

	<p><b>Assets, Regeneration and Growth Committee</b></p> <p><b>12 March 2018</b></p>
<p><b>Title</b></p>	<p><b>Quarter 3 2017/18 Commissioning Plan Performance Report</b></p>
<p><b>Report of</b></p>	<p>Councillor Daniel Thomas</p>
<p><b>Wards</b></p>	<p>All</p>
<p><b>Status</b></p>	<p>Public</p>
<p><b>Urgent</b></p>	<p>No</p>
<p><b>Key</b></p>	<p>No</p>
<p><b>Enclosures</b></p>	<p>None</p>
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## Summary

The report provides an overview of performance for **Quarter 3 (Q3) 2017/18**, including budget position for revenue and capital (where relevant), progress on key activities, indicators that have not met target, and high level risks for the Theme Committee in relation to the Commissioning Plan.

## Recommendations

The Committee is asked to review the finance, performance and risk information in relation to the Theme Committee's Commissioning Plan.

## 1. INTRODUCTION

- 1.1 This Commissioning Plan performance report is an extract from 'the Q3 2017/18 Performance Monitoring Report (Part B: Performance by Theme Committee) that was presented to Performance and Contract Management Committee on 27 February 2018. **Note that performance and risk information is reported by exception only, for example where indicators have not met target and high level risks (scoring 15 or above).**

### PERFORMANCE BY THEME COMMITTEE (COMMISSIONING PLANS)

- 1.2 The priorities for ARG Committee are to facilitate the building of more than 20,000 new homes by 2025, as part of several major regeneration programmes, including at Brent Cross, and through brownfield redevelopment; continue to help residents access employment; invest in key town centres and make Barnet the best place in London to be a small business.

### Progress on key activities

- 1.3 A progress update on key activities has been provided below. Further information on the regeneration programme is set out in paragraph C.17 of the Q3 2017/18 Performance Monitoring Report. The report is available on the council website at: <http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=693&MId=9136&Ver=4>

- **Regenerating Brent Cross Cricklewood**

**Brent Cross North** – the application by Hammerson Standard Life (HSL) for the shopping centre was approved at Planning Committee in October 2017. This was a crucial milestone Brent Cross North and the result of years of consultation and design development between the developer and the Local Planning Authority. Seasonal works such as tree felling and vegetation clearance began in November 2017 and affected parties were informed to minimise any disturbance and disruption. HSL have reported a delay to the start of the early and main works, which was in part due to the delay on the CPO1 and CPO2 decisions (confirmed in December 2017).

**Brent Cross South** – the Reserved Matters Application for Plot 12 was submitted in October 2017. Members were briefed on the plot layout and design in October 2017 and some concerns were raised about the provision for parking. The Phase 1BS application is being considered and will be presented to Planning Committee in early 2018. The application has received few objections. A temporary open space application is expected which will ensure an acceptable amount of open space is maintained during the development while work is taking place to improve existing green areas.

**Brent Cross Thameslink** – the planning applications for the new waste transfer station and rail freight were submitted and are being reviewed by officers. Objections have been raised and officers are meeting with local residents groups to discuss these. The applications will be considered by Planning Committee in early 2018. The new station's name will be 'Brent Cross West'. The updated programme and baseline budget were approved by the Brent Cross Governance Board and the procurement strategies for individual work packages were approved by ARG Committee in November 2017.

**Regenerating Colindale** - the informal consultation on the Controlled Parking Zone's (CPZ) was extended to 12 November 2017. The findings and recommendations will be presented to Hendon Area Committee on 28 February 2018.

Discussions are still being held with TfL regarding the over station development proposal that would provide the public realm improvements required for Colindale Avenue. The Liveable Neighbourhood Bid to support walking and cycling routes in Colindale, which was submitted to TfL in October 2017, was unsuccessful and is being re-submitted.

Subsequent to approval of the application for Montrose and Silkstream parks improvements in the autumn 2017, work has progressed on the tender package and planning condition discharge, including co-ordination of the Youthzone project.

A further seven secure tenants from the Grahame Park Concourse moved into the final Plot 6 social rented properties, which completed ahead of contract. The Mayor of London has directed refusal of the planning application for Plots 10, 11 and 12. This delays the whole scheme and a CPO cannot be progressed without planning permission.

- **Delivering the Development Pipeline** – the Outline Business Case for the extra care scheme at Stag House in Burnt Oak Broadway was approved by ARG Committee in November 2017 and the planning application submitted in December 2017. This will deliver 50 extra care units for affordable rent.

