

	<h2 style="text-align: center;">Assets, Regeneration and Growth Committee</h2> <h3 style="text-align: center;">14 June 2018</h3>
Title	End of Year 2017/18 Commissioning Plan Performance Report
Report of	Councillor Daniel Thomas
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	None
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Summary

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

Recommendations

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

INTRODUCTION

- 1.1 This Commissioning Plan performance report is an extract from the End of Year (EOY) 2017/18 Performance Monitoring Report (Performance by Theme Committee).

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 Annual Regeneration Report, which is available online at <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9083&Ver=4>

Summary for year

More new homes are being built in Barnet than any other borough in outer London, helping to create thriving communities. Significant progress has been made in Brent Cross with approval of the shopping centre expansion and the first phase of development in the South. The rail freight facility was also approved. In Colindale, Transport for London (TfL) approved in principle the new tube station and over station development. The extra care schemes at Moreton Close, Stag House and Cheshir House were progressed. And, the transfer of sites for affordable housing commenced to Open Door Homes. Town centre strategies were developed to support local business and a range of employment and skills projects (e.g. BOOST) supported local people into work.

- **Regenerating Brent Cross Cricklewood**

Brent Cross North – the application by Hammerson Standard Life (HSL) for the shopping centre expansion 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. Seasonal works such as tree felling and vegetation clearance began in November 2017. Last quarter, HSL reported a delay to the start of the early and main works due in part to the challenge and delay on the CPO1 and CPO2 decisions. A decision will be made by the High Court in July 2018. As a result, the overall scheme has been delayed by six months until January 2019.

Brent Cross South - the Reserved Matters Application for Plot 12 was submitted in October 2017 and the Phase 1BS application was approved by Planning Committee in February 2018. A temporary open space application was made to 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 application for the rail freight facility was approved in February 2018, whilst the planning application for the waste transfer station was deferred until July 2018. The new station's name will be 'Brent Cross West'. Work is underway with Network Rail to mitigate impacts from Carillion.

Discussions with Network Rail to sign the Asset Protection Agreement are nearing completion.

- **Regenerating Colindale** - the Colindale programme continued to take shape with resources agreed to project manage a range of activities from public parks, public realm, highway improvement proposals and a proposed initiative to improve accessibility at Colindale Station.

Subsequent to approval of the application for Montrose and Silkstream parks improvements in the autumn 2017, work has progressed on the Youthzone project and various funding applications have been made.

Transport for London (TfL) approved in principle the new tube station and over station development in January 2018. The Liveable Neighbourhood Bid for Colindale Avenue was re-submitted. An initial meeting to look at the co-ordination of the Colindale Avenue widening scheme has taken place with TfL and Redrow.

Consultation was carried out with key stakeholders on the Controlled Parking Zones (CPZ) required as part of the council office development. The findings of the consultation led to minor changes to the CPZ scheme and it was presented to Hendon Area Committee in February 2018.

A further seven secure tenants from the Grahame Park Concourse moved into the final Plot 6 social rented properties. The Heybourne Park scheme is on hold until remaining issues are resolved. The Mayor of London refused the planning application for Plots 10, 11 and 12, delaying the whole scheme. The GLA and Genesis Housing will draw up a new detailed design for Plots 10 and 11, with an outline design for Plots 12, 13, 14 and 15. Following the Mayor's direction, the council issued a refusal notice paving the way for Genesis to submit an appeal to the Secretary of State.

- **Delivering the Development Pipeline** – the contractor for the 53-unit extra care scheme at Moreton Close reported a delay due to the foundations of the scheme being under-engineered. The scheme will now be completed in December 2018. The Full Business Case for the 50-unit extra care scheme at Stag House was approved in March 2018. The vacant possession of the ground floor commercial property is subject to a court hearing in June 2018. A 75-unit extra care scheme is planned as part of the development of Cheshir House.

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

Tranche 1 (mixed tenure schemes) sought to deliver 289 new homes of mixed tenure. Planning consent was obtained for the bulk of the new homes in June 2015 with Moxon Street following in November 2016. However, a pre-contract services agreement with Wates concluded in September 2016 when the council opted not to proceed with Wates as the construction contractor. Discussions are continuing with Re in respect of the commercial implications of this decision. Following conclusion of these discussions, a report on the way forward for Tranche 1 will be submitted to ARG Committee.

For Tranche 3 (affordable housing on infill sites), the timely transfer of land to Open Door Homes has been a challenge, delaying progress and resulting in financial costs

to the council and TBG. Nine out of 21 sites in Tranche 3 were transferred to Open Door Homes.

- **Helping people into work** – Barnet is part of the West London Alliance (WLA), which is leading on sub-regional work on employment and skills. The WLA Skills, Employment and Productivity Strategy was agreed at the Economic Prosperity Board in February 2018. The devolved Work and Health programme has been implemented, with Groundwork as the provider in Barnet.

