Estates  
[Chris.Smith@Barnet.gov.uk](mailto:Chris.Smith@Barnet.gov.uk)

## Summary

The leisure management contract (2018-2028) outlines the responsibility of the Council to maintain the structure and roof of its leisure facilities.

As part of the monitoring schedule and in partnership with GLL (leisure operator) a review of asset condition, lifecycle maintenance and repairs and maintenance takes place on a quarterly basis. Where items are required for action, LBB and GLL work to commission specialist contractors to undertake work as per an agreed specification.

In line with routine maintenance, Solution Consulting Engineers Ltd (SCE) were commissioned in December 2018 to carry out a roof inspection within the pool hall at Finchley Lido Leisure Centre (FLL) and provide a report on its structural condition.

The SCE report noted a number of areas of requiring further investigation and immediate



attention. In the interests of customer safety and due to the nature of the defect along with the limited survey data available the Council closed access to the wet-side facility in March 2019.

Capita were subsequently appointed in April 2019 to further assess and review the SCE report findings and to propose a remedial strategy for the roof and associated structure of the swimming pool area.

A programme of intrusive investigations and surveys were conducted between April – December 2019 by a team of specialist civil and structural engineers. To minimise service disruption and to bring the facility back into full use in a timely manner, Guild Architectural Restoration (Guild) were directly appointed in September 2019 to deliver the remedial action required.

The total capital value of the programme is £852,660 which is funded from the Asset Management Fund and includes all associated professional fees, site investigations, surveys and the remedial works required. Which are co-ordinated in two separate phases;

- Phase 1 – Enabling works, structural propping and investigations;
- Phase 2 – Structural remedial works

Phase 1 works were completed between September – December 2019, in which remedial items relating to the glulam beams, apex joint connections and steel columns were identified. Phase 2 commenced in December 2019 and is anticipated for completion by April 2020. Progress is monitored on a weekly and monthly basis by the project team.

As part of the leisure management contract, the Council receives a variable average annual payment from GLL (circa £1.6m). This is based on the projected income and expenditure to operate the facilities on behalf of the Council. The primary responsibility for the physical asset is retained by the Council, who are liable for the associated loss of revenue if the facilities are not available for use and GLL are unable to operate the service.

The conditions of this are outlined within the leisure management contract which describes how the revenue liability period takes effect from the point at which operations are affected and determining the loss of revenue for the associated activities for the period in question.

The total loss of revenue is subject to a full commercial assessment which is currently being undertaken in partnership with GLL, the conclusion of this is to be agreed by April 2020.

The remedial programme has reviewed opportunities to expedite the works in a timely and efficient manner to minimise a loss of revenue claim and keep the period that the facility is closed to a minimum. It is anticipated that public access to the wet-side area will be available by May 2020.

This report outlines the extent of the remedial programme which has been co-ordinated and requests for the Committee to note the progress against delivering the priority works required.



## Officers Recommendations

- 1. The Committee note the extent of the remedial programme at Finchley Lido Leisure Centre, associated delivery timescales and the Councils responsibilities as per the Leisure Management Contract (2018-2028).**

### 1. WHY THIS REPORT IS NEEDED

- 1.1 The Council in partnership with GLL commissioned Solution Consulting Engineers Ltd (SCE) in December 2018 to carry out an inspection of the existing roof to the main swimming pool at Finchley Lido Leisure Centre and report on its structural condition.
- 1.2 The SCE report noted a number of areas of cracking within the roof beams and corrosion within the steel columns. Due to the nature of the defect and limited survey data available (ie restriction to access at height) it was deemed necessary to close access to the wet-side facility on health and safety grounds in March 2019. The Council subsequently appointed Capita to review the SCE report and provide recommendations for a remedial programme whilst support in managing all aspects of the repair works including, but not limited to:
  - Due diligence;
  - Remedial design proposals;
  - Scoping and instructing intrusive investigations;
  - Detailed design proposals;
  - Contractor Procurement;
  - Management of the construction activities;
  - Handover and aftercare.
- 1.3 A programme of further intrusive investigations took place from April 2019, which was completed independently by GBG Structural Services. The assessment included visual inspections, physical measurements, intrusive inspections and sampling, timber resistographic drilling, endoscopic investigation and ultrasonic thickness testing to assess the roof beams and steel columns. At the same time a full review of the 'as built' design was undertaken by the project team which identified sub-standard connection arrangements within the structure.
- 1.4 The investigative surveys highlighted the condition of the apex joint connection and several columns would require major repair works to be carried out to ensure structural integrity is maintained. It was also noted that the remaining columns within the swimming pool area would require remedial works but not of a structural nature. The surveys provided a series of recommendations which included items such as re-coating the structural beams with fire retardant paint and removing the corrosion identified on the columns, to coat with in anti-corrosion paint.



- 1.5 As such and to expediate the remedial process the Council appointed Guild Architectural Restoration (Guild) under a single tender action to fully design the remedial works, including the completion any additional surveys, temporary propping of the structure and opening of the roof apex connections.
- 1.6 This is being delivered in a phased approach which includes;
- 1.7 **Phase 1** – installation of temporary propping, access scaffolding, removal of apex connections, removal of duct work and appointment of timber specialist to carry out investigations.
- 1.8 **Phase 2** - remedial works to the glulam beams, the steel beams and steel columns
- 1.9 Phase 1 delivery commenced in September 2019 which included an inspection and survey of the full length of each beam within the pool hall. To complete, scaffolding and propping was installed enabling access to work at height. The design requirements were complicated by the irregular ground conditions (ie the swimming pool, multiple plinths, barriers etc) which caused additional spans and complex requirements. However, the scaffolding has been designed in such a way to reduce the loading away from the poolside and into the centre of the pool.
- 1.10 To enable the apex connection to be removed, a large ventilation duct spanning the length of the pool was required to be carefully taken down and set aside for reinstallation once the works are complete. The project team concluded Phase 1 in December 2019 which confirmed the extent of identified defects within the structural glulam beams, the glulam apex connections and significant corrosion within the steelwork and columns. Images which highlight the extent and nature of the work undertaken are located in Appendix A – Finchley Lido Remedial Photo Images.
- 1.11 In December 2019, the Phase 2 programme was agreed with Guild which is located at Appendix B – Finchley Remedial Programme. The proposal at present includes timber repairs to glulam beams. The programme also includes structural repairs to 6no. heavily corroded columns which comprises of comprehensive blast cleaning of corroded areas and reapplication of anti-corrosion paint. Additional minor works will also be undertaken to remaining columns. Guild have also confirmed the large ventilation duct spanning the length of the pool is salvageable and can be reinstalled to save costs.
- 1.12 It is worth noting that 3 beams lie outside of the direct pool environment (additionally 2no. beams lie partially within the pool environment) and have not been costed within the existing programme. Options to deliver the associated remedial are being reviewed within the budget allocated.
- 1.13 During the wetside closure period GLL have invested in improvements to enhance the poolside experience ready for when the pools re-open. The refurbishment includes installation of a new ventilation system, poolside changing cubicles, a vanity area, new lockers to create a better atmosphere for swimmers and spectators.



