



Meeting the challenge in Barnet

Lessons from becoming the Commissioning Council

Councillor Richard Cornelius



www.localis.org.uk



About Localis

Who we are

Localis is an independent think-tank, dedicated to issues related to local government and localism. Since our formation we have produced influential research on a variety of issues including the reform of public services, local government finance, planning, and community empowerment. Our work has directly influenced government policy and the wider policy debate.

Our philosophy

We believe that power should be exercised as close as possible to the people it serves. We are therefore dedicated to promoting a localist agenda and challenging the existing centralisation of power and responsibility. We seek to develop new ways of delivering local services that deliver better results at lower cost, and involve local communities to a greater degree.

What we do

Localis aims to provide a link between local government and key figures in business, academia, the third sector, parliament and the media. We aim to influence the debate on localism, providing innovative and fresh thinking on all areas that local government is concerned with. We have a broad events programme, including roundtable discussions, publication launches and an extensive party conference programme.

Find out more

Please either email info@localis.org.uk or call 020 7340 2660 and we will be pleased to tell you more about the range of services that we offer. You can also sign up for updates or register your interest on our website.

ISBN 978-0-9569055-8-1

About Barnet

Barnet prides itself on being a successful London suburb. Its attractiveness as a place to live has led to it becoming the second most populous borough in London and demographic change will see the borough continue to grow over the coming decade.

Major redevelopments – notably the Brent Cross Cricklewood scheme in the south of the borough – and major regeneration to the west, will bring areas of high quality new housing. However, one third of the borough will remain as green space.

Barnet is very popular with residents and is a place where many people aspire to live, with 88 per cent of residents saying they are happy to live here. The borough has very high performing schools, good connectivity into central London and this, along with its green spaces, has meant that it is popular with families.

The borough has very well established ethnic and religious communities. It is the second most religiously diverse and twentieth most ethnically diverse place in the UK, with high levels of community cohesion. Barnet also has a very altruistic community, with over a quarter of residents engaging in volunteer work once a month and over 1,400 local voluntary and community organisations.

The Author



Richard Cornelius has been Leader of the London Borough of Barnet since 2011. He is a Conservative Councillor for Totteridge Ward and has sat as an elected member on Barnet Council since 2004. During this time, he has held various Cabinet posts including Planning, Regeneration, Adult Social Services, Housing, and Policy and Performance.

Introduction

Over the past five years, the London Borough of Barnet has delivered one of the most ambitious and innovative organisational change programmes seen in Local Government. During this time, we have completely reformed our operating model, from an organisation that provides the majority of services directly, to a 'Commissioning Council' which commissions a range of internal and external providers in the market to achieve the best value and the best outcomes for residents.

We have approached this change in a considered, logical and structured way. Our initial 'Future Shape' programme in 2008 – which foresaw the spending cuts passed on by Government and allowed us to get ahead of the game in planning our strategic response – led to the 'One Barnet' programme, which developed 'bundles' of services to test with the market. This has been followed by our top to bottom organisational restructure and introduction of our 'Commissioning Council' operating model, which provides a degree of separation between longer-term strategy and day-to-day delivery, allowing us the flexibility to meet future challenges whilst ensuring we provide excellent services to residents today.

Barnet's change programme – which will deliver cumulative savings of £275m over ten years – will go a long way to allowing us to live within our means without having to make swingeing cuts to frontline services. Crucially, it has also created room for us to invest in the infrastructure – schools, transport, housing, skills and enterprise – which will ensure that Barnet continues to be a place where people want to live and work.

Barnet's approach

Barnet started from a strong position as one of London's top performing authorities, with some of the best schools in the country, high levels of

satisfaction with the borough as a place to live, and with enormous potential to be realised through our £6bn regeneration programme, which will revitalise our communities and boost the Council's income.

By anticipating the cuts to public spending, we were able to be proactive in re-defining what sort of Council we wanted to be and avoid the disasters of a short-term, reactive mind-set. We have asked fundamental questions about our role as a Local Authority; about our relationship with local partners and with residents; and about how local services are designed and delivered. This careful planning is at the root of our success.

What we've achieved

We have achieved a great deal since our transformation programme began in 2008 and have developed a wide range of delivery models appropriate to each service area, including:

In-house provision

- Our waste and recycling service has been brought in-house, which will achieve annual savings of £1.3m and increase recycling rates. Four months into the new service, 16,600 tonnes

Waste and recycling
in Barnet



Meeting the challenge in Barnet

of waste have been diverted from landfill, compared to 12,200 over the same period in 2012/13.