The Business Case for the Microsites programme was also approved. This will deliver affordable and specialist housing on smaller scale infill sites across the borough, with Phase 1 delivering 10 affordable rented homes across four sites, including eight wheelchair accessible bungalows.

The contractor for Moreton Close has reported a delay due to the foundations of the scheme being under-engineered. A review of the piled foundations found that six out of 270 piles needed some additional work. Remedial work has commenced to the six piles and construction has fully recommenced on the remainder of the scheme unaffected by the potential loading issues. The impact of these issues will likely be a delay in completion until December 2018. Barnet Homes will continue to work with the contractor to seek to reduce the delay further.

For Tranche 3 (affordable housing on infill sites), Summers Lane and Prospect Ring planning applications were submitted in October 2017. Alexandra Road, West Close and Westbrook Crescent sites were transferred to Open Door Homes in October 2017, and West Farm in December 2017. Progress is being made on the Elmhurst Crescent and Basing Way Garages sites. Achieving the timely transfer of land to Open Door Homes remains a challenge and land transfers and the subsequent start of development at Sheaveshill Court, Mount Pleasant and Hanshaw Drive were delayed.

A report on the way forward for Tranche 1 (mixed tenure schemes) will be submitted to ARG Committee in due course. Feasibility work for Watling Car Park and work to support the disposal of land at Westhorpe Lodge was commissioned and these workstreams have commenced.

- **Helping people into work** – progress has been made towards achieving the public sector apprenticeship target (LBB target 44) with 13 apprenticeship starts to date and a further nine in the pipeline. Work continues to target care leavers and young people not in employment education or training for work readiness and apprenticeship opportunities, as well as to identify opportunities to upskill existing staff through apprenticeship opportunities. This has been the first year of the new national apprenticeship framework and while progress is being made, the council is dependent on new apprenticeship standards being developed that are suitable and appropriate to the types of roles and work undertaken by a local authority. Once further apprenticeship standards are developed more opportunities for apprenticeship starts will be available that will better enable the council to achieve its target going forward.

Together BOOST Burnt Oak and BOOST Childs Hill have engaged 550 residents and supported over 135 people into work. The Mental Health and Employment trailblazer are working to increase the number of referrals they have received to their service and Shaw Trust has appointed Groundwork London to deliver the Work and Health Programme in Barnet.

- **Investing in key town centres and making Barnet the best place in London to be a small business** - consultations on the Supplementary Planning Document for North Finchley Town Centre and the Golders Green Town Centre Strategy were completed. The responses are being reviewed and the Golders Green plans will be taken to the Public Realm forum in April 2018. Plans are underway to open business workspace in Chipping Barnet, North Finchley and East Finchley in spring 2018.
- **Improving planning and enforcement** – the planning service is in the top 10 nationally for both application numbers and planning enforcement activity. In the last quarter, the service has been shortlisted for ‘Team of the Year’ in the 2018 Local Government Chronicle Awards. The 20 per cent planning fee increase, which came into effect in January 2018, will be used to fund service improvements.

## Performance indicators

1.4 The Q3 2017/18 position for the basket of indicators in the Theme Committee’s Commissioning Plan has been set out in table 1 below. This shows that half of indicators (50%) have met target for the third quarter of the year; and a third (33%) have improved or stayed the same since last year.

**Table 1: Theme Committee Indicators (Q3 2017/18)**

Theme Committee	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened	Monitored only	No. indicators
ARG	50% (2)	50% (2)	0% (0)	0% (0)	33% (2)	67% (4)	4	8

1.5 **Commissioning Plan performance is reported by exception only**, for example where indicators have not met the quarterly target (RAG rated as Amber and Red). Comments on performance are provided below.

- 1.6 The quarterly results for all Commissioning Plan indicators are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>
- 1.7 Two ARG indicators have not met the quarterly target.
- **CG/C25 Income from estate (RAG rated GREEN AMBER)** - £2.10m against a target of £2.83m. The income forecast is based on some lease/agreements that have not completed. Therefore, Property Services have been unable to invoice on these lease/agreements.
  - **CG/C24 Running costs of estate (RAG rated GREEN AMBER)** - £4.17m against a target of £3.35m. There have been a higher number of invoices this quarter than originally envisaged in advance of the end of the financial year. This means that there will significantly less invoices and outgoings next quarter and the year-end target is expected to be met.

