

	<p>Financial Performance and Contracts Committee</p> <p>18 March 2020</p>
<p>Title</p>	<p>Q3 2019/20 Contracts Performance Report</p>
<p>Report of</p>	<p>Director (Commercial and Customer Services)</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>No</p>
<p>Enclosures</p>	<p>None</p>
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Summary

This report provides an overview of performance for the key strategic contracts, where information has not been reported to a Theme Committee as part of the Quarter 3 (Q3) 2019/20 Themed Performance Reports.

Officers Recommendations

The Committee is asked to review the Q3 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 note any recommendations to Policy and Resources (P&R) Committee or Theme Committees on issues arising from this review.

1. PURPOSE OF REPORT

Introduction

- 1.1 This report provides an overview of performance for the key strategic contracts, where information has not been reported to a Theme Committee as part of the Q3 2019/20 Themed Performance Reports. The report covers the **back-office functions** delivered by **CSG** (except Estates, which is reported to Housing and Growth), **Planning (Re)** and **Legal (HBPL)** services. It also includes contract KPIs¹ for Cambridge Education and The Barnet Group that did not meet target in Q3, which are escalated for scrutiny.

Back office functions (CSG)

Overview

- 1.2 During Q3, incremental improvement continued across most services. Notable events included:
- The snap General Election, which caused an additional 16,000 queries (phone calls and emails) into the Contact Centre
 - There was a performance dip in HR in December 2019 due to resourcing challenges, which was largely resolved in January 2020
 - There was a significant IT outage due to hardware problems at a supplier
 - Several changes to services were progressed, including
 - Work that resulted in the return of the Capital Programmes team to the council in January 2020
 - Workshops on a new operating model for Procurement
 - Plans to move to an alternative model for Pensions Administration which were approved by P&R Committee on 19 February 2020.

Finance

- 1.3 **Accounts Payable (AP)** - Capita has continued to work with Barnet colleagues on the AP Task Force, focusing on the completion of audit actions reported in the 'Limited Assurance' AP audit to Audit Committee on 30 October 2019, and in the subsequent update to Audit Committee on 30 January 2020. This is alongside joint working to improve the service for end users.
- AP Forensics went live on 17 February 2020. It was agreed that Capita would identify and review the historic duplicate payments over a four week period. Since the 17 February 2020, there have been 12 possible duplicate payments prevented, the AP team are working through the reasons for these potential duplicates and will be providing feedback to the council.
 - Internal Audit has reviewed and signed off Capita's training and development plan and material relating to the council's AP function.
 - An issue was identified where service areas had authorised payments of invoices but the system did not release the funds. Capita has implemented a reporting process to identify these instances for action and since doing so reports of non-

¹ Key Performance Indicators

payment from service areas has stopped. Capita has confirmed that the fault causing this is in the process of being fixed.

- Implementation of the Appian system² within Capita for AP processing has progressed, with an improved level of auto matching achieved. This phase benefits the AP Shared Service team, although there will be associated benefits for the council in terms of invoices being processed more efficiently and better reporting capabilities.

1.4 **Integra** – there has been an improvement in support calls and operational delivery.

- The number of outstanding support calls has reduced by 27% during the quarter from 119 in Q2 to 87 in Q3. This performance was helped by a data cleansing exercise of the support system which has had a positive reduction in aged fault calls.
- The major areas for focus within the Integra development team over the quarter were user issues and purchasing support. The resolution of fault calls remains Capita’s ongoing priority.

1.5 There are three KPIs for Finance. Two of the three KPIs met the Q3 target and the third KPI is not due to be reported until Q4

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Operational availability of financial system application (Integra) to the hosted network (q)	Bigger is Better	New for 19/20	98%	98%	99% (G)	New for 19/20	New for 19/20
Invoice documents in Accounts Payable processed within agreed timescales (q)	Bigger is Better	New for 19/20	90%	90%	95.8% (G)	New for 19/20	New for 19/20
Completion of audit recommendations by Capita in relation to their provision of finance services (q)	Bigger is Better	New for 19/20	100%	100%	Due in Q4 19/20	New for 19/20	New for 19/20

Pensions

1.6 The joint exercise to complete and submit the annual return to The Pensions Regulator (TPR) was successful, finalised on 15 November 2019 before the statutory deadline. The common data certificate maintained a high score of 95.6%, and for the first time a score was given for the conditional data certificate. Although this score was only 40% (target is 100%), the main area of concern related to the absence of a marital status indicator on the member record. A plan to remedy this is being prepared.

1.7 The focus for Q3 has been to improve service standards for ‘workable cases’ i.e. cases for which the information required to process is held. Compliance with service standards has improved for these types of cases to 91% (December 2019) from 82% (September 2019). However, the number of outstanding cases increased

² Appian is a software for the implementation of Project Waterfall to transform various aspects of the financial processes currently run in Integra.

in the period due to incomplete information on the members file. Details of unworkable³ cases have been requested to enable Barnet staff to help identify the missing information that will enable processing to be undertaken.