- 1.14 Customers are currently being redirected to swimming activities which are available within the new facilities at Barnet Copthall Leisure Centre and New Barnet Leisure Centre. This also includes the transfer of lessons and courses for those customers who have been affected. Where applicable refunds and freezes on memberships have been reviewed and offered by GLL. All of this is taken into account in the contract discussions with GLL in relation to loss of revenue.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Finchley Lido Leisure Centre (circa 1995/96) is the Council's most successful site in financial terms, helped by its location on a leisure retail park. A typical lifespan of a leisure facility is projected between 25 -30 years. The Centre is circa 24 years old and has been subject to an ongoing programme of lifecycle maintenance undertaken by GLL in partnership with the Council.
- 2.2 The Council has a duty to fulfil its obligations in line with the leisure management contract and to ensure that health and safety is dually considered and managed appropriately. Delivery of the remedial programme ensures that the Council are able to progress with opening the wet-side facility by May 2020, with the replacement of key structural elements providing up to 10 years guarantee on the apex connections. All other remedial items will be monitored in line with existing partnership arrangements.
- 2.3 The works are also required to reduce the existing revenue claim levied against the Council, which will continue to accumulate until the facility is brought back into full use. The revenue liability period takes effect from the point of closure (March 2019) for all activities associated for the period in question. The Council has been in continued dialogue with GLL to assess the commercial information to reduce the claim to be levied against the Council.
- 2.4 Ensuring remedial action is completed in a timely manner is also key in ensuring that the forecasted growth targets (by GLL) can be progressed to the expected levels and business plan deliverability is not affected.

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

- 3.1.1 The remainder of the facility currently remains open to the public (health and fitness, studio, lido), if the wet side area were to close permanently with immediate effect (up to contract expiry in 2028) it is likely to result in a significant claim to be submitted by the operator and would impact the offer available to residents.
- 3.1.2 Alternative options have been considered, the Council has a statutory duty in respect of the building and doing nothing is not an option to ensure appropriate risk management.



- 3.1.3 The timely appointment of a contractor via single tender action was deemed necessary to respond to the Councils obligation and mitigate against the associated financial risks.

#### **4. POST DECISION IMPLEMENTATION**

- 4.1 The Committee are requested to note the extent of the remedial programme and the associated timescales (at Appendix B) to bring the facility back into full effect by May 2020.
- 4.2 The Council will continue to work with the project team and GLL to ensure that communication is provided to customers and a re-launch of the facility is promoted.
- 4.3 The Councils Sport & Physical Activity Project (2014/15) highlighted Finchley Lido as a medium-term priority within the Feasibility Study reported to Policy and Resources Committee (2015), which highlighted that significant future investment would be required to meet modern facility standard and to meet operational efficiencies as it reaches its optimum lifespan.
- 4.4 As such and noted within the Adults & Safeguarding Committee; Fit & Active Barnet Annual Update report (September 2019), a future feasibility study and options appraisal of the facility will be reviewed in 2020/21 and reported to for consideration.

#### **5. IMPLICATIONS OF DECISION**

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

- 5.2 The Councils Corporate Plan, Barnet 2024 references outcomes: a pleasant, well maintained borough that is protected and invested in, residents living happy, healthy, independent lives, and safe and strong communities where people get along well.
- 5.3 The maintenance of Finchley Lido Leisure Centre is a crucial part of supporting the Corporate Plan, ensuring that residents have a facility which provides opportunities to participate in physical activity, community and health initiatives.
- 5.4 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**
- 5.4.1 The Council received a quotation via Guild under single tender action, this was reviewed against benchmark rates and construction indices to ensure the rates allowed are fair and reasonable.
- 5.4.2 The total value of the remedial programme is estimated at £852,660 and is funded from the Asset Management Fund. All associated costs have been scrutinised by the



project team cost consultant who has provided an appropriate assessment of costs submitted by Guild.

- 5.4.3 The ongoing loss of revenue impact has been reviewed at several stages since from March 2019. This has included GLL submitting evidence in relation to specific areas of operating the service (eg income and expenditure mitigations). A final claim and settlement is expected to be agreed between GLL and the Council by April 2020.

## **5.5 Social Value**

- 5.5.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.
- 5.5.2 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.

## **5.6 Legal and Constitutional References**

- 5.6.1 Under Rule 6 of the Council's Contract Procedure Rules, a Single Tender Action is the awarding or entering into a Contract with a contractor without undertaking a competitive tendering exercise. This is permitted only in exceptional circumstances and needs to be approved in advance by the Commercial & ICT Services Director. The approval to appoint Guild Architectural Services Phase 1 & 2 was agreed by Commercial & ICT Services Director on 06 September and 12 December 2019.
- 5.6.2 Consideration was given in undertaking a tender exercise for the Phase 1 and Phase 2 works. However, given constraints, especially the need to respond in a timely manner delivering a full procurement exercise for each stage was concluded unviable.
- 5.6.3 Any delay in proceeding with the Phase 2 works (agreed in December 2019) would result in a further accumulation of costs for temporary propping, scaffolding and security. The Council would also continue to incur revenue penalties during this period from the leisure operator.
- 5.6.4 It was concluded that Guild have a unique understanding of the structure and the proposed remedial and have demonstrated their ability in delivering other Council works.



5.6.5 Under the Council's Constitution, Article 7, the terms of reference of the Financial Performance and Contracts Committee includes the following responsibilities:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults and Safeguarding Committee; Children, Education and Safeguarding Committee; Community Leadership and Libraries Committee; Environment Committee; and Housing and Growth 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 and Resources Committee and/or theme committees on issues arising from the scrutiny of external providers

5.6.6 At the request of the Policy and Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee

5.6.7 To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with this Article.

## **5.7 Risk Management**

5.7.1 All identified risks are captured on the project risk register, monitored and updated by the project team. Where applicable, risks are escalated via the Capita Project Team to the Council Monthly progress meetings are held between the Council, the Capita Project Team, Guild and GLL.

5.7.2 If key identified risks materialise, the likely associated costs and the current residual design life of the facility in any remedial option would likely be financially unviable. Assessments have been undertaken throughout Phase 1 and in Phase 2 to ensure that any expenditure demonstrates value for money in consideration of longer term options.

5.7.3 All dry-side areas of the facility remain open and accessible to customers, with operations being monitored by GLL.

5.7.4 All works are carried out in accordance with statutory requirements and building regulations.

## **5.8 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.

## **5.9 Corporate Parenting**

5.7.1 Not applicable.

## **5.10 Consultation and Engagement**

5.10.1 The Council has issued statements in partnership with GLL in March 2019 and throughout co-ordination of the remedial activity.

5.10.2 Further communication in relation to a confirmed opening date of the full facility will be advised by 31 March 2020.

## **5.9 Insight**

5.9.1 not applicable.

