



Executive

Monday 18 June 2012 at 7.00 pm

Committee Rooms 1, 2 and 3, Brent Town Hall, Forty Lane, Wembley, HA9 9HD

Membership:

Lead Member Councillors:

Portfolio

Butt (Chair)	Leader/Lead Member for Corporate Strategy & Policy Co-ordination
R Moher (Vice-Chair)	Deputy Leader/Lead Member for Finance and Corporate Resources
Arnold	Lead Member for Children and Families
Beswick	Lead Member for Crime and Public Safety
Crane	Lead Member for Regeneration and Major Projects
Hirani	Lead Member for Adults and Health
Jones	Lead Member for Customers and Citizens
Long	Lead Member for Housing
J Moher	Lead Member for Highways and Transportation
Powney	Lead Member for Environment and Neighbourhoods

For further information contact: Anne Reid, Principal Democratic Services Officer
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The press and public are welcome to attend this meeting

Agenda

Introductions, if appropriate.

Apologies for absence and clarification of alternate members.

Item	Page
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1	Declarations of personal and prejudicial interests	
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Members are invited to declare at this stage of the meeting, any relevant financial or other interest in the items on this agenda.

2	Minutes of the previous meeting	1 - 6
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3	Matters arising (if any)	
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4	Deputations (if any)	
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Adult and Social Care reports

5	Procurement of a WLA Home Support Framework	7 - 24
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The purpose of this report is to seek Executive authority to invite tenders for a Home Support Framework Agreement as required by Contract Standing Orders 88 and 89. Brent is proposing to act as the lead authority on behalf of the West London Alliance (WLA) and other participating local authorities and health partners.

Ward Affected:
All Wards

Lead Member: Councillor Hirani
Contact Officer: Alison Elliott, Director of Adult Social Services
Tel: 020 8937 4230 alison.elliott@brent.gov.uk

Environment and Neighbourhood Services reports

6	Cross Borough Procurement of Leisure Services at Vale Farm	25 - 40
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This report sets out the progress on the cross borough (Ealing, Harrow and Brent) procurement for leisure services, including Vale Farm Sports Centre and seeks Executive approval to the tender evaluation criteria and governance model.

Ward Affected:
All Wards

Lead Member: Councillor Powney
Contact Officer: Gerry Kiefer, Head of Sports
Tel: 020 8937 3710 gerry.kiefer@brent.gov.uk

7 The Weekly Collection Support Scheme

41 - 72

The Weekly Collection Support Scheme is a government challenge fund designed to support local authorities to introduce, retain or reinstate a weekly collection of residual waste and/or recycling (for example food waste). This report explains the Brent context, describes a bid that has been submitted by officers and seeks Member's agreement to the submission of a full bid and acceptance of any grant offered.

Ward Affected:

All Wards

Lead Member: Councillor Powney

Contact Officer: Chris Whyte, Environment Management

Tel: 020 8937 5342 chris.whyte@brent.gov.uk

Regeneration and Major Projects reports

8 Community Infrastructure Levy

73 - 82

After Executive approved the Draft Charging Schedule in February, developers including Quintain Estates Development demonstrated that the method used by the Council's consultants to calculate proposed commercial Community Infrastructure Levy rates required adjustment. Officers have completed a thorough review of commercial CIL rates and recommend changes to some of the rates. These rates will be subject to a further consultation exercise.

Ward Affected:

All Wards

Lead Member: Councillor Crane

Contact Officer: Jonathan Kay, Major Projects Team

Tel: 020 8937 2348 jonathan.kay@brent.gov.uk

Central Reports

9 Risk management report

83 - 90

The purpose of this report is to set out the Corporate Risk Register for approval by the Executive.

Ward Affected:

All Wards

Lead Member: Councillor R Moher

Contact Officer: Simon Lane, Audit and Investigations

Tel: 020 8937 1260 simon.lane@brent.gov.uk

10 Authority to award contract to implement an Oracle R12 financial system 91 - 94

This report is supplemental to a report presented to the Executive in April 2012 which authorised the Director of Finance and Corporate Services to award two call-off contracts to Capgemini UK plc to support the implementation of a new Oracle R12 HR/ payroll system. This report updates Members on the work to date and seeks authority to extend the scope of existing call-off contracts with Capgemini UK plc in order to provide Brent with full ERP capability on an Oracle R12 platform ahead of the original planned implementation timescale of 2013/14.

Ward Affected:
All Wards

Lead Member: Councillor R Moher
Contact Officer: Clive Heaphy, Director of Finance and Corporate Services
Tel: 020 8937 1424 clive.heaphy@brent.gov.uk

11 Update on WLA Passenger Transport Framework 95 - 108

This report provides an update to the previous report to the Executive of 23 April 2012 which authorised the award of a Framework Agreement for Passenger Transport Services for Participating Boroughs in the West London Alliance.

Ward Affected:
All Wards

Lead Member: Councillor R Moher
Contact Officer: David Furse, Procurement
Tel: 020 8937 1170 david.furse@brent.gov.uk

12 Delegated authority to award for Newly Built Civic Centre Telephony Services Contract 109 - 114

This report concerns the future provision of the Council's Telephony Services. This report requests approval of delegated authority to the Director of Finance and Corporate Services to award the Telephony Services contract.

Ward Affected:
All Wards

Lead Member: Councillor R Moher
Contact Officer: Prod Sarigianis, IT Services
Tel: 020 8937 6080
prod.sarigianis@brent.gov.uk

Children and Families reports – none

13 Any Other Urgent Business

Notice of items to be raised under this heading must be given in writing to the Democratic Services Manager or his representative before the meeting in accordance with Standing Order 64.

14 Reference of item considered by Call in Overview and Scrutiny Committee - none

15 Exclusion of Press and Public

The following item is not for publication as it relates to the following category of exempt information as specified in the Local Government Act 1972 namely:

Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

APPENDIX:

Delegated authority to award for Newly Built Civic Centre Telephony Services Contract

Date of the next meeting: Monday 16 July 2012



- Please remember to **SWITCH OFF** your mobile phone during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.
 - Toilets are available on the second floor.
 - Catering facilities can be found on the first floor near The Paul Daisley Hall.
 - A public telephone is located in the foyer on the ground floor, opposite the Porters' Lodge

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LONDON BOROUGH OF BRENT

MINUTES OF THE EXECUTIVE Monday 21 May 2012 at 7.00 pm

PRESENT: Councillor Butt (Chair), Councillor R Moher (Vice-Chair) and Councillors Arnold, Beswick, Crane, Hirani, Jones, Long, J Moher and Powney

Also present: Councillors Al-Ebadi, Cheese, Chohan, S Choudhary, A Choudry, Harrison, Hashmi, Kansagra and Lorber

1. **Declarations of personal and prejudicial interests**

Councillor Lorber declared a personal interest in the item relating to the Libraries Transformation Project as a Trustee and Director of the Friends of Barham Library.

2. **Minutes of the previous meeting**

RESOLVED:-

that the minutes of the previous meeting held on 23 April 2012 be approved as an accurate record of the meeting.

3. **Order of business**

RESOLVED:

that the order of business be changed to take early in the meeting those items for which members of the public were present.

4. **Deputations - progress report on the Libraries Transformation Project**

Philip Bromberg representing the Save Our Libraries campaign referred to the report from the Director of Environment and Neighbourhood Services which set out the current position on the Libraries Transformation Project. He referred to the acknowledgement in the report that there had been a reduction in usage since the closure of six libraries in 2011 and he did not think this situation was likely to improve. He challenged the view that active borrowers previously using one of the closed libraries had moved to one of the six remaining libraries. Mr Bromberg welcomed the decision of the recently appointed Leader of the Council to meet with Kensal Rise Library supporters and hoped that he would speak to the supporters of all the closed libraries.

Martin Redston speaking on behalf of Keep Willesden Green referred to the Willesden Green Library development project. He stated that plans appeared to have changed from the original proposals with the loss of the 150m of playground and less library floor space. He felt that the current proposed urban design would

not enhance the area and compared it to the former Willesden Library building at the frontage of the site, built in 1894 whose value was recognised by English Heritage. Mr Redston called on the Executive to stop and reflect as he felt that most of the community were not in favour of the development as currently proposed.

Sonia Nerdrum addressed the Executive in support of Cricklewood Library which she reminded the meeting was a gift from All Souls College, Oxford and which had been closed as part of the libraries transformation project. Cricklewood Library was a valuable community resource particularly to families who lived in cramped accommodation and it was not always possible to travel to Willesden Green Library. Ms Nerdrum stated that All Souls College would be open to new approaches from the Council and she hoped for a new relationship with the Administration.

Melvyn Hacker (Preston Library) encouraged the Chair, as the new Leader of the Council, to meet with library campaigners and hear their views. Statistics showed that Preston Library had been very busy and alternative facilities were some distance away, especially for those living in the South Kenton area. The former library building was due to be used for primary schooling and he urged the Executive to consider its use as a library after the school day.

Councillor Lorber (Sudbury Ward councillor, Leader of the Liberal Democrat Group) reported that library facilities were being provided by volunteers from the former Barham Library premises, benefiting children from across the community. Regarding the transformation project, he referred to the increase in the estimated cost of refurbishment of Kilburn Library from £117,000 to more than half a million pounds and questioned the extent to which, had this been known last year, it would have impacted on decision-making. He referred to mounting on-going costs which he considered must also be having an adverse effect on budget estimates. Councillor Lorber also raised the matter of the shortage of affordable accommodation for local groups and questioned why the previously donated Kilburn and Cricklewood Library buildings could not be made available. He urged the Executive to recognise the contribution of local people and to make good use of available assets. Councillor Kansagra (Leader of the Conservative Group) expressed a wish that the libraries issue be revisited in the light of the change in political leadership. He suggested that funds were earmarked in the budget for Ward Working projects which were not a priority and should be reallocated to libraries. He also stated that before libraries were closed replacement services should be in place.

Councillor Butt thanked speakers for their contributions.

Councillor Lorber declared an interest as a Director and Trustee of the Friends of Barham Library.

5. Progress report on the Libraries Transformation Project

Councillor Powney (Lead Member, Environment and Neighbourhoods) introduced the report on the progress on the libraries transformation project and responded to points put by members and members of the public earlier in the meeting. He reminded those present of the unprecedented financial difficulty that faced the Council and the decision to concentrate resources on fewer excellent libraries in good locations. The fall in book loans was anticipated and this was additionally the

case due to closures for refurbishment. The Willesden Green Library development was now a matter for the Planning Committee and he had been advised that the process for returning former library buildings to All Souls College, the reverter clause, had been triggered. Interim arrangements in place while Willesden Green Library was being redeveloped involved two premises within easy reach, on the High Road and with good access to public transport. On the increased cost of refurbishment of Kilburn Library, Councillor Powney stated that it had now been decided to carry out more extensive improvements in line with the Council's aim of providing excellent facilities. He drew attention to the progress being made under the Transformation Project as set out in the report and the current position on the disposal of former library buildings. Councillor Powney asked the Executive to note progress and the strategy.

The Chair, Councillor Butt (Leader of the Council) thanked everyone for their contributions.

RESOLVED:

that the progress of the Libraries Transformation Project and next steps be noted.

6. **Brent Carers Hub**

Councillor Hirani (Lead Member, Adults and Health) introduced the report from the Director of Adult Social Services which sought authority for the invitation of tenders for a carers services contract as required by Contract Standing Orders 88 and 89. Following a departmental review of the Council's services for carers, Adult Social Care was proposing the development and procurement of a Carers Services Hub to provide a single point of contact for carers through the coordination and delivery of a wide range of services. Councillor Hirani stated that this was in line with best practice and drew attention to the pre-tender considerations and evaluation criteria. He also asked members to approve an extension to existing carers contracts due to the need to carry out more extensive consultation than previously anticipated.

RESOLVED:

- (i) that approval be given to the pre-tender considerations and the criteria to be used to evaluate tenders as set out in paragraph 5.1 of the report from the Director of Adult Social Services;
- (ii) that approval be given to the invitation of tenders and their evaluation in accordance with the approved evaluation criteria referred to in (i) above;
- (iii) that approval be given to a ten week extension to the existing carers contracts detailed at Appendix D of the report until the 15 February 2013 for the reasons set out in paragraph 5.3 of the report.

7. **Animals at events in Brent council parks and open spaces**

The Lead Member (Environment and Neighbourhoods) advised that the need for the Council to agree a policy regarding the use of performing animals at events in council owned parks and open spaces was highlighted when a request was received for tigers to perform within the borough and given increasing public

concern about the welfare of animals in circuses. He drew attention to the definition of wild animals as set out in legislation and also that the policy would prohibit live animals being given away as prizes. The Council had previously also endorsed the principles of the Animal Welfare Act 2006.

RESOLVED:

that approval be given to the adoption of a policy regarding use of animals at events across the Council's parks and open spaces which:

- (a) does not permit animals that come under the Schedule 'Kinds of Dangerous Wild Animals' in the Dangerous Wild Animals Act 1976 (Modification) (No.2) Order 2007, to be allowed to be part of any event including circuses and funfairs on the Council's parks and open spaces;
- (b) does not permit the provision of live creatures as prizes at any event including circuses and funfairs on the Council's parks and open spaces;
- (c) does permit animals that do not come under the Schedule 'Kinds of Dangerous Wild Animals' in the Dangerous Wild Animals Act 1976 (Modification) (No.2) Order 2007 to be part of an event including circuses and funfairs on the Council's parks and open spaces. (This would therefore allow for example dog shows, performing horses and falconry displays to take place).

8. **Air Quality Action Plan 2012-14**

The report from the Director of Environment and Neighbourhood Services summarised the significant progress made since the Council's adoption of its first Air Quality Action Plan (AQAP) in 2005. Councillor Powney (Lead Member, Environment and Neighbourhoods) referred to long term, on-going concern over air pollution arising from waste processing uses at Neasden Goods Yard and adjoining areas and also the Willesden Junction area. The report recommended that the Council lobby central government over the licensing of waste sites. Councillor Powney regretted that the number of air quality monitoring stations had been reduced from six to three following funding cuts.

RESOLVED:-

- (i) that the significant progress made in improving air quality since the adoption of the Council's first Air Quality Action Plan in 2005 be noted;
- (ii) that approval be given to the proposed new Air Quality Action Plan 2012-2015 set out in Appendix 1 to the report from the Director of Environment and Neighbourhood Services;
- (iii) that the continuing problems of air pollution associated with the Neasden Goods Yard site be noted and that the Council should lobby government over the relationship between the licensing of waste sites and the achievement of air quality improvements as set out in paragraph 3.2.7 of the Director's report.

9. **Disposal of 45a Milman Road**

Councillor Crane (Lead Member, Regeneration and Major Projects) introduced the report that sought approval to proceed with the disposal of the Council's long leasehold interest in the dilapidated and vacant residential housing revenue account dwelling at 45a Milman Road, NW6.

The Executive also had before them an appendix to the report which was not for publication as it contained the following category of exempt information as specified in Schedule 12 of the Local Government (Access to Information Act) 1972:

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

RESOLVED:-

- (i) that approval be given to the disposal of the Council's long leasehold interest of the subject property on the open market for a capital receipt;
- (ii) that the Assistant Director of Regeneration and Major Projects (Property and Asset Management) be authorised to agree the terms of the disposal, and to agree and approve any offers received in conjunction with the Director of Finance and Corporate Services;
- (iii) that the Assistant Director of Regeneration and Major Projects (Property and Asset Management) agree the most appropriate disposal route, which may include disposal to a special purchaser by private treaty (providing the price finally agreed is at least equal to the best price achievable on the open market) and to instruct the legal department in the matter of the disposal.

10. **Voluntary Sector Initiative Fund: Themed Grant Round 2012 - 2015**

The report from the Director of Strategy, Partnerships and Improvement sought agreement to grant fund 12 projects led by voluntary organisations for two years and nine months, subject to performance, following assessment of the latest round of bids for grant funding against the criteria set by the Executive in January 2012. The Director stated that the proposals had been supported by the CVS Brent the voluntary sector umbrella organisation.

RESOLVED:-

- (i) that the summary of officer recommendations in Appendix 1 of the report from the Director of Strategy, Partnerships and Improvement, individual assessment reports set out in Appendix 2 and the Grant Criteria and Standard Conditions of Grant Aid set out in Appendix 3 be noted;
- (ii) that approval be given to the voluntary sector led projects and grant funding allocations set out in paragraph 4.9 of the report which will run between 1 July 2012 and 31 March 2015;
- (iii) that it be noted that all grant funding allocations are subject to the Council's Grant Conditions and that where a bid is agreed, the organisation will sign an

agreement with the Council, stating the purpose of the grant and expected outcomes before funding is released;

- (iv) that it be noted that in cases where an organisation either declines their grant during the funding period or the grant is withdrawn for performance reasons, that the decision to reallocate the fund is delegated to the Director of Strategy, Partnerships and Improvement.

11. Any Other Urgent Business

None.

12. Reference of item considered by Call in Overview and Scrutiny Committee.

None.

The meeting ended at 7.55 pm

M BUTT
Chair



Executive
18th June 2012

Report from the Directors of Adult Social Services and Children and Families

For Action

Wards affected:
ALL

Authority to Invite Tenders for a West London Alliance Home Support Framework Agreement.

1.0 Summary

- 1.1 The purpose of this report is to seek Executive authority to invite tenders for a Home Support Framework Agreement as required by Contract Standing Orders 88 and 89. Brent is proposing to act as the lead authority on behalf of the West London Alliance (WLA) and other participating local authorities and health partners..
- 1.2 In line with 1.1 above this report seeks Executive approval of the project timetable and selection criteria for the procurement exercise.
- 1.3 In addition this report provides background information regarding home support services across West London.

2.0 Recommendations

- 2.1 The Executive to give approval to the pre-tender considerations and the criteria to be used to evaluate tenders as set out in paragraph 3.16 of the report.
- 2.2 The Executive to give approval to officers to invite tenders and evaluate them in accordance with the approved evaluation criteria referred to in 2.1 above.

3.0 Background

- 3.1 In September 2010 a four year collaborative WLA home support framework agreement was created for WLA boroughs with Hammersmith and Fulham (H&F) acting as lead. Membership included Brent, Ealing, H&F, Harrow, Hillingdon and Hounslow.

- 3.2. The definition for home support in the H&F framework agreement specification is;
- 3.2.1 Help with essential personal and practical tasks that people are unable to manage safely for themselves, such as getting up or going to bed, getting washed or dressed, as well as help with shopping, laundry, etc. This has traditionally been called 'personal homecare'. It includes emergency support when people's natural carers are suddenly unavailable, plus short-term support that helps people to regain their independent living skills after a period of illness or incapacity i.e. re-ablement support.
 - 3.2.2 Skilled help for people who have very complex support needs, specifically people with advanced dementia or people with challenging behaviours, where support staff need to use specific structured approaches and interventions.
 - 3.2.3 Help that develops and/or sustains people's capacity to live independently in their property, for example to:
 - 3.2.3.1 Fulfil their responsibilities and rights as a tenant or home owner;
 - 3.2.3.2. Look after the structure and fabric of their home so that it is suitable and safe for them to live in.
 - 3.2.3.3. Understand information or access other support/services they may need
 - 3.2.3.4. Maintain or develop their connections with local people and community facilities
 - 3.2.3.5. Learn skills that help them look after their home and live independently.This has traditionally been called 'housing-related support'. All of 3.2.3 above as a combined package of support i.e. integrated home support
- 3.3. The procurement process commenced in June 2009 inviting expressions of interest from the market. The approach was to deliver efficiencies for boroughs and to manage the market by having a single price per provider under a framework agreement. The process concluded in June 2010, inviting 25 providers onto the home care lot and 12 providers onto the housing related support lot of the H&F framework agreement and secured very competitive prices.
- 3.4. Appendix A provides additional background information to the H&F framework agreement including areas of success and improvement and how the new procurement process will address identified areas of improvement. This includes capacity building, providers withdrawing from the framework agreement, management of the volume discount process and how mergers or acquisitions in the marketplace will be managed.
- 3.5. Since the formation of the H&F Framework Agreement the demand for homecare services has increased, the current average number of service

users receiving home support through the H&F Framework Agreement at any one time in Brent is 1,052. An additional 1,406 service users receive home care, in extra care sheltered housing, through a local non H&F Framework contract or from a small number of non H&F Framework specialist local suppliers. The increase has been caused by two main factors. Firstly, boroughs are promoting service user independence by supporting them in their own home through homecare provision instead of placing them in residential care. Secondly, the growing population of older people with increasingly complex needs who require our services pose a considerable challenge to authorities and the market. The market has been stimulated by this increase in demand with numerous new providers being formed and large management companies taking over smaller providers to increase market share. This increase in demand places more emphasis on the delivery of a procurement solution for home support.

- 3.6. Officers agreed that a framework agreement is advantageous because it offers a structured legal framework to contract over a 4 year period. This provides stability to the successful providers enabling officers to work with them to build capacity within the market. A framework agreement does not provide guaranteed minimum values to successful providers unlike cost and volume contracts. The move from this procurement approach reflects national trends in reduced demand for traditional home care services (such as the increase in direct payments and personal budgets).
- 3.7. A framework agreement generally has one borough acting as the 'lead' authority, and awarding the overarching contractual arrangement for the framework agreement on behalf of the other participating boroughs and partners. WLA boroughs were asked to volunteer to lead the creation of a new framework agreement. Brent Adult Social Service Department has not previously led a WLA procurement processes and has therefore volunteered. All other participating boroughs and partners will use the framework agreement through an access agreement.
- 3.8. Officers recognised that the new framework agreement would need to be available prior to the expiry of the H&F framework agreement to allow for a transition period between the two arrangements. Furthermore, Brent and all other WLA boroughs have local contractual arrangements outside the H&F framework agreement which are due to expire by October 2014. All boroughs have a strategic commissioning intention to purchase more or all of their homecare via the new framework agreement if possible. It is possible that some providers, currently in local contractual arrangements, may be unsuccessful in being selected and therefore not be invited onto the new framework agreement. All boroughs individually would consider options and feasibility of transferring work from unsuccessful providers to successful ones, and this would need to be closely monitored and managed to minimise disruption to service users during the transition period. Officers therefore present an indicative procurement timetable in paragraph 3.15 below to establish a framework agreement on the 1st February 2014 which will give a 7

month transition period before the H&F framework agreement expires on the 30th September 2014.

- 3.9. Officers across the WLA support the formation of a framework agreement for provision of home support services covering the following areas:
- 3.9.1 Personal care and home support services for adults in the community.
 - 3.9.2. Extra care and supported housing domiciliary care.
 - 3.9.3. Reablement services and therapeutic approaches.
 - 3.9.4. Children's services including transition services.
 - 3.9.5. Community nursing and integrated health and social care home based care.
 - 3.9.6. Housing Related Support, generic services.

The H&F framework agreement did not include all the above service areas, such as Children's services. Officers believe there is synergy between the home support adults and children receive, especially during transition and therefore wish to increase the service provision of the new framework agreement to include such services. It is therefore proposed to procure separate lots for all of the above categories under the framework agreement.

- 3.10. The WLA (now including Barnet), the Tri-borough members and a number of other London boroughs have expressed an interest in joining the framework agreement. Officers are currently confirming their involvement. Furthermore Officers are keen to work with health partners and discussion are taking place to establish how this can be delivered. All participating boroughs and partners will be finalised prior to publishing an expression of interest for the procurement.
- 3.11 The future estimated value of call-off contracts over the 4 year duration under the framework is potentially up to; £271.2m for home support and extra care for the WLA boroughs, if housing related support services are called-off there would be an additional £222m, if the health partners of the WLA call-off the additional could be up to £6m, and if additional boroughs join then the potential additional call-off per borough over 4 years could be £49.6m. Further information regarding proposed spend is detailed in paragraph 3.16. If there was full take up of housing related support, this spend would be greater but the WLA is currently establishing a separate framework agreement for housing related support services. However it was considered useful to have a housing related support lot for this framework to open the market to alternative or new providers. It should be noted however, that a framework agreement will have no confirmed service levels or spend guarantee and this will give service delivery teams across borough departments flexibility to manage budgets according to need.
- 3.12. Appendix B presents information regarding the population demographics across London, including the population density, the location of over 65 year olds and the transport links available. An area of improvement referred to in paragraph 3.4 above is capacity. The issue of capacity building in areas with limited or no transport links must be focused on and officers will require

providers to demonstrate their mobility, capacity building and recruitment plans.

