

	<p style="text-align: center;">Financial Performance and Contracts Committee</p> <p style="text-align: center;">8 June 2021</p>
Title	Review of Capita Contracts
Report of	Chief Executive
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Market Insights Report
Officer Contact Details	<p>John Hooton – Chief Executive john.hooton@barnet.gov.uk 020 8359 2460</p> <p>Deborah Hinde – Director, Commercial and Customer Services deborah.hinde@barnet.gov.uk 020 8359 2461</p>

Summary
<p>The purpose of this report is to provide an update on the Review of Capita contracts and to confirm the proposed direction of travel for each of the services currently provided under the Customer and Support Group (CSG) and Regional Enterprise (RE) contracts.</p>

Officer Recommendations

That the Financial Performance and Contracts Committee:

- 1. Notes the content of Grant Thornton's Market Insights Report, attached as Appendix A;**
- 2. Agrees the proposed approach to public consultation, as set out in paragraphs 1.7 and 1.8 of the report;**
- 3. Agrees the proposed direction of travel for each service, as set out in section 2 of the report and summarised in paragraph 2.42;**
- 4. Notes the next stages of the Review, as set out in section 4 of the report; and**
- 5. Notes that a further report on progress will be brought to this Committee in October 2021.**

1 WHY THIS REPORT IS NEEDED

1.1 At its meeting on 17th March 2021, the Financial Performance and Contracts Committee agreed a revised approach to conducting the Review of Capita contracts. This involved undertaking a limited review to identify, in principle, those services that should be extended for a period of time and those services that should be re-procured or brought in-house at the end of the original term, dealing with services in three categories:

1. Retained services – interim extension of two-three years for key technology-based services, where return in-house would be unlikely to be a viable option and a reasonable extension would generate additional investment. The agreement of any extension would be dependent upon robust investment and improvement proposals from the service provider;
2. Returning services – confirm contract will expire in 2023 for services where there is unlikely to be much scope for the service provider to add further significant value, the market for re-procurement is limited and the financial case can be made to return them to the council; and
3. Further review services – interim extension of one-two years for services where the case for returning, re-procuring or extending is unclear and a more detailed review is required to determine the best strategic option.

1.2 The report confirmed that work on the Review would continue, with a view to confirming the proposed categorisation of individual services as quickly as possible. It also stated that recommendations on this would be based on the following factors:

- Overall performance
- Scope for further investment and innovation
- Scope for service provider to further add value
- Logistical considerations
- Financial viability of returning the service in-house

- Clarity of strategic direction for the service
- 1.3 The Committee considered an initial assessment of the likely categories, which was set out in an exempt appendix to the report, due to the commercial sensitivity of its content. Based on further work that has been carried out since that meeting, this report now sets out the proposed direction of travel for each service. That work has focussed on the following activities:
- Analysis of service performance – work is continuing on developing detailed evidence packs that analyse the performance of services over last three years. The outputs of this work will be considered and presented as part of outline business cases in due course
 - Initial joint workshops with Capita and client leads to explore the potential for improvement and investment in services being considered for extension
 - Development of outline business cases for services being considered for return
 - In respect of the Highways service, the conduct of the Review has been integrated with the wider Highways Transformation Programme, to ensure a whole-service approach to developing the future operating model for the service
- 1.4 To support the overall Review process, an independent market insights report has been commissioned from Grant Thornton. Their report is attached as Appendix A. The key findings are:
- The approach that councils take to outsourcing has developed over recent years, in that they are now making decisions on the basis of “what works” on a service by service basis, characterised in the report as pragmatism rather than ideology
 - Market pressures over the last decade mean that the gap between the public and private sector in terms of cost and efficiency has been squeezed, so outsourcing may not automatically be the most cost-effective option
 - Across the country, the picture is now much more mixed in terms of in-house and outsourced services
 - Despite press coverage, particularly post-Carillion, suggesting otherwise, local government spend with third parties has actually increased in recent years
 - The key to successful outsourcing is to have a clear vision of what you are trying to achieve and an objective options appraisal approach
- 1.5 The council’s approach to the Review aligns with this, in that it is based on a pragmatic, service by service review, with the focus being on “what is the right approach for that service to achieve the overarching priority of ensuring that Barnet residents receive the best possible services that we can afford and at a competitive price”.
- 1.6 Grant Thornton have also been commissioned to undertake benchmarking work on a range of services. However, this has proved to be particularly

challenging on this occasion, due to the impact of the pandemic on the cost and delivery of services during 2020, making sound comparisons difficult and reducing the capacity and willingness of other local authorities to participate in a benchmarking exercise. Further discussions will take place with Grant Thornton on this and alternative sources of information will be explored.

