



LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET Monday 16 January 2017 at 7.00 pm

PRESENT: Councillor Butt (Chair), Councillor McLennan (Vice-Chair) and Councillors Farah, Hirani, Miller, Southwood and Tatler

Also present: Councillors Kelcher and Perrin

Apologies for absence were received from: Councillors W Mitchell Murray

1. Apologies for Absence

Apologies for absence were received from Councillor W Mitchell Murray.

2. Declarations of Interests

Councillor Harbi Farah, Cabinet Member for Housing and Welfare Reform, declared a personal and prejudicial interest in respect of Agenda Item 12 as his former partner lives in one of the properties in Appendix 1 (Housing PFI – Property and Rents Schedule 2017/18). He advised that he would leave the meeting for that item.

3. Minutes of the Previous Meeting

RESOLVED:-

that the minutes of the previous meeting held on 12 December 2016 be approved as an accurate record of the meeting.

4. Matters Arising (If Any)

There were no matters arising.

5. Petitions (If Any)

There were no petitions presented to Cabinet.

6. Appointments to Committees (If Any)

RESOLVED:

- i. That Councillor Shama Tatler, Cabinet Member for Regeneration, Growth, Employment and Skills, be appointed as substitute member of the Barham Park Trust Committee.

7. Reference of items considered by Scrutiny Committees (if any)

Recommendations to Cabinet from the Resources and Public Realm Scrutiny Committee: The Brent Road Re-Surfacing Strategy

Councillor Ellie Southwood Hirani, Cabinet Member for Environment, introduced the report thanking the Resources and Public Realm Committee for their work on this subject.

RESOLVED:

- i. Cabinet noted the recommendations as set out in appendix A of the report;
- ii. Cabinet agreed that the appropriate Cabinet member explore the viability of each recommendation made within their portfolio; and report back to the Resources & Public Realm Scrutiny Committee with updates in the next six months.

Recommendations from Community and Wellbeing Scrutiny Committee: Sustainability and Transformation Plan

Councillor Krupesh Hirani, Cabinet Member for Community Wellbeing, introduced the report thanking the Resources and Public Realm Committee for their work in this important area.

RESOLVED:

- i. Cabinet is noted the recommendations as set out in Appendix A of the report.

Recommendations from Community and Wellbeing Scrutiny Committee: New Accommodation for Independent Living Project

Councillor Krupesh Hirani, Cabinet Member for Community Wellbeing, introduced the report thanking the Resources and Public Realm Committee for their work on this subject.

RESOLVED:

- i. Cabinet noted the recommendations as set out in Appendix A of the report.

8. Devolution of Business Rates Task Group

Councillor Margaret McLennan, Deputy Leader of the Council, introduced the report. Councillor McLennan thanked the Members of the task Group, Chaired by Councillor Joel Davidson, Brondesbury Park.

Councillor Tom Miller, Cabinet Member for Stronger Communities, echoed Councillor McLennan's statement, saying that this report is an example of the scrutiny function working well.

RESOLVED:

- i. Cabinet noted the recommendations made by the Resources and Public Realm Scrutiny Committee on the Devolution of Business Rates task group report, set out in Appendix A.
- ii. Cabinet noted that the Resources and Public Realm Scrutiny Committee supports the Devolution of Business Rates and believe that there are real opportunities for Brent to benefit from this policy change.
- iii. Cabinet agreed that the appropriate Cabinet member explore the viability of each recommendation made within their portfolio; and report back to the Resources & Public Realm Scrutiny Committee with updates in the next six months.

9. **Budget Scrutiny Panel Report**

Councillor Matt Kelcher, Resources and Public Realm Scrutiny Committee Chair, introduced the report. He stated that the Budget Scrutiny Panel was a joint Panel comprising of members from both Scrutiny Committees with the chair of the Resources and Public Realm Committee chairing the group to reflect that Committee's responsibility for resources and budgetary issues.

The Panel members from Resources and Public Realm had been Councillors Kelcher, Patel and Tatler (Councillors Ezeajughi and Davidson acted as substitutes on one occasion). The members from Community and Wellbeing had been: Councillors Sheth, Colwill and Chohan (Councillor Kansagra acted as a substitute on one occasion).

Councillor Margaret McLennan, Deputy Leader of the Council, stated that she had welcomed the opportunity to engage with Members of the Scrutiny Committees in the budget process.

Councillor Kelcher stated that the Panel had scrutinised the Cabinet's plans and offered suggestions and recommendations for improvements where appropriate. Cabinet Members agreed to study the suggestions and recommendations in their portfolios.

RESOLVED:

- i. Cabinet reviewed and noted the Budget Scrutiny Panel report.

10. **Award of a Contract for Translation and Interpreting Services**

Councillor Margaret McLennan, Deputy Leader of the Council, introduced the report stating that the Council currently has a contract with Pearl Linguistics for the provision of its translation and interpreting services.

