

POLICY AND RESOURCE COMMITTEE
Wednesday 20 February 2019

ITEM 5 – PUBLIC QUESTIONS AND COMMENTS

Note

At the meeting a total of 30 minutes is available for public questions and comments. The questioner may ask one supplementary question at the meeting which will be answered without discussion. The supplementary question must be relevant to the original question put to the Chairman.

Public Comment - up to 3 minutes per comment

Agenda Item No	Public Comment Request
Item 9 – Q3 2018/19 – Strategic Performance Report	Mr John Dix
Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20 & Item 10 - Transfer properties acquired by the Council to TBG Open Door Homes Limited	Ms Barbara Jacobson

Qn No	Agenda Item No	Raised By	Question Raised	Answer
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1.	Item 7 – Brexit Preparedness	Mr John Dix	<p>London’s construction sector has an ageing workforce that is heavily reliant on migrant labour. EU nationals make up 30 per cent of the 300,000-strong workforce, while just half are UK-born. Of the UK-born workers in the capital, 38,500 (12 per cent) are set to retire in the next 5-10 years. Yet it is estimated that 60,000 more construction workers are needed in London and the South East in 2017 to keep up with demand. Given that Barnet have budgeted to received £54 million in New Homes Bonus (NHB) over the next 5 years what steps have been taken to understand whether that bonus can be delivered if there are fewer construction workers, whether the NHB estimates should be revised downwards and what are the budget implications if the number of new houses are not delivered?</p>	<p>The New Homes Bonus forecast is based on an estimate of the new homes it expects to have delivered in borough. This is an estimate and if actual delivery is significantly off plan, the MTFS will be updated accordingly.</p>
2.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	<p>p.141 ‘Income to be generated through surplus space in libraries...’</p> <ul style="list-style-type: none"> • What is the total number of units available for renting the spaces carved out of the libraries, and how many of them have been let commercially and for how many days, weeks or months in 2016/17, 2017/18 and to date in 2018/19? • How much money has been received from rental of spaces carved out of the libraries in 2016/17, 2017/18 and to date in 2018/19? • Without naming any companies, what type of organisations have been renting out the spaces carved out of the libraries? 	<ul style="list-style-type: none"> • There are 8 libraries which have commercial space for rent. So far, 3 libraries have a commercial tenant who have signed a lease. • <i>How many days, weeks or months have spaces been let commercially in: 2016/17, (zero) 2017/18 (zero) and to date in 2018/19?</i> Hendon library has been commercially let for 8.5 months, since June 2018. Edgware library has been commercially let for 7.5 months, since July 2018. Golders Green library has been commercially for 2.5 months since December 2018. • <i>How much money has been received from rental of spaces carved out of the libraries in 2016/17 - Zero</i> • <i>How much money has been received from rental of spaces carved out of the libraries in 2017/18 - Zero</i> • <i>How much money has been received from rental of spaces carved out of the libraries in to date in 2018/19? £44,435.09</i> • <i>Without naming any companies, what type of organisations have been renting out the spaces carved out of the libraries? Charities/ community groups, a university, and a nursery.</i>

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3.	Item 7 – Brexit Preparedness	Mr John Dix	The risk register identifies the issues related to adult social care staff recruitment and retention. However, it does not address explicitly/quantify the financial impact on Barnet if, for example wages rates for carers are forced to increase significantly to attract and retain staff. What studies have Barnet carried out or commissioned to specifically quantify the financial impact of an increase in carer pay rates?	The council has existing contracts with providers for the delivery of services which commit the council and the supplier to a set fee for services. The council continues to work closely with the local market at both a borough and regional level to assess the ongoing risk and impact of salary requirements within the workforce and ensure that rates remain sustainable and competitive.
4.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	1.7.24 - 'an opportunity to increase the supply of affordable homes in the borough' Will the council also use this as an opportunity to increase the supply of social housing; if not, why not?	The removal of the HRA debt cap provides an opportunity to invest more resources in the building of new council homes, and the council is working to identify opportunities which complement the existing programme already in place with Open Door Homes (a subsidiary of The Barnet Group). More information about this is contained in the council's HRA Business Plan which was agreed by the Housing Committee on 14 January 2019.
5.	Item 7 – Brexit Preparedness	Mr John Dix	What other measures have Barnet considered to attract and retain care staff?	The council is working jointly as part of the North Central London sustainability and transformation partnership on an extensive programme of work to support the retention and development of the social care and health workforce. This includes raising the profile of social care roles and careers (e.g. developing a targeted NCL marketing campaign aimed at prospective candidates from key groups and developing a Care Ambassadors network to raise understanding of opportunities in the sector and promote careers in health and social care etc) and providing support to providers to enable them to grow their own workforce to meet demand.