- 1.7 In respect of public engagement and best value considerations, discussion has taken place with ORS (Opinion Research Services – an independent organisation that has a track record of working with the council on conducting surveys and public focus groups) and with the informal cross-party working group. As a result of those discussions, it is proposed that further public engagement and best value consultations on the Review should consist of two rounds of focus groups. The first round would take place in early July, with the objective of seeking views on priorities, in order to inform the development of proposals for the future delivery of the services. The second round would take place later in the year, to seek views on the proposals that have been developed.
- 1.8 For both rounds, it is proposed that the approach that was taken for the Strategic Contract Review in 2018 be adopted, whereby one focus group consists of residents that have previously engaged with the council on the services delivered by Capita and one group brings together a random, representative sample of all residents organisations, service users, and the wider community.

2 REASONS FOR RECOMMENDATIONS

- 2.1 The proposed direction of travel for each service is set out below. The Committee is asked to note that the position for each service is based on an initial analysis and all final decisions are subject to the further development of outline business cases, which will be presented to Members for decision in due course. Setting out a proposed direction of travel at this stage will allow more efficient focus of officer effort to enable the Review to be completed in a timely manner. It will also enable an open dialogue with staff employed within the services.
- 2.2 Members are asked to note that these proposals are intended to secure the most appropriate delivery model for each service going forward, recognising that circumstances have changed since the contracts were first entered into. They do not imply any judgement on the relative value of the services in each category, nor on the staff who deliver them.

Customer and Support Group (CSG) Contract

Retained services – Customer Services/IT/Revenues and Benefits

- 2.3 Overall, these services have generally performed well, albeit with occasional problems, particularly earlier in the contract. There is a good track record of

meeting KPIs over recent years, although there is scope within Revenues and Benefits to re-frame some of the priorities.

- 2.4 As a result of the pandemic, Revenues and Benefits has had to completely turn its operating model on its head to pay out various tranches of business grant and self-isolation payments, which made the last year particularly challenging. The process of returning the service to its normal business operations and addressing the backlog of revenue collection activity, has highlighted that there is significant opportunity for improvement, particularly on the customer experience of engaging with the service.
- 2.5 Customer experience of engaging with the council more generally has improved over the life of the contract, particularly in respect of the more routine transactions. However, this is a continuing journey and there is further scope to improve the ease with which more vulnerable residents and those with more complex queries can access an appropriate advisor.
- 2.6 All three of these services are central to Capita's strategy of focussing on large-scale, technology-enabled services, so there is scope for further investment, innovation and added value through an extension of the contract. In particular, this would facilitate ongoing work on increasing automation and integration of customer services with back-office functions. Whilst the strategic direction for IT and Customer Services is relatively well defined, there would need to be further work on this for Revenues and Benefits, including ensuring the dependencies with Customer Services are also reviewed and improved.
- 2.7 The services are provided in large part from locations outside of Barnet and are intrinsically linked with other parts of the Capita organisation and infrastructure. It should be recognised, therefore, that returning them in-house would be more complex than for those services where staff are located locally.
- 2.8 The proposed direction of travel for these services is, therefore, to explore the options for and potential benefits of extension of up to three years, on the premise of a robust investment and improvement plan from the service provider.
- 2.9 There may be some benefit in returning the Welfare Service element of Revenues and Benefits, which is a small team based in Barnet, to the council and this will be explored as part of ongoing discussions between client officers and Capita service leads.

Returning service – Procurement

- 2.10 The Procurement service has generally performed reasonably well throughout the life of the contract, but the recent limited assurance audit report has

highlighted the extent to which the council and the service are not fully integrated.

2.11 The service is integral to ensuring that the council secures the best possible value for money through its extensive procurement activity and integrating it with the council's wider financial, commercial and contract management activity would further improve the effectiveness of the service. However, the service is not a strategic priority for Capita and there is limited scope for further investment and innovation.

