# Public Document Pack Brent

### **Cabinet**

#### Monday 23 October 2017 at 6.00 pm

Board Rooms 3, 4 & 5 - Brent Civic Centre

#### Membership:

Lead Member Portfolio Councillors:

Butt (Chair) Leader of the Council

McLennan (Vice-Chair) Deputy Leader

Farah Lead Member for Housing and Welfare Reform

Hirani Lead Member for Community Wellbeing
Miller Lead Member for Stronger Communities
M Patel Lead Member for Children and Young People

Southwood Lead Member for Environment

Tatler Lead Member for Regeneration, Growth, Employment

and Skills

For further information contact: Thomas Cattermole, Head of Executive and Member Services: 020 8937 5446; thomas.cattermole@brent.gov.uk

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit: **democracy.brent.gov.uk** 

The press and public are welcome to attend this meeting



#### **Notes for Members - Declarations of Interest:**

If a Member is aware they have a Disclosable Pecuniary Interest\* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest\*\* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also a Prejudicial Interest (i.e. it affects a financial position or relates to determining of any approval, consent, licence, permission, or registration) then (unless an exception at 14(2) of the Members Code applies), after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

#### \*Disclosable Pecuniary Interests:

- (a) **Employment, etc. -** Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** Any payment or other financial benefit in respect expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land -** Any beneficial interest in land which is within the council's area.
- (e) **Licences-** Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies -** Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

#### \*\*Personal Interests:

The business relates to or affects:

- (a) Anybody of which you are a member or in a position of general control or management, and:
  - To which you are appointed by the council;
  - which exercises functions of a public nature;
  - which is directed is to charitable purposes;
  - whose principal purposes include the influence of public opinion or policy (including a political party of trade union).
- (b) The interests a of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral ward affected by the decision, the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who employs or has appointed any of these or in whom they have a beneficial interest in a class of securities exceeding the nominal value of £25,000, or any firm in which they are a partner, or any company of which they are a director
- any body of a type described in (a) above.

### **Agenda**

Introductions, if appropriate.

**Item** Page

#### 1 Apologies for Absence

#### 2 Declarations of Interest

Members are invited to declare at this stage of the meeting, any relevant personal and prejudicial interests and disclosable pecuniary interests in any matter to be considered at this meeting.

#### 3 Minutes of the Previous Meeting

1 - 10

To approve the minutes of the previous meeting held on 11 September 2017 as a correct record.

#### 4 Matters Arising (if any)

To consider any matters arising from the minutes of the previous meeting.

#### 5 Petitions (if any)

To discuss any petitions from members of the public, in accordance with Standing Order 66.

#### **Chief Executive's reports**

#### 6 Complaints Annual Report 2016 - 2017

11 - 68

This report sets out complaints performance in Brent Council and Brent Housing Partnership (BHP) for the period April 2016 to March 2017. High level data for the previous 2 years has been included where available for the purpose of comparison over a 3-year period.

Ward Affected: Lead Member: Deputy Leader (Councillor

All Wards Margaret McLennan)

Contact Officer: Irene Bremang, Head of

Performance & Improvement:

Tel: 0208 937 1822;

irene.bremang@brent.gov.uk

# 7 Matters requiring shareholder consent and plans to develop 2018/19 69 - 76 business plan for the Council's wholly owned company I4B Holdings Ltd

This paper sets out a series of matters which require Cabinet consent as shareholder of I4B Holdings Ltd. This paper also sets out the proposed process and timetable for the development of the I4B Holdings Ltd Business Plan for 2018/19.

Ward Affected: Lead Member: Deputy Leader (Councillor

All Wards Margaret McLennan)

Contact Officer: Conrad Hall, Chief Finance

Officer

Tel: 0208 937 6528; conrad.hall@brent.gov.uk

#### **Community Well-being reports**

# 8 Authority to Award a Care and Support Services Contract for Visram 77 - 102 House Extra Care Scheme

In accordance with Contract Standing Order 88, this report seeks Cabinet authority to award a contract for care and support services at Visram house Extra Care Scheme (ECH) in Brent. The contract will be for a period of 5+1+1 years. The care and support service will be provided to people aged 50+ with an assessed care and support need as defined by the Care Act 2014.