- 3.13. Officers recognise that the H&F framework agreement secured very competitive prices. The new framework agreement may not deliver cashable savings. This will be monitored during the procurement process and boroughs will be kept aware of any potential price increases.
- 3.14. Prior to the procurement process commencing, officers intend to carry out market research in the form of a provider day. Officers envisage inviting existing and potential WLA (and other participating boroughs and partners) providers to participate in the event that will include areas such as; capacity building and managing mobility of the workforce. In addition officers recognise there are smaller providers in the market who may not have completed a procurement process previously and therefore this event will include a tender ready workshop providing general guidance on tendering for public sector services.
- 3.15. In November 2011 the Equalities and Human Rights Commission published the report 'Close to Home' containing the findings of an inquiry which sought to establish whether the human rights of older people in receipt of home care are fully promoted and protected. In particular, the Commission was concerned with investigating breaches to the prohibition against inhuman or degrading treatment and to the right to respect for private and family life. Their concern is that there is a mismatch between the state's duty to assess and arrange care, which is covered by the Human Rights Act (HRA) and the actual provision of home care by third parties, the vast majority of which isn't covered by the HRA. The report makes the recommendations for a number of agencies including local authorities, the CQC, the government and providers. The following are the recommendations made for local authorities and providers:
 - 3.15.1 The incorporation of human rights requirements throughout the procurement and commissioning of homecare.
 - 3.15.2 Policies and practice should support the delivery of care by a sufficiently skilled, supported and trained workforce.
 - 3.15.3. The incorporation of HRA obligations into local authorities contracts with providers.
 - 3.15.4. Commissioning practice needs to balance allocation of resources against homecare needs that must be met, to ensure contracted providers can pay at least the National Minimum Wage to care workers.

Officers are working to ensure the next framework agreement is compliant with the above recommendations.

3.16 Pre-Tender Considerations

In accordance with Contract Standing Orders 89 and 90, pre-tender considerations have been set out below for the approval of the Executive.

Ref.	Requirement	Response
(i)	The nature of the service.	Provision of a range of Home Support and Community Services as detailed in paragraph 3.9 to all client groups across the WLA boroughs, and other participating boroughs and health partners
(ii)	The future estimated value of the framework agreement	<p>The WLA boroughs being included are Barnet, Brent, Ealing, Harrow, Hillingdon and Hounslow with an approximate annual spend of £60m on adult home support services, £1.8m on children's home support services and £6m on extra care - therefore a combined estimated value for these elements of the framework agreement over 4 years of £271.2m.</p> <p>It is officer's intention to procure a housing related support lot within the framework. The estimated annual spend across the 6 WLA boroughs for housing related support is £55.5m but for reasons detailed in paragraph 3.11, officers do not expect a significant proportion of the spend to be purchased through the new home support framework agreement.</p> <p>If additional boroughs wish to access the framework agreement, the potential value will increase by approximately £8-£10M per borough per annum for home support and extra care services, plus a potential of £9.25m per borough per annum for housing related support.</p> <p>If health bodies wish to access the framework agreement then the estimated value will increase by £1.5m per body per annum.</p>
(iii)	The contract term (Framework Agreement term)	4 years
(iv)	The tender procedure to be adopted.	A two stage restricted tender process will be adopted in accordance with the Council's Standing Orders.

		As Social Care transactions are 'Part B Services', under the Public Contract Regulations 2006 ("the Regulations"); the Regulations apply only in part to the tender namely, adoption of a technical specification and forwarding a Contract Award notice etc.	
(v)	The procurement timetable	<p>Indicative dates are:</p> <ul style="list-style-type: none"> • Adverts placed 19.10.12 • Expressions of interest (Pre-Qualification Questionnaire) returned 6.12.12 • Shortlist drawn up in accordance with pre-determined minimum standards as to financial standing and technical competence 15.3.13 • Invite to tender 3.05.13 • Deadline for tender submissions 13.06.13 • Panel evaluation 13.08.13 • Report recommending Contract award circulated internally for comment 16.09.13 (pending meeting on this date) • Executive approval 21.10.13 (pending meeting on this date) • Framework Agreement start date 1.02.14 	
(vi)	The evaluation criteria and process	<p><u>Stage 1: pre-qualification stage</u> Shortlists are to be drawn up in accordance with the Council's Contract Management Guidelines by a pre-qualification questionnaire (PQQ).</p>	

		<p>The pre-qualification will test the capacity and capability of potential bidders as well as potential bidder eligibility to take part in the Procurement. This will include the following:</p> <ul style="list-style-type: none"> • Subcontracting/consortia arrangements • Professional conduct • Economic and financial standing • Insurance • Resources • Health and safety • Quality assurance • Equality • Environmental • Sustainability • Carbon policy • Business continuity • Previous experience and references • Child Protection and Safeguarding Adults policies <p>The outcome of this stage will be a list of pre-qualified bidders for the Procurement and a short-list of bidders to be invited to tender.</p> <p><u>Stage 2: Invitation to Tender (ITT)</u> For those that are selected by Stage 1 there will follow an Invitation to Tender (ITT) stage.</p> <p>Tenders will be evaluated on the basis of the most economically advantageous tender in order to award providers onto the framework agreement using the following criteria.</p> <p>1. Quality Quality will consist of 40% of the evaluation weightings. The quality assessment will be evaluated using a range of criteria. It is expected that providers must score at least 60% of the quality scoring to be eligible for award onto the contract.</p> <p>The quality assessment will be evaluated using the following criteria:</p> <ul style="list-style-type: none"> • Meeting the needs of the individual and customer focus, • Approach to safeguarding, performance and safe environment,
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		<ul style="list-style-type: none"> • Approach to staff recruitment, retention and training, • Mobility and capacity building, • Business Continuity Planning, • Information systems and it's use for monitoring service provision, • Approach to partnership working with the Council and others. <p>The relative weighting given to each individual evaluation criteria will be stated in the tender documentation.</p> <p>2. Price Price will consist of 60% of the evaluation weightings.</p>
(vii)	Any business risks associated with entering the contract	No specific business risks are considered to be associated with agreeing the recommendations in this report.
(viii)	The Council's Best Value duties	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.
(ix)	Any staffing implications	Please see section 7 below.
(x)	The relevant financial, legal and other considerations	Please see sections 4, 5 and 6.

3.16 The Executive is asked to approve these proposals as set out in the recommendations and in accordance with Standing Order 89.

4.0 Financial Implications

The framework agreement will have no set agreed service levels or spend guarantee attached to it, which will allow for smaller micro organisations and the voluntary sector to take part in the tender exercise within each borough. This approach will also allow each borough to manage budgets accordingly.

The estimate value attached to this framework agreement is as per the below table.

Description	Estimated Value
-------------	-----------------

Adult's Home Support	£60.0m
Children's Home Support	£1.8m
Extra Care	£6.0m
Total per annum	£67.8m
Additional avenues which could be included:	
Housing Support	£55.5m
Health (per body)	£1.5m
Other local authorities – potential of 3	£37.2m
Total additional avenues per annum	£94.2m
Overarching total per annum	
	£162.0m
Total estimated value over 4 years	£648.0m

5.0 Legal Implications

- 5.1 The estimated value of the framework agreement over its lifetime is in excess of £500,000 and therefore the procurement and award of the framework agreement is subject to the Council's Contract Standing Orders and Financial Regulations in respect of High Value Contracts.
- 5.2 As the framework agreement is for the provision of home support services, it falls within Part B of Schedule 3 of the Public Contracts Regulations 2006 (the "EU Regulations"). The estimated value of the Framework over its lifetime is in excess of the EU threshold for services contracts. As a result, the EU Regulations apply only in part to the tender namely, the inclusion of a technical specification and advertising the award. A restricted tendering procedure is to be used to procure the Framework.
- 5.3 Under the Council's Standing Orders, as the framework agreement is classed as a High Value Contract, approval of the Executive is required for authority to tender. Approval of the Executive is also required by Contracts Standing Orders for the award of such framework agreement and once the tendering process is undertaken, Officers will report back to the Executive explaining the process undertaken in tendering the framework agreement and recommending award.
- 5.4 The procurement of the framework agreement is a collaborative procurement with other WLA authorities. Standing Order 85 details that any collaborative procurement should comply with the Council's Standing Orders and Financial Regulations. As it is proposed that Brent will lead the procurement, it is intended to use Brent's own Standing Orders and Financial Regulations for the procurement of the Framework.
- 5.5 In procuring the framework agreement, Brent Council will act as a central purchasing body under the EU Regulations. As detailed in paragraph 3.7, once the framework agreement is let, it is proposed that other public bodies will be able to access the framework agreement through signing an access agreement

with Brent Council. In advertising the framework agreement, Brent Council will need to be specific as to the description of public bodies or categories of public bodies able to access the framework agreement.

- 5.6 The local authority has a duty under s2 Chronically Sick and Disabled Persons Act 1970, in conjunction with s29 National Assistance Act 1948 and Part III Children Act 1989, to 'make arrangements' for the provision of home care services to persons ordinarily resident in their area where they are satisfied that it is necessary to meet their needs. There is wide discretion within the legislative framework on what 'making arrangements' means but the Local Government Ombudsman [complaint no: 95/A4140] has ruled that a local authority must "*be sure that is of suitable quality, meets the needs of the client, and offers value for money. It must be fair in its purchasing, not favouring one supplier against another for reasons unconnected with the quality of the service on offer.*"

6.0 Diversity Implications

- 6.1 Section 149 Equality Act 2010 requires the Council, when exercising its functions, to have "due regard" to the need to eliminate discrimination, harassment and victimization and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a "protected characteristic" and those who do not share that protected characteristic. Failure to have due regard to this duty can render any decision unlawful. Recently there have been a number of high profile challenges against local authority decision making for failing to take into account what impact decisions on how to carry out their functions may have on those from protected characteristics.
- 6.2 The Executive have been asked to provide authority to invite tenders for the procurement a West London Alliance Home Support Framework Agreement. The proposal, if approved, is to review the current arrangements and, wherever possible, make improvements. Whilst it is accepted that the s149 duty will arise at the point that arrangements are to be put in place, the project team officers have screened the initial proposals in this report and believe that there are no adverse diversity implications as the Framework will simply replace the existing provision of contracted home care services in Participating Boroughs.
- 6.3 Further work will be carried out on the EIA as the detailed specification is completed and once there is greater clarity as to the agencies that will be involved in the procurement agreement to ensure that the duties set out in s149 Equalities Act 2010 are addressed. In addition to ensure there is no negative impact the contract with an external provider will include:
- 6.3.1 Protection and enhancement of service and targeted provision for protected groups
 - 6.3.2 Quarterly contract monitoring and annual reviews for review requirements for protected groups
 - 6.3.3 Annual user survey through the contract to identify the attitudes of protected groups and how they use the services.

7.0 Staffing/Accommodation Implications

- 7.1 Home support services provided to Brent service users are currently provided by external contractors and there are no implications for Council staff arising from tendering the requirement.
- 7.2 There may be TUPE implications arising from the award of the Contract. The assumption is that TUPE may apply to those staff providing a service that will be included in the tender process. Such staff may transfer to a new employer under TUPE as a result of the proposed tendering process. Appropriate consultation with current employers will commence as soon as possible.

Contact Officers

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Appendix A: Background Information – The H&F Framework Agreement

A.1. Areas of success

The current spend on the H&F Framework Agreement is approximately £60M per annum. This procurement has delivered approximately £4.4M cashable savings across the boroughs to date. The savings were delivered by;

A.1.1. Transferring local contracts onto the framework were those providers were invited onto the framework securing the reduced cost at the tendered price,

A.1.2. Using the volume discounts to reduce prices further; or ,

A.1.3. Negotiating with other contracts based on this framework.

Non-cashable savings are also being delivered for boroughs and providers, which include a shared monitoring work and information forum. This ensures a level playing field across West London and prevents providers having multiple inspections from neighbouring boroughs each week.

In addition the framework agreement terms and conditions did not permit any inflationary increases during the 4 years of the agreement; however a price review was incorporated at the second anniversary of the agreement where prices can be considered. The result of this review is pending until this time.

Providers successfully invited onto the H&F framework agreement have the potential to receive work from all WLA boroughs without having to complete another tender process. The total number of hours procured from the agreement across the 6 Boroughs is over 70, 000 hours of home care per week. The providers have supported having a single rate regardless of the borough that is procuring.

A.2. Areas for improvement

There have been some areas for improvement identified for the next framework agreement from the operational experiences from the existing Framework. These include capacity, providers withdrawing, the management of the volume discount process and the impact of mergers and acquisitions of providers within the framework.

The statistics for the first 18 months of the agreement have shown that the WLA framework providers have provided the majority of the home support services procured by the WLA. However providers have not increased their capacity for new work as expected. There is a general lack of capacity for good quality home care services; this has been shown in the WLA framework by the slower than expected expansion of the more competitively priced providers.

Boroughs have been offering providers new work, ranging from small one off packages through to greater volume packages, however only a few providers have been able to accept an increase in volumes by recruiting and expanding capacity. The capacity issue will be addressed in the procurement of the new framework agreement, and officers intend to give providers more information (some examples given in appendix 2) regarding the levels of demand, including purchasing patterns, population information and density and transport links. The selection criteria, will also explore providers ability to demonstrate mobility and capacity building in delivering new services across boroughs. This will include robust implementation requirements supported by closer monitoring of the progress.

Four of the providers on the framework are focussed on delivering services for client groups other than older people. The framework has seen a reduction in demand for procuring services for those service users with some service users choosing to take up personal budgets and/or direct payments. As a result some providers have decided to withdraw from the framework. This will be addressed in the procurement of the new framework agreement by the introduction of more specialist lots covering all service user groups.

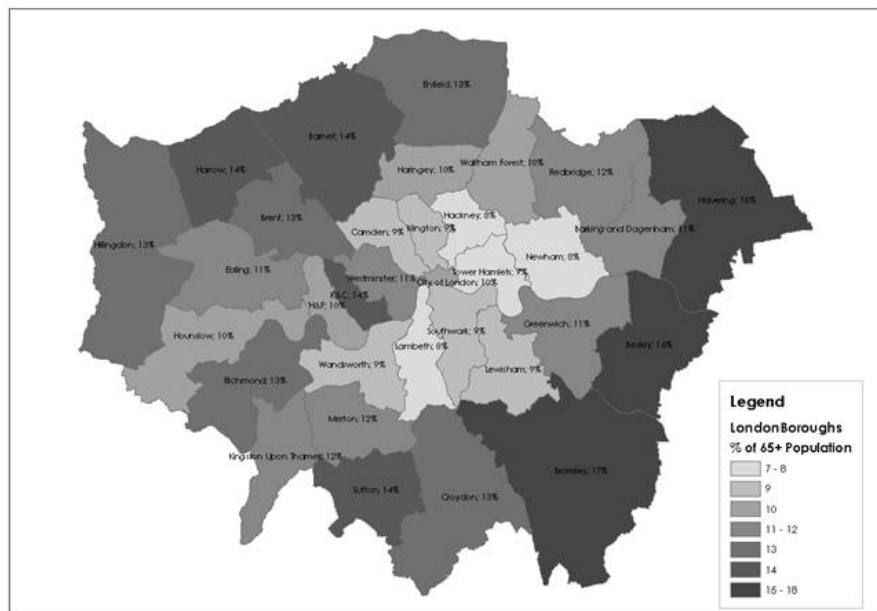
The volume discount process will be improved during the new procurement by ensuring quality management information is available in a timely manner to secure volume discounts.

Finally some providers on the framework have been taken over resulting in a changing ownership. This has resulted in service disruption, predominantly during the early stages of the takeover. The new framework arrangement will improve our current contract management by ensuring officers are aware of any difficulties and plans for such changes before they happen. In addition, the selection criteria will require providers to demonstrate business continuity, thus enabling officers to evaluate their ability to plan for any change.

Appendix B: Demographic Information

LONDON DEMOGRAPHICS

Over 65 Population



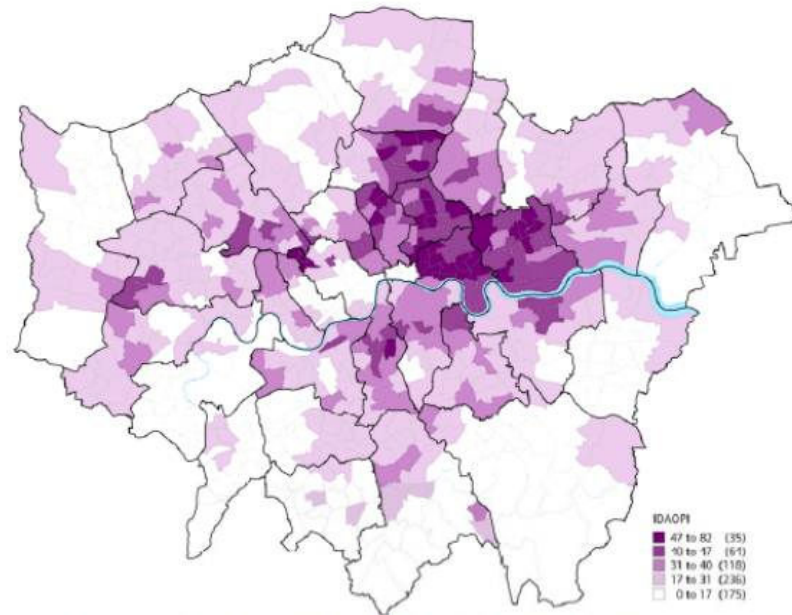
Outer London boroughs have higher proportions of over 65's.

Source: ONS Mid Year Estimates

LONDON DEMOGRAPHICS

Income Deprivation Effecting Older People Index

Income deprivation amongst older people shows a different picture.

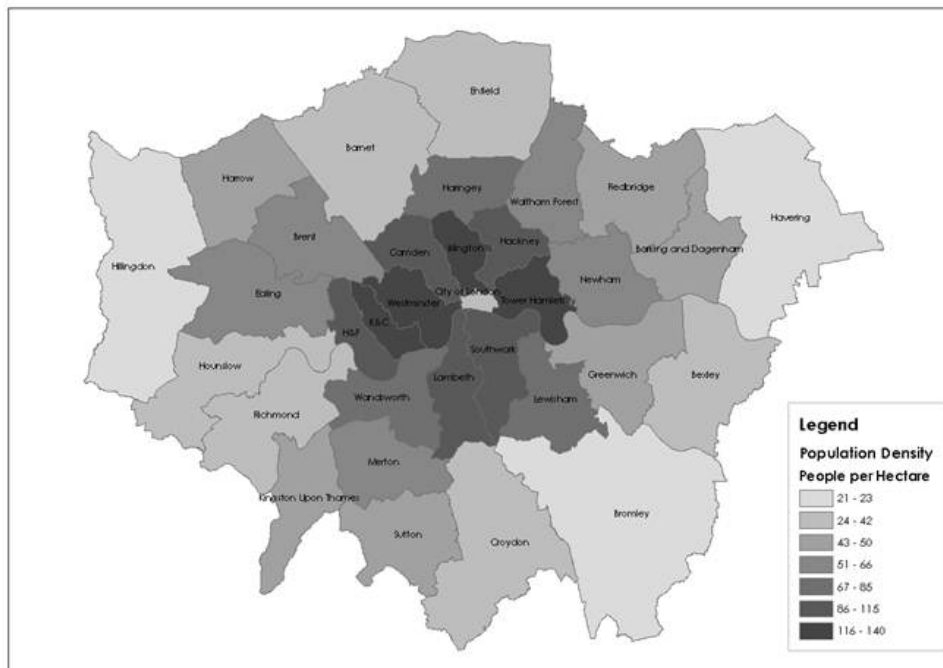


Source: GLA Calculations based on the Department for Communities and Local Government, Indices of Deprivation 2010

Source: GLA calculations based on the DCLG, Indices of Deprivation 2010

LONDON DEMOGRAPHICS

Density



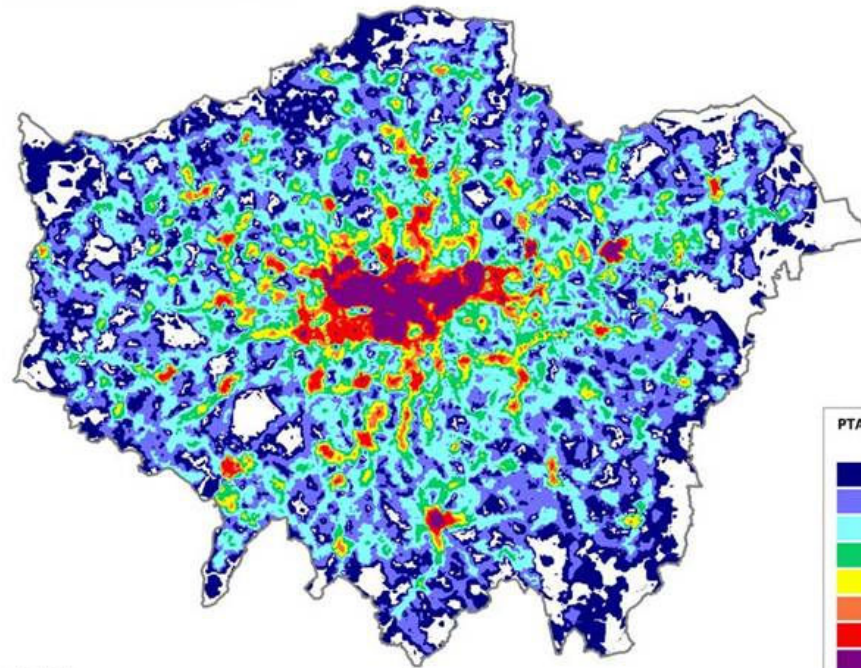
Population density varies greatly in London.

Source: CIPFA Stats

LONDON DEMOGRAPHICS

Access to Public Transport

Access to public transport




Comparing Density with Access to Public Transport information shows some of the problems homecare providers may have to deal with.

PTALs	
Dark Blue	Level 1a
Light Blue	Level 1b
Cyan	Level 2
Green	Level 3
Yellow	Level 4
Orange	Level 5
Red	Level 6a
Purple	Level 6b

source Transport for London
© Crown copyright. All rights reserved. Greater London Authority 100032379 (2008)

Diagram: GLA, The London Plan - consolidated with alterations since 2004 (2008)
www.london.gov.uk/thelondonplan

Source: TFL

	<p style="text-align: center;">Executive 18 June 2012</p> <p style="text-align: center;">Report from the Director of Environment and Neighbourhood Services</p>
For Action	Wards Affected: ALL
<p style="text-align: center;">Cross-borough procurement of leisure services at Vale Farm</p>	

1.0 Summary

- 1.1 This report sets out the progress on the cross borough (Ealing, Harrow and Brent) procurement for leisure services, including Vale Farm Sports Centre and seeks Executive approval to the tender evaluation criteria and governance model.
- 1.2 The programme seeks to get the best possible price for the service whilst maintaining quality and service standards through a collaborative procurement exercise. The Executive will be asked to make the final contract award decision later in 2012 for mobilisation in Brent in November 2013.

2 Recommendations

- 2.1 The Executive give approval to the tender evaluation criteria set out in paragraph 3.28 for the collaborative procurement delivering a contract for leisure services at Vale Farm Sports Centre.
- 2.2 The Executive note the high level governance and shared service models set out in paragraphs 3.31-3.36.

3 Detail

- 3.1 In December 2009 the Executive agreed the Brent's sport and physical activity strategy 2010 – 2015. This strategy, developed and written by Brent Community Sport and Physical Activity Network, was based on significant research and consultation. The strategy identified seven key themes which all partners are working to deliver:

1. Increase provision of appropriate facilities
2. Increase knowledge of the wider benefits of an active lifestyle
3. Get more people active
4. Develop local sports providers
5. Increase sports opportunities for young people
6. Make the most of London 2012 and Wembley as a major sporting venue
7. Improve partnership working

3.2 The strategy also recognised that there are some groups that are appreciably less active than others and that these low and non participation groups should become the focus of additional targeted work by all stakeholders in order to increase participation levels. These groups are:

- Disabled people
- Adults aged 35 to 54
- Black and ethnic minority people
- Women and girls
- Young people.

3.3 Alongside, this strategy the Council has already done much to streamline and improve the efficiency of leisure services. However, the Council is facing significant and on-going budget shortfalls. This has led officers to carefully examine the best approach to delivering savings whilst maintaining standards. The Council also needs to renew the contract for leisure services provision at Vale Farm Sports Centre by October 2013. This contract is held by Leisure Connection and a further extension is not provided for within the terms of the contract. Re-procuring just one sports centre is a small commercial opportunity for companies in the market and therefore it is unlikely to offer best value.

3.4 Officers have been actively participating in the work of the West London Alliance with the London Boroughs of Harrow and Ealing to develop future models of provision for leisure services at best value for Brent's residents.

3.5 As part of that work, on 16 January 2012, the Executive approved a report 'Cross borough procurement of Cultural Services'. In this report there were a number of recommendations requiring Executive decision before the detailed tenders can be evaluated.

'2.4 The Executive ask officers to report back setting out the specification along with any necessary consultation results, equality impact assessment and seeking approval to the tender evaluation criteria before inviting shortlisted suppliers to submit a detailed tender.'