2.12 In light of this, together with the fact that the service is primarily based in Barnet, the proposed direction of travel is to return the service to the council upon expiry of the contract.

2.13 The business case that is being developed will consider the financial implications of this course of action, but initial indications are that this would be an affordable option.

Further review – Accounts Payable/Integra and HR/Core HR

2.14 These services are now generally performing well and meeting KPIs, despite having suffered from poor performance in the past. The performance of both services has benefited from the in-sourcing of the more strategic elements of HR and Finance in 2019, in that there is a much stronger client/contractor relationship and increased knowledge of the Integra and Core HR systems within the council.

2.15 Work is underway to plan for the Capita-wide transition to a substantially new version of Integra within the next few years and, therefore, the council will need to make a decision to move either to its successor or to a new platform. This decision, alongside wider consideration of the council's future requirements of core systems (finance, HR and procurement) will be a key factor in determining the future of these services.

2.16 These services are, on the whole, provided remotely from Barnet and they benefit from the economies of scale associated with a large-scale provider. It is considered unlikely, therefore, that returning them in-house would be the most cost-effective option. However, there is a strong market for the transactional element of these services, so shared services with other local authorities or procurement of a third-party provider could prove to be appropriate alternatives. If the ultimate decision is to procure a third-party provider, then further consideration would need to be given as to the relative benefits of extending the existing contract or going out to the open market.

2.17 In light of the need for significant further work to review the council's core systems requirements and determine the most appropriate delivery model in the longer term, the proposed direction of travel is to extend these services for one year to allow that work to take place.

- 2.18 There may be some benefit in returning elements of the Recruitment service to the council upon expiry of the contract, to further strengthen the client/contract relationship and this will be explored as part of ongoing discussions.

Further review – Estates

- 2.19 Overall, the Estates function has had a number of problems over many years, which go back to before the CSG contract was put in place. Repeated efforts to resolve this over the years have made some improvements, but the service is not yet consistently performing to the required standard. Acknowledging that, it should be recognised that this is a complex service, comprising several distinct elements, and some of those elements have performed better than others. Particular successes have included the work on reviewing and regularising community tenancies and on implementing a new Community Asset Strategy and Development Pipeline.
- 2.20 Capita regards this as a core competency, where there is scope for them to add value and bring further investment and innovation in some areas.
- 2.21 The council client's view is that there are some elements of the service that would ordinarily be provided by a third party, due to their commercial nature, so this is not a straightforward extend or bring in-house decision.
- 2.22 The proposed direction of travel is, therefore, to extend the service for a year, to provide time for improvements that are already in train to take effect and to enable a more fundamental review of the most appropriate future delivery model.
- 2.23 The Print service is currently included within the Estates service. It is considered that there may be benefit in either returning the service to the council upon expiry of the contract, or moving it to another service within the contract, and this will be explored as part of ongoing discussions.

RE Contract

Retained services – Planning/Development Control/Building Control/Land Charges

- 2.24 Overall, these services are performing well and meeting KPIs. The volume of planning applications has increased over the life of the contract, as has the efficiency with which they are handled. Concerns with the planning enforcement element of the service and access to information, which were highlighted in the Year 4 RE Contract Review Report, published in November 2017, have largely been addressed, with the enforcement service now regarded as one of the highest performing in the country. The 2017 report is available here:

<https://barnet.moderngov.co.uk/documents/s43591/PCM%20RE%20Contract%20Review%20Report%20Nov%202017.pdf>

- 2.25 Although primarily delivered from within Barnet, the planning service also benefits from additional capacity provided from Capita's Belfast office. This model works well and is consistent with Capita's strategic direction. Initial indications are that there is scope for further investment and improvement, particularly in respect of process automation.
- 2.26 The proposed direction of travel for these services is, therefore, to explore the options for and potential benefits of extension of up to three years.
- 2.27 Strategic Planning documents such as the Local Plan and associated Supplementary Planning Documents are one of the council's most important strategic levers for delivering the outcomes in the Barnet Plan. There is therefore an in-principle case for returning elements of the Strategic Planning service to the council. The appropriate division of roles will be explored as part of ongoing discussions.