Work to support the roll out of the apprenticeship levy continues. The council has taken on 14 apprentices (against a target of 44). Barnet's community schools have taken on 10 apprentices and Re has taken on 49 apprentices with developers on Barnet's regeneration sites. This has been the first year of the new national apprenticeship framework and while progress has been 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.

Universal Credit roll out has been confirmed for May 2018. Barnet Homes is working with council partners to ensure that people who are struggling to manage the changes have access to budgeting and digital support alongside help to find work.

A range of employment projects are available to local residents including the BOOST Projects, Skills Escalator, Mental Health and Employment trailblazer and the Work and Health Programme. The BOOST projects have engaged 750 people this year and supported over 180 into work.

- **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 and Golders Green town centres were completed. Plans to 'curate' the town centre in North Finchley progressed with the council approving the proposal to enter into a Land Agreement with developer Jonathan Joseph. Plans are underway to open business workspace in Chipping Barnet, North Finchley and East Finchley in the spring 2018.

TfL successfully bid for almost £10m of Housing Infrastructure Funding to support a commercial and residential scheme at Finchley Church End that will support delivery of the town centre plans.

The fifth round of the Entrepreneurial Barnet competition took place in March 2018. Three finalists from Middlesex University undergraduate, postgraduate and resident categories presented, with a healthy mealtime app 'Mini Mealtimes' winning.

- **Improving planning and enforcement** – the planning service is in the top 10 nationally for both application numbers and planning enforcement activity. The service was shortlisted for 'Team of the Year' in the 2018 Local Government Chronicle Awards demonstrating that improvements have been sustained. 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 EOY 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 43% of

indicators have met the annual target; and 60% have improved or stayed the same since last year.

Table 1: Theme Committee Indicators (EOY 2017/18)

Theme Committee	Green	Green Amber	Red Amber	Red	Improved/Same	Worsened	Monitor only	No. indicators
ARG	43% (3)	43% (3)	0% (0)	14% (1)	60% (6)	40% (4)	4	11

1.5 One ARG indicator in the Corporate Plan has not met the annual target; and three indicators (the latter) in the ARG Commissioning Plan have not met the annual target. Comments on performance for these indicators are provided below.

- **Re/S1 Business survival rate across the borough (number of Barnet businesses surviving for more than 2 years) (RAG rating GREEN AMBER)** – 3.9% against annual target of 6.2%. Barnet's 70.5% business survival rate was a 3.9% points improvement on the 2011 baseline. However, this was short of the 6.2% points improvement target. Comparable boroughs (Brent, Bromley, Harrow, Havering) recorded an average business survival rate of 76.5%. Several workstream activities supporting the Entrepreneurial Barnet agenda are monitored via an annual plan. This will continue to be reviewed to explore ways that local businesses can be further supported.
- **CG/C35 Average time taken to process requests for Full Official Searches (online and post) in Land Charges (days) (RAG rated GREEN AMBER)** – 3.09 days against annual target 3.0 days. This indicator failed in Q4 2017/18 (3.98 days), which impacted on the annual result. This was due to higher volumes (34% above the monthly average) and the unexpected departure of a key member of staff in February 2018.
- **CG/C24 Running costs of estate (RAG rated GREEN AMBER)** - £5.03m against annual target of £4.47m. The overspend is due to costs incurred for the re-location of Street Scene and Greenspaces services from Mill Hill depot, plus rate, rent and service charge increases and additional security.
- **CG/C26 Barnet council apprenticeships (RAG rated RED)** – 14 against annual target of 44. An additional 10 apprenticeship starts have been created in Barnet's Community Schools. This has been the first year of the new national apprenticeship framework and while progress has been made, the council has been dependent on new apprenticeship standards being developed that are suitable to the roles and work undertaken. The council remains committed to providing apprenticeship opportunities and aims to create more apprenticeship opportunities in 2018/19.

Corporate Plan Indicators¹

Ref		Indicator	Polarity	Period Covered	2017/18 Annual Target	2017/18 EOY Result	2016/17 EOY Result	DOT Long Term (From EOY 2016/17)	Benchmarking
CPI	KPI001 (A&A)	Compliance with planning application statutory timescales (for major, minor, other applications)	Bigger is Better	Apr 2017 - Mar 2018	75%	85.6% (G)	83%	▲ Improving	No benchmark available
CPI	REGEN KPI01	New homes completed ²	Bigger is Better	Apr 2017 - Mar 2018	2,313	1,183 ³	2,230	▼ Worsening	No benchmark available
CPI	CG/C25	Income from the estate	Bigger is Better	Apr 2017 - Mar 2018	£3.76m ⁴	£4.05m (G)	£3.72m	▲ Improving	No benchmark available
CPI	Re/S1 (Annual)	Business survival rate across the borough (number of Barnet businesses surviving for more than 2 years)	Bigger is Better	Apr 2017 - Mar 2018	5%pts more than comparable boroughs (6.2%pts)	3.9% ⁵ (GA)	7.6%	▼ Worsening	Comparable boroughs 76.5% (2017, NOMIS)

¹ The Monitor indicators have been included for information.

