



Cabinet

Monday 23 May 2016 at 7.00 pm

Board Room 4 - Brent Civic Centre, Engineers Way,
Wembley HA9 0FJ

Membership:

Lead Member

Portfolio

To be confirmed

For further information contact: Anne Reid, Principal Democratic Services Officer
020 8937 1359, anne.reid@brent.gov.uk

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The press and public are welcome to attend this meeting

Agenda

Introductions, if appropriate.

Apologies for absence.

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 - 8
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3	Matters arising	
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Regeneration and Environment reports

4	Authority to award contract for the supply of Street Lighting LED Lanterns	9 - 18
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This report explains a recent issue associated with the proposed award of the Lot 1 contract to Bouygues E&S Infrastructure UK Limited (Bouygues) for the supply of LED (Light Emitting Diode) street lighting luminaires, as recommended to Cabinet in January 2016. This report proposes a method for effectively managing the issue and associated risks, whilst minimising the delay in realising carbon and energy savings.

Ward Affected:
All Wards

Contact Officer: Gavin F Moore, Head of
Parking and Lighting
Tel: 020 8937 2979 gavin.f.moore@brent.gov.uk

5	Highways Investment Programme 2016/17	19 - 42
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Our highways infrastructure (including roads and pavements) is the asset most used by the public and the most visible. In common with other Highway Authorities, Brent has an increasing maintenance requirement which cannot be met through a standstill budget. Currently estimated in Brent at £100m, more defects are appearing year on year. Against this, public expectations are rising with more customer reports of highways defects every year asking for these to be repaired. An increase in the level of investment to maintain the highway network is required to respond to public concerns, make it safer and fit-for-purpose, and to improve public satisfaction.

Ward Affected:
All Wards

Contact Officer: Tony Kennedy, Head of
Transportation
Tel: 020 8937 5151 tony.kennedy@brent.gov.uk

6 School site, 399 Edgware Road, NW9 0JJ & 434 Church Lane, NW9 9BD 43 - 66

The Cabinet is asked to approve the grant of a 125 year lease to the Floreat Education Academies Trust (FEAT) to enable the construction of a two form entry primary school on a site that forms part of the Oriental City redevelopment site. Granting an interim 3 year lease to FEAT for the period of construction at 434 Church Lane, Kingsbury, NW9 9BD, on completion of construction, FEAT will move out of Church Lane to the new school at the Oriental City development.

Ward Affected:
Queensbury

Contact Officer: Sarah Chaudhry, Head of
Strategic Property
Tel: 020 8937 1705
sarah.chaudhry@brent.gov.uk

7 Clock Cottage Investment & Redevelopment Proposals 67 - 82

This report proposes that capital investment be approved to enable Brent Council to redevelop Clock Cottage, Kenton Road, London, HA3 0YG (the subject site) delivering 17 homes of "New Accommodation Independent Living" (NAIL) to house at least 19 people with care and support needs. The anticipated 19 residents would pay affordable rents with specialist support packages provided by Adult Social Care.

Ward Affected:
Kenton

Contact Officer: Sarah Chaudhry, Head of
Strategic Property
Tel: 020 8937 1705
sarah.chaudhry@brent.gov.uk

Resources reports

8 Extension of a Contract in respect of Software Licence Maintenance and Support 83 - 86

This report seeks authority to extend the contract for software update licences and support for the council's Financial and HR/Payroll systems.

Ward Affected:
All Wards

Contact Officer: Prod Sarigianis, Joint Head of
Digital Services
Tel: 020 8937 6080
prod.sarigianis@brent.gov.uk

9 Nominations to outside bodies and Cabinet Committees

Cabinet Committees

- (i) Barham Park Trust Committee (5 Cabinet members)
- (ii) Highways Committee (5 Cabinet members)
- (iii) Joint Lewisham ICT Committee (2 Cabinet members)
- (iv) West London Economic Prosperity Board (1 Cabinet member)

Outside bodies

- (i) London Housing Consortium - Building Components and Solutions
- (ii) South Kilburn Trust

10 Reference of item considered by Scrutiny Committee (if any)

11 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:

APPENDIX: School site, 399 Edgware Road, NW9 0JJ & 434 Church Lane, NW9 9BD

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

12 Any other urgent business

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

Date of the next meeting: Monday 27 June 2016 (provisional)



- Please remember to set your mobile phone to silent during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.



LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET Monday 11 April 2016 at 7.00 pm

PRESENT: Councillor Butt (Chair), Councillor Pavey (Vice-Chair) and Councillors Denselow, Hirani, Mashari, McLennan, Moher and Southwood

Also present: Councillors Duffy, Mahmood and Warren

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

Councillor Butt, Leader of the Council, declared a personal interest in respect of item 13: 'Confidential debt recovery'. For this item, Councillor Butt would leave the meeting and Councillor Pavey, Deputy Leader, would continue in the chair.

2. **Minutes of the previous meeting**

RESOLVED:

that the minutes of the previous meeting held on 14 March 2016 be approved as an accurate record of the meeting.

3. **Matters arising**

None.

4. **Investment strategy**

Councillor Pavey, Deputy Leader of the Council, introduced the report stating that the draft investment strategy was attached at appendix one to the report from the Chief Finance Officer.

Councillor Pavey stated that the Strategy has been prepared through a process of detailed research and review of the capital programme.

In addition, he stated that a member development session had taken place on 15 March 2016, and that the feedback from that session had been taken into account in finalising the Strategy.

Councillor Pavey stated that the session had showed that there was support for the broad principle of adopting a more ambitious and proactive approach to investment. This would be subject to appropriate member oversight arrangements being in place, in addition to Cabinet approvals, and proposals on this would be developed throughout the implementation of the Strategy.

In addition, he stated that the members' session had stressed the importance of ensuring that the Strategy was aligned with proposals around the community infrastructure levy and its use.

Councillor Pavey drew members' attention to recommendation 2 - that the management of the council's reserves would be centralised in order to facilitate the delivery of the investment Strategy.

RESOLVED:

- (i) that the investment strategy as attached as appendix one to the report from the Chief Finance Officer be agreed;
- (ii) that it be noted that individual investment decisions would be subject to specific approval by Cabinet;
- (iii) that the management of the council's reserves be centralised in order to facilitate the delivery of the investment strategy;
- (iv) that as part of (iii) above, a new £12m investment reserve be established through re-designation of existing reserves, in order to deliver the investment strategy;
- (v) that authority be delegated to the Chief Finance Officer to amend the technical criteria for evaluating investments as necessary.

5. **51 (Knowles House), 53 (former Anansi Nursery) and Westbrook Community Centre, Longstone Avenue, London NW10 3UN - investment proposals**

Councillor McLennan, Cabinet Member for Housing and Development, introduced the report stating that the Strategic Property Plan 2015-18, Brent's Corporate Plan 2015/16, and the Temporary Accommodation Reform Plan presented to Cabinet on 14 March 2016 set out a presumption for Brent to retain its limited property assets, utilising them to support regeneration, generating revenue savings, and new income generation.

She informed members that this report proposed that capital investment be approved to enable Brent to redevelop 51, 53 and Westbrook Community Centre, Longstone Avenue, London NW10 3UN (the subject site), delivering 85 temporary and 40 new accommodation units for independent living homes and replacement community facilities, resulting in the termination of the existing leasing arrangements.

RESOLVED:

that agreement be given to capital investment of £24m, to bring forward the proposed 85 temporary and 40 new accommodation units for Independent Living homes and replacement community accommodation, subject to further viability testing, local consultation, and planning consent.

6. Determination of the proposal to permanently increase the age range and expand Roe Green Infant School on a split site

Councillor Moher, Cabinet Member for Children and Young People, introduced the report stating that, in line with the School Place Planning Strategy approved by Cabinet in November 2015, Brent Council has proposed the expansion of Roe Green Infant School by including the Strathcona site and a change in its age-range at the Strathcona site.

She stated that this proposal has the support of the Governing Body of Roe Green Infant School. This proposal made permanent the provision called Roe Green Strathcona that was initially established on a temporary basis.

These changes, Councillor Moher stated, enabled the provision that was established temporarily at the Roe Green Strathcona site to be made a permanent part of the school and for the Strathcona Road provision to provide 30 places a year for children from Reception to Year 6.

Councillor Moher clarified that no change would be made to the Roe Green Infant provision at the Princes Avenue site which would continue to provide 120 places per year group for children from Reception to Year 2 as well as a nursery with 40 fulltime equivalent places.

She highlighted to members that the report informed the Cabinet of the outcome of the statutory consultation on the proposal and recommended that the statutory proposal to expand and change the character of Roe Green Infant School be approved. The representation period on the proposal ended on 24 March 2016. This report also informed the Cabinet of the responses to the informal and formal consultations.

RESOLVED:

- (i) that approval be given to the expansion of Roe Green Infant School, a community school, by one form of entry (from 120 Reception places to 150 Reception places a year – 120 at the Princes Road site and 30 at the Strathcona Road site);
- (ii) that the age-range of the Roe Green Strathcona site be changed from 4-9 to 4-11. These changes would take effect from 1 September 2016.

7. Authority to award the works contracts for the Design and Build of Phase 3 Primary School Expansion Projects

Councillor Moher, Cabinet Member for Children and Young People, introduced the report requesting authority to award a number of separate contracts for the design and build of school expansions at Byron Court Primary School, Elsley Primary School, The Stonebridge Primary School and Uxendon Manor Primary School as required by Contract Standing Order No 88.

She stated that the report summarised the processes undertaken in tendering these contracts and, following the completion of the evaluation of the tenders, recommended to whom the contracts should be awarded.

Byron Court Primary School

RESOLVED:

- (i) that authority to make the final decision to award the two stage design and build contract for the expansion of Byron Court Primary School to Morgan Sindall Group be delegated to the Strategic Director of Regeneration and Environment in consultation with the Chief Legal Officer and Chief Finance Officer following successful completion of all associated matters including planning approval. The first stage of the contract (Preconstruction Services Agreement) to commence following award;
- (ii) that authority to trigger the entry into the stage two main works contract be delegated to the Strategic Director of Regeneration and Environment in consultation with the Chief Legal Officer and Chief Finance Officer following successful conclusion of the Pre Construction Services Agreement.

Elsley Primary School

RESOLVED:

- (i) that subject to planning approval detailed in paragraph 3.4 and table 2 of the report the two stage design and build contract for the expansion of Elsley Primary School be awarded to Lakehouse Contracts Ltd with the first stage of the contract (Preconstruction Services Agreement) to commence following award;
- (ii) that subject to planning approval detailed in paragraph 3.4 and table 2 of the report, the fixed cost lump sum works contract (contract 1) be awarded to Lakehouse Contracts Ltd;
- (iii) that authority to trigger entry into the stage two main works contract be delegated to the Strategic Director of Regeneration and Environment in consultation with the Chief Legal Officer and Chief Finance Officer following successful conclusion of the Preconstruction Services Agreement.

The Stonebridge Primary School

RESOLVED:

- (i) that subject to planning approval detailed in paragraph 3.4 and table 2 of the report, the two stage design and build contract for the expansion of The Stonebridge Primary School be awarded to Morgan Sindall Group with the first stage of the contract (Preconstruction Services Agreement) to commence following award;
- (ii) that authority to trigger entry into the stage two main works contract be delegated to the Strategic Director of Regeneration and Environment in consultation with the Chief Legal Officer and Chief Finance Officer following successful conclusion of the Preconstruction Services Agreement.

Uxendon Manor Primary School

RESOLVED:

- (i) that the two stage design and build contract for the expansion of Uxendon Manor Primary School be awarded to Morgan Sindall Group with the first stage of the contract (Preconstruction Services Agreement) to commence following award;
- (ii) that authority to trigger entry into the stage two main works contract be delegated to the Strategic Director of Regeneration and Environment in consultation with the Chief Legal Officer and Chief Finance Officer following successful conclusion of the Preconstruction Services Agreement.

8. The provision of Civil Enforcement Agents for the Recovery of Parking and Traffic Debt

Councillor Southwood, Cabinet Member for Environment, introduced the report stating that it asked members to consider options open to the council in respect of the recovery of parking and traffic Penalty Charge Notice debt.

She stated that the Council currently had contracts with four Civil Enforcement Agents (formerly known as certificated bailiffs), which all would expire on 30 June 2016.

Councillor Southwood stated that Cabinet was recommended to extend the contracts of two of the four existing contractors by one year, following a competitive process, and to delegate to officers the subsequent decision on a further one year extension. This would provide the council with sufficient flexibility to consider the potential for a consolidated approach to debt recovery.

RESOLVED:

- (i) that approval be given to the extension of the contracts of two of the four incumbent Civil Enforcement Agents by one year, noting the rationale for doing so set out in the background to the report from the Strategic Director, Regeneration and Environment;
- (ii) that authority be delegated to the Strategic Director, Regeneration and Environment, in consultation with the Lead Member for Environment, to select which two Civil Enforcement Agent providers should have their contracts extended and varied;
- (iii) that authority be delegated to the Strategic Director, Regeneration and Environment to decide whether to extend the contracts of the two successful Agents by an additional year in 2017, aligning the contracts with the council's main Parking Management and Enforcement Contract as explained in 3.20 of the Director's report;
- (iv) that the method proposed for selecting which two of the four existing contracts to extend, as set out in paragraph 3.21 of the report be endorsed;

- (v) that agreement be given to the proposed variation of the contracts with two Civil Enforcement Agents to include the matters detailed in paragraphs 3.19 to 3.24 of the Director's report;
- (vi) that agreement be given to the implementation of a new process and dedicated resource for the early write-off of unrecoverable debt following a determination of the likelihood of collection, as set out in paragraphs 3.13 and 3.29 of the Director's report.

9. Source London

Councillor Southwood, Cabinet Member for Environment, introduced the report stating that Brent Council was starting to receive requests from residents to provide the charging infrastructure that will enable them to charge their electric vehicles or enable them to consider purchasing one.

She stated that the charging infrastructure in Brent was currently insufficient to enable proper expansion of the electric vehicle charging point (EVCP) network or uptake of electric vehicles.

This has been recognised and reflected as a commitment in the Long Term Transport Strategy in working towards reducing the negative effects of vehicle use and reducing the overall production of and exposure to all pollutants from Transport at every opportunity.

Councillor Southwood stated that the report set out a proposal to enable an increase in uptake of electric vehicles by Brent residents by entering into contract with BluePointLondon Ltd in respect of the Source London EVCP Scheme.

In response to a question from Councillor Duffy, Kilburn Ward, Councillor Southwood stated that Brent Council currently had 57 EVCPs throughout the borough, of which 9 were included in the original TfL Source London contract.

RESOLVED:

- (i) that approval be given to entering into contract in respect of the Source London EVCP Scheme with BluePointLondon Ltd on such terms as the Strategic Director Regeneration and Environment in consultation with the Chief Legal Officer may agree at the earliest possible date;
- (ii) that approval be given to an exemption from the usual tendering requirements of Contract Standing Orders in respect of the direct award of the contract detailed in (i) above for the good financial and/or operational reasons set out in paragraph 3.6 of the report;
- (iii) that approval be given to the granting by the Council of leases and/or licences with mutual break clauses for current and future charging sites for a term of up to 99 years to BluePointLondon Ltd or their successors on Council owned land and public highway and otherwise on such terms as the Strategic Director Regeneration and Environment in consultation with the Chief Legal may agree;

- (iv) that officers' work with BluePointLondon Ltd to identify suitable sites for on-street EVCP's with each site to be approved by Head of Transportation following public consultation be endorsed.

10. Reference of item considered by Scrutiny Committee

The Cabinet noted the views of Scrutiny Committee regarding Tackling Illegal Rubbish Dumping and Litter with Uniformed Street Patrols.

