

	<b>Financial Performance and Contracts Committee</b> <b>15<sup>th</sup> June 2020</b>
<b>Title</b>	<b>Covid-19 financial implications (as at May 2020)</b>
<b>Report of</b>	Director of Finance (S151 officer)
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
<b>Officer Contact Details</b>	Anisa Darr – Section 151 Officer <a href="mailto:Anisa.Darr@barnet.gov.uk">Anisa.Darr@barnet.gov.uk</a>  Ben Jay – Assistant Director of Finance <a href="mailto:Ben.Jay@barnet.gov.uk">Ben.Jay@barnet.gov.uk</a>

## Summary

This report sets out the key areas of cost pressures arising from the Covid-19 response phase, as well as financial implications for the remainder of the financial year.

## Recommendations

### That the Committee:

1. Notes the current net estimated financial impact of Covid-19 for 2020/21 of £26.2m.

# 1 WHY THIS REPORT IS NEEDED

## 1.1 Executive Summary

- 1.1.1 Covid-19 will have a significant financial impact on many of the Council's services. The scale of the financial challenge is unprecedented in complexity, scale of the crisis and the number of uncertainties in play. It is affecting all local authorities and is not bound by geographical boundaries. It is testing physical, mental and financial resilience in not only responding to the crisis but also in moving on to the recovery phase.
- 1.1.2 In response to the COVID-19 outbreak, the government has been making a series of ongoing policy announcements, initially at Budget 2020, and then throughout March, April and May. This has meant officers have had to respond quickly to new announcements and understand the financial implications arising from them.
- 1.1.3 A complex picture of initiatives has emerged, some of which have been supported by additional funding; some that will lead to reductions in both council tax and business rates receipts; some that require administration by local authorities of grants to businesses; and then a further range of measures with wider financial implications.
- 1.1.4 Across the local government sector, councils are finding that the funding provided so far is not enough to meet the additional demands or to provide them with the security needed to budget for the future.
- 1.1.5 Since the Council set its budget in March 2020, there are a number of significant pressures which will fundamentally impact on the Council's overall financial position. In addition, a number of savings across the MTFs period have been identified as at risk of non-delivery. Current forecasts indicate a net potential impact of Covid-19 on 2020/21 budgets of £26.2m, including estimated cost pressures of £52.4m offset by additional funding received or anticipated of £26.2m
- 1.1.6 Many capital schemes across the region have been paused due to social distancing restrictions and therefore it is likely that some Council schemes will slip in delivery. An exercise is underway to understand this and further work will be undertaken over the summer and once more details are known about how the construction industry itself deals with ongoing restrictions.

## 1.2 Summary of costs and funding

- 1.2.1 Costs have been grouped under funding losses, cost pressures and loss of income, as set out below and in more detail below (from section 1.3).

<b>Covid-19 summary cost pressures</b>	£m
Funding losses	12.9
Cost pressures	24.1
Income pressures	15.3
<b>LBB Total</b>	<b>52.4</b>

1.2.2 Funding available for Covid-19 is as follows:

<b>Covid-19 summary available funding</b>	£m
Grant tranche 1	9.4
Grant tranche 2	10.8
Adults grant for infection control (25% of £3.5m)	0.9
NHS funding (via NCL CCG)	5.1
<b>LBB Total</b>	<b>26.2</b>

1.2.3 Grant funding in tranches 1 and 2 are known amounts already received. The grant for infection control is also known.

1.2.4 The funding identified (above) includes an amount of cost recovery from NCL CCG which is an estimate based on: the NHSE guidance on cost recovery to support rapid discharge of patients from hospital care, the current understanding of the numbers of patients discharged in the borough, and how the cost recovery guidance is expected to apply. This amount is estimated to be £5.1m and is expected to fluctuate.