## **6. BACKGROUND PAPERS**

6.1 <https://open.barnet.gov.uk/dataset/2yzqv/leisure-operating-contract-201728>

6.2 <https://barnet.moderngov.co.uk/documents/s43032/DPR%20Leisure%20Management%20Award.pdf>

6.3 <https://barnet.moderngov.co.uk/documents/s21253/Appendix%206%20-%20Feasibility%20Study.pdf>

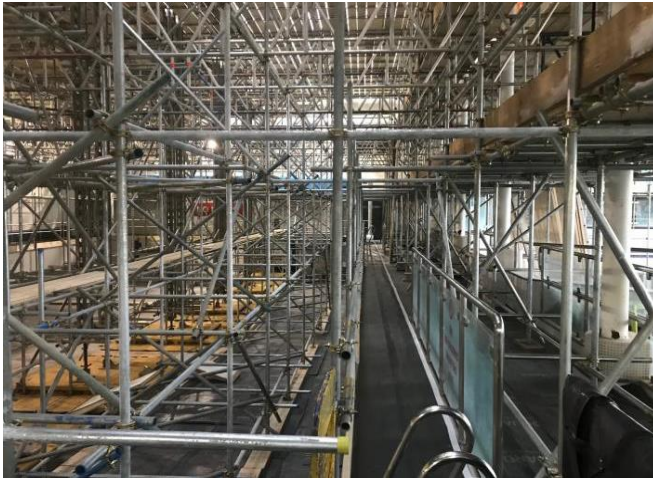


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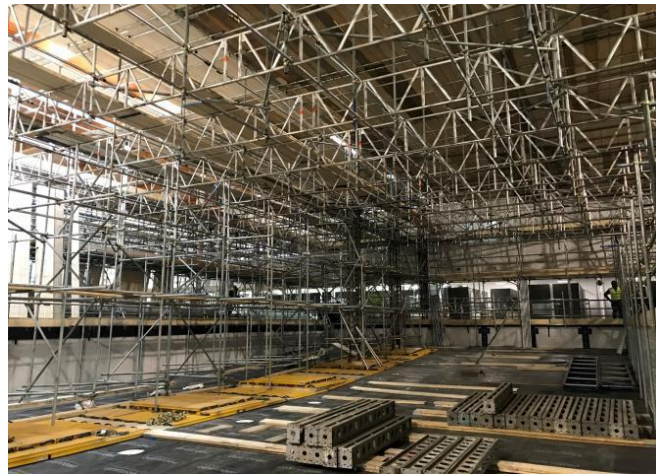


## APPENDIX A: Finchley Lido Remedial Photos

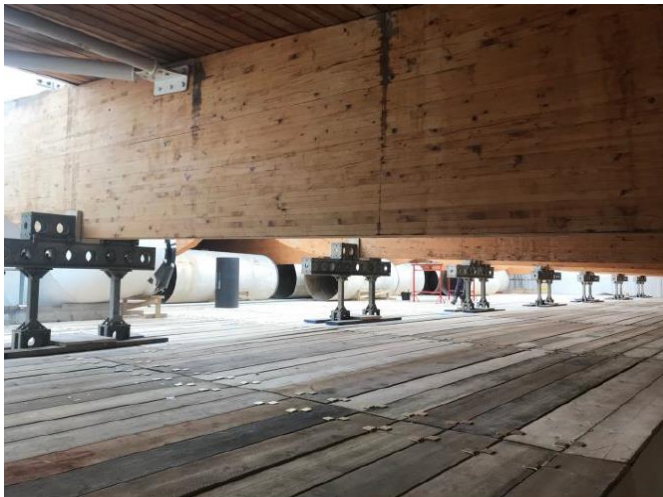
Main Pool: Extent of propping & scaffolding



Main Pool: Enabling access to roof / structure



Structure: Access to enable intrusive surveys



Structure: Access to timber beams and connections

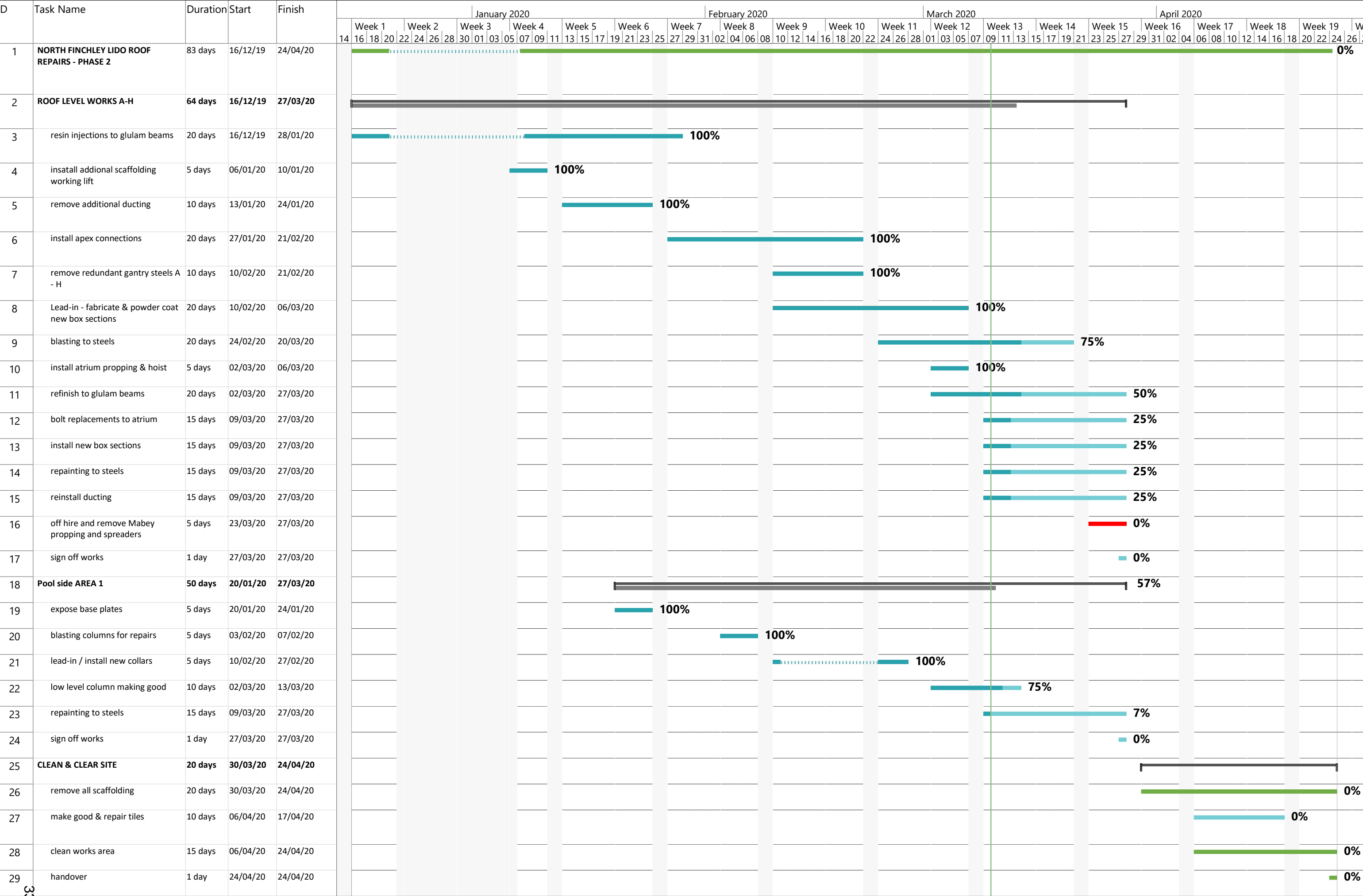


Access: Removal of ducting and apex connections



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	<p><b>Financial Performance and Contracts Committee</b></p> <p><b>18 March 2020</b></p>
<b>Title</b>	<b>Q3 2019/20 Contracts Performance Report</b>
<b>Report of</b>	Director (Commercial and Customer Services)
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
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### 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 3 (Q3) 2019/20 Themed Performance Reports.

### Officers Recommendations

The Committee is asked to review the Q3 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 (P&R) 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 Q3 2019/20 Themed Performance Reports. The report covers the **back-office functions** delivered by **CSG** (except Estates, which is reported to Housing and Growth), **Planning (Re)** and **Legal (HBPL)** services. It also includes contract KPIs<sup>1</sup> for Cambridge Education and The Barnet Group that did not meet target in Q3, which are escalated for scrutiny.