Partnerships across the voluntary and public sectors

- Sustainability in the delivery of services for adults with learning disabilities by establishing a local authority trading company with our Arm's Length Management Organisation (ALMO)¹, which has reduced overheads and provided greater choice and control to service users.
- Shared service arrangements with the London Borough of Harrow for public health and legal services.
- A charitable trust to provide music services to schools.
- New solutions to complex problems, including matching families with volunteer coaches from within their own communities to develop life skills and become more independent.

Pioneering partnerships with the private sector

- An innovative Joint Venture with Capita to provide our planning, regeneration and regulatory services, combining public and private sector expertise to enhance Barnet's built environment. This arrangement will deliver a guaranteed £39.1m in savings and income over ten years, with an aspirational income target of £172m through the provision of services to other councils.
- A ground-breaking partnership with Capita for our customer and back office services, to transform the customer experience and deliver £125.4m of benefits over ten years.

Passing on the benefits to residents and investing for the future

Not only have we been able to protect frontline services up to now – with 77% of the savings up to 2015 coming from back office and management costs – we have also been able to pass on the benefits to residents through lower Council Tax bills. Council Tax in Barnet has been frozen since 2010/11 and we will cut Council Tax for every household by 1% in 2014-15 and freeze it for a further two years after that. This means that, between 2010/11 and 2016/17, residents will benefit from a real terms cut of over 20% to their Council Tax bills.

Our careful marshalling of Council finances means that we have been able to protect what makes Barnet such a great place to live and invest to make sure it stays that way, including:

- £55m invested in extra school places to ensure our schools

¹ The Barnet Group is the Council's local authority trading company and parent company to Barnet Homes – a social landlord which manages 15,000 council homes - and Your Choice Barnet, a social care organisation providing services to people with learning and physical disabilities

continue to be amongst the best in the country, with 89.5% of primary schools and 91% of secondary schools rated as good or outstanding by Ofsted;

- £10m – in addition to an annual spend of around £4m – invested in road and pavement networks since 2011;
- Our seven major regeneration schemes will create more than 20,000 new homes and allow for the provision for up to 30,000 jobs over the next 20 years, with 965 new affordable homes built between 2011 and 2013 and capacity for 300 new Council homes on non-regeneration estates; and
- £1m invested to support young people into work and training, engaging with over 263 young people and 70 businesses and helping to keep the number of ‘NEETs’ in Barnet well below the London and national average.



Artist's impression of Brent Cross, post-regeneration

Increasing resident satisfaction

Despite the challenges we face, resident satisfaction with both the Council and with local services is increasing. Between 2012 and 2013 resident satisfaction with how the Council runs things increased by 11% to 74% overall, and the number of residents who feel that we are doing a good job increased by 5% to 77%.

Resident satisfaction with a range of local services – including leisure facilities, social services, housing and education – have also seen significant increases over the past year, which shows that our planned approach to dealing with austerity is paying dividends.

Prepared for the future

But we know that significant challenges remain. The country's budget deficit still stands at around £86bn and the Government has been clear that bringing the UK's balance sheet back into the black means further cuts to the public finances. We are not yet halfway through what we expect to be a decade of austerity, which will see the Council's spending power reduce by almost 50% across the period.

We have made great strides over the past few years and, though there is a long way to go, we are in a good place to see it through. We believe that our Commissioning Council model gives us the capability

and flexibility to respond to the challenges ahead. We will focus on stimulating the local labour market, encouraging enterprise and delivering our regeneration ambitions to grow the local tax base and increase our income. We will take a radical, 'whole place' approach to designing and providing services, developing partnerships to achieve more joined up services and reduce overheads. And we will, as an organisation, continue to be more efficient by bearing down on bureaucracy, reviewing our workforce and procurement practices and using our assets to generate income and to benefit communities.

There is no getting away from the fact that taking another 20% out of our budget, on top of the 26% we will save by 2015, will require some very tough choices. But we will make sure the decisions we take are transparent, fair and that resources are prioritised on those residents that most need our support, whilst continuing to invest in the physical infrastructure Barnet requires for the future.

Inevitably, with less money in the system, the Council will reluctantly have to withdraw from some activities but we will help residents and communities to fill the gap. This is already happening across the borough – we have two Community Libraries and almost all of our allotments are self-governed. This is something we want to see more of over the years ahead and we recognise that there is huge potential to unlock, with around 1,400 voluntary and community organisations across the borough, alongside large numbers of dynamic community leaders.

I hope you find this document useful. It is intended to be helpful to other local authorities and other parts of the public sector, as well as to our residents and partners locally, as it sets out the thinking behind our approach. All Local Authorities are different and the way Councils up and down the country are approaching the same challenge varies greatly. What we have done in Barnet works for us but we know that this approach might not suit other parts of the country.

1. The purpose of this document

This document sets out how Barnet Council has approached the unprecedented financial challenges facing the UK public sector following the 2008 financial crisis and global economic downturn. For Barnet, this translated to a cut of 26% to our budget between 2011 and 2015, with a further 20% cut likely to come in the latter half of the decade.