- 1.8 An exercise commenced to contact 255 members over Normal Pension Age (NPA) who hadn't claimed their retirement benefits, which resulted in 169 responses. 155 sets of options were calculated and issued to members, with the remainder in the process of preparation. Work has also progressed on concluding retirement events and the council has completed initial work on the third-party cases, although a number of cases remain outstanding.
- 1.9 An exercise has commenced to identify and supply members with Pensions Saving Statements that had not been issued in prior years. This has been reported to TPR, who does not intend to act because of the rectification plan that is in place.
- 1.10 Plans to move to an alternative model for Pensions Administration was approved by P&R Committee on 19 February 2020. The report can be found online at: <https://barnet.moderngov.co.uk/documents/s57962/Pension%20Fund%20Administration.pdf>. As part of the recommendations agreed by P&R Committee, Full Council is due to consider and agree on 3 March to delegate, under section 101 agreement, the Pensions Administration function to West Yorkshire Pension Fund. This report can be found online at: <https://barnet.moderngov.co.uk/documents/s58116/Report%20to%20Council%20-%20Cover%20Report.pdf>
- 1.11 There are no KPIs for Pensions.
- 1.12 There was one high level (scoring 15+) risk on the joint risk register with CSG for Pensions in Q3, which is being managed in accordance with the council's risk management framework.
 - **CSG55 - Poor delivery of pension service by administration team (residual score 16 - increased from 9)**. Poor management of pensions administration could lead to scheme members experiencing delays in receiving benefits and/or inaccurate pension information resulting in enforcement actions by The Pensions Regulator. A remediation plan is in place with progress against target dates being monitored. Enhanced scrutiny has identified new failings for which corrective actions and timescales are being agreed with the pension administrator.

Human Resources

- 1.13 As reported in Q2, work has been ongoing to overhaul the processes used for managing Starters, Leavers and Movers (SLAM) to make the process as efficient as possible and reduce organisational risk. The aim is to reduce both duplication and delays, and cuts across Finance, IT, HR and Estates. It is envisaged that the solution will involve the use of workflows embedded in Office365. This concept has been developed by IT and changes to the process will start to be implemented in March 2020. In addition, process improvements will ensure a better link between new-starter processes and induction arrangements, to ensure that staff members are onboarded appropriately. In the meantime, compensating controls are in place

³ The employer or member has not provided some of the information required to complete the task.

whereby Finance are provided with regular lists of starters, movers and leavers to enable a manual check of Integra.

- 1.14 The KPI for Payroll has been met again this quarter and the area remains under close review to ensure improvements are sustained. Capita are applying for independent assurance of the control environment via ISAE3402 (an external assurance framework) and this will take place in Q4. A review of the assurance framework around all financial systems is also being carried out under the direction of the Section 151 Officer.
- 1.15 Continued low take-up of all employee benefits such as salary finance, car lease, charitable giving, cycle to work and technology products, through the employee benefit portal resulted in the agreement being terminated. Contracts for employee benefits are now being managed in-house while a new provider is sought.
- 1.16 There are four KPIs for HR. Three of the four KPIs did not meet the Q3 target.
- **Offer letters issued (RAG rated RED) – 77.2% against Q3 target of 100%.** The KPI underperformed because of higher volumes than anticipated for December 2019 and resource constraints due to annual leave. To mitigate this impact, multiskilling between the recruitment team and HR admin has been scheduled as well as daily reporting to monitor progress. All the outstanding letters have been issued and performance was back on track at the end January 2020.
 - **Pre-Employment vetting (RAG rated RED) – 77.3% against Q3 target of 99%.** The KPI underperformed because of higher volumes than anticipated for December 2019 and resource constraints due to annual leave. All the outstanding checks have been completed and performance was back on track at the end January 2020.
 - **DBS verification audits (RAG rated AMBER) – 99.5% against Q3 target of 100%.** The KPI underperformed because of resource constraints due to sickness absence. The three DBS outside of the Service Level Agreement have been completed as at January 2020. To mitigate this impact, multiskilling between the recruitment team and HR admin has been scheduled as well as daily reporting to monitor progress.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Payroll Accuracy - error rates and correct date (q)	Smaller is Better	New for 19/20	0.1%	0.1%	0.1% (G)	New for 19/20	New for 19/20
Offer letters issued (q)	Bigger is Better	New for 19/20	100%	100%	77.2% (R)	New for 19/20	New for 19/20
Pre-Employment vetting (q)	Bigger is Better	New for 19/20	99%	99%	77.3% (R)	New for 19/20	New for 19/20
DBS verification audits (q)	Bigger is Better	New for 19/20	100%	100%	99.5% (A)	↓ W -.5%	100%