### Back office functions (CSG)

#### Overview

- 1.2 During Q3, incremental improvement continued across most services. Notable events included:
- The snap General Election, which caused an additional 16,000 queries (phone calls and emails) into the Contact Centre
  - There was a performance dip in HR in December 2019 due to resourcing challenges, which was largely resolved in January 2020
  - There was a significant IT outage due to hardware problems at a supplier
  - Several changes to services were progressed, including
    - Work that resulted in the return of the Capital Programmes team to the council in January 2020
    - Workshops on a new operating model for Procurement
    - Plans to move to an alternative model for Pensions Administration which were approved by P&R Committee on 19 February 2020.

#### Finance

- 1.3 **Accounts Payable (AP)** - Capita has continued to work with Barnet colleagues on the AP Task Force, focusing on the completion of audit actions reported in the 'Limited Assurance' AP audit to Audit Committee on 30 October 2019, and in the subsequent update to Audit Committee on 30 January 2020. This is alongside joint working to improve the service for end users.
- AP Forensics went live on 17 February 2020. It was agreed that Capita would identify and review the historic duplicate payments over a four week period. Since the 17 February 2020, there have been 12 possible duplicate payments prevented, the AP team are working through the reasons for these potential duplicates and will be providing feedback to the council.
  - Internal Audit has reviewed and signed off Capita's training and development plan and material relating to the council's AP function.
  - An issue was identified where service areas had authorised payments of invoices but the system did not release the funds. Capita has implemented a reporting process to identify these instances for action and since doing so reports of non-

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<sup>1</sup> Key Performance Indicators



payment from service areas has stopped. Capita has confirmed that the fault causing this is in the process of being fixed.

- Implementation of the Appian system<sup>2</sup> within Capita for AP processing has progressed, with an improved level of auto matching achieved. This phase benefits the AP Shared Service team, although there will be associated benefits for the council in terms of invoices being processed more efficiently and better reporting capabilities.

#### 1.4 **Integra** – there has been an improvement in support calls and operational delivery.

- The number of outstanding support calls has reduced by 27% during the quarter from 119 in Q2 to 87 in Q3. This performance was helped by a data cleansing exercise of the support system which has had a positive reduction in aged fault calls.
- The major areas for focus within the Integra development team over the quarter were user issues and purchasing support. The resolution of fault calls remains Capita's ongoing priority.

#### 1.5 There are three KPIs for Finance. Two of the three KPIs met the Q3 target and the third KPI is not due to be reported until Q4

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Operational availability of financial system application (Integra) to the hosted network (q)	Bigger is Better	New for 19/20	98%	98%	99% (G)	New for 19/20	New for 19/20
Invoice documents in Accounts Payable processed within agreed timescales (q)	Bigger is Better	New for 19/20	90%	90%	95.8% (G)	New for 19/20	New for 19/20
Completion of audit recommendations by Capita in relation to their provision of finance services (q)	Bigger is Better	New for 19/20	100%	100%	Due in Q4 19/20	New for 19/20	New for 19/20

## Pensions

#### 1.6 The joint exercise to complete and submit the annual return to The Pensions Regulator (TPR) was successful, finalised on 15 November 2019 before the statutory deadline. The common data certificate maintained a high score of 95.6%, and for the first time a score was given for the conditional data certificate. Although this score was only 40% (target is 100%), the main area of concern related to the absence of a marital status indicator on the member record. A plan to remedy this is being prepared.

#### 1.7 The focus for Q3 has been to improve service standards for 'workable cases' i.e. cases for which the information required to process is held. Compliance with service standards has improved for these types of cases to 91% (December 2019) from 82% (September 2019). However, the number of outstanding cases increased

<sup>2</sup> Appian is a software for the implementation of Project Waterfall to transform various aspects of the financial processes currently run in Integra.



in the period due to incomplete information on the members file. Details of unworkable<sup>3</sup> cases have been requested to enable Barnet staff to help identify the missing information that will enable processing to be undertaken.

- 1.8 An exercise commenced to contact 255 members over Normal Pension Age (NPA) who hadn't claimed their retirement benefits, which resulted in 169 responses. 155 sets of options were calculated and issued to members, with the remainder in the process of preparation. Work has also progressed on concluding retirement events and the council has completed initial work on the third-party cases, although a number of cases remain outstanding.
- 1.9 An exercise has commenced to identify and supply members with Pensions Saving Statements that had not been issued in prior years. This has been reported to TPR, who does not intend to act because of the rectification plan that is in place.
- 1.10 Plans to move to an alternative model for Pensions Administration was approved by P&R Committee on 19 February 2020. The report can be found online at: <https://barnet.moderngov.co.uk/documents/s57962/Pension%20Fund%20Administration.pdf>. As part of the recommendations agreed by P&R Committee, Full Council is due to consider and agree on 3 March to delegate, under section 101 agreement, the Pensions Administration function to West Yorkshire Pension Fund. This report can be found online at: <https://barnet.moderngov.co.uk/documents/s58116/Report%20to%20Council%20-%20Cover%20Report.pdf>
- 1.11 There are no KPIs for Pensions.
- 1.12 There was one high level (scoring 15+) risk on the joint risk register with CSG for Pensions in Q3, which is being managed in accordance with the council's risk management framework.
  - **CSG55 - Poor delivery of pension service by administration team (residual score 16 - increased from 9).** Poor management of pensions administration could lead to scheme members experiencing delays in receiving benefits and/or inaccurate pension information resulting in enforcement actions by The Pensions Regulator. A remediation plan is in place with progress against target dates being monitored. Enhanced scrutiny has identified new failings for which corrective actions and timescales are being agreed with the pension administrator.

## Human Resources

- 1.13 As reported in Q2, work has been ongoing to overhaul the processes used for managing Starters, Leavers and Movers (SLAM) to make the process as efficient as possible and reduce organisational risk. The aim is to reduce both duplication and delays, and cuts across Finance, IT, HR and Estates. It is envisaged that the solution will involve the use of workflows embedded in Office365. This concept has been developed by IT and changes to the process will start to be implemented in March 2020. In addition, process improvements will ensure a better link between new-starter processes and induction arrangements, to ensure that staff members are onboarded appropriately. In the meantime, compensating controls are in place

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<sup>3</sup> The employer or member has not provided some of the information required to complete the task.



whereby Finance are provided with regular lists of starters, movers and leavers to enable a manual check of Integra.