Returning services – Regulatory Services/Regeneration

- 2.28 Regulatory Services have generally performed well over the life of the contract, in terms of meeting KPIs and delivering to the output specification. However, there have been persistent concerns about the ability of the council to flex the deployment of resources to respond quickly to a changing social environment, where the focus is on complex cross-cutting issues and delivering speedy outcomes for residents. These concerns have been amplified by the impact of the pandemic.
- 2.29 The council has many enforcement powers and responsibilities, with the various teams providing a street-based presence across the Borough during the working week, in the evenings and at weekends. A wider review of enforcement activity has highlighted that the different services and teams do not always work seamlessly together, which can lead to delays in response times. There is significant potential for greater integration and more of a "one team" approach across enforcement, which would align processes and procedures to improve outcomes for residents and visitors.
- 2.30 Regeneration is a relatively small service, which has performed well over the life of the contract. Changes to the nature of regeneration schemes and delivery arrangements over the last few years mean that most new regeneration activity is now delivered directly by the in-house council team and there would be benefits from integrating all of the activity that supports regeneration and growth in the Borough within one management structure.
- 2.31 Whilst Capita do operate elsewhere in the Regulatory Services and Regeneration sphere, these are primarily people-based services and it is considered that there is limited scope for Capita's expertise to bring further opportunities for investment and innovation.

- 2.32 In light of this, together with the fact that these services are primarily based in Barnet, the proposed direction of travel is to return Regulatory Services and Regeneration to the council upon expiry of the contract.
- 2.33 The business case that is being developed will consider the financial implications of this course of action, but initial indications are that this would be an affordable option.

Returning service – Highways

- 2.34 Considerable efforts have been expended on improving the Highways service over recent years and there is a joint Highways Transformation Programme underway, which is delivering improvements. It is recognised that there is a strong skills and knowledge base within the service and it is essential that we build on this during this ongoing process to maintain effective delivery of the service to residents.
- 2.35 Through the work that has taken place to date, it has become clear to both parties that the current contractual arrangements do not provide an optimal solution for this service. In particular, the arrangements for commissioning works that are not included in the core contract are too complicated to satisfy either party.
- 2.36 Work is continuing through the Highways Transformation Programme to develop a more unified approach to managing the service, which includes the secondment of Capita's Highways Director to report directly into the council's Executive Director Environment. The client and commercial teams are also working on developing a more streamlined approach to commissioning and budgeting for works, thereby addressing some of the underlying concerns in the short term. However, the ability to do this without changes to the way the contract works is limited.
- 2.37 Consequently, it would not be appropriate to extend the current arrangement, so the proposed direction of travel is that the contract should be allowed to expire in 2023. Whilst it is anticipated that the bulk of the service currently provided through the RE contract will transfer back to the council, Highways is a particularly complex service, so there may be some elements that will continue to require third party input, particularly specialist design work. Further work will, therefore, be required to determine the detail of the most appropriate model going forward. It is proposed that the detailed future roadmap for the service and the associated business case will be developed through the Barnet/RE Highways Transformation Programme. Both parties are committed to continuing this joint working approach, which will be essential to ensure a smooth transition to new arrangements. Maintaining the cohesiveness of the service and maximising the retention of skilled and experienced staff is an absolute priority for the Programme.

Further review – Cemetery and Crematorium

- 2.38 The service has performed well throughout the life of the contract and has clearly benefited from the commercial freedoms of being delivered by a third

party. The service has been particularly impacted by the pandemic over the last year, but successfully operated a safe and secure service throughout the periods of peak demand.

2.39 However, this is not a core service for Capita and is the only cemetery and crematorium they run. Whilst this does not present any immediate issues of concern, the potential for them to add further value to the development of the service over the medium-term may be limited.

2.40 Whilst a long-term extension of the contract may not be appropriate at this point in time, returning the service in-house in 2023 may not be the best alternative option either, as there are other delivery models that may be more appropriate for this service.

2.41 The proposed direction of travel for this service is to extend the contract for one year, to enable a full options appraisal to be carried out.