Corporate Programmes

- 1.17 The Capital Programmes team has been transferred back to the council in January 2020. Throughout Q3, work continued across programmes and projects, including key programmes such as The Way We Work (TW3), leisure centres and schools:
- Capita has been project managing the defects process for the two new leisure centres at Copthall and New Barnet, as well as the demolition of old leisure centre at Copthall.
 - The rebuild project of the children's homes at Woodside Avenue has been managed by Capita. Stages 3 and 4 (development and technical design) are almost complete. Capita has also been managing the defects process for the new school at Blessed Dominic Saint James.
 - The Customer Transformation Programme (CTP) team has held workshops across all service areas, ensuring customer service is at the heart of their approach. Capita identified a programme of customer experience enhancements, that have been implemented, which will provide enhanced analytics for the next CTP phase.
 - Capita has rolled out an updated audio system for the meeting rooms at Colindale, on top of continued support on the TW3 programme.

Customer Services

- 1.18 New online solutions will enable residents to transact online and reduce the need to call the council for simple transactions:
- A new online appointment booking system has been launched for Registrars
 - The new parking permit purchasing system resulted in higher phone volumes initially during transition, which has since reduced.
- 1.19 The biggest impact on call volumes was from the snap General Election, which took place in December 2019; causing an additional 16,000 queries (phone calls and emails) in November and December 2019.
- 1.20 A full end to end 'health check' was undertaken to review the telephony infrastructure to understand what more could be done to mitigate any re-occurrence of the issues reported in Q2. 17 recommendations were made in total and a project manager has been assigned to track and monitor these through to implementation. The key recommendations were:
- Improvements to monitoring, daily checks and alert availability
 - Implementation of technical improvements recommended by the supplier
 - Increase the number of available lines into the council
 - Change certain call 'flows' to mitigate callers being cut off as they are transferred between teams and different telephony platforms.
- 1.21 On 6 January 2020, P&R Committee approved a new set of priorities for improving the customer experience, which will prioritise delivery over the next 12 months. A key part of this is to improve the culture across the organisation and internal workshops have begun supported by CSG. An internal communication campaign has been launched to promote the delivery of a good customer experience and its importance to residents.

- 1.22 **Web satisfaction** - following the launch of the new council website in February 2019, the measures below have continued to show a positive direction of travel:
- Website usage has increased, with an 85% increase in 'user visits' in Q3 19/20 (2,947,154) compared to Q3 18/19 (1,593,061). A spike in activity due to the snap General Election and new online systems going live caused the increase.
 - Web content quality score (rating on readability, freshness, user experience and security) remained high at 91% (national average is 85%)
 - Customer satisfaction in phone, email and face-to-face channels has remained consistent (90.7% against the target of 89%).

1.23 There has been continued focus on ensuring the council's website meets new Government regulations (AA) accessibility, so it is suitable for users with additional accessibility needs. The website accessibility score was 97.5% in Q3 compared with 94.2% in Q2 and was higher than the local government benchmark of 77.4%.

1.24 There are four KPIs for Customer Services. All KPIs met the Q3 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Customer satisfaction with phone, face-to-face, email and post case closure (q)	Bigger is Better	New for 19/20	89%	89%	90.7% (G)	↑ +.8%	90.0%
Web satisfaction (web performance and customer feedback) (q)	Bigger is Better	New for 19/20	55%	55%	59.7% (G)	New for 19/20	New for 19/20
Customer Services closing cases on time (Customer Advocacy Service) (q)	Bigger is Better	New for 19/20	94%	94%	100% (G)	New for 19/20	New for 19/20
Cases/transactions completed via self-service channels (CSG Customer Service only) (q)	Bigger is Better	47.1%	50%	50%	54.3% (G)	↑ +12.9%	48.1%

Information Systems

1.25 **Device Refresh and Windows7 to Windows10 Upgrade** - c.400 of 500 devices have been refreshed in Q3 as part of the "Device Refresh" programme and over 2,000 devices have been upgraded from Windows 7 operating system to Windows 10. The remaining devices will be migrated before the end of March 2020.

1.26 **Bring Your Own Device (BYOD)** - This service has been implemented and rolled out to Members and a pilot group of staff. Over 60 people have signed up (as at end of January 2020) and it is now available for use across the organisation. A broader communication programme will aim to increase active users by the end of Q4.

1.27 **General Election** - The IT team were heavily involved in supporting the activities of the General Election. The website was scaled to cope with an anticipated increase in demand, capable of handling more than 30,000 visits per hour.

