

Decisions of the Financial Performance and Contracts Committee

17 March 2021

Members Present:-

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

Councillor Anthony Finn
Councillor Julian Teare
Councillor Alex Prager

Councillor Barry Rawlings
Councillor Arjun Mittra

Also in attendance

Councillor Geof Cooke (Substitute)

Apologies for Absence

Councillor Kathy Levine

1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Financial Performance and Contracts Committee Councillor Peter Zinkin, welcomed all attendees to the virtual meeting. The responses to the actions agreed at the previous meeting were circulated to the Committee prior to the meeting.

It was RESOLVED that the minutes of the previous meeting of the Financial Performance and Contracts Committee held on 7th December 2020 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies were received from Councillor Kathy Levine who was substituted by Councillor Geof Cooke.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

None.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

The Committee noted the response to the Public Question which was published and circulated prior to the meeting. The Committee noted the supplementary question from Mr Dix which was responded to verbally by the Chairman and Deborah Hinde, Commercial and Customer Services Director.

6. MEMBERS' ITEMS (IF ANY)

None.

7. CHIEF FINANCIAL OFFICER REPORT FORECAST FINANCIAL OUTTURN AT MONTH 10 (JANUARY 2021)

The Chairman invited Ben Jay, Assistant Director for Finance and Anisa Darr Chief Finance Officer to present the report. Mr Jay provided a summary for each section of the Chief Financial Officer report.

The Committee welcomed the report and requested that acronyms are expanded when first used in the report. **(Action)**

Members sought clarification regarding the estimated spend in table 3 of the report, Officers noted that the information shown relates to the current financial year and agreed to include an explanatory note in the next CFO report. **(Action: CFO Reporting)**

In response to a query from Members about the rejection rate for Test and Trace Support Payments, Officers informed the Committee that regional comparison places Barnet 8th and that the criteria applied is broadly comparable with other London and regional Authorities.

Following a query about the impact of the HRA budget variance set out in Table 8 on services, it was noted that there was no direct impact on services and that part of the Medium Term Financial Strategy will be to ensure there is correct level of capital funding for the current financial year and future funding.

In reference to paragraph 8.6 Members raised a query regarding the significant class of debtors. Officers noted that as part of a dedicated project additional resources are being applied to maximise monitoring, recovery of the debt and improve debt management.

It was unanimously **RESOLVED** that the Committee:

- 1. Noted the current financial forecast outturn for 2020/21 and the level of uncertainty within that forecast;**
- 2. Noted the cost of the pandemic and the operational response to it;**
- 3. Noted the current view on use of reserves, and the outlook;**
- 4. Noted the current debt position and related action.**

8. Q3 2020/21 CONTRACTS PERFORMANCE REPORT

The Chairman invited Tim Campbell, Head of Commercial Management to present the report. Mr Campbell summarised the report and provided an overview of Q3 performance for the contracted services delivered by the Customer and Support Group (Capita), Regional Enterprise (Capita), The Barnet Group (TBG) and HB Public Law.

The Committee raised a query regarding the recovery on historic duplicate payments as set out in paragraph 1.4 of the report. Officers informed Members that payments continue to be made and that there was an 8% increase from the previous quarter. In

addition, it was agreed that Officers provide an update to Members regarding the estimated timeline for the recovery of historic duplicate payments. (**Action:** Finance)

In reference to paragraph 3.14 of the report, Members noted that the national lockdown restrictions impacted on the food inspection KPIs for Q3. It was agreed that Officers brief the Chairman and Councillor Mittra about the re-establishment of the food inspection service and reporting on this matter to the Committee. (**Action:** Head of Commercial Management)

It was unanimously **RESOLVED** that:

The Committee reviewed the Quarter 3 (Q3) 2020/21 performance for the backoffice functions delivered by the Customer and Support Group (Capita); Building Control, Hendon Cemetery & Crematorium, Environmental Health, Strategic Planning, Regeneration and Highway Service delivered by Regional Enterprise (Capita); the Housing services delivered by The Barnet Group; and the Legal services delivered by HB Public Law.

9. CAPITAL PROJECTS

Upon invitation of the Chairman, Matthew Waters Assistant Director Capital Delivery joined the meeting to present the item which outlines the status of project delivery across the Capital Portfolios and aims to provide visibility of the live projects between delivery and closure stages.

Following a query from Members about the impact of Covid-19 on projects, Mr Waters informed the Committee that overall, the Capital Delivery Programme remains on track to deliver live schemes within the timelines.

He noted that projects currently in delivery stages remain deliverable within the currently allocated budgets. In respect of the delivery of the Capital Programme it was noted that there was an impact on projects that are in early stages and not yet established, to focus on mitigating impact on live projects.

It was unanimously **RESOLVED** that:

The Committee noted the content of this report updating on the current status of the Council's Capital Projects.

10. YEAR 6/7 REVIEW OF CAPITA CONTRACTS

The Chairman invited John Hooton, Chief Executive to introduce the report. Mr Hooton spoke about the challenges and delays to the Review as a result of the pandemic and the reasons for the recommended revised approach towards conducting the Review as set out in the report.

In response to a query regarding the review of services, the Chairman noted that all services would be subject to review and where an extension is proposed for a particular service, a business case would be drafted to justify the extension. Any and all decisions will be for Committee Members informed by the discussions at the informal working group.

It was **RESOLVED** that the **Financial Performance and Contracts Committee:**

- a) Noted the challenges and delays to the Review process;
- b) Agreed the revised approach, as set out in paragraph 2.6 of the report;
- c) Agreed that an informal cross-party working group may act as a sounding board for the development of proposals;
- d) Noted the content of exempt Appendix A; and
- e) Noted that a further report recommending the future direction for each service will be brought to this Committee in June 2021.

Votes were recorded as follows:

For:	5
Against:	0
Abstentions:	3

11. BRENT CROSS

The Chairman invited Karen Mercer, Programme Director who presented the item to the Committee and provided an update on the delivery and financial performance across the Brent Cross programme.

It was unanimously **RESOLVED** that:

The Committee noted delivery progress across the Brent Cross (BX) programme as set out in the report to the Housing and Growth Committee on 25 January 2021 and the presentation to the HM Government Assurance Board on financial performance as set out in the associated exempt report.

12. COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the standing item on the agenda which lists the future reports to the Committee. It was **RESOLVED** that the **Committee noted the Forward Work Programme 2020- 21.**

13. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

14. MOTION TO EXCLUDE THE PRESS AND PUBLIC

The Chairman moved a motion, which was seconded and approved, to exclude the Press and Public on the basis that the exempt item will involve discussion of confidential information. The public meeting was concluded. The Committee moved to a separate private virtual session for the exempt report item.

Appendix A - Item 10 Year 6/7 Capita Contracts Review: It was RESOLVED that the Committee noted the information set out in exempt Appendix A.

15. BRENT CROSS (EXEMPT)

It was **RESOLVED** that the **Committee noted the exempt presentation and information as set out in the report.**

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

There were none.

The meeting finished at 9.55 pm