- 1.14 The KPI for Payroll has been met again this quarter and the area remains under close review to ensure improvements are sustained. Capita are applying for independent assurance of the control environment via ISAE3402 (an external assurance framework) and this will take place in Q4. A review of the assurance framework around all financial systems is also being carried out under the direction of the Section 151 Officer.
- 1.15 Continued low take-up of all employee benefits such as salary finance, car lease, charitable giving, cycle to work and technology products, through the employee benefit portal resulted in the agreement being terminated. Contracts for employee benefits are now being managed in-house while a new provider is sought.
- 1.16 There are four KPIs for HR. Three of the four KPIs did not meet the Q3 target.
- **Offer letters issued (RAG rated RED) – 77.2% against Q3 target of 100%.** The KPI underperformed because of higher volumes than anticipated for December 2019 and resource constraints due to annual leave. To mitigate this impact, multiskilling between the recruitment team and HR admin has been scheduled as well as daily reporting to monitor progress. All the outstanding letters have been issued and performance was back on track at the end January 2020.
  - **Pre-Employment vetting (RAG rated RED) – 77.3% against Q3 target of 99%.** The KPI underperformed because of higher volumes than anticipated for December 2019 and resource constraints due to annual leave. All the outstanding checks have been completed and performance was back on track at the end January 2020.
  - **DBS verification audits (RAG rated AMBER) – 99.5% against Q3 target of 100%.** The KPI underperformed because of resource constraints due to sickness absence. The three DBS outside of the Service Level Agreement have been completed as at January 2020. To mitigate this impact, multiskilling between the recruitment team and HR admin has been scheduled as well as daily reporting to monitor progress.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Payroll Accuracy - error rates and correct date (q)	Smaller is Better	New for 19/20	0.1%	0.1%	0.1% (G)	New for 19/20	New for 19/20
Offer letters issued (q)	Bigger is Better	New for 19/20	100%	100%	77.2% (R)	New for 19/20	New for 19/20
Pre-Employment vetting (q)	Bigger is Better	New for 19/20	99%	99%	77.3% (R)	New for 19/20	New for 19/20
DBS verification audits (q)	Bigger is Better	New for 19/20	100%	100%	99.5% (A)	↓ W -.5%	100%

## Corporate Programmes



- 1.17 The Capital Programmes team has been transferred back to the council in January 2020. Throughout Q3, work continued across programmes and projects, including key programmes such as The Way We Work (TW3), leisure centres and schools:
- Capita has been project managing the defects process for the two new leisure centres at Copthall and New Barnet, as well as the demolition of old leisure centre at Copthall.
  - The rebuild project of the children's homes at Woodside Avenue has been managed by Capita. Stages 3 and 4 (development and technical design) are almost complete. Capita has also been managing the defects process for the new school at Blessed Dominic Saint James.
  - The Customer Transformation Programme (CTP) team has held workshops across all service areas, ensuring customer service is at the heart of their approach. Capita identified a programme of customer experience enhancements, that have been implemented, which will provide enhanced analytics for the next CTP phase.
  - Capita has rolled out an updated audio system for the meeting rooms at Colindale, on top of continued support on the TW3 programme.

## **Customer Services**

- 1.18 New online solutions will enable residents to transact online and reduce the need to call the council for simple transactions:
- A new online appointment booking system has been launched for Registrars
  - The new parking permit purchasing system resulted in higher phone volumes initially during transition, which has since reduced.
- 1.19 The biggest impact on call volumes was from the snap General Election, which took place in December 2019; causing an additional 16,000 queries (phone calls and emails) in November and December 2019.
- 1.20 A full end to end 'health check' was undertaken to review the telephony infrastructure to understand what more could be done to mitigate any re-occurrence of the issues reported in Q2. 17 recommendations were made in total and a project manager has been assigned to track and monitor these through to implementation. The key recommendations were:
- Improvements to monitoring, daily checks and alert availability
  - Implementation of technical improvements recommended by the supplier
  - Increase the number of available lines into the council
  - Change certain call 'flows' to mitigate callers being cut off as they are transferred between teams and different telephony platforms.
- 1.21 On 6 January 2020, P&R Committee approved a new set of priorities for improving the customer experience, which will prioritise delivery over the next 12 months. A key part of this is to improve the culture across the organisation and internal workshops have begun supported by CSG. An internal communication campaign has been launched to promote the delivery of a good customer experience and its importance to residents.



- 1.22 **Web satisfaction** - following the launch of the new council website in February 2019, the measures below have continued to show a positive direction of travel:
- Website usage has increased, with an 85% increase in 'user visits' in Q3 19/20 (2,947,154) compared to Q3 18/19 (1,593,061). A spike in activity due to the snap General Election and new online systems going live caused the increase.
  - Web content quality score (rating on readability, freshness, user experience and security) remained high at 91% (national average is 85%)
  - Customer satisfaction in phone, email and face-to-face channels has remained consistent (90.7% against the target of 89%).
- 1.23 There has been continued focus on ensuring the council's website meets new Government regulations (AA) accessibility, so it is suitable for users with additional accessibility needs. The website accessibility score was 97.5% in Q3 compared with 94.2% in Q2 and was higher than the local government benchmark of 77.4%.
- 1.24 There are four KPIs for Customer Services. All KPIs met the Q3 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Customer satisfaction with phone, face-to-face, email and post case closure (q)	Bigger is Better	New for 19/20	89%	89%	90.7% (G)	↑ I +0.8%	90.0%
Web satisfaction (web performance and customer feedback) (q)	Bigger is Better	New for 19/20	55%	55%	59.7% (G)	New for 19/20	New for 19/20
Customer Services closing cases on time (Customer Advocacy Service) (q)	Bigger is Better	New for 19/20	94%	94%	100% (G)	New for 19/20	New for 19/20
Cases/transactions completed via self-service channels (CSG Customer Service only) (q)	Bigger is Better	47.1%	50%	50%	54.3% (G)	↑ I +12.9%	48.1%

## Information Systems

- 1.25 **Device Refresh and Windows7 to Windows10 Upgrade** - c.400 of 500 devices have been refreshed in Q3 as part of the "Device Refresh" programme and over 2,000 devices have been upgraded from Windows 7 operating system to Windows 10. The remaining devices will be migrated before the end of March 2020.
- 1.26 **Bring Your Own Device (BYOD)** - This service has been implemented and rolled out to Members and a pilot group of staff. Over 60 people have signed up (as at end of January 2020) and it is now available for use across the organisation. A broader communication programme will aim to increase active users by the end of Q4.
- 1.27 **General Election** - The IT team were heavily involved in supporting the activities of the General Election. The website was scaled to cope with an anticipated increase in demand, capable of handling more than 30,000 visits per hour.



1.28 **IT outage** - There was a significant outage to network connectivity in December 2019 caused by a break that occurred in the fibre link between Barnet and the Spring Park Datacentre (in Wiltshire). An investigation has been undertaken and Capita is awaiting input from their supply chain to understand the full root cause. Intermediate actions are being undertaken:

- Ascertain why the network resilience failed to work
- Review the design of the primary and secondary links for single points of failure
- Review why the service provider was unable to re-route traffic or provide an alternative interim solution
- Review with third party the response and support arrangements to understand why the incident took over 36 hours to resolve (spread over Fri/Sat/Sun)
- Formalise the communication method and approach between IT and the council's Emergency Planning team.

1.29 There are two KPIs for Information Systems. Both KPIs met the Q3 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Incident resolution (q)	Bigger is Better	93.3%	95% <sup>4</sup>	95%	95.6% (G)	↓ W -0.1%	95.7%
Critical system availability (q)	Bigger is Better	99.9%	99.5%	99.5%	99.9% <sup>5</sup> (G)	→ S	99.9%

## Procurement

1.30 The Procurement team has made steady progress against the strategic action plan, while transitioning to a new operating model. The aim of the new model is to take a proportionate approach, with most resources focused on higher value procurements (£100,000 or above), more use of the offsite procurement team for lower value procurements (below £100,000) and an increased level of self-service using the Procurement toolkit, which has been updated. Workshops were held with service areas in Q3 and the new model will be rolled out in Q4. Work has also commenced with Legal to review and refresh the suite of contract templates and legal guidance, and increase standardisation where appropriate.