Corporate Plan Indicators <sup>1</sup>											
Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Result	2017/18 Q2 Result	DOT Short Term (From Q2 2017/18)	2016/17 Q3 Result	DOT Long Term (From Q3 2016/17)	Benchmarking
CPI	KPI001 (A&A)	Compliance with planning application statutory timescales (for major, minor, other applications)	Bigger is Better	75%	75%	84.1% (G)	86.4% (G)	▼ (Worsening)	81.4%	▲ (Improving)	No benchmark available
CPI	REGEN KPI01	New Homes Completed <sup>2</sup>	Bigger is Better	2,313	Monitor	734	523	▲ (Improving)	979	▲ (Improving)	No benchmark available
CPI	CG/C25	Income from the estate	Bigger is Better	£3.76m <sup>3</sup>	£2.83m	£2.10m (GA)	£1.56m	▲ (Improving)	£2.99m	▼ (Worsening)	No benchmark available
CPI	CG/S27	Percentage of council spend (excluding direct debits) with local businesses	Bigger is Better	Monitor	Monitor	44%	36%	▲ (Improving)	32%	▲ (Improving)	No benchmark available

### Commissioning Plan indicators (not met target)<sup>4</sup>

<sup>1</sup> The Monitor indicators have been included for information.

<sup>2</sup> This is a cumulative indicator, which measures all new homes in the borough (including as part of regeneration schemes and private development schemes).

<sup>3</sup> Published proposed annual target of £3.37m now finalised as £3.76m

<sup>4</sup> The Monitor indicators have been included for information.

Ref		Indicator	Polarity	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Result	2017/18 Q2 Result	DOT Short Term (From Q2 2017/18)	2016/17 Q3 Result	DOT Long Term (From Q3 2016/17)	Benchmarking
SPI	CG/C35	Homes started on site through the development pipeline programme	Bigger is Better	Monitor	Monitor	80	0	▲ (Improving)	New for 2017/18	New for 2017/18	No benchmark available
SPI	CG/C24	Running costs of estate (designated civic buildings only)	Smaller is Better	£4.47m	£3.35m	£4.17m (GA)	£1.86m	▼ (Worsening)	£3.60m	▼ (Worsening)	No benchmark available
SPI	CG/C26	Barnet council apprenticeships	Bigger is Better	44	Monitor	11 (cumulative to end Dec 17)	5 (cumulative to end Sep 17)	▲ (Improving)	14	▼ (Worsening)	No benchmark available

## **Risk management**

1.8 ARG risks are held on the Re joint risk register. This includes 25 risks overall, which are being managed in line with the council's risk management framework. One is a high level risk with a residual risk score of 15 or above. This is being managed as 'treat'.

- **OP18 - Poor management of S106 agreement, collection and spend (risk score 15).** This risk relates to the collection and spend of S106 funding. An audit of services has identified issues in relation to data management; governance; and reporting. As a result, an action plan was developed and monthly meetings put in place to oversee delivery. Actions are due for completion by May 2018.

## **2 REASONS FOR RECOMMENDATIONS**

2.1 These recommendations are to provide this Committee with the necessary information to oversee the performance of the Commissioning Plan. This paper enables the council to meet the budget agreed by Council on 7 March 2017.

## **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 The report provides an overview of performance for the quarter, including budget position for revenue and capital, progress on key activities, indicators that have not met target and management of high level risks.

5.1.2 The quarterly results for all Corporate Plan and Commissioning Plan indicators are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>

5.1.3 Robust budget and performance monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of council priorities and targets as set out in the Corporate Plan and Commissioning Plans. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximised.

5.1.4 Relevant council strategies and policies include the following:

- Corporate Plan 2015-2020
- Corporate Plan - 2016/17 Addendum and 2017/18 Addendum
- Commissioning Plans
- Medium Term Financial Strategy
- Treasury Management Strategy
- Debt Management Strategy
- Insurance Strategy
- Risk Management Framework

- Capital, Assets and Property Strategy.

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

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

### 5.3 **Legal and Constitutional References**

5.3.1 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.

5.3.2 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.

5.3.3 The Council’s Constitution (Article 7, Article 7 – Committees, Forums, Working Groups and Partnerships) sets out the responsibilities of all council Committees. The responsibilities of the Assets, Regeneration and Growth Committee include: (4) To receive reports on relevant performance information on Delivery Units providing services under the remit of the Committee.

5.3.4 The council’s Constitution, Financial Regulations Part 17, Financial Regulations section 4, paragraphs 4.4.9 - 11 state:

- Allocations from the central contingency relating to planned developments will be approved by the Chief Finance Officer (section 151 officer), in consultation with the Chairman of the Policy and Resources Committee, following the receipt from a Chief Officer of a fully costed proposal to incur expenditure that is in line with planned development (including full year effect).

