

	<h2>Environment Committee</h2> <h3>08 November 2016</h3>
Title	Business Planning 2017/18 – 2019/20
Report of	Commissioning Director for Environment
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Environments Committee Revenue Savings Programme Appendix B – Environments Committee’s Vision and Commissioning Priorities overview
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Summary

On the 18th November 2014, the Environment Committee approved a five-year Commissioning Plan, and in March 2015 indicative proposals for achieving £10.3 million savings by 2019/20. The Commissioning Plan and Savings programme set out the strategic priorities, commissioning intentions and indicative budget proposals of the Environment Committee up to 2019/20

A Business Planning report was considered by Policy and Resources Committee on the 28 June 2016 outlining the council’s updated Medium Term Financial Strategy (MTFS) to 2020. The paper set out the proposed revenue and capital budget amendments for 2016/17 as well as setting out the previously agreed savings requirements across Theme Committees for the period 2017-20.

Policy and Resources Committee asked Theme Committees to confirm delivery of savings against plans agreed at the March 2016 Council meeting. The overall targets for Theme Committees remains the same but Policy and Resources Committee have asked that if any proposals are now either unachievable or will not deliver on their original estimate, they must be supplemented by bringing forward new proposals to meet the gap.

The budget projections through to 2020 are indicative figures. The budget will be formally agreed each year, after appropriate consultation and equality impact assessments, as part of Council budget setting, and therefore could be subject to change.

Recommendations

1. That the Environment Committee approves the refreshed revenue saving programme in Appendix A for referral to Policy and Resources Committee

1. WHY THIS REPORT IS NEEDED

- 1.1 The past five years have been challenging for all local authorities; the combination of reduced public spending and increasing demand meant that Barnet needed to save £75 million between 2011 and 2015, just over a quarter of its budget. As far as possible, the council sought to meet this challenge through savings to the ‘back office’ to protect our front-line services. During this time of significant challenge, the council has seen levels of resident satisfaction remain high both in terms of satisfaction with the council as well as with a range of local services. The latest Residents’ Perception Survey indicates that 89 per cent of residents are satisfied with Barnet as a place to live and 77 per cent feeling that the council is doing a good job.
- 1.2 With financial pressure on the council set to continue, the next four years will continue to present challenges however, there will also be some significant opportunities. Savings plans to close the £80.1 million gap (2016-20) were agreed by Full Council in March 2016, with £5 million to be funded by reserves in 2019/20. Funding savings from reserves is not sustainable in the long term, however, the chief financial officer recognises that the council tax base beyond 2020 is expected to increase, based on projected council tax receipts from new housing in the west of the borough and therefore the use of reserves is projected to be necessary for one year only.
- 1.3 However, in spite of these challenges, there are significant opportunities for Barnet, with a focus on protecting vital services by managing demand and directing resource to those most in need. Successful demand management relies on an understanding of the types of demand that are arising, and how we can reprofile this demand to deliver positive outcomes. Many of our service transformation programmes have demand management at their core to ensure that this objective is met. There is also an increased focus on building community resilience; helping residents to help themselves so that they are equipped to do more for their communities and become less dependent on statutory services.
- 1.4 As funding from central Government reduces to zero, the council will need to generate its income through local and regional sources of funding – Council Tax, Business Rates, fees and charges, and the commercialisation of some services where appropriate. Whilst challenging, this also provides all authorities with an opportunity as the further devolution of funding means that increasingly, councils will become masters of their own destinies. The council is also placing an increased focus on investment in infrastructure and is continuing with its ambitious regeneration plans, which will create over 20,000 new homes and 30,000 new jobs in the borough. Our regeneration programme will also generate more than £11m in recurrent income by

2025 and £50m in one off income by 2020, which is to be invested in the borough's infrastructure.

- 1.5 Theme Committees are asked to confirm delivery of savings against plans agreed at the March 2016 Council meeting. The overall targets for Theme Committees remains the same and any proposals that are not either unachievable or will not deliver on their original estimate will need to be supplemented by bringing forward new proposals to meet the gap.