1.31 Following agreement of the Procurement Forward Plan by P&R Committee in January 2020, Procurement are working with service areas to plan out activity for the coming year in more detail. Key procurements for 2020/21 include homecare services, works and services supporting delivery of the Parks and Open Spaces Strategy, short breaks for disabled children and corporate travel management

1.32 There are four KPIs for Procurement. All four KPIs met the Q3 target.

<sup>4</sup> The target was increased from 90% to 95% in 18/19 in line with the contractual provisions.

<sup>5</sup> The KPI definition is under review to ensure it is consistent with the output specification.



Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Compliant contracts – contracts over £25k (q)	Bigger is Better	New for 19/20	100%	100%	100% <sup>6</sup> (G)	N/A	New for 19/20
Effective corporate contract management (q)	Bigger is Better	New for 19/20	60% <sup>7</sup>	60%	85.5% (G)	N/A	New for 19/20
Cumulative apprenticeships (c)	Bigger is Better	65	70	60	94 (G)	↑ I +10.6%	85
Cumulative work experience) (c)	Bigger is Better	258	280	240	353 (G)	→ S	353

## Revenues and Benefits

### 1.33 Council Tax and Business Rates - Four-yearly collection rates for Council Tax and Business Rates were exceeded:

- Council Tax: 98.81% (against a target of 98.5%)
- Business Rates: 99.37% against a target of 99%).

### 1.34 In-year collection rates for Council Tax and Business Rates were lower than last year:

- Council Tax average: 71.83% (Q3 19/20) compared to 72.14% (Q3 18/19)
- Business Rates average: 72.16% (Q3 19/20) compared to 73.99% (Q3 18/19).

The number of ratepayers paying in 12 monthly instalments rather than the statutory 10 monthly instalments has increased, which has meant the amount collected between April and January has reduced (whilst payments made in February and March have increased).

### 1.35 Direct Debit take up has remained above target at 66.66% (against a target of 65%).

### 1.36 Equita (Capita's enforcement agent) are carrying out some inspection work for the Business Rates team. They are visiting accounts that receive a rolling review to ensure lists are produced for all cases in the Business Rates database where properties have a rateable value of NIL, empty properties and those with mandatory charitable relief. Equita staff are visiting the properties to confirm if there has been any change in circumstance. Where circumstances have changed these are reported back to CSG and dependant on the nature of the change, these will be dealt with by the Business Rates team if there is an occupancy/liability change or by the inspectors for any valuation changes. Internal inspectors will continue to do ad-hoc visits raised by the Business Rates team and monitor properties that have planning permission.

### 1.37 Housing Benefit Overpayments – Overpayment recovery decreased by 29.90% to £1,284,874 in Q3 2019/20 from £1,402,926 in Q3 2018/19. However, December 2019

<sup>6</sup> The result was 99.999% rounded up to 100%. One contract was non-compliant as at the time of reporting - Water sports. Service have been chased to provide information.

<sup>7</sup> Subject to one quarter baselining period after which an improvement plan for Year 7 will be agreed to bring performance to 100% from April 2020 onwards.



was up by 50.49% (£142,629) on December 2018 (£94,775). This has suggested the four additional FTE overpayment officers recruited in November 2019 to further improve the overpayment process and cash collection had a positive impact.

1.38 Take-up has been good on the introduction of self-serve forms. A new digital solution (TelSolutions) was introduced in October 2019 to improve Council Tax collection rate. Residents now receive reminders via email, SMS and automated voicemail messages compared to previously only receiving paper reminders. E-Billing is now live but in the early stage.

1.39 There are three KPIs for Revenues and Benefits. One KPI did not meet Q3 target.

- **Accuracy of benefit assessments) (RAG rated AMBER) – 94.5% against Q3 target of 95%.** The Q3 target was slightly missed. Capita has been working on various reports produced by the system to improve this, which was reflected in improved performance in December 2019 (96.5%) and January 2020 (96%). There has been an improvement in the quality of assessment work carried out by officers.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Accuracy of benefit assessments (q)	Bigger is Better	91.5%	95%	95%	94.5% (A)	↑ I -0.6%	93.9%
Speed of processing new claims (q)	Smaller is Better	20	22	22	22 (G)	↓ W -10%	20
Speed of processing changes (q)	Smaller is Better	5	6	6	6 (G)	→ S	6

## Cross-cutting

1.40 There is one cross-cutting KPI. Compliance with Authority Policy met the Q3 target. This KPI relates to compliance with council's policies on Health and Safety, Equality and Diversity, Information Management, Human Resources and Governance.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Compliance with Authority Policy (q)	N/A	Fail (Q1)	Pass	Pass	Pass <sup>8</sup> (G)	→ S	Pass

## Planning and Building Control (Re)

1.41 In Building Control, the service has been working to turn around historic falls in market share and Q3 saw this measure begin to rise again; following a two-year marketing

<sup>8</sup> Pass means compliance with Level 2 of the council or equivalent Service Provider Policies identified in Schedule 22 the DRS contract where there has been no non-compliance by the Service Provider which results in an event adversely impacting upon the council. The adverse event could be; an event causing actual or serious risk of death, personal injury or harm towards any individual for whom the Authority has a duty of care; a judgement against the Authority by a statutory or regulatory body; a fine, disciplinary measure, successful claim or other award against the Authority or any individual employed by the Authority



strategy, work bidding for larger contracts and upselling of Building Control services with planners at pre-application stage.

- 1.42 Delivery of actions from the customer service review across Development Management, Enforcement and Building Control services has resulted in clearer customer service standards and expectations for all staff and also the appointment of the Resident Liaison Officer who began a programme of mystery shopping within the service and has also begun providing follow-up on Enforcement and Planning casework to target a reduction in complaints from residents.
- 1.43 Work began to restructure the management team to create an Assistant Service Director position for policy and growth, with the Major Project Planning Team incorporated into the wider Development Management service, together with revised reporting lines for planners working on Brent Cross Cricklewood to bring them closer to Development Management and Strategic Planning colleagues. The new structure will be put into place during Q4.
- 1.44 There are nine KPIs (including the two Application and Enforcement baskets) that are not reported as part of the Theme Committee Annual Delivery Plans. Seven KPIs met the Q3 target. Two KPIs are due to be reported in Q4.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19 Result
				Target	Result	DOT	
Decisions made within building regulation statutory timescales (q)	Bigger is Better	99.7%	100%	100%	100% (A)	→ S	100%
Average time taken to process requests for Full Official Searches (online and post) in Land Charges (q)	Smaller is Better	2.5 days	3 days	3 days	2.1 days (G)	↑ I -22%	2.7 days
Compliance with planning application statutory timescales for major, minor, other applications (q)	Bigger is Better	84.4%	80%	80% <sup>9</sup>	94.9% (G)	↑ I +12%	84.8%
<b>Planning Application Basket KPI (q)</b>	Bigger is Better	New for 19/20	5	5	6 (G)	New for 19/20	New for 19/20
<b>Planning Enforcement Basket KPI (q)</b>	Bigger is Better	New for 19/20	5	5	5 (G)	New for 19/20	New for 19/20
Section 106 cases cleared annually (payment of Section 106 obligations by developers to the authority) (q)	Bigger is Better	76% <sup>10</sup>	80%	80%	87.5% (G)	↓ W -6%	93.0%
Section 106 cases cleared annually (payment of Section 106 obligations by developers to the authority - top 20 payments cleared) (Annual)	Bigger is Better	85%	90%	N/A	Due Q4 19/20	N/A	Due Q4 19/20

<sup>9</sup> KPI target increased to 80% in Q3 19/20 from 75% as part of KPI review.

