

Decisions of the Financial Performance and Contracts Committee

8 June 2021

Members Present:-

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

Councillor Julian Teare	Councillor Kathy Levine
Councillor Nick Mearing-Smith	Councillor Alex Prager
Councillor Barry Rawlings	Councillor Gabriel Rozenberg
Councillor Arjun Mittra	

Also in attendance
Councillor Golnar Bokaei (Substitute)

Apologies for Absence
Councillor Anthony Finn

1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Financial Performance and Contracts Committee Councillor Peter Zinkin welcomed all attendees to the meeting which was held at Hendon Town Hall. The Chairman read out the Covid-secure arrangements which were in place throughout this meeting, to ensure the safety of all those in attendance.

It was RESOLVED that the minutes of the previous meeting of the Financial Performance and Contracts Committee held on 17th March 2021 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies were received from Councillor Anthony Finn who was substituted by Councillor Golnar Bokaei.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

The following declarations were made during the meeting:

Councillor	Agenda item(s)	Declaration
Peter Zinkin	7	Disclosable pecuniary interest by virtue of being a Director of London Energy
Arjun Mittra	7, 9	Disclosable pecuniary interest by virtue of being a Barnet Homes tenant

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 to the Committee. Upon invitation of the Chairman, Mr Dix asked a supplementary question which was responded to by Officers and the Chairman.

6. MEMBERS' ITEMS (IF ANY)

None.

7. CHIEF FINANCIAL OFFICER REPORT: FINANCIAL OUTTURN, 2020/21

The Chairman invited Anisa Darr (Director of Finance), Ben Jay (Assistant Director Finance) and Ashley Hughes (Assistant Director Finance) to present the report. Officers provided a summary for each section of the report.

In response to a query from the Committee about cost predictions, Ms Darr noted that data analysis and tracking will continue to take place and where possible Officers will aim to provide an update to Members on cost projections for Adults & Health service area.

Members queried whether unspent Covid related funding could be used in the future. Mr Jay informed the Committee that funding streams have different requirements, but that it was currently expected that all funds will be utilised.

In relation to concerns expressed by Members about uncertainty, Mr Jay noted that there has been a continual shift in areas of uncertainty and that Officers will continue to monitor the status of funding and costs to ensure that services are supported.

Following a query from the Committee about the rejection rate for Test and Trace Support payments, Officers informed Members about the scheme criteria and the timelines. It was agreed that Officers provide a briefing note to Members about the Test and Trace Support statistics and reasons for rejection and where possible, how the criteria was applied. (**Action:** Finance)

The Committee expressed concerns over the increase in debt owed, particularly for Adults & Health for the period of over 90 days as set out in Table 16 of the report. It was noted that a dedicated project is in place to maximise recovery of this debt and to further improve its active management. The Chairman noted that the matter would be raised with the Chairman of the Adults & Safeguarding Committee. (**Action:** Governance)

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

- 1. Noted the financial outturn for 2020/21 including funds taken forward into the new financial year which are: the C19 funding received committed to be spent in the new financial year; the (planned, or prudent) contributions to service-based reserves arising from non-Covid operations, including specific or ringfenced grants; and the contribution to corporate reserves.**
- 2. Noted the cost of the pandemic and the funding of it;**
- 3. Noted the use of reserves in the year and the values taken forward;**
- 4. Noted the capital investment reported and the funding of it;**
- 5. Noted the outturn financial performance for ringfenced and restricted funding including the Housing Revenue Account, Dedicated Schools Grant, Public Health Grant, and the Special Parking Account;**
- 6. Noted the current debt position and related actions taken.**

8. REVIEW OF CAPITA CONTRACTS

The Chairman invited John Hooton, Chief Executive to join the meeting. Mr Hooton summarised and presented the report which provides 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.

The Committee expressed its views and comments on the proposal. Members noted that for some services, the direction of travel was towards insourcing and highlighted the importance of service delivery, customer satisfaction and confirmation of data license ownership.

Following comments from the Committee, Officers informed Members about consultation with residents, Members and service employees. Officers also noted the importance of considering the balance between contractual commitment and investment in services.

In response to a query about the review, Officers noted that the review presents an opportunity to consider the approach going forward such as contractual incentives, KPIs, service credits and performance.

The votes were recorded as follows:

- Recommendations 1 and 5 were unanimously agreed.
- Recommendations 2, 3 and 4 the votes were recorded as follows:

For	6
Against	4
Abstention	0

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

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

9. Q4 2020/21 CONTRACTS PERFORMANCE REPORT

The Chairman welcomed the report which provides an overview of Quarter 4 (Q4) performance with a review of annual performance of the contracted services delivered by the Customer and Support Group (Capita), Regional Enterprise (Capita), The Barnet Group (TBG) and HB Public Law.

Deborah Hinde, Director for Commercial and Customer Services summarised and presented the report.

In reference to p.111 of the agenda, Members commented that positive progress has been made during the previous 3 years for web satisfaction but noted that consideration should be given to the target which appeared low.

It was unanimously **RESOLVED** that:

The Committee noted the Quarter 4 (Q4) 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 services delivered by Regional Enterprise (Capita); the Housing services delivered by The Barnet Group; and the Legal services delivered by HB Public Law.

10. CAPITAL PROJECTS

The Chairman invited Matthew Waters, Assistant Director Capital Delivery to present the report. Mr Waters summarised the report 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.

It was RESOLVED that the Committee noted the content of this report updating on the current status of the Council's Capital Projects.

11. BRENT CROSS

Upon invitation of the Chairman, Karen Mercer Programme Director joined the meeting and presented the report which provides an update on the delivery and financial performance across the Brent Cross programme.

It was RESOLVED that the Committee noted delivery progress across the Brent Cross (BX) programme as set out in the presentation to the HM Government Assurance Board on 2 June 2021.

12. COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the standing item on the agenda which lists the future reports to the Committee. The Chairman requested that an item on Barnet Homes be added to the FWP or incorporated within existing reports. (**Action:** Forward Work Programme)

It was RESOLVED that the Committee noted the Forward Work Programme for 2021.

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 gallery was cleared.

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

None.

The meeting finished at 9.30 pm