2.42 The following table summarises the proposals set out above:

Service	Retain	Return	Further review, with short extension
IT	✓		
Customer Services	✓		
Revenues and Benefits	✓*		
Procurement		✓	
Accounts Payable/Integra			✓
HR/Core HR			✓*
Estates			✓*
Planning and Development Control	✓*		
Building Control	✓		
Land Charges	✓		
Regulatory Services		✓	
Regeneration		✓	
Highways			✓
Cemetery and Crematorium			✓

* with some element of the service potentially returning to the council upon expiry of the contract

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable – this report sets out a proposed direction of travel, rather than firm recommendations. Alternative options for conducting the Review were considered by the Committee on 17th March 2021.

4 POST DECISION IMPLEMENTATION

- 4.1 Whilst this report sets out the proposed direction of travel for each service, there remains a considerable amount of work to be done before firm recommendations on the future delivery model for each service can be made.
- 4.2 For those services where the proposed direction of travel involves contract extension, whether for one year or three, the focus of attention will be on continuing the joint working with Capita to ensure that their proposals for the future development of the services align with council's vision and requirements. Discussions will also continue to further understand and agree the rationale, scope and any wider impacts or interdependencies, where a partial return of services has been suggested. Capita's proposals will inform the development of business cases for these services, as will the detailed performance evidence packs, which it is anticipated will be presented to the next meeting of this Committee.
- 4.3 Where the proposed direction of travel is to return services to the council, work will continue on confirming the business cases for so doing. Capita have confirmed that they are keen to work closely with the council on maintaining the delivery of these services over the remaining life of the contract and ensuring a smooth transition back to the council in due course. To support this, preliminary work on exit planning will commence over the summer.
- 4.4 Where it has been identified that further review is required before the future delivery model can be determined, work will continue on identifying and assessing the options, including carrying out further market research where appropriate.
- 4.5 The public engagement activity identified above will be initiated within the next few weeks and the outcomes of that will be reported to the next meeting of this Committee.
- 4.6 Further meetings of the informal cross-party working group will take place over the summer, as considered appropriate by the Chairman.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The aims of this Review are consistent with the council's Corporate Plan, Barnet 2024, in that it aims to ensure high quality, good value services.

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

5.2.1 The Capita contracts collectively have a value of approximately £80m per annum (including core fee, income and special projects). It was originally anticipated that around £500k, less than 1% of the value of the contracts, would be required to carry out the Review. This would be required for programme management, specialist input (including procurement and legal) and additional commercial capacity.

5.2.2 Project management resources that have been employed to support the Review have been redeployed to support the delivery of critical services during the Covid-19 pandemic. There will, therefore, be additional resource implications associated with the extension to the overall timescales for delivery the Review. These are estimated to be approximately £240k for the financial year 2021/22.

5.2.3 The costs involved are justified by the scale of the contracts and the importance to the council of delivering best value going forward. The costs will be funded by a non-recurrent allocation from the contingency budget, subject to the approval of Policy and Resources 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. The existing contracts include Social Value provisions and the opportunity to enhance these will be considered as part of the negotiations to extend the contracts and in any re-procurement activity.

5.4 Legal and Constitutional References

- 5.4.1 Council Constitution, Article 7 (Committees, Forums, Working Groups and Partnerships) provides that Financial Performance and Contract Management Committee is responsible for the oversight and scrutiny of the council's major strategic contracts. It may 'at the request of the Policy & Resources Committee and/or theme committees consider matters relating to contract or supplier performance and other issues and make recommendations to the referring committee.' Policy and Resources Committee on 17th June 2019 agreed that terms of reference and progress on the Review should be reported to the Financial Performance and Contracts Committee. Any resulting recommendations would be made in a further report to the Policy and Resources Committee.
- 5.4.2 Legal advice will be sought as required, including on contractual, public procurement, consultation, and employment related matters, to ensure that the council acts lawfully at all times.
- 5.4.3 Best Value public consultations as required by Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007) will be carried out as appropriate in the context of the Review. Statutory Guidance requires the council to provide for organisations, businesses, service users, and the wider community to put forward options on how to reshape services, and to consider overall value, including economic, environment and social value when reviewing service provision. This will be carried out as set out in paragraphs 1.7 and 1.8 of this report.
- 5.4.4 Consultation with staff will be carried out as appropriate and the council will comply with its legal obligations under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) (TUPE) in connection with the transfer of any affected staff.