6.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	<p>1.7.19 - ‘... acquisition of new social housing. Up to 30% of the retained receipts must be spent on the cost of replacement affordable rented homes.’</p> <p>‘New social housing’ and ‘affordable rented homes’ are being used here interchangeably’ but they are not the same, the former being at much lower rents than the latter. Please clarify whether the money will be spent on badly needed social housing or the more expensive ‘affordable’ housing, which will not be as big a help in getting people housed.</p>	The council’s policy is that rents will be set at level of 65% of market rents for newly built affordable rented housing supported by retained right to buy receipts. This includes affordable housing currently being developed by Opendoor Homes (a subsidiary of The Barnet Group).
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7.	Item 7 – Brexit Preparedness	Mr John Dix	To what extent has the Barnet Observatory provided economic and socio-economic intelligence and foresight to the Brexit planning and risk register?	The Barnet Observatory no longer exists.
8.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	<p>1.5.6 - ‘£0.300m to be allocated to Streetscene in 2018/19 in order to bridge the delay in delivery of the savings resulting from the rounds reorganisation’</p> <ul style="list-style-type: none"> • What percentage of the originally planned savings is the £300k? • What was/is the extent of the delay, i.e. when was the savings originally forecast to be delivered and when will it certainly be delivered? • What caused the delay and what has been done to rectify it? • Would there have been a delay if the revised plan for waste and recycling had been properly planned and tested? 	Full details regarding the recycling and waste round reorganisations will be presented to Environment Committee in March 2019

9.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	The report notes at 1.5.18 that the Council's failure to increase council tax in line with inflation means that we will be collecting on average £150 a year less from each household by 2024. If Barnet had taken a 1.99% increase each year we would now be collecting approximately £20m more next year which closely mirrors the level of cuts to vital services which are budgeted. What consideration has been given to try to make up some of this shortfall by increasing council tax by more than 2.99% next year and what were the outcomes of any financial modelling over the next 5 years on that basis, even taking into account the cost of a referendum?	The council agreed a policy of supporting local residents through austerity by not increasing council tax and instead utilising its reserves, which is unsustainable in the long term. The current MTFs eradicates the anticipated use of reserves over the period by assuming 2.99% increases across the 5 years.
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10.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	1.5.9 - How much money has the council lost by not increasing the rates by 1.99% for each of the years from 2010/11 to 2018/19? Will the council now admit that this was a mistake that had no basis in sound economics?	Had Council Tax been increased by the maximum possible allowed every year since 2010/11, an additional £34.5m would have been received in 2018/19. The decision not to increase Council Tax during this period was in order to support local residents through the period of austerity. This was encouraged by Central Government and accordingly the Council Tax freeze grant was received for a period of 5 years totalling £12.7m.
11.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	Even after budget savings of £19.965 million we still need to draw £5.357 million from reserves. What happens if theme committees are unable to deliver the savings as was the case this year and last year and what cumulative impact will that have for future years in the MTFs?	In-year monitoring of savings will take place at both officer and member levels to identify any budget savings that are off target. If savings are not being delivered, and no suitable mitigations are possible, the council has the opportunity to allocate contingency funding (on an ongoing or one-off basis) to avoid an overspend and ongoing pressure.