2.6 *The Executive note the proposed governance arrangements set out in paragraphs 3.16-3.19 and ask that officers will report back to the Executive for approval to the governance arrangements once they have been developed further.'*

3.6 This report provides further information on those specific issues referenced in the January report

Strategic aims

3.7 Taking into consideration individual Borough's sports and physical activity strategy aims, the three borough's have identified the following shared strategic aims from the contract(s):

- a) To provide high quality, affordable and accessible opportunities for sport and physical activity that will increase levels of participation across the Partnership, particularly by children, young people and under-represented groups
- b) To enable and encourage more people in the three boroughs to lead a healthy active lifestyle, contributing to better public health outcomes including reduced obesity levels
- c) To provide an affordable, financially sustainable revenue position for each Council in respect of their respective leisure services
- d) To provide a continuously improving leisure service and annually improve user satisfaction levels across all the Partnership facilities
- e) To make a positive impact on the environmental sustainability of the leisure services across the Partnership boroughs to include: reducing utility and water consumption, waste land-filling and pollution; and proactively promoting sustainable travel
- f) To make a positive impact on social and economic sustainability across the three boroughs through working closely with the Partnership councils to provide enhanced staff training and career development opportunities as well as volunteering, apprenticeship and employment opportunities for local people.

Specification

3.8 Work to develop an outcome focussed specification for the cross-borough leisure work has progressed well. The specification sets out generic requirements for all three Borough's facilities:

- Leisure centres' sustainability and facilities management – including sustainability, housekeeping, marketing, maintenance and catering
- Leisure services – including opening hours, fees and charges, performance monitoring and reporting

3.9 Consideration of the themes and priorities of the 2010-2015 sport and physical activity strategy were considered when reviewing the service provision requirements of the leisure management specification. Brent has made a positive decision within the cross Borough contract to retain the majority of the service improvements that were introduced in 2006. Since there are no major changes proposed the equalities information is already available and no further formal consultation has been undertaken. The Borough specific requirements include:

- Leisure Centre Minimum Opening Hours

- Leisure Centre Protected Programming etc.
- Maximum Fees and Charges/Concessions

Further details of the main borough specific requirements are set out below.

Minimum opening hours

- 3.10 The specification proposes no changes to the minimum opening hours. So, Vale Farm Sports Centre will continue to be open from 6.30am Monday to Friday which will retain the early morning swimming session which is very popular. At weekends the centre will continue to open from 8am. At weekends the contractor will, if they wish, be able to close the facility at 8pm if there are no pre-booked events or activities. On week days the centre will continue to close at 10pm.

Protected programming

- 3.11 Sports clubs that have been long term regular hirers of Vale Farm Sports Centre will have their time slots protected with the new contract which will enable them to retain their membership.

Exercise Referral

- 3.12 The new contract requires the contractor to continue to work with local GP's health centres and the NHS to provide an Exercise referral programme.

Fees and charges

- 3.13 The contractor will continue to accept the Borough's Leisure Discount scheme; B.Active. The purchase of an annual B.Active card gives concessionary groups approximately 40% discount off leisure centre charges and 25% discount to non concessionary residents and non residents. The table below shows the current charges, the fees of which are set annually by the Council. The B.Active leisure discount card is accepted at all three of the Borough's sports centres. Concessionary discounts are only available to Borough residents and provide discount to those who are in receipt of benefits, full time students over 17, student nurses, senior citizens aged 60 plus and disabled people who hold a Brent certificate of registration.

B.Active card type	Cost	Valid for	Discount (up to)
Standard resident	£40	12 months	25 per cent
Standard non-resident	£72	12 months	25 per cent
60 plus and disabled resident	£6.50	12 months	40 per cent
Concessionary resident	£3.50	6 months	40 per cent

- 3.14 Brent will continue to offer free casual swimming to over 60's, disabled people and under 5's. During school holidays children aged 16 and under will be able to swim for free during the weekdays between 11am and 4pm. Young people and disabled people are a priority within the strategy for sport and physical activity with whom the Borough will target opportunities that result in increased participation in sport and physical activity. Enabling older people, disabled people and young people to swim for free will help address the Borough's health and well being priorities and assist in achieving the priorities of the Borough's obesity strategy.

- 3.15 The Council recognises the shortage of public swimming facilities in the Borough and the importance that swimming can play to all age groups as a form of physical exercise, therefore where the fees and charges for casual swimming apply to adults and children, the Council will control those fees and charges. Also, in accordance with the current contract, the contractor will also be required to offer junior sports clubs and schools use of the sports hall and synthetic pitch at 75% of the adult fee.
- 3.16 Under the current contract the Council controls the fees and charges for other activities including swimming lessons, sports hall hire, pool club hire. During the soft market testing contractors indicated their preference to control prices so that they can set charges that reflect the surrounding market and potentially offer a more competitive contract price. In the light of this, the new contract will give that opportunity.
- 3.17 A review of the charges for swimming lessons in neighbouring Borough shows that Brent's adult swim lesson charges are 13% lower (£5.60 compared to £6.30) than the average of neighbouring facility charges. Brent's junior swimming lesson charges are approx 8% lower (£4.95 compared to £5.34) than the average of neighbouring facilities. Therefore the contractor is unlikely to significantly increase their charges above those of the neighbouring boroughs.
- 3.18 The Council controls the fees and charges of swimming lessons at Willesden sports centre with the contract stating that prices will rise annually by RPIX. By relinquishing the control of swimming lesson prices, it is possible that the charges to learn to swim at Vale Farm could be different to those at Willesden sports centre. Officers will work with Leisure Connection, the service provider at Willesden Sports Centre to harmonise prices as much as possible between the two centres.

Benchmarking

- 3.19 As with the existing contract, the new contract requires the contractor to undertake Sport England's national Benchmarking Survey. This not only provides data on the profile of users, frequency and type of use but also identifies customer satisfaction and the centre to benchmark with other facilities and compare annual satisfaction scores.

Building maintenance

- 3.20 Over the duration of the existing contract the Council has been able to make improvements to the building structure and plant, replacing and improving items including: pool plant, synthetic turf pitch, boilers and pool chlorination systems.
- 3.21 In line with the existing contract, the new specification will require the contractor to be responsible for day to day repairs and maintenance, servicing and redecoration. This will incentivise the contractor to manage the building effectively and ensure that their maintenance programme minimises disruption to the operation of the centre.

- 3.22 The Council and the contractor will share responsibility for larger items of repairs and maintenance with the contractor responsible for reactive maintenance and planned preventive maintenance up to an item value of £5,000. For items above £5,000 the Council will be responsible.
- 3.23 The sports service has an annual budget of £50,000 to cover the Council's responsibilities for repairs and maintenance (this has reduced by £25,000 in 2012/13). Vale Farm Sports Centre is an ageing facility with increasing maintenance costs. As such there is the risk that in the future there could be a need for significant investment by the Council in the building. It is felt that it is more cost effective for the council to take this risk than the contractor include a premium for unknown risk which would lead to a higher tender price. However, this arrangement will require the Council to be able to respond in a timely way to maintenance issues and failure to do so could put the Council at risk of compensation claims from the contractor.

Procurement and tender evaluation

- 3.24 The contract is being tendered as three potential lots: to let a single contract with one provider for leisure and libraries combined ("Lot 3"), or two separate contracts, one for leisure ("Lot 1"), and one for libraries ("Lot 2"). Brent would only be party to Lot 1 and Lot 3. Brent library service is not included in this procurement exercise.
- 3.25 The contract has already been advertised in OJEU. We have received a number of enquiries / expressions of interest as a result of this, giving confidence that further engagement with the market will result in a positive outcome.
- 3.26 As leisure and libraries services are defined as Part B services under the Public Contract Regulations 2006 we have a degree of flexibility in how we manage the procurement process. There will be a two-stage approach, drawing on the most appropriate and useful elements of formal procurement practices:
- Stage 1: PQQ "plus" – to disqualify organisations who as well as failing to provide acceptable basic information, also fail to satisfy minimum requirements for the service.
 - Stage 2: Invitation to Tender (ITT), with an element of discussion and negotiation, to really push potential providers to show us the added value and creativity in their approaches.
- 3.27 The evaluation of PQQ plus will fall into two sections:
- Section 1: Qualification questionnaire – Pass/Fail questions covering areas such as fraud, previous experience, organisational policy etc.
 - Section 2: Technical questionnaire – scored method statements covering areas such as sustainability, service user experience, staff management, maintenance etc; plus leisure and library specific questions on opening hours, service development etc.
- 3.28 As part of the ITT process the tri-borough contract negotiation team will evaluate the tenders to establish the Most Economic Advantageous Offer based upon the following criteria:

- a) Originality and persuasiveness of proposal
- b) Operational viability of proposal
- c) Financial viability of proposal
- d) Is the proposal deliverable and sustainable

- 3.29 Each of these will be assessed against the 4 levels of:
- 0. major concerns – no convincing evidence provided, major issues and/or discrepancies,
 - 1. concerns –some convincing evidence provided, minor issues and/or discrepancies,
 - 2. good – good confidence in proposal, convincing evidence provided,
 - 3. excellent – high confidence in proposal, compelling evidence provided,

Length of Contract

- 3.30 Based on feedback from the market testing, levels of maturity of the external contractor markets for local authority leisure services the leisure contract will be let for a period of ten years from April 2013. Vale Farm will come into the contract from 1st November 2013 on expiry of the existing contract. A ten year contract will enable a contractor to have time to manage the centre, identify areas for improvement and investment, carry out any developments and have sufficient time to recover the costs of their investment. However, this does give a ten month period between the start of the contract and the launch date in Brent. If the incumbent provider was not the successful bidder there is a risk of a drop in performance and Officers will work closely with them to maintain standards.

Governance

- 3.31 The Executive report in January 2012 set out proposals for a Lead Borough in Partnership model. In this model one borough will take the lead and chair all officer meetings. If there was any element of delegation, the report noted that authority would be needed under Brent’s Constitution. Any requirement for delegation will be clearly set out in the final contract award report to the Executive.
- 3.32 For the purpose of the procurement only, Harrow Council is the central purchasing body for the Partnership and leading the procurement process and the contract terms and conditions. Subject to agreement of terms - by all three Councils (in respect of Lots 1 and 3) and by Ealing and Harrow Councils (Lot 2), each Council will be a party and signatory to the contract(s). Each Council would have to agree the award of contract in relation to the lots covering its services.
- 3.33 These ideas have been drafted to allow for each borough's administration to have sovereignty over its strategic decisions for its leisure service. Service

performance and development would continue to be regularly monitored and discussed with the Lead Members and decisions to be taken to the Executive as required.

- 3.34 In relation to management of the contract(s), for “Day 1” it is recommended that a model is implemented whereby current Heads of Service remain in place, with one or two of the boroughs managing a “functional specialism” for the other boroughs. The two functional specialisms are Leisure contract management; and Libraries contract management. The line reporting for the functional teams would be to the Head of Service in their respective borough. At this stage no suggestions have been made as to which borough will be the lead for each specialism.
- 3.35 The aspiration before the end of the contract would be to move to a fully integrated shared service, with a single “Head of”, with all specialisms in the same reporting structure. This is likely to provide the greatest cost savings both internally and through the contracts. More refinement will be needed before a move to a single “Head of” model could be implemented. The “responsible officer” role would remain within each borough at the Director level, with day-to-day management of the delivery potentially being the responsibility of the single Head of Service and governed by a Service Level Agreement (SLA) between the three Boroughs. Member governance would remain unchanged with the relevant Director providing performance and service delivery information to the relevant Lead Members and strategic options being taken to the respective Cabinet for decision.
- 3.36 Officers will continue to develop the Governance arrangements together with Ealing and Harrow and will provide a detailed proposal for the Executive to consider in the contract award report.

4 Financial Implications

- 4.1 Brent Council currently spends £320,000 per annum providing leisure services at Vale Farm Sports Centre. There are no new financial implications above and beyond those set out in the Executive report of 16 January 2012. The aim of the project is to ensure that Brent residents get the best possible price through a collaborative procurement with other boroughs.
- 4.2 Feedback from the soft market testing is that an external management partner can deliver savings through a combination of some or all of the following:
- Economies of scale (e.g. utilities and other supply and service contracts)
 - Tax-based savings
 - Operational efficiencies (e.g. shared management structure and specialists, flexible working, improved energy management)
 - Increase in income (e.g. in leisure through improved marketing and promotion including more customer-focused pricing options and activity programmes.)
 - Increased investment in the cultural facilities and services (e.g. through a Service Provider’s resources, attraction of more external funding)

- 4.3 The draft specification for the new contract does not require the contractor to make any significant capital investment in Vale Farm Sports Centre. However the gym equipment was purchased new by the Council when the contract was awarded in 2006 and will have come to the end of its life when the contract commences in 2013. It is envisaged that a new contractor will want to replace the gym equipment and the pricing schedule will ask the contractor to separately identify the cost of such capital investment so that the Council can consider if it is cheaper to invest via the contractor or to use prudential borrowing to purchase the gym equipment and/or any other proposed capital investment.

5 Legal Implications

- 5.1 The main power that the Council has to provide leisure facilities is under s19 of the Local Government (Miscellaneous Provisions) Act 1976. In addition to this power, the Council could use its powers under the Local Government Act 2000 (well being) to make the award. The Council is able to make changes for the services under the 1976 Act.
- 5.2 Leisure services are categorised as Part B services under the Public Contract Regulations 2006 ("the Regulations") and the contract therefore is not subject to the full application of the EU Regulations. It is however, subject to the overriding EU principles of equality of treatment, fairness and transparency in the award process.
- 5.3 The procurement and award of the contract is subject to the Council's Contract Standing Orders in respect of High Value contracts and Financial Regulations.
- 5.4 Legal advice will be required on the Governance and Shared Service Models once the proposals are further developed especially in relation to staffing issues, delegation of functions and any procurement implications and contractual issues arising from the proposals. Advice will be provided at the appropriate time prior to finalisation of proposals.

6 Diversity Implications

- 6.1 The Equality Act 2011 provides that the Council must comply with the equality duties set out in S149 when exercising its functions which includes the provision of leisure facilities. The equality duties include having due regard to the need to advance equality of opportunity between people who have a protected characteristic and those who do not, foster good relations and eliminate unlawful discrimination.
- 6.2 Whilst Brent Council continues to control the prices for casual swimming and hall hire for junior sports clubs, the successful provider will be allowed to set the prices for other services. The provider is very unlikely to raise prices excessively as it would reduce use of the sports centre and hence their income. This slight risk is justified as it will enable Brent Council to receive more competitive offers from tenderers .

- 6.3 To ensure equalities are actively promoted the contract with an external provider will include:
- Protection and enhancement of services and activities and targeted provision for protected groups and those key groups set out in Brent's sports strategy.
 - Quarterly contract monitoring and annual reviews to review requirements for protected groups
 - Annual user survey through the contract to identify user profiles and user groups satisfaction and importance of the services provided.
- 6.4 As set out in paragraphs 3.13 and 3.14 the council will continue to offer the B-active card offering concessions to key groups and targeted free swimming.
- 6.5 In the light of the finalised specification, the initial Equalities Impact Assessment prepared in January 2012 has been reviewed. There is minimal change to the specification and it continues to actively target the protected groups and those specific Brent target groups (paragraph 3.2). As there is no reduction or change in services, and as there was extensive consultation as part of the sports strategy there is no need to consult residents or users and there are no significant EIA implications.

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 The services at Vale Farm Sports Centre are currently provided by external contractors. The governance proposals will have implications for up to 0.5 FTE in Brent's recreation commissioning team within the sports and parks service, who may remain with Brent or transfer to Ealing or Harrow. These issues will be carefully managed as part of the project and legal advice will be sought once the shared service proposals have been further developed.

Background Papers

16 January Executive Report - Cross-borough procurement of Cultural Services

Brent's Sport and Physical Activity Strategy 2010 - 2015

Contact Officers

Gerry Kiefer, Head of Sports and Parks
Jenny Isaac, Assistant Director Neighbourhood Service

Sue Harper
Director of Environment and Neighbourhood Services

Impact Needs/Requirement Assessment Completion Form

Department: Environment and Neighbourhood Services	Person Responsible: Gerry Kiefer
Service Area: Sports and Parks Service	Timescale for Equality Impact Assessment : May 2012
Date: 21 May 2012	Completion date: 31 May 2012
Name of service/policy/procedure/project etc: Tri Borough procurement of leisure management services	Is the service/policy/procedure/project etc: New Yes Old
Predictive Yes Retrospective	Adverse impact Not found Found Service/policy/procedure/project etc, amended to stop or reduce adverse impact Yes No ✓
Is there likely to be a differential impact on any group? Yes- No ✓	Please state below:
1. Grounds of race: Ethnicity, nationality or national origin e.g. people of different ethnic backgrounds including Gypsies and Travellers and Refugees/ Asylum Seekers Yes— No ✓	2. Grounds of gender: Sex, marital status, transgendered people and people with caring responsibilities Yes No ✓
3. Grounds of disability: Physical or sensory impairment, mental disability or learning disability Yes No ✓	4. Grounds of faith or belief: Religion/faith including people who do not have a religion Yes No ✓
5. Grounds of sexual orientation: Lesbian, Gay and bisexual Yes No ✓	6. Grounds of age: Older people, children and young People ———Yes No ✓
Consultation conducted Yes No ✓	
Person responsible for arranging the review: Gerry Kiefer	Person responsible for publishing results of Equality Impact Assessment: Gerry Kiefer
Person responsible for monitoring: Gerry Kiefer	Date results due to be published and where: published as part of Executive Report going to the Executive on 18 th June 2012.
Signed: Gerry Kiefer	Date: 31/05/2012

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1. What is the service/policy/procedure/project etc to be assessed?

Brent Council owns three sports centres in the Borough, one of which it operates 'in house', one centre which is operated under a 25 year PFI arrangement and the final facility, Vale Farm sports centre which has been managed by external contractors under two separate leisure management contracts since 1999.

Leisure in the Community was awarded the contract to provide the leisure management services at Vale Farm sports centre in 2006. A two year extension was then taken up and the contract expires on 31st October 2013.

When the contract was tendered in 2006 the specification provided added value resulting in a better quality service which better aligned with Council priorities and helped achieve the aims of the Strategy for Sport and Physical Activity in Brent 2004 – 2009.

Officers have considered the option for the future management of Vale Farm sports centre beyond October 2013. Procuring a contractor based on one ageing, stand alone facility would not be attractive to the leisure market and is unlikely to offer the Council best value.

The London Borough of Harrow has two leisure centres whose leisure management contracts expire in May 2013 and Ealing has two leisure facilities which are run in house. In order to provide a more competitive leisure offer to the leisure market the Boroughs of Ealing, Harrow and Brent have agreed to work together to procure the provision of leisure management services at their five leisure facilities and award one leisure management contract across the three Boroughs. From soft market testing with leisure contractors the view was that this tri borough leisure portfolio was attractive to the market, would generate more interest than if offering individual contracts and that would therefore offer better value for money.

The tri Borough leisure management contract will have one generic specification with additional Borough specific requirements. The Borough specific requirements have focussed on trying to achieve the objectives of the Brent Sport and Physical Activity strategy 2010 – 2015.

2. Briefly describe the aim of the service/policy etc? What needs or duties is it designed to meet? How does it differ from any existing services/ policies etc in this area

The current (2006) leisure management specification includes a number of service requirements which were based on helping to achieve the aims of the 2004 – 2009 sport and physical activity strategy and improve customer satisfaction. These included: free swimming for targeted groups, targeted activity programming, customer consultation, outreach work, implementation and promotion of the Council's Leisure Card scheme and control of core prices.

In 2008/09 Brent's community sport and physical activity network (Brent CSPAN) began a review of their sport and physical activity strategy (2004 – 2009). They undertook considerable consultation, research and a 2010 – 2015 strategy (<http://www.brent.gov.uk/stratp.nsf/Pages/LBB-113>) was finalised which identified seven key themes and five priority groups that were under represented in terms of participation in sport and physical activity. These groups are: women and girls, disabled people, young people, black and ethnic minority people and adults aged 35 to 54.

The new tri borough contract will require the provider to work to one specification with additional specific individual Borough requirements incorporated which will help deliver each Borough's corporate aims and strategic objectives.

The specification will continue to require the provision of:

- Free swimming for targeted groups (over 60's, under 5's, disabled people with a certificate of registration from Brent Council and 16's and under during the school holidays.)
- Customer consultation – via a complaints system which links with the Council's corporate complaints procedure plus participation in the National Benchmarking survey.
- Acceptance of Brent's Leisure discount scheme B.Active. This gives discounts of up to 25% for Borough residents and non residents and 40% to concessionary groups which are Borough residents in receipt of benefits, full time students over 17, student nurses, senior citizens aged 60 plus and disabled people who hold a Brent certificate of registration.

B.Active card type	Cost	Valid for	Discount (up to)
Standard resident	£40	12 months	25 per cent

Impact Needs/Requirement Assessment Completion Form

Standard non-resident	£72	12 months	25 per cent
60 plus and disabled resident	£6.50	12 months	40 per cent
Concessionary resident	£3.50	6 months	40 per cent

- Opening hours that are the same as current provision i.e. opening at 6.30am on weekdays and 8am at weekends. Closing at 10pm on weekdays and has the potential to close at 8pm at weekends if there are no pre-booked events or activities
- Sports clubs that have been long term regular hirers of Vale Farm sports centre will have their time slots protected with the new contract. The contractor will be encouraged to honour bookings by clubs which have been more recent regular hirers.
- An exercise referral programme to be delivered in conjunction with local GP's, health centres etc.
- Fees and charges for casual swimming by adults and children will be controlled by the Council, rising annually by RPI. This recognises the shortage of public swimming facilities in the Borough and the importance that swimming can play to all age groups as a form of physical exercise
- Offering junior sports clubs and schools use of the sports hall and synthetic pitch at 75% of the adult fee as per the Borough's fees and charges policy.

However, under the current contract the Council controls the maximum fees and charges for other activities including adult and junior swimming lessons, sports hall hire, pool club hire, spectators. It is intended to remove these charges from the control of the Council so that the contractor can set charges appropriate to what the market can afford. This is the main difference within the specification compared to the current specification. As outlined above there are a number of mechanisms in place to ensure that the impact of this proposed contract variation would be closely monitored and corrective action taken if required. Furthermore, as detailed in section 4, the new service specification is expected to have a positive impact on reducing economic barriers to sports participation.

3. Are the aims consistent with the council's Comprehensive Equality Policy?

Yes. The specification is designed to help achieve the aims of Brent's Sport and physical activity which includes encouraging use by target groups which are currently under-represented including: women, young people, disabled people and people from black and minority ethnic groups and adults aged 35 to 54.

4. Is there any evidence to suggest that this could affect some groups of people? Is there an adverse impact around race/gender/disability/faith/sexual orientation/health etc? What are the reasons for this adverse impact?

The re-tendering of the leisure management contract and future provision of services to the new service specification is expected to have a positive impact as it is designed to reduce economic barriers to sports participation and increase awareness and opportunities for sports participation particularly amongst under-represented groups.

The contractor is required to set actions plans and targets to increase participation by the following target groups:

- Children
- Young people (17 – 24)
- Disabled people
- Black, Asian and Minority Ethnic Groups
- Women and girls
- Low incomes
- 35 to 54 year olds
- 60+

Thus pro-actively enabling these groups to make use of the facilities and opportunities at the centre. A national survey methodology called the National Benchmarking survey has been undertaken at Vale Farm sports centre for a number of years. An independent market research company interviews 300 users of the centre to create a user profile and in 2010 when the survey was last completed the profile of respondents was: 57% of respondents were female – 43% male. 76% were aged 20 to 59 with 17% aged 60+ and 9% aged 11 to 19. 75% were non white and 11% classed themselves as disabled

Free swimming is also provided to four target groups and in 2011/12 there were the following number of visits by

Impact Needs/Requirement Assessment Completion Form

these groups to the free swimming at Vale Farm sports centre:

8312 - People aged 60+.

1224 - Disabled people,

162 - under 5's

3679 - 16's and under during the school holidays

The Sport and Parks service will also promote the free swimming sessions to increase awareness of this opportunity. There is no further equalities breakdown in relation to the characteristics of the users of this free swim offer.

Casual swimming charges will be controlled by the Council. In 2011/12 there were 45,246 adult casual swims and 7494 junior casual swims. There is no equalities data in relation to casual swimmers.

In 2011/12 there were 36061 visits to junior swimming lessons and 5096 adult visits to junior swimming lessons. The contractor currently charges less than the maximum set by the Council for adult swimming lessons in order to try and attract more adults to learn to swim which in turn may mean that more adults will then be able to swim and so can attend casual swimming sessions. Many of Brent's schools also provide swimming lessons as part of their curriculum and many swim at Vale Farm sports centre. In 2011/12 there were 27,825 visits for school swimming. There is no further equalities breakdown in relation to the characteristics of the users of this free swim offer.

The B.Active card has been in use for many years. In 2011/12 at Vale Farm sports centre there were 466 concessionary B.Active cards sold, 191 resident cards sold and 21 non resident cards sold. Of the total B.Active cards sold, 51% were to females and 49% to males. Of the total cards sold 22% were to 17 to 24 year olds, 18% to 25 to 34 year olds, 37% to 35 to 54 year olds, 13% to 55 to 64 year olds and 9% to over 65's. In terms of ethnic origin of card sales in 2011/12 18% were White, 41% were Asian, 20% were Black, 3% were of mixed ethnic background 4% other ethnic group and 13% did not respond. The take up of the B Active card will continue to be monitored when the proposed contract takes effect.