11. Approval to establish an inter authority agreement (partnership) with Harrow Council for the provision of a 24/7 specialist telephone helpline and contact centre for vulnerable people and their carers (Any other urgent business)

Approval to establish an inter authority agreement (partnership) with Harrow Council for the provision of a 24/7 specialist telephone helpline and contact centre for vulnerable people and their carers

Councillor Hirani, Cabinet Member for Adults, Health and Well-being introduced the report setting out proposals for working with the London Borough of Harrow to establish and implement a 24/7 specialist telephone helpline and contact centre for vulnerable people and their carers by May 2016.

He stated that Cabinet was asked to approval entering into an Inter Authority Agreement (Partnership) with Harrow Council, and to allow Officers to enter into discussions with Harrow Council with the aim of agreeing appropriate service terms that will result in the signing of an Inter Authority Agreement ("the IAA").

The Chair certified this item as urgent in order to meet agreement deadlines.

RESOLVED:

- (i) that approval be given to an exemption from the usual tendering requirements set in the Contract Standing Orders 84 for good operational and financial reasons;
- (ii) that approval be given to the creation of an Inter Authority Agreement ("the IAA") that implements co-operation for the provision of a 24/7 specialist telephone helpline and contact centre for vulnerable people and their carers for three (3) years with an option to extend for a further 1+1 years with Harrow Council;
- (iii) that authority be delegated to the Cabinet Member for Adults, Health and Wellbeing and the Strategic Director Community Wellbeing, Adults Social Care to agree and finalise the terms of the IAA in consultation with the Chief Legal Officer and the Chief Finance Officer.

12. Vacation of Chair

Councillor Butt declared an interest in the next item and vacated the chair and took no part in the discussion. Councillor Pavey took the chair for the duration of the item.

13. **Exclusion of Press and Public**

RESOLVED:

that the press and public be now excluded from the meeting as the following report contains 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.”

14. **Confidential debt recovery**

The Cabinet considered a report from the Chief Legal Officer. A decision was made in closed session.

The meeting ended at 8.13 pm

M PAVEY
Vice Chair in the Chair

 Brent	<p style="text-align: center;">Cabinet 23 May 2016</p> <p style="text-align: center;">Report of Strategic Director, Regeneration & Environment</p>
For Action	Wards Affected: ALL
Authority to Award Contract for the Supply of Street Lighting LED Luminaires	

1.0 Summary

- 1.1 This report explains a recent issue associated with the proposed award of the Lot 1 contract to Bouygues E&S Infrastructure UK Limited (Bouygues) for the supply of LED (Light Emitting Diode) street lighting luminaires, as recommended to Cabinet in January 2016.
- 1.2 This report proposes a method for effectively managing the issue and associated risks, whilst minimising the delay in realising carbon and energy savings.

2 Recommendations

That Cabinet:

- 2.1 Rescinds the decision made in the Cabinet meeting of the 20 January 2016 to award the contract for the supply of LED (Lot 1 Light Emitting Diode) street lighting luminaires to Bouygues E&S Infrastructure UK Limited, noting that all other recommendations made in that report remain unaffected;
- 2.2 Authorises officers to revert to the invitation to submit a Best and Final Offer (BAFO) stage in the Lot 1 tendering process for the supply of LED (Light Emitting Diode) street lighting luminaires using a revised specification, as detailed in paragraphs 3.12 to 3.22; and

- 2.3 Delegates authority to the Strategic Director (Regeneration & Environment), in consultation with the Chief Legal Officer, Chief Finance Officer and the Lead Member for Environment, to sanction the award of a contract to the Most Economically Advantageous Tender, based upon the criteria set out in paragraphs 3.22 to 3.25.

3 Background

- 3.1 At its meeting on 14th April 2015, Cabinet endorsed a business case which proposed investment in Light Emitting Diode (LED) lanterns and a Central Management System (CMS) for street lighting, and authorised officers to invite tenders for their supply.
- 3.2 Advertisements were placed in the Official Journal of the European Union (OJEU), the London Tenders Portal, on 31st July 2015 to seek initial expressions of interest. This elicited 58 initial enquires. Contractors were provided with an outline specification and details of the tender approach and were invited to complete shortlisting questionnaires using the Council's Electronic Tendering Facility. 21 contractors subsequently completed the questionnaire.
- 3.3 Shortlisting was carried out on the basis of the contractors' financial viability, technical ability, and relevant experience. Eight contractors were subsequently invited to tender. Tenderers were invited to bid against three lots:
- 1) For the supply of LED equipment;
 - 2) For the supply of CMS equipment and software; and
 - 3) A combined bid for both LED and CMS equipment.
- 3.4 The tender evaluation was carried out by officers supported by the Council's technical lighting consultant, Designs for Lighting (DfL). Following evaluation, the panel confirmed that all bidders had met the minimum threshold required by the council's specification. Some differences were noted in the quality of the luminaires and systems included in the tenderers' method statements. All eight tendering suppliers were advised that they would be going through to the next stage in the process; negotiation and submission of a Best and Final Offer (BAFO). The panel met with all tendering companies to improve the panel's understanding of the various method statements, and draw out any potential for amending the Specification advantageously ahead of seeking Best and Final Offers.
- 3.5 All eight companies were invited to submit a BAFO, revisiting their initial prices and answering further questions for the purpose of re-evaluating quality. At the BAFO stage, bids were weighted in favour of price over quality, in the ratio 55:45. In respect of the supply of LED luminaires, quality was assessed against:

- Return on investment. Evidence that the offer represents the best return on investment for Brent Council based upon energy savings provided over a ten year period.
 - How the product will be optimised for individual roads, given the variety of road geometry and existing column spacing within Brent.
 - How the luminaires will be supplied on a call-off basis to optimise the lighting to the relevant BS5489-1 lighting class, whilst minimising energy consumption; and how the installer will identify the different luminaires required for streets with different photometric distributions.
 - Updated evidence of performance against the supplied geometries.
 - How social value could be enhanced.
- 3.6 The panel met on 8th December and each submission was marked by the whole panel against the award criteria. Bouygues E&S Infrastructure UK Limited had the highest scoring tenders for Lot 1; and DW Windsor Limited had the highest scoring tender for Lot 2. The combined bid (Lot 3), was assessed against the merits of combining Lot 1 and Lot 2 tenders.
- 3.7 Following a lengthy tender process, Cabinet agreed to recommendations made in a report of the 20 January 2016 to award a contract for the supply of LED luminaires to Bouygues E&S Infrastructure UK Limited.
- 3.8 The recommendation was made alongside the award of the contract for the Lot 2 supply of a lighting Central Management System to DW Windsor Limited.
- 3.9 Following the Cabinet decision, officers proceeded to formalise the award of contracts to Bouygues and DW Windsor Ltd. All tendering companies were notified of the council's intention to award contracts, and the mandatory standstill period commenced. The mandatory standstill, sometimes referred to as the 'Alcatel' period, is in place to allow bidders to informally challenge tender results or seek clarity in how decisions were reached.
- 3.10 During the standstill period officers received a formal request for clarification from an unsuccessful bidder. The main query concerned the calculations used by Bouygues to formulate their price. Subsequent technical analysis, and dialogue with Bouygues, revealed that arithmetical errors had indeed been made which prejudiced the savings proposals cited in their bid. The clarification also revealed some ambiguities in the council's specification which had been interpreted by bidders in different ways.

Options Considered

- 3.11 Officers have considered several options for how the council could now proceed. These options have been captured in the below table:

Preferred Option	Reason
<i>Revert to an earlier stage in the tendering process, re-inviting Best and Final Offers.</i>	<p><i>Effectively manages the potential risk of a legal challenge – all bidders will be taken back to the BAFO stage where they will have an equal opportunity to win the contract through submission of the most competitive bid.</i></p> <p><i>Small delay in commencing the contract, but without impacting on the council's scheduled revenue savings programme.</i></p> <p><i>NB: Potential risk of increased capital cost.</i></p>
Rejected options	Reason
<i>Delay and Procure alongside the next street lighting contract (to commence in December 2018)</i>	<i>Two year delay and substantial savings foregone</i>
<i>Respond to points of formal clarifications raised then proceed to award as originally agreed</i>	<i>High risk: Potential for a legal challenge and an injunction sought which may present the council with a lengthy delay, as well as the potential for reputational and financial damages.</i>
<i>Restart Procurement</i>	<p><i>Approximate delay of up to a year, costs incurred, and loss of revenue savings.</i></p> <p><i>Restarting a fresh procurement would not negate the potential for a challenge to the process by any tenderer.</i></p> <p><i>In any case, the option recommended (subject to Cabinet approval) is to invite all eight (8) bidders, that were originally short listed and invited to submit responses to the initial Invitation to Tender, to now submit Best and Final Offers.</i></p>

Preferred Option Approach

- 3.12 Officers recommend that Cabinet endorses the option to revert to an earlier stage in the tendering process, re-inviting 'Best and Final Offers' from tendering parties. Whilst not without risk, it is considered that this method carries the least amount of risk both financial and reputational.
- 3.13 If this recommendation is agreed, all eight bidders will be informed that the council intends to re-invite bids from them against a slightly amended specification. The specification will be revised to remove any

ambiguities in the council's requirements. Where the contract previously demanded '*equivalent*' or '*broadly comparable*' standards, the council will now be more prescriptive in order to remove any inconsistencies in bidders' interpretation of the standard. Whilst all eight bidders will be informed of the council's intention to re-invite bids, only six of the eight tenderers are expected to bid; two of the previous tenderers are CMS manufacturers, and are not now anticipated to bid for the supply of LED.

- 3.14 The council's agreed revenue budget anticipates £750k of savings p.a. from the Street Lighting LED project, commencing in the 2017/2018 fiscal year. By reverting to the BAFO stage these projected savings will still be achieved. The Cabinet report of the 20th January 2016 concluded that energy savings of at least 70% would be achieved against the 'do nothing' baseline option. For the purpose of tender evaluation, the council has assumed that the budgeted expenditure on street lighting energy (£1.385m p.a.) will rise annually by 2.5% for the next ten years.
- 3.15 Officers will seek to secure the savings cited by tenderers, and will make it explicitly clear to bidders that the ten year warranties required must now guarantee achievement of the energy performance cited in the tender; i.e. should energy performance dip during this period, the council will expect the supplier to either replace the defective luminaire or accept the application of liquidated damages equivalent to the council's loss.
- 3.16 **Price Evaluation:** Officers anticipate that the expected 70% saving will still be achieved and this should remain the minimum level of energy savings which can be guaranteed. The method for evaluating the tenderer's price will continue to be a combination of capital outlay and ten years of projected energy savings. The revenue saving generated by LED luminaires over ten years significantly exceeds estimated capital outlay on supply, underlining the rationale for including energy performance in the price evaluation. In the April 2015 Authority to Tender Cabinet Report, it was agreed that the tenderer's price should form 55% of their score, with qualitative criteria forming the remainder of the evaluation (see 3.17, below). For absolute transparency, it is proposed that the bidder with the lowest price (capital cost + ten year energy cost) should be awarded the maximum price score (i.e. the whole 55%). For other bidders, the lowest price will be divided by each bidder's price and multiplied by 55% to generate their score.
- 3.17 **Qualitative Evaluation:** Officers propose that the following themes are used as a basis for evaluation, as they were at the original BAFO stage:
- Detailed evidence demonstrating how the energy performance cited in the price will be achieved.

- Details as to how the product will be optimised for individual roads, given the variety of road geometry and column spacings within Brent.
- Detailed evidence of how luminaires will be supplied on a call-off basis optimised for the lighting to the relevant BS5489-1 lighting class whilst minimising the energy consumption, and how the installer will identify the different luminaires required for different streets (i.e. having different photometric distributions)..
- Evidence of performance for the geometries given in Appendix 1 (Road geometry calculations).
- Evidence of adding Social Value to the submission.

In the case of all these sub-criteria, the weightings used would need to be identical to those used in the original procurement exercise. This would forestall any concern that weightings might have been adjusted in the light of the original tenders – which could have been interpreted as being to the advantage/disadvantage of any of the original tenderers.

- 3.18 In order to provide reassurance on the issue of impartiality, it is proposed that the Procurement Service identify a suitably qualified lighting consultant to undertake a thorough analysis of the technical merits of each bid. The consultant will be required, using industry software to replicate the energy savings which form part of each bidders' price, using the road geometries supplied by the council and the luminaire performance submitted in the tender.
- 3.19 The method for evaluating qualitative criteria must be transparent and objective. Each qualitative question will be evaluated in accordance with the evaluation methodology to be included within the Invitation to Submit Best and Final Offers pack. Clarity on the how the scoring levels would be marked will be provided to bidders.
- 3.20 In respect of the *Social Value* question, assessing actual value requires extensive experience in a procurement field. It is therefore proposed that the Social Value criteria be evaluated by the Head of Procurement and the Head of Employment and Skills.
- 3.21 Marks awarded will be converted into a per cent figure for the purpose of evaluation, rounded to the nearest whole number.
- 3.22 Summary of Evaluation Criteria:

Evaluation Criteria	Weighting
Price	55%
Quality	45%

Total	100%
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Delegated Authority

- 3.23 For High Value contracts, the council's standard practice is for officers to seek the sanction of Cabinet for authority to tender, as well as authority to award contracts. This practice has been followed for the LED and CMS supply contracts. Reports were submitted to Cabinet in April 2015 and January 2016.
- 3.24 Reverting to the invitation to submit Best and Final Offers stage is not the standard approach to tendering, but is considered the approach carrying least risk in awarding the contract for the supply of LED.
- 3.25 Delegated authority is sought from Cabinet to permit the Strategic Director for Environment and Regeneration, in liaison with the Chief Legal Officer, Chief Finance Officer and the Lead Member for Environment, to award the contract for the supply of LED luminaires. This is to ensure the project commences expeditiously to deliver the previously agreed energy savings as quickly as possible. Aside from the decision on which company to award the Lot 1 contract, all the other recommendations agreed in the January Cabinet report still stand.

4 Financial Implications

- 4.1 Due to the delay in commencing this project, it is unlikely to achieve additional savings in 2016/17. However, if the proposal in this report is agreed, the anticipated savings of £0.75m per annum will still be achieved from 2017/2018 year onwards.
- 4.2 Depending on the outcome of the proposed tendering process, the capital requirement for supply and installation could vary from the initial assumptions. This would have a corresponding impact on the cost of capital.

5 Legal Implications

- 5.1 Following the commencement of the standstill period issued subsequent to the Cabinet decision in January 2016, officers received a formal request for clarification from an unsuccessful bidder. The majority of the assertions made by the unsuccessful bidder did not raise substantive concerns. However (as described within the body of this report), during the standstill period it became apparent that the winning bid recommended for award contained fundamental arithmetical errors to the service provision. In addition the service specification was also found to lack sufficient clarity, in some areas, to enable bids to be submitted and evaluated on a like-for-like basis.

- 5.2 Officers are recommending that Cabinet sets aside its decision to award the Lot 1 supply of LED street lighting luminaires to Bouygues E&S Infrastructure UK Limited, so as to enable officers to restart and re-issue an invitation to submit a Best and Final Offer based on the criteria stated in paragraph 3 above. It is felt that offering bidders the opportunity to re-submit their Best and Final Offers (based on a revised specification which sets out the council's clear and unambiguous requirements) is the fairest process to ensure transparency, proportionality, non-discrimination and fairness to interested bidders without compromising the council's aims to deliver savings from this service.
- 5.3 The reported cases of *Federal Security Services Ltd –v- The Northern Ireland Court Service*[2009]; *APCOA Parking (UK) Ltd –v- City of Westminster* [2010] and *Direct Way Worldwide –v- European Parliament* [2015] all provide the council with legal authority to abandon or abort its tender process and set aside its original award decision.
- 5.4 For the reasons stated within this report, officers are seeking Cabinet approval to delegate the decision on award to the Strategic Director of Regeneration & Environment. Should Cabinet be minded to approve this recommendation, the Chief Legal Officer and Chief Finance Officer will be consulted prior to any decision to award. Thereafter, the council must observe a 10 day Standstill period prior to the commencement of the proposed Contract.