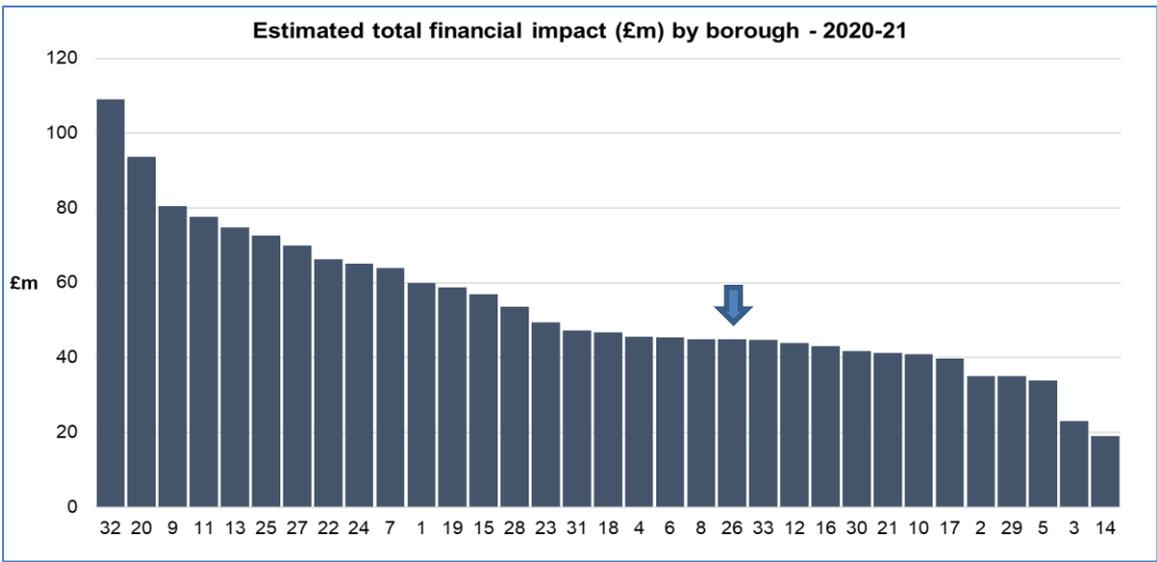
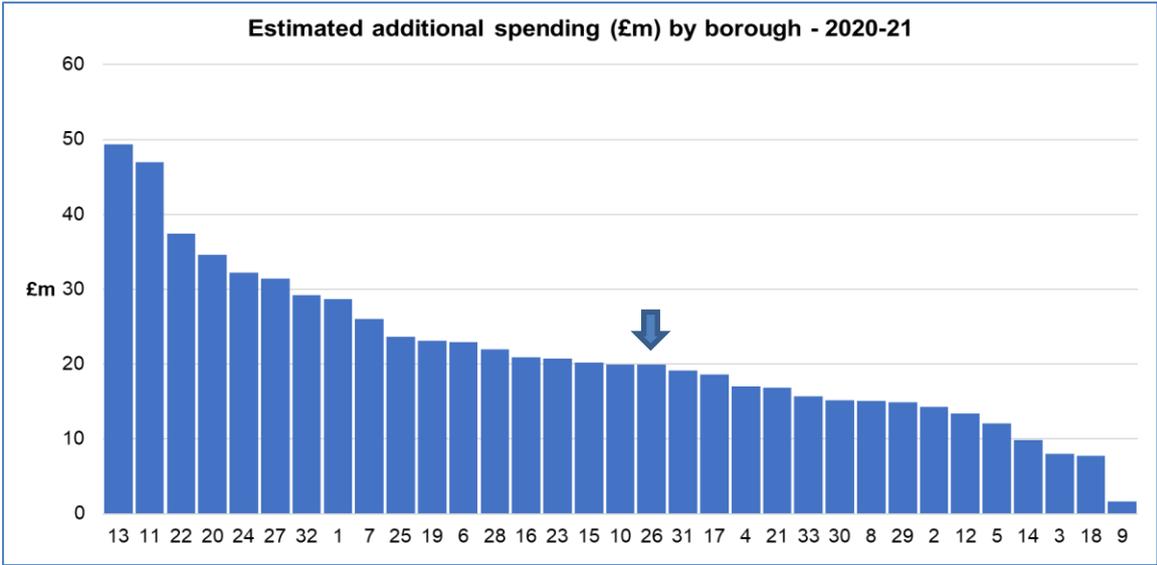
1.2.5 There is therefore an in-year funding gap of around £26m and so the focus is now on:

- ensuring cost estimates are accurate,
- stepping down new services,
- re-starting income generating services as quickly and safely as possible,
- engaging with MHCLG on a monthly basis, and
- working with Government.

### **Comparison with London**

1.2.6 London Councils collated the MHCLG returns for all of the London boroughs to provide comparative data in respect of costs facing councils. These comparisons allow some triangulation and sense checking of our estimates.

