

Decisions of the Financial Performance and Contracts Committee

9 October 2018

Members Present:-

Councillor Peter Zinkin (Chairman)
Councillor Anthony Finn (Vice-Chairman)

Councillor Kathy Levine
Councillor Shimon Ryde
Councillor John Marshall
Councillor Arjun Mittra
Councillor Alex Prager
Councillor Barry Rawlings (Substitute)

Apologies for Absence

Councillor Jess Brayne

1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Committee, Councillor Peter Zinkin welcomed all attendees and opened the meeting. It was **RESOLVED**:

That the minutes of the previous meeting of the Financial Performance and Contracts Committee held on 2nd July 2018 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies were received from Councillor Jess Brayne who was substituted by Councillor Barry Rawlings.

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

The following declarations were made:

Councillor	Agenda Item(s)	Declaration
John Marshall	15 (exempt)	Non-pecuniary interest by virtue of being a Council appointed Director of Re and will not take part in discussion or the voting for this item.
Shimon Ryde	8	Non-pecuniary interest by virtue of being a Council appointed Director for Barnet Group.
Arjun Mittra	8	Non-pecuniary interest by virtue of being a tenant of Barnet Homes.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

The Chairman invited the speakers Mr John Dix and Ms Barbara Jacobson to address the Committee each with their Public Comment – which were noted.

The responses to the Public Questions were published and tabled at the meeting. The Committee also received a number of supplementary questions from Ms Barbara Jacobson, Mr John Dix and Ms Jenny Brown which were responded to verbally by Officers. The full 30-minute time limit for Public Questions and Comments was utilised.

6. MEMBERS' ITEMS (IF ANY)

There were none.

7. REFERRAL FROM THE ENVIRONMENT COMMITTEE

The Committee noted the referral from the Environment Committee as set out in the report and upon invitation of the Chairman, Mr Alun Parfitt Operations Director at Re, joined the meeting.

Mr Parfitt briefed the Committee about the issues with the exchange of data between Re and Conway in relation to works carried out on the road works system. Following discussion, the Chairman made the following suggestion which was approved by the Committee. The Committee's instructions in response to this item were recorded as follows.

It was unanimously **RESOLVED** that the Committee requested that a report be brought to the next Committee meeting setting out the Action Log, the progress against the Action Log and the Quality of Data being received.

8. CHIEF FINANCE OFFICER REPORT - MONTH 4 FORECAST

The Chairman introduced the report and invited Mr Kevin Bartle Director of Finance (S151 Officer) to summarise each section of the report followed by comments and questions from the Committee.

Revenue Forecast

Mr Bartle summarised the section and spoke about the proposal of transferring a sum from the contingency fund to rectify part of the budget issues.

Officers were requested to provide a breakdown to Councillor Levine and the Chairman of the additional costs being committed for the Waste Depot and Ancillary over and beyond what was initially agreed when the decision was agreed to move the Depot. **(Action)**

Dedicated Schools Grants

In respect of Table 4 on p. 24 of the Agenda it was agreed that a request be made to the Children, Education & Safeguarding Committee to consider the implications of the overspend as set out in the table. (**Action:** Refer for consideration of the Children, Education & Safeguarding Committee)

Savings

The Committee heard about the value of savings expected to be achieved against the savings programme of the Theme Committees. In addition, Mr Bartle referred to the commentary on the delivery of the savings to ensure that they are deliverable in the future.

Following a query from the Chairman, Mr Bartle confirmed that unachievable savings have been taken out of the forecast.

Reserves and Balances

In response to a query about the earmarked reserves, Mr Bartle referred to the data within Table 7 on p.25-26 of the Agenda which provides the year-end estimate for Reserves carried forward as of March 2019.

Capital Programme

Referring to section 2.2.2 on p.28 of the Agenda, Members noted the additional funding above the original estimate approved for the completion of the adults case management system. Mr Duncan Tessier, Commercial Director noted that this would be picked up as part of the Forward Work Programme of the Audit Committee.

The Committee noted the data in Table 11, p. 29 of the Agenda which sets out how the forecast capital programme is being funded. Members highlighted the importance of continuing to review the capital programme as well as the prioritisation of programmes which will generate income on a long-term basis. Mr Bartle noted that the Capital Strategy Board will continue to monitor this.

Treasury Management

Mr Bartle referred to the summary of deposits outstanding as set out in Table 12, p. 30 of the Agenda. The Chairman reminded the Committee about the Treasury Management training session for Members due to be held on 23rd October 2018.

Strategic Financial Matters

In response to a query from the Committee, Mr Tessier noted that where remedies are not dealt with under contractual relationship, that such matters would be reported to this Committee in the first instance.

The Chairman thanked the Committee and Officers for the debate and it was unanimously **RESOLVED that:**

1. The Committee noted the 2018/19 revenue forecast outturn, as detailed in Table 1 and in Appendix A;
2. The Committee noted the savings anticipated to be delivered in 2018/19, as detailed in Table 5;
3. The Committee noted the level of reserves and balances as detailed in Tables 6 and 7;
4. The Committee noted the 2018/19 capital forecast outturn, as detailed in Table 10 and in Appendix B;
5. The Committee noted the treasury position outlined in section 2.3.
6. The Committee noted the debtors position outlined in section 2.4.
7. The Committee noted the strategic financial matters outlined in section 3.