1.28 **IT outage** - There was a significant outage to network connectivity in December 2019 caused by a break that occurred in the fibre link between Barnet and the Spring Park Datacentre (in Wiltshire). An investigation has been undertaken and Capita is awaiting input from their supply chain to understand the full root cause. Intermediate actions are being undertaken:

- Ascertain why the network resilience failed to work
- Review the design of the primary and secondary links for single points of failure
- Review why the service provider was unable to re-route traffic or provide an alternative interim solution
- Review with third party the response and support arrangements to understand why the incident took over 36 hours to resolve (spread over Fri/Sat/Sun)
- Formalise the communication method and approach between IT and the council's Emergency Planning team.

1.29 There are two KPIs for Information Systems. Both KPIs met the Q3 target.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Incident resolution (q)	Bigger is Better	93.3%	95% ⁴	95%	95.6% (G)	↓ W -0.1%	95.7%
Critical system availability (q)	Bigger is Better	99.9%	99.5%	99.5%	99.9% ⁵ (G)	→ S	99.9%

Procurement

1.30 The Procurement team has made steady progress against the strategic action plan, while transitioning to a new operating model. The aim of the new model is to take a proportionate approach, with most resources focused on higher value procurements (£100,000 or above), more use of the offsite procurement team for lower value procurements (below £100,000) and an increased level of self-service using the Procurement toolkit, which has been updated. Workshops were held with service areas in Q3 and the new model will be rolled out in Q4. Work has also commenced with Legal to review and refresh the suite of contract templates and legal guidance, and increase standardisation where appropriate.

1.31 Following agreement of the Procurement Forward Plan by P&R Committee in January 2020, Procurement are working with service areas to plan out activity for the coming year in more detail. Key procurements for 2020/21 include homecare services, works and services supporting delivery of the Parks and Open Spaces Strategy, short breaks for disabled children and corporate travel management

1.32 There are four KPIs for Procurement. All four KPIs met the Q3 target.

⁴ The target was increased from 90% to 95% in 18/19 in line with the contractual provisions.

⁵ The KPI definition is under review to ensure it is consistent with the output specification.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Compliant contracts – contracts over £25k (q)	Bigger is Better	New for 19/20	100%	100%	100% ⁶ (G)	N/A	New for 19/20
Effective corporate contract management (q)	Bigger is Better	New for 19/20	60% ⁷	60%	85.5% (G)	N/A	New for 19/20
Cumulative apprenticeships (c)	Bigger is Better	65	70	60	94 (G)	↑ +10.6%	85
Cumulative work experience) (c)	Bigger is Better	258	280	240	353 (G)	→ S	353

Revenues and Benefits

1.33 **Council Tax and Business Rates** - Four-yearly collection rates for Council Tax and Business Rates were exceeded:

- Council Tax: 98.81% (against a target of 98.5%)
- Business Rates: 99.37% against a target of 99%).

1.34 In-year collection rates for Council Tax and Business Rates were lower than last year:

- Council Tax average: 71.83% (Q3 19/20) compared to 72.14% (Q3 18/19)
- Business Rates average: 72.16% (Q3 19/20) compared to 73.99% (Q3 18/19).

The number of ratepayers paying in 12 monthly instalments rather than the statutory 10 monthly instalments has increased, which has meant the amount collected between April and January has reduced (whilst payments made in February and March have increased).

1.35 Direct Debit take up has remained above target at 66.66% (against a target of 65%).

1.36 Equita (Capita's enforcement agent) are carrying out some inspection work for the Business Rates team. They are visiting accounts that receive a rolling review to ensure lists are produced for all cases in the Business Rates database where properties have a rateable value of NIL, empty properties and those with mandatory charitable relief. Equita staff are visiting the properties to confirm if there has been any change in circumstance. Where circumstances have changed these are reported back to CSG and dependant on the nature of the change, these will be dealt with by the Business Rates team if there is an occupancy/liability change or by the inspectors for any valuation changes. Internal inspectors will continue to do ad-hoc visits raised by the Business Rates team and monitor properties that have planning permission.

1.37 **Housing Benefit Overpayments** – Overpayment recovery decreased by 29.90% to £1,284,874 in Q3 2019/20 from £1,402,926 in Q3 2018/19. However, December 2019

⁶ The result was 99.999% rounded up to 100%. One contract was non-compliant as at the time of reporting - Water sports. Service have been chased to provide information.

⁷ Subject to one quarter baselining period after which an improvement plan for Year 7 will be agreed to bring performance to 100% from April 2020 onwards.

was up by 50.49% (£142,629) on December 2018 (£94,775). This has suggested the four additional FTE overpayment officers recruited in November 2019 to further improve the overpayment process and cash collection had a positive impact.

1.38 Take-up has been good on the introduction of self-serve forms. A new digital solution (TelSolutions) was introduced in October 2019 to improve Council Tax collection rate. Residents now receive reminders via email, SMS and automated voicemail messages compared to previously only receiving paper reminders. E-Billing is now live but in the early stage.