Ward Affected: Lead Member: Lead Member for Community

All Wards Wellbeing (Councillor Krupesh Hirani)

Contact Officer: Helen Woodland, Operational

Director, Adult Social Care:

Tel: 020 8937 6168;

helen.woodland@brent.gov.uk

#### 9 Selective Licensing in the Private Rented Sector - Update

103 - 108

This report advises members of the need to acknowledge and correct some drafting errors in the report considered by Cabinet on 19th June 2017: Selective Licensing in the Private Rented Sector .The report does not affect the decisions taken on 19th June 2017 regarding the designation for selective licensing.

Ward Affected: Lead Member: Lead Member for Housing and Welfare Reform (Councillor Harbi Farah)

Welfare Reform (Councillor Harbi Farah)

Contact Officer: Spencer Randolph, Head of

Private Housing Services

Tel: 020 8937 2546;

spencer.randolph@brent.gov.uk

#### **Regeneration and Environment reports**

10 Queens Park/Cullen House, South Kilburn - Approval to bring 109 - 132 forward the JV Co or other option to commence delivery of this project to include procurement of a construction partner

The report relates to Queens Park/Cullen House, which is a fundamental part of the South Kilburn Regeneration Programme. The Site comprises of Keniston Press (now demolished), Premier House, Salusbury Road public car park, Cullen House and the Falcon Public House together defined as "Queens Park/Cullen House" (see appendix 1 – Existing Site Plan).

Ward Affected: Lead Member: Lead Member for Regeneration,

Kilburn Growth, Employment and Skills (Councillor

Shama Tatler)

Contact Officer: Marie Frederick, Senior Project

Manager, Estate Regeneration:

Tel: 020 8936 1621;

Marie.Frederick@brent.gov.uk

#### **Resources reports**

#### 11 Review of Council Tax Support scheme

133 - 142

Since April 2013 all Councils in England and Wales are required to operate a local Council Tax Reduction Scheme. These local schemes replace the former national Council Tax Benefit (CTB) scheme.Brent introduced its current scheme ("Council Tax Support") in 2013 and it has remained in place with only minor changes since then. Councils are required to review and confirm or change their scheme each year.

Ward Affected: Lead Member: Deputy Leader (Councillor

All Wards Margaret McLennan)

Contact Officer: Margaret Read, Director of

**Brent Customer Services:** 

Tel: 020 8937 1521;

margaret.read@brent.gov.uk

#### 12 Brent Council's Workforce Strategy 2017-2020

143 - 180

This report outlines Brent Council's new workforce strategy for 2017-2020. It includes the four workforce priorities and high level action plan.

Ward Affected: Lead Member: Leader (Councillor Muhammed

All Wards Bu

**Contact Officer**: David Veale, Director of Human Resources and Organisational

Development:

Tel: 0208 937 4565;

David.Veale@brent.gov.uk

Apprenticeships are a source of development opportunities for staff and residents to both earn and learn, helping entry into careers and progression in the workforce. The strategy formalises the council's approach and sets commitments for the coming 3 years, supporting quality employment opportunities for its residents, and supporting the Council's workforce development priorities.

Ward Affected: Lead Member: Leader (Councillor Muhammed

All Wards

Contact Officer: David Veale, Director of **Human Resources and Organisational** 

Development:

Tel: 0208 937 4565:

David.Veale@brent.gov.uk

#### 14 **Resources Senior Manager Reconfiguration**

209 - 214

This report sets out proposals to further refine the Resources Department senior management structure to create the leadership capacity to deliver priorities and to further align responsibilities in order to improve productivity and efficiency.

Ward Affected: Lead Member: Leader ΑII

(Councillor Muhammed Butt)

Contact Officer: Althea Loderick, Strategic

Director of Resources: Tel: 020 8937 1564:

Althea.loderick@brent.gov.uk

#### Reference of item considered by Scrutiny Committees (if any) 15

To consider any reference reports from any of the Council's three Scrutiny Committees.

#### 16 **Exclusion of Press and Public**

The following items are not for publication as they relate to the following category of exempt information as specified under Part 1, Schedule 12A of the Local Government Act 1972, namely: "Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)"

 Authority to Award a Care and Support Services Contract for Visram House Extra Care Scheme - Appendix 1

#### 17 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. Any decisions taken urgently under this heading must comply with the provisions outlined in paragraph 39 of the Council's Access to Information Rules (part 2 of the Constitution).