6 Diversity Implications

- 6.1 There are no diversity implications arising from this report. Diversity implications associated with the implementation of LED and CMS were considered by Cabinet at the meeting in January 2016 and remain unaffected.

7 Staffing Implications

- 7.1 No staffing implications arise as a result of this report.

8 Public Services (Social Value) Act 2012

- 8.1 This is considered in paragraphs 3.17 and 3.20 above. The council will demand relevant social value from the award of this contract, with the Head of Procurement assessing the merits of the bids.

Background Papers

Cabinet, 14 April 2015: *Street Lighting Energy and Carbon Saving Proposals, and Authority to Tender.*

Cabinet, 20 January 2016: *Authority to award contracts for the supply of Street Lighting LED lanterns and Central Management System.*

Contact Officers

Andrew Clarke,
Senior Contracts Manager,
Tel: 020 8937 5092
Email: andrew.clarke@brent.gov.uk

Gavin F Moore,
Head of Parking and Lighting,
Tel: 020 8937 2979
Email: gavin.f.moore@brent.gov.uk

Chris Whyte
Operational Director, Environmental and Employment Services:
Tel: 020 8937 5342
Email: chris.whyte@brent.gov.uk

Lorraine Langham
Strategic Director, Regeneration and Environment
Tel: 020 8937 1516
Email: lorraine.langham@brent.gov.uk

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Cabinet
23 May 2016

Report from the Strategic Director of Regeneration and Environment

For Action

Wards Affected:
ALL

Highways Investment Programme 2016-17

1.0 SUMMARY

- 1.1 Our highways infrastructure (including roads and pavements) is the asset most used by the public and the most visible. In common with other Highway Authorities, Brent has an increasing maintenance requirement which cannot be met through a standstill budget. Currently estimated in Brent at £100m, more defects are appearing year on year. Against this, public expectations are rising with more customer reports of highways defects every year asking for these to be repaired.
- 1.2 An increase in the level of investment to maintain the highway network is required to respond to public concerns, make it safer and fit-for-purpose, and to improve public satisfaction.
- 1.3 The Highways Capital Scheme Programme 2016-17, approved at the 14th March 2016 Cabinet, set out proposals to allocate £3.55m of Brent capital to maintain the highway network. At that time the report noted that future investment would be required to:
- achieve greater equality in condition between roads and pavements;
 - address localised conditions in an area patching programme to extend the life of roads;
 - accommodate members' requests to regenerate High Streets by giving them greater priority, so improving their look and feel;
 - and consider alternative materials, for instance replacing slabs with tarmac when doing full pavement renewals, to make limited resources stretch further.

Proposals for further investment of £2m in the highway network (roads and pavements) are set out in this report.

- 1.4 As well as increased investment, we can improve how we manage our highway infrastructure and offer a better customer service experience to our residents and businesses. We have made a start in implementing an asset management approach through establishing a Highway Asset Management Plan.
- 1.5 Being more efficient in how and where the investment is spent, requires confidence in our information and the ability to analyse it, including budget vs condition level modelling scenarios. We are investigating a “Brent Asset Management Tool”, a computer tool which would allow funding allocations to be better targeted for the best effect, including indicative treatment types from the condition data that will optimize the life of roads and pavements.
- 1.6 Improvement in our asset management processes could also help secure future grant allocations, should TfL follow the DfT in changing the basis for funding allocation, as anticipated. Over a 5 year period the DfT will increase the proportion of Incentive funding that is based on “performance” (as measured by the level of asset management maturity reached); whilst the proportion that is based on ‘need’ will lessen. TfL are considering reforming the allocation of maintenance funding for Principal Roads in London to be along the same lines as the DfT model.

2.0 RECOMMENDATIONS

- 2.1 That the Cabinet approves the investment of £2m in 2016/17 of Brent capital funding as summarised in Section 6.
- 2.2 That the major footway upgrade programme element of £1.3m is carried out with pavement slabs being replaced with tarmac (instead of a like-for-like replacement as has been the practice up until now, see section 3.2.1).
- 2.3 That the Cabinet approves the proposed additional highways investment programme for 2016-17 as detailed in Appendix B.
- 2.4 That, the major footway upgrade programme of £1.510m approved in the Highways Capital Scheme Programme 2016-17, approved at the 14th March 2016 Cabinet, is carried out with the pavement slabs being replaced with tarmac as a default. Category 1 & 2 footways and conservation areas will be considered on a case by case basis, but will normally be replaced like for like. (Appendix E)(see section 3.2.12)
- 2.5 That the “Footway upgrades – short sections” pavement allocation of £ 0.150m approved in the Highways Capital Scheme Programme 2016-17, approved at the 14th March 2016 Cabinet, is carried out with:
 - a) in conservation areas or Category 1 & 2 footways, considered on a road by road basis but generally slabs (See section 3.2.12);
 - b) where the length to be replaced is junction to junction, the pavement slabs being replaced with tarmac – even though it may only be only side of the street only;
 - c) otherwise, for sections shorter than junction to junction, pavement surface to be replaced like for like.

3.0 BACKGROUND

3.1 Details

The highway network consists of the following components:

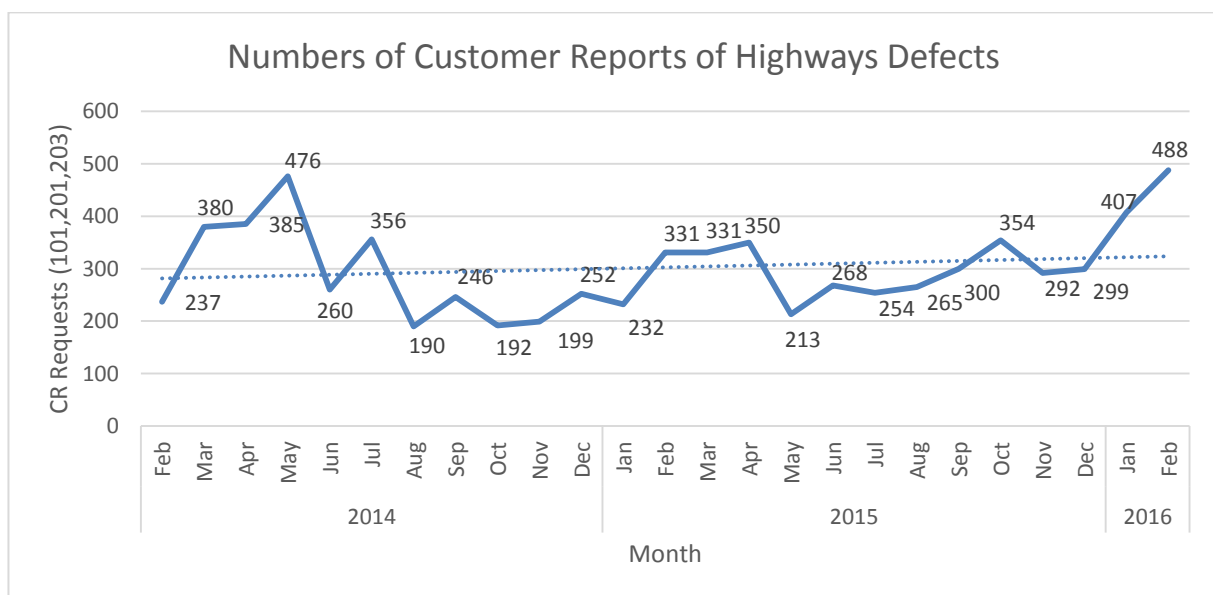
- Roads and Pavements
- Highway drainage, for example gullies and pipes
- Structures, for example bridges, culverts and retaining walls
- Traffic signs and other street furniture
- Street Lighting
- Street trees and soft landscaping.

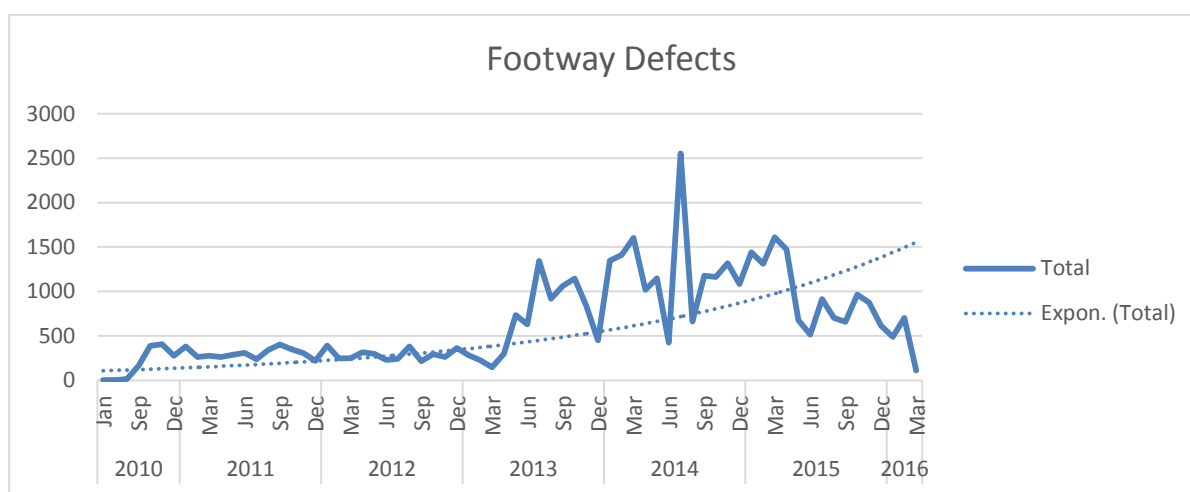
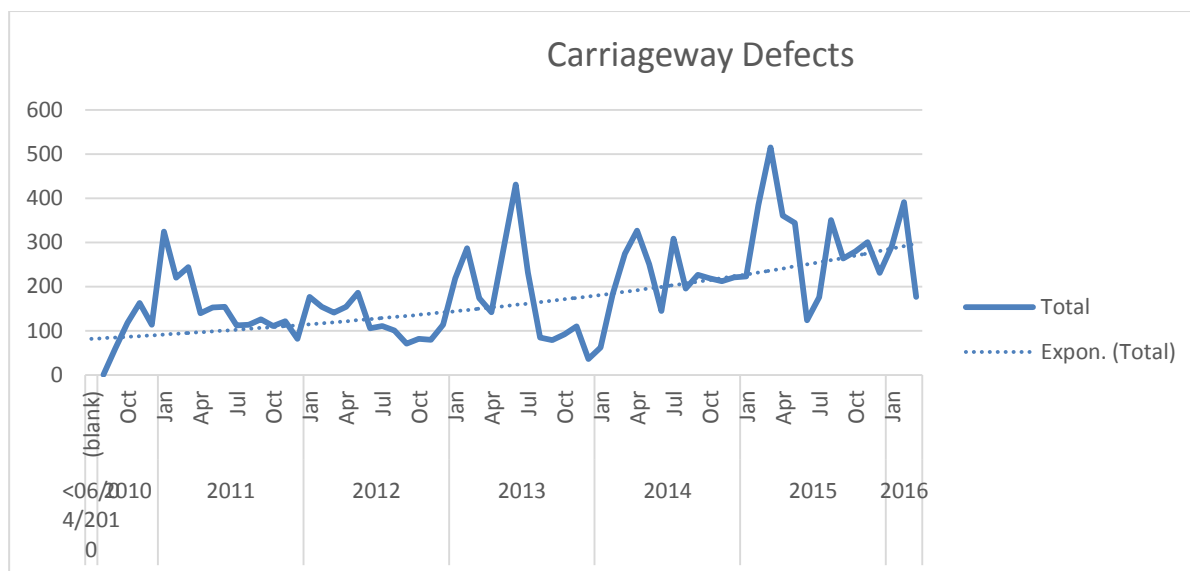
Where the term highways infrastructure is used in this report it means all of these assets, unless specified otherwise.

- 3.1.1** The highway asset, in particular roads, pavements and structures, is the most used and visible asset by the public. It is also an asset that is considered by many to be vital to economic growth. There is a good business case for additional investment for roads and pavements and structures, outlined below.

Roads and Pavements

- 3.1.2** The Council is experiencing an increase in the number of reported defects. Increasing numbers of defects are also being identified through our operations and inspections. The graphs below indicate these increasing trends. Current budget levels do not allow us to deliver the level of service expectation residents and businesses have.



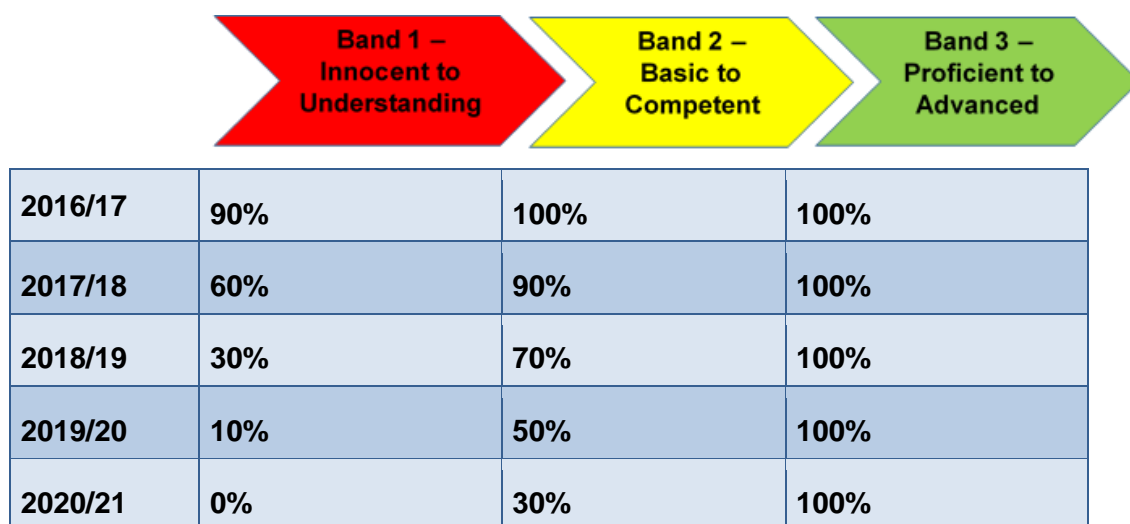


3.1.3 As we now have survey data covering 100% of the footway (pavement) network for the first time, we have been able to calculate a more accurate total backlog figure (including pavements) than that previously reported. The outcome is that the previous £38m estimate required to deal with highways infrastructure defects has now been recalculated at £100m.

Maintenance Requirement	£/km	Total Length km	% Backlog	Length Backlog km	£ backlog
Unclassified roads	£126,784.21	413.9	21	86.919	£11,019,957
B&C class roads	£172,413.79	34	10	3.4	£586,207
Principal roads	£668,902.44	56.2	6	3.372	£2,255,539
Footways	£275,761.97	847.4	37	313.538	£86,461,858

£100,323,561

- 3.1.4** This maintenance requirement means roads are resurfaced infrequently. Each year the Asphalt Industry Alliance (AIA) commissions an independent survey of all local authority highways departments in England and Wales. Questions in the survey relate solely to the maintenance of the road surface itself. Just over 50 per cent of all the authorities responsible for roads in England (including London) and Wales participated. The Alarm survey shows that the average frequency of road surfacing (all road classes) for London is 31 years. Brent's figure is 38 years.
- 3.1.5** All local highway authorities have a backlog of highway maintenance. London's estimated one-time catch up cost per authority on the maintenance backlog is £25.2m (for road surfaces only). Brent's figure is better at just under £14m.
- 3.1.6** Outside London, authorities that spend money on roads efficiently will be rewarded with extra funds to keep up the good work, while those that are deemed inefficient will receive comparatively less. The funding allocation reform will be rolled out over the next 5 years to enable all authorities to improve. The funding allocation is split into 4 categories:
- Needs formula
 - Incentive Fund
 - Challenge Fund
 - Pothole Action Fund
- 3.1.7** Over a 5 year period the proportion of Incentive funding that is based on "performance" (as measured by the level of asset management maturity reached) will increase year on year; whilst the proportion that is based on 'need' will lessen. The Incentive Fund is assessed using a self-assessment questionnaire that will be sample audited by the Department for Transport. The questionnaire determines in which of the following three bands the authority lies which has a correlation to the amount of eligible funding they would receive. The bands highlight the level of asset management maturity reached.



