



Policy and Resources Committee

9 December 2021

Title

Recommendation from Financial Performance and Contracts Committee – Review of Capita Contracts

Report of

Chairman of the Policy and Resources Committee

Wards

All

Status

Public (except Appendix 1C, which is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972, because it contains information relating to the financial and business affairs of Capita and the Council)

Urgent

No

Key

Yes

Enclosures

Annex 1 – Report to Financial Performance and Contracts Committee, 23 November 2021, Review of Capita Contracts
 Appendix 1A – Evaluation Criteria
 Appendix 1B – Performance Packs
 Appendix 1C (exempt) – Financial Assessment
 Annex 2 – Report to Financial Performance and Contracts Committee, 23 November 2021, Review of Capita Contracts Public Engagement
 Appendix 2A – ORS Report

Officer Contact Details

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Summary

The Financial Performance and Contracts Committee at its meeting on 23 November 2021 considered the reports on the Review of Capita Contracts and Review of Capita Contracts – Public Engagement.

Following consideration of the reports, the Committee agreed to make recommendations to Policy and Resources Committee as set out in reports attached at Annex 1 and Annex 2.

Full Council has within its responsibilities the power to make decisions on matters normally reserved to committees where the matter is so significant that it requires all Members to determine. Given the financial value and strategic importance of the Re and CSG contracts, the Chairman of the Policy & Resources Committee has agreed that this decision should be taken by Council.

Officers Recommendations

- 1. That the Policy and Resources Committee recommend to Council that:**
 - a. the council does not seek to extend those elements of the RE and CSG contracts that relate to the Procurement service, Regulatory Services (Trading Standards, Licensing, Environmental Health), the regeneration service and highways;**
 - b. upon expiry of those elements of the contract, these services be returned to the Council;**
 - c. the future strategy for the Highways service should be the subject of a separate report to the Environment Committee;**
 - d. the Recruitment service be returned to the Council in February 2022; and**
 - e. the Chief Executive be authorised to take the necessary action relating to any transfers or actions associated with the services, subject to the conclusion of the necessary due diligence.**
- 2. That the Policy and Resources Committee recommend that Council notes the direction of travel for each service that was agreed previously as set out in section 1.8 of the report (Annex 1) including the services listed for further review, with short extension: Accounts Payable/Integra, HR/Core HR*, Estates* (*with some element of the service potentially returning to the Council upon expiry of the contract) and Cemetery and Crematorium.**
- 3. That the Policy and Resources Committee recommend that Council notes the content of the Review of Capita Contracts Public Engagement report (Annex 2) and ORS Report (Appendix 2A).**

1. WHY THIS REPORT IS NEEDED

- 1.1 Following consideration of the Review of Capita Contracts reports the Financial Performance and Contracts Committee on 23 November 2021 agreed to make the recommendations as set out above for consideration by the Policy and Resources Committee.

2. REASONS FOR RECOMMENDATIONS

- 2.1 As set out in the substantive report.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 As set out in the substantive report.

4. POST DECISION IMPLEMENTATION

4.1 As set out in the substantive report.

4.2 Subject to committee approval, this report will be referred to Council on 25 January 2022 for determination.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 As set out in the substantive report.

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

5.2.1 As set out in the substantive report.

5.3 Legal and Constitutional References

5.3.1 As set out in the substantive report.

5.3.2 Under Article 7 (Committees, Forums, Working Groups and Partnerships) of the Council's Constitution, the terms of reference of the Financial Performance and Contracts Committee includes the following responsibilities:

1. Responsible for the oversight and scrutiny of:
 - 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; Housing & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; or Environment Committee
 - c) the council's major strategic contracts (Customer Support Group, Development and Regulatory Services, The Barnet Group Ltd (Barnet Homes) and HB Public Law) 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 & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers

5.3.3 The terms of reference of the Policy & Resources Committee includes:

- a) Information Technology
- b) Strategic Partnerships

c) Customer Services and Resident Engagement

5.3.4 Article 4 of the Council's Constitution sets out the role and function of Full Council which includes the following responsibilities:

- Make decisions on matters normally reserved to committees (except for planning and licensing matters) where an urgent decision is required or where the matter is so significant that it requires all Members to determine. Determination of whether a matter is urgent or significant will be made by Mayor and Chairman of relevant committee in consultation with Leader and relevant chief officer.

5.4 **Insight**

5.4.1 As set out in the substantive report.

5.5 **Social Value**

5.5.1 As set out in the substantive report.

5.6 **Risk Management**

5.6.1 As set out in the substantive report.

5.7 **Equalities and Diversity**

5.6.1 As set out in the substantive report. In addition, officers have conducted a high-level review of equalities and have concluded that there are no impacts on any of the protected characteristics. As outlined in the report to Financial Performance and Contracts Committee individual equality impact assessments will be conducted on each returning service.

5.8 **Corporate Parenting**

5.7.1 As set out in the substantive report.

5.9 **Consultation and Engagement**

5.9.1 As set out in the substantive report.

6. **BACKGROUND PAPERS**

6.1 N/A