1.39 There are three KPIs for Revenues and Benefits. One KPI did not meet Q3 target.

- **Accuracy of benefit assessments) (RAG rated AMBER) – 94.5% against Q3 target of 95%.** The Q3 target was slightly missed. Capita has been working on various reports produced by the system to improve this, which was reflected in improved performance in December 2019 (96.5%) and January 2020 (96%). There has been an improvement in the quality of assessment work carried out by officers.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Accuracy of benefit assessments (q)	Bigger is Better	91.5%	95%	95%	94.5% (A)	↑ I -0.6%	93.9%
Speed of processing new claims (q)	Smaller is Better	20	22	22	22 (G)	↓ W -10%	20
Speed of processing changes (q)	Smaller is Better	5	6	6	6 (G)	→ S	6

Cross-cutting

1.40 There is one cross-cutting KPI. Compliance with Authority Policy met the Q3 target. This KPI relates to compliance with council's policies on Health and Safety, Equality and Diversity, Information Management, Human Resources and Governance.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Compliance with Authority Policy (q)	N/A	Fail (Q1)	Pass	Pass	Pass ⁸ (G)	→ S	Pass

Planning and Building Control (Re)

1.41 In Building Control, the service has been working to turn around historic falls in market share and Q3 saw this measure begin to rise again; following a two-year marketing

⁸ Pass means compliance with Level 2 of the council or equivalent Service Provider Policies identified in Schedule 22 the DRS contract where there has been no non-compliance by the Service Provider which results in an event adversely impacting upon the council. The adverse event could be; an event causing actual or serious risk of death, personal injury or harm towards any individual for whom the Authority has a duty of care; a judgement against the Authority by a statutory or regulatory body; a fine, disciplinary measure, successful claim or other award against the Authority or any individual employed by the Authority

strategy, work bidding for larger contracts and upselling of Building Control services with planners at pre-application stage.

- 1.42 Delivery of actions from the customer service review across Development Management, Enforcement and Building Control services has resulted in clearer customer service standards and expectations for all staff and also the appointment of the Resident Liaison Officer who began a programme of mystery shopping within the service and has also begun providing follow-up on Enforcement and Planning casework to target a reduction in complaints from residents.
- 1.43 Work began to restructure the management team to create an Assistant Service Director position for policy and growth, with the Major Project Planning Team incorporated into the wider Development Management service, together with revised reporting lines for planners working on Brent Cross Cricklewood to bring them closer to Development Management and Strategic Planning colleagues. The new structure will be put into place during Q4.
- 1.44 There are nine KPIs (including the two Application and Enforcement baskets) that are not reported as part of the Theme Committee Annual Delivery Plans. Seven KPIs met the Q3 target. Two KPIs are due to be reported in Q4.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Decisions made within building regulation statutory timescales (q)	Bigger is Better	99.7%	100%	100%	100% (A)	→ S	100%
Average time taken to process requests for Full Official Searches (online and post) in Land Charges (q)	Smaller is Better	2.5 days	3 days	3 days	2.1 days (G)	↑ I -22%	2.7 days
Compliance with planning application statutory timescales for major, minor, other applications (q)	Bigger is Better	84.4%	80%	80% ⁹	94.9% (G)	↑ I +12%	84.8%
Planning Application Basket KPI (q)	Bigger is Better	New for 19/20	5	5	6 (G)	New for 19/20	New for 19/20
Planning Enforcement Basket KPI (q)	Bigger is Better	New for 19/20	5	5	5 (G)	New for 19/20	New for 19/20
Section 106 cases cleared annually (payment of Section 106 obligations by developers to the authority) (q)	Bigger is Better	76% ¹⁰	80%	80%	87.5% (G)	↓ W -6%	93.0%
Section 106 cases cleared annually (payment of Section 106 obligations by developers to the authority - top 20 payments cleared) (Annual)	Bigger is Better	85%	90%	N/A	Due Q4 19/20	N/A	Due Q4 19/20

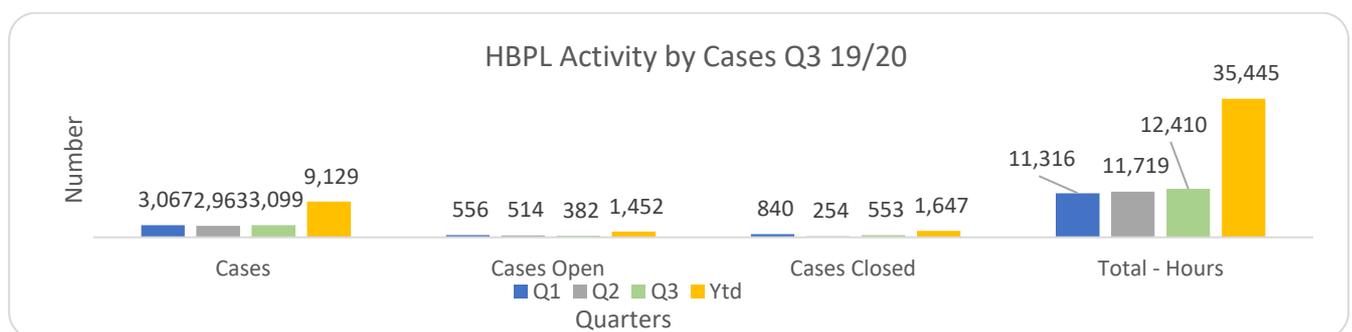
⁹ KPI target increased to 80% in Q3 19/20 from 75% as part of KPI review.