Such an unprecedented level of financial challenge – at a time when changing demographics are increasing demand for local services – requires a different response, one which considers fundamental questions about the role of Local Government and public services more generally. This document sets out Barnet's response to this unprecedented challenge: The questions we asked ourselves; the answers we arrived at; and the resulting actions we have taken to implement our plan.

A great deal has been written and said – both nationally and at the local level – about what Barnet Council has done over the past few years, and why. Some of it is accurate, much of it is not. Barnet is not 'Easy Council' and we do not want to be known principally for the 'Graph of Doom'. This pamphlet explains what have done and why.

Whatever is written here is unlikely to change the opinion of some of our critics. It is certainly true that, in Barnet, we have not been backwards in coming forwards, in pushing ourselves and others by asking challenging questions, in pursuing alternatives to the norm. But throughout, our aim has been – and continues to be – to put our residents at the heart of our strategy; to ensure the best possible value for money for Barnet's taxpayers and the best possible services for those who use them.

Some things have not gone as smoothly as we would have liked and we accept that we could have done more at times to communicate the aims and benefits of our strategy to a wider audience. As we begin the next cycle and develop our plans for achieving a further 20% of savings, we will continue to focus on engaging and working with residents, improving transparency, sharing information and developing trust. This pamphlet is part of that process.

As we face up to the next round of spending cuts – which will happen no matter who is in power nationally – we do so from a strong platform. The Council's evolution over the past 5 years has been significant but we know that we are only really at the beginning. The entire way in which Local Government is structured is likely to change over the course of the next decade. By the end of the decade, the public sector landscape is likely to be dramatically different, with budgets shared and services commissioned and delivered across organisational and geographical boundaries.

2. Barnet's transformation – vision into reality

From 'Future Shape'; to 'One Barnet'; to the 'Commissioning Council'

2008's 'Future Shape' – ahead of the game

Barnet's transition from a 'traditional' Council to a Commissioning Council has not come about by happenstance. It is part of a programme of change that began in 2008 with our 'Future Shape' programme, which looked at the drivers for change, the emerging challenges facing the Council and helped frame our future strategic direction.

Future Shape was about planning ahead, in light of the developing financial crisis of the time. The aim was to analyse the emerging challenges facing the public sector and anticipate their impact locally, so as to understand the context within which the Council and its partners should organise themselves and deliver services.

At the heart of Future Shape was the need to be clear about the drivers for change and create a platform upon which Barnet's response could develop. The programme identified three key drivers for change:

- The need to find new ways to tackle challenging problems, such as rising demand and customer expectations;
- the impending financial constraint; and
- declining resident satisfaction with Local Government.

Future Shape concluded that the Council could not continue with its existing approach and cope with the looming cuts to its income. Whilst this may seem obvious now, Future Shape recognised early on that, against the backdrop of the biggest financial crisis since the Second World War, the time had come for genuine innovation in Local Government – how it operates and the services it provides.

Future Shape brought together elected Members, senior officers and the Council's partners to consider the evidence and reach collective conclusions. This shared consensus allowed the Council to be bold in its decision making and set the basis for an ambitious and innovative forward looking change strategy that evolved into the 'One Barnet' programme.

The One Barnet Programme – delivering the strategy

Whilst Future Shape set the vision, it quickly became clear that we would need a wide-ranging and tightly governed change programme to deliver the response to the challenges identified. In 2010, the One Barnet Programme was launched. One Barnet was about looking beyond existing provider arrangements, going back to first principles and asking fundamental questions about local services: Is the service necessary; is it giving customers what they need; and who is best placed to manage and run it? The programme was driven by the three One Barnet principles, which continue to underpin how we operate:

The One Barnet Principles:

A new relationship with citizens

- We will provide a better service, putting citizens at the heart of what we do. In return, we expect that citizens will do what they can for themselves, their families and their community.

A one public sector approach

- Residents want good, efficient services, no matter who provides them. We will work with partners to create truly joined up services, with the citizens at their heart.

A relentless drive for efficiency

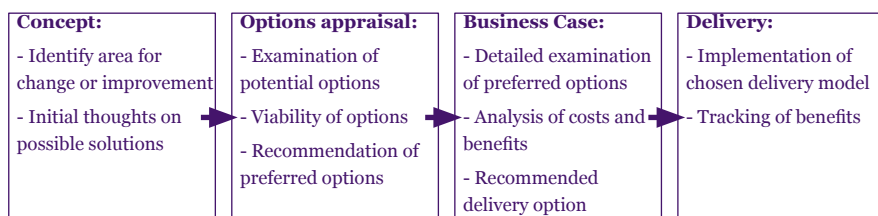
- We will make sure every pound is spent as effectively as possible, which may mean providing services in different ways and certainly means organising the Council in a different way.