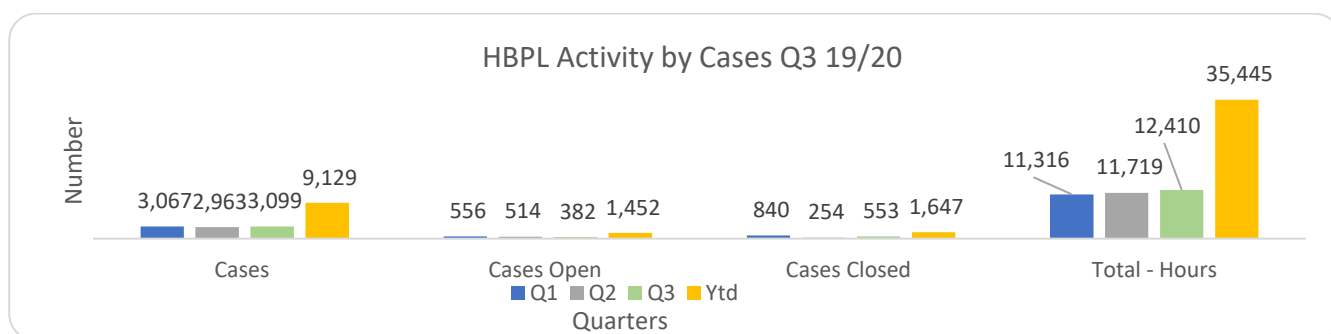
<sup>10</sup> This was originally published 74.5% in EOY 18/19 report.



Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Community Infrastructure Levy (CIL) cases cleared annually (payment of overall CIL obligations by developers to the authority) (q)	Bigger is Better	82%	80%	80%	82.2% (G)	↓ W -2.6%	84.4%
Community Infrastructure Levy (CIL) cases cleared annually (top 20 payments cleared) (q)	Bigger is Better	90.0%	90%	N/A	Due Q4 19/20	N/A	Due Q4 19/20

### Legal (Harrow and Barnet Public Law)

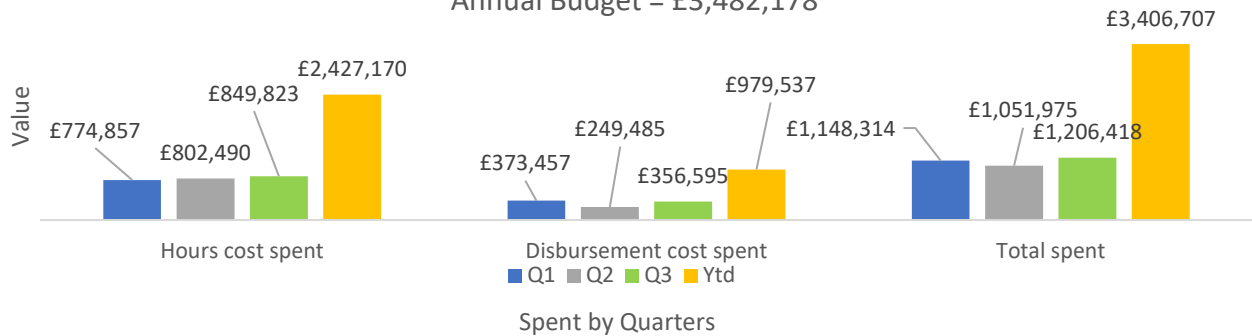
- 1.45 Children's Services continued to have the highest number of chargeable hours at 3,782 in Q3 (down by 227 from 4,010 in Q2) at a cost of £258,883.38. The chargeable hours by service type is shown in the chart below.
- 1.46 In Q3, Legal worked on 3,099 cases (compared with 2,963 in Q2). 382 new cases were opened (compared with 514 in Q2) and 553 cases were closed (compared with 254 in Q2). There were 12,409.8 chargeable hours (compared with 11,719 hours in Q2) at a cost of £849,823 (compared with £802,490 in Q2).
- 1.47 Disbursements went up by 43% to £356,595 in Q3 from £249,485 in Q2. This is partly due to spend on a CPO Public Inquiry. Total spend in Q3 was £1,206,418.15 (compared to £1,051,975 in Q2), with year to date spend at £3,406,706.79 (2% drop when compared to £3,478,848.55 spend as at Q3 18/19). Overall spend to date was 98% of the total budget in Q3 – spend is £3,406,706 vs. budget of £3,482,178. However, Q3 year to date is 2% lower than Q2 year to date.
- 1.48 In relation to budget management, the legal services budget has been devolved to service areas/directorates. Monthly budget monitoring is undertaken by services to ensure that any overspend on legal costs are contained within the overall budget for the service area/directorate.



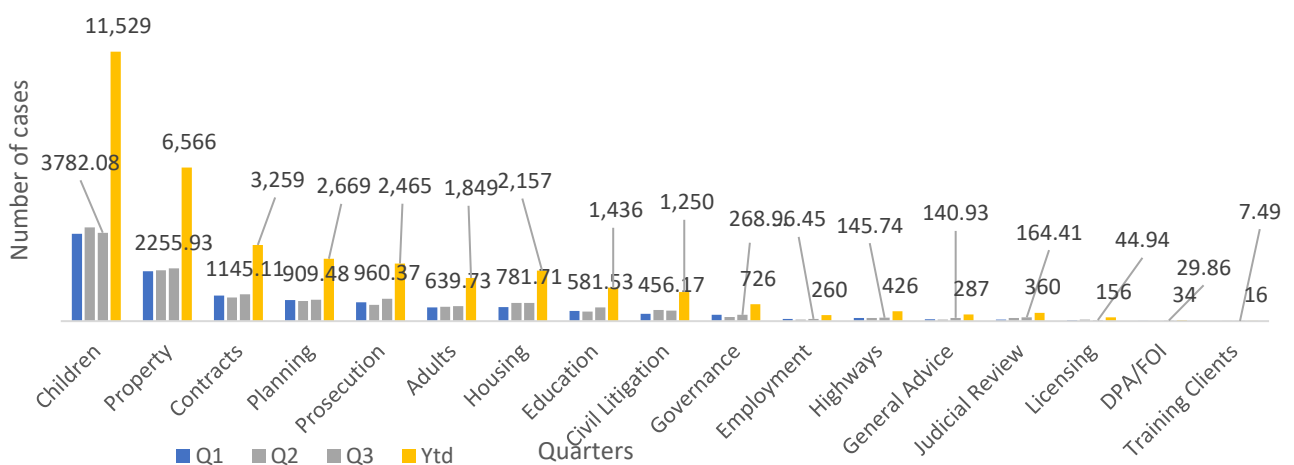


### Hours and Disbursement Costs (£)

Annual Budget = £3,482,178



### HBPL Activity by Service Q3 19/20



#### 1.49 Other activities in Q3 included:

- Issued court proceedings for a case that the hospital trust was reluctant to litigate, which successfully resulted in an order facilitating the discharge of the patient to a nursing home.
- Successfully resisted the developer's attempts to compel the council to adopt roads in a landmark test case, which has relevance to other local authorities.
- Planning prosecution – the defendant was charged with one offence of breaching a planning Enforcement Notice. The defendant was found guilty after a four-day trial. The Court sentenced the defendant to the following
  - (a) A fine of £15,000
  - (b) Full prosecution costs of £9,523.10
  - (c) Victim surcharge of £170.