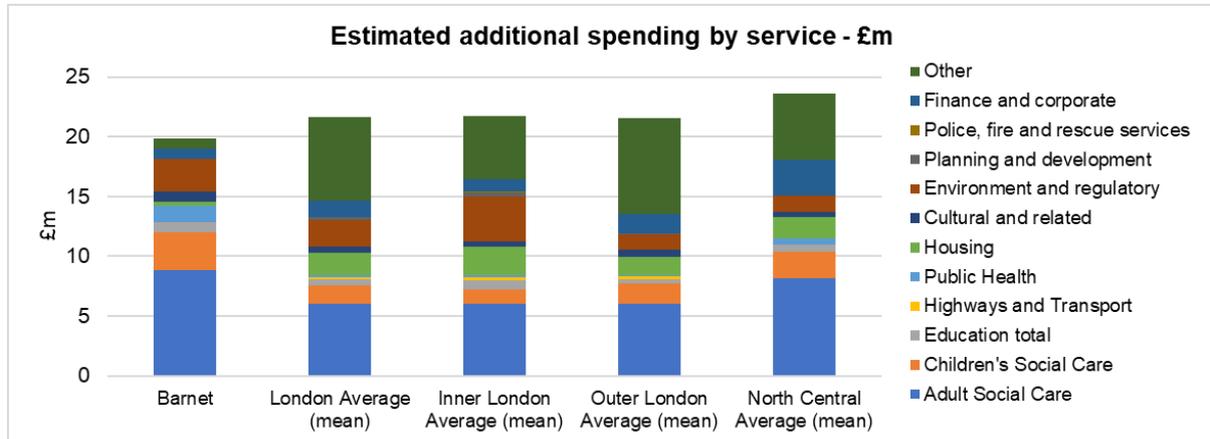
1.2.7 Benchmarking has been provided comparing the general categories of cost increases, lost incomes, and overall pressures, which are set out below (NB – council names have been anonymised; LBB is marked with an arrow – number 26). The LBB values shown are lower than the figures included in this report as the return showed costs in adult social care net of expected NHS income, whereas this report shows those costs gross and the income separately, for transparency.



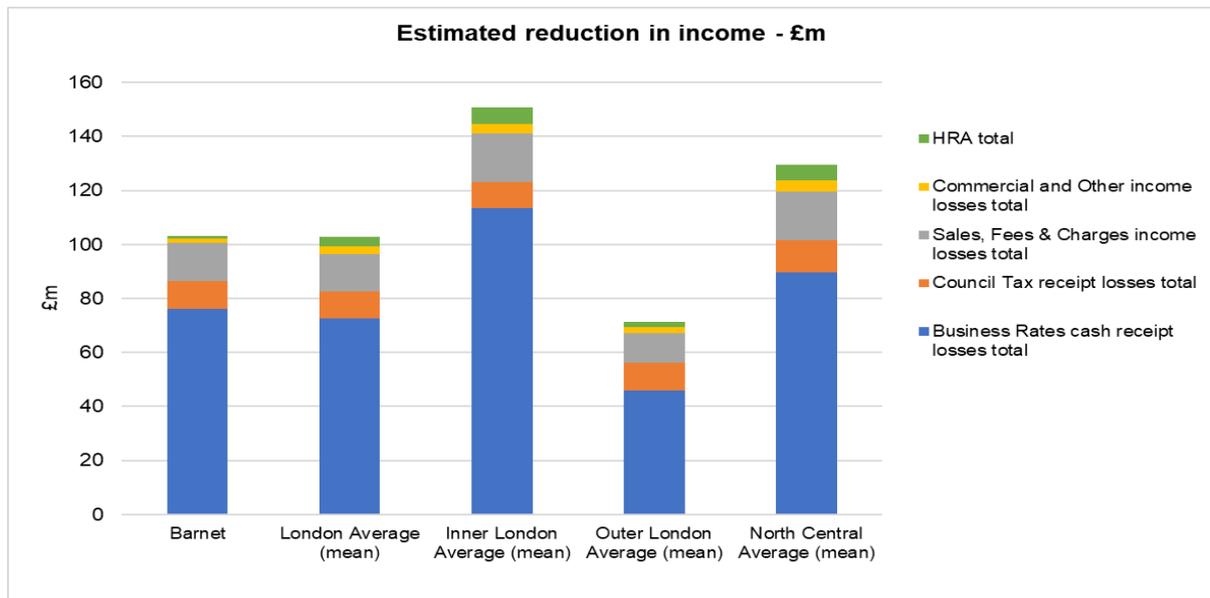
1.2.8 The preceding charts show that the Council is clearly anticipating a substantial financial impact from the pandemic. However, the benchmarking data shows that

it is seeing a lower than average impact when compared with other London councils.