The One Barnet principles took account of the changing political context following the 2010 General Election, with our identification of the need to develop a new relationship with residents echoed by the new Government's focus on the Big Society. Alongside this, the Coalition's focus on localism has provided a national context for our aim to provide local leadership and joined up services across the public sector.



East Finchley Library

The scope of One Barnet was broad – it looked at every aspect of the services provided by the Council; it considered the way we work and engage with residents and partners; and it assessed the way we organised ourselves. Each One Barnet project – of which there were 29 between 2010 and 2014 – adhered to one or more of the three One Barnet principles. Fundamental to One Barnet was a staged approach, with each project following a common development path as part of the programme:



One Barnet's major projects

The One Barnet approach was applied to every Council service, including fundamental reviews of the Library Service, Adult Social Services, passenger transport, Sport and Physical Activities, Parking and the Council's relationship with schools. However, most of the

external attention – and the associated local controversy – of One Barnet has focused on our partnership with Capita to provide our back office, customer services and Development and Regulatory Services.

One Barnet Case Study: Community Coaches – local solutions to community challenges

The Community Coaches scheme – an early One Barnet project that began in 2010 – represented an innovative approach to improving the level of support to residents facing significant life challenges and so reducing their reliance on statutory services. The scheme was initially targeted at residents living on the Grahame Park Estate, one of the most deprived areas of the Borough. A number of the residents of Grahame Park – which is now being regenerated – face significant challenges relating to lack of skills and employment, levels of indebtedness and poor quality housing.

The concept behind Community Coaches was to identify volunteers living on the Estate to become 'life coaches', who could work with their fellow residents and help them overcome a challenging period in their life. Volunteer Coaches were professionally trained and paired with members of the community who were identified as needing support.

The scheme provided local communities with a structured way of supporting themselves and provided benefits for the coaches and those being supported. Coaches were able to gain skills and experiences that were both satisfying in themselves and provided a stepping stone into paid work. For those being coached, it provided a trusted source of guidance from someone within the same community who was better able to engage with and understand their needs. The scheme provides a cost benefit to the Council, as it helps to prevent those who use it from requiring costly public services.

Community Coaches evolved from a small scale prototype in Grahame Park, which tested the concept and demonstrated the early benefits of the scheme (73% reduction in healthcare costs and 80% reduction in homelessness due to rent arrears being managed). The scheme has since been rolled out to other parts of the Borough and 'mainstreamed' within the Council's Children's Service.

Stimulating the market

A crucial element of One Barnet was the focus on stimulating the market to prepare it for the services we were offering, including

'bundles' of services that had not been put out to market before, certainly at the scale proposed.

Our market development strategy included a series of soft market testing events and 'Barnet Markets Days', where we invited potential bidders to Council offices to set out our vision for the services on offer and what we were looking for in a provider. It was clear from the response of the providers we engaged with that our market development strategy proved crucial in getting the Council's vision across and ultimately helped us select strategic partners that are able to deliver continuous innovation and better, lower cost services.

One Barnet Case Study: BEAT (Barnet Education Arts Trust) music service for schools

In March 2013, the Council's schools music service was transferred to an independent charitable trust – the Barnet Education Arts Trust (BEAT) – which continues to offer high quality instrument tuition to every child in Barnet's schools.

The creation of a Charitable Trust has provided sustainability for the service by enabling it to identify and access new sources of funding to promote and support the development of music services for children. The new organisation, into which 55 Barnet council staff were transferred, is the designated music hub for the borough and is supported through Arts Council funding to deliver a range of music-related activities in schools and other settings. BEAT is governed by a Board of Trustees and is accountable to the Charities Commission.

Barnet's Customer Services Group – guaranteed savings of £126m over ten years to 'invisible' back office services, with significant improvements to customer services

We knew early on that, alongside the savings we had to make, we needed to significantly improve the quality and accessibility of our customer services. Through One Barnet, the Council went out to market for the provision of a bundle of back office services – including IT, HR, Finance, Revenues and Benefits, Estates and Procurement – as well as our front facing customer services.

In August 2013, following a Judicial Review of the deal which found in the Council's favour, a ten year contract with Capita was signed to provide our back office and customer services and

the Customer Services Group (CSG) was formed. The Council's partnership with Capita provides for significant upfront investment in service improvements, which would not have been possible had they remained in-house.

But CSG is not simply about making savings in our back office. Crucially, the partnership will achieve new standards of customer service; it will see service users co-design the services they use; and it will provide us with a much richer source of customer insight about who is using Council services and their preferences. This insight will help us design more responsive services in future.