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

1.50 This section presents any contract KPIs that are not part of the Theme Committee Annual Delivery Plans where they did not meet target in Q3. These KPIs are escalated to FPC Committee for scrutiny.

#### Cambridge Education

1.51 All 31 KPIs due to report in Q3 met the contract targets.



## Re

1.52 Two of the 69<sup>11</sup> contract KPIs due to report in Q3 did not meet target. The two KPIs have been reported to Environment Committee.

## The Barnet Group

1.53 Five of the 31 contract KPIs<sup>12</sup> due to report in Q3 did not meet target. Two KPIs have been reported to Housing and Growth Committee. The remaining three are outlined below. A presentation on The Barnet Group performance was given at FPC Committee on 29 January 2020.

- **Repairs survey (% satisfied customers) (RAG rated RED) – 85.1% against Q3 target of 96%.** Repairs satisfaction has remained below target in Q3 largely due to the ongoing concerns with the Mears Repairs performance. The demobilisation plan is targeting these areas of concern with a contingency plan being developed should this not positively change soon.
- **First Time Fix Repairs (RAG rated AMBER) – 87.9% against Q3 target of 92%.** Within Q3, slight improvements were made (November to December 2020) but overall for the quarter Mears Repairs performance remained below the quarterly target and not in line with expectations set out during high level meetings in November 2020.
- **Average re-let time for Major Works Lettings (RAG rated RED) – 66 against Q3 target of 41.** The target was not achieved due to a fire breaking out in a block of flats on the Grahame Park Estate. The property has been brought back to a lettable standard now.

Indicator	Polarity	18/19 EOY	19/20 Target	Q2 19/20	Q3 19/20			Q3 18/19
				Result	Target	Result	DOT	Result
Repairs survey (% satisfied customers) (q)	Bigger is Better	95.1%	96%	85.6%	96%	85.1% (R)	↓ W -17.5%	100%
First Time Fix Repairs (q)	Bigger is Better	92.1%	92%	89.3%	92%	87.9% (A)	↓ W -3.8%	91.2%
Average re-let time for Major Works Lettings (days) (q)	Smaller is Better	44.3	40	49.9	41	66 (R)	↓ W 24.3%	53

<sup>11</sup> Monthly and quarterly KPIs with RAG ratings

<sup>12</sup> This includes KPIs in the Annual Delivery Plans reported to Theme Committees.



## **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 Q3 19/20 Themed Performance Reports. The Committee is asked to review the Q3 19/20 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 Q3 19/20 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 and Safeguarding Committee; Children, Education and Safeguarding Committee; Community Leadership and Libraries Committee; Environment Committee; and Housing and Growth 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 and Resources Committee and/or theme committees on issues arising from the scrutiny of external providers
- At the request of the Policy and 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/documents/s47388/17FinancialRegulations.doc.pdf>

## **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. There is one high (15 to 25) level joint risk with CSG and none for Re (Planning) and HPBL (Legal).

## **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 Policy and Resources Committee, 19 February 2020, Pension Fund Administration



<https://barnet.moderngov.co.uk/documents/s58117/Annex%201%20Report%20to%20Policy%20and%20Resources%20Committee%20-%2019%20February%202020.pdf>

- 6.2 Council, 3 March 2020, Referral from the Policy and Resources Committee – Pension Fund Administration

<https://barnet.moderngov.co.uk/documents/s58116/Report%20to%20Council%20-%20Cover%20Report.pdf>



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

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



Title of Report	Overview of decision	Report Of ( <i>officer</i> )	Issue Type (Non key/Key/Urgent)
<b>18 March 2020</b>			
Chief Finance Officer Report	To review and note the council's financial performance.	Director of Finance (S151 Officer) Assistant Director of Finance	<b>Non key</b>
Q3 2019-2020 Contracts Performance Report	To review and note the performance of strategic contracts.	Director (Commercial and IT Services)	<b>Non key</b>
Finchley Lido Leisure Centre	To update the Committee on the scale of the investigation work and the remedial work	Assistant Director for Estates Director of Growth Director (Commercial and IT Services)	<b>Non key</b>
Y6/7 Capita Contracts Review	To receive an update and any interim recommendations	Director (Commercial and IT Services)	<b>TBC</b>
<b>15 June 2020</b>			
Chief Finance Officer Report	To review and note the council's financial performance.	Director of Finance (S151 Officer) Assistant Director of Finance	<b>Non key</b>
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	<b>Non key</b>
Oakleigh Road Depot	The Committee at its October meeting asked for the total cost of moving to the Oakleigh Road Depot whilst acknowledged the difficulties in calculating the total cost due to the changing nature of the comparison data. Officers were instructed to provide a report to the Committee on this matter.	Director (Commercial and IT Services)	<b>Non key</b>



<b>Subject</b>	<b>Decision requested</b>	<b>Report Of</b>	<b>Type</b>
Legal Services Report	To receive an update on the performance of HB Public Law.	Director (Commercial and IT Services) / Assurance Director Chief Legal Advisor (Monitoring Officer/ Head of Governance)	<b>Non key</b>
End of Year 2019/20 Contracts Performance Report	To review and note the End of Year 2019/20 performance of strategic contracts.	Director (Commercial and IT Services) Head of Performance and Risk	<b>Non key</b>
Y6/7 Capita Contracts Review	To receive an update and any interim recommendations	Director (Commercial and IT Services)	<b>TBC</b>
The Barnet Group Report (Change of Contractor)	To receive the report and consider the recommendations.	Finance Director, Barnet Homes Director (Commercial and IT Services)	<b>TBC</b>
<b>27 October 2020</b>			
Chief Finance Officer Report	To review and note the council's financial performance.	Director of Finance (S151 Officer) Assistant Director of Finance	<b>Non key</b>
Q1 2020/21 Contracts Performance Report	To review and note Quarter 1 2020/21 performance of strategic contracts	Director (Commercial and IT Services) Head of Performance and Risk	<b>Non key</b>
Y6/7 Capita Contracts Review	To receive an update and any interim recommendations	Director (Commercial and IT Services)	<b>TBC</b>



Subject	Decision requested	Report Of	Type
Brent Cross and Capital Programme	<p>The Committee requested that Officers in consultation with the Chairman develop an item which will set out the following:</p> <ul style="list-style-type: none"> <li>- the major Capital Programme projects and sub-projects within the Capital Programme</li> <li>- [BX] overall project timetable and cost implications</li> <li>- risks against each of those project and sub-projects</li> <li>- the summary of progress against each project and sub-project</li> <li>- amount of funding spent compared to amount of funding expected to be spent</li> </ul>	Director of Growth Assistant Director of Finance	<b>Non key</b>
<b>7 December 2020</b>			
Chief Finance Officer Report	To review and note the council's financial performance.	Director of Finance (S151 Officer) Assistant Director of Finance	<b>Non key</b>
Y6/7 Capita Contracts Review	To receive an update and any interim recommendations	Director (Commercial and IT Services)	<b>TBC</b>
Q2 2020/21 Contracts Performance Report	To review and note Quarter 2 2020/21 performance of strategic contracts	Director (Commercial and IT Services) Head of Performance and Risk	<b>Non key</b>
<b>To be allocated</b>			
Capital Receipts	The Committee requested an item on Capital Receipts and details of the projects covered under the Capital Programme	Director of Finance (Section 151 Officer) Assistant Director of Finance	<b>Non key</b>