- 3.1.8** The above is currently in place for local authorities outside London. However, funding for London is provided directly to Transport for London (TfL) as a devolved

transport authority for London rather than individual boroughs. TfL then distribute across London the allocation they receive. This grant consists of Neighbourhood, Corridors and Supporting Measures, Preventative Maintenance, Bridge Strengthening and Major Projects. Preventative maintenance is used on the A roads only and not on the local road network which London Boroughs are expected to finance themselves.

- 3.1.9** For Preventative Maintenance, TfL are considering reforming the formula in alignment with the DfT. They have set their own self-assessment questionnaire which was circulated for completion this year (2015/16) on a voluntary basis and is expected to be mandatory next year. To date 50% of all London boroughs, including Brent, have completed the questionnaire. This grant funding directly affects road and pavement maintenance for the principal road network and bridge strengthening allocations received.
- 3.1.10** We have rated ourselves equivalent to the DfT's Band 1. As such there is a risk in the future of not securing the maximum grant allocations available, should TfL adopt the DfT approach fully. We believe that implementing a more systematic, evidence-led and rigorous approach, such as offered by the "Brent Horizons" tool, will help us to move forward to Bands 2 and 3 by improving the effectiveness of highways capital funding allocation decisions, and making us better placed for success in bidding for future TfL or Government grants. In 14/15 Brent secured a £298,000 pothole grant, this success was based on the progress of highways asset management in Brent at that time.
- 3.1.11** We can further improve how we manage our highway infrastructure and offer a better customer service experience to our residents and businesses. We have made a start in implementing an asset management approach through establishing a Highway Asset Management Plan. However, we need to start implementing the actions identified and linking this to our Borough Plan in a more transparent way.
- 3.1.12** Providing an increase in the level of investment to maintain the highway network is one step forward to manage the current situation of dissatisfaction with the level of service being provided. Being more efficient in how and where the investment is spent is the next step in demonstrating being competent in delivering an asset management approach and enabling maximum grant allocations to be secured. To enable this we have to be more intelligent with our decision making. This requires confidence in our information and the ability to analyse it, including budget vs condition level modelling scenarios. It should be emphasised that the investment will allow us to expand our maintenance programme whilst also developing a longer term approach for investment based on varying scenarios.

Structures

- 3.1.13** There is a statutory obligation to maintain the public highway. This embraces two essential functions of being 'safe to use' and 'fit for purpose'. The two functions are not the same.
- **Safe for use** – requires a highway structure to be managed in such a way that it does not pose an unacceptable risk to public safety.
 - **Fit for purpose** – requires a highway structure to be managed in a way that it remains available for use by traffic permitted for the route.

3.1.14 Current minimal levels of inspection and maintenance have meant we just achieve the legal obligation for safety, but there has been a deterioration in the condition of our structures with maintenance being reactive within the budget allocation. We are now at a higher risk of safety concerns with a growing maintenance backlog.

3.1.15 Investment to date means we are not meeting our obligation to keep our structures 'fit for purpose'. This is resulting in an increase in restrictions or substandard structures because structural deficiencies are not addressed in time, reducing the availability of the network to permitted traffic. This can affect the economy of an area through lack of accessibility and increase environmental impacts and costs through diversions and extra miles travelled.

3.1.16 Bridgestation, our structures asset management system, estimates £205,000 worth of damage across the structures maintained by Brent. This is likely to be lower than actually required as the estimate is out of date.

3.1.17 Best practice promotes each structure should be subject to an inspection on a six year cyclical basis, as follows:

Year 1	Principal Inspection by qualified consultancy staff
Year 2	Superficial Inspection by local authority staff
Year 3	General Inspection by qualified consultancy staff
Year 4	Superficial Inspection by local authority staff
Year 5	General Inspection by qualified consultancy staff
Year 6	Superficial Inspection by local authority staff

3.1.18 This routine is not sustainable or affordable. However an inspection routine needs to be implemented and funded accordingly using a risk management approach. There needs to be a higher number of inspections undertaken over the next 5 years to enable an understanding of condition to be ascertained.

3.1.19 Principal and General Inspections are not funded by TfL, through the London Bridge Engineering Group (LoBEG). We have many structures overdue an inspection and some that have never been inspected. In addition to this there is no evidence of any routine or reactive vegetation clearance to our structures, which increases its condition deterioration. This presents a risk in that we do not know what defects are present and their rate of deterioration to the structure increasing the risk for structure failure.

3.1.20 The Bridge Strengthening grant allocation from TfL is allocated based on bids submitted by boroughs each year. This grant can be used to complete strength assessments and strengthening works. We need information from the inspections on the condition level and evidence of defects to secure grant funding from LoBEG or other funding sources to complete maintenance work.

3.2 Objectives for the Increased Level of Investment

3.2.1 Roads and Pavements

Our aim is to:

- Secure additional sustained investment for maintaining roads and pavements
- Achieve greater equality in condition between pavements and roads
- Reduce the volume of expensive reactive maintenance and increase the volume of cost effective and efficient programmed maintenance
- Improve decision making on where and when we maintain our roads and pavements
- Improve information about our assets enabling more informed decisions to be made on interventions and future budget requirements.

3.2.2 To move from a reactive way of working to a cheaper and more effective one of programmed work, consideration has been given to alternative materials, for instance replacing slabs with tarmac when doing full footway renewals. The overwhelming majority of Brent pavements have a slabbed as opposed to a tarmac finish. However Artificial Stone Paving (ASP) is not resilient in areas where vehicles overrunning pavements or where tree roots lift pavements. This results in many cracked and broken slabs increasing the risk of injury and insurance claims as well as high maintenance costs. It makes sense to explore alternative materials in order to reduce the total cost over the whole life of the pavements.

3.2.3 Three types of materials have been considered and an indicative cost calculated from typical pavement relay jobs.

- Resin bound surface £70.63 /m²
- Crushed Gravel Tarmac finish £64.06/m²
- Existing slabbed (ASP) finish £60.95/m²
- Tarmac £56.46/m²

3.2.4 The difference per square metre may not seem that much, but when this is multiplied up over the large areas of pavement we resurface, substantial savings can be made:

Material	Overall Cost	Comparison with Current Practice (Slabs)
Pavement 1		
Resin bound surface	£106,799.56	24% increase on using slabs
Crushed Gravel Tarmac	£93,114.77	8% increase on using slabs
ASP (Slabs)	£86,017.51	
Tarmac	77,269.23	10% saving on using slabs
Pavement 2		
Resin bound surface	£139,815.44	10% increase on using slabs
Crushed Gravel Tarmac	£130,581.06	3% increase on using slabs
ASP (Slabs)	£126,819.78	
Tarmac	£119,888.62	5% saving on using slabs

Pavement 1 has fewer than average vehicle crossings, hence a greater saving by using tarmac as footway material than Pavement 2 which has a typical amount of vehicle crossings.

- 3.2.5** For the basis of comparison it was envisaged that dropped crossings and street corners will continue to be surfaced using concrete block paving, as is the practice now, with the footway (pavement) in between surfaced with either ASP (slabs), a resin bound surface or tarmac. Aesthetically the concrete block areas create “features” along the length of the street. This is an aesthetic measure, intended to mitigate against possible resident concerns about the look of tarmac compared with slabs. The concrete blocked areas are also more damage resistant than either slabs or tarmac.
- 3.2.6** Artist’s impressions of how the tarmac / resin-bound/ Crushed gavel tarmac footways might look are in Appendix B, to compare with the existing practice of using ASP (slabs).
- 3.2.7** It can be seen that the tarmac option is the most cost effective and means that existing budgets can be spread further: more streets can be resurfaced for the same money. Additionally the pavements will be less susceptible to damage by overrunning vehicles, so reducing accidents and complaints, increasing public satisfaction and reducing future maintenance costs.
- 3.2.8** The use of tarmac also has benefits around trees; existing slabs are often displaced by tree roots, creating trip hazards. This problem is not easily solved; tree root trimming is not always an option as it can have detrimental effects on the health and the structural stability of the tree; replacement of slabs with tarmac can create an unsightly “patchwork quilt” effect. Where tree roots grow under tarmac, more tarmac can simply be “domed” over the root, smoothing out any trips.
- 3.2.9** As well as the initial cost, in any assessment of options we must also take into account the cost of the pavement over the course of its life – the “whole life cost”. In the absence of “destructive factors”, a slabbed pavement can be resilient and last many years. However, the life of a slabbed pavement is limited by factors such as damage by tree roots, overrunning by vehicles and disruption by utility works. Slabbed paving also often deteriorates if not constrained at the edges. Over time the pavement spreads and gaps form between slabs. In turn this allows vegetation and water into the substructure, disrupting the foundation. Deformation of underlying clay by drought, wet or frost can also disrupt a slab pavement
- 3.2.10** Tarmac surfacing does deteriorate with age; it loses the oils that keep it flexible, it goes brittle, starts to crack and the surface weakens. Therefore the plan for maintaining a tarmac footway (the “lifecycle plan”) should include for a thin surfacing at the “mid-life” point (say after 15-20 years), to seal the surface and extend the life of the pavement. So just as we have a preventative maintenance programme for carriageways (road surfaces) going forward, we will allocate a percentage of the budget to maintain existing tarmac pavements to improve their condition, and their appearance.
- 3.2.11** The Whole Life Cost of a tarmac pavement is nevertheless expected to be less than a slabbed one, due to a large extent to the significant cost of replacing slabs broken by overrunning vehicles. Implementation of the Brent Horizons tool will allow optimisation of Life Cycle plans for various assets types (road, pavement etc) and selection of the best fit maintenance approach.

- 3.2.12** It is therefore recommended that tarmac be used as pavement material as a default.. Category 1 & 2 footways (town centres) and conservation areas will be considered on a case by case basis, but will normally be replaced like for like, although tarmac would be considered in these areas where beneficial and appropriate to do so.. If paving is considered appropriate to the location we will identify boundaries to determine an appropriate extent of paving types. Appendix D contains a list of “Shopping Centres”, i.e. the well-used footways (Cat 1 & 2 Footways).
- 3.2.13** This policy would apply to the Public Highway, i.e. highway maintainable at public expense. Equally, upgrades to pavements maintained by Brent Housing Partnership may also adopt the same approach for consistency and to achieve the same benefits.
- 3.2.14** The Highways Capital Scheme Programme 2016-17 report set out proposals for £1.510 m of Major Footway Upgrades. At that time it was envisaged that the materials used would be ASP, with concrete blocks used for dropped crossings and street corners. Given that we also have a number of major footway (pavement) upgrades proposed in this Highways Investment programme, where we are now proposing to use tarmac, it makes no sense to have two pavement upgrade programmes running concurrently but operating under different policies (i.e. one using ASP the other tarmac) Accordingly, it is proposed to use tarmac in the major pavement upgrades set out in the Highways Capital Scheme Programme 2016-17 report (Subject to the caveats in 3.2.12) (see Appendix E for the list). This will provide better value for money for the reasons set out.
- 3.2.15** The programme in Appendix A has been drawn up on using the same principles as the £3.55m Highways Capital Scheme Programme 2016-17. During 2015/16 we have assessed the network to determine the current condition. We have then taken account of a range of factors to define relative priorities for maintenance. We have used a scoring system to identify roads and pavements suitable for major resurfacing, preventative maintenance or upgrades that assessed the following:
- Network Condition - condition-based on outcomes of annual condition surveys and inspection programmes;
 - Network hierarchy and traffic usage, including proximity of local schools / colleges;
 - Risk - Level of risk in terms of numbers of accident claims, historic pothole repair records and/or collision history; and
 - Value for Money - The cost effectiveness of preserving roads that have not yet fully deteriorated and fixing those which have.
- 3.2.16** We continue to take account of councillor nominations for road maintenance and, where a number of schemes attract the same or similar scores, we prioritise councillor nominated schemes earlier in our proposed maintenance programmes. We may also deviate from priority order where, for instance, a section of road in relatively good condition may be resurfaced if it is on a street where the rest of the road needs maintenance and it would be illogical, or impractical, not to resurface the whole street. Going forward, factors to take into account both deprived wards (where there is more likely to be walking) and ageing population areas (greater probability of injury), both as defined by official council data, will be added to the scoring matrix for the prioritisation of pavements.

3.2.17 Defects in pavements may not be prioritised for repair under current policies for dealing with identified defects on a reactive basis. One of the objectives of the Increased Level of Investment is accommodating members' requests for regenerating High Streets by giving them greater priority, so improving their look and feel. In 2015/16 extensive areas of Wembley High Road pavements have been re-laid. The proposal is to carry on this work stream by including the High Road Willesden (Walm Lane to Huddlestone Road) in the programme.

3.2.18 Below is a table showing the split in the 16/17 Short term investment programme for roads and pavements

Schemes	% of Capital Budget	Amount (£ 000's)
BRENT CAPITAL – Footways (<i>Pavements</i>)		
Major footway upgrade	65%	1106
Sub-total	65%	1106
BRENT CAPITAL – Carriageways (<i>Roads</i>)		
Major resurfacing unclassified roads	9%	154
Preventative maintenance unclassified roads*	21%	361
Major resurfacing of B&C roads	5%	81
Sub-total	35%	596
Total Brent Capital	100%	1702

3.2.19 The funding split in the main Highways Capital Scheme Programme 2016-17 between roads and pavements was roughly 50:50. In this £2m additional Highways Investment Programme, one of the objectives is achieving greater equality in condition between roads and pavements; therefore the split has been altered to 65:35 in favour of pavements. In future, in order to best achieve the desired levels of service, implementation of the Brent Asset Management Tool will allow better analysis of data and consequent optimisation of funding allocation, and hence the split will change over time.

3.3 Other Benefits of the Increased Level of Investment

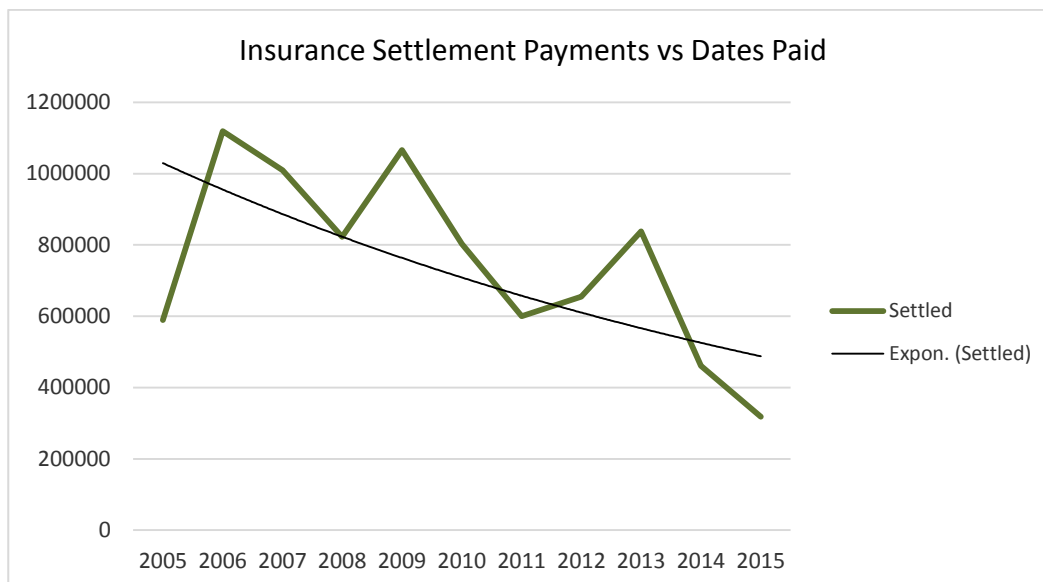
Roads and Pavements

- 3.3.2** The additional investment will enable us to address localised conditions through implementation of an area patching programme. This will help us extend the life of roads before the costs of intervention become more expensive, for example resurfacing or multiple reactive visits. Often, due to financial constraints we are not able to intervene early enough to repair areas that are not yet hazardous but are likely to deteriorate fairly quickly necessitating in a return visit. This will also improve environmental conditions through mitigating traffic noise and vibration caused by an uneven surfacing.