1.2.9 Comparison of estimate of additional spend by service across London is broadly similar for Barnet with outer London and the London average. The comparison is as follows:



1.2.10 Comparison of estimate of reduction in income by type of income is varied and is significantly more for inner London than outer London. Barnet's estimates are in line with the London average. It should be noted that the MHCLG return asked for the business rate loss to be stated as a gross number (i.e. including the GLA and HMT impact as well) and it is possible the variance in loss of income is due to difference in councils' interpretation of what was required for this response. The comparison is as follows:



## Capital expenditure

1.2.11 In addition to the revenue impact, the economic and social impact of the pandemic will have delivery and cost implications for the capital programme. As a result, the council must review all its planned capital outlay to assure itself that it is both necessary and affordable with the required revised financial strategy.

1.2.12 A review of all capital projects which are under way is taking place and any changes will be reported to Policy and Resources to approve the revised profile.

### **1.3 Detailed estimates and assumptions**

1.3.1 Further details of the estimates underlying the figures presented above is set out below. These show the estimated impact and the basis for the estimate.

## Funding Pressures

1.3.2 Council tax: overall £10.4m

- Reduction in collection rate: £2.4m  
*Assumption: Over the course of April, CT collection has been down and this is assumed to continue for the remainder of the year at a level of 1% below expectation. Actual receipts are under review to determine the accuracy of this assumption*
- Cost of Increase in CTS applicants: £5.9m  
*Assumption: Current evidence indicates 3,000 new claims per month are to be expected (Universal Credit claims being registered at a current rate of 8,000 per month). UC registration rates are adjusted to get a likely LCTS award rate, and figures have been flexed across the year based on known patterns and estimated demand levels*
- Reduction in budgeted council taxbase growth: £2.15m  
*Assumption: As per London Council's guidance, 'realistic' assumption of 75% delay in growth used. Local intelligence being collated.*

1.3.3 Business rates: overall £2.5m

- Reduction in collection rate: £2.5m  
*Assumption: Current actual collection rates are 16% lower than in the same period last year. Assuming that current trends change very little through the course of the year, this equates to an overall loss to LBB of £2.5m in the year. The figure reported to MHCLG is £76.1m which includes: grossing up from 30% (locally retained share of NDR) to 100% (total collectible amount – the balance being passed to GLA and HM Government), plus the s31 grants received from government to support local business during the C19 response period, amounting to £68m. This methodology is consistent with the recommended London methodology, and allows HMG to form a more accurate view of the impact of C19 on the business tax base.*
- Loss of predicted business rate growth: None

*Assumption: No growth assumed in the budget.*

- Impact of London pool: None  
*Assumption: expecting modelling to be carried out by LG Futures and therefore nothing included at this stage.*

## **Cost pressures**

### 1.3.4 Adults social care: overall £14.3m

- Additional activity: £6.0m  
*Assumption: Increase in client numbers: £6.0m (£5.1m assumed reimbursement from NCL CCG is included in the funding table, so the cost pressure shown here is gross). Numbers assumed to increase is +19% (Apr – Jun) and then a reduction of 50% until Dec over previous activity levels. Current data being used to support returns to NCL is still showing uncertainty over hospital discharge numbers, so uncertainty over the actual level of increased activity remains. Reimbursement is assumed at 85% of this total (i.e. not all costs are fully recovered, due to data quality/matching/NHS challenge process etc.)*
- Cost of PPE reimbursed to care homes: £0.125m  
*Assumption: Estimate based on current activity levels.*
- Grant payment to care homes for Covid-19 efforts: £0.98m  
*Assumption: Estimate based on agreed 5% grant of cost for Apr and May (£0.4m) being continued to quarter 3. With a continuation into qtr 4 but with a 50% reduction.*
- Grant payment to supported living providers for Covid-19 efforts: £0.98m  
*Assumption: Estimate based on 5% grant of cost for Apr and May being continued to quarter 3. With a continuation into quarter 4 but with a 50% reduction. Still to be agreed and confirmed.*
- Grant payment to care home providers with empty beds for Covid-19 efforts: £2.1m  
*Assumption: Estimate based on agreed 5% grant of cost for Apr and May being continued to quarter 3. With a continuation into quarter 4 but with a 50% reduction. Still to be agreed and confirmed.*
- Support to Direct Payment clients – covering carer absence issues re Covid-19 efforts: £0.650m  
*Assumption: Estimate based on 5% grant of cost for Apr and May being continued to quarter 3. With a continuation into qtr 4 but with a 50% reduction. Still to be agreed and confirmed.*
- Support to Home Care Providers for Covid-19: £1.040m  
*Assumption: Two-part estimate (i) payment on planned hours for Apr & May at an estimated increase of 9% (£0.25m) (ii) support to providers for Covid-19 related financial issues based on 5% grant for quarters 2 & 3. With a continuation into quarter 4 but with a 50% reduction. Still to be agreed and confirmed.*
- Help Hub: £1.374m  
*Assumption: Based on actuals in April and forecast to the end of Q4. Assumed continuation of Hub to support shielded residents. Detailed*