12.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	1.5.11 - Why are Libraries included with Children and Education when it is no longer part of that committee, but lumped in with Community Leadership? Is it because someone recognizes that it is logically linked to Children and Education?	Libraries is included in the Revenue budgets for Children's and Education (Appendix D1) as the Strategic Director is responsible for it, but in the Theme Committee, Libraries is shown under Community Leadership & Libraries Committee. (Appendix D2).
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13.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	The risk register identifies at STR033 the risk of savings not being delivered and suggests Monthly Budget Monitoring as mitigation. However, the Financial Performance and Contracts committee only meets quarterly which means that there may be significant deviations from the budget before Councillors are made aware. Given that this is such a critical area for the Council what consideration has been given to scheduling a Monthly Budget Monitoring sub-committee with a very specific focus and brief to ensure that there is a much closer scrutiny by Councillors and the public of budget performance?	The current budget management arrangements are deemed to provide appropriate scrutiny of management performance.
14.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	1.5.101 - 'The expansion in acquisitions would also result in cost avoidance versus other forms of temporary accommodation, although this would also be realisable by the council if it undertook the acquisitions directly.' If this could be achieved by direct council control, what is the advantage in delegating this to another body, with its additional costs?	The council will benefit from an on-lending margin of 1.24% (the same rate as currently applied to the existing loan to TBG Opendoor Homes Ltd). In addition, a transfer of debt from the council to TBG Opendoor Homes Limited, removes the need for the council to set aside Minimum Revenue Provision.
15.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	Risk STR022 discusses the risks and liabilities associated with Barnet House. Back in 2014 Barnet paid £62,500 to secure an option to purchase the freehold of Barnet House. Did the option lapse, should it have been extended, and to what extent will additional office space be required, other than Colindale, if more Capita services are brought back in house?	Yes, the option to purchase the freehold of Barnet House lapsed and was not extended as this was considered to be the best option for the Council at the time. There is currently no extra space requirement as a direct result of any insourcing strategy. In addition to the new Colindale office LB Barnet has a large portfolio of properties within which there are opportunities for hub and/or touchdown use. LB Barnet staff are being encouraged to practise flexible working going forward, which will also contribute to alleviating the need for additional office space

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16.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Ms Barbara Jacobson	<p>1.7.9 - Electricity charges have increased in 2018/19 and a 5% increase is proposed.</p> <p>Have the electricity charges increased by 5% too; if not, by how much?</p>	<p>Electricity prices have been increasing since 2016/17 and based on reports from our utility consultants will continue to rise. Season on season % change in average market price in winter 2018/19 was forecast to be 8% and 5% in summer 2019. A proposed increase of 5% for 2019/20 was therefore considered reasonable.</p>
17.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	<p>STR032 Identifies the issues around the changes to the waste collection routes. Given that there has been no transparency on the costs of agency staff and overtime and a significant number of new refuse vehicles have been purchased to try and overcome the problems what confidence can we have that a residual risk score of 12 is appropriate?</p>	<p>Full details regarding the recycling and waste round reorganisations will be presented to Environment Committee in March 2019</p> <p>Based on the information available the residual risk score of 12 is appropriate.</p>
18.	Item 10 - Transfer properties acquired by the Council to TBG Open Door Homes Limited	Ms Barbara Jacobson	<p>1.3 - TBG Open Door Homes Limited (ODH) is a subsidiary of Barnet Homes, which is a subsidiary of Barnet Group, which is wholly owned by Barnet Council.</p> <ul style="list-style-type: none"> • Does each subsidiary have its own directors and managers? • Ultimately, does Barnet Council own ODH; if not, why is that true? • If Barnet Council is giving assets and making loans to a subsidiary of a subsidiary of Barnet Group, which it owns, how do you explain that Barnet Council is not giving assets and making loans to itself? 	<p>Each subsidiary has its own board of directors but not managers.</p> <p>ODH is a Registered Provider, registered with the social housing regulator. It has an independent board which is a key proviso of registration. As such Barnet Council ultimately owns ODH but the board is responsible for the strategy and control of the organisation. The Council has influence as a funder and by being the ultimate shareholder.</p>