Example of a location that would benefit from an area patching programme, where extended areas would be repaired, not just safety defects.

- 3.3.3** The graph below shows insurance claim payments versus the payment date. The trend is one of reducing payouts, through improvements in the inspection regime and procedures improving repudiation rates (although more in depth analysis would be required to confirm this). The payments in 2015 totalled some £300,000. Improved road and pavement surface condition should decrease the number of incidents, such as damage to vehicles or personal injury, caused by potholes or pavement trips. Whether pay-outs actually result from claims depends on the robustness of the inspection regime, not the road or pavement condition per se. However improved road condition means fewer defects and so means the risk of an incident happening in the first place is reduced, and hence the risk of pay-out is also less. Costs to society from accidents could also be reduced. Improved highway condition also has the future potential to reduce reactive spend.



Structures

- 3.3.4** Having a maintenance budget from which to undertake remedial works will reduce the speed of deterioration of our structures and therefore extend the time from when an expensive intervention would be required. We will be able to reduce the risk of loss of network available and structure failure.
- 3.3.5** Being able to complete inspections will ensure that we can continue to meet our statutory obligations and secure maximum grant allocations available to strengthen weak structures. This will ensure public safety and that no barriers will materialise that could affect the economy through loss of network availability, especially freight traffic.
- 3.3.6** Information from inspections will enable us to be knowledgeable and informed on the condition of this asset group. As a result greater confidence in works required and funding needed will be obtained and enable better decisions to be made using a risk based approach. Working in this way is the most affordable and sustainable long term solution.
- 3.3.7** An overarching aim in delivering this project is to be able to provide better information to residents, manage their expectations regarding when work will likely occur and maintain the highway network at an agreed level of service.

6.0 FINANCIAL IMPLICATIONS

- 6.1 The one-off investment of £2m for 2016/17 set out in this report is proposed to be allocated as set out below.
- 6.2 £1.7m or 85% would be spent directly on additional investment in roads and pavements. Of the existing backlog about 86% relates to pavements (see the table at paragraph 3.1.3) and the backlog for roads is below the London average (see paragraph 3.1.5, although this measures the total backlog rather than being weighted for the length of roads). As a result, the advice from highways officers is that the historical split of funding, which was 50/50 should be more heavily weighted towards the pavements, with a suggested allocation of 65/35 (see paragraph 3.2.18). This would make the investment in pavements about £1.1m and the investment in roads about £0.6m.
- 6.3 As set out in paragraphs 3.1.13 to 3.1.20 maintenance of the various structures – principally bridges – in the borough also needs to be considered, and this investment need is less well quantified here. Accordingly, an immediate allocation of £0.1m is proposed for remedial works. Additionally, a further £0.1m is proposed to improve the inspection regime in order to base future decisions on better information.
- 6.4 The balance of £0.1m is proposed to be spent on improving the management information on which to base future investment decisions, including investment in structural and financial modelling tools. The Strategic Director for Regeneration and Environment and the Chief Finance Officer will determine the balance of this between bought in and in house expertise, subject to the total of the £0.1m allocated to this heading not being exceeded.
- 6.5 The proposed programme of an additional one-off £2m investment will not fix all of Brent's roads and pavements in a single year. It will, however, help to de-risk some of the proposed changes to the TfL funding regime referred to from paragraph 3.1.7. As part of the budget setting round for 2017/18 and future years proposals will be brought forward for a new investment programme, taking account of all of the available sources of funding (from the council, TfL and other sources) and the affordability of this against other council priorities.

7.0 LEGAL IMPLICATIONS

- 7.1 The Highways Act 1980 places a duty on the council to maintain the public highway under section 41. Breach of this duty can render the council liable to pay compensation if anyone is injured as a result of failure to maintain it. There is also a general power under section 62 to improve highways.

8.0 DIVERSITY IMPLICATIONS

- 8.1 The proposals in the Highways Capital Scheme Programme 2016-17 report, which are the same in nature to those in this report, have been subject to screening there are considered to be no diversity implications that require full assessment. The works proposed do not have different outcomes for people in terms of race, gender, age, sexuality or belief.
- 8.2 In addition, the design criteria used in all highway work does take note of the special requirements of various disabilities. These will take the form of levels and grades associated with wheelchair users, for example road crossing points, and for partially sighted / blind persons at crossing facilities. The highway standards employed are nationally recognised by such bodies as the Department for Transport. This programme of works continues the upgrade of disabled crossing facilities at junctions which were not constructed to modern day standards. All new junctions are designed to be compliant at the time of construction.
- 8.3 Strengthened areas of footway are far less susceptible to damage and will therefore aid the movement of pedestrians that may find it difficult to walk on uneven pavements.
- 8.4 We make sure accessibility ramps are provided to aid wheelchair users and those with prams. We make sure high visibility barriers and tapping rails are provided to allow those with visual impairments to negotiate the works as they are in progress
- 8.5 We make sure of the visibility of the required signage, also where temporary work is being carried out.
- 8.6 We monitor of the quality of the work to ensure that the finished surface is to specification and does not form a mobility hindrance; and that signage and road markings are correctly provided as aid to movement.

BACKGROUND PAPERS

None

CONTACT OFFICERS

Jonathan Westell, Highways Contracts & Delivery Manager
Tony Kennedy, Head of Service, Transportation

Chris Whyte
Environment and Employment

APPENDIX A

Highways Maintenance Programme 2016/17 Additional £2m Funding

Unclassified Borough Roads - Major and Preventative Maintenance Programmes

Major resurfacing programme	Length (m)	Estimated Cost (£k)	Ward
Ebrington Road	380	48	KEN
Athlon Road	254	34	ALP
Fawood Avenue (Brentfield Road to Marshall Street)	191	24	STN
Cumberland Road	101	23	QBY
Hazeldean Road	192	25	STN
Total km	1.12	154	
Miles	0.70		
Total Area m2	8316		
<i>Reserve Schemes</i>	<i>Length (m)</i>	<i>Estimated Cost (£k)</i>	<i>Ward</i>
<i>Dollis Hill Avenue (A5 to 26, 46 to 86 and 117 to Parkside)</i>	<i>678</i>	<i>105</i>	<i>DOL</i>
Total km	0.68	105	
Miles	0.42		
Total Area m2	5559		

Preventative Maintenance Programme	Length (m)	Estimated Cost (£k)	Ward
Kinch Grove	125	19	BAR
Lyon Park Avenue (Woodstock Road to property no 196/198)	266	41	WEM
The Crossways	350	37	BAR
All Souls Avenue (Bathurst Gardens to Herbert Gardens)	312	49	BPK
Dobree Avenue	342	47	BPK
Gardiner Avenue	130	22	MAP
Minet Gardens	64	15	HAR
Priory Gardens	275	31	NPK
Carriageway Improvements		100	
Total km (not including reserve schemes)	1.86	361	
Miles	1.17		
Total Area m2	17618		

Reserve Schemes	Length (m)	Estimated Cost (£k)	Ward
<i>Furness Road (Wrottesley Road to High Street Harlesden)</i>	315	45	KGN
<i>Dicey Avenue</i>	252	26	MAP
Totals	0.57	71	
Miles	0.35		
Total Area m2	4460		

Non-Principal B & C Roads - Major maintenance programme

Carriageway Resurfacing B & C Roads	Length (m)	Estimated Cost (£k)	Ward
Roe Green	514	81	FRY
Total km	0.51	81	
Miles	0.32		
Total Area m2	3561		

Footway (*Pavement*) Improvements

Footway (<i>Pavement</i>) Resurfacing	Length (m)	Estimated Cost (£k)	Ward
Manor House Drive	976	239	BPK
Medway Gardens	810	172	SUD
Woodcock Hill (Kenton Road to Dovedale Avenue)	958	234	KEN
Grosvenor Gardens	270	78	MAP
Princes Avenue (Berkeley Road to Honeypot Lane)	490	142	QBY
High Road Willesden (Walm Lane to Huddlestone Road)	854	241	MAP
Total km (not including reserve schemes)	4.36	1106	
Miles	2.72		
Total Area m2	11268		
Reserve Schemes	Length (m)	Estimated Cost (£k)	Ward
<i>Dawpool Road</i>	914	206	DOL
<i>Dicey Avenue</i>	490	138	MAP
<i>Tokington Avenue (Northchurch Road to Elsley Primary School)</i>	430	97	TOK
Totals	1.83	441	
Miles	1.15		
Total Area m2	4695		

APPENDIX B



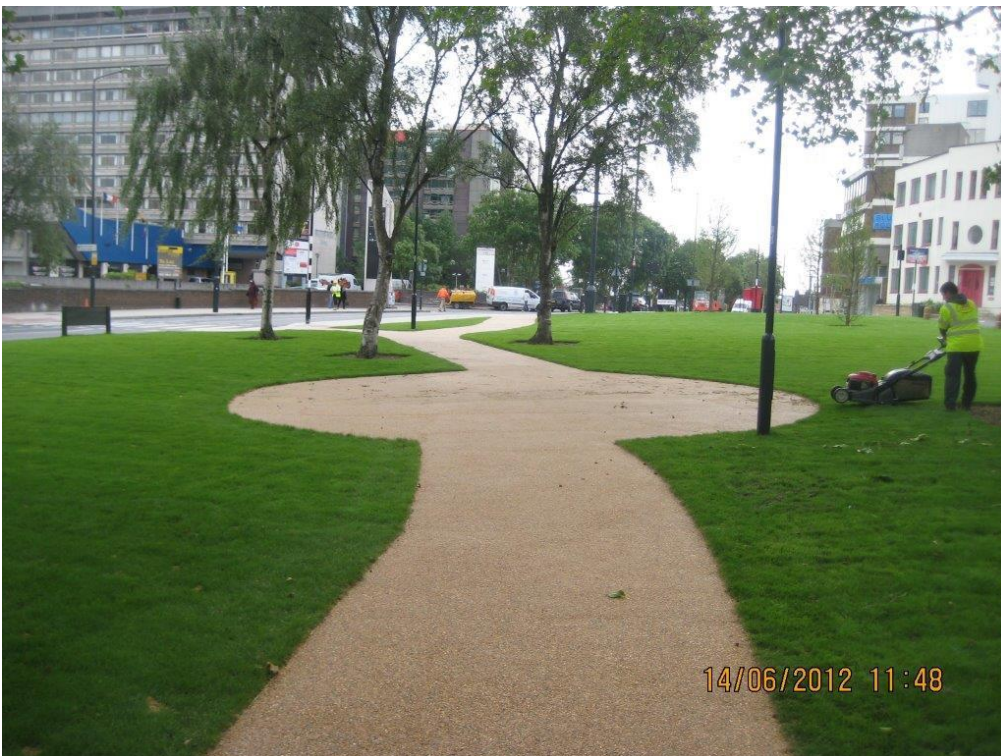
Examples of the existing practice of using ASP (slabs) as a footway material



Artist's impression of proposal to use tarmac as a footway material
(Please note the material is depicted at around 18 months old, when the colour has faded from black to grey)



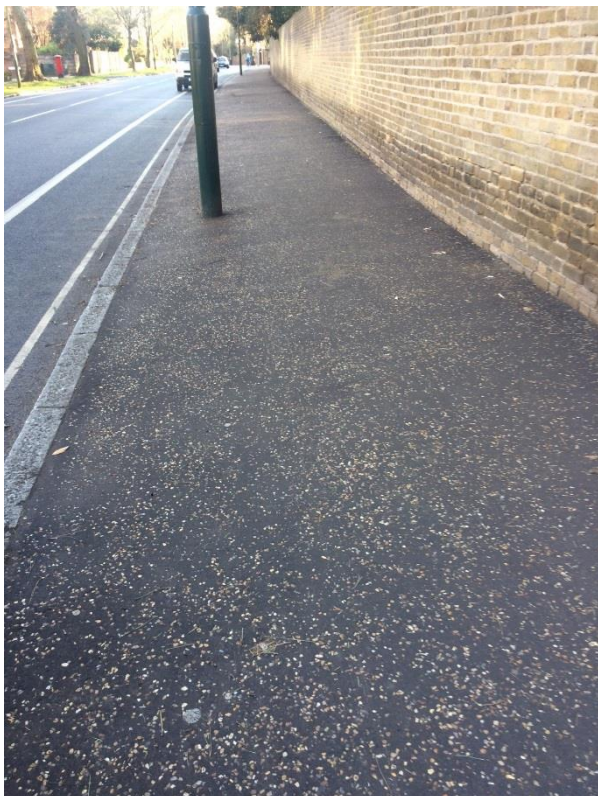
Artists Impression of how resin bound surface would look as a footway material



Example of resin-bound surface in-situ



Artists Impression of how crushed gravel tarmac finish would look as a footway material
(Please note the material is depicted at around 18 months old, when the colour has faded from black to grey)



Example of crushed gravel tarmac finish in situ

APPENDIX C

WARD ABBREVIATIONS

<u>WARD</u>	<u>ABBREVIATION</u>
- ALPERTON	ALP
- BARNHILL	BAR
- BRONDESBURY PARK	BPK
- DOLLIS HILL	DOL
- DUDDEN HILL	DNL
- FRYENT	FRY
- HARLESDEN	HAR
- KENSAL GREEN	KGN
- KENTON	KEN
- KILBURN	KIL
- MAPESBURY	MAP
- NORTHWICK PARK	NPK
- PRESTON	PRE
- QUEENS PARK	QPK
- QUEENSBURY	QBY
- STONEBRIDGE	STN
- SUDBURY	SUD
- TOKYNGTON	TOK
- WEMBLEY CENTRAL	WEM
- WELSH HARP	WHP
WILLESDEN GREEN	WLG


APPENDIX D – Map / List of Well Used Footways (Cat 1 & 2 Footways) “Shopping Centres”

Road Name	Footway Hierarchy
ABBEY ROAD	1
BEVERLEY DRIVE	1
BLACKBIRD HILL	1
BRIDGE ROAD	1
BRIDGEWATER ROAD	1
BRONDESBURY PARK	1
CENTRAL WAY	1
CHAMBERLAYNE ROAD	1
CHICHELE ROAD	1
CHURCH LANE	1
CHURCH ROAD	1
CHURCHILL AVENUE	1
CRAVEN PARK	1
CRAVEN PARK ROAD	1
CREST ROAD	1
CRICKLEWOOD BROADWAY	1
EALING ROAD	1
EAST LANE	1
EMPIRE WAY	1
FORTY AVENUE	1
FORTY LANE	1
HARLESDEN ROAD	1
HARROW ROAD	1
HIGH ROAD	2
HIGH STREET HARLESDEN	2
HOLMSTALL AVENUE	1
KENTON ROAD	2
KILBURN HIGH ROAD	2
KINGSBURY ROAD	2
KNATCHBULL ROAD	2
NEASDEN LANE	2
NORTHWICK AVENUE	2
PARK PARADE	2
PRESTON ROAD	2
ROBSON AVENUE	2
ROE GREEN	2
ROE LANE	2
RUSHOUT AVENUE	2
SALUSBURY ROAD	2
SHOOT UP HILL	2

STAG LANE	2
STATION APPROACH	2
STATION CRESCENT	1
SUDBURY COURT DRIVE	2
THE BROADWAY	2
WALM LANE	2
WATFORD ROAD	2
WEMBLEY HILL ROAD	2
WEMBLEY PARK DRIVE	2
WILLESDEN LANE	2
WINCHELSEA ROAD	2
WINDERMERE AVENUE	2

APPENDIX E - Footway (*Pavement*) Improvements to be funded by Brent Capital Budget in 2016/17

Footway Resurfacing	Length (m)	Estimated Cost (£k)	Material	Ward
Regal Way (Westward Way to Shaftesbury Avenue)	958	267	Tarmac	KEN
Chandos Road	460	129	Tarmac	DNL
Townsend Lane (Kingsbury Road to Kingsmead Avenue)	1572	243	Tarmac	FRY
Elthorne Road	610	173	Tarmac	WHP/FRY
Mallard Way	744	221	Tarmac	WHP
Chalfont Avenue (Oakington Manon Drive to Brent Way)	162	86	Tarmac	TOK
Geary Road (Cullingworth Road to Park Avenue North)	542	147	Tarmac	DNL
Mostyn Avenue	652	169	Tarmac	TOK
Maintenance to Vehicle Crossings		50		
Total km	5.70	1485		
Miles	3.56			
Total Area m2	13359			

 Brent	<p style="text-align: center;">Cabinet 23 May 2016</p> <p style="text-align: center;">Report from the Strategic Director Resources</p>
<p style="text-align: right;">Wards affected: Queensbury, Fryent</p>	
<p>School site, 399 Edgware Road, NW9 0JJ & 434 Church Lane, NW9 9BD</p>	

*Appendices 1 & 3 are not for publication

1.0 SUMMARY

- 1.1 The Cabinet is asked to approve the grant of a 125 year lease to the Floreat Education Academies Trust (FEAT) to enable the construction of a two form entry primary school on a site that forms part of the Oriental City redevelopment site. Granting an interim 3 year lease to FEAT for the period of construction at 434 Church Lane, Kingsbury, NW9 9BD, on completion of construction, FEAT will move out of Church Lane to the new school at the Oriental City development.