A Joint Venture with Capita – Regional Enterprise (Re) – to achieve £39m of growth in Development and Regulatory services with future income benefitting Barnet's taxpayers

Perhaps the most innovative strand of One Barnet was the packaging together of the Council's 'place based' Development and Regulatory Services (DRS)², many of which were new to the market or infrequently outsourced.

In October 2013, following an open procurement process, the DRS contract was awarded to Capita. The Council's partnership with Capita in relation to DRS will provide a guaranteed £39m of financial benefit over ten years through income and efficiency savings.

The DRS contract includes significant upfront investment to sustain and improve these services – something that would not have been possible had they remained in-house. The contract is managed via an innovative Joint Venture between the Council and Capita, named 'Regional Enterprise' (Re). We anticipate that Re will become a thriving, growing business, with a clear incentive to generate significant income through trading services externally.

The contract includes a range of key performance indicators that focus on improving customer satisfaction with the services provided, as well as growth related indicators such as increasing business survival rates in the borough – through improved transport and infrastructure and local supply chain management – and reducing youth unemployment through investment in apprenticeships, enterprise hubs and partnerships with Middlesex University and Barnet and Southgate College.

The Joint Venture will provide a regional platform to deliver

² Planning
Development
Management,
Building Control
and Structures,
Environmental
Health, Trading
Standards and
Licensing, Strategic
Planning and
Housing Strategy,
Highways Network
Management,
Highways Traffic
and Development,
Land Charges,
Cemetery and
Crematoria,
Regeneration.

DRS services across the south of England. Re will create a strong consultancy base and a 'best in class' range of tradable services to win and deliver work for other authorities, with an aspirational growth target of £172 million over the lifetime of the contract, and a staff base of over 500. As a partner in the business, the Council is entitled to a share of all income generated, meaning that Barnet's taxpayers will benefit from the future success of the enterprise.

The challenges of One Barnet

A change programme of the scale and ambition of One Barnet was always going to be challenging. We knew this from the outset, which is why we invested in the specialist capacity required to achieve our ambitions. At times, the Council faced criticism for spending money on 'consultants' whilst spending cuts were beginning to bite but this was always about investing to save. The fact is that we would not have achieved the savings we have now guaranteed over the next ten years without this upfront investment.

The final section of this document sets out ten points of reflection on our change journey so far. The fundamental point is that we have managed to overcome these numerous challenges through continued dedication and commitment on the part of elected Members, officers and partners.

There are two areas of challenge it is worth commenting on from our experience in relation to the contracts with Capita. Firstly, the length of the procurement process. In total, the process for the customer services, back office and DRS contracts – from Barnet's Cabinet agreeing to commence the procurement process in November 2010 to the point at which contracts were ready to be signed (the actual signing of the contracts was delayed by 6 months following the Judicial Review) – took almost three years. There is no denying that managing such an intensive, detailed and lengthy process whilst at the same time continuing to focus on 'business as usual' was a massive organisational challenge.

Secondly, the legal challenge to One Barnet. Before the deal with Capita could commence, the Council had to overcome a Judicial Review – and subsequent appeal – brought by a resident. The initial challenge, rejected by the Court, called into question the process that led to the Council's decision to award the CSG and DRS contracts to Capita. This decision was subsequently appealed but the same conclusion was reached by the Court of Appeal.

Ultimately, the Judicial Review process led to a delay of five months to the commencement of the customer services and back office contract and a six month delay to the DRS contract. This came at considerable cost to the tax payer, both in terms of legal fees and maintaining interim arrangements until the new arrangements could commence, as well as creating uncertainty for staff.



Opposition to
easyCouncil

It is important to learn from the experience of the Judicial Review, as the need to take tough decisions will continue in the current economic climate. Whilst the Council believes that our approach to consultation is robust, the Court judgment identified some room for improvement and we will explore the steps we will take to improve our approach to consultation later in this document.

3. A new operating model

Barnet as a ‘Commissioning Council’

As the Council’s change programme continued to evolve and we began to develop partnerships with a more diverse range of providers, it became clear the way we operated as an organisation needed to change. One Barnet had served its purpose well but we needed a new approach. We needed to improve our commercial and contracting functions – to effectively manage the partnerships we had developed with a wider range of external providers – which also required us to bring in new skills to our senior management team.

In response, Barnet adopted its new ‘Commissioning Council’ operating model on 1 April 2013. Barnet’s transition to a strategic commissioning organisation represents the next stage in our evolution, away from the traditional model of providing services ‘in house’, to a market based approach with the aim of securing the best deal for residents. Throughout this transition, we have remained true to our fundamental principle that the Council’s operating model and organisational design should follow the strategic direction we had set. In other words, ‘form follows function’.

Commissioning in Barnet – the five drivers for change

There is a misconception that commissioning is about procurement and outsourcing. Of course, the need to deliver services at lower cost is a critical driver for moving to a commissioning model in Barnet – the Council would simply not be able to live within its means by continuing its previous approach. But the benefits of commissioning go much wider than outsourcing.