			<ul style="list-style-type: none"> • ODH is a limited company and will charge 'affordable' rents (80% of market value), which is still out of reach of many people, but if the properties were owned directly by the Council, they could be used for social housing, which would help get people out of temporary accommodation and off the streets. Why is the Council not putting the needs of the people first instead of setting up this Russian-doll-style financial arrangement? 	
19.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	STR025 identifies the risks associated with contractual disputes due to underperforming commissioned services and has a risk score of just 6. However, the recent performance data identifies that both user satisfaction and commissioner satisfaction with commissioned service is poor and declining. How was this score developed and did it consider the current poor user/commissioner satisfaction scores as part of that assessment?	This risk relates to all strategic contracts. The recent performance data for CSG will be reflected in the risk score when the risk is reviewed during Q4 (January-March) and will be published as part of the Q4 2018/19 performance reports in June 2019.
20.	Item 10 - Transfer properties acquired by the Council to TBG Open Door Homes Limited	Ms Barbara Jacobson	<p>4.2.3 - 'A loan to this value plus costs of approximately £3m incurred in acquiring and refurbishing the properties will be created in the accounts of the Council'</p> <ul style="list-style-type: none"> • In plain English, does this mean the Council is lending ODH £53m? If it does not mean this, what does it mean? • Is 40 years considered a normal period for a loan? 	The loan would be approximately £53m. The below market rents mean that a longer period is required to pay off the loan than would be the case in the private rented market, for example.

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21.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	PI022 identifies the risks associated with the company that that controls the street lighting management system Harvard Technology going into administration. Given the company went into administration on 10 December and Grant Thornton have been appointed as the administrator, what further updates are available to clarify the potential financial or operational impact and will this have any impact on the current proposal to upgrade to LED lights?	<p>The Administrator Grant Thornton have confirmed that they intend to continue to operate the business whilst in Administration, due to reaching an agreement with current customers (including our Service Provider) to increase payments for Products and Services and whilst they negotiate with a number of interested parties about selling the business as a going concern.</p> <p>The planned project to upgrade to LED includes the replacement of the existing management system. This project is therefore a key factor to our current contingency planning and the commencement of the project is being fast tracked to assist in mitigating any future adverse impacts.</p>
22.	Item 10 - Transfer properties acquired by the Council to TBG Open Door Homes Limited	Ms Barbara Jacobson	4.2.4 - Why does the Council not consider the possibility that property values might undergo significant losses at any time in the 40-year period, particularly as a consequence of Brexit, climate change, another bank crisis, etc.?	The council considers the acquisition of the properties to be a longer term investment and that the longer term outlook of the property market will be favourable.
23.	Item 8 - Corporate Plan, Medium Term Financial Strategy 2019/24 and Budget for 2019/20	Mr John Dix	OP27 identifies the risks associated with the affordability of the Thameslink project and in particular the risk that Government may claw back grants leaving Barnet liable for the abortive costs. What is the scale of the abortive cost liabilities and when will a final decision be made as to whether this project will be aborted.	<p>The abortive cost would relate to expenditure incurred which the Government would want to be repaid. The council is working closely with Central Government to ensure that this possibility does not materialise. All parties remain committed to building the station supporting the delivery of 7,500 homes.</p> <p>The project would be aborted at the point it was considered no longer financially viable however this would not automatically mean the Government would seek full repayment of the grant.</p>