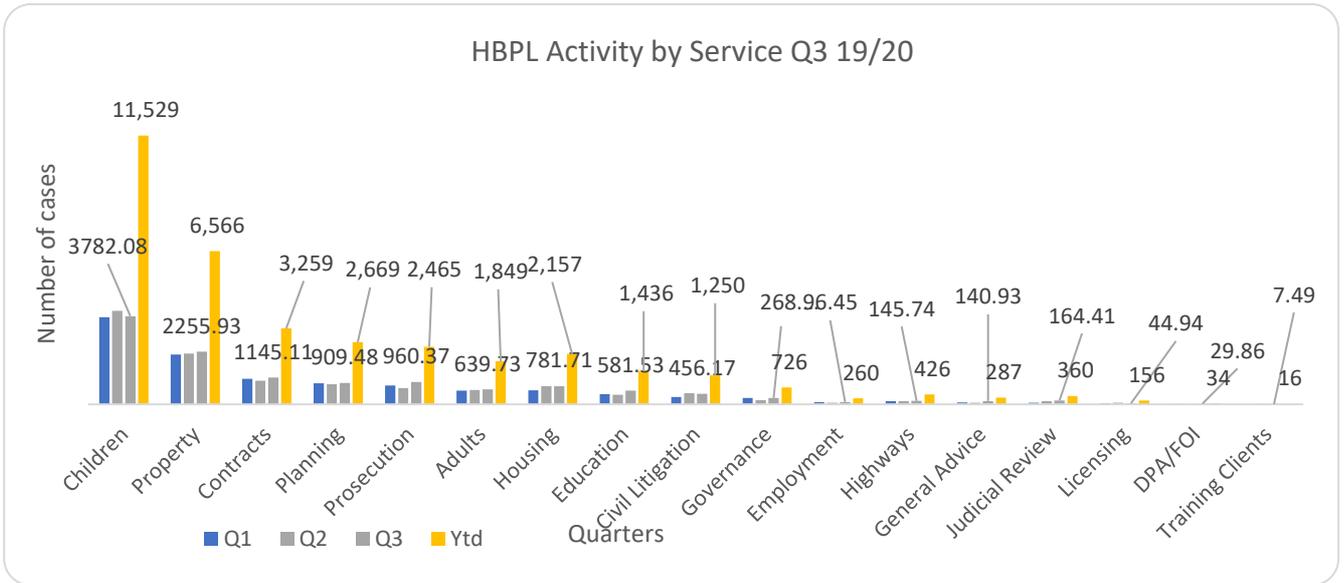
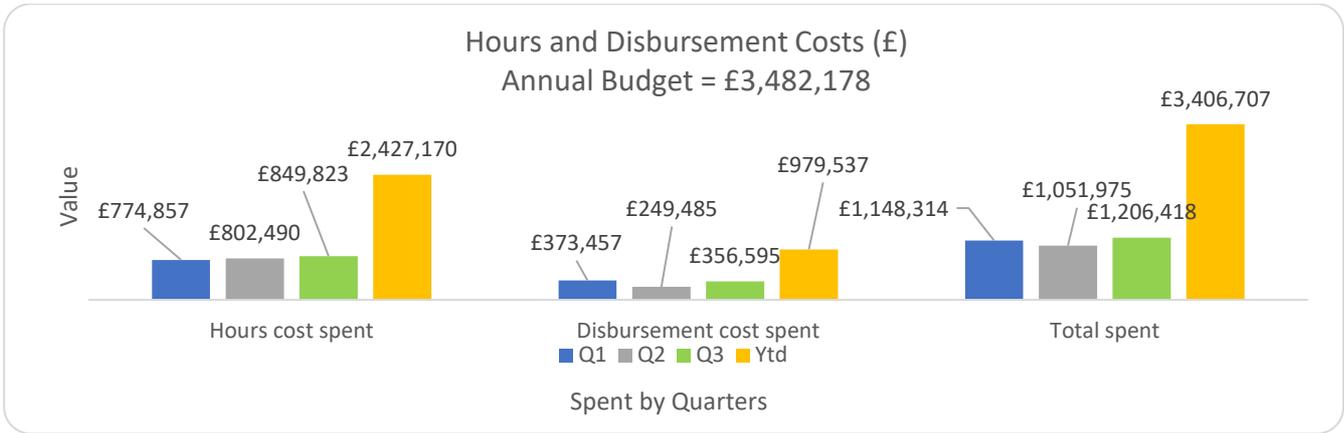
¹⁰ This was originally published 74.5% in EOY 18/19 report.