2.0 RECOMMENDATIONS

- 2.1 The Cabinet approve the grant of a 125 year lease, to Floreat Education Academies Trust, on the terms described in this report and the head of terms in confidential appendix 1, for the proposed two form entry primary and nursery school, at the Oriental City redevelopment at 399 Edgware Road, NW9 0JJ, “the subject site”, appendix 2.
- 2.2 That Cabinet approve the grant of a 3 year lease to the Floreat Education Academies Trust, on the terms described in this report and the heads of terms in confidential appendix 3, for 434 Church Lane, Kingsbury, NW9 9BD, appendix 4.
- 2.3 That authority is delegated to Strategic Director Resources in consultation with Strategic Director Children and Young People to finalise negotiations and enter the leases.

3.0 DETAIL

Background

- 3.1 As part of the redevelopment of the Oriental City site which has now been partly completed. Consent has been granted for 7817 M2 Gross External Area (GEA) of retail A1 space and 5207 m2 GEA of other shops and offices and 183 residential units along with a two form entry primary and nursery school (Class D1).
- 3.2 Brent Council entered a S106 agreement on 26 June 2013 which included the requirement of the developer to provide a school site. This site has now been completed as part of the overall development that provided a Morrison's superstore. The site comprises of a concrete slab at first floor level with parking beneath. The area that will be leased edged in purple approximately 0.27ha (0.67 acres), it is proposed the Council will have a long 999 year lease interest in the land, we wait for confirmation from land registry that the lease is now registered.
- 3.3 The Education Funding Agency (EFA) have looked at early design feasibility and are satisfied that a school to provide space for 420 primary pupils could be provided on site. This will require the design of a school on 2 levels with a roof top outdoor open space. The EFA have reached an in-principle agreement with FEAT to deliver the school. They require that Brent council enters a 125 year lease incorporating the EFA's standard heads of terms and conditions that it seeks when approving the provision of a new free school.

Floreat Education Academies Trust

- 3.4 FEAT was established in April 2014. They currently run 5 Primary Schools in London, Floreat Wandsworth, Brentford, Southall, Colindale and Montague Park. These are all newly established schools.

The proposal

- 3.5 The EFA has spent a long time trying to get a free school provider matched up to the 399 Edgware Road/Oriental City site so that a new school could be built. FEAT were approved to open a school in Alperton from Sept 16 and through dialogue with the EFA have decided to move to the available Edgware Road site. The school is planned to open in September 2016 and will offer much needed school places in a part of the borough with a projected shortfall, the EFA and Council have had to move quickly because offers for primary school places are made nationally on 18 April and if the school is to open in Sept 16 the site must be secured soon.

- 3.6 It is therefore proposed that FEAT will take a 3 year lease on 434 Church Lane, Kingsbury, NW9 8BD which was recently refurbished and modified. It was previously used as a pupil referral unit. The building was originally intended to provide 3 classrooms under the temporary school expansion programme but has not been used for classes to date as demand has not required it. By having this building as temporary accommodation in advance of the new build school at 399 Edgware Road, FEAT will be able to start taking children from September 2016.

Headline lease

- 3.7 The headline lease terms are for the grant of a 125 year lease to FEAT at a peppercorn rent. FEAT are to use the site and buildings for the provision of educational services. The Tenant, FEAT will have the right to break the lease at the end of the 25th year, 50th, 75th and 100th anniversaries. The tenant, FEAT will have the right to exclusive use of 32 car parking spaces below the podium.
- 3.8 Vehicular access to the property will be provided by a rear service goods yard for deliveries to the school along with the allocated spaces below the podium. Access to the car parking spaces is via the entrances to the Morrison's car park on Grove Road and Plaza Walk. There will be no vehicular access along Airco Close. Pedestrian access will be via an entrance on Airco Close which is opposite existing residential uses.
- 3.9 The EFA expect the school to be completed by September 2018. The site is a constrained site where excellent design will be required to ensure a satisfactory overall scheme. An outline planning consent has already been approved and the area established as suitable for school use. The EFA intend to submit a new detailed planning application due to the lapse of time. The lease would start from the date when detailed planning consent is issued.
- 3.10 The site represents a security and management risk if it remains vacant for any length of time.

Demand

- 3.11 The proposed new free school at Oriental City forms part of the School Place Planning Strategy that was approved by Cabinet in November 2015. The site is located in Planning Area 1 which has a projected shortfall of school places even with the proposed new school opening. The proposal is therefore an essential part of the Council's ability to meet its statutory duty.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The cost of constructing the new school will be provided by the EFA.

5.0 LEGAL IMPLICATIONS

- 5.1 The school site is being transferred to Brent Council pursuant to a planning obligation under the terms of the Section 106 Agreement which provided for the grant of lease of at least 250 years to Brent Council.
- 5.2 In the event the developers were granted a 999 year head lease of the site in May 2015 and proposed transferring the same lease term to Brent.
- 5.3 This has been agreed in principle. We are waiting confirmation of the new title number, to confirm that the 999 year lease has been registered at HM Land Registry by the Developer and are awaiting replies to preliminary enquiries so we can proceed with completing the transaction.
- 5.4 The proposed EFA 125 year lease by Brent to a free school is a template lease and reflects the Secretary of State's extensive residual powers under the Academies Act 2010

6.0 DIVERSITY IMPLICATIONS

- 6.1 Free Schools are legally academies so are funded by central Government and have a range of freedoms in what they can do including choosing what curricula to teach or varying the school day. They are open to all and are not allowed to select students by ability. They run an admissions policy in parallel with the local authority admissions process. The School Place Planning Strategy report to Cabinet 16/11/2015 aimed to address equality issues around social disadvantage and disability. An equality analysis screen was completed.

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 None

8.0 Background Papers

Planning Committee 22/05/2013 ref 12/2166 and S106 agreement 22/06/2013.

Appendix

1. Heads of terms, 125 year lease (confidential)
2. Site plan the proposed two form entry primary and nursery school, at the Oriental City redevelopment at 399 Edgware Road, NW9 0JJ, "the subject site".
3. Heads of terms, 3 year lease (confidential).
4. Site plan, 434 Church Lane, Kingsbury, NW9 9BD.

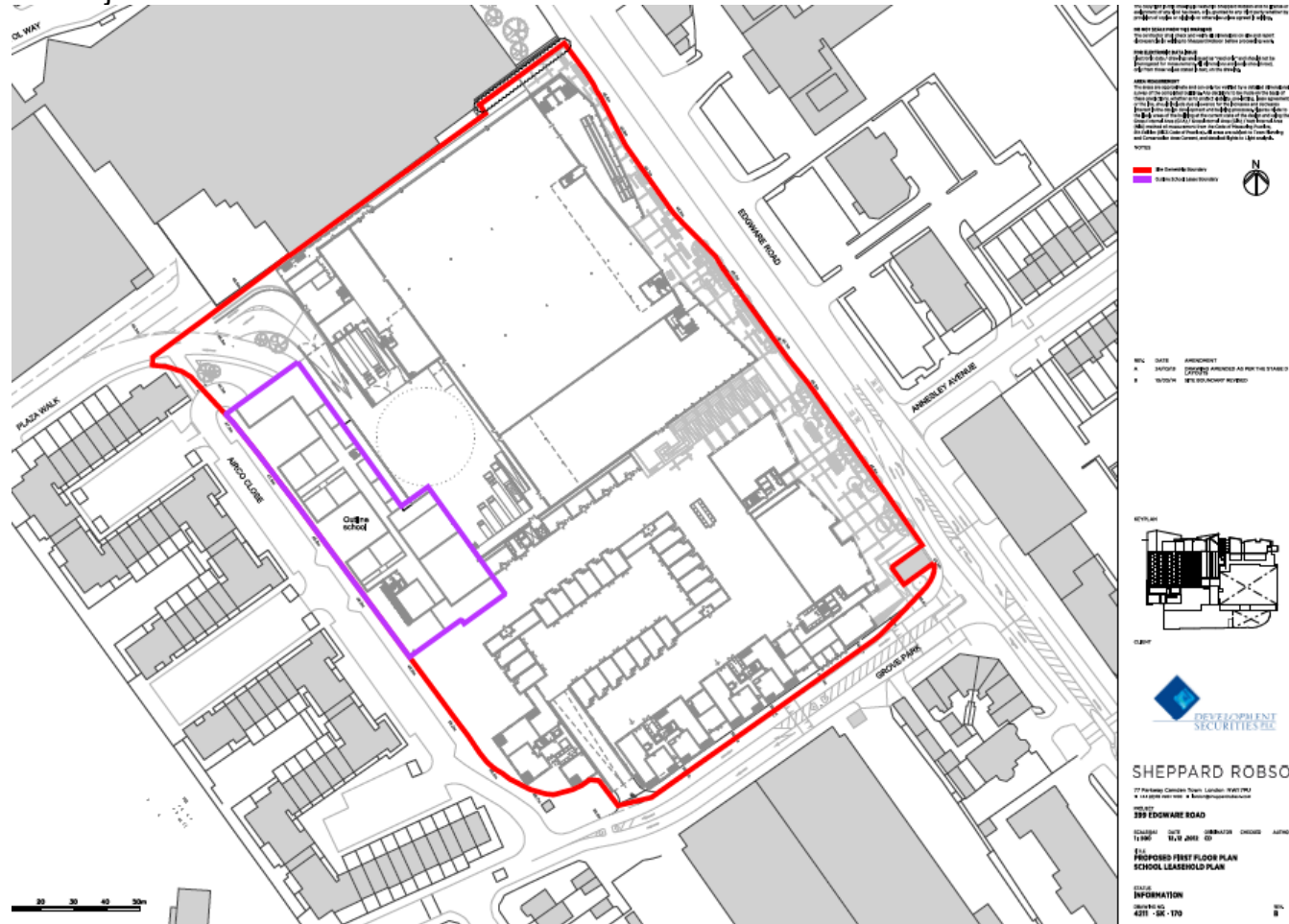
Contact Officers

James Young
Head of Assets and Valuation
Property Services
James.young@brent.gov.uk
0208 937 1398

Sarah Chaudhry
Head of Property
Sarah.chaudhry@brent.gov.uk
020 8937 1705

Stephen Hughes
Strategic Director Resources

Appendix 2. Site plan the proposed two form entry primary and nursery school, at the Oriental City redevelopment at 399 Edgware Road, NW9 0JJ, "the subject site".



Appendix 4. Site plan, 434 Church Lane, Kingsbury, NW9 9BD.



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of the Local Government Act 1972.


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of the Local Government Act 1972.

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 Brent	Cabinet 23 May 2016 Strategic Director of Resources
Kenton	
Clock Cottage, Kenton Road, Kenton, HA3 0YG – investment & redevelopment proposals	

1.0 SUMMARY

- 1.1 The Cabinet approved, Strategic Property Plan 2015-19 sets out a presumption for Brent to retain its limited property assets, utilising them to support regeneration, generating revenue savings, and capital investment for new income generation.
- 1.2 This report proposes that capital investment be approved to enable Brent Council to redevelop Clock Cottage, Kenton Road, London, HA3 0YG (the subject site) delivering 17 homes of “New Accommodation Independent Living” (NAIL) to house at least 19 people with care and support needs. The anticipated 19 residents would pay affordable rents with specialist support packages provided by Adult Social Care.

2.0 RECOMMENDATIONS

- 2.1 That Cabinet agree to capital investment of £4.123m, to bring forward the proposed 17 New Accommodation Independent Living (NAIL) homes at Clock Cottage.
- 2.2 That Cabinet delegate authority to the Strategic Director for Resources in consultation with the Chief Legal Officer and the Chief Finance Officer to oversee the Clock Cottage redevelopment scheme progression through further viability testing, local consultation, and planning consent.
- 2.3 That Cabinet delegate authority to the Strategic Director for Resources in consultation with the Chief Legal Officer and the Chief Finance Officer in respect to a works contract for the Clock Cottage redevelopment to agree pre-tender considerations, invite tenders and thereafter award the contract.

3.0 DETAIL

Background

3.1 The overall Kenton Grange opportunity site comprises 0.4129 Ha (1.02 Acre) site area. Kenton Grange was initially established as a retirement home and was sold by Brent on 1st October 1993 to St Luke's Hospice to provide terminal care i.e. a hospice service.

3.2 The remaining land in Council ownership has an area of 0.343 hectares, which comprises of Clock Cottage and a scout hut with adjoining grounds currently occupied by Kingsbury Scouts.

- Appendix 1 – Is a location plan showing where Clock Cottage is.
- Appendix 2 – Is a site plan highlighting the total Clock Cottage area that is to be redeveloped as part of this project.
- Appendix 3 – Is a plan that shows Clock Cottage and further development opportunities likely to come forward in a few years' time.

Existing use

3.4 Clock Cottage is currently unoccupied and has laid empty for a number of years. The building was previously used as a Council depot and is now being utilised as an impromptu waste bin store by St. Luke's Hospice.

3.5 The existing building is in poor condition and beyond cost effective repair. However, the front elevation is locally listed and the proposal is to retain this frontage within the overall development.

Business Case

3.6 The New Accommodation Independent Living (NAIL) Programme is a council cross-departmental programme set to deliver, 529 new homes of 'accommodation plus' for people who are assessed as having social care needs and who can no longer be supported to manage in their own home, by March 2018. NAIL accommodation is being created with individualised person centred on-site care and support to enable Brent residents, who would otherwise need to be placed in a care home setting, to be supported in the community, and to maintain their health, wellbeing, and independence in a home of their own.

3.7 While the primary driver of the NAIL programme is to maximise choice, control and independence of Brent residents with high care and support needs; it will also deliver significant efficiency savings from the Adult Social Care (ASC) care home budget, which accounts for the largest area of ASC spend. This will be achieved through ASC being responsible only for meeting the cost of people's care and support needs, as opposed to care home provision, where ASC is also responsible for all accommodation costs.