*assumptions for Q1, assumed continuing, with reduced intensity to year end.*

- Other costs: £1.082m including carer recruitment, VCS support, and other costs in Homecare provision

1.3.5 Leisure: grant support to GLL for business disruption £0.66m

*Assumption: Based on ongoing (open book) discussions with provider. Expected grant to cover quarter 1 with a potential loan arrangement to support financial difficulties up to year end.*

1.3.6 Public Health: overall £1.3m

- PPE: £1.0m  
*Assumption: based on actuals and year to date commitments, plus forecast to the end of the year*
- Additional commissioned services: bereavement / online contraception: £0.277m  
*Assumption: service estimate*
- Additional staff: £0.075m  
*Assumption: service estimate*

1.3.7 Children's social care: overall £3.2m

- Children's Social Care Workforce pressures: £0.2m  
*Assumption: Estimated Increased costs of agency staff and additional hours to cope with increased demand and sickness over an estimated 6-month basis. (Likely demand increase prompted by re-opening of schools.)*
- Increase in residential placements: £0.7m  
*Assumption:*  
Disabled children- increased numbers moving into independent/supported accommodation due to increased pressure on parents during COVID-£500k  
*Assumption: Historically, parents who have felt pressure to support young people with SEND have encouraged their child to move into independent living. COVID has put increased pressure on parents due to requirement to give full time support without respite. Working on a case by case basis, the service has identified those they believe are likely to move into the care of the council. Have forecast the impact of this for 6 months.*  
Other - to include misc. supplier relief claims, construction work on new home delayed and adoption delays £200k  
*Assumption: Supplier reliefs based on current claims being processed, construction based on time lag. Other costs are worked out on averages and percentages.*
- Social care leavers: £0.6m  
*Assumption: Individuals who were due to leave care are now unable to due to lockdown so have to stay in their current placements. For known clients potential increased cost over a 3-month period has been forecast on a case by case basis. Note that this is for 3 months until end of June*

and should lockdown continue and the housing market move slowly, this cost could increase. For the unknowns, a 25% increase on placement cost has been used over a 6-month period.

- Children's Social Care - Other: £1.7m  
*Assumption: Increased costs due to use of independent fostering agencies £650k*  
*Assumption: Estimated 20% increase in usage of IFA's. Large potential impact on cost due to shift in demand and increased usage of IFA's due to difficulties in recruitment/training at the moment combined with increased risk of placement breakdown due to illnesses. Increased legal costs due to COVID **£500k***  
*Assumption: Average increase of 50% on 75 cases between Apr-Aug equates to cost of £525k. Increased costs due to increased number of hearings, case work, time, counsel use, etc.*  
*Increased subsistence payments to those out of school/college £150k*  
*Assumption: 241 clients out of school/college, additional cost of £50 per week for 3 months*  
*Other including PPE, increased request of bespoke packages, supplier relief for non-delivery of bespoke packages £400k*  
*Assumption: Various assumptions within this worked on by FM's and the service. All costs within this line under the £100k materiality value so have rolled up here.*

#### 1.3.8 Education: overall £0.8m

- Cambridge Education supplier relief: £0.44m  
*Assumption: Cambridge Education supplier relief assumed for 3 months in respect of loss of traded income from schools due to schools' closure. Note this is for 3 months only so if schools were to be shut down for longer, then this would increase*
- ISS supplier relief: £0.384m  
*Assumption: Cambridge Education supplier relief assumed for 3 months in respect of ISS loss of income from fee paying parents for school meals. Approved by Anisa Darr (FD) and Chris Munday (ED for CFS). Note this is for 3 months only so if schools were to be shut down for longer, then this would increase.*

#### 1.3.9 Environment: overall £1.411m

- Highways & Transport: None  
*Assumption: no cost pressures identified.*
- Mortuary capacity and cemeteries & crematoria: £0.618m  
*Assumption: 'Barnet's share of the additional £1m mortuary costs anticipated from the shared contract. Actual additional cost across the strategic contract is £0.828m for months 1-3 and £0.717m for months 4-6. Currently Barnet pays 40% of the strategic contract costs therefore the assumption is that 40% of these additional costs will be incurred by Barnet.*