Indicator	Polarity	18/19 EOY	19/20 Target	Q3 19/20			Q3 18/19
				Target	Result	DOT	Result
Community Infrastructure Levy (CIL) cases cleared annually (payment of overall CIL obligations by developers to the authority) (q)	Bigger is Better	82%	80%	80%	82.2% (G)	↓ W -2.6%	84.4%
Community Infrastructure Levy (CIL) cases cleared annually (top 20 payments cleared) (q)	Bigger is Better	90.0%	90%	N/A	Due Q4 19/20	N/A	Due Q4 19/20

Legal (Harrow and Barnet Public Law)

- 1.45 Children’s Services continued to have the highest number of chargeable hours at 3,782 in Q3 (down by 227 from 4,010 in Q2) at a cost of £258,883.38. The chargeable hours by service type is shown in the chart below.
- 1.46 In Q3, Legal worked on 3,099 cases (compared with 2,963 in Q2). 382 new cases were opened (compared with 514 in Q2) and 553 cases were closed (compared with 254 in Q2). There were 12,409.8 chargeable hours (compared with 11,719 hours in Q2) at a cost of £849,823 (compared with £802,490 in Q2).
- 1.47 Disbursements went up by 43% to £356,595 in Q3 from £249,485 in Q2. This is partly due to spend on a CPO Public Inquiry. Total spend in Q3 was £1,206,418.15 (compared to £1,051,975 in Q2), with year to date spend at £3,406,706.79 (2% drop when compared to £3,478,848.55 spend as at Q3 18/19). Overall spend to date was 98% of the total budget in Q3 – spend is £3,406,706 vs. budget of £3,482,178. However, Q3 year to date is 2% lower than Q2 year to date.
- 1.48 In relation to budget management, the legal services budget has been devolved to service areas/directorates. Monthly budget monitoring is undertaken by services to ensure that any overspend on legal costs are contained within the overall budget for the service area/directorate.





1.49 Other activities in Q3 included:

- Issued court proceedings for a case that the hospital trust was reluctant to litigate, which successfully resulted in an order facilitating the discharge of the patient to a nursing home.
- Successfully resisted the developer’s attempts to compel the council to adopt roads in a landmark test case, which has relevance to other local authorities.
- Planning prosecution – the defendant was charged with one offence of breaching a planning Enforcement Notice. The defendant was found guilty after a four-day trial. The Court sentenced the defendant to the following
 - (a) A fine of £15,000
 - (b) Full prosecution costs of £9,523.10
 - (c) Victim surcharge of £170.

Escalated KPIs from Strategic Contracts – Cambridge Education, Re and TBG

1.50 This section presents any contract KPIs that are not part of the Theme Committee Annual Delivery Plans where they did not meet target in Q3. These KPIs are escalated to FPC Committee for scrutiny.

Cambridge Education

1.51 All 31 KPIs due to report in Q3 met the contract targets.

Re

1.52 Two of the 69¹¹ contract KPIs due to report in Q3 did not meet target. The two KPIs have been reported to Environment Committee.

The Barnet Group

1.53 Five of the 31 contract KPIs¹² due to report in Q3 did not meet target. Two KPIs have been reported to Housing and Growth Committee. The remaining three are outlined below. A presentation on The Barnet Group performance was given at FPC Committee on 29 January 2020.

- **Repairs survey (% satisfied customers) (RAG rated RED) – 85.1% against Q3 target of 96%.** Repairs satisfaction has remained below target in Q3 largely due to the ongoing concerns with the Mears Repairs performance. The demobilisation plan is targeting these areas of concern with a contingency plan being developed should this not positively change soon.
- **First Time Fix Repairs (RAG rated AMBER) – 87.9% against Q3 target of 92%.** Within Q3, slight improvements were made (November to December 2020) but overall for the quarter Mears Repairs performance remained below the quarterly target and not in line with expectations set out during high level meetings in November 2020.
- **Average re-let time for Major Works Lettings (RAG rated RED) – 66 against Q3 target of 41.** The target was not achieved due to a fire breaking out in a block of flats on the Grahame Park Estate. The property has been brought back to a lettable standard now.