She clarified that Pearl has been providing these services since 1st September 2015 and the current contract expires on 31 March 2017.

In order to put a new contract in place, a tender exercise has been carried out on behalf of the London Boroughs of Barnet, Brent and Harrow, with the aim of appointing one supplier to deliver a managed service for all three Council's translation and interpreting requirements, whilst achieving cost reductions as a result of the aggregated service volumes and the attractive opportunity that this represents to the market.

RESOLVED:

- i. Cabinet awarded of a contract for Translation and Interpreting Services to DA Languages Limited, for a period of three years from 1 April 2017 to 31 March 2020, with an option to extend for a further year to 31 March 2021.

11. New Homelessness Prevention and Relief Programme for Single People

Councillor Harbi Farah, Cabinet Member for Housing and Welfare Reform, introduced the item. He stated that, following the Council's Housing and Vulnerable People Outcomes Based Review and the successful application for £900k from the Department of Communities and Local Government (DCLG) Homelessness Prevention Trailblazer fund for the period April 2017 to March 2019, this report requests Cabinet approval to commit up to £900k match funding to fund local voluntary sector organisations to deliver homelessness prevention and relief outcomes for single people who are homeless or at risk of homelessness in Brent.

He clarified that the final amount to be spent will depend on the number of successful outcomes which are achieved.

Cabinet Members welcomed the report.

RESOLVED:

- i. Cabinet noted that the Council has successfully applied for £900k from the Department of Communities and Local Government Homelessness Prevention Trailblazer fund for the period April 2017 to March 2019
- ii. Cabinet agreed to delegate authority to the Strategic Director, Community Wellbeing, in consultation with the Lead Member for Housing and Welfare Reform, to approve criteria for grant funding, to approve criteria for the evaluation of bids and to approve the allocation of grant on acceptable terms for evidenced homeless prevention and relief, and accommodation sustainment outcomes, for single people.
- iii. Cabinet approved expenditure from council resources of up to £900k between January 2017 and March 2020 to contribute to the achievement of the outcomes referred to in 2.2 above by the voluntary sector under the grant agreement(s), and for necessary set up costs.

12. Housing Tenancy Conversions – Update and 2017/18 Conversions

Councillor Harbi Farah, Cabinet Member for Housing and Welfare Reform, declared a personal and prejudicial interest and left the room for this item.

Councillor Muhammed Butt, Leader of the Council, introduced the report stating that the council's Housing Private Finance Initiative (PFI) project provides 364 units of Temporary Accommodation (TA) for homeless households and 20 units of residential care accommodation through contractual arrangements running until 2028.

He stated that the financial viability of the project has been affected adversely by a number of external factors including the Government's welfare reforms.

Councillor Butt stated that the council is required to reduce the rents for all remaining TA units within the PFI, by £40 per week from 1 April. Rent increases will be applicable to some Discounted Market Rent properties from April 2017.

RESOLVED:

- i. Cabinet noted the £40 per week rent reduction for Temporary Accommodation units which are included in the PFI contract from April 2017.
- ii. Cabinet approved the variable rent increases for Discounted Market Rent units which are included in the PFI contract from April 2017.
- iii. Cabinet noted the current position with regard to the first tranche of tenancy conversions, to be completed by March 2017.
- iv. Cabinet agreed during 2017/18 to convert up to 122 units of Temporary Accommodation which are included in the PFI contract to alternative tenures, of which at least 72 properties shall be let as Affordable Rent equivalent units and the balance shall be Discounted Market Rent units, as set out in the report
- v. Cabinet delegated authority to the Strategic Director Community Wellbeing, in consultation with the Chief Finance Officer and the Chief Legal Officer, to issue to Brent Coefficient Limited a schedule setting out the units to be allocated as Affordable Rent/Discounted Market Rent units in accordance with the PFI contract.

13. Independent Living Fund

Councillor Krupesh Hirani, Cabinet Member for Community Wellbeing, introduced the report stating that the Independent Living Fund (ILF) was a national scheme set up in 1988 which funded care packages separately from Local Authorities.

He clarified that the ILF stopped taking new applicants in 2010, and closed for existing users on 30 June 2015 which resulted in Local Authorities becoming solely responsible for meeting the eligible needs of all those people under the Care Act 2014 as part of its core statutory duty.

In April 2015, Brent Council made a decision that whilst there was Central Government funding there would be no immediate reduction in support. However given the funding was not provided in perpetuity, the Council decided it would need to review all packages and determine the social care eligible level of need which may mean a reduction in funding for some individuals at some point.

The long term funding settlement for ILF is now clear with the Government reducing the ILF grant provided to Brent Council every year until it completely ceases in 2020. This report sets out the options and recommendations regarding the future of funding for ILF users.

Members expressed a preference for Option 1.