² This indicator measures all new homes in the borough (including as part of regeneration schemes and private development schemes).

³ This is a provisional result (1,183) as at March 2018, so no RAG rating applied. Further information on completions will be added to the GLA database over the summer; and the final result will be published in the GLA Annual Monitoring Report in May 2019. Last year's result (2,230) is the final result, as published in the GLA Annual Monitoring Report in May 2018.

⁴ Published proposed annual target of £3.37m now finalised as £3.76m.

⁵ This indicator compares Barnet's rate of improvement (from a 2011 baseline) with comparable boroughs (Brent, Bromley, Harrow, Havering). The comparable boroughs business survival rate of 76.5% represents a 1.32% pts improvement on the 2011 baseline position. Barnet's 70.5% business survival rate represents a 3.90% pts improvement on its 2011 baseline. The target represents the achievement of a minimum 6.2% pts.

Corporate Plan Indicators ¹									
Ref		Indicator	Polarity	Period Covered	2017/18 Annual Target	2017/18 EOY Result	2016/17 EOY Result	DOT Long Term (From EOY 2016/17)	Benchmarking
CPI	Re/S3 (Annual)	Reduce the number of "Vacant High Street Properties" across the borough	Smaller is Better	Apr 2017 - Mar 2018	2.5% better than comparable boroughs (5.98%pts)	5.7% ⁶ (G)	5.7%	↔ Same	Comparable boroughs 6.78% (2017, NOMIS)
CPI	CG/S27	Percentage of council spend (excluding direct debits) with local businesses	Bigger is Better	Apr 2017 - Mar 2018	Monitor	31%	23%	▲ Improving	No benchmark available
CPI	CG/S1	Unemployment (of people on out of work benefits)	Smaller is Better	Jan 2017 – Dec 2017	Monitor	4.4% (Jan – Dec 2017)	4.9% (Jan – Dec 2016)	▲ Improving	London 5.3%, National, 4.4% (April 2018, (Nomisweb)

Commissioning Plan Indicators ⁷									
Ref		Indicator	Polarity	Period Covered	2017/18 Annual Target	2017/18 EOY Result	2016/17 EOY Result	DOT Long Term (From EOY 2016/17)	Benchmarking

⁶ This indicator compares Barnet's rate of improvement (from a 2011 baseline) with comparable boroughs (Croydon, Havering and Hounslow). The comparable boroughs vacancy rate of 6.78% represents a 5.82% pts improvement on the 2011 baseline position. Barnet's 5.73% vacancy rate represents a 7.57% pts improvement on its 2011 baseline. The target represents the achievement of a minimum 5.98% pts.

⁷ The Monitor indicators have been included for information.

Commissioning Plan Indicators ⁷									
Ref		Indicator	Polarity	Period Covered	2017/18 Annual Target	2017/18 EOY Result	2016/17 EOY Result	DOT Long Term (From EOY 2016/17)	Benchmarking
SPI	CG/C35 (KP001 LC)	Average time taken to process requests for Full Official Searches (online and post) in Land Charges (days)	Smaller is Better	Apr 2017 - Mar 2018	3.0	3.09 (GA)	3.0	▼ Worsening	No benchmark available
SPI	CG/C35	Homes started on site through the development pipeline programme	Bigger is Better	Apr 2017 - Mar 2018	Monitor	97	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	Apr 2017 - Mar 2018	£4.47m	£5.03m (GA)	£5.7m	▲ Improving	No benchmark available
SPI	CG/C26	Barnet council apprenticeships	Bigger is Better	Apr 2017 - Mar 2018	44	14 (R)	15	▼ Worsening	No benchmark available

Risk management

- 1.5 ARG risks are held on the Re joint risk register. This includes 24 risks overall (including regeneration risks), which are being managed in line with the council's risk management framework. None are high level risks with a residual risk score of 15 or above.

2 REASONS FOR RECOMMENDATIONS

- 2.1 These recommendations are to provide the Committee with the necessary information to oversee the performance of the Commissioning Plan 2017/18 addendum. 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 annual overview of performance, including budget outturn for revenue and capital, progress on key activities, indicators that have not met the annual target and management of high level risks.
- 5.1.2 The EOY 2017/18 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: (5) To receive reports on relevant performance information and risk on the services under the remit of the Committee.
- 5.3.4 The council’s Constitution, Financial Regulations Part 17, Financial Regulations section 2, paragraphs 2.412 - 13 state:
- Allocations from the central contingency relating to planned developments will be approved by the Chief Finance Officer, 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 (£250,000) 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 Financial Regulations, paragraphs 2.4.16 states; 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 2 paragraph 2.4.3 and 2.4.5 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

Capital Virements

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

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 ⁸ of council services. An online survey (17 December 2014 – 11 February 2015)

⁸ 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>