Barnet’s methodology involves a fundamentally different approach to determining how local services are designed and delivered. As a Commissioning Council, Members and officers will work with residents to set the strategic priorities of the borough, in the context of the available resources, and agree a set of outcomes that reflect the needs of residents. Services are then bought from a diverse mix of

providers within the market – public, private and voluntary sectors – to deliver these outcomes.

Barnet's transition to a strategic commissioning approach has been driven by five priorities:

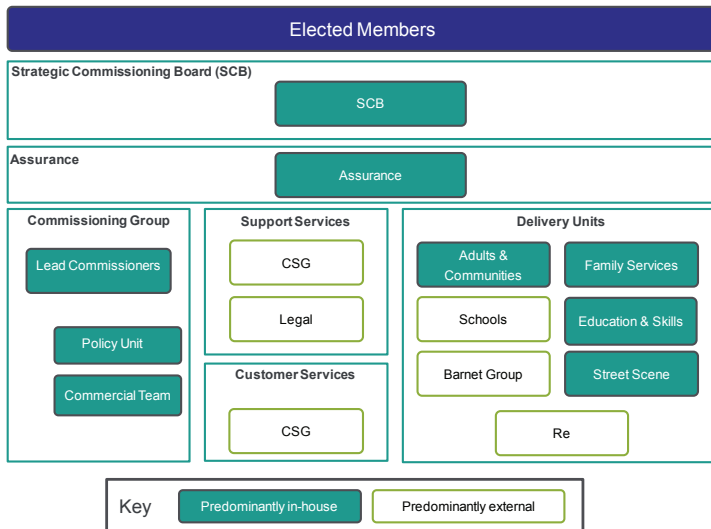
- To ensure that the Council is efficient in its use of resources and generates significant savings to live within its budget both now, and over the longer-term;
- To create the opportunities to develop a more diverse and contestable provider base in order to drive innovation and improvement in service delivery;
- To strengthen how effective the Council and its partners are at understanding the needs of residents and allocating resources to meet those needs;
- To improve the experience of customers in their dealings with the Council and its suppliers, with a stronger focus on the design of services around users; and
- To strengthen engagement with residents and provide opportunities for them to get involved in the design and delivery of services.

Barnet's organisational blueprint – taking a flexible approach

In order to achieve our vision of a Council that is able to access the market to deliver services from a range of providers – both internal and external – it was clear that our organisational structure would need to change. We quickly concluded that the Council's traditional silo-based structure was no longer fit for purpose. We needed a structure which was nimble and able to operate across boundaries, with effective capability and capacity to negotiate with the market. It also needed to be highly flexible to reflect the fluid environment that Local Government faces.

We took a conscious decision to treat the first year of the Commissioning Council – from 1 April 2013 – as a year of transition. As we have negotiated the first year of our new structure, these instincts have proved well founded. We have needed to make some changes to the original design- for example, we have enhanced our Commercial Team to ensure we have robust arrangements in place to manage the contracts with Capita and we have restructured our Children's Services Delivery Unit to create separate Family Services and Education Teams. Further changes are inevitable but our overall model – and the rationale behind it – remains intact.

Barnet’s administrative structure is based around five core ‘blocks’. Whilst each block has a distinct role and function, there is a high level of joint working between them. The ‘core’ of our administrative structure – the ‘Strategic Commissioning Board’, ‘Commissioning Group’, ‘Assurance Group’, ‘Customer and Support Group’ and a set of internal and external ‘Delivery Units’ – will remain constant to provide a solid basis upon which the Council will build its future commissioning strategies and delivery plans.



The five ‘core blocks’ of Barnet’s Commissioning Council model

Strategic Commissioning Board (SCB)

The Council’s most senior officer Board, chaired by the Chief Executive and attended by the Chief Operating Officer, Strategic Director for Communities and Strategic Director for Growth & Environment. SCB works to advise Members in the development of the strategic outcomes for the borough and ensures high performance against those outcomes.

Assurance Group (AG)

Brings together Corporate Governance, Member Services, Scrutiny,

Internal Audit and Corporate Anti-Fraud to provide independent oversight and assurance to Members on governance procedures and business processes.

Commissioning Group (CG)

Brings together strategy development and commissioning – led by six Lead Commissioners and the Policy Unit – to translate outcomes set by Members into a range of service commissions, alongside operational teams including the Commercial Team to manage contractual relationships with our biggest external providers.

Delivery Units (DU)

A mixture of in-house, private and third sector service providers. DUs are primarily operational and focused on delivering the Council's Corporate Plan and executing commissions set by the CG.

