

# Decisions of the Financial Performance and Contracts Committee

28 October 2019

Members Present:-

Councillor Peter Zinkin (Chairman)  
Councillor Thomas Smith (Vice-Chairman)

Councillor Anthony Finn	Councillor Arjun Mitra
Councillor Kathy Levine	Councillor Barry Rawlings
Councillor John Marshall	Councillor Julian Teare (Substitute)

Apologies for Absence

Councillor Alex Prager

## 1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Financial Performance and Contracts 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 19<sup>th</sup> June 2019 be agreed as a correct record.

## 2. ABSENCE OF MEMBERS

Apologies were received from Councillor Alex Prager who was substituted by Councillor Julian Teare.

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

There were none.

## 4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

## 5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

None.

## 6. MEMBERS' ITEMS (IF ANY)

None.

## 7. CHIEF FINANCIAL OFFICER REPORT MONTH 5 (AUGUST 2019)

The Chairman introduced the Month 5 CFO Report and invited Officers who summarised and presented the report to the Committee.

In response to a comment about debtors, Officers noted the improved position by virtue of a reduction of £3.3M for the total sundry debt owed as at 31 August 2019 in comparison to the same period last year. Officers also spoke about the active dialogue that had taken place with Barnet CCG in respect of the total debt owed as set out in Table 19 of the report.

Committee Members expressed concerns over the level of drawdown from reserves and requested clarification. The Director of Finance (S151 Officer) Anisa Darr briefed Members about the elements concerning the drawdown of reserves including:

- the current budget setting processes,
- changes to the HRA borrowing cap
- earmarked reserves to fund expenditure and
- overspend in relation to demand led services.

The Chairman highlighted the importance of future sustainability and noted that once the recovery plans were ready, the Committee will receive an update report on the necessary actions to contain the overspending and reach a balanced position. (**Action: Finance**)

Officers agreed to provide briefing notes to the Chairman and Councillor Levine on underlying debt in the budgeting process. (**Action: Finance**)

Following a comment from the Committee about Brent Cross and the Capital Programme, it was agreed that Officers in consultation with the Chairman develop an item due to be reported to a future FPC Committee. (**Action: Forward Work Programme - Finance**) The requested report on Brent Cross will set out the following:

- the major Capital Programme projects and sub-projects within the Capital Programme
- risks against each of those project and sub-projects
- the summary of progress against each project and sub-project
- amount of funding spent compared to amount of funding expected to be spent

The Committee asked for the total cost of moving to the Oakleigh Road Depot and acknowledged the difficulties in calculating the total cost due to the changing nature of the comparison data. Officers were instructed to provide a report to the Committee on this matter. (**Action: Forward Work Programme March 2020**)

Following a query about the part closure at Finchley Lido leisure centre, the Assistant Director for Estates Chris Smith noted that this was due to structural issues with the roof and that the closure will be dependent on the outcome of the investigation work which is due to take place until at least December 2019.

Mr Smith informed Members that a team was commissioned to investigate the issues which has resulted in another intrusive investigation to identify the scale of the problem.

Once this has concluded the remedial work can be commissioned. Further information will be reported back to this Committee. (**Action:** Estates - Forward Work Programme)

Members raised a query around the overspend for demand led services and the Adults overall forecast. Ms Darr noted that forecast demand is reviewed on an annual basis along with the forecasting methodology which is reviewed regularly through peer reviews with other Local Authorities.

The Committee noted the increase in security cost for Colindale due to the additional entrance and exits. The Committee also noted that there were additional costs in respect of the delay in vacating North London Business Park and asked for details of the thinking on options for mitigating costs at Barnet House.

The Chairman referred to the maintenance and renewal of Street Scene Fleet costs which has risen significantly and requested a briefing note on the matter from Officers. (**Action** – Street Scene/ Estates)

It was unanimously **RESOLVED** that:

1. **The Committee noted the 2019/20 revenue forecast outturn, as detailed in Table 1 and in Appendix A;**
2. **The Committee noted the savings anticipated to be delivered in 2019/20, as detailed in Table 6;**
3. **The Committee noted the 2019/20 capital forecast outturn, as detailed in Table 7 and in Appendix B;**
4. **The Committee noted the level of reserves and balances as detailed in Table 10.**
5. **The Committee noted the treasury position outlined in section 4.**
6. **The Committee noted the debtors position outlined in section 5.**

## **8. CAPITAL PROGRAMME 2019-2025**

Upon invitation of the Chairman, the Deputy Director of Finance Paul Clarke presented the report and summarised the progress of the Capital Programme. The Committee noted that a more accurate view of the costs and any slippage of the Programme will be developed.

The Committee requested an item to be reported to a future FPC meeting on Capital Receipts and details of the projects covered under the Capital Programme. (**Action:** Finance – Forward Work Programme)

Officers were instructed to consult with the Chairman on the Mosaic programme with a view to report to either the Adults and Safeguarding Committee or the FPC Committee focusing on the capital financing and slippage aspect of the programme. (**Action:** Finance)

Members of the Committee requested that future reporting on the Capital Programme include further breakdown of the data and figures on page 62 of Agenda.

It was unanimously **RESOLVED**:

- 1. That the Committee noted the current position of the Capital Programme;**
- 2. That the Committee considered as set out above whether there is any additional information they require in relation to the contents of the report.**

## **9. COLINDALE OFFICE MOVE - UPDATE**

Assistant Director for Estates, Chris Smith presented the report. He noted that Family Services have moved from the second floor to the first floor of the North London Business Park Building 2 so that the second floor can be handed back. Family Services are then due to move out of North London Business Park into Colindale Offices.

It was unanimously **RESOLVED**:

- 1. That the Committee noted the progress including the successful relocation of over 1700 staff to the new council office in Colindale.**
- 2. That the Committee noted the exempt accompanying report.**

## **10. Q1 2019/20 CONTRACTS PERFORMANCE REPORT**

Deborah Hinde, Director for Commercial and IT Services presented the report which provides an overview of performance for the key strategic contracts, excluding information already reported to Theme Committees for Q1.

The Committee noted the progress delivered in respect of pension administration, Annual Pension Benefit statements and data improvement.

Following a request for an update on the Pension Regulator's press release and intervention report, it was agreed that this information be circulated to the Committee. (**Action** – Pensions)

The Committee requested that:

- Future Quarterly Performance reports clarify whether there is overspend or underspend on the HBPL Budget (**Action** – Commercial, Performance)
- Telephony service issues be reviewed including voice recognition (**Action** – Commercial)

It was unanimously **RESOLVED** that:

**The Committee reviewed the Q1 2019/20 performance in relation to back-office functions delivered by the Customer and Support Group (CSG), Planning services delivered by Regional Enterprise (Re) and Legal services delivered by Harrow and Barnet Public Law (HBPL) and noted any recommendations to Policy and Resources Committee or Theme Committees on issues arising from this review.**

## **11. COMMITTEE FORWARD WORK PROGRAMME**

The Committee noted the standing item on the agenda which lists the business items for consideration at future meetings of the Committee during 2019-2020.

It was **RESOLVED** that the Committee noted the **Forward Work Programme 2019-2020** which was updated during the meeting with the additional items referred to above.

**12. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT**

None.

**13. 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 items will involve discussion of confidential information. Members of the press and public vacated the room and the public gallery was cleared.

**14. EXEMPT - COLINDALE OFFICE MOVE UPDATE**

The Committee noted the exempt information as set out within the exempt report.

**15. ANY OTHER EXEMPT ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT**

None.

The meeting finished at 9.35 pm