- Community safety: £0.191m  
*Assumption: Parks patrol, officers to enforce compliance with social distancing etc. additional costs from contractors (Apr £40k contractor KSG - Kingdom, £2k overtime estimate community safety team staff). May £36k contractor invoice with Kingdom, £3k community safety team overtime. June £35k with £1k overtime. July, Aug and Sept assumed 50% reduction from Q1. Environmental Enforcement Income circa £10k per month, expected 50% loss for first 6 months from April, Income loss added to expenditure category here*
- Waste – increase in staff costs: £0.062m  
*Assumption: Increase in agency costs. The amount of Covid 19 Tranche 1 grant applied in March 2020 for additional agency spend in waste services was £0.020m. However additional analysis was carried out after the ledger had closed which resulted in the March 2020 impact being £0.031m. This covered a period of around two weeks. Therefore, the April impact is estimated to be £0.062m. No further impact expected beyond April.*
- Waste – TfL London Emission Zone (LEZ) compliant vehicles: £0.540m  
*Assumption: TfL London Emission Zone rules come into force in October 2020. Further to previous decisions of the Council, new vehicles had been ordered. However, due to supply chain issues these will no longer arrive in time for the October 2020 implementation. TfL are aware of this and have not delayed implementation but have delayed enforcement to Feb 2021. Extract from press release below:  
 "The Mayor of London, Sadiq Khan, has therefore asked TfL to delay enforcement of the new rules for at least four months to give the industry and fleet operators more time to adopt cleaner, safer vehicles. Although the new rules under both schemes will still legally come into force on 26 October, no charges will be payable or enforced for non-compliant vehicles under those new standards until the end of February 2021. The new date for the start of enforcement will be kept under review."  
 The £0.540m cost is based on the weekly cost of hiring compliant vehicles; £45k multiplied by 12 weeks. There may be scope to reduce cost to the Council, although appropriate Governance for a change to the previous decision may be required.*

#### 1.3.10 Growth and Corporate Services: overall £2.265m

- Housing: £1.275m  
*Assumption: Housing - Additional actual expenditure on supplies and services (TBG): Whilst TBG have not differentiated between HRA and TA/Homelessness (GF) directly, the bulk of the costs provided are in relation to the management of social housing and the GF element has been presented separately. To date (1st Week of May), TBG have incurred £291k of costs directly attributable to COVID in relation to additional supplies, services, PPE etc. along with additional management and staffing requirements. Overheads and other committed costs that are not yet on the ledger have been estimated by TBG at £100k to date (March and April). A 50% reduction is assumed from July. Additional view on this from TBG CFO suggests general estimate of £600k over 3-month lockdown (part of March, then Apr, May and June) which excludes the*

additional homelessness support, however we have included slightly higher estimates overall for prudence.

Housing - Debt provision (to include both GF and HRA): BDP increased already in 2019/20 which fed into final outturn and it is likely that the bulk of the negative effects were already factored into the figures as at 19/20 (BDP changes are effectively a one off hit on revenue due to provision change), however for prudence it is assumed that the costs may increase by 25% of what the March increases of £400k in GF and £200k in HRA were, so additional £200k BDP estimated increase apportioned over 3 months, but reality is we expect this to come down in latter part of the year which will generate a credit to offset the March large increase (so not included March on this return)

- Property Services: £0.120m  
Assumption: Security costs on vacant piece of land that is at great risk of encampment, £20k costs in March funded from COVID cost centres, additional £20k per month all summer forecasted here to be funded from service budgets
- Information Technology: £0.2m  
Assumption: GCS (Customer Services & Digital) - Information Technology £25k – extra Bandwidth (yearly rental) £71k – 500 additional licences for VPN/Citrix Vulnerability Hub £18K. Weekend IT support - £12k (total £126k over 3 months, followed by 50% reduction from July). Costs are known, the only uncertainty is the profiling
- ICT and Facilities (Other): £0.18m  
Assumption: GCS - ICT and Facilities (Other) - Additional cost of application licenses secured through CSG contract change requests - estimated increase of followed by 50% reduction.
- Customer Strategy: £0.1m  
Assumption: GCS (Customer Services & Digital) - Customer Strategy £63K – 8 additional temps to staff Vulnerability hub, business grants calls etc. 23rd March - 11 weeks. 50% reduction for remaining 3 months as estimate. Current costs are known but there remains uncertainty over the duration.
- CSG - Contractual Services: £0.15m  
Assumption: Service been alerted that CSG will be facing additional pressure on 'Guaranteed Income' of up to £90k for 2019/20 (March) due to COVID-19, and this is expected to increase in 2020/21 but cannot yet be quantified. We are advised that some of this may be mitigated through the contractual gainshare arrangements; we are estimating 50% reduction in March (£45k), then £100k costs over all of 2020/21 which is profiled as 33k in the first 3 months
- RE - Contractual Services: £0.24m  
Assumption: Work is ongoing to determine the contractual obligations around inflation in the Management Fee and Guaranteed Income elements of the RE contract. An amount of £40k per month is assumed which equates to £240k over 6-month lockdown period.