#### Date of the next meeting: Monday 13 November 2017



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 September 2017 at 6.00 pm

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

Also present: Councillors Perrin and Shahzad

#### 1. Apologies for Absence

An apology for absence was received from Councillor Eleanor Southwood (Lead Member for Environment).

#### 2. **Declarations of Interest**

There were no declarations of interest by Members.

#### 3. Minutes of the Previous Meeting

It was **RESOLVED** that the minutes of the previous meeting held on 14 August 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 to be discussed by Cabinet.

# 6. Brent's Child and Adolescent Mental Health Services: A Scrutiny Task Group Report

Councillor Ahmad Shahzad OBE, Chair of task group, thanked the Cabinet for the opportunity to present this task group report.

Councillor Shahzad informed members of Cabinet that the purpose of the scrutiny task group was to review the effectiveness of the CAMHS model in providing support to young people in Brent at present, and how the model could be adapted to better meet needs in the future. He stated that this included looking at the transformation plans being developed.

Councillor Shahzad stated that the focus of the task group in gathering evidence was on qualitative evidence from face-to-face discussions with NHS and health

providers, Brent Clinical Commissioning Group (CCG), school and further education representatives, and community representatives.

Councillor Shahzad informed Cabinet that the other members of the task group were Councillor Ruth Moher, Councillor Neil Nerva and Dr Jeff Levison, a co-opted committee member. He stated that Hamza King was co-opted to represent Brent Youth Parliament.

Councillor Shahzad presented the task group's full recommendations:

Brent Clinical Commissioning Group:

- Increase investment in mental health support with Brent's schools to ensure all schools can access Targeted Mental Health in Schools (TaMHS), Place2Be or an equivalent mental health support programme for schoolchildren.
- 2. Improve pathways to young people receiving CAMHS support by emphasising to head teachers that they can refer directly to CAMHS and increasing the CCG's information and communication to schools about what support is available.
- Offer a programme of peer and staff support in schools and further education to strengthen awareness of emotional health and wellbeing and signpost them to effective support.
- 4. Organise a network of community champions to promote good mental health and wellbeing among children and young people in their community and signpost young people to effective support.

Brent Clinical Commissioning Group and Brent Council:

5. Organise a one-off event for parents modelled on 'It's Time to Talk' to develop community-led solutions to improving children and young people's emotional wellbeing and mental health in Brent, and strengthen partnership working between the CCG, local authority, schools, voluntary sector, faith and community groups, youth organisations, and further education colleges on this issue.

Councillor Mili Patel, Cabinet Member for Children and Young People, thanked Councillor Shahzad for his work leading the task group and welcomed the group's recommendations.

#### **RESOLVED** that:

6.1 The recommendations and contents of the task group's report, as they were agreed by Community and Wellbeing Scrutiny Committee on 19 July, be noted.

#### 7. Brent Local Implementation Plan (LIP) Submission for 2018/19 - 2020/21

On behalf of the Cabinet Member for Environment, Councillor Ellie Southwood, Councillor Butt, Leader of the Council, introduced the report.

Councillor Butt stated that the primary source of funding for schemes and initiatives to improve transport infrastructure and travel choices in Brent is Local

Implementation Plan (LIP) funding, which is allocated through Transport for London (TfL). Councillor Butt stated that LIPs set out how London boroughs will deliver better transport in their area, in the context of borough priorities, overarching Mayoral transport priorities and Healthy Streets outcomes. This was welcomed by Councillor Krupesh Hirani, Cabinet Member for Adults, Health and Wellbeing.

Councillor Butt stated that the purpose of this report is to update Cabinet on the provisional LIP allocations, and gain the approval of Cabinet to submit the 2018/19 Corridors, Neighbourhoods and Supporting Measures LIP programme to TfL and following approval by TfL, to implement the schemes and initiatives within the submitted/approved LIP programme and funding.