RESOLVED:

- i. Cabinet noted the national funding changes and the impact they have in Brent.
- ii. Cabinet agreed to implement Option 1 as the most equitable and financially sustainable option.

14. Gordon Brown Outdoor Education Centre - Award of High Value Works Contract

Councillor Muhammed Butt, Leader of the Council, stated that this report concerns the award of a high value works contract for the construction of a new accommodation block at the Gordon Brown Outdoor Education Centre.

He stated that the Gordon Brown Outdoor Education Centre is owned by the London Borough of Brent and is set in twenty-five acres of a Conservation Area in rural Hampshire countryside.

The Centre provides outdoor activities and learning through residential and day visits, contributing to children's learning about environmental issues and the outdoors.

RESOLVED:

- i. Cabinet noted that the preferred procurement route differs from that originally approved by Cabinet in June 2015.
- ii. Cabinet delegated authority to award a high value works contract to the Strategic Director of Regeneration and Environment in consultation with the Leader of the Council.

15. Head Lease Purchase of Lodge and Manor Court in Wembley Central

Councillor Margaret McLennan, Deputy Leader, introduced the report dealing with the proposed purchase of the head lease in relation to two large residential blocks within the Housing Revenue Account (HRA) known as Manor Court (40 units) and Lodge Court (38 units) located in Wembley Central, on either side of Wembley Central Station.

She stated that the Council owns a sub-lease for the blocks for a fixed period. The remaining term of the sub-lease is 49 years. The Council will be required to return ownership of the blocks to the head lessee with vacant possession when the sub-

lease comes to an end, which will mean re-housing the secure tenants in alternative accommodation.

She informed Cabinet Members that an opportunity has arisen for the Council to acquire the head lease under negotiated agreement.

The proposal to purchase the head lease is in line with the Council's Residential Leasehold Property Strategy, approved by Cabinet in September 2013, which supports a strategic approach to managing the Council's residential leasehold portfolio through advance acquisitions.

RESOLVED:

- i. Cabinet gave approval for officers to negotiate with Holaw (401) Ltd for their head lease, on a without prejudice and subject to lease basis. The purchase of the head lease would remove the rent liability the Council currently has under its sub-lease and extend the Council's ownership in the blocks by an additional 70 years.
- ii. Cabinet delegated authority to the Strategic Director, Resources to approve the final terms of the purchase

16. One Public Estate Programme in Brent

Councillor Muhammed Butt, Leader of the Council, introduced the report providing a briefing on the Council's newly established One Public Estate Programme; governance arrangements; next steps; and proposals for evolving a common public sector estates strategy.

He stated that Cabinet agreement is being sought on priorities for next phase OPE projects with a particular emphasis on the fit with delivering the Health Service Transformation Plan.

RESOLVED:

- i. Cabinet note the Council's success in obtaining £222,500 of Cabinet Office funding under the One Public Estate (OPE) programme, and the arrangements in hand to successfully deliver the programme.
- ii. Cabinet considered and agreed the list of priority projects for further OPE bids as set out in the report.
- iii. Cabinet agreed the withdrawal of the Northwick Park Pavilion from the Community Asset Transfer Programme

17. Bridge Park - Approval to Enter into the Conditional Land Sale Agreement

Councillor Muhammed Butt, Leader of the Council, introduced the report which followed on from the four previous reports.

He stated that the report provides an update and seeks approval to enter into a Conditional Land Sale Agreement (CLSA) with the “Purchaser”, a UK-registered subsidiary company that has General Mediterranean Holdings SA (GMH – a Luxembourg-registered business) as the parent company and Harborough Invest Inc (a British Virgin Islands based business), who already own part of the development site as the second guarantor of the Purchaser's obligations under this CLSA.

RESOLVED:

- i. Cabinet agreed to enter a Conditional Land Sale Agreement (CLSA) with the “Purchaser” a UK-registered subsidiary company (still to be formed) that has General Mediterranean Holdings SA as the parent company and Harborough Invest Inc as the second guarantor.
- ii. Cabinet acknowledged that the sale of the Council's surplus land to the Purchaser under this CLSA is subject to the following Conditions:
 - a. -The “Planning Condition”
 - The “Vacant Possession Condition” and
 - The “Financial Viability Condition.”
- iii. Cabinet noted that the price payable by the Purchaser for the land it purchases from the Council will be re-calculated following satisfaction of the Conditions, with a development appraisal ascertaining the residual value of the land.
- iv. Cabinet delegated authority to the Strategic Director, Resources, consultation with the Portfolio Lead Member for Property, in respect the negotiation and entering of a Conditional Land Sale Agreement with the “Purchaser” and awarding any professional services contracts relating to progressing the redevelopment plans for a new leisure centre at Bridge Park.

18. Exclusion of Press and Public

19. Any Other Urgent Business

None.

The meeting was declared closed at 7.40pm.

M BUTT
Chair