#### 1.3.11 Assurance: Emergency responders £0.108m

Assumption: based on current activity and assumed for next 3 months.

## Income Pressures

### 1.3.12 Sales, fees and charges: £15.3m

- Leisure – GLL: £1m  
*Assumption: 2020/21 saving relating to GLL achieving surplus income is assumed to not be achieved.*
- Libraries – reduction in income: £0.07m  
*Assumption: Reduction in income from fines, fees, DVD rentals*
- Parking (reduction in parking income £8.4m, reduction in debt recovery £1m, saving unachieved £1.5m): £10.9m  
*Assumption: Semi-fixed income (principally resident parking permits) expected to remain more stable. Variable income anticipated to see reduction of 90% or more in first 3 months. Figures shown based on 96% reduction in Parking PCN, 65% reduction on other PCN, 50% reduction on resident permits, 50% reduction on visitor permits and 93% reduction on daily paid and suspensions for first 3 months. Thereafter, anticipated slow recovery of the overall position, although 2019/20 levels of income not expected to be recovered within the 2020/21 year.  
Assumptions based on activity data as income data has a 4-6-week lag depending on the income source therefore full month of April payment/income data not yet available. Debt recovery is assumed to be hit because of a delay in tracing debtors, increase in insolvency for businesses. 2020/21 saving of £2.6m on best case scenario assumed to achieve £1.1m.*
- Highway income saving: £0.150m  
*Assumption: Made up of £0.050m smart cities, £0.600m street lighting LED and £0.100m advertising. Potential slippage which will result in not realising full benefit in 2020-21. Current assumption 20% slippage over 12 months.*
- Planning enforcement and policy: £0.871m  
*Assumption: Assumes 40% drop in activity in Q1 and 20% drop in Q2. Covered under guaranteed income but Capita is likely to claim supplier relief.*
- Registrars; Births, Deaths & Marriages: £0.164m  
*Assumption: Loss of Income - £60k income per month, largely likely to be recouped by higher bookings plus additional capacity (in spending pressures section B), assuming we open at the end of June. However, uncertainty around this so prudent to apply a 20% reduction in weddings income (£144k profiled over 6 months but weighted heavier in first 3 months).  
Additional staffing expenditure, with capacity looking to grow as all registrars across London and the UK will open at the same time and there is expected to be an influx of marriage bookings with limited capacity. This in turn increases income but capacity needs to increase to facilitate the ceremonies; advised 2x FTE (Grade G) at £40k FTC to end of 2020/21, costs to hit in second quarter assuming registrars open late summer. Pro-rata for recruitment in June (advertised already gone out because of 1*

resignation so backfill required plus 2x additional FTC posts), Additional costs £6k per month from June.

- GCS General: £0.630m  
*Assumption: £90k Guaranteed income pressure in March and expected to be more in the coming months however there may be some netting off from the contractual gain-share calculations so assumed static £90k GI pressure for ease of calculation (reality gross income loss and gainshare will net each other off)*
- Estates (Loss of Commercial Rents): £0.314m  
*Assumption: So far, of tenants contacting us for rent relief for quarter 1 it comes to a total of £214,951. We have only offered three months' rent holiday for now and have assessed each application on an individual basis. These are tenants who genuinely cannot operate their business as a result of C-19. We will not be requesting repayment of the rent after the three-month period as we anticipate this will be equally crippling for tenants and risk us experiencing a high level of voids as a result which of course in the long term would be far more damaging. The next 3 months is included as a contingency of £100k divided over 3 months however it is currently unclear what arrangements shall be made.*
- Commercial waste income: £1.2m  
*Assumption: £500k impact from downgrades and suspensions, £20k impact from reduced sack sales, £250k impact from reduced debt recovery. From July assumption is 10% less income for the rest of the year (on the basis that some businesses may not re-open).*

## 2 REASONS FOR RECOMMENDATIONS

- 2.1 The report provides an overview of the estimated impact of the Covid-19 pandemic on the cost of providing the Council's services during 2020/21.