3.8 The proposed redevelopment of Clock Cottage will essentially deliver new supported living accommodation in line with the NAIL programme. This will be owned by the council, as Landlord, with ASC providing specialised support to the residents. The residents will have long-term tenancies for properties let at affordable rents.

Proposals

3.9 An architect and separate heritage consultant have been appointed to develop detailed design proposals for the site, based on specialist structural surveys, measured drawings and asbestos surveys. The pre-planning application process is underway and design proposals have been refined following discussion with Planning. It is anticipated that the planning application will be submitted by the end of May 2016.

Clock Cottage – Accommodation Schedule
<ul style="list-style-type: none">• 11 x 1 bed x 2 person 55 square metre self- contained units (compliant units to GLA standards)• 5 x en-suite studios of minimum 37 square metres (compliant with the latest national standards for dementia care)• 1 x 3 bed approximately 90 square metre self -contained unit with communal lounge and catering facilities on the first floor for high needs Learning Disability clients.

3.10 All 17 homes highlighted in the above accommodation schedule have been designed to achieve minimum housing space standards in order to apply for the joint Greater London Authority (GLA)/Department of Health (DoH) Care and Support Specialised Housing (CASSH) fund. In total up to £35m is available in this Phase 2 of the CASSH fund which encourages the development of new, specialised housing for London's older people and disabled adults.

3.11 An application has been made to the CASSH fund for a sum of £728k (14 units to GLA standard at £52k grant per unit.) However as the scheme has now been revised to 17 grant eligible flats, a new grant application will be made as soon as there is firm planning support for the latest proposals to increase this to £897k. In order to secure the grant the scheme has to be completed and occupied by the end of March 2018 under Brent's Funding Delivery Agreement with the GLA for which Cabinet Approval was given in February 2015.

Next steps

3.12 As next steps are undertaken, unknowns may result in dates changing. An early best case programme is outlined below:

- Professional construction consultants have already been appointed for the project. The number of professional advisors may increase as the project achieves different milestones. A pre-construction cost plan will be developed further by cost consultants as soon as the final scheme proposals are agreed in principle to progress by the planning officers. All consultants' appointments

are classed as Low or Medium Value Contracts under the council's Contract Standing Orders and will be made using powers delegated under Part 4 of the Constitution.

- Most of the planning pre application surveys have now been completed and a Heritage advisor has been appointed to support the architect team to consider and advise on any heritage and conservation elements of the existing structures, in collaboration with Brent's Heritage Conservation Officer, Mark Price.
- A planning pre application was submitted in January 2016 for consideration, and this has been developed further through pre application discussions with planning officer. The current programme is to now submit a formal planning application as soon as possible following and subject to Cabinet approval.
- Formal public consultation will take place during the statutory planning period , however as the scheme is relatively secluded within St Luke's grounds the key neighbour stakeholder will be St Luke's Hospice, who we are already in contact with.
- The programme is to achieve a planning consent by October 2016 in order to allow a start on site by February 2017. Given there is limited time in which to procure, award and mobilise for a start on site in January 2017, approval is sought to delegate powers to the Strategic Director of Resources in consultation with the Chief Legal Officer and the Chief Finance Officer to agree pre-tender considerations, invite tenders and thereafter award the works contract.
- This will allow a 13 month construction period, which is challenging but achievable to deliver the completed scheme by March 2018 in accordance with the grant funding conditions.

Risks

3.13 Planning – If planning approval for the development is refused or the number of units reduced then this will delay the project and prevent the Council from achieving the required revenue savings from the ASC budget.

3.14 Finance – If the project is not progressed in line with the timetable set out in the next steps and complete by March 2018 then we will not secure the time-limited GLA Grant support of £728k (expectation to increase to £897k). This could potentially create the need to require greater corporate capital resource borrowing and impact on the scheme viability significantly.

4. FINANCIAL IMPLICATIONS

4.1 The scheme costs for delivery of the preferred option are forecast to be £4.123m as per the financial appraisal summary in Appendix 5.

4.2 In order to fund the costs of the preferred option for delivery it will be necessary for the Council to undertake additional borrowing of £3.2m. The rest of the scheme costs will be made up from the Care and Support Specialised Housing (CASSH) fund. This grant is expected to be paid in two tranches at start on site

and upon completion and would therefore reduce the borrowing required in those years in 2016/17 and 2017/18.

- 4.3 The scheme is forecast to achieve £334.9k revenue saving per annum from April 2018 from residential care (based on a £338 per tenant per week and based on 19 tenants.) £338 is the average saving achieved so far per placement when Brent has moved people out of Learning Disabilities residential care into Supported Living.
- 4.4 A residential placement includes ASC covering all accommodation, utilities, food and care costs. A Supported Living Placement means that ASC only cover the care costs. Therefore the future savings to ASC will be on the reduced costs for placing clients in Support Living Placements such as Clock Cottage rather than residential care.

5.0 LEGAL IMPLICATIONS

- 5.1 It is intended for the 17 self-contained units to be let on secure or assured tenancies and for the shared accommodation to be let on licences.
- 5.2 As indicated at paragraph 3.12, the proposed redevelopment of Clock Cottage may require a number of additional consultancy contracts to be procured. These contracts will all be Low or Medium Value Contracts under the Council's Contract Standing Orders and as such will be procured using either a quote process for Low Value Contracts or a tender process for Medium Value Contracts. Any Medium Value Contracts will be subject to the Public Contracts Regulations 2015 ("EU Regulations") and must be procured in accordance with EU Regulations. Low and Medium Value Contracts may be procured by Officers using powers delegated under Part 4 of the Constitution.
- 5.3 The proposed redevelopment of Clock Cottage will require a works contract to be let. As outlined in Appendix 5, the total estimated value of such contract is £3.2m and is thus below the works threshold for full application of the EU Regulations. The works contract is classed as a High Value Contract under the Council's Contract Standing Orders and as such Cabinet approval is required to the pre-tender considerations, approval to tender and award of such contract. For the reasons detailed in paragraph 3.11, approval is sought to delegate powers to the Strategic Director of Resources to agree pre-tender considerations, invite tenders and award the works contract.

6.0 EQUALITY AND DIVERSITY IMPLICATIONS

- 6.1 A screening analysis of the likely impact of the proposals in this report has been undertaken and concludes that, in line with the deliverables and outcomes set out in the business case, the impact for protected groups will be positive. A copy of the Screening Analysis is available at Appendix 6.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 7.1 There are no staffing or accommodation implications for Council employees.

8.0 Public Services (Social Value) Act 2012

- 8.1 The contract being procured has a primary aim of improving the social wellbeing of people assessed as having social care needs and who can no longer be supported to manage in their own home. Whilst the Public Services (Social Value) Act 2012 (the “Social Value Act”) does not apply to works contracts, Officers will have regard to considerations relevant to the Social Value Act in the procurement of the works contract, namely the how the contract might improve the economic, social and environmental well-being of its area and how, in conducting the procurement process the Council might act with a view to securing that improvement and whether the Council should undertake consultation. Regard will be had to these same considerations if making further consultant’s appointments.

9.0 Background Papers

Appendix

1. Location Plan
2. Site Plan
3. Site Element Plan
4. Latest Scheme Plans
5. Proval Financial Assessment
6. Screening Equality Analysis

Contact Officers

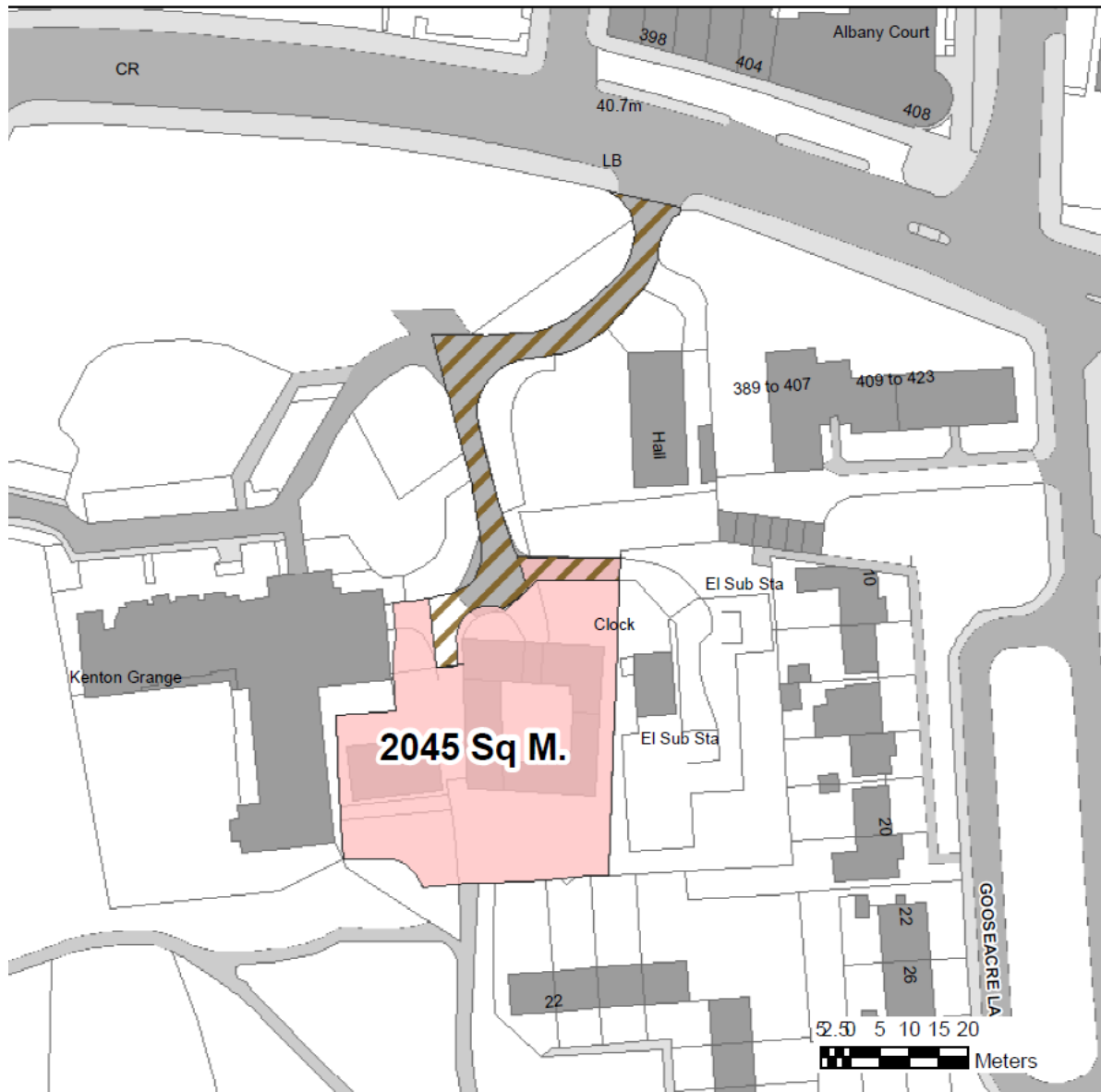
Sarah Chaudhry
Head of Property
Resources
020 8937 1705
Sarah.Chaudhry@Brent.gov.uk

Tanveer Ghani
Project Manager
Property Unit | Resources
0208 937 1722
Tanveer.Ghani@Brent.gov.uk

Stephen Hughes
Strategic Director of Resources
Stephen.Hughes@Brent.gov.uk



Clock Cottage and Adjoining Land, Kenton Grange, Kenton Road, Harrow, HA3 0YG - Phase 1.



Phase 1 Development



Access



Brent

1:1,000

Plan to stated scale if printed at A4.

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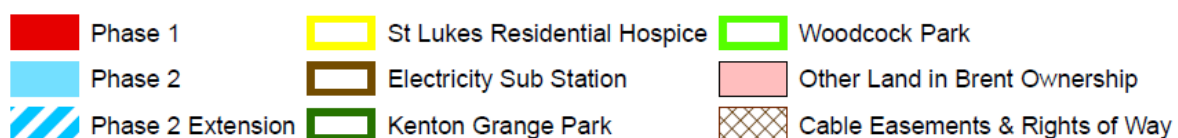
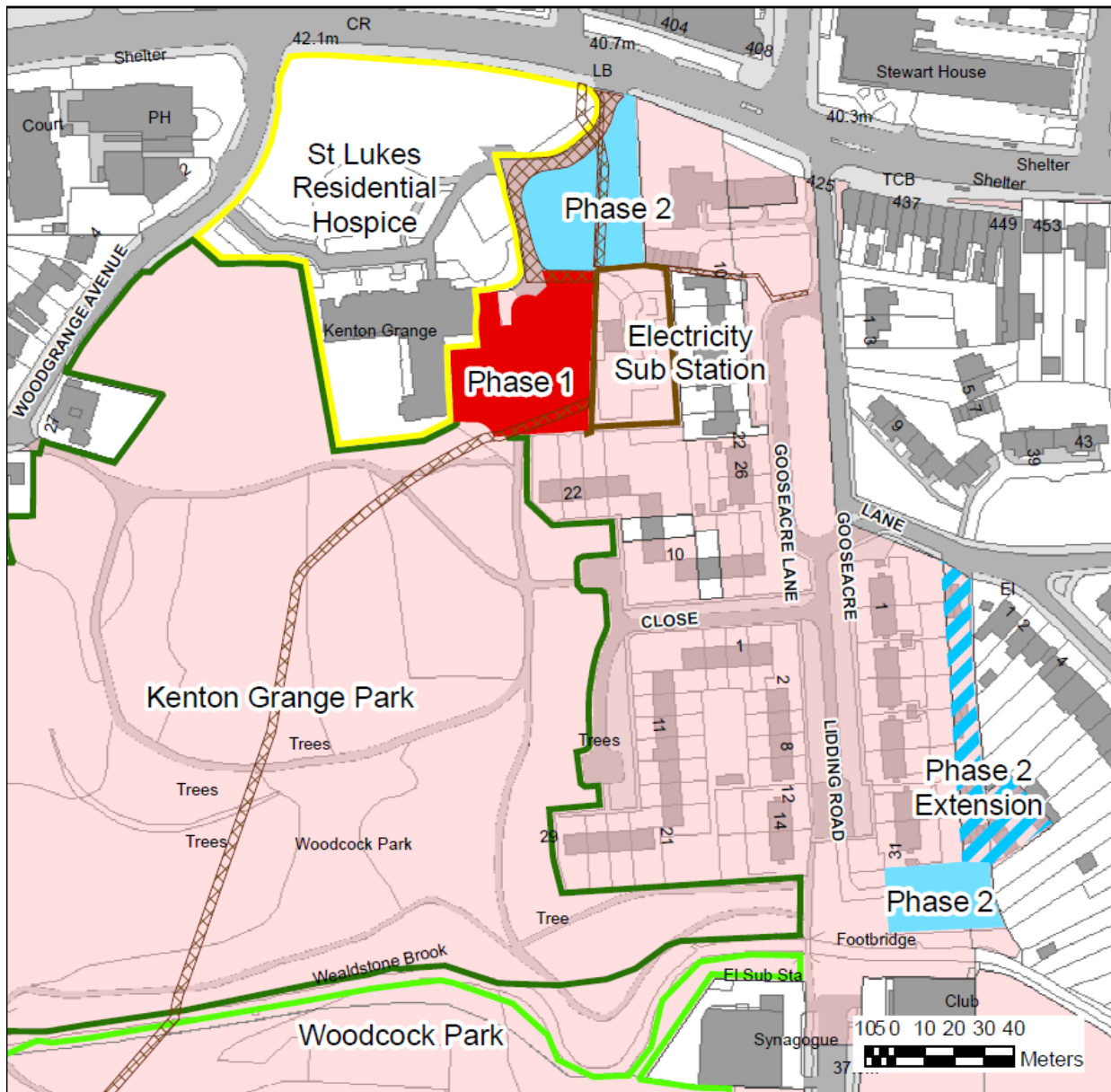
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NORTH