Environment Committee Revenue Savings Programme

- 1.6 In November 2014, the Environment Committee approved a five-year Commissioning Plan, and in March 2015 and indicative proposals for achieving savings by 2019/20. The Commissioning Plan and Savings programme set out the strategic priorities, commissioning intentions and indicative budget proposals of the Environment Committee up to 2019/20
- 1.7 Appendix B provides an overview of Environments 's Committee's current Vision and Commissioning Priorities
- 1.8 The Environment Committee has approved a savings package of £6.5 million from 2016/17 to 2019/20 which was profiled for the following years:
- 1.9

	2017/18	2018/19	2019/20	Total
Programmed	£2,315 k	£2,165 K	£2,080 K	£6,560K
Anticipated to achieve in year	£1,790	£1,265	£1,705	£4,760

- 1.10 As can be seen in the table above a number of areas are anticipated to under achieve, and as such new savings have been sort.
- 1.11 Appendix A sets out the revised savings proposals for Environment Committee through to 2020.
- 1.12 Additional Savings Proposals include

#	Savings	Amount	Year
G6	Rationalisation of CCTV contracts	£200 k	2019/20
G7	Possible introduction of a permit charge to cross the footway (skips and building materials)	£200 k	2018/19
G8	Advertising within parks	£100 k	2018/19
S1	Additional capital investment focused on permanent highway repair , and Capitalisation of highways work where it is enhancing our assets – Sustainable savings for 2017/18 and 2018/19	£2,100 K	2017/18

S2	Doing things differently in greenpaces including "low quality / low value" green spaces	£200 k	2018/19 & 2019/20
S3	Improving process for Controlled Parking Zone changes/introductions	£100 k	2018/19
R1	Increase on savings allocated in 2019/20	£200 k	2019/20
R2	Increase on savings allocated in 2019/20	£700k	2019/20

1.13 The new savings package from 2017/18 to 2019/20 totals £6.8 million profiled for the following years:

2. REASONS FOR RECOMMENDATIONS

	2017/18	2018/19	2019/20	Total
Previous Programme	£2,315 k	£2,165 K	£2,080 K	£6,560K
New Programme	£3,965 k	£1,915	£1,300	£6,560 K

2.1 **Recommendation 1** - It is recommended that the Environment Committee approves the refreshed revenue saving programme in Appendix A for referral to Policy and Resources Committee. This report sets out the indicative proposals for how the Committee will achieve the revenue savings to deliver target savings confirmed by the Council's Policy and Resources Committee on 28 June 2016 and which accord with the priorities of the Environment Committee set out in paragraph the Commissioning Plan.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 The alternative approach is not to approve the savings programme. This, however, is not considered good practice and may expose the Council to the risk of not achieving its savings targets.

4. POST DECISION IMPLEMENTATION

4.1 If the Committee is so minded to approve the recommendations then these proposals will be considered by the Policy and Resources Committee on 1 December 2016 and will form part of the delivery of the Council's Medium Term Financial Strategy.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Corporate Plan 2015-2020 is based on the core principles of fairness, responsibility and opportunity to make sure Barnet is a place:

- Of opportunity, where people can further their quality of life
- Where people are helped to help themselves, recognising that prevention is better than cure
- Where responsibility is shared, fairly

- Where services are delivered efficiently to get value for money for the taxpayer

5.1.2 The Council's priorities include:

- Maintaining the green and pleasant nature of the borough by reducing the amount of litter and detritus to the lowest level in London.
- Using encouragement, behaviour change and, where necessary, enforcement to persuade litterers to not drop litter in the Borough, including chewing gum and dog fouling.
- High quality services maintained whilst reducing unit costs to the lowest amongst Barnet's statistical neighbours.

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

5.2.1 **Finance & Value for Money**: The reviews of the savings programme are part of ensuring value for money, and meeting the MTFS. For information, there is a report on Reviewed Fees and Charges elsewhere on agenda.

5.2.2 **Procurement**: At this time there are no implications. Individual projects will be initiated and procured as needed in line with Barnet's Standing Orders

5.2.3 **Staffing**: At this time there are no implications. Individual projects will be initiated and impact on staffing assessed

5.2.4 **Property**: At this time there are no implications.

5.2.5 **IT**: At this time there are no implications.

5.2.6 **Sustainability**: At this time there are no implications.

5.3 **Social Value**

5.3.1 In taking forward the proposals due regard will be paid to the Public Services (Social Value) Act 2012. The Act will be a useful tool in ensuring that our activities are embedded in prevention and early intervention. We will seek to look for added value providers can bring in delivering our services such as where apprenticeships are provided.

5.3.2 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 All proposals emerging from the business planning process will need to be considered in terms of the Council's legal powers and obligations (including,

specifically, the public sector equality duty under the Equality Act 2010). All proposals are already or will be subject to separate detailed project plans and reports to committee. The detailed legal implications of these proposals are included in those reports which will have to be considered by the Committee when making the individual decisions.

5.4.2 Environment committee is approving these proposals for referral to Policy and Resources Committee. These proposals will then be referred to Council so that Council can approve the budget envelope and set the Council Tax. There will be contingencies within the budget envelope so that decision makers have some flexibility should any decisions have detrimental equalities impacts that can not be mitigated.