5.5 Risk Management

5.5.1 Key risks associated with the Review include:

- Ongoing time and/or resource constraints lead to the Review not being carried out effectively, resulting in poor decision-making
- Relationship with Capita deteriorates during the Review, leading to poorer service delivery
- Lack of clarity on scope and deliverables from the Review results in disappointed and/or confused stakeholders
- Resource requirements and/or organisational focus on the Review leads to deterioration in service quality or seeking value for money.
- A further wave of the Covid-19 pandemic further delays work on the Review.

5.5.2 Risks will be monitored and mitigating actions have been put in place, including establishment of close partnership working with Capita, ensuring appropriate resourcing (please refer to 5.2.1) and through detailed planning.

5.6 Equalities and Diversity

5.6.1 Equality and diversity issues are a mandatory consideration in the council's decision-making process. 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 the 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.

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

- (a) 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.

5.6.3 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:

- (a) 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.

5.6.4 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.

5.6.5 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:

- (a) Tackle prejudice, and
- (b) Promote understanding.

5.6.6 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

5.6.7 Equalities Impact Assessments will be undertaken on a service by service basis as more detailed proposals and business cases are developed.

5.7 Consultation and Engagement

Public consultation and Best Value consultation

5.7.1 As previously reported to this Committee, extensive consultation has taken place through the review of Capita contracts as reported to Policy and Resources Committee on 17th June 2019. The Review is a continuation of the review of Capita contracts and will take into account the feedback already provided. Further engagement will take place through the use of focus groups, as set out in paragraphs 1.7 and 1.8 above. Additional stakeholder engagement will also be undertaken with council staff and with Barnet Group and the Barnet Education and Learning Service (BELS) who also use Capita services, as these service users were not well represented in previous consultation.

Staff consultation

5.7.2 Any proposals that involve the transfer of services from one provider to another (including transfer in-house or to alternative providers) will entail a statutory requirement to provide information and consult with staff representatives under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). These requirements will be triggered once a decision to transfer services has taken place and prior to any transfer being effected.

5.7.3 However, it should be noted that it is good practice to engage with all staff from the point at which any potential for transfer of services becomes generally known, throughout the decision making and transition periods and for a period post transfer (if a transfer takes place). Early engagement with staff assists in managing the risks of staff becoming unsettled or distracted as outlined above. It also assists in preventing loss of key staff during the decision making and transition periods, as well as ensuring the council continues to attract high calibre individuals by maintaining its reputation as an employer of choice. Arrangements have been put in place to engage with and update staff, as the Review progresses.

5.7.4 Likewise, early engagement and ongoing dialogue with staff representatives is also good practice, with the aim of early identification and resolution of issues, reaching agreement on processes and approach to managing the workforce aspects of transfer and addressing any issues that may arise at the earliest opportunity so that statutory consultation and the transition itself can run smoothly for affected staff.

5.8 **Insight**

5.8.1 Multiple qualitative and quantitative data and information sources will be used to derive insight during the Review.

5.9 **Corporate Parenting**

5.9.1 Capita provide a small number of services to care leavers living in Barnet, most notably in relation to the revenues and benefits service. The continued focus on high quality services through the Review process will ensure that these services continue to be provided.

6. **BACKGROUND PAPERS**

6.1. Report to Financial Performance and Contracts Committee, 29th January 2020:
<https://barnet.moderngov.co.uk/documents/s57531/Year%206%20and%20Y7%20review%20ToR.pdf>

6.2. Report to Financial Performance and Contracts Committee, 18th March 2020:
<https://barnet.moderngov.co.uk/documents/s58379/Year%2067%20Review%20of%20Capita%20Contracts.pdf>

6.3. Report to Financial Performance and Contracts Committee, 15th June 2020:
<https://barnet.moderngov.co.uk/documents/s58926/Yr%206-7%20Review%20FPC%20report.pdf>

6.4. Report to Financial Performance and Contracts Committee, 27th October 2020:
<https://barnet.moderngov.co.uk/documents/s60807/Year%206-7%20Review%20FPC%20report.pdf>

6.5. Report to Financial Performance and Contracts Committee, 17th March 2021:
<https://barnet.moderngov.co.uk/documents/s64235/Yr%206-7%20Review%20FPC%20report.pdf>