Where there is a significant increase in the full year effect, the contingency allocation must be approved by the Policy and Resources Committee.

- Allocations from the central contingency for unplanned expenditure, including proposals to utilise underspends previously generated within the service and returned to central contingency, will be approved by the Chief Finance Officer in consultation with the Chairman of Policy and Resources Committee.

Where there are competing bids for use of underspends, additional income or windfalls previously returned to central contingency, priority will be given to the service(s) that generated that return.

- Allocations for unplanned expenditure over £250,000 must be approved by Policy and Resources Committee.

5.3.5 The Chief Finance Officer (section 151 officer) will report in detail to Performance and Contract Management Committee at least four times a year, at the end of each quarter, on the revenue, capital budgets and wider financial standing.

5.3.6 The council’s Constitution, Financial Regulations section 4 paragraph 4.4.3 states

amendments to the revenue budget can only be made with approval as per the scheme of virements table below:

Virements for allocation from contingency for amounts up to £250,000 must be approved by the Section 151 Officer in consultation with appropriate Chief Officer
Virements for allocation from contingency for amounts over £250,000 must be approved by Policy and Resources Committee
Virements within a service that do not alter the bottom line are approved by Service Director
Virements between services (excluding contingency allocations) up to a value of £50,000 must be approved by the relevant Chief Officer
Virements between services (excluding contingency allocations) over £50,000 and up to £250,000 must be approved by Chief Officer and Chief Finance Officer in consultation with the Chairman of the Policy and Resources Committee and reported to the next meeting of the Policy and Resources Committee
Virements between services (excluding contingency allocations) over £250,000 must be approved by Policy and Resources Committee

<b>Capital Virements</b>
Policy & Resources Committee approval is required for all capital budget and funding virements and yearly profile changes (slippage or accelerated spend) between approved capital programmes i.e. as per the budget book. The report must show the proposed: i) Budget transfers between projects and by year; ii) Funding transfers between projects and by year; and iii) A summary based on a template approved by the Section 151 Officer
Policy and Resources Committee approval is required for all capital additions to the capital programme. Capital additions should also be included in the quarterly budget monitoring report to Performance and Contract Management Committee for noting.
Funding substitutions at year end in order to maximise funding are the responsibility of the Section 151 Officer.

## 5.4 Risk Management

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

5.4.2 The revised forecast level of balances needs to be considered in light of the risk identified in 5.4.1 above.

## 5.5 Equalities and Diversity

5.5.1 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.

5.5.2 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.

5.5.3 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.

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

5.5.5 Progress against the performance measures we use is published on our website at: [www.barnet.gov.uk/info/200041/equality\\_and\\_diversity/224/equality\\_and\\_diversity](http://www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity)

## 5.6 Consultation and Engagement

5.6.1 During the process of formulating budget and Corporate Plan proposals for 2015-2020 onwards, four phases of consultation took place:

Phase	Date	Summary
Phase 1: Setting out the challenge	Summer 2013	The council forecast that its budget would reduce by a further £72m between 2016/17 and 2019/20, setting the scene for the PSR consultation
Phase 2: PSR consultation to inform development of options	October 2013 - June 2014	Engagement through Citizen's Panel Workshops which focused on stakeholder priorities and how they would want the council to approach the Priorities and Spending Review An open 'Call for Evidence' asking residents to feedback ideas on the future of public services in Barnet.
Phase 3: Engagement through Committees	Summer 2014	Focus on developing commissioning priorities and MTFs proposals for each of the 6 committees Engagement through Committee meetings and working groups
Phase 4: Strategic Plan to 2020 Consultation	December 2014 – March 2015	A series of 6 workshops with a cross section of residents recruited from the Citizens Panel and Youth Board, plus two workshops with users <sup>5</sup> of council services. An online survey (17 December 2014 – 11 February 2015)

<sup>5</sup> One “service user” workshop was for a cross section of residents who are users of non-universal services from across the council. The second workshop was for adults with learning disabilities.

## **6 BACKGROUND PAPERS**

- 6.1 Council, 3 March 2015 (Decision item 12) – approved Business Planning 2015/16 – 2019/20, including the Medium-Term Financial Strategy.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=7865&Ver=4>
- 6.2 Council, 14 April 2015 (Decision item 13.3) – approved Corporate Plan 2015-2020.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7820&Ver=4>
- 6.3 Council, 4 April 2016 (Decision item 13.1) – approved 2016/17 addendum to Corporate Plan.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8344&Ver=4>
- 6.4 Council, 7 March 2017 – approved 2017/18 addendum to Corporate Plan.  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8819&Ver=4>