Equalities data for the three "new" protected characteristics –pregnancy and maternity, marriage and civil partnership and gender reassignment have not been collected to date but the collection of equalities monitoring data is currently being reviewed on a council wide basis.

5. Please describe the evidence you have used to make your judgement. What existing data for example (qualitative or quantitative) have you used to form your judgement? Please supply us with the evidence you used to make you judgement separately (by race, gender and disability etc).

A range of evidence was used to inform the development of the 2010 – 215 sports strategy and this policy will help achieve the aims of that strategy.

In addition the data listed above has been taken from the 2010 National Benchmarking survey report and from 2011/12 usage data.

Equalities monitoring data collected during the lifetime of the current contract.

6. Are there any unmet needs/requirements that can be identified that affect specific groups? (Please refer to provisions of the Disability Discrimination Act and the regulations on sexual orientation and faith, Age regulations/legislation if applicable)

No

7. Have you consulted externally as part of your assessment? Who have you consulted with? What methods did you use? What have you done with the results i.e. how do you intend to use the information gathered as part of the consultation?

A large amount of research was considered and consultation undertaken as part of the process to produce the 2010 – 2015 sport and physical activity. This included:

- Sports strategy challenge day for key stakeholders
- Strategy workshop with sports clubs and disability groups
- the Active People survey 1 and 2,
- surveys with 12000 Brent school pupils
- Brent's Parks Survey

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<ul style="list-style-type: none"> • surveys with Brent Youth Parliament members, • sports centre user surveys, • Sports Centre National Benchmarking surveys • The Place survey • Residents Attitude survey 2009 • Brent youth parliament • Mosaic information and the Council's evidence based Review of other authorities leisure management service specifications • Consultation tracker
<p>8. Have you published the results of the consultation, if so where?</p> <p>The feedback received during the consultation on the Strategy for Sport and Physical Activity is available on the Council's website and was shared with all individuals and groups that made comments. http://www.brent.gov.uk/stratp.nsf/Files/LBBA-273/\$FILE/Consultation%20feedback%20on%20the%20Sports%20Strategy.pdf</p>
<p>9. Is there a public concern (in the media etc) that this function or policy is being operated in a discriminatory manner?</p> <p>No</p>
<p>10. If in your judgement, the proposed service/policy etc does have an adverse impact, can that impact be justified? You need to think about whether the proposed service/policy etc will have a positive or negative effect on the promotion of equality of opportunity, if it will help eliminate discrimination in any way, or encourage or hinder community relations.</p> <p>N/A</p>
<p>11. If the impact cannot be justified, how do you intend to deal with it?</p> <p>Not applicable.</p>
<p>12. What can be done to improve access to/take up of services?</p> <p>Not applicable The aim of retendering the leisure management contract is to work in partnership with the contractor to deliver a service that increases participation and helps achieve the aims of the strategy. The contractor will be required to undertake outreach work as part of their marketing strategy. Sports marketing information will include details of the free activities and the leisure card to ensure those who can benefit are aware of the opportunity. The Sports and Parks service within the Council will also promote the free swimming, leisure discount scheme and ensure that information on the website is up to date. Performance and equalities data will be rigorously monitored as part of the proposed new contract.</p>
<p>13. What is the justification for taking these measures?</p> <p>To increase usage at the centres by groups who are currently underrepresented and to encourage young people in particular to take part in sport and physical activity.</p>
<p>14. Please provide us with separate evidence of how you intend to monitor in the future. Please give the name of the person who will be responsible for this on the front page.</p> <p>The main monitoring method will be via the alternate year National Benchmarking survey which will enable the Council and the contractor to benchmark the profile of users, level of service satisfaction and take up of leisure card use. The monthly usage data provided by the contractor will enable us to benchmark data from previous years and we will assess their target groups action plans and achievement of targets at least annually.</p> <p>In addition regular monitoring meetings will be held with the contractors and facility users will be invited to customer forums, the results of which will be monitored as well.</p>
<p>15. What are your recommendations based on the conclusions and comments of this assessment?</p>

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Should you:
<ol style="list-style-type: none">1. Take any immediate action?2. Develop equality objectives and targets based on the conclusions?3. Carry out further research? <p>No.</p>
16. If equality objectives and targets need to be developed, please list them here.
New equality objectives are currently being developed for the council and will be in place by the time the proposed new contract is implemented. Similarly equalities monitoring mechanisms are currently under revision on a service area and council wide basis and will be in place when the proposed new contract is implemented.
17. What will your resource allocation for action comprise of?
Resources will be met from existing Sports Service revenue budget.

If you need more space for any of your answers please continue on a separate sheet

Signed by the manager undertaking the assessment:

Full name (in capitals please):

Date:

Service Area and position in the council:

Details of others involved in the assessment - auditing team/peer review:

Once you have completed this form, please take a copy and send it to: **The Corporate Diversity Team, Room 5 Brent Town Hall, Forty Lane, Wembley, Middlesex HA9 9HD**

An online version of this form is available on the Corporate Diversity Team website.



**Executive
18 June 2012**

**Report from the Director of
Environment and Neighbourhood
Services**

For Decision

Wards Affected:
ALL

The Weekly Collection Support Scheme

1.0 Summary

- 1.1. The Weekly Collection Support Scheme is a government challenge fund designed to support local authorities to introduce, retain or reinstate a weekly collection of residual waste and/or recycling (for example food waste).
- 1.2. This report explains the Brent context, describes a bid that has been submitted by officers and seeks Member's agreement to the submission of a full bid and acceptance of any grant offered.

2.0 Recommendations

- 2.1 That the Executive notes the purpose of the Weekly Collection Support Scheme.
- 2.2 That the Executive endorses the outline bid submitted by officers and agrees that officers should proceed to the submission of a full bid.
- 2.3 That the Executive agrees that should an offer of grant be made, that the Council should accept it.
- 2.4 That the Executive notes that this will commit the Council to continuing the services funded by the bid for a period of five years in total (ie two years beyond the funding provided by the bid).

3.0 Background

- 3.1 In September last year the government announced its intention to introduce a new Weekly Collection Support Scheme for councils that retain or reinstate weekly collections of refuse and recycling.

The aim of the scheme is to support local authorities to:

- introduce, retain or reinstate a weekly collection of residual household waste. In addition, these collections must be supplemented by a separate recyclables collection at least once a fortnight; or
- propose improvements to an existing waste service which is already centred around a weekly residual collection, for example by improving environmental performance, increasing the affordability or sustainability of that service; or
- add a weekly food waste (or organic waste) service to an existing fortnightly collection of residual household waste, where an authority can credibly demonstrate that this represents the preference of local people. This additional service will reduce the amount of biodegradable waste sent to landfill, and reduce the amount of biodegradable food waste that has to be stored in or around the home.

3.2 Funding

The Department for Communities and Local Government has made available up to £250 million to English local authorities over three years; £50 million in 2012/13, £100 million in 2013/14 and £100 million in 2014/15. Local Authorities that successfully bid for funding will be offered a Section 31 grant payment that they can use for either revenue or capital expenditure. There is therefore no threshold or cap on the amount of funding an authority can bid for. Local authorities may bid for up to 100% of costs or an element of the funding required to kick start a project. Local authorities may bid for a lump sum or to spread the bid over the three years of the scheme.

3.3 Eligibility

Any local authority in England can lead a bid – whether they are a collection or disposal authority. Each bid can be for funding for an individual local authority, a group of authorities, or a consortium that includes businesses/third parties. Examples of the type of projects the Scheme might support include: recycling schemes that divert more waste from landfill; reward schemes for householders that recycle more; equipment to increase collection capacity; investment in technologies like Mechanical Biological Treatment facilities, Materials Recovery Facilities, Composting or Anaerobic Digestion; and awareness raising campaigns.

3.4 A minimum five year commitment to weekly collections

The Scheme will award funding to local authorities that commit to weekly collections for (a minimum of) five years from 2012/13 (or the first year of the bid).

3.5 Expressions of interest were requested by 16 March 2012. The bidding timetable is as follows:

- Outline bids to be submitted by 11 May 2012.
- Feedback to local authorities on outline bids by 22 June 2012.
- Final bids should be submitted by 17 August 2012.
- The Secretary of State for Communities and Local Government will announce successful bids in October 2012.

4.0 Brent Context

Brent adopted its Household Waste Collection Strategy (2010-14) in December 2010. This introduced a new waste collection service for both street level properties and blocks of flats whereby:

- alternate weekly collections of refuse and recycling were introduced at street level properties.
- weekly collections of garden and food waste were retained at street level properties.
- weekly collections of refuse and recycling were retained at flats (flats do not currently receive food waste collections).

4.1 The performance of the new waste collection service (October 2011 – March 2012) compares very well to the performance of the previous service (April 2011 – September 2011):

- the average recycling and composting rate increased from 33.8% to 42.4%
- the tonnage collected with the new dry recycling service increased by 74%
- the tonnage of landfill waste decreased by 24%
- the tonnage collected with the organics service decreased by 17%

The Strategy sets a clear ambition to recycle 50% by 2015, with the current Administration's goal even more ambitious, seeking to reach 60% by 2014.

4.2 Officers appraised the main bidding opportunities as follows:

Re-instating weekly collections of recycling and refuse would not be helpful in meeting the council's short and long-term objectives, nor would it be cost-effective or practical. The new service has helped save over £600k in disposal costs in its first six months of operation. It is designed to deliver £1m savings annually (a £5m saving over 5 years). A return to weekly collections would not only compromise that saving but would also require extra investment in new collection vehicles. It would also fundamentally confuse residents. It is unlikely the council would receive funding at a level that would fully compensate.

Officers are convinced the most beneficial option – and the one most likely to secure funding – involves improving current arrangements for the weekly collection of food waste; both from flats (where no service is currently made available) and from street level properties. A two-part bid has, therefore, been devised.

5.0 **Two-part Bid**

5.1 **Flats**

To introduce a new food waste collection service at 326 blocks of flats (8,600 households) during the first quarter of 2013/14.

Policy 3 (Action 11) of Brent's Household Waste Collection Strategy outlines the council's intention to introduce communal food waste collections from suitable blocks of flats. The introduction of food waste collections at blocks of flats is also recognised as a key environmental priority in London. This desirable improvement is not, at present funded and the WCSS provides an opportunity to implement this element of the existing Waste Strategy.

Eligibility: Improvement to an existing waste service which is already centred around a weekly residual collection by improving environmental performance and increasing the sustainability of that service.

5.2 Street level properties

To carry out annual distributions of caddy liners to residents to ensure participation and capture rates are sustained and increased over time.

Policy 2 (Action 9) of the Household Waste Collection Strategy outlines that council's plans to expand the food waste collection service to all street level properties. Food waste is a key waste stream targeted by waste policy initiatives as its diversion from landfill delivers key environmental outcomes. The service was introduced in October 2011. Until recently, residents could not use biodegradable liners due to concerns raised by the reprocessing plant. These concerns have now been overcome and suitable liners have been identified. The council will distribute a starter pack of caddy liners to all residents during the first quarter of 2012/13. The bid would provide funding to maintain this pattern of distribution for a further three years. Residents would receive caddy liners and service information on annual basis. This would serve to maximise participation and capture rates.

Eligibility: Improvement to a weekly food waste (or organic waste) service that is aligned to an existing fortnightly collection of residual household waste. Officers can credibly demonstrate that this represents the preference of local people, will reduce the amount of biodegradable waste sent to landfill, and will reduce the amount of biodegradable food waste that has to be stored in or around the home.

5.3 The bid seeks £312,638 (over three years) to provide:

- containers (kitchen caddies)
- caddy liners (procurement and distribution)
- site improvement (food waste housing)
- installation works
- professional fees (temporary project support)

Financial year	Level of grant sought
2012/13	£160,128
2013/14	£92,850
2014/15	£59,660

5.5 The bid will demonstrate that the funding would support new activity rather than activity that would progress anyway.

5.6 Officers recognise the environmental and financial advantages of diverting food waste from landfill. The proposed funding would allow the council to target this key waste stream to further improve recycling rates. It is estimated that the proposed scheme would lead to a saving of 20,891t in CO_{2e} emissions over a five-year period.

- 5.7 The bid proposal demonstrates value for money because the current gate fee at the in-vessel composting facility is set at £37 (2012/13). This compares to £97 landfill tax (2012/13).
- 5.8 Officers submitted an Expression of Interest on 16 March. An outline bid was submitted in advance of the 11 May deadline.
- 5.9 Officers understand that UK-wide expressions of interest already amount to around £500m, i.e. double the amount available. The likelihood of the council being awarded funding should be considered in that context.
- 5.10 The Secretary of State for Communities and Local Government will announce successful bids in October 2012. The money for projects receiving funding within Year 1 will be made available within two months of the announcement of successful bids. Work to implement the service changes will commence soon after. Officers will advise Members as soon as a decision is made known.

6.0 Financial Implications

- 6.1 The financial advantages of diverting food waste from landfill are clear-cut. The bid proposal demonstrates value for money because the current gate fee at the in-vessel composting facility is set at £37 (2012/13). This compares to £97 landfill tax (2012/13). This represents a £60 saving for every tonne collected for composting. The diversion of an extra 3,000 tonnes per year will generate an annual saving of £180,000, for example. The council is not required to provide match funding and the new services can be wholly aligned to existing collection arrangements.
- 6.2 The Council would be committed to continuing the weekly collection of food waste from the relevant properties for five years from the start of the scheme. The capital costs of the containers for the food waste collections from flats would be met in the first year of the funding. Officers anticipate that the increased collection of recyclable waste will allow the scheme to be funded from the reduced waste disposal costs for the two years following the funding, and would expect this to become a permanent part of the Council's recycling and composting arrangements. The same is expected to be true of the provision of caddy liners for those households which already have food waste collections.

7.0 Legal Implications

- 7.1 The Department for Communities and Local Government ('DCLG') proposes to award section 31 of the Local Government Act 2003 grant funding to Local Authorities that bid successfully under the Weekly Collection Support Scheme. The grant funding will be provided to local authorities for a period of 3 years although authorities' must commit to the scheme, as part of the grant conditions, for 5 years to ensure local authorities are committed to putting customer service and residents needs first when configuring local waste services.
- 7.2 Under the scheme, it is expected that the s.151 Officer (currently, the Director of Finance and Corporate Resources) will sign off the bid application to ensure it meets due diligence and the s.151 Officer shall be accountable to DCLG for the grant funding to ensure it is spent responsibly.

- 7.3 Should the Council's bid for funding be successful; Officers must ensure that any subsequent changes in the delivery of the waste collection services shall be recorded as a deed of variation to the existing waste services contract, on advice from Legal Services to ensure compliance with the Public Contract Regulations with regards to amending the current waste contract.
- 7.4 Moreover, Officers shall ensure that if the Council's bid is successful that it can adhere to the 5 year commitment considering the current waste services contract has 2 years remaining.
- 7.5 Further, Officers must ensure that any procurement of goods and services undertaken as part of the process stated at section 5.3 of this report, complies (as applicable) with the Public Contract Regulations 2006 (as amended) and the Treaty on the Functioning of the European Union.

8.0 Diversity Implications

- 8.1 The proposals in this Report have been subject to screening by officers, who consider that there are no specific diversity implications. The introduction food waste collections from flats will further widen the range of recycling services that are made available to all of Brent's residents.

9.0 Staffing/Accommodation Implications

- 9.1 There are no staffing or accommodation issues arising from the recommendations in this Report.

10.0 Environmental Implications

- 10.1 These proposals will directly support the Council's Household Waste Collection Strategy. The introduction of food waste collections at blocks of flats is recognised as a key environmental priority in London. Improving organic waste collections from street level properties will maximise participation and capture rates. Food waste is a key waste stream targeted by waste policy initiatives because its diversion from landfill delivers key environmental outcomes.

11.0 Background Papers

- 11.1 Appendix 1

Weekly Collection Support Scheme Frequently Asked Questions (DCLG)

Contact Officers:

Chris Whyte, Head of Recycling and Waste, chris.whyte@brent.gov.uk, 020 8937 5342

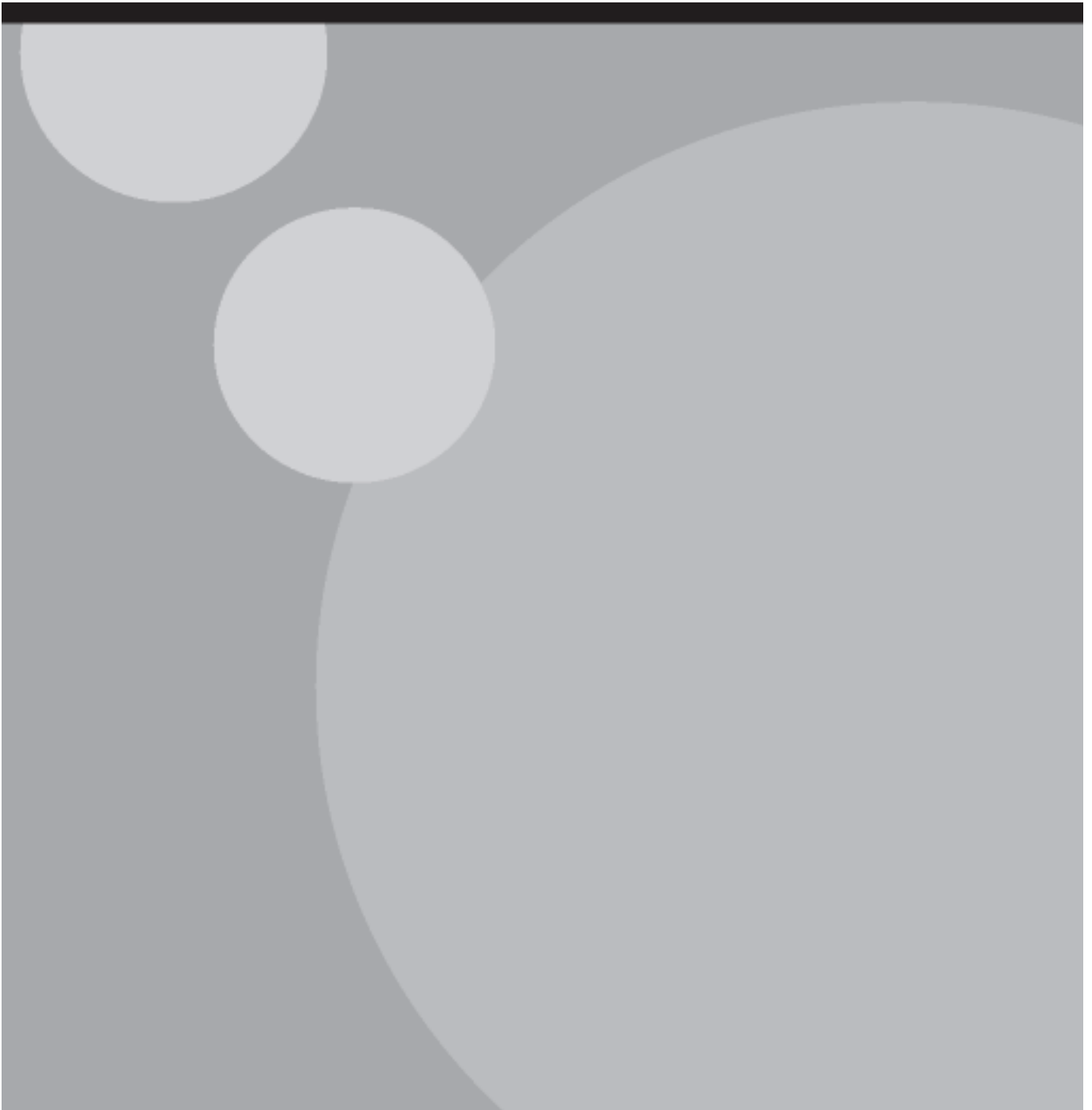
Sue Harper

Director of Environment and Neighbourhood Services



Weekly Collection Support Scheme

Frequently asked questions





Weekly Collection Support Scheme

Frequently asked questions

May 2012
Department for Communities and Local Government

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Introduction

This FAQ document has been compiled to help local authorities that are interested in bidding for funding as part of the Weekly Collection Support Scheme. It responds to issues raised during the expression of interest process and at the recent LGA led workshops and provides technical advice on completing the bidding form. It covers the following key sections:

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General

1. What are the objectives of the Weekly Collection Support Scheme?

The Weekly Collection Support Scheme is a challenge fund designed to support local authorities to introduce, retain or reinstate a weekly collection of residual waste and/or recycling (for example food waste).

Examples of the type of projects the Scheme might support include; recycling schemes that divert more waste from landfill; reward schemes for householders that recycle more; equipment to increase collection capacity; investment in technologies like Mechanical Biological Treatment facilities, Materials Recovery Facilities, Composting or Anaerobic Digestion; and awareness raising campaigns.

2. What are the criteria of the Weekly Collection Support Scheme?

Through this challenge fund approach, innovative bids will be invited from local authorities that:

- Guarantee to introduce, retain or reinstate weekly collections of residual waste for five years; and
- Provide environmental benefits or improvements on current environmental performance; and
- Demonstrate value for money.

In addition, and in recognition that some councils are locked into long term contractual arrangements tying them to fortnightly collections, the Scheme will also accept bids from councils with a fortnightly refuse collection that do not currently offer a weekly food waste collection. The addition of a weekly food waste collection for five years in this circumstance is considered to offer an increase in the service offered to householders.

Key to any bid under this Scheme is that a project can demonstrate additionality against these criteria.

3. What projects will be eligible for funding under the Weekly Collection Support Scheme?

Projects that meet the objectives and criteria of the Weekly Collection Support Scheme are eligible for funding. As a challenge fund, bids will be assessed as to how well they score against the criteria and how they compare relative to other bids.

4. What is Weekly Collection Support Scheme funding timescale?

The Weekly Collection Support Scheme is a three year fund from 2012/13 to 2014/15. The spend profile is up to £250m over three years: £50m in year one, and £100m in each of years two and three. Outline and final bids should clearly profile requested funding, which could be either in a single

year sum or spread over the one, two and/or three years of the Scheme. Local authorities should provide a profile of expenditure as part of their bid. Where possible the Department will try to accommodate the funding profile requested by successful bidders, but the budget is limited to a fixed amount in each year so until all bids have been assessed no guarantees can be made that a specific profile can definitely be met. In order to maximise the positive impact of the fund, the revised outline bid form asks local authorities about whether or not they can be flexible about the year in which they receive funding.

5. What is the timetable for the bidding process?

- Expressions of interest were requested by 16 March 2012.
- Outline bids should be submitted by 11 May 2012.
- Feedback to local authorities on outline bids by 22 June 2012.
- Final bids should be submitted by 17 August 2012.
- The Secretary of State for Communities and Local Government will announce successful bids in October 2012.

6. Why is the funding for three years but the commitment for five years?

This scheme is designed to invest in better weekly collections. Making a five year commitment to weekly waste collections, demonstrates that local authorities are committed to putting customer service and residents' needs first when configuring local waste services. Helpfully, it also enables councils to profile over the medium term the positive impact this funding can have in terms of delivering better cost-effectiveness and environmental outcomes.

Eligibility

7. Who can bid?

Any local authority in England can lead a bid – whether they are a collection or disposal authority. We also encourage joint bids from groups of local authorities or consortiums (including businesses/third parties). For grant allocation purposes however the lead bidder in all instances must be an English local authority¹.

8. Will bids from local authorities with contracted out waste services be treated differently from those that operate in house waste collection services?

No.

¹ Please note: This Scheme is limited to English local authorities, and the fund will not support bids from the rest of the United Kingdom.

9. Does the bid have to cover the local authority area as a whole or can it apply to a particular part of the area?

A local authority can submit a bid to improve weekly waste collection in the entirety of their locality, or a bid to improve a particular part of it (for example improving weekly collection and recycling facilities for flats in an inner city area of the local authority). Bids should make very clear the coverage of the project for which they want funding (i.e. the number of households). There is no minimum number of residents that must benefit from the bid. However, the scoring system will take this into account. This is why we ask for information about the percentage and total number of households in the bid form.

Similarly, where there is a joint bid with a disposal authority, for scoring purposes, the number of households benefiting from the funding will only include those in participating districts that have a weekly collection (within the terms of this Scheme).

10. Can a local authority bid for funding for communal waste collection facilities?

For many flatted properties it would be artificial to try to distinguish between individual household collections and communal facilities. Whether proposals that involve communal bins (or bring sites for recyclables) are within the scope of the scheme will be a question of fact and degree. However, local authorities will need to explain the link and benefits to residents of communal or bring sites that are over and above what is practicable at the household level.

11. How much will each area be able to bid for?

There is no minimum or maximum amount for which a local authority can bid for through the Weekly Collection Support Scheme fund. It is possible to bid for up to 100% of the costs of a project. There are no extra points for bidding for less than is needed to successfully run a project (and nor do we want to create pressure on other budgets). If the Technical Advisory Group considers that costs are unreasonable relative to industry standards at outline bid stage, this will be fed that back to local authorities and they will have the opportunity to review their costs before submitting a final bid.