## 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 This supports the council's corporate priorities as expressed through the Corporate Plan for 2019-24 which sets out our vision and strategy for the next 5 years. This includes the **outcomes** we want to achieve for the borough, the **priorities** we will focus limited resources on, and our **approach** for how we will deliver this.

- 5.1.2 Our 3 outcomes for the borough focus on place, people and communities:

- a pleasant, well maintained borough that we protect and invest in
- our residents live happy, healthy, independent lives with the most vulnerable protected
- safe and strong communities where people get along well

5.1.3 The approach for delivering on this is underpinned by four strands; ensuring residents get a fair deal, maximising on opportunities, sharing responsibilities with the community and partners, and working effectively and efficiently.

## **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 This report considers the financial position of the council.

## **5.3 Social Value**

5.3.1 None applicable to this report, however the council must take into account the requirements of the Public Services (Social Value) Act 2012 to try to maximise the social and local economic value it derives from its procurement spend. The Barnet living wage is an example of where the council has considered its social value powers.

## **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.

5.4.2 Article 7 of the Council’s Constitution sets out the terms of reference of the Financial Performance and Contracts Committee which include:

- a. The overall financial performance of the council
- b. The performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Assets, Regeneration & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee; or Housing Committee
- c. The council’s major strategic contracts including (but not limited to):
  - i. Analysis of performance
  - ii. Contract variations
  - iii. Undertaking deep dives to review specific issues
  - iv. Monitoring the trading position and financial stability of external providers
  - v. Making recommendations to the Policy & Resources Committee and / or theme committees on issues arising from the scrutiny of external providers

- d. At the request of the Policy & Resources Committee and / or theme committees consider matters relating to contract or supplier performance and other issues and making recommendations to the referring committee.
- e. To consider any decisions of the West London Economic Prosperity Board which have been called in, in accordance with the Article.

5.4.3 The council's financial regulations can be found at: <https://barnet.moderngov.co.uk/documents/s49777/17FinancialRegulations.doc.pdf>

## **6 Risk Management**

6.1 The pandemic has presented a series of changes to the way in which Council services are being delivered, including adding some new areas of activity and slowing or stopping other areas. This report presents the outcome of the main ways in which financial risks arising from these changing activities are being assessed and managed. Additionally, Chief Officers are briefed every 2 weeks on changes to the financial outlook in 2020/21, and additional work is in hand to consider the longer term impacts on the Medium Term Financial Strategy (MTFS).

## **7 Equalities and Diversity**

7.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that policy and Resources Committee has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

7.2 A public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7.3 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

7.4 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

7.5 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- Tackle prejudice, and
- Promote understanding.

7.6 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

7.7 This is set out in the council's Equalities Policy together with our strategic Equalities Objective - as set out in the Corporate Plan - that citizens will be treated equally with understanding and respect; have equal opportunities and receive quality services provided to best value principles.

7.8 Progress against the performance measures we use is published on our website at:

[www.barnet.gov.uk/info/200041/equality\\_and\\_diversity/224/equality\\_and\\_diversity](http://www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity)

## **8 Corporate Parenting**

8.1 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.

## **9 Consultation and Engagement**

9.1 None in the context of this report.

## **10 Insight**

10.1 None in the context of this report.

## Background Papers

Committee	Item & Agenda	Link
Financial Performance and Contracts Committee 18 March 2020	Item 7 CFO report Month 10 (January 2020)	<a href="https://barnet.moderngov.co.uk/documents/s58395/CFO%20Report%20Month%2010.pdf">https://barnet.moderngov.co.uk/documents/s58395/CFO%20Report%20Month%2010.pdf</a>

---

### REPORT CLEARANCE CHECKLIST

*(Removed prior to publication and retained by Governance Service)*

Report authors should engage with their Governance Champion early in the report writing process and record the date below. If the decision/report has been reviewed at an internal board please record the date and name of the meeting (e.g. SCB). Otherwise enter N/A. All reports must be cleared by the appropriate Director/AD, Legal, Finance and Governance as a minimum. **Legal, Finance and Governance require a minimum of 5 working days to provide report clearance. Clearance cannot be guaranteed for reports submitted outside of this time.**

#### AUTHOR TO COMPLETE TABLE BELOW:

Who	Clearance Date	Name
Committee Chairman	4 June	Cllr P Zinkin
Director / AD / Lead Commissioner	4 June	Anisa Darr
HB Public Law	4 June	Jessica Farmer
Finance	4 June	Paul Clarke
Governance		Abi Lewis