Clock Cottage and Adjoining Land, Site Elements



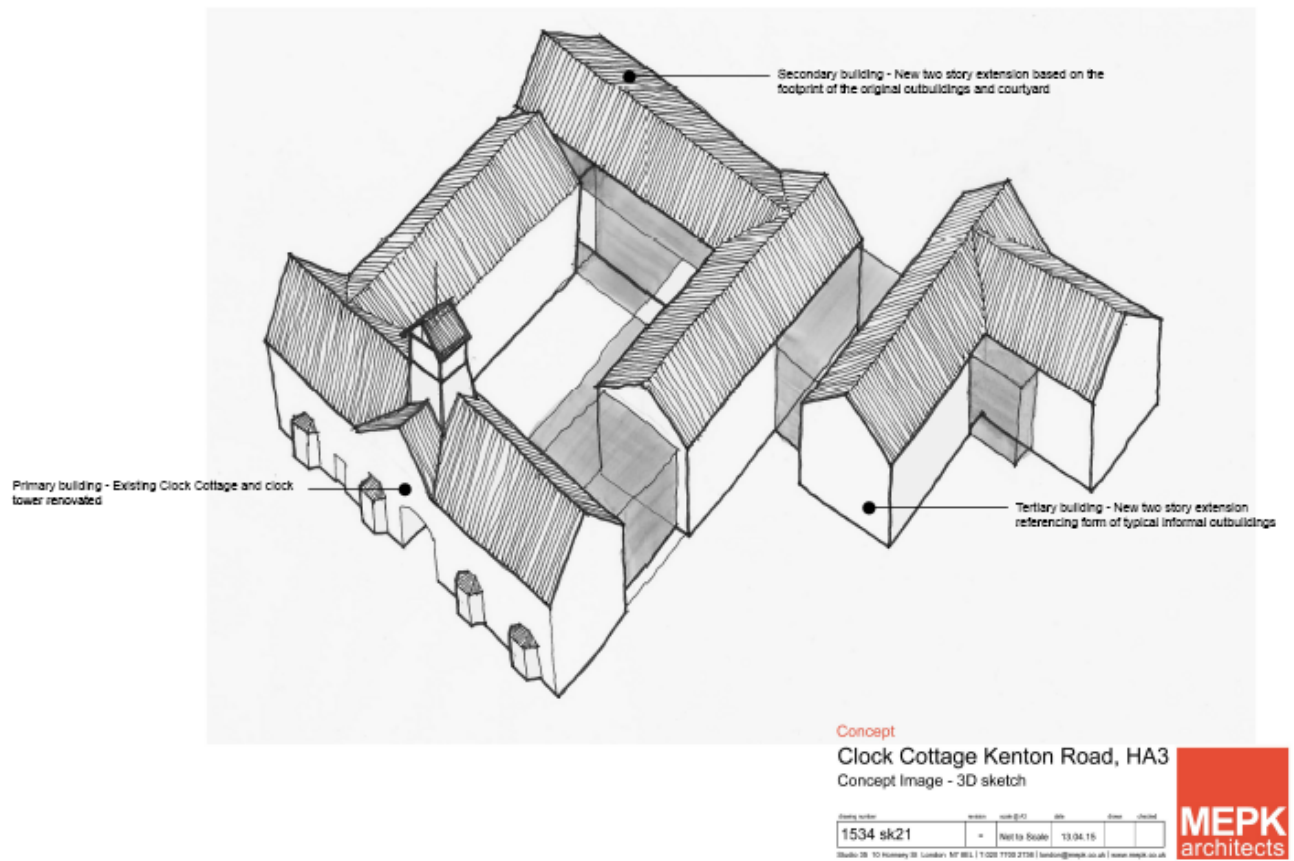
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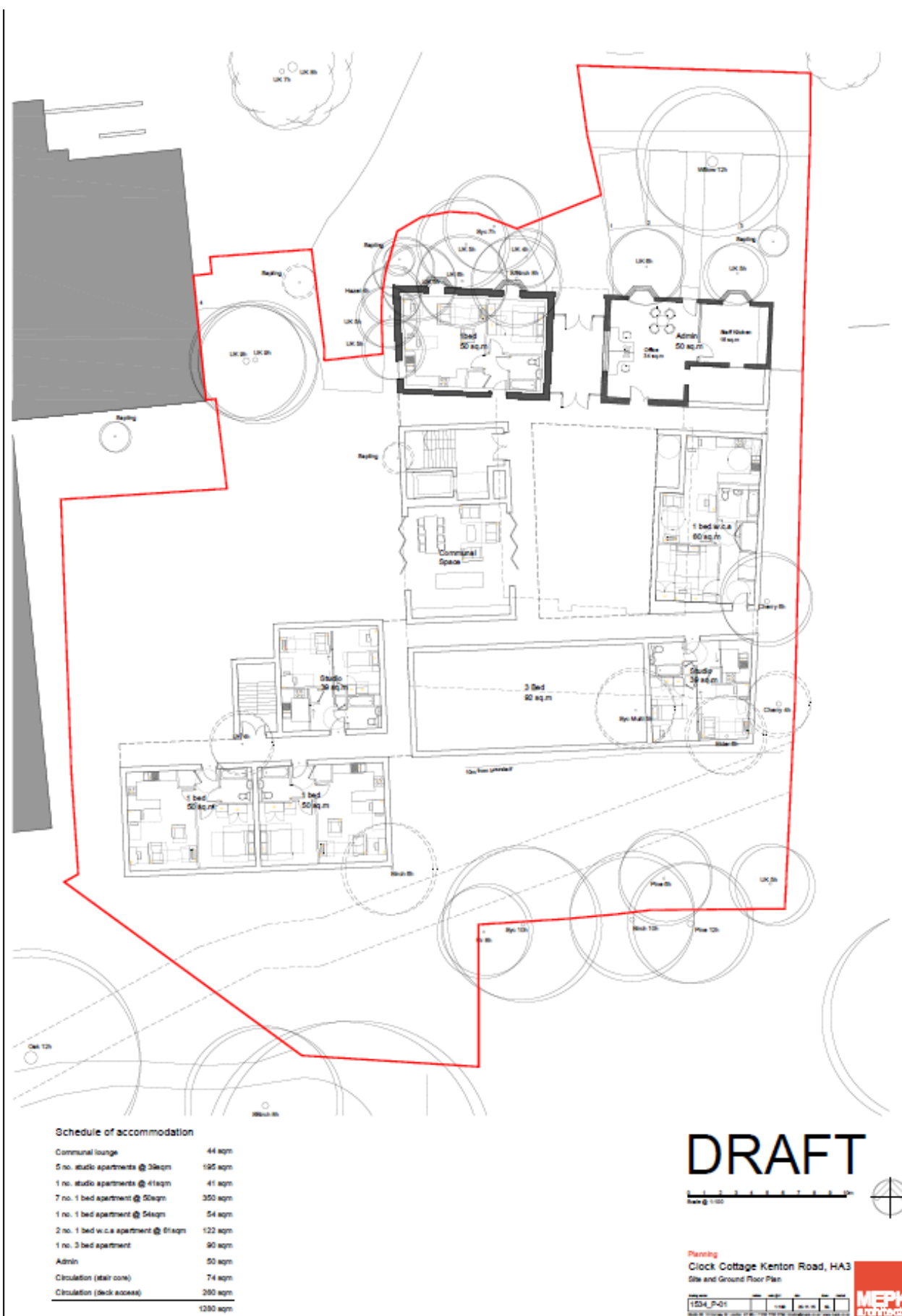
NORTH



Appendix 4: Clock Cottage Scheme Plans – 3D Sketch



Appendix 4: Clock Cottage Scheme Plans – Ground Floor



Appendix 4: Clock Cottage Scheme Plans – First Floor



DRAFT

Scale 1:100



Planning
Clock Cottage Kenton Road, HA3
First Floor Plan

1004_P-02



Appendix 5: Proval Financial Assessment

Summary

Section Map

Appraisal Summary

Total Units

17

Persons

29

NPV at First Handover

-£179,643

IRR

3.09 %

TSC / MSV

91.64 %

Loan Repaid Year

35

Products Summary

Affordable Rent

Total Units

17

Total Persons

29

NPV at First Handover

-£179,643

Avg. IRR

2.86 %

TSC / MSV

91.64 %

Loan Repaid Year

35

Appraisal

	Total	Per Unit (17)	Avg. Per Person (29)	Per m ² (1280)	% MSV	% TSC
Acquisition	£250,000	£14,706	£8,621	£195	5.6 %	6.1 %
Works	£3,200,005	£188,236	£110,345	£2,500	71.1 %	77.6 %
Acq & Wks	£3,450,005	£202,941	£118,966	£2,695	76.7 %	83.7 %
Fees	£274,800	£16,165	£9,476	£215	6.1 %	6.7 %
Interest Cost	£78,909	£4,642	£2,721	£62	1.8 %	1.9 %
Fees & Interest	£353,709	£20,806	£12,197	£276	7.9 %	8.6 %
Other Costs	£320,000	£18,824	£11,034	£250	7.1 %	7.8 %
Total	£4,123,714	£242,571	£142,197	£3,222	91.6 %	100%
Subsidy	£897,000	£52,765	£30,931	£701	19.9 %	21.8 %
MSV	£4,500,000	£264,706	£155,172	£3,516	100%	109.1 %
Month 1 Sales	£0	£0	£0	£0	0.0 %	0.0 %
Opening Loan	£3,226,714	£189,807	£111,266	£2,521	71.7 %	78.2 %
Offset Sales	£0	£0	£0	£0	0.0 %	0.0 %

Appendix 6: Equality Analysis

Stage 1 Screening Data

What are the objectives and expected outcomes of your proposal? Why is it needed?

The proposal will deliver supported housing in line with the NAIL programme. NAIL accommodation is being created with individualised, person centred on-site care and support to enable Brent residents, who would otherwise need to be placed in a care home setting, to be supported in the community and to maintain their health, wellbeing and independence in a home of their own.

The development aims to provide good quality housing for vulnerable households, while generating revenue savings related to use of care homes through the ability to rehouse existing care home users or accommodate new households needing support in a more appropriate setting.

Who is affected by the proposal?

The proposal affects those in need of supported housing, in particular people currently living in a care home setting.

Could the proposal impact on people in different ways because of their equality characteristics?

The main relevant group affected by this proposal and the NAIL programme in general is older people, although there is potential for the programme to assist younger people with physical or learning disabilities. Outside this group, for whom the impact will be positive, no disproportionate impact is identified.

Could the proposal have a disproportionate impact on some equality groups? If yes, indicate which equality characteristic(s) are impacted

Yes, although the impact will be positive, through provision of appropriate accommodation to meet the needs of the groups noted above.

Would the proposal change or remove services used by vulnerable groups of people?

The proposal will change services used by vulnerable groups but, as noted above, the change is expected to result in improved services.

Does the proposal relate to an area with known inequalities?

Yes.

Is the proposal likely to be sensitive or important for some people because of their equality characteristics?

Yes – see above.

Does the proposal relate to one of Brent's equality objectives?


The proposal relates to the following objectives:

- To know and understand all our communities
- To ensure that local public services are responsive to different needs and treat users with dignity and respect

Recommend this EA for Full Analysis?

No.

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 Brent	<p style="text-align: center;">Cabinet 23 May 2016</p> <p style="text-align: center;">Report from the Strategic Director of Resources</p>
<p style="text-align: right;">Wards Affected: ALL</p>	
<p>Authority to extend contract in respect of Software Licence Maintenance and Support</p>	

1.0 Summary

- 1.1 This report seeks authority to extend the contract for software update licences and support for the council's Financial and HR/Payroll systems.

2.0 Recommendations

- 2.1 That Cabinet approves the extension of the contract for software update licences and support for financial and HR/Payroll systems to Oracle Corporation UK Limited for a period from 1 June 2016 to 16 May 2018.

3.0 Detail

- 3.1 In May 2012 the Chief Executive approved the purchase of licences for the Oracle Finance and HR/Payroll systems from Oracle Corporation UK Limited ("Oracle"), covering a 4 year period up to and including 16th May 2016. A 4 year contract for the hosting of the systems was also awarded in 2012, to Capgemini. These contracts were both jointly procured by the OneOracle boroughs, namely Brent, Croydon, Barking and Dagenham, Havering, Lambeth and Lewisham. Newham has also since joined the OneOracle partnership. All OneOracle boroughs have recently agreed to the extension of this hosting contract for 2 years, with the contract to end in July 2018.

- 3.2 It is proposed that the contract in respect of Oracle software update licences and support is also extended for 2 years. To this end a short extension for the period 17 May 2016 to and 31 May 2016 inclusive has been agreed by the Strategic Director of Resources using delegated powers. The extension of the existing contract allows flexibility for a change in arrangements in the medium term. With the end of the hosting contract, one potential option would be to move to the Oracle cloud service, which operates on a different licensing model. If the council were to migrate to Oracle Cloud before the end of the 2 year period, the pro rata value of any unused licence support period would be offset against the cost of the new licensing arrangements.
- 3.3 It is proposed that the existing contract for licences is extended. It is possible to buy the software update licences and support from resellers through a Crown Commercial Services (CCS) framework, but CCS advice is that this would be a more expensive way of doing so, as the resellers are unable to offer discounts on these Oracle services whereas the council has secured a continuing discount from Oracle. Further, as the council was able to secure a 90% discount on rates when it entered the contract in 2012, extending the existing contract is significantly cheaper than entering into a new contract with Oracle which is particularly relevant given the council's shrinking budget.
- 3.4 The costs of the renewals are shown in the table below. These include the discounting structure offered by extending the existing contract on existing usage levels by 2 years. The council has sufficient budget for such contract extension.

Two years Costs for Support and Maintenance : Financials and HR/Payroll			
Renewal Costs (£)	Year 1 discounted price (£)	Year 2 price (£)	Total (£)
261,166.25	258,605.27	258,605.27	517,210.54

4.0 Financial Implications

- 4.1 The cost of the 2 year extension is £517k. The proposal ensures that the council continues to benefit from the 90% discount on which the contract from 2012 was based. It also includes a discount for entering into a 2 year commitment.
- 4.2 It is anticipated that the cost of this contract will be funded from the Digital Services budget.

5.0 Legal Implications

5.1 As indicated in paragraph 3.1, the council entered into a contract to purchase licences and support for the Oracle Finance and HR/Payroll systems to include implementation, covering a 4 year period up to and including 16th May 2016. Officers wish to extend this contract by 2 years although there is no express provision allowing for such extension.

5.2 Regulation 72 of the Public Contracts Regulations 2015 details certain circumstances in which contracts may be modified (to include extension) without a new procurement procedure. Regulation 72 (1)(b) permits modification:

for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority,

provided that any increase in price does not exceed 50% of the value of the original contract;

5.3 Paragraph 3.3 details that the council is able to continue to secure a substantial discount from Oracle based on the existing current contract which means that the services received are significantly cheaper than it would be able to obtain if it procured a new contract with Oracle or other resellers (who are not permitted to discount these Oracle services). The council would therefore seem able to rely on Regulation 72 (1) (b), namely that with the council's shrinking budget, the change cannot be made for economic reasons and there would be substantial duplication of costs for the contracting authority. The value of the proposed extension (£517,210.54) also does not exceed 50% of the value of the original contract value (£1,662,776).

6.0 Diversity Implications

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

7.0 Staffing/Accommodation Implications (if appropriate)

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

Contact Officers

Prod Sarigianis
Joint Head of Digital Services
prod.sarigianis@brent.gov.uk
020 8937 6080

Philippa Brewin
Senior Category Manager Corporate Services
philippa.brewin@brent.gov.uk
020 8937 1733

STEPHEN HUGHES
Strategic Director of Resources