12. Is there a limit to the number of bids a local authority can make?

No. Councils can make as many applications, for as many projects, as they like either individually or as part of a group/consortium. Authorities need to make a choice between submitting a number of individual bids or one overall bid, but they should not submit both an overall bid and individual bids where these are covering the same project. Under that scenario, the WCSS Team will only assess the summary bid. The Weekly Collection Support Scheme is a challenge fund and all bids are in competition with one another. We recommend focussing effort on bids

that fully meet the fund objectives and criteria and on quality rather than quantity. In addition, bidders should consider the impact of the state aid de minimis threshold in relation to an accumulation of all their bids. Where an authority submits individual bids, they need to ensure that they don't duplicate elements of another bid, e.g. claiming the same benefits twice, as that would impact on how those bids score. All bids will be assessed independently, based on their own merits.

13. Can a local authority bid to reduce the number of recycling containers used by residents?

A local authority can bid to reduce the number of containers used by residents for their waste and recycling collections if a local authority can demonstrate that this change will enable them to fulfil the criteria of the Scheme.

14. If a local authority has received or is continuing to receive PFI credits for their waste collection and/or disposal services, can they still apply under the fund?

Yes. Bids should however identify what linkages, if any, there are with other Government funding for related waste and recycling services or infrastructure and the Council's Waste Management Strategy (where one is in place).

15. Can waste partnerships (of more than one local authority) bid for funding from the Weekly Collection Support Scheme?

Yes, we especially welcome partnership bids between local authorities where this can improve efficiency and lead to greater financial savings. However, in all partnership bids one local authority should nominate themselves as the lead bidder and accountable body.

16. Can public-private consortiums make a joint bid?

Yes, we are encouraging joint bids between local authorities and the private sector where this streamlines waste services and enables better value for money. However, the local authority must be the lead bidder as funding will be administered through the local authority and must relate to expenditure of that authority.

17. We have started on our project but have seen that Weekly Collection Support Scheme funding might have been available, can we apply retrospectively?

Funding cannot be provided retrospectively, however, funding can be provided to continue a project where it can be demonstrated that it would otherwise be abandoned due to a lack of funding.

18. Can bids seek funding to accelerate projects?

Bids for funding to accelerate the implementation of a project are possible but the benefits will only be assessed as those occurring in the period between delivery and when the project would in any case have gone ahead. All projects must meet the objectives and criteria of the fund.

Finance

19. Can local authorities bid for revenue or capital funding?

Local authorities will receive revenue funding, however subject to the usual public finance rules, this can be used to support revenue or capital expenditure. There is no preference towards either revenue or capital bids.

20. How do Public Sector Procurement rules apply to projects funded by the Weekly Collection Support Scheme?

We will be asking bidding authorities to set out how they intend to procure goods and services and assurances that UK and European procurement rules have been adhered to.

21. Whose responsibility is it to ensure that a bid meets due diligence requirements?

It is the responsibility of the Section 151 Officer (usually the Chief Executive) in the local authority to sign off and confirm that the bid meets due diligence requirements. The cost of this should be borne by the bidder. We are seeking S151 Officer sign off at both outline bid and final bid stage.

Where a local authority has an election in May 2012 it is fine for the outline bid not to have such sign off, however it is a requirement for all local authorities at final bid stage. S151 Officer sign off can come in the form of an electronic signature, by the bid being submitted from the S151 Officer's email account, or by inclusion of an e-mail from the S151 Officer's e-mail alongside the bid confirming their sign off.

22. Does the local authority have to monitor the delivery and outcomes of waste services provided by funding from the Weekly Collection Support Scheme? Does it have to complete an impact assessment?

We will not be asking for any specific monitoring of the delivery of waste services. We expect local authorities to be accountable to their residents and a local authority that secures funding from the Weekly Collection Support Scheme will need to make a public commitment to provide weekly waste collections for five years.

Councils already complete Waste Data Flow, and we would expect that councils in receipt of funding would continue to publish this information

and use this to aid any in-house monitoring required to ensure their service is meeting the needs of their residents. An impact assessment is not a requirement on the bidding form and we do not want councils to submit one as part of their bid.

23. Will there be a reserve list or a second round?

We will be looking to announce successful bids in the autumn. We have not ruled out the possibility of a second round, but it is unlikely.

24. When will the funding be made available?

The money for projects receiving funding within year one will be made available within two months of the announcement of successful bids. Funding allocations for future years will depend on the needs of local authorities, and exact payment dates will be agreed between them and central Government on an individual basis.

Administration of funding

25. How will funding be administered and will it be ring-fenced?

Payments will be in the form of a Section 31 grant payment which is not ring-fenced. This kind of grant payment allows local authorities greater flexibility in how they go about providing services to their residents. DCLG will not clawback funding awarded under this Scheme in-year. However, in order to minimise risk, funding will only be paid one year at a time.

The profile of payments and whether funds are paid in advance or arrears (within the financial year) will be agreed once successful bids have been identified. In a few cases, where appropriate, e.g. for some larger projects still requiring planning permission, DCLG will set out a staged payment process linked to milestones and payment made following an authority meeting those milestones (e.g. securing planning permission). The Section 151 Officer in the lead bidding authority will be personally accountable for ensuring that funding is spent responsibly.

26. Is there financial flexibility in the spend profile of the funding?

One of the questions in the outline bid form asks local authorities to identify whether there is flexibility in their bid in terms of the year when they receive the funding. Some local authorities will be unable to offer flexibility in terms of their proposed spend, but the form provides space for those councils that are able to work flexibly to provide quality waste collection services to make this known. In terms of the flexibility of the Weekly Collection Support Scheme spend profile of £50m in year one and £100m in each of years two and three, there is no room for this to be rolled over into subsequent years.

27. Does a local authority have to spend their funding allocation in the financial year in which they receive it?

A local authority should set out in their bid when they expect to spend funding should they receive it. A bid should make clear in which year a local authority anticipates spending the funding. A local authority might find it helpful to discuss with their in-house finance team how non ring-fenced grants are administered.

28. Do state aid rules apply?

Local authorities need to ensure that there will be no breach of state aid rules and we will ask for an assurance that this is the case as part of the due diligence check. The state aid rules (which are set out in Articles 107 to 109 of the Treaty of the Functioning of the European Union) apply to all public funding within the European Union.

Feasibility

29. What is the membership of the Technical Advisory Group?

The Technical Advisory Group will be chaired by Shehla Husain (DCLG) and is made up of representatives from the Department for Communities and Local Government (DCLG), the Department for the Environment, Food and Rural Affairs (Defra), the Local Government Association (LGA), the Environmental Services Association (ESA), Local Partnerships (LP) and WRAP.

30. The prospectus states that the Technical Advisory Group will assess the feasibility of a bid, what does this mean?

The Technical Advisory Group (TAG) will review each bid in terms of the evidence and information presented against the criteria. As part of that, they will review the bids to ensure that they can be delivered, are achievable and realistic and that sufficient governance and/or infrastructure is in place (or being prepared) to support the proposed project. Where the Technical Advisory Group consider that a bid does not sufficiently demonstrate the feasibility of the bid then they will advise the policy team, who may in turn request more information. All local authorities should ensure that any submitted bids follow the standard processes and procedures for spending public money.

31. If planning permission is required in order for a project (e.g. infrastructure) to go ahead, does this need to be secured in advance of submitting a bid?

Planning permission does not need to be in place in advance of bidding. However if planning permission is not in place, the bid should include: detail on the risks of not obtaining this permission, if permission fits in with the local authority's planning strategy, and if planning permission has

previously been rejected for the same or similar project. Furthermore, projects must be in the position to be underway within the three years of the fund's spending profile. Where planning permission will delay the project beyond these three years funding will not be granted.

32. What if planning permission is required for infrastructure to support the scheme but the proposal is refused or significantly delayed?

The letter for successful bidders will make it clear that provision of funding will be dependent on the project receiving the necessary planning permission. Where planning permission for the proposal has been significantly delayed we would expect the local authority to contact us to discuss the timing issue. It will not be possible to pay any money after 31 March 2015.

33. Does a local authority need to hold a public consultation before submitting a bid?

No, however the application form will require local authorities to confirm that residents' needs have been considered in the configuration of waste services being funded by this Scheme.

Where an authority intends to consult or canvass opinion to shape the delivery of a bid this should be detailed in the application, especially if some / all of the funding being bid for will support the activity being consulted on.

Submitting a bid

34. How should a local authority submit their outline bid?

Bids should be submitted no later than midnight, 11 May 2012 to; weeklycollectionsupportscheme@communities.gsi.gov.uk

Please start the subject line of the email with 'WCSS OUTLINE BID <INSERT NAME OF LEAD BIDDING AUTHORITY>'.

35. Can a local authority submit an outline bid even if they haven't made an 'expression of interest'?

Yes.

36. Can a local authority submit a final bid if they don't submit an outline bid?

No, a local authority must submit an outline bid by 11 May 2012. Only local authorities who have submitted an outline bid are eligible to submit a final bid.

37. Can the outline bid deadline of 11 May be extended?

No. The deadline for outline bids is midnight on 11 May. The timetable has been designed to enable DCLG to announce successful bids in Autumn 2012, to provide early certainty for authorities. This timetable does not provide any room for the extension of outline bid or final bid deadlines. This remains the case where a local authority does not require funding in year one, or where a local authority has an election this year, or where a local authority is affected by the Olympics.

38. Will any lee way be given for late bids?

Bids must be received according to the timetable laid out in the prospectus. Should any council have unforeseen and exceptional difficulties in achieving the outline bid deadline they must contact the project team ahead of the deadline to discuss. It will be possible to submit an incomplete bid; however we strongly encourage bids to be as complete as possible otherwise DCLG may not be able to provide bespoke feedback.

39. Will any bids be rejected at outline bid stage?

No. Bids will not be rejected until the final bid stage. At the outline bid stage feedback will be provided that will identify areas of a bid that a local authority can improve before the final bid deadline.

40. When will local authorities receive feedback after outline bids?

Local authorities will receive this feedback by 22 June 2012. This feedback will be in writing and emailed to the relevant local authority by DCLG.

41. How much detail should be included in an outline and then final bid?

The outline bid form should be completed as fully as possible so that DCLG can provide the best possible feedback to local authorities in advance of the submission of their final bid.

42. Does a local authority have to pursue the same project throughout all the stages of bidding?

No, we recognise the need for some flexibility. However, we strongly encourage local authorities to submit viable outline bids that they intend to develop to final bid stage as this will ensure they receive relevant feedback.

43. What support is available to help bidders?

The Local Government Association and DCLG recently ran a series of Waste Workshops across the country for officers preparing bids in order to provide them with more information and advice. Queries can also be

directed to weeklycollectionsupportscheme@communities.gsi.gov.uk. We will also continue to update this FAQ list based on the questions received.

If a council chooses to employ the services of external experts to help in the preparation and presentation of a bid then these costs must be met by the bidding authority.

44. Will it be acceptable to submit an outline bid as “subject to consultation feedback” and thus including the options which would be consulted on rather than a single detailed solution?

Yes. If possible, the outline bid should focus on the preferred option / the option that is expected to be successful. The final bid will however need to include the final, settled proposal for which funding is being sought for.

45. Will it be acceptable to modify a final bid in light of the outcome of a consultation and if so to what extent?

No, it is not possible to amend any final bid submitted by 17 August as DCLG will be taking decisions about what projects to fund. If money has been awarded but the project is no longer being pursued then we would expect the local authority to notify us and return any amount of grant that had not so far been disbursed.

Assessing bids

46. What are the ‘weightings’ of the different criteria and when will they be published?

The weightings for each of the criteria can only be set once all the final bids have been received. As set out in the Prospectus, the weightings will be set following sensitivity analysis, with the aim of ensuring that the scheme as a whole offers value for money and delivers environmental benefits, and provides a reasonable spread of successful bids. For example, by type of bid, geographical spread, and the number of households and local authorities benefiting. Successful bids are likely to be those that score best against the range of criteria. The final scoring system will be published following the announcement of successful bids.

47. Is the information submitted by a local authority treated confidentially?

Detailed information contained in individual application forms will be treated as commercially sensitive and confidential but could be aggregated to form a public picture of the number, value and location of bids received. The actual bids (and supporting materials) and assessment scores will not be disclosed. Bid information will be seen by Ministers, the Project Board (chaired by Patrick White Director of Local Government Policy at DCLG), the Technical Advisory Group (chaired by Shehla Husain, Deputy Director

of Local Government Accountability and Transparency at DCLG), and the core policy team members within DCLG, Defra and HMT.

Additionality

48. What is 'additionality' and how important is it?

At both outline and final stage bids there will need to be a clear statement of what would happen if the bid was not successful. We refer to this as "the counterfactual". This is essential in assessing what environmental or efficiency improvements would arise directly from a decision to award funding. Clearly, if a local authority submitted more than one bid, we would expect the counterfactual basis to be the same for each bid.

For any bid where expenditure has been committed prior to the announcement of the scheme then that element cannot be genuinely additional. S151 officers will need to formally sign off that the "counterfactual" is a true reflection of the local authority's intentions in the short-medium term (although we recognise that it may be difficult for this to be done formally at outline bid stage given local government elections in some areas and more generally the process that individual local authorities will need to go through to get S151 Officer sign off).

49. How can a local authority retaining a weekly collection demonstrate additionality?

If an authority is bidding to fund a residual collection that might have been abandoned (for example, because of planned budget cuts) or where an authority is extending the coverage of their residual collection to more households within their area, this would constitute an 'additional' service. Authorities could bid for up to three years of revenue support to retain a weekly residual collection, but to avoid subsidising inefficient services, local authorities have been asked to report against key cost elements which we will then compare with industry benchmarks. Where a decision has been taken to move to fortnightly collections but this has not yet been implemented, and a local authority is bidding to retain weekly residual collection, then proof of this decision would establish the 'additionality'.

Alternatively, for authorities that would still be able to offer a residual collection without the support of the Scheme, additionality can be demonstrated by improving the service level in some other way. For example; by improving recycling rates, affordability or sustainability of the weekly service for local council tax payers.

50. How do local authorities that currently offer a high quality, comprehensive service demonstrate additionality?

A local authority in this position should highlight their high starting point. They still need to demonstrate some form of additionality under the Scheme.

51. Can the Fund cover whole costs (eg for vehicles) or only proportion of costs?

A local authority is encouraged to bid for the amount of funding required for the scheme to be successful and meet residents' needs. It is acceptable for local authorities to bid for the entirety of the costs for the project proposed in the bid, this is to ensure that a local authority does not simply shift costs from one frontline service to another. During the assessment process, DCLG will be looking at evidence of 'additionality' and not simply at the total cost of the proposal.

Commitment to weekly collections

52. Is there an option for an 'other' weekly collection type beyond the eight on the form (Section 3) which were provided by WRAP?

No, a large amount of research by WRAP has concluded that most local authorities operate a waste collection pattern for residual and/or food waste that fits into one of these eight categories. Where a local authority believes that it operates a pattern outside of these eight they should contact WRAP to discuss this further.

53. Is the frequency of recycling collections important?

Yes, as outlined in the Prospectus, a local authority must operate recycling collections at least fortnightly to be eligible to bid for funding from the Scheme.

54. Is a weekly food waste collection a 'weekly collection'?

Primarily, a weekly collection is a weekly collection of residual waste with additional recycling of food waste or dry recycling at least once a fortnight. Authorities that have worked hard to preserve weekly residual collections can also bid into the Scheme if they want to add a new recycling component such as weekly food waste. In addition, if a local authority is already operating a fortnightly collection of residual waste, then they may bid to reinstate weekly collections or to add an extra collection of food waste once a week.

55. Why can a local authority with a fortnightly collection that adds a weekly food waste collection bid for funding but an authority with a weekly collection moving to a fortnightly collection with weekly food waste cannot?

This scheme is about offering more comprehensive, better front line services. It would be perverse to fund what would amount to a withdrawal or reduction in the level of service currently offered.

56. Can a local authority with a residual waste collection that is more frequent than once a week bid for funding from the Scheme?

A local authority that collects residual waste more frequently than once per week fulfils the definition of one of the three core criteria (offering a weekly waste collection) and as such is eligible to bid for the Scheme where it can demonstrate that it meets the other core criteria which are; delivering cost-effective service and delivering environmental benefit.

57. Would it count as a five year commitment to a weekly collection if a local authority commits to a weekly waste collection for flats / a small area, but the rest of the authority's area moves to fortnightly residual collection within the five years?

No. The commitment relates to retaining a weekly collection for five years for those households already receiving a weekly collection and any additional households. Where authorities are reinstating weekly collections, the commitment relates to the number of households identified in the bid as receiving a reinstated collection.

58. Is there a preference for food waste?

The hierarchy against which bids will be judged is outlined in the Prospectus as:

- i) a weekly residual collection alongside a weekly recyclables collection;**
- ii) a weekly residual collection with fortnightly recyclables collection;
- iii) adding a weekly food waste (or organic) collection to a fortnightly collection of residual household waste.

59. What does the Prospectus mean by 'local support' required for bids to add a weekly collection of food waste to a fortnightly residual collection?

The Prospectus requires that bids evidence "credible local support" where they plan to introduce a weekly food waste collection against the background of a fortnightly residual collection. Our intention isn't to put local authorities through extra hoops or to unnecessary expense.

However national level data or general satisfaction levels with waste services as a whole would not be sufficient. Ministers have been clear that scheme support for food waste collections depends on demonstrating that they are the genuine choice of the local people affected.

Although a formal survey would certainly provide this assurance, other things might also suffice, for example:

- A consultation, possibly informal, with local people. That could be via a website, a forum or a neighbourhood meeting for example;

- A winning party's election campaign making reference to bringing in food waste collections;
- Evidence of customer satisfaction on a pilot scheme; or
- Some other similar indication from local surveys.

60. When does the five year commitment start?

Our expectation is that bids demonstrate a five year commitment to deliver weekly waste schemes from the point that new schemes (new food waste schemes or weekly collections being reinstated) begin being implemented, or where weekly schemes are already in place that there is a commitment to maintain them for five years from the date of any offer letter for a successful bid.

61. If a local authority currently operates a weekly residual collection and a weekly food waste collection, which aspect of this service does the five year commitment to retain the service relate to?

The principle objective of the Weekly Collection Support Scheme is to deliver 'weekly collections' to residents. As such, a local authority with this collection pattern would have to pledge to retain at least a weekly residual collection for five years. Local authorities currently operating a fortnightly waste collection, who bid to add a weekly food waste collection, need to commit to retaining the food waste collection for 5 years.

Cost effectiveness

62. How will cost effectiveness be scored?

The cost effectiveness scoring will include two parts. The first part will assess the cost efficiency of the bid against existing industry benchmarks and standards or against similar local authorities operating similar services. This is likely to form the majority of the overall cost effectiveness score. This will capture a range of cost related issues local authorities may explore as part of their bids. For example, the effects of improved procurement and the impact of better management.

A second smaller element will test the economy of the bid by considering the costs of the proposed project relative to the number of households affected.

63. How do local authorities separate out costs, for example for comms, which might overlap between multiple bids?

It is up to local authorities to decide how to separate potentially overlapping costs between bids. The important thing is to ensure that information is provided in a clear and well evidenced manner, that they do not bid for the same costs twice and that each bid meets the core criteria.

64. Do bids for increased collection costs need to be shown net of any savings on disposal costs?

Bids can be from collection or disposal authorities, or both. That means that not all local authorities would be able to use a reduction in disposal costs to offset an increase in collection costs. There is no requirement for savings in disposal costs to be offset against collection costs or the size of the bid. However, it is important, to aid assessment, that the bid explains the likely savings generated by the investment.

65. How will bids be appraised where project costs exceed five years?

Projects will be appraised against the published objectives and criteria. As a competitive bidding process the government will want to ensure that projects meet the criteria, deliver the required outcomes and offer value for money. Costs and benefits should normally be presented for five years. In the case of major infrastructure projects (e.g. building a MRF or MBT) it may be more appropriate to present the costs over the lifetime of the project and the form allows for this.

66. What financial figures should be used? Net Present Value? Actual values?

Actual values.

67. Where a local authority contracts out their waste services and so does not hold details of the breakdown of individual costs of each element (e.g. lorries, staff) are they still required to provide it?

An authority should provide as much disaggregated information as is necessary to explain the rationale of their bid and demonstrate that a bid meets the core criteria. Information about contracts will be treated as commercially sensitive and confidential.

68. Can a local authority front load a bid?

In line with CIPFA guidance, a local authority can front load a bid within a financial year however DCLG cannot make payments to local authorities in advance of need.

69. Can a local authority bid for revenue funding for years four and five?

No.

70. What will landfill tax be after the next Spending Review?

DCLG recognises that the future cost of landfill tax is an important factor in the calculation and prediction of waste services costs. As it will affect future cost estimates, we are encouraging all local authorities to use the figures in the Budget of £64 per tonne in 12/13, £72 per tonne in 13/14.

For 14/15 and subsequent years, we ask that a value of £80 per tonne is used for modelling purposes.

Carbon tool

71. How will the environmental benefit part of the bid be assessed?

Local authorities are being asked to calculate for themselves the carbon impact of the changes in waste arisings and treatment associated with their proposal. We are making available a tool that will be used to calculate carbon savings.

We are asking all local authorities to use the [DECC/Defra 2011 Greenhouse Gas Conversion Factors](#) tool in the interests of consistency, transparency and fairness. We have also amended the outline bid form to enable local authorities to report estimated carbon savings using this model. A local authority should also attach their workings on a separate spreadsheet. We will be checking these calculations.

In outlining environmental benefits, reductions of emissions from vehicles can greatly improve local air quality. However, in carbon terms potential reductions in emissions from vehicles are typically much lower than the effects of diverting residual waste from landfill or incineration. Accordingly, local authorities need to be aware that they may score less on the environmental benefit criterion simply through reducing fuel consumption or by moving to electric or other green vehicles. We have added an additional section to the bid form so that local authorities can identify 'other environmental impacts' and assessors can take these into account when scoring bids.

72. Is use of the tool mandatory?

All local authorities must provide a carbon impact figure in their bid form, even if it is zero. We recognise that there are other similar tools available to do this, however we require all local authorities to use the DECC/Defra tool highlighted in order to ensure consistency across bids. This tool is also free to use (many others that are available need to be paid for) and it is easier to use than many of the others on the market. Where a local authority has questions about using the tool they should contact Michael Sigsworth at Defra (telephone: 02072384450, or email michael.sigsworth@defra.gsi.gov.uk) to discuss this. We recognise that some bids may generate other types of environmental benefits, so there is room on the form to reflect that.

73. When does 'year one' begin for environmental benefits?

'Year one' begins in the year that a local authority first requests funding from the Weekly Collection Support Scheme.

74. Over how many years should a local authority calculate their net impact on kgCO₂ emissions?

This figure needs to be cumulative over five years. Where a local authority hopes to use a longer timeframe for this calculation they should contact the DCLG policy team to discuss this and subsequently make it clear in the form.

75. Does the tool take into account changes in tonnages over time?

As this is a cumulative figure, where a local authority believes that recycling tonnages will increase alongside, for example, an increase in resident participation over time, this can be encapsulated by a local authority inputting tonnages that reflect these predicted changes during the five years of the scheme.

76. Where a local authority plans to operate their scheme for more than five years, should they mention this?

Yes, this information should be included in the free text box. However, predicting future waste arisings for more than the upcoming five years is not encouraged because it becomes increasingly difficult to ensure accuracy when looking ahead that far. Bids will only be scored for their environmental benefits over 5 years.

77. Does the environmental tool only cover waste arisings or can it include collection related environmental impacts too (eg the movement of waste from a household to a waste facility)?

The carbon tool provided only accounts for emissions related to waste arisings, however where a local authority believes the collection related environmental impacts to be of significance they could use another aspect of the carbon tool which can be found at annex 1 (fuel conversion factors). This tool can be used to calculate carbon emissions from refuse vehicles. The results should be included as part of the net impact on kgCO₂ emissions figure in the form.

78. Does the DECC/Defra carbon tool make allowances for energy recovery?

Yes, the tool allows for energy recovery through energy from waste combustion, or anaerobic digestion. However, it does not cover all possible energy recovery options. If a local authority would like to include information about an alternative energy recovery option that is not included in the tool they should do so in the 'other environmental impacts not accounted for above'.

79. Should bids include recycling data from bring sites as well as kerbside collections when filling in the Defra environmental tool?

Only where this is relevant to the management of household waste in their bid.

80. Should future waste arising estimates consider economic or household growth?

Waste arisings are typically affected by an increase in number of households in an area and an increase in waste output per household (which is usually linked to economic growth). Local authorities should include their own assumptions about increases in the projected number of households where this is relevant, but exclude an estimate for economic growth, when making predictions about future waste tonnages and recycling rates.

81. Is there a difference between the baseline and the counterfactual?

Yes. Baseline data refers to current waste service configuration and the associated costs and environmental impact of that. The counterfactual is a prediction of the waste service configuration that would go ahead over 5 years without funding from the Weekly Collection Support Scheme.