Support Services – Customer & Support Group (CSG) and HB Public Law

Provides 'back office' support services – such as finance, HR and procurement – to support the day to day operations of the Council as well as the management of the our 'front door' interactions with customers. Barnet's Legal Service is provided through a shared service arrangement with the London Borough of Harrow.

Performance Management

Crucial to the effective operation of our new model are the clear roles and responsibilities given to different parts of the Commissioning Council. This is reinforced through a performance framework, which is based around the delivery of strategic outcomes set in the Corporate Plan and the oversight of the delivery of commissioned services – set by Members and developed by Lead Commissioners – through Management Agreements and formal contracts. Delivery Units are focused on short-term delivery of services and a degree of autonomy is granted to allow them to get on with this.

To keep on top of emerging delivery challenges, we operate an internal escalation model to ensure accountability sits with the right part of the Commissioning Council. This escalation model – managed through the Council's Delivery Board, which brings together Directors of our main Delivery Units – helps to ensure that emerging performance challenges are dealt with and the right interventions are put in place, with final decisions taken by elected Members.

4. Looking to the future

Improving engagement, increasing transparency and building trust

We believe that Barnet's change programme to date has been a success but we are now entering the next phase of change as we continue to adjust to ongoing austerity.

By modelling the path of the Government's public spending plans over the next five years and the income we expect to receive through Council Tax, Business Rates and other income streams, together with assumptions about local demographic change, we anticipate the need to take another 20% out of our budget by the end of the decade. We have a strategy in place for achieving this – a year-long programme which will see us coordinate with local partners to be more efficient; focus on economic growth and regeneration to grow our tax base and create more and better opportunities for residents; and transform services – in terms of how they are designed, targeted and delivered.

As we enter the next cycle of our transition, we do so with a renewed focus on improving engagement – with residents and businesses – increasing transparency, and developing trust.

Improving the Council's contact, involvement and engagement with residents

Delivering savings of the scale required and managing increased demand will require the Council to continue to work differently. Partly this change will come from the way we work internally and with our partners – a more efficient workforce, better procurement and a smarter use of assets. However, much of it will mean changing the offer to residents – inviting them to do more or behave differently, or accept that we will have to do less.

Seen in this context, our ability to connect with people and build relationships of trust becomes a defining precondition for success. In other words, residents are unlikely to accept the necessary pace and magnitude of change to local services unless they first believe their

Council is working in their best interest.

Trust is lost through poor communication or consultation, poor services or a bad customer experience, just one of which can destroy in a single moment the respect our residents demand. Pleading with people to ‘trust us,’ will not work. We need to think comprehensively and deliver a coherent programme that tackles the issue. This is crucial to the next phase of our transformation and future success.

How we communicate; how we consult residents; how we provide information about what we do – how transparent we are – and the quality of the customer experience can all add up to a better sense of the Council ‘being on your side’.

In order to better connect and build trust, we will need to:

- Communicate more effectively with our residents;
- Further develop the ways in which we consult and engage;
- Publish more of the information and data we hold and do so in a more open, transparent and useable manner; and
- Improve customer service standards so that residents are able to access services in a manner that better suits their preferences and meets modern expectations.

Improving the quality of the Council’s customer services

The best retail organisations, such as Amazon, First Direct, and John Lewis, are easy to interact with, demonstrate an understanding of customer needs, provide efficient service and the facilities for customers to easily manage their transactions and account information.

The vision is for Barnet to develop, through its partnership with Capita, a groundbreaking public sector version of this – delivering a service that provides the customer easy access, quick resolution, and as much relevant and personalised information as possible at the earliest stage, allowing them to take control of their relationship with the Council and resolve more for themselves. This will be achieved through a combination of the following:

- Developing new, attractive self-service options and promoting their take up, so that residents prefer to use these channels rather than our telephone and face to face centres.
- Resolving queries first time and resolving service requests within agreed and communicated timescales so that avoidable contact and ‘failure demand’ are reduced.

- Signposting residents to existing resources and services provided by central Government and local community organisations.
- Bringing clusters of services together according to important events such as moving into or leaving the borough, making it easy for customers to perform all transactions in one go.

By collecting richer customer data, and transforming this into genuine 'insight' that we can act on, it will enable us to better understand the evolving needs and expectations of residents and use this to drive commissioning and service design. This means understanding who our residents are, what services they use, how they prefer to access them, and ensuring that by delivering a more customer-focused model, we can achieve even bigger efficiency savings.

Communication, Consultation and Engagement

The Council will continue to improve the quality of correspondence that we send to residents. Too often, our correspondence can come across as regulatory. As an organisation that believes in high levels of customer service, our correspondence needs to be clearer and more supportive, whilst still able to get sometimes difficult messages across.

Much of the engagement the Council currently undertakes is exemplary, although under-reported. Developments in Adult Social Care services, for instance, have long been driven by user consultation, involvement and co-production of their services.