Indicator	Polarity	18/19 EOY	19/20 Target	Q2 19/20		Q3 19/20		Q3 18/19
				Result	Target	Result	DOT	Result
Repairs survey (% satisfied customers) (q)	Bigger is Better	95.1%	96%	85.6%	96%	85.1% (R)	↓ W -17.5%	100%
First Time Fix Repairs (q)	Bigger is Better	92.1%	92%	89.3%	92%	87.9% (A)	↓ W -3.8%	91.2%
Average re-let time for Major Works Lettings (days) (q)	Smaller is Better	44.3	40	49.9	41	66 (R)	↓ W 24.3%	53

¹¹ Monthly and quarterly KPIs with RAG ratings

¹² This includes KPIs in the Annual Delivery Plans reported to Theme Committees.

2 REASONS FOR RECOMMENDATIONS

- 2.1 The report provides an overview of performance for the key strategic contracts, where information has not been reported to a Theme Committee, as part of the Q3 19/20 Themed Performance Reports. The Committee is asked to review the Q3 19/20 performance in relation to back-office functions delivered by CSG, Planning services delivered by Re and Legal services delivered by HBPL, which are not reported to any Theme Committee.

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 Budget, performance and risk information for the key strategic contracts in relation to the priorities in the Corporate Plan and Annual Delivery Plans have been reported to the relevant Theme Committees.
- 5.1.2 The Q3 19/20 results for all Corporate Plan and Delivery Plan KPIs are published on the Open Barnet portal at <https://open.barnet.gov.uk/dataset>
- 5.1.3 Robust budget, performance and risk monitoring are essential to ensure that there are adequate and appropriately directed resources to support delivery and achievement of corporate and committee priorities as set out in the Corporate Plan (Barnet 2024) and Annual Delivery Plans.
- 5.1.4 Relevant council strategies and policies include the following:
- Medium Term Financial Strategy
 - Corporate Plan (Barnet 2024)
 - Performance and Risk Management Frameworks.

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

- 5.2.1 The budget forecasts for CSG are reported as part of the CFO paper to this Committee.

5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. As set out in the council's Contract Procedure Rules, commissioners should use the

Procurement Toolkit, which includes Social Value guidance. The Contract Management Toolkit should also be used to help ensure that contracts deliver the expected services to the expected quality for the agreed cost. Requirements for a contractor to deliver activities in line with Social Value will be monitored through the contract management process.

5.4 Legal and Constitutional References

5.4.1 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 to take actions which are calculated to facilitate, or are conducive or incidental to, the discharge of any of their functions.

5.4.2 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.

5.4.3 The council’s Constitution, Article 7 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Financial Performance and Contracts Committee as being Responsible for the oversight and scrutiny of:

- The overall financial performance of the council
- The performance of services other than those which are the responsibility of the: Adults and Safeguarding Committee; Children, Education and Safeguarding Committee; Community Leadership and Libraries Committee; Environment Committee; and Housing and Growth Committee.
- The council’s major strategic contracts including (but not limited to):
 - Analysis of performance
 - Contract variations
 - Undertaking deep dives to review specific issues
 - Monitoring the trading position and financial stability of external providers
 - Making recommendations to the Policy and Resources Committee and/or theme committees on issues arising from the scrutiny of external providers
- At the request of the Policy and Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee
- To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with this Article.

5.4.4 The council’s Financial Regulations can be found at:

<https://barnet.moderngov.co.uk/documents/s47388/17FinancialRegulations.doc.pdf>

5.5 Risk Management

5.5.1 The council has an established approach to risk management, which is set out in the

Risk Management Framework. Risks are reviewed quarterly (as a minimum) and any high (15 to 25) level risks are reported to the relevant Theme Committee and Policy and Resources Committee. There is one high (15 to 25) level joint risk with CSG and none for Re (Planning) and HPBL (Legal).

5.6 Equalities and Diversity

5.6.1 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.

5.6.2 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; marriage and civil partnership.

5.6.3 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.

5.6.4 This is set out in the council's Equalities Policy, which can be found on the website at: <https://www.barnet.gov.uk/your-council/policies-plans-and-performance/equality-and-diversity>

5.7 Corporate Parenting

5.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

5.8 Consultation and Engagement

5.8.1 Obtaining customer feedback is part of the contract management process to inform service delivery, service development and service improvement.

5.9 Insight

5.9.1 The report identifies performance and risk information in relation to the back-office functions provided by CSG, Planning services delivered by Re and Legal services delivered by HBPL.

6 BACKGROUND PAPERS

6.1 Policy and Resources Committee, 19 February 2020, Pension Fund Administration

<https://barnet.moderngov.co.uk/documents/s58117/Annex%201%20Report%20to%20Policy%20and%20Resources%20Committee%20-%2019%20February%202020.pdf>

6.2 Council, 3 March 2020, Referral from the Policy and Resources Committee – Pension Fund Administration

<https://barnet.moderngov.co.uk/documents/s58116/Report%20to%20Council%20-%20Cover%20Report.pdf>