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

- To approve fees and charges for those areas under the remit of the Committee
- To submit to the Policy and Resources Committee proposals relating to the Committee's budget for the following year in accordance with the budget timetable.
- To make recommendations to Policy and Resources Committee on issues relating to the budget for the Committee, including and virements or underspends and overspends on the budget. No decisions which result in amendments to the agreed budget may be made by the Committee unless and until the amendment has been agreed by Policy and

5.5 Risk Management

5.5.1 The Council has taken steps to improve its risk management processes by integrating the management of financial and other risks facing the organisation. Risk management information is reported quarterly to the council's internal officer Delivery Board and to the relevant Committees and is reflected, as appropriate, throughout the annual business planning process.

5.5.2 Risks associated with each individual saving proposal will be outlined within the individual Committee report as each proposal is brought forward for the Committee to consider.

5.6 Equalities and Diversity

5.6.1 Equality and diversity issues are a mandatory consideration in the decision-making of the council. This requires elected Members to satisfy themselves that equality considerations are integrated into day to day business and that all proposals emerging from the finance and business planning process have properly taken into consideration what impact, if any, there is on any protected group and what mitigating factors can be put in train.

5.6.2 The public sector equality duty is set out in s149 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 the Equality Act 2010;
- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (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; and
- (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, 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; and
- Sexual orientation.

5.6.3 As individual proposals are brought forward for consideration by the Environment Committee, each will be accompanied by an assessment of the equalities considerations, setting out any potential impact of the proposal and mitigating action. The equalities impact of all other proposals will be reviewed as proposals develop and will inform the final consideration of the savings proposals by the Policy and Resources Committee on 23rd February 2017.

5.6.4 Where there are changes, it is inevitable that there is likely to be an impact on individuals in different ways. However at each stage of the process, the council will conduct full EIA to ensure that where some current and future clients are impacted, proper measures are considered to minimise the effect as far as possible. Those affected by any changes resulting from any of the proposals will be fully engaged.

5.6.5 The revenue savings sheet shown as Appendix A currently indicates current assessments which have been completed. As the full impact of these changes is understood, each initiative will undertake to work with those affected and consider options available to them to help mitigate any adverse impact. Where necessary proposals will not be implemented or agreed until members have fully considered the equality impacts and responses to any consultation.

5.6.6 All human resources implications will be managed in accordance with the Council's Managing Organisational Change policy that supports the Council's Human Resources Strategy and meets statutory equalities duties and current employment legislation.

5.7 **Consultation and Engagement**

5.7.1 As a matter of public law the duty to consult with regards to proposals to vary, reduce or withdraw services will arise in 4 circumstances:

- where there is a statutory requirement in the relevant legislative framework;
- where the practice has been to consult or where a policy document states the council will consult then the council must comply with its own practice or policy;
- exceptionally, where the matter is so important that there is a legitimate expectation of consultation and
- where consultation is required to complete an equalities impact assessment.

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

- comments are genuinely invited at the formative stage;
- The consultation documents include sufficient reasons for the proposal to allow those being consulted to be properly informed and to give an informed response;
- there is adequate time given to the consultees to consider the proposals;
- there is a mechanism for feeding back the comments and those comments are conscientiously taken into account by the decision maker / decision making body when making a final decision;
- the degree of specificity with which, in fairness, the public authority should conduct its consultation exercise may be influenced by the identity of those whom it is consulting and;
- Where relevant and appropriate, the consultation is clear on the reasons why and extent to which alternatives and discarded options have been discarded.
- The more intrusive the decision the more likely it is to attract a higher level of procedural fairness

5.7.3 Public consultation on the overall budget for 2017/18 will commence on 5th December 2016 following the Policy and Resources Committee on 1st December 2016 before the final savings are recommended to Full Council on the 7th March 2017.

5.7.4 The public consultation will give residents an opportunity to comment on the 2017/18 overall budget and Environment Committee's individual proposals to deliver the 2017/18 savings identified in this report, before final decisions are formalised in the council's annual budget.

5.7.5 In terms of service specific consultations, the council has a duty to consult with residents and service users in a number of different situations including where proposals to significantly vary, reduce or withdraw services. Consultation is also needed in other circumstances, for example to identify the impact of proposals or to assist with complying with the council's equality duties. Where appropriate, separate service specific consultations have already taken place or are currently taking place for the 2017/18 savings. The current consultations are:

- Alternative Delivery Model – Street Scene
- Bowling Green – Engagement with Clubs

6. **BACKGROUND PAPERS**

6.1 [Environment Committee November 2015 Papers](#) – Environment Committee Commission Plan

6.2 [Environment Committee March 2015 Papers](#) – Environment Committee Business Planning