9. PERFORMANCE OF BACK OFFICE FUNCTIONS - TEMPORARY STAFFING

The Chairman of the Committee introduced the report which was requested by Committee.

Under section 1.15 of the report p. 59 of the Agenda on Contract Management, a Committee Member expressed concerns over the performance data issues and lack of clarity on roles as part of the contract monitoring process.

In response to a query from Members, Officers informed Members about the challenges around the increasing costs associated with the use of temporary agency workers as well as increasing competition within a challenging market. In addition, it was noted that this was an issue experienced across the Public Sector. Officers informed Members about the Memorandum of Understanding around social workers' rates of pay.

The Chairman moved a motion which was seconded and unanimously approved:
For the Committee to receive regular update reports on (a) the Financial details within Table 1 (Temporary Worker Expenditure) (b) Trend Data within Table 2 (Temporary Worker Headcount Year to Date) (c) Table A (Temporary Worker Headcount breakdown per service area) (d) Data on Vacancies per Service Area (e) Staff who have moved from Temporary to Permanent within those Service Areas and (f) where possible, the comparative data from other Boroughs.

It was therefore unanimously **RESOLVED**:

1. That the Committee noted the actions being taken by officers to reduce and control expenditure of the council's temporary workforce.
2. That the Committee receive regular update reports on (a) the Financial details within Table 1 (Temporary Worker Expenditure) (b) Trend Data within Table 2 (Temporary Worker Headcount Year to Date) (c) Table A (Temporary Worker Headcount breakdown per service area) (d) Data on Vacancies per Service Area (e) Staff who have moved from Temporary to Permanent within

those Service Areas and (f) where possible, the comparative data from other Boroughs.

10. IMPROVING CUSTOMER SERVICES - WEBSITE SATISFACTION

The Chairman noted the report which was requested by the Committee at its previous meeting. He invited Mr Barry May, Head of Customer Strategy and Programmes to join the meeting.

Mr May presented the report which provides an update on customer services performance. The Committee noted the improvements in relation to the website as set out under section 1.12 at p.71 of the Agenda.

In response to a query about mitigations around the building of a new digital technical architecture, Mr May spoke about the extensive testing prior to the launch of the new site as well as the extra capacity to be provided at contact centres to help residents with issues. He also noted that the new website technology will enable changes and adaptations to be made more flexibly.

Following a query about the expected cost reductions and financial benefits under section 1.12 of the report, Officers informed Members that this has partly been incorporated within this year's budget and partly within next year's.

The Committee queried whether the new technology has been developed in line with mobile technology usage – Mr May confirmed that the system will enable mobile access technology.

The Chairman thanked the Committee for the discussion and noted that an update report will be brought to the Committee at its meeting in March 2019. (**Action:** Forward Work Programme)

It was unanimously **RESOLVED:**

That the Committee noted the actions being taken by officers to improve web satisfaction performance and the broader digital improvements that will enable savings for the authority.

11. Q1 2018/19 CONTRACTS PERFORMANCE REPORT

The Chairman introduced the report.

Councillor Levine made a statement about the status of the report and moved a motion which was seconded:

*That Exempt Item 15 on the Agenda be discussed under the Public part of the meeting**

* The Chairman noted that the motion be moved and voted, on the understanding, following advice from the Governance Officer, that regardless of the outcome of the vote, the exempt agenda item will be discussed under the Private part of the meeting.

The votes were declared as follows:

For	3
Against	4
Abstentions	1

Councillor John Marshall abstained from the vote as per his declaration made at the beginning of the meeting

The motion was therefore lost.

The Chairman invited Mr Tessier and Ms Elaine Tuck, Strategic Lead for Commercial, to present the report.

Following a comment from the Committee, Ms Tuck spoke about the Pension Recruitment Plan which has resulted in some improvements and noted that some challenges still remain. She noted that this will be kept under close review.

In respect of Pensions and Payroll, Ms Tuck informed Members about the issues around outstanding information from third parties. She also noted that work is underway towards improving the accuracy of data for the next Quarter.

The Committee expressed concerns and highlighted the importance of monitoring the key performance indicators and Key risks in respect of the roll out of the Full Service Universal Credit.

It was unanimously **RESOLVED** that:

The Committee reviewed the Q1 performance as above in relation to back office functions delivered by the Customer and Support Group (CSG) and noted any recommendations to Policy and Resources or Theme Committees on issues arising from this review.

12. COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the standing item on the Agenda which lists the items on the Committee's Forward Work Programme for 2018-2019.

The Chairman noted that the Forward Work Programme has been updated during this meeting by virtue of the requests for future reports made by the Committee.

It was **RESOLVED** that the Committee noted the Forward Work Programme for 2018-2019.

13. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

14. 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 item will involve discussion of confidential information.

Members of the press and public vacated the room and the public gallery was cleared.

15. EXEMPT ITEM - CONTRACTUAL REVIEW AND COMMERCIAL MATTERS

The Committee noted the exempt information.

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

None.

The meeting finished at 9.20 pm