Where no change to waste service configuration is planned the baseline and counterfactual will be the same, however in local authorities that will be forced to reduce the level of service they can afford without funding from the Scheme, the baseline and counterfactual may be significantly different.

82. Should Waste Data Flow figures be used for baseline data? Is it a problem if the data a year out of date?

DCLG are asking local authorities to use the figures they are most confident in as their baseline data. Where they have internal up to date information this can be used, where they believe greater reliability to be found in Waste Data Flow figures, even if this is from the year 10/11, these can be used.

83. If a bid only affects a proportion of the households in a local authority, then should they use waste and recycling tonnages related to just this proportion or to all households in the local authority when completing the carbon tool?

The environmental benefits section should relate solely to the households affected by the bid therefore the figures inputted into the carbon tool should relate only to the households within the scope of the bid.

84. Do local authorities need to attach the ‘workings’ from the environmental tool spreadsheet as an appendix?

Yes. Local authorities should only attach the one spreadsheet from the tool, not the entire tool.

85. If a local authority is bidding for a recycling promotion do they input estimated changes in waste and recycling tonnages into the tool?

Yes, every bid is relying on estimated future figures for changes to waste and recycling tonnages.

86. When reinstating a weekly collection of residual waste, how can a local authority demonstrate an environmental benefit?

A local authority is required to demonstrate a minimum environmental benefit, by demonstrating an improvement in at least one aspect over current environmental performance against the following criteria:

- Making a positive impact to overall greenhouse gas emissions from the management of waste; or
- The trajectory to meet the EU Waste Framework Directive target to have 50% of households recycled by 2020; or
- The trajectory to meet the EU Landfill Directive target of reducing biodegradable municipal waste sent to landfill to 35% (of 1995 levels) by 2020.

An authority will then be scored on their net impact on carbon emissions. Authorities reinstating a weekly collection may also want to add an additional recycling service to improve their net carbon impact.

87. Will DCLG check the predicted figures inputted by local authorities for future changes to waste service configuration?

WRAP / the Technical Advisory Group will sense check the waste and recycling tonnages that local authorities are predicting will arise as a result of their proposed scheme. This sense check will include comparing the estimations with actual figures from local authorities that already operate similar schemes. Where figures and projects appear disparate comparatively the Technical Advisory Group will request further information from a local authority

88. How will the difference between waste that is disposed of through EfW compared with landfill be taken into account?

The carbon tool has space to account for local authorities that are diverting materials from incineration rather than landfill for recycling. This can also be taken into account by experts on the Technical Advisory Group.

Innovation

89. Where two neighbouring local authorities have two separate bids with synergies, where does this fit? Is this joint or innovative?

Innovative. They would need to provide brief evidence of the synergies and how they would be exploited in their respective bids.

Feasibility

90. What is feasibility?

The prospectus and other documentation have been clear that the feasibility of bids will be taken into account. In addition to issues like planning and environmental permitting, assessment will also be made as to whether bids may be vulnerable to legal challenge for being in some way unlawful - in particular, where proposals overstep the limits on local authority enforcement powers, charging or restricting access to residual waste services. Whilst of course only a court could decide whether particular proposals are lawful or not, DCLG is likely to adopt a cautious approach in assessing such bids as having low feasibility, and preferring bids which are not, in its view, likely to be in a legal "grey area".

91. How much detail does a bid need to contain about the project plan, project board and milestones within it?

Proportionality is key. A bid needs to contain sufficient evidence that the project has been well thought through and that this will continue throughout its operation. Only brief detail is required on the form for the majority of projects. For a few larger projects, an authority may find it necessary to add some detail about their project board or specific milestones to demonstrate the deliverability of their bid.

Further information

92. Where a bid comes from a two tier authority, what does support from the disposal authority look like?

This can take the form of a supporting letter from the disposal authority, a signature from a representative of that authority or simply the name of someone in the disposal authority who can be contacted to confirm that they support the bid.

Additional information

93. The outline bid form says ‘there’s no requirement to attach additional information’, should local authorities include some?

Local authorities should not submit additional information unless it is necessary to explain their bid. Proportionality is key – it is unlikely to be necessary except for some larger, complex bids. Any additional information should be well referenced in the bid form. It should not be simply attached to the form simply to add extra bulk to the bid.

94. Does DCLG need proof of variation clauses in waste contracts or is a reference to it enough?

DCLG does not need to see evidence of a variation clause in a local authority’s waste contract. It is sufficient for a local authority to refer to this clause in the bid form and provided this is signed by the S151 Officer DCLG will be content.

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Executive
18 June 2012

Report from the Director of Regeneration and Major Projects

Wards affected:
ALL

Community Infrastructure Levy

1.0 Summary

Government legislative changes mean the Community Infrastructure Levy will replace S106 Planning Obligations as the vehicle for funding the infrastructure that supports growth and development. Authorities will collect Community Infrastructure Levy contributions from developers to pay for the infrastructure needs created by development, with S106 Planning Obligations restricted in the main to site specific matters.

After Executive approved the Draft Charging Schedule in February, developers including Quintain Estates Development demonstrated that the method used by the Council's consultants to calculate proposed commercial Community Infrastructure Levy rates required adjustment. Officers have completed a thorough review of commercial CIL rates and recommend changes to some of the rates. These rates will be subject to a further consultation exercise.

2.0 Recommendations

That Executive:

- 2.1 Note the revisions to the BNP Paribas Real Estate Community Infrastructure Levy Viability Study (Appendix 1).
- 2.2 Agree the revisions to the proposed Community Infrastructure Levy rates in the Draft Community Infrastructure Levy Charging Schedule (Appendix 2).
- 2.3 Agree the revisions to the S106 Planning Obligations Supplementary Planning Document (Appendix 3).

- 2.4 Agree that ideas and requests for local S106 spend be made by members through the established ward working arrangements, for consideration by officers in liaison with the Lead Member.

3.0 Background

- 3.1 In October 2011 the Executive decided to move ahead with the introduction of a Brent Community Infrastructure Levy to replace existing S106 standard charge arrangements and to that effect formal consultation on Brent's Preliminary Draft Community Infrastructure Levy Charging Schedule and S106 Planning Obligations Supplementary Planning Document ran from the end of October to the end of December 2011.
- 3.2 In February 2012 the Executive agreed to the publication of a Draft Community Infrastructure Levy Charging Schedule for further consultation prior to submittal to the Planning Inspectorate for Examination. Subject to any changes the Planning Inspectorate may recommend, it is proposed that the Council adopt the subsequent Community Infrastructure Levy Charging Schedule. Executive also agreed to adopt a S106 Planning Obligations Supplementary Planning Document in parallel with the proposed Community Infrastructure Levy Charging Schedule in order to concurrently revise S106 arrangements.
- 3.3 Subsequent review of the BNP Paribas Real Estate Community Infrastructure Levy Viability Study that supports the proposed Draft Community Infrastructure Levy Charging Schedule has identified errors in the Study which once addressed suggest commercial development is less able to absorb the Community Infrastructure Levy than initially thought. Officers therefore propose that the Community Infrastructure Levy rates for commercial development be revised prior to publication. Executive are also asked to approve revisions to the S106 Planning Obligations Supplementary Planning Document that make more explicit the predominant role the Community Infrastructure Levy will play in funding infrastructure in the borough, as well as the Council's intention to make discretionary relief from the Community Infrastructure Levy in exceptional circumstances available in the borough and to consider in kind land payments in satisfaction of the Community Infrastructure Levy.

Financial Viability Evidence & Revised CIL Rates

- 3.4 In deciding and setting Community Infrastructure Levy (CIL) rates, Brent are required to strike an appropriate balance between the desirability of funding infrastructure from CIL and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area, using appropriate available evidence to inform the draft charging schedule. Brent will be expected to provide evidence at an Examination in Public that the proposed CIL rates would not put at serious risk overall development of the area and to this effect BNP Paribas Real Estate were appointed to undertake a CIL viability assessment of the impacts of the proposed

introduction of CIL on the economic viability of development in the borough.

3.5 Following consultation of Brent's Preliminary Draft CIL Charging Schedule, in February Executive agreed the proposed CIL rates for Brent's Draft Charging Schedule. However, Quintain Estates Development commissioned analysis of the BNP Paribas Real Estate CIL Viability Study by consultants Gerald Eve submitted to the Council has prompted a review of the CIL Viability Study. Officers accept that the following mathematical computational errors in the appraisals for commercial development have been identified:

1. Errors in the calculation of rent free and voids periods
2. Errors in the floorspace calculations for demolition and building costs

3.6 Officers and BNP Paribas Real Estate have therefore undertaken a detailed review of the CIL Viability Study both to correct the identified errors and more generally to ensure the CIL Viability Study provides a sufficiently robust evidence base with which to support Brent's Draft CIL Charging Schedule. In addition to correcting the identified errors, the opportunity has been taken to make the following amendments

1. Existing Use Values assumptions have been informed by more detailed analysis of market evidence on commercial rents and yields in the borough from Estates Gazette
2. Commercial appraisal scenarios have been widened to include more scenarios where commercial development comes forward on sites in alternative commercial uses
3. Student accommodation rents, build costs and unit sizes have been brought more into line with market comparables in the Wembley area, and student accommodation yields lowered to 6.25% after consideration of research by Savills

Minor and presentational amendments have also been made, such that market forecasts have been updated, financial assumptions and market comparables made more explicit in the text, and appendices added on commercial lettings and completions evidence. We have also reviewed the proposed CIL rate for residential development but see no evidence to change this proposed rate. All amendments are consolidated in the Revised BNP Paribas Financial Viability Study (April 2011) which is attached as Appendix 1.

3.7 Officers recommendations for CIL rates on residential schemes, including hostels and HMOs, and office, assembly and leisure, and industrial uses remain unchanged. Officers propose CIL rates be lowered for student accommodation, hotels and retail and allied A Class uses.

3.8 Officers have also reviewed the proposed charge on sui generis uses, which are uses without a planning use class. The original proposal was to charge £200 per m² on all sui generis uses except public transport stations, theatres,

fire stations and police stations. The proposal to charge £200 per m2 is maintained for sui generis uses that are clearly residential in nature, that is hostels and HMOs, however a new rate of £40 per m2 is introduced for all other sui generis uses, which tend to be more akin to commercial use, and include minicab offices, laundrettes, car showrooms, warehouse clubs etc. . The table below summaries the new proposed CIL rates and compares the rates with the previously proposed CIL rates. The Draft CIL Charging Schedule has been amended to this effect and is attached as Appendix 2.

Use Class or Development Type	Draft Charging Schedule Feb 2012 £ per m2	Draft Charging Schedule May 2012 £ per m2
Residential (Use Classes C3 & C4), Residential Institutions except hospitals (Use Class C2)	200	200
Student Accommodation	300	200
All Sui Generis uses except Student Accommodation, Public Transport Stations, Theatres, Fire Stations and Police Stations	200	40
Hostels and HMOs (Sui Generis)	200	200
Hotel (Use Class C1)	200	100
Retail (Use Class A1), Financial & Professional Services (Use Class A2), Restaurants & Cafes (Use Class A3), Drinking Establishments (Use Class A4), Hot Food Takeaways (Use Class A5)	80	40
Office (Use Class B1a)	40	40
Assembly and Leisure, excluding public swimming pools, (Use Class D2)	5	5
Light Industry and Research & Development (Use Class B1b&c), General Industrial (Use Class B2), Storage & Distribution (Use Class B8), Health, Education, Public Libraries, Museums, Public Halls and Places of Worship (Use Class D1a-h)), Hospitals (Use Class C2), Public Swimming Pools (Use Class D2), Public Transport Stations, Theatres, Fire Stations and Police Stations (Sui Generis).	0	0

***The above charges will apply across all of Brent, in addition to any Mayoral CIL**

S106 Planning Obligations SPD

- 3.9 After renewed representations from developers working in the borough seeking clarification regarding the relative roles of the Community Infrastructure Levy and S106 in infrastructure funding and delivery, the opportunity has been taken to make more explicit the predominant role the Community Infrastructure Levy will play in funding infrastructure in the borough. A revision has therefore been made to the S106 Planning Obligations SPD, to be adopted in parallel with the proposed Community Infrastructure Levy Charging Schedule, which explicitly states that the infrastructure required to mitigate the impact of new development and support sustainable growth will predominantly be delivered through the Community

Infrastructure Levy, with S106 Planning Obligations intended to deal with mostly site related local matters or compensation for loss of amenity. Against the backdrop of changing planning legislation, officers always intended that CIL and not S106 is the main and preferred vehicle for funding infrastructure. Some developers however have voiced concern that CIL and S106 would somehow double the requirement for planning obligations on development. Since the CIL regulations specifically state that a planning obligation may not constitute a reason for granting planning permission for the development to the extent that the obligation provides for the funding or provision of relevant infrastructure, the revision proposed to the S106 Planning Obligations SPD on this matter merely clarifies our legal position. Note is also made that the Council will consider in kind land payments in satisfaction (of whole or part) of the CIL amount due, in respect of any particular development in line with the CIL regulations.

3.10 In addition, officers propose that discretionary relief from CIL for exceptional circumstances be made available in the borough and that the Council issue a statement to that effect in line with the CIL regulations on adoption of any Brent CIL. Discretionary relief from CIL for exceptional circumstances may only be granted by an authority if relief is made in the area and a S106 planning obligation has been entered into in respect of a planning permission where the authority:

(i) considers that the cost of complying with the planning obligation is greater than the chargeable CIL amount payable in respect of a chargeable development

(ii) considers that to require payment of the CIL charged by it in respect the chargeable development would have an unacceptable impact on the economic viability the chargeable development, and

(iii) is satisfied that to grant relief would not constitute a State aid which is required to be notified to and approved by the European Commission.

3.11 Officers consider that to make discretionary relief from CIL for exceptional circumstances in the borough is desirable so as not to hamper development that requires the delivery of local infrastructure under a S106 Planning Obligation so significant as to exceed CIL liability and make development unviable. In such cases and under the CIL regulations developers would have to submit a claim for relief for consideration by the Council, including independent assessments of both the cost of complying with the relevant S106 Planning Obligation and the economic viability of the development. In any case, the regulations allow an authority to withdraw the availability of discretionary relief from CIL for exceptional circumstances in its area in 14 days by issue of a public statement.

Localism

3.12 CIL needs to be targeted in defined spending areas based on infrastructure needs. The government have indicated that there will also be a community element to CIL spend, however this has yet to be define in guidance. Within London, the 'community element' spend will be determined by the Boroughs,

however outside London the government have indicated that Parish Councils will have a role in determining local spend. Once clarification on the community element of CIL is provided, members will be able to determine how this element of CIL can be handled. In the meantime this report recommends that a scheme be agreed to spend S106 monies that are not specifically earmarked for more major infrastructure or site specific purposes.

- 3.13 The Council currently holds £16.393m in S106 money with a further £32.241m secured through agreements that have yet to be triggered. Whilst there is uncertainty over when the money that has yet to be paid will be received; and there is no guarantee that all the planning permissions that are subject to S106 agreements will be implemented, the Council does need to focus on spending the money that it holds. Records indicate that of the £47.5m of S106 money that the Council has received, £31m has been spent. Of the money currently held £11.593m is specifically allocated to prescribed works or spending areas, and the remainder, £4.8m, allows for more flexible spend, although the current intention is that this be directed predominantly towards infrastructure including schools, transport and open spaces. Nevertheless an element of this money can be reasonably directed to support local infrastructure improvements as long as they are in proximity to the development sites subject to the agreements.
- 3.14 As reported to the Executive last year some S106 spend could be used to support projects identified through local ward working. This arrangement will be reviewed in the future to include an element of CIL once the government have provided further clarity on 'the community element'.

4.0 Financial Implications

Estimated CIL receipts vs. Current S106 receipts

- 4.1 CIL has the potential to form a major future source of revenue for the Council, supporting its infrastructure work and associated administrative costs. CIL is part of a new mix of funding including retained business rates and New Homes Bonus and provides an opportunity to link the Council's revenue generating activities and the LDF strategy to deliver regeneration and growth.
- 4.2 CIL is a new and different system of securing infrastructure to support development and is not intended to replicate S106 collection. The Council must set rates that meet infrastructure requirements and continue to bring forward viable development. Officers have set the proposed CIL rates with this in mind. However, as a subsidiary exercise we have estimated projected receipt of both so that members could get some idea of potential outcomes. It is indeed the case that S106 and CIL are likely to be broadly similar on larger scale mixed sites. This is not a surprise because it means that both S106 and CIL are set at rates that have not or will not hamper development. Officers have also estimated the potential annual CIL take against S106. It is predicted that this may be slightly higher than overall S106 annual sums, mainly because CIL will be applied to a wider range of development sites and CIL will be applied to developments at a smaller scale than S106. The key principle

that Members must have in mind is that CIL provides a reasonable sum for infrastructure without hindering development proposals. The intention is not to set CIL at a maximum – indeed any CIL sum that is too high will prevent development and add nothing to the overall fund. The real benefit of CIL is that CIL is not so restricted by area or type of infrastructure expenditure as S106 and can be planned and spent on a borough wide basis, linking with the Council’s capital programme. CIL will take some years to build up as many developments that have started will continue to pay S106 obligations. It is estimated that on an average rate of development CIL will secure around £5m per year. This however compares with an Infrastructure bill generated by development in the growth areas alone of over £400m. CIL will only therefore fund a limited proportion of the borough’s infrastructure requirements.

Reimbursement of expenditure incurred and repayment of loans

- 4.3 Charging authorities may not borrow on the strength of getting future CIL revenue to pay for a piece of infrastructure early, however CIL Regulations cover circumstances where a charging authority can apply CIL to reimburse expenditure already incurred on infrastructure. Where a charging authority, other than the Mayor, has borrowed money for the purposes of funding infrastructure, it may apply CIL to repay that money if certain conditions are met, most notably that the amount of CIL that can be applied to repay borrowed monies is conditional on Secretary of State direction.

Payment and Non-Payment of CIL

- 4.4 The Council will be able under certain conditions to accept one or more land payments in satisfaction of the whole or part of the CIL due in respect of a chargeable development.
- 4.5 Late interest is chargeable at 2.5% above the Bank of England base rate from the due date of payment of CIL and in the case of non payment of CIL authorities can order relevant development activity to cease.

Examination

The Planning Inspectorate have been contacted regarding the cost of the Examination and have provided an initial estimate of £30,000 for budgetary purposes. These monies will be identified in the Regeneration & Major Project Departmental Budget for 2012-13.

5.0 Legal Implications

- 5.1 The Community Infrastructure Levy (CIL) is a new planning charge that came into force on 6th April 2010. It allows local authorities to raise funds through a tariff based approach from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development. It applies to most new buildings and charges are based on the size and type of new development. If it decided to levy CIL then the Council as charging authority will have to prepare and

publish a charging schedule. Details of this are contained in this report to which the Director of Legal and Procurement has had an input.

The charging schedule will sit within the Local Development Framework but will not form part of the statutory development plan nor will it require inclusion within the Local Development Scheme.

The Council will still be able to ask for S106 obligations but S106 obligations will only be used where the identified pressure from a proposed development cannot effectively be dealt with by conditions and the infrastructure requirement is not covered by CIL. Standard charge will therefore be removed from S106, which will now focus on these mitigations:

- New streets, Travel Plans, Permit Free schemes
 - Sustainability, Code for Sustainability Homes, BREEAM
 - Affordable Housing – including definitions, off site provisions and in-lieu contributions
 - Street tree planting and landscaping
 - Local employment and training provision
 - Community and cultural facilities
-
- Other obligations, such as: public access / community agreements, public rights of way; community or affordable workshop space; servicing agreements; CCTV; highways improvements, adoption of new highways (S38 /S278 agreements); listed building improvements; allowance of future connection of the site to any Decentralised Heat / Energy network (in areas with a proposed DHE Network); contributions for loss of D1 space (Policy CP23); contributions for significant under provision of amenity space; join and adhere to the Considerate Contractors scheme.

6.0 Diversity Implications

Most S106 agreements are directly linked to planning policy requirements that have been the subject of public consultation and examination, and an equalities impact assessment. The planning strategy for Brent (London Plan and the LDF) reflects the needs of the borough's diverse community.

The Community Infrastructure Levy will assist the Council in funding a wide range of infrastructure projects across the Borough which will be not only support growth, but at the same time help to meet the needs of local people. The Localism Bill will require the Council to consult with communities regarding the CIL collected within their area and which infrastructure projects that CIL will be spent on, including local projects. This will require the allocation of CIL to be both transparent and accountable, thereby helping to ensure an equitable distribution of CIL across the borough and that communities are given a level of infrastructure funding that is appropriate to the impact of new development within their area.

An Impact Needs / Requirement Assessment has been undertaken and is available as a background paper to this report.

7.0 Staffing/Accommodation Implications (if appropriate)

A Programme Officer will need to be appointed for the Examination process, which is estimated will last up to 10 weeks. This will be funded from within existing resources.

The management of the CIL process will take place within the Planning Service, operating alongside the existing S106 and Mayoral CIL systems. A specialist post, currently vacant, exists within Planning and steps are being taken to fill this post, having broadened its remit to cover CIL. The Council has the ability to use part of the CIL receipt to cover administrative costs.

Background Papers

Executive Report 171011

Executive Report 130212

Impact Needs / Requirement Assessment 060112

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 <p>The logo of Brent Council, featuring a central coat of arms with a shield, a crown, and two lions, surrounded by the words 'BRENT COUNCIL' in a circular arrangement.</p>	<p>Executive 18 June 2012</p> <p>Report from the Director of Finance and Corporate Services</p>
<p>Wards Affected: ALL</p>	
<p>Corporate Risk Register</p>	

1. Summary

- 1.1. The purpose of this report is to set out the Corporate Risk Register for approval by the Executive.

2. Recommendations

- 2.1. The Executive consider the content of the Corporate Risk Register, consider whether the corporate risks are appropriate, adequately described and what further actions need to be taken, if any.

3. Detail

- 3.1. Effective risk management is one of the cornerstones of good governance. Failure to manage risk adequately will impact upon the ability of the council to deliver its objectives, increase the likelihood of service failure and lead to crisis management should a risk materialise. A sound risk management process enables the council to assess the likelihood and impact of future threats and take action to reduce the likelihood or impact should they occur. The Executive has ultimate responsibility for risk management. It is intended that the Executive approve the register on an annual basis and that CMT monitor and update the register quarterly. The Audit Committee will receive copies of the register at each of its meetings.
- 3.2. The council's risk management strategy and policy was agreed by the Corporate Management Team (CMT) in September 2011 and endorsed by the Audit Committee in December 2012. A Corporate Risk Register has been developed through consultation with Directors and review by the Director of Finance and Corporate Services and Head of Audit and Investigations. This document was approved by CMT on 26th April 2012 and is attached as appendix 1.
- 3.3. Operational risks are managed at a departmental level with key risks, which may be of significance across the whole organisation or need escalating due to their risk rating, being fed into the Corporate Risk Register. Departments maintain individual risk registers and CMT maintains oversight of the Corporate Register. This is a

combination of the key strategic risks and high level operational risks affecting the council.

- 3.4. The One Council programme also maintains risk logs on a project by project basis. Where these are significant they will be reflected in the Corporate Register.
- 3.5. All risk management models require the assessment of a risk both prior to and after the consideration of the controls which are in place to reduce either the likelihood of a risk materialising and / or the impact should a risk occur. The council has opted for a 6 x 6 model of scoring which gives a potential score of up to 36 per risk. The register includes a description of each risk, a score before the controls are considered (known as the inherent score), a description of controls, a residual score and a description of any further actions which are required to reduce the score further. A direction of travel will also appear on future versions of the register.
- 3.6. For ease of reference the register has two sections, one detailing the strategic or cross cutting risks which are considered to be the most important for the council to manage and the key operational risks. The operational risks are shown by department.

4. Legal Implications

- 4.1. The Accounts and Audit Regulations (England) 2011 section 4(1) require the council to *“ensure that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body’s functions and which includes arrangements for the management of risk.”*
- 4.2. Further section 5 (1) (4) (i) requires that the Director of Finance and Corporate Services determines accounting control systems which include adequate measures to ensure that risk is appropriately managed.