We are continuing to strengthen our consultation activity across the Council, ensuring we use our approach as a means of gathering intelligence and that we actively feedback to residents how we have used consultation to inform service design and delivery.

The regular involvement of residents in the development of the services which they receive leads to services better able to meet their needs. Improved technology and a more systematic approach to consultation should allow for an expansion of the information and insight available to Councillors to use when making difficult choices in the future.

Changes have already taken place to increase the intelligence available to the Council, including increasing the frequency of Resident Perception surveys from every other year to twice a year to help us focus on what matters most to residents. It is also important that the Council is able to differentiate between the views of small groups of vocal activists and the majority of Barnet residents. We are therefore

developing our 'Citizens Panel', increasing the number of members to 2,500 in order to give increased statistical validity to responses.

Transparency

In Barnet, we recognise that a crucial ingredient to gaining trust is increasing transparency. The challenge for the Council is to be transparent in a way that most usefully informs our residents, while opening up as much public data as possible for interrogation and re-use by third parties or resident auditors.

Barnet currently publishes a range of information including items of spending over £500, contracts and tender documents, meeting minutes, and local service and performance data. Policy decisions and Freedom of Information responses are published by service areas, and the Council currently sends 'push' information to residents who sign up for planning and licensing alerts.

As part of our commitment to transparency, we have broken new ground for Local Government by publishing our two major contracts with Capita online with minimal redactions. This is a strong platform on which to build and we will look at how the information we hold could be presented in a way which is easier to understand.

Being more creative with our data and becoming more transparent – whilst ensuring we adhere to rules around data protection – will unlock the following benefits:

- Being more transparent about how and where the Council spends money will increase opportunities for residents to hold us to account and improve public trust;
- Opening up data sets for use and re-use by third parties will enable broader value for residents from the Council's data assets;
- It will have the potential to transform the quality of the Barnet customer/resident perception of, and interaction with, the Council; and
- Providing data about spend on services, as well as their effectiveness, should empower community organisations and others in the market to consider how they might take on the running of certain services at lower cost.

Conclusions: What We've Learned

As we reflect on the progress we have made over the past five years or so, we can see that some major changes went surprisingly smoothly, some less so. The key lessons that Barnet has learned along the way are:

- 1. Don't delay.** Barnet's transformation journey started in 2008, when we started to talk about a 'Future Shape' for the Council and for local services. While elements of the programme have changed, the key issues – the need to become more resident-centric; to pursue a more joined up public sector; and a ruthless drive for efficiency – have remained constant.
- 2. Take staff with you.** 'Easy Council' as a message at least let our staff know that the Council was looking beyond the status quo. We have spent a lot of time developing our internal communications, presenting the financial challenges the Council faces and answering difficult questions from staff.
- 3. Try to avoid change being too strongly associated with a single politician or officer.** While critics of some change programmes have been able to present them as one person bands, three Chief Executives and three Council Leaders have led Barnet's change programme since it was created.
- 4. A strong brand can be a great help.** Early on, the One Barnet programme was dubbed 'Easy Council', in part due to a misunderstanding of how we planned to give residents greater choice over services while reducing costs. Whatever the downside, this made clear the Council's desire to change and gave an impression of a creativity in our approach.
- 5. As well as a great hindrance.** However, a strong brand can also give critics something to grab hold of and misconstrue. 'No

to EasyCouncil’ or ‘No to One Barnet’ is an easier chant than ‘we are against a relentless drive for public sector efficiency and making services more accountable to users’.

6. **You need to spend money to save money.** Possibly the most effective tool in bringing about change in Barnet was the creation of sufficient financial capacity to drive it, meaning that we could spend to save. This can be politically difficult – spending on consultants at a time when staff are being made redundant – but we did not have the technical expertise in-house to run some of the more complex elements of the process.
7. **It will be noisy along the way.** One Barnet received a great deal of coverage locally and, by the standards of Local Government, a lot of national coverage. There was seldom a week when the One Barnet programme was out of the local papers.
8. **But you can’t be too open.** Although the Council won both the Judicial Review of the One Barnet programme and appeal that followed, we are determined to continue to improve the way we consult. As we have set out here, we are revising our consultation and engagement policies to make sure that we effectively test policy with a wide range of Barnet residents.
9. **The highest profile things are not necessarily the most important.** National and local media focused on the outsourcing of our back office functions, ignoring our in-sourcing of recycling. But the biggest single change we have made is the move to a Commissioning Council model. The transition to a commissioning approach has not been easy but it is paying dividends.
10. **You never finish.** Making difficult decisions early allowed us to be ahead of the game. But the long-term challenges of demographic change, continuing cuts and growing expectations of service quality means that Local Government still has a steep demand line to climb.