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24.	Item 10 - Transfer properties acquired by the Council to TBG Open Door Homes Limited	Ms Barbara Jacobson	<p>4.2.6 - 'Independent valuations ... of 68 of the properties which completed prior to July 2018 ... are expected to indicate that the market value is less than the sum being paid by ODH ...and a best value transaction ... can be confirmed'</p> <p>Why is it best value to buy property for more than it is worth?</p>	ODH board also considers the acquisition of the properties to be a longer-term investment and that the longer-term outlook of the property market will be favourable.
25.	Item 9 – Q3 2018/19 – Strategic Performance Report	Mr John Dix	<p>At page 4 in the report it states that there is an adverse movement due to £0.340m increase in gain share contractual payments and other areas of Managed Budgets. Can you clarify how Capita can be entitled to contractual gain share costs linked to the increase in anticipated Housing Benefit Overpayment recoupment given that Capita have responsibility for administering Benefits and how that is reconciled with the statement that no further gainshare payments would be made following the £4 m payment from Capita agreed at the Urgency Committee?</p>	<p>In order to incentivise the further collection of Housing Benefit Overpayments the parties agreed a gainshare. This arrangement has been successful in increasing the amount of money being reclaimed which has therefore led to an increase in the gainshare payment for a portion of that benefit.</p> <p>The agreement to remove gainshare was in relation to the Procurement service. Gainshare agreements remain in relation to the Revenues and Benefits service.</p>
26.	Item 10 - Transfer properties acquired by the Council to TBG Open Door Homes Limited	Ms Barbara Jacobson	What will happen if ODH goes bust and the value of the properties is significantly less than was paid for them?	The council has security over the assets to cover the loan value. In the event of default, ownership of the assets will revert back to the Council. The Council will continue to use the asset as temporary accommodation.

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27.	Item 9 – Q3 2018/19 – Strategic Performance Report	Mr John Dix	The £875,000 of additional overspend on streetscene is attributed to the delay in implementation and the changes to the collection rounds. How can we be confident that this is an accurate figure, why has it been allowed to grow so large and what is the forecast carry over into next year's budget?	Full details regarding the recycling and waste round reorganisations will be presented to Environment Committee in March 2019
28.	Item 17 - Transfer properties acquired by the Council to TBG Open Door Homes Limited [EXEMPT]	Ms Barbara Jacobson	Why should this item be exempt, as it presumably details the Council's planned borrowing and expenditure, which should be seen by every resident? What commercial sensitivities are being protected?	There is information in the exempt report which falls within the remit of para 3, Part I and para 10, Part II of schedule 12 A to the Local Government Act 1972. This information is confidential as it relates to the Council's 'financial or business' affair and contains a list of temporary accommodation addresses.
29.	Item 9 – Q3 2018/19 – Strategic Performance Report	Mr John Dix	The HB Law contract continues to be overspent and has done since the contract started. What are the risks that it will be overspent again next year and what specific measures have been put in place to ensure it is delivered on budget?	Tighter controls over accessing legal services have been implemented across the council meaning only named officers can instruct work. This means a greater awareness of the consequences of spend on their budgetary responsibilities. Additionally, £600k has been allocated within the ongoing MTFS to 'rightsize' this budget and resolve the pressure.