5. Financial Implications

- 5.1. None

6. Diversity Implications

- 6.1. None

7. Contact Officer Details

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Clive Heaphy
Director of Finance and Corporate Services

Risk Management is an integral & essential part of governance and management. It involves developing an understanding of **uncertainties** that could reduce the likelihood of achieving objectives and planning a response to mitigate the risks should they occur. There are four elements to managing risk:

Risk Identification	Assessment of Risks	Action on Risk	Monitor & Review																																																											
<p>Definition of Risk:</p> <p>"An uncertainty of outcome whether it is a positive opportunity or a negative threat".</p> <p>Identify all key risks, before placing them in the Risk Register under 'risk identification'.</p> <p>Include in the description the circumstances which may cause the event to occur and the event</p> <p>Consider Threats (& Opportunities) When: Setting strategic aims Setting business objectives Early stages of project planning & at key stages Options appraisals</p> <p>Categorising the risk can help using PESTLE Political / Reputational Economic / Financial Social/Community Technical Legal Environmental</p>	<p>Scoring:</p> <p>A raw (inherent) risk score is calculated by the product of a likelihood and impact score on a 1 to 6 scale for each without any controls being in place.</p> <p>A net (residual) score is calculated after taking account of controls which reduce likelihood, impact or both.</p> <p>Use the impact and likelihood grids below to score risks</p> <table border="1" data-bbox="689 655 1162 1002"> <tr> <td rowspan="6" style="writing-mode: vertical-rl; transform: rotate(180deg);">Impact</td> <td>6</td> <td>6</td> <td>12</td> <td>18</td> <td>24</td> <td>30</td> <td>36</td> </tr> <tr> <td>5</td> <td>5</td> <td>10</td> <td>15</td> <td>20</td> <td>25</td> <td>30</td> </tr> <tr> <td>4</td> <td>4</td> <td>8</td> <td>12</td> <td>16</td> <td>20</td> <td>24</td> </tr> <tr> <td>3</td> <td>3</td> <td>6</td> <td>9</td> <td>12</td> <td>15</td> <td>18</td> </tr> <tr> <td>2</td> <td>2</td> <td>4</td> <td>6</td> <td>8</td> <td>10</td> <td>12</td> </tr> <tr> <td>1</td> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>8</td> </tr> <tr> <td></td> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> <td></td> </tr> <tr> <td></td> <td colspan="6" style="text-align: center;">Likelihood</td> <td></td> </tr> </table>	Impact	6	6	12	18	24	30	36	5	5	10	15	20	25	30	4	4	8	12	16	20	24	3	3	6	9	12	15	18	2	2	4	6	8	10	12	1	1	2	3	4	5	8		1	2	3	4	5	6			Likelihood							<p>Concentrate on top risks:</p> <p>Red risks require immediate action</p> <p>Amber require monitoring</p> <p>Green require no action</p> <p>Record and describe the existing control (and the name of the officer responsible for maintaining and monitoring the control) in the space provided in the Risk Register</p> <p>Having assessed inherent risks and controls in place to mitigate, concentrate on the remaining highest risks and decide how to mitigate further to an acceptable level either by:</p> <p>TERMINATING / AVOID REDUCE / TREAT (MORE CONTROL) TRANSFER (INSURE OR CONTRACT OUT) ACCEPT / TOLERATE</p> <p>Record and describe the actions to be taken and responsible officer</p>	<p>Risk Registers:</p> <p>Review the key risks at DMT meetings on a regular basis. Update the performance score card quarterly with your key risks.</p> <p>Risks which remain red after controls which require action should be reported on your scorecards</p> <div data-bbox="1630 564 2123 852" style="text-align: center;"> <p>ASSESS RESIDUAL RISK - Exposure acceptable? - Develop action plans</p> <p>ACT - Tolerate - Treat - Transfer - Terminate</p> <p>ASSESS INHERENT RISK - Potential impact on objectives - Likelihood of it materialising</p> </div>
Impact	6		6	12	18	24	30	36																																																						
	5		5	10	15	20	25	30																																																						
	4		4	8	12	16	20	24																																																						
	3		3	6	9	12	15	18																																																						
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	1	1	2	3	4	5	8																																																							
	1	2	3	4	5	6																																																								
	Likelihood																																																													

Impact Score	1	2	3	4	5	6
Descriptor	Insignificant	Minor	Moderate	Significant	Serious	Very Serious
Financial	Financial loss up to £50,000	Loss up to £100,000	Loss up to £200,000	Loss up to £300,000	Loss up to £500,000	Loss greater than £500,000
Compliance	No regulatory consequence	Minor breach of duty, legal action unlikely	Moderate breach of duty resulting in possible disciplinary action, legal action possible	Significant breach of duty resulting in disciplinary action, legal action probable	Serious breach of duty resulting in fines/disciplinary action, legal action expected	Major breach of duty resulting in possible imprisonment, legal action almost certain and difficult to defend
Service Delivery	Insignificant disruption on internal business and no loss of customer service	Possible significant disruption to internal business and no loss of customer service Lasting less than 24 hours Affects a single or few services	Disruption to internal business or possible disruption to services to non-vulnerable groups Lasting 1 to 2 days Affects a single directorate	Disruption to internal business or probable disruption to services to non-vulnerable groups Lasting 2 to 3 days Affects more than one directorate	Disruption to services to non-vulnerable groups and possible disruption to services to vulnerable groups Lasting 3 to 5 days Affects most directorates	Prolonged disruption to services to vulnerable groups Lasting more than 5 days Affects the whole Council
Environmental	No or insignificant environmental damage	Minor local environmental contamination with short term effects	Moderate local environmental damage with short term effects	Significant local environmental damage with short to medium term effects	Major local environmental damage with medium term effects	Major local and national environmental damage with long term effects for the local area
Reputational	No reputational damage or adverse publicity	Minor/limited reputational damage or internal adverse publicity	Moderate reputational damage or possible local adverse publicity	Significant reputational damage or probable local adverse publicity	Substantial/widespread reputational damage or possible national adverse publicity	Major/severe reputational damage and national adverse publicity Central Government interest/administration
Personal Safety	No impact on personal safety	Minor injury or discomfort, not requiring first aid	Short-term injury, possibly requiring first aid or limited medical attention	Medium-term injury, requiring first aid or medical attention	Extensive, permanent / long term injury for an individual or several people	Death or life threatening situation for an individual or several people

Likelihood Score	1	2	3	4	5	6
Descriptor	Rare	Unlikely	Possibly	Likely	Probably	Almost Certain
Probability of occurrence in next 12 months	< 5%	5 – 20%	21 – 40%	41 – 60%	61 – 80%	> 80%

CORPORATE STRATEGIC RISKS

ID	CAT.	RISK IDENTIFICATION (Describe risk and underlying cause)	IMPACT (Consequences of risk maturing)	Risk Owner	Inherent (raw) risk			Existing Controls	Sources of Assurance	Residual (net) risk			Movement Indicator	Further Actions	Deadline	Responsible Officer
					Impact	Likelihood	Risk Score			Impact	Likelihood	Risk Score				
S1	Political	Failure to recognise and plan for coalition government's future vision for Local Government - Greater role in partnerships and strategic commissioning; diminishing role in direct service provision (e.g. Education, joint health and social care services; removal of responsibility for housing benefit delivery.	Inadequate planning for reduced direct service provision role and increased commissioning role may lead to poor service outcomes for users, increased complaints, poor value for money. Large scale reductions in resources, forced shared services / amalgamation, creation of a small commissioning core, reduced local political accountability, potential for London / local government restructure. Opportunities for improved services and lower cost through effective partnerships and integration not exploited.	Gareth Daniel - Chief Executive	6	4	24	Ensure members and senior officers have a good understanding of central government policy and stable intentions through briefings. Relevant officers and members maintain close links with DCLG, respond to consultation where necessary and seek to influence future policy through LGA and London Councils and any other lobbying route. Ensure opportunities for partnership and shared services are considered	Reports to PCG, CMT. One Council programme	6	3	18				
S2	Political / Reputational	1st April 2013. Start date for multiple service changes, new Civic Centre, new way of working and self-service, new legislation. i.e. benefit caps, local council tax rebate, retention of business rates	Potential for major IT / customer service failure	Gareth Daniel - Chief Executive	6	5	30	Regular reporting either through CMT or PMO on status of projects and adequate risk management within projects and risk escalation if appropriate.	CMT reports PMO reports	6	5	30				
S3	Economic/ Political/ Socio Cultural	Income loss due to various factors including budget reductions, change in legislation, economic recession, lack of external investment	Failure to meet statutory service demand / council objectives	Clive Heaphy - Director of Finance and Corporate Services	6	6	36	Economic monitoring and market contact		6	6	36		Ongoing economic monitoring and market contact	On-going	Andy Donald
S4	Economic / Socio Cultural	Economic recession / demographic change and welfare reform agenda including localised council tax benefit resulting in increase in need for council services.	Increased demand for council services / accommodation / crime / anti-social behaviour	Phil Newby Director of Strategy, Partnership and Improvement	6	6	36	Lobbying of Central Government. Partnership working with NHS		6	6	36				
S5	Legal / Political	The Council fails to comply with legal/statutory obligations including consultation and equality duty in implementing policy changes or failure to comply with	Increased dissatisfaction with council. Increase in number of legal challenges and Judicial Reviews resulting in cost of defence and delay	Toni McConville - Director of Customer & Community Engagement Fiona Ledden Borough Solicitor	6	4	24	Area Consultative Forums; Brent Citizens Panel; User Consultative Forums; Equalities issues reported to CMT on a quarterly basis. Regular monitoring by CMT. Equalities Statement	Consultation Board.	6	3	18		Contentious issues flagged up through surgery system. New guidance on Equalities to be issued.	Dec-12	Christine Collins - Community Engagement Manager
S6	Technological	Inability to deliver technological changes to meet customer requirements and demand	Damage to reputation. Service delivery failure. Impact on savings already identified in FCS project	Toni McConville - Director of Customer & Community Engagement	6	5	30	Regular monitoring by PMO and Brent Customer Services Board.	PMO and Brent Customer Services Board.	5	3	15		CMS (content management system) specification and prototype developed and reviewed by Customer Services Board. Governance arrangements agreed by Customer Services Board. Web enhancement project to be implemented to address limitations of current CMS.	Dec-12	Jenny Dunne - Project Manager, Future Customer Services Project
S7	Economic	Reduced ability to / reduction in scope to recruit and retain sufficient numbers of skilled staff in key areas/services. Fewer people having to work harder and do more.	Service delivery will be impacted. Increase in stress related sickness/absences. Costs and human implications.	Clive Heaphy - Director of Finance and Corporate Services	6	4	24	Robust Performance Management framework for managers & staff; Effective HR policies; Management Development Programme; Development & Learning opportunities available for managers and staff; Investors in People; Succession Planning; Staff benefits (flexible working etc.). Equalities Act	Performance Management Data; LLD Attendance; Appraisals.	6	3	18		Development of better management skills amongst managers. Better monitoring of performance.	On-going	Tracey Connage - Asst Director, People & Development.
S8	Legal / Reputational	Significant failure to comply with Health & Safety requirements.	Accidents in the work Place. Death/injury to staff and public. Increase in sickness absence. Potential for corporate and personal criminal liability.	Gareth Daniel - Chief Executive; Sue Harper - Director of Environment & Neighbourhood	6	6	36	Corporate Health & Safety Policy; Health & Safety Advisory Team; Accident & incident reporting and investigations; Risk assessments; advice ; promoting positive health & safety culture;	Health & Safety Inspections; Training for staff. Consumer & Business Protection.	6	3	18		N/A	N/A	N/A
S9	Economic	Financial and performance failure; bankruptcy of major service	Inefficiencies from service overlaps due to duplication; gaps in service provision.	Gareth Daniel - Chief Executive;	6	6	36	Risk analysis of key partnerships; formal control and monitoring;		6	4	24		N/A	N/A	N/A


KEY OPERATIONAL RISKS

ID	CAT.	RISK IDENTIFICATION (Describe risk and underlying cause)	IMPACT (Consequences of risk maturing)	Risk Owner	Inherent (raw) risk			Existing Controls	Sources of Assurance	Residual (net) risk			Movement Indicator	Further Actions	Deadline	Responsible Officer	Movement since last
					Impact	Likelihood	Risk Score			Impact	Likelihood	Risk Score					
Regeneration and Major Projects																	
RMP1	Reputational	Civic Centre Project (over run in completion) and / or Move to Civic Centre (systems failure).	Risk to Council's reputation. Delays in realising expected savings. Disruption to some services where leases have been terminated. Business Continuity arrangements.	Aktar Choudhury - Assistant Director Major Projects & Civic Centre	6	5	30	Programme Governance/ Civic Centre Programme Board/ Master Programme of Works - progress is monitored on an on-going basis. New governance arrangements have now been put in place with a new Programme Manager appointed to manage the move to the Centre. A task Register has also been set up with named officers assigned with specific tasks.	Regular Progress Reports provided to Project Board.	6	4	24		Move to Civic Project Governance embedded. Detailed communication plan in place for all staff.	December 2012 / April 2013	Aktar Choudhury / Caroline Rainhan	
RMP2	Economic / Socio Cultural	Lack of external investment in regeneration of the borough	Reduced income receipts from business rates; reduction in housing supply within the borough. Increase in levels of poverty, unemployment and increased levels of deprivation within the borough.	Andy Donald - Director of Regeneration & Major Projects	6	6	36	De-risking by assisting with planning permissions etc. on behalf of developers; Maintaining dialogue with investors / developers. Reviewing other sources of capital finance.	Regular economic monitoring. Regular market contact.	6	6	36		Ongoing economic monitoring and market contact	On-going	Andy Donald	
Children and Families																	
CF1	Legal/ Political / Socio Cultural / Reputational	Inability to meet demand for School places.	Council unable to discharge statutory duty to provide education. Reputation damage, legal challenge, increased health and safety risks	Krutika Pau - Director of Children & Families	6	6	36	Lobbying Central Govt for additional funding; funding of £25m secured from central gov. to provide additional school places; Temporary expansions and Projects established to address shortfall; Regular reports to PCG & CMT to agree prioritisation of use of capital funding; Strategy Board meets on a regular basis; Standing Agenda Item in Overview & Scrutiny Committee Meetings.	Regular monitoring by Overview & Scrutiny Committee; PCG & CMT.	6	4	24		Continued lobbying and work with London Councils and Schools.	On-going	Rik Boxer - Assistant Director, Achievement & Inclusion (Children & Families).	
CF2	Reputational / Political	Vulnerable children not adequately safeguarded.	Abuse, Death or injury of vulnerable persons. Reputational damage to Council.	Graham Genoni - Assistant Director, Social Care Division, Children & Families.	6	5	30	Safeguarding of Children & Adults Teams deal with child/adult protection and safeguarding issues; Brent Local Safeguarding Children's Board; Safer Recruitment & Training; Whistleblowing; publicity; raising of awareness at Schools & community in general; Children & Young Persons Plans; Child Protection Arrangements; Strong partnership working with relevant agencies; High level monitoring meetings with Chief Executive; Corporate Parent Group; Auditing arrangements; Range of monitoring arrangements to track progress; Children & Families Overview & Scrutiny; Performance Information (quarterly scorecards); Timely reviews of Looked After Children;	Ofsted Inspections; Internal Service User Surveys; Internal Audit.	6	4	24		Continuous Monitoring & Development; Safeguarding & Looked After Children Inspection Action Plan; Continued collaboration with relevant agencies.	On-going	Graham Genoni - AD Social Care Division	
Adult Social Services																	
ASC1	Legal/ Political /Socio Cultural / Reputational	Vulnerable persons (older persons; persons with physical & learning disabilities; mental health and other vulnerable adults) are not adequately safeguarded.	Abuse, Death or injury of vulnerable persons. Reputational damage to Council.	Alison Elliot - Director Adult Social Care/ Liz Jones - Assistant Director, Adult Social Care	6	4	24	Safeguarding of Adults Teams deal with safeguarding issues. Safer Recruitment; training; Multi - Agency Policies and Procedures for Adults; ASC Transformation Programme; Reablement. Appointeeships/Deputyship arrangements in place after client needs have been assessed.	Care Quality Commission Inspections; Carers Survey; Internal Audit; Office of Protection.	6	3	18		None	N/a	N/a	

ID	CAT.	RISK IDENTIFICATION (Describe risk and underlying cause)	IMPACT (Consequences of risk maturing)	Risk Owner	Inherent (raw) risk			Existing Controls	Sources of Assurance	Residual (net) risk			Movement Indicator	Further Actions	Deadline	Responsible Officer
					Impact	Likelihood	Risk Score			Impact	Likelihood	Risk Score				
ASC2							0					0				
Environment and Neighbourhood Services																
ENS1	Environmental / Economic	Effects of Climate Change not adequately planned for. Environmental Targets not met. Failure to understand and plan to mitigate the impact of and adapt to climate change. Failure to cope with severe weather events.	Negative impact on health & wellbeing of residents. Increase in energy costs and fees paid to the Environment Agency on Carbon Reduction Commitment Regulations and reputational risks for being at the bottom of the league table. Increase expenditure to make further adaptations and other levies.	Sue Harper - Director of Environment & Neighbourhood	6	4	24	Climate Change Strategy & Action Plan; Travel Plans; Recycling Schemes; Civic Centre; Climate Change Pledge; Waste Strategy; Carbon Management Programme and the Council's Green Charter.	Internal Audit - CRC Readiness Report. Audit by Environment Agency. Progress on Green Charter is reported to members	6	3	18		N/A	Ongoing	Sue Harper - Director of Environment & Neighbourhood
ENS2	Legal / Reputational / Environmental	Major or large scale incident (accident; natural hazard; riot) business interruption affecting Council's resources and its ability to deliver critical services. Risk to safety of staff / Loss of staff.	Service delivery disruption and impact on the Council's ability to deliver critical services.	Gareth Daniel - Chief Executive; Sue Harper - Director of Environment & Neighbourhood	6	5	30	Community Resilience; Civil Contingencies Register; Emergency Planning	Emergency Planning & Business Continuity	6	3	18		Regular review and assessment of robustness of plans	Ongoing	Martyn Horne - Head of BCP, Env & Neighbourhood
Corporate Services																
CS1	Economic / Reputational	Increased acts of significant fraud or corruption due to economic down turn.	Financial Loss and damage to Council's reputation.	Clive Heaphy - Director of Finance	6	4	24	Anti-Fraud Framework; Whistleblowing Policy; Staff Code of Conduct; Audit & Investigations Unit; Conflicts of Interests Policy; Gifts and Hospitality Policy;	Audit & Investigations Reports / Investigations. NFI; Audit Commission	6	3	18		Anti-Fraud Culture promotion; fraud training across the Council and to external organisations.	Ongoing	Simon Lane - Head of Audit & Investigations
CS2	Technological/ Reputational	ICT systems failure/ severe or prolonged failure of ICT capability across the Council / breach of IT security either external or significant data loss by staff. Denial of Access. Proximity of new Civic Centre to Wembley Stadium - would take a major threat at the Stadium to have a significant impact on the Council's ICT capabilities.	Service delivery disruption. Financial penalties. Serious damage to Council's reputation.	Clive Heaphy - Director of Finance.	6	5	30	ICT Strategy; Disaster Recovery Plans place; ICT projects to improve technical infrastructure (info store; OnePrint etc.); Information Governance; S Access to Information Policy; IT Steering Group.	Test Results from Disaster Recovery Plans. IT Audits. Incident management process	6	4	24		Security Policies & Protocols in need of review and revision.;	Ongoing	Stephan Conoway - AD, Information Technology.

Movement since last

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 <p>The logo of Brent Council, featuring a central coat of arms with a shield, a crown, and a banner, surrounded by the words 'BRENT' and 'COUNCIL' in a circular arrangement.</p>	<p>Executive</p> <p>18th June 2012</p> <p>Report from the Director of Finance and Corporate Services</p>
<p>For Action Wards Affected: ALL</p>	
<p>AUTHORITY TO AWARD CONTRACT TO IMPLEMENT AN ORACLE R12 FINANCIALS SYSTEM</p>	

1.0 Background

- 1.1 This report is supplemental to a report presented to the Executive in April 2012 which authorised the Director of Finance and Corporate Services to award two call-off contracts to Capgemini UK plc to support the implementation of a new Oracle R12 HR/ payroll system.
- 1.2 Recommendation 2.3 of that report indicated that a further report would be brought to a future meeting of the Executive to set out the case and the benefits of implementing a Oracle R12 Financials system alongside the R12 HR/ payroll system. This would give Brent a fully integrated Enterprise Resources Planning (ERP) system, common in many local authorities.
- 1.3 This report updates Members on the work to date and seeks authority to extend the scope of existing call-off contracts with Capgemini UK plc in order to provide Brent with full ERP capability on an Oracle R12 platform ahead of the original planned implementation timescale of 2013/14.

2.0 Recommendations

- 2.1 That the Executive agree to the extension of scope of the call-off contracts to be awarded to Capgemini UK plc to include implementation of a Phase 2 Oracle R12 Financials/Procurement functionality subject to the Director of Finance and Corporate Services in consultation with the Director of Strategy, Partnerships and Improvement being satisfied with the final business case and that the final contract value is in line with the costs estimates in section 3.10 of this report.

3. Detail

- 3.1 The Executive report of 23 April 2012 described Brent's current Financial and HR/ payroll IT platforms, which are a mixture of Oracle Financials Release (R11) and Logica Interact HR systems.
- 3.2 Oracle release 11 will cease to be a supported product in September 2013 and will need replacing either as a single organisation within Brent or as part of a wider consortium. Logica Interact, the current HR/Payroll solution is now unsupported and will also require upgrade regardless of decisions on Oracle R12.
- 3.2 The April report outlined the need for Brent to move to a single Oracle R12 platform with the benefits of a fully functioning Enterprise Resource Planning ("ERP") system.
- 3.3 An ERP system would provide Brent with a powerful resource planning capability and make available to managers the tools to make resource deployment decisions based on up to date financial and staffing data.
- 3.4 The April report proposed a two phase approach to achieve full ERP functionality, namely:
 - (i) Phase 1 would be taken up moving HR / Payroll from the current Logica system to the latest Oracle R12 platform.
 - (ii) Phase 2, the move from the R11 based Financials system to the R12 platform. It was planned to start in the third quarter of 2013 with a go-live date in October 2014. It was estimated at current market prices that Phase 2 would cost between £1.1 and £1.4 million.
- 3.5 As outlined in the April Executive report, Brent has been a part of a collaborative procurement with other London boroughs ("Joint Partnership boroughs") for Oracle 12 Joint Service Implementation Services which culminated in the London Borough of Lambeth awarding Framework Agreements to Capgemini UK plc ("Capgemini"). The April report authorised the Director of Finance and Corporate Services to award 2 call-off contracts from the Frameworks for Phase 1 Services. These call-off contracts for Phase 1 Services have not yet been awarded by the Director of Finance and Corporate Services. The intention was that Phase 2 would be the subject of a separate later call-off from the Framework Agreements
- 3.6 Phase 1 is well advanced and Joint Partnership boroughs have been in discussion with Capgemini to clarify the delivery plan and the resourcing requirements. During these discussions it became clear that the pricing model adopted by Capgemini spread costs evenly across all six Joint Partnership boroughs for activities such as programme management, systems design and systems development.
- 3.7 Closer examination of the pricing schedule revealed that other partners were likely to be paying only marginally more than Brent even though they were implementing total ERP solutions..
- 3.8 Capgemini confirmed that Officers' assessment of the figures was correct and that if Brent wanted to implement Phase 2 Services at the same time as implementing Phase 1 Services it would cost £193k in addition to the price quoted for the Phase 1 HR/ payroll modules.

3.9 As detailed at paragraph 3.4, it was estimated at current market prices that implementing Phase 2 separately to Phase 1 would cost between £1.1 and £1.4 million. The modules included for Phase 1 HR/ Payroll and Phase 2 Financials are shown below.

Phase 1 Oracle R12 HR/Payroll	Phase 2 Oracle R12 Financials	Phases 1 & 2 Oracle R12 E-Business Suite
HR, Payroll, HR Self Service, Performance Manager, Learning Manager, UPK	Oracle Financials, Advanced Collections, iExpenses, iSupplier Portal, Purchasing, iProcurement, Business Intelligence, Governance and Risk	All Shown in columns 1 & 2

3.10 The implementation costs for Phase 1 Oracle R12 HR/ Payroll have now been agreed with Capgemini at £998k. To include the Phase 2 R12 Financials the cost would rise to £1.19M.

3.11 Discussions have taken place at the Athena project board and consideration was given to the costs saving and the additional resource requirement for delivering the Phase 2 R12 Financials component. The board was confident that the project was well resourced for the HR/ Payroll part of the project and the work in that area is well advanced. Further consideration will be given to resourcing the delivery of the Phase 2 Financials component of the project but the board is confident that experienced staff can be allocated over the 13 month programme.

3.12 Officers are currently preparing a revised business case. Based on the figures detailed at paragraph 3.10, it is anticipated that a revised business case will confirm that the additional efficiency savings resulting from procuring both Phases 1 and 2 simultaneously, leading to the introduction of a fully functioning ERP system will provide excellent value for money.

3.13 The Executive are asked to approve the extension of the scope of call-off contracts with Capgemini to include Phase 2 Oracle R12 Financials subject to the Director of Finance and Corporate Services being satisfied with the final business case and that the final contract value is in line with the cost estimates in section 3.10 of this report.

4.0 Financial Implications

4.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1million shall be referred to the Executive for approval of the award of the contract. The total value for Phase 1 and Phase 2 of the project exceed this figure although this report is seeking approval for the additional £193k for Phase 2.

- 4.2 It is anticipated that the cost of this contract will be funded in part from the One Council budget.

5.0 Legal Implications

- 5.1 As detailed at paragraph 3.5, Brent has been a part of a collaborative procurement with other London boroughs for Oracle 12 Joint Service Implementation Services which culminated in the London Borough of Lambeth awarding Framework Agreements to Capgemini. The Framework Agreements cover both Phase 1 and Phase 2 Services.
- 5.2 The Public Procurement Regulations allow the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full EU process.

6.0 Diversity Implications

- 6.1 An Equality Impact Assessment was included in the April Executive report and the findings are unchanged by the proposed changes to the Athena project.

7.0 Staffing/Accommodation Implications

- 7.1 It is anticipated that the revised business case will identify additional reductions in staff numbers, which will have implications for staff accommodation requirements going forward. These proposals do not, with the exception of Applications Support, contain proposals for the final stage of the project which is the creation of a single shared service. It is anticipated that the additional functionality of the R12 E-Business Suite will reduce the numbers of staff needed to complete back office transactional and operational activities.

8.0 Background Information


- 8.1 Executive Report and Supplementary Report – 23 April 2012

Contact Officer(s)

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Town Hall Annexe

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Clive Heaphy
Director of Finance and Corporate Services

	<p>Executive 18 June 2012</p> <p>Report from the Director of Finance and Corporate Services</p>
<p>Wards Affected: ALL</p>	
<p>Update on the Award of the Framework for Passenger Transport Services for Participating Boroughs in the West London Alliance</p>	

1.0 Summary

- 1.1 This report provides an update to the previous report to the Executive of 23 April 2012 which authorised the award of a Framework Agreement for Passenger Transport Services for Participating Boroughs in the West London Alliance.

2.0 Recommendations

- 2.1 That the Executive agrees to the appointment of an additional supplier, Altwood Property Services, to Lots on the Framework Agreement for Passenger Transport Services as detailed in Appendix 1.

3.0 Detail

Background

- 3.1 Brent Council is participating in the West London Alliance Transport Efficiency Programme (“the Programme”) in collaboration with the London Boroughs of Barnet, Ealing and Hounslow (known here collectively as the “Participating Boroughs”).
- 3.2 Brent are leading in the procurement of a framework for Passenger Transport Services (the “Framework”) and a report recommending the appointment of 23 suppliers across four geographical Lots was approved by the Executive on 23rd April 2012. Following approval of the Executive, all tenderers were notified of the award decision in

writing. A minimum 10 calendar day standstill period was then observed before formal award of the Framework. During this period one of the unsuccessful tenderers, Altwood Property Services (“Altwood”), wrote to the Council making representations regarding the scoring of its tender.

- 3.3 Officers from the Legal and Procurement Teams met to review both Altwood’s representations and their original tender submission. The instructions for completing the Method Statements asked tenderers not to repeat information contained within one Method Statement in multiple statements. Altwood stated that relevant information applicable to one Method Statement that it had failed to score minimum marks on was contained within other response. In the light of the representations, it was considered appropriate to request the Evaluation Panel review the marking of Altwood’s submission in relation to Quality criteria.
- 3.4 The four members of the Evaluation Panel were advised of the content of Altwood’s representations and were asked to review the scoring of its submission. Panel Members subsequently reviewed their scoring of Altwood’s submission with the result that minimum marks were reached for all 10 of the Method Statements.
- 3.5 Altwood submitted prices for all four geographical Lots for the majority of vehicle types, both with and without passenger attendants. The combination of the Quality score and Price score means that Officers now recommend appointment of Altwood to several categories across various Lots, a full breakdown of which can be seen in Appendix 1.
- 3.6 No further changes are proposed to the providers appointed to the framework.

4.0 Financial Implications

- 4.1 Members are referred to the Financial Implications contained within the report to the Executive dated 23rd April 2012. There are no new Financial Implications not previously considered in the original report.

5.0 Legal Implications

- 5.1 Members are referred to the Legal Implications contained within the report to the Executive dated 23rd April 2012.
- 5.2 As the procurement of the Framework is subject to full application of the Public Contract Regulations 2006 (the “EU Regulations”), the Council was required to observe a mandatory 10 calendar day standstill period before award of the Framework. As detailed in paragraph 3.2, representations were received from Altwood, one of the unsuccessful tenderers. In accordance with the Regulations and the

overriding EU principles of equality of treatment, fairness and transparency in the award of contracts, the Evaluation Panel reviewed its scoring of Altwood's tender. Following review, Altwood's Quality criteria score has been revised with the result that Officers now recommend Altwood's appointment to the Framework Lots detailed in Appendix 1.

6.0 Diversity Implications

6.1 Officers have screened the proposals in this report and believe that there are no diversity implications. The Framework will simply replace the existing provision of contracted transport services in Participating Boroughs.

7.0 Staffing/Accommodation Implications

7.1 This service is currently provided by external contractors and there are no implications for Council staff arising from retendering the contract.

8.0 Background Papers

- Authority to Tender report 19 September 2011
- Authority to Award report 12 April 2012

Contact Officers

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CLIVE HEAPHY
Director of Finance and Corporate Resources

Appendix 1.

Tenders Evaluation Scores

	Lot 1	Table 1							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	WELCOME	ATOZ	CRUISE	STARCARS	PARKERS	OLYMPIC	Chequers	CITY FLEET
Estate Car	I.H.S	WELCOME	CRUISE	PARKERS	STARCARS	CITY FLEET	ATOZ	BECKET	Chequers
MPV	I.H.S	CRUISE	WELCOME	STARCARS	OLYMPIC	PARKERS	ATOZ	ELITEBDWY	BEKET
MPV	I.H.S	IMPACT	CRUISE	B&LCOACHES	STARCARS	PARKERS	WELCOME	BECKET	ATOZ
Minibus Small	CRUISE	I.H.S	WELCOME	IMPACT	TWELVES	B&LCOACHES	STARCARS		
Minibus Medium	I.H.S	IMPACT	B&LCOACHES	ECT	STARCARS	OLYMPIC	PARKERS		
Minibus Large	IMPACT	STARCARS	I.H.S	OLYMPIC	PARKERS				
Coach	IMPACT	STARCARS	PARKERS	GOLDENSTAND	#N/A				
Wheelchair Accessible Small	IMPACT	CRUISE	I.H.S	TWELVES	PARKERS	WELCOME	STARCARS		
Wheelchair Accessible Medium	TWELVES	IMPACT	CRUISE	GOLDENSTAND	STARCARS	B&LCOACHES	I.H.S		
Wheelchair Accessible Large	IMPACT	STARCARS	OLYMPIC	PARKERS	Altwood	#N/A	#N/A		

	LOT 1	TABLE 2							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	CRUISE	STARCARS	OLYMPIC	Chequers	BECKET	Brent Courier	GOLDENSTAND	WHEELGETYOUTHERE
Estate Car	I.H.S	CRUISE	STARCARS	Chequers	BECKET	Brent Courier	GOLDENSTAND	WHEELGETYOUTHERE	ELITEBDWY
MPV	I.H.S	CRUISE	STARCARS	OLYMPIC	GOLDENSTAND	Brent Courier	Chequers	ELITEBDWY	WHEELGETYOUTHERE
MPV	I.H.S	CRUISE	B&LCOACHES	IMPACT	STARCARS	OLYMPIC	GOLDENSTAND	Brent Courier	ELITEBDWY
Minibus Small	I.H.S	CRUISE	B&LCOACHES	IMPACT	ECT	STARCARS	GOLDENSTAND		
Minibus Medium	I.H.S	B&LCOACHES	ECT	IMPACT	STARCARS	OLYMPIC	Brent Courier		
Minibus Large	IMPACT	STARCARS	I.H.S	OLYMPIC	BECKET				
Coach	IMPACT	STARCARS	GOLDENSTAND	#N/A	#N/A				
Wheelchair Accessible Small	CRUISE	I.H.S	IMPACT	B&LCOACHES	STARCARS	ECT	GOLDENSTAND		
Wheelchair Accessible Medium	I.H.S	CRUISE	IMPACT	B&LCOACHES	GOLDENSTAND	ECT	STARCARS		
Wheelchair Accessible Large	IMPACT	STARCARS	OLYMPIC	Altwood	#N/A	#N/A	#N/A		

	LOT 2	TABLE 1							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	WELCOME	ATOZ	PARADRIVE	STARCARS	PARKERS	OLYMPIC	Chequers	CITY FLEET
Estate Car	I.H.S	WELCOME	PARADRIVE	PARKERS	STARCARS	CITY FLEET	ATOZ	BECKET	Chequers
MPV	I.H.S	WELCOME	STARCARS	OLYMPIC	PARKERS	PARADRIVE	ATOZ	ELITEBDWY	Cavendish
MPV	I.H.S	IMPACT	B&LCOACHES	STARCARS	PARADRIVE	PARKERS	WELCOME	ATOZ	CITY FLEET
Minibus Small	I.H.S	WELCOME	B&LCOACHES	IMPACT	STARCARS	ECT	ELITEBDWY		
Minibus Medium	I.H.S	B&LCOACHES	IMPACT	STARCARS	ECT	OLYMPIC	PARKERS		
Minibus Large	IMPACT	STARCARS	I.H.S	PARKERS	OLYMPIC				
Coach	IMPACT	STARCARS	PARKERS	#N/A	#N/A				
Wheelchair Accessible Small	I.H.S	IMPACT	PARKERS	B&LCOACHES	WELCOME	STARCARS	Chequers		
Wheelchair Accessible Medium	B&LCOACHES	IMPACT	STARCARS	I.H.S	ECT	OLYMPIC	WHEELGETYOUTHER		
Wheelchair Accessible Large	IMPACT	STARCARS	OLYMPIC	PARKERS	Altwood	#N/A	#N/A		

	LOT 2	TABLE 2							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	STARCARS	OLYMPIC	Chequers	BECKET	Brent Courier	ELITEBDWY	WHEELGETYOUTHERE	Altwood
Estate Car	I.H.S	STARCARS	Chequers	BECKET	Brent Courier	ELITEBDWY	WHEELGETYOUTHER	Altwood	n/a
MPV	I.H.S	STARCARS	OLYMPIC	Brent Courier	Chequers	ELITEBDWY	BECKET	WHEELGETYOUTHERE	Altwood
MPV	I.H.S	B&LCOACHES	IMPACT	STARCARS	OLYMPIC	Brent Courier	ELITEBDWY	BECKET	WHEELGETYOUTHERE
Minibus Small	I.H.S	B&LCOACHES	IMPACT	STARCARS	ECT	OLYMPIC	ELITEBDWY		
Minibus Medium	I.H.S	B&LCOACHES	IMPACT	ECT	STARCARS	OLYMPIC	Brent Courier		
Minibus Large	IMPACT	STARCARS	I.H.S	OLYMPIC	BECKET				
Coach	IMPACT	STARCARS	#N/A	#N/A	#N/A				
Wheelchair Accessible Small	I.H.S	B&LCOACHES	IMPACT	STARCARS	Chequers	Brent Courier	OLYMPIC		
Wheelchair Accessible Medium	B&LCOACHES	I.H.S	IMPACT	STARCARS	ECT	OLYMPIC	WHEELGETYOUTHER		
Wheelchair Accessible Large	IMPACT	STARCARS	OLYMPIC	Altwood	#N/A	#N/A	#N/A		

	LOT 3	TABLE 1							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	WELCOME	ATOZ	CRUISE	STARCARS	PARKERS	OLYMPIC	CITYFLEET	MANOR
Estate Car	I.H.S	WELCOME	CRUISE	PARKERS	STARCARS	CITY FLEET	ATOZ	MANOR	BECKET
MPV	I.H.S	CRUISE	WELCOME	STARCARS	OLYMPIC	PARKERS	ATOZ	MANOR	ATOZ
MPV	I.H.S	IMPACT	CRUISE	STARCARS	PARKERS	WELCOME	BECKET	MANOR	GOLDENSTAND
Minibus Small	CRUISE	I.H.S	WELCOME	IMPACT	TWELVES	STARCARS	ECT		
Minibus Medium	I.H.S	IMPACT	ECT	STARCARS	OLYMPIC	PARKERS	GOLDENSTAND		
Minibus Large	IMPACT	STARCARS	I.H.S	OLYMPIC	PARKERS				
Coach	IMPACT	STARCARS	PARKERS	SIHOTA	GOLDENSTAND				
Wheelchair Accessible Small	IMPACT	CRUISE	I.H.S	TWELVES	PARKERS	WELCOME	WHEELGETYOUTHER		
Wheelchair Accessible Medium	TWELVES	IMPACT	CRUISE	GOLDENSTAND	STARCARS	I.H.S	ECT		
Wheelchair Accessible Large	IMPACT	STARCARS	OLYMPIC	PARKERS	Altwood	#N/A	#N/A		

	LOT 3	TABLE 2							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	CRUISE	STARCARS	OLYMPIC	BECKET	WHEELGETYOUTHE R	GOLDENSTAND	Brent Courier	N/A
Estate Car	I.H.S	CRUISE	STARCARS	BECKET	GOLDENSTAND	WHEELGETYOUTHE R	Brent Courier	N/A	N/A
MPV	I.H.S	CRUISE	STARCARS	OLYMPIC	GOLDENSTAND	WHEELGETYOUTHE R	BECKET	Brent Courier	MASONS
MPV	I.H.S	CRUISE	IMPACT	STARCARS	OLYMPIC	GOLDENSTAND	BECKET	WHEELGETYOUTHE R	Brent Courier
Minibus Small	I.H.S	CRUISE	IMPACT	ECT	STARCARS	GOLDENSTAND	OLYMPIC		
Minibus Medium	I.H.S	ECT	IMPACT	STARCARS	OLYMPIC	GOLDENSTAND	Brent Courier		
Minibus Large	IMPACT	STARCARS	I.H.S	OLYMPIC	BECKET				
Coach	IMPACT	STARCARS	GOLDENSTAN D	#N/A	#N/A				
Wheelchai r Accessible Small	CRUISE	I.H.S	IMPACT	STARCARS	GOLDENSTAND	ECT	WHEELGETYOUTHE R		
Wheelchai r Accessible Medium	I.H.S	CRUISE	IMPACT	GOLDENSTAN D	STARCARS	ECT	OLYMPIC		
Wheelchai r Accessible Large	IMPACT	STARCARS	OLYMPIC	Altwood	#N/A	#N/A	#N/A		

	LOT 4	TABLE 1							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	WELCOME	ATOZ	CRUISE	STARCARS	PARKERS	OLYMPIC	CITY FLEET	MANOR
Estate Car	I.H.S	WELCOME	CRUISE	PARKERS	STARCARS	CITY FLEET	ATOZ	MANOR	BECKET
MPV	I.H.S	CRUISE	WELCOME	STARCARS	OLYMPIC	PARKERS	ATOZ	MANOR	BECKET
MPV	I.H.S	CRUISE	IMPACT	STARCARS	PARKERS	WELCOME	BECKET	MANOR	ATOZ
Minibus Small	CRUISE	I.H.S	WELCOME	TWELVES	IMPACT	SIHOTA	BECKET		
Minibus Medium	I.H.S	ECT	IMPACT	STARCARS	OLYMPIC	#N/A	#N/A		
Minibus Large	IMPACT	STARCARS	I.H.S	PARKERS	OLYMPIC				
Coach	IMPACT	STARCARS	PARKERS	SIHOTA	#N/A				
Wheelchair Accessible Small	CRUISE	I.H.S	IMPACT	TWELVES	PARKERS	WELCOME	WHEELGETYOUTHER		
Wheelchair Accessible Medium	TWELVES	CRUISE	IMPACT	STARCARS	I.H.S	ECT	OLYMPIC		
Wheelchair Accessible Large	STARCARS	IMPACT	OLYMPIC	PARKERS	Altwood	#N/A	#N/A		

	LOT 4	TABLE 2							
	1	2	3	4	5	6	7	8	9
Car	I.H.S	CRUISE	STARCARS	OLYMPIC	BECKET	WHEELGETYOUTHER	Brent Courier	Altwood	n/a
Estate Car	I.H.S	CRUISE	STARCARS	BECKET	WHEELGETYOUTHER	Brent Courier	Altwood	n/a	n/a
MPV	I.H.S	CRUISE	STARCARS	OLYMPIC	WHEELGETYOUTHER	BECKET	Brent Courier	MASONS	Altwood
MPV	I.H.S	CRUISE	IMPACT	STARCARS	OLYMPIC	BECKET	WHEELGETYOUTHER	Brent Courier	MASONS
Minibus Small	I.H.S	CRUISE	IMPACT	ECT	STARCARS	OLYMPIC	WHEELGETYOUTHER		
Minibus Medium	I.H.S	ECT	IMPACT	STARCARS	OLYMPIC	Brent Courier	MASONS		
Minibus Large	IMPACT	STARCARS	I.H.S	OLYMPIC	BECKET				
Coach	IMPACT	STARCARS	#N/A	#N/A	#N/A				
Wheelchair Accessible Small	CRUISE	I.H.S	IMPACT	STARCARS	ECT	WHEELGETYOUTHER	OLYMPIC		
Wheelchair Accessible Medium	I.H.S	CRUISE	IMPACT	ECT	STARCARS	OLYMPIC	WHEELGETYOUTHER		
Wheelchair Accessible Large	STARCARS	IMPACT	OLYMPIC	Altwood	#N/A	#N/A	#N/A		

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	<p style="text-align: center;">Executive 18 June 2012</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Services</p>
<p>Wards Affected: [ALL]</p>	
<p>Delegated authority to award Telephony Services Contract for newly built Civic Centre</p>	

Appendix 1 is NOT for publication.

1.0 Summary

1.1 This report concerns the future provision of the Council's Telephony Services. This report requests approval of delegated authority to the Director of Finance and Corporate Services to award the Telephony Services contract.

2.0 Recommendations

2.1 The Executive note the process to be followed for the procurement of a telephony services contract for the newly built civic centre.

2.2 The Executive authorise the Director of Finance and Corporate Services in consultation with the Director of Legal and Procurement to award the contract for telephony services following the evaluation of tender submissions in accordance with the approved evaluation criteria referred to in paragraph 3.13.

3.0 Detail

3.1 The council's current telephony provision is mainly desk phones, using a Cisco-based IP-telephony solution rolled out to approximately 3000 desks. This is complemented by approximately 640 mobile phones and 430 blackberry handsets.

3.2 Blackberry devices are currently the main means of mobile data access, restricted to email and Intranet access. These are

complemented with approximately 100 iPads and 100 3G USB keys for mobile data access.

- 3.3 As part of the preparations for the move to the newly built civic centre, we are looking to move from the current telephony and mobile data provision and enable staff to work more flexibly by procuring a converged solution for fixed line and mobile telephony.
- 3.4 The new solution will provide all staff with a smartphone, allowing them to access their council telephone whether in the office, on the move or at home. It will at the same time provide all staff with access to their email on the move and will give us an application platform we can utilise in the future, allowing us to deploy more applications as appropriate to staff.
- 3.5 In addition to equipping all staff with a mobile handset, it is envisaged that there will be a requirement to install approximately 250 desk phones in the new civic centre. Approximately half of them are expected to be in the Call Centre, the rest being used for specific positions as opposed to individual members of staff: for example reception phone.
- 3.6 The successful vendor for this procurement is expected to invest in equipment necessary to provide the services. Given the level of the required investment and the expected lifespan of the equipment involved, we recommend a contract of 5 years
- 3.7 A contract of 5 years is recommended for the following reasons:
 - a) It is expected that implementation alone will take up to a year. Some of the services will be up quickly, but others will take some time as numbering and configuration of a telephony system is a lengthy process. It is undesirable for the Council to go through change implementations like this more frequently than necessary.
 - b) The vendor will be required to invest in both infrastructure and setup costs to implement the contract. These costs will be amortised over the length of the contract. A shorter contract will undoubtedly lead to a higher annual cost.
 - c) The vendor community, are seeking some stability in an otherwise uncertain market and will pay a premium for a more stable relationship in terms of a higher discount level. We believe that this can translate into lower costs for the Council through a better negotiating position. Through appropriate contracting we can manage that the Council's prices stay in line with the market changes over the period of the contract.
 - d) To ensure the availability of telephone services at the newly built civic centre as failure to authorise the award of a contract for the provision of a telephony service may impact on the provision of Council services .

- 3.8 The specification for the contract stipulates the requirement for the supplier to include a technology refresh for the mobile handsets in the 5 year period.
- 3.9 The contract will be for a telephony managed service. The successful vendor will be responsible for maintaining and providing support for all elements of the council's telephony solution. This includes support of the infrastructure required to provide desk phones, mobiles, Automated Call Distribution (ACD) and Interactive Voice Response (IVR) functionality, as well as the provision of the devices and all call charges.
- 3.10 The procurement route is through a Government Procurement Service ("GPS") framework. The framework gives the Council access to all main UK providers of mobile telephony services and allows us to complete the procurement within the tight timescale required by the move to the newly built civic centre . There is insufficient time to undertake a full EU procurement for the contract and accordingly procuring the contract through a framework is the only option available to the Council.
- 3.11 The GPS framework expires in June 2012. It is therefore essential to complete the procurement and award the contract by the 29th of June 2012 as the framework is the only one currently available to meet the specified requirement of the Council. Given the requirement to award the contract prior to the expiry of the framework there will not be sufficient time to report back to the Executive seeking award of the contract. The Executive is therefore asked to authorise the Director of Finance and Corporate Services, in Consultation with the Director of law and Procurement, to award the contract.
- 3.12 Following evaluation of tenders and award of the contract, it is proposed that a further report will be brought before members in August 2012 to provide an update on the contract award.
- 3.13 The intended procurement process and timetable is set out below.

Ref.	Requirement	Response
(i)	The nature of the service.	The provision and support of all equipment, infrastructure hardware and software, mobile and desk phones, call charges, to deliver telephony and mobile data services to the council.
(ii)	The estimated value.	£5M for 5 years
(iii)	The contract term.	5 years
(iv)	The tender	Competition under the GPS framework

	procedure to be adopted including whether any part of the procedure will be conducted by electronic means and whether there will be an e-auction.		
v)	The procurement timetable.	Issue Invitation to Tender	18 th May 2012
		Deadline for return of tender submissions	12 th June 2012
		Panel evaluation and presentations	18 th - 22 nd June 2012
		Panel decision	27 th June 2012
		Contract start date	29 th June 2012
(vi)	The evaluation criteria and process.	<p>The panel will evaluate the tenders against the following criteria:</p> <p>(1) Price 45%</p> <p>(2) Quality 55%, consisting of</p> <ul style="list-style-type: none"> • Overall Telephony solution design • End user functionality • Support Services offer / Service Level Agreement <p>Implementation proposal</p>	
(vii)	Any business risks associated with entering the contract.	<p>No specific business risks are considered to be associated with entering into the proposed contract.</p> <p>Financial Services and Legal Services have been consulted concerning this contract.</p>	
(viii)	The Council's Best Value duties.	<p>The Corporate Best Value Strategy is to provide best value services and to serve our community. The competitive tender for the Telephony Services contract will ensure value for money.</p>	
(ix)	Any staffing implications, including TUPE and pensions.	None.	
(x)	The relevant financial, legal and other considerations.	Please see sections 4 and 5 below	

4.0 Financial Implications

- 4.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1million shall be referred to the Executive for approval to invite tenders and in respect of other matters identified in Standing Order 90.
- 4.2 The estimated value of this contract in total for 5 years is £5M
- 4.3 The estimated value of the contract was calculated on the basis of the current number of staff in the council. The contract will be structured to ensure that charges are proportionally to the number of telephony users.
- 4.5 It is anticipated that the cost of this contract will be funded from the existing revenue budget used to fund current telephony services.

5.0 Legal Implications

- 5.1 The estimated sum total of the contract is higher than the EU threshold for Services and the nature of these services means they all fall within Part A of Schedule 3 of the Public Contracts Regulations 2006 ("the EU Regulations"). The tendering of the services is therefore governed in full by the EU Regulations. As the estimated value of the contract over its lifetime is in excess of £500k, the procurement and award of the contracts are subject to the Council's own Standing Orders in respect of High Value Contracts and Financial Regulations.
- 5.2 As detailed in paragraph 3.9 and 3.10, Officers have identified the call off under the GPS framework as the most appropriate procedure given the limited timescale required for the newly built civic centre project and that it gives us access to all the main UK providers of mobile telephony providers in the market capable of providing these services. The EU Regulations allow the use of Framework Agreements and prescribes rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full EU process.
- 5.3 The Council's Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a Framework Agreement established by another contracting authority, where call off under the Framework Agreement is approved by the relevant Chief Officer and provided that the Director of Legal and Procurement has advised that participation in the Framework is legally permissible.
- 5.4 Further legal implications are provided in Appendix 1.

6.0 Diversity Implications

6.1 The proposals in this report have been subject to screening and equality impact assessment and officers believe that there are no diversity implications.

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 This service is currently provided by interim staff and there are no implications for Council staff arising from letting this contract.

8.0 Background Papers

8.1 Chief Officer Recommendation to call off contract under GPS RM526/I3 framework agreement – NBCC telephony dated 1st April 2012.
Legal Memorandum dated 5th April 2012.

Contact Officer(s)

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Director of Finance Corporate Services