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30.	Item 9 – Q3 2018/19 – Strategic Performance Report	Mr John Dix	<p>Yet again Table 8c does not reconcile with the figures published on the suppliers payments. Set out below is a comparison between the table and the data published on the Barnet website. Which figures should I believe and why are there such significant differences?</p> <p>Table 8c: Expenditure on agency staff (Q3 2018/19)</p> <table border="1"> <thead> <tr> <th>Service</th> <th>Q3 17/18 £000*</th> <th>Q3 18/19 £000*</th> <th>Change %</th> <th>17/18 Full Year Actual £000</th> <th>18/19 Full Year Forecast £000</th> </tr> </thead> <tbody> <tr> <td>Adults and Communities</td> <td>2,151</td> <td>1,127</td> <td>(47.6)</td> <td>2,510</td> <td>1,390</td> </tr> <tr> <td>Assurance</td> <td>14</td> <td>9</td> <td>(40.8)</td> <td>16</td> <td>12</td> </tr> <tr> <td>Children's Services</td> <td>6,726</td> <td>7,399</td> <td>10.0</td> <td>10,407</td> <td>10,081</td> </tr> <tr> <td>Commissioning Group</td> <td>1,092</td> <td>1,066</td> <td>(2.3)</td> <td>1,501</td> <td>2,017</td> </tr> <tr> <td>Customer Support Group</td> <td>0</td> <td>21</td> <td>100.0</td> <td>50</td> <td>0</td> </tr> <tr> <td>HRA</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Public Health</td> <td>0</td> <td>131</td> <td>100.0</td> <td>8</td> <td>171</td> </tr> <tr> <td>Development and Regulatory Services</td> <td>2</td> <td>0</td> <td>(100.0)</td> <td>0</td> <td>0</td> </tr> <tr> <td>Street Scene</td> <td>1,956</td> <td>1,156</td> <td>(40.9)</td> <td>2,427</td> <td>1,459</td> </tr> <tr> <td>Capital</td> <td>1,177</td> <td>1,143</td> <td>(2.9)</td> <td>2,274</td> <td>1,525</td> </tr> <tr> <td>Total</td> <td>13,118</td> <td>12,052</td> <td>(8.1)</td> <td>19,193</td> <td>16,655</td> </tr> </tbody> </table> <p>*Figures are cumulative up to end December</p> <p>Total Matrix & Comensura Spend 01/04/2018 - 31/12/2018</p> <table border="1"> <tbody> <tr> <td>Adults and Communities</td> <td>£ 2,185,050.11</td> </tr> <tr> <td>Assurance</td> <td>8,558.68</td> </tr> <tr> <td>Commissioning Group</td> <td>£ 1,606,562.02</td> </tr> <tr> <td>Family Services</td> <td>£ 7,989,712.36</td> </tr> <tr> <td>Streetscene</td> <td>£ -410,063.57</td> </tr> <tr> <td>CSG</td> <td>-£ 451.50</td> </tr> <tr> <td>Greenspaces</td> <td>£ 6,987.21</td> </tr> <tr> <td>Parking & Infrastructure</td> <td>£ 76,663.29</td> </tr> <tr> <td>Public Health</td> <td>£ 107,381.94</td> </tr> <tr> <td>Total</td> <td>£ 13,390,527.68</td> </tr> </tbody> </table>	Service	Q3 17/18 £000*	Q3 18/19 £000*	Change %	17/18 Full Year Actual £000	18/19 Full Year Forecast £000	Adults and Communities	2,151	1,127	(47.6)	2,510	1,390	Assurance	14	9	(40.8)	16	12	Children's Services	6,726	7,399	10.0	10,407	10,081	Commissioning Group	1,092	1,066	(2.3)	1,501	2,017	Customer Support Group	0	21	100.0	50	0	HRA	0	0	0	0	0	Public Health	0	131	100.0	8	171	Development and Regulatory Services	2	0	(100.0)	0	0	Street Scene	1,956	1,156	(40.9)	2,427	1,459	Capital	1,177	1,143	(2.9)	2,274	1,525	Total	13,118	12,052	(8.1)	19,193	16,655	Adults and Communities	£ 2,185,050.11	Assurance	8,558.68	Commissioning Group	£ 1,606,562.02	Family Services	£ 7,989,712.36	Streetscene	£ -410,063.57	CSG	-£ 451.50	Greenspaces	£ 6,987.21	Parking & Infrastructure	£ 76,663.29	Public Health	£ 107,381.94	Total	£ 13,390,527.68	<p>The Matrix and Comensura agency data that is published on https://open.barnet.gov.uk/dataset/comensura-expenditure-2018-19 is based on actual activity and is refreshed on a weekly basis.</p> <p>The Agency spend data included within the performance report is based on actual payments made in arrears within the ledger.</p> <p>The difference between the two is therefore primarily timing differences between activity occurring and invoices being processed.</p> <p>The council performs a reconciliation to ensure the data is consistent and accurate.</p>
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Total	£ 13,390,527.68																																																																																															
31.	Item 9 – Q3 2018/19 – Strategic Performance Report	Mr John Dix	<p>At 1.74 the report notes a dispute with the builder about the final fit-out and costings has the potential to impact on the completion date and office move. Please can you clarify the cost of this delay and what is the revised date to move staff into Colindale?</p>	<p>Whilst the council has engaged specialist technical and legal advice to resolve the dispute, the building works have progressed and the office move remains on schedule to begin in May and conclude in the summer 2019. An update on the office move to Colindale will be presented to the Financial Performance and Contracts Committee in March 2019.</p>																																																																																												
32.	Item 10 - Transfer properties acquired by the Council to TBG Open Door Homes Limited	Mr John Dix	<p>Why are the Appendices exempt when you have already published details of 146 of the properties in delegated reports. What specifically makes the information unsuitable for publication and who determined that it is not in the public interest to provide details of a massive asset transfer from the Council?</p>	<p>There is information in the exempt report which falls within the remit of para 3, Part I and para 10, Part II of schedule 12 A to the Local Government Act 1972. This information is confidential as it relates to the Council's 'financial or business' affair and contains a list of temporary accommodation addresses. Decisions on whether it is not in the public interest to publish information is made by officers in consultation with HBPL.</p>																																																																																												

Qn No	Agenda Item No	Raised By	Question Raised	Answer
33.	Item 12 - The Barnet Group (TBG) Five-Year Strategic Plan	Mr John Dix	TBG Opendoor is forecast to lose £4.247 million over the next 5 years and the business is not forecast to break even until 2034/35. What will be the cumulated losses up to 2034/35 and what risks have been identified that might occur over the next 15 years to influence that break even target date?	<p>The cumulative losses to 2035 will be circa £11m. This will turn to a cumulative surplus by 2050.</p> <p>Following the completion of the properties, the key risks to Opendoor are those arising from inflation and the future rent regime for affordable rents. These risks are mitigated firstly by the assumed 2% inflation to both income and costs. Should inflation exceed this level, it would increase the income of the business as income is greater than costs.</p> <p>In terms of rent increase, no +1% increase is assumed to social rents beyond 2027.</p>
34.	Item 12 - The Barnet Group (TBG) Five-Year Strategic Plan	Mr John Dix	Appendix B contains a five year business plan summary (excluding TBG Open Door) which shows a forecast profit for the 5 years of £680,000. Last year at this committee the forecast for the same period was a profit of £1,342,000. What has caused the profitability to halve in 12 months and are there any other risks such as those identified in the Brexit Impact Log that could turn TBG into a significant loss making business.	<p>Within Barnet Homes, there are cost increases to manage such increased utility costs.</p> <p>Other group companies have similar surpluses to the prior year report. Inflation is a key risk to Barnet Homes and Your Choice; the businesses will need to accommodate cost increases within the constraints of the management agreements with the council.</p> <p>As with the wider council, a restriction in key workers would either reduce the capacity to provide services, increase the cost of those services, or both.</p>
35.	Item 13 - Brent Cross Cricklewood Funding and Delivery Strategy Report	Mr John Dix	I am concerned to read at 1.10 that the £319.5m grant would be partly repayable by the Council, recognising that a business rate ringfence is currently in place around the shopping centre but that the ISC were not content with the proposal to extend the ringfence, and therefore asked for further work to agree an appropriate repayment model. What is the extent of the grant repayment for which Barnet may become liable, when will the negotiations on an appropriate repayment model be concluded and has ministerial support now been secured?	An addendum to the Brent Cross Cricklewood Funding and Delivery Strategy will be published prior to Committee providing an update on the repayment model and ministerial support as anticipated by the main Committee report.