- 7.1 Brent's 2018/19 total provisional Local Implementation Plan (LIP) provision of £3,397,000 be noted;
- 7.2 The proposed 2018/19 programme of LIP Corridors, Neighbourhoods and Supporting Measures schemes, as set out in **Appendix A** of the report, be approved. Through application of the prioritisation matrix, as described in the report and, subject to TfL approval in autumn 2017, the Head of Highways and Infrastructure, in consultation with the Lead Member for Environment, be instructed to deliver this programme using the allocated budget and resources available;
- 7.3 The Head of Highways and Infrastructure, in consultation with the Lead Member for Environment, be authorised to undertake any necessary statutory and non-statutory consultation and consider any objections or representations regarding the schemes set out in **Appendix A** of this report. If there are no objections or representations, or the Head of Highways and Infrastructure in consultation with the Lead Member for Environment objections or representations considers the are groundless unsubstantiated, the Head of Highways and Infrastructure in consultation with the Lead Member for Environment be authorised to deliver the schemes set out in **Appendix A** of this report. Otherwise, the Head of Highways and Infrastructure in consultation with the Lead Member for Environment be authorised to refer objections or representations to the Highways Committee for further consideration:
- 7.4 The scheme allocations were noted as being provisional and it was noted that the schemes may be subject to change during development and following the consultation process; and
- 7.5 The Head of Highways and Infrastructure, in consultation with the Lead Member for Environment, be authorised to vire scheme allocations where necessary (e.g. pending the outcome of detailed design and consultation) within the overall LIP budget, in consultation with the Lead Member for Environment, and in accordance with financial regulations.

#### 8. Managing Street Drinking and Identified Problem Areas - Pilot Evaluation

Councillor Tom Miller, Cabinet Member for Stronger Communities, introduced the report stating that Brent has implemented 6 pilot Public Spaces Protection Orders (PSPOs) in Harlesden, Kilburn, Ealing Road (including One Tree Hill), Neasden, Wembley Park and Sudbury for the duration of 6 months, to tackle problematic areas where street drinking has been prevalent over the years.

Councillor Miller stated that this order was made possible under the Anti-Social Behaviour, Crime and Policing Act 2014 ("the 2014 Act"), and was implemented after consultation with residents and stakeholders.

The order gave Brent Council the ability to issue Fixed Penalty Notices (FPNs), or begin court proceedings against, anyone street drinking in prohibited areas.

Councillor Miller informed Cabinet that the evidence about street drinking and associated Anti-Social Behaviour (ASB) will also be used to update the Statement of Licensing Policy. The evidence can be used to consider introducing cumulative impact policies which, amongst other things, could limit the number of off-licences in PSPO areas and imposing additional conditions on existing off-licences aimed at reducing street drinking if they are found to breach their existing conditions. Conditions can include reduction on their opening hours, no sale of high strength alcohol over 6% ABV, no sale of single cans etc.

Councillor Miller stated that this report provides an update on the effectiveness of the PSPOs, the scale of the problem in Brent as well as options going forward for Cabinet on how to tackle the street drinking problem when the borough wide Control Drinking Zone (CDZ) ends in October 2017.

#### **RESOLVED** that:

- Option 2 of the options appraisal, set out in section 6.0 of the report, namely 'Implement a Borough Wide Public Space Protection Order ("PSPO") to replace the existing Controlled Drinking Zone which expires in October 2017', be agreed; and
  - 8.2 The increase in the Fixed Penalty Notice (FPN) issued under sections 52 and 68 of the Anti-Social Behaviour Crime and Behaviour Act 2014 ("the 2014 Act") from £75 to £100, be approved.

# 9. Brent Domestic Abuse Advocacy and MARAC Coordination: Contract Variation

Councillor Tom Miller, Cabinet Member for Stronger Communities, reminded Cabinet that, in June 2017, Cabinet agreed the proposed option to commission Independent Domestic Violence Advocacy (IDVA), Family Support and Multi Agency Risk Assessment Conference (MARAC) coordination services, allocating a council budget of £270,226 per year for an initial period of 3 years with the option to extend by a further 2 years. The contract was subsequently re-tendered in July 2017 and awarded using delegated powers in September 2017.

Councillor Miller informed Cabinet that, in February 2017, the council's Community Protection Service submitted a funding application to the Home Office Transformation Fund for additional specialist domestic abuse IDVA intervention.

Councillor Miller stated that the council was notified its application had been successful in July 2017, however contract validation regarding provider requirements was not confirmed by the Home Office until August 2017, after the IDVA, Family Support and MARAC coordinator services tender had closed. Given the additional funding awarded to the council is for very similar services to those it has very recently procured, it is considered that rather than procuring a further contract, the recently let Brent Domestic Abuse Advocacy and MARAC Coordination Contract should be varied to include the additional provision covered by the grant funding.

#### **RESOLVED** that:

- 9.1 The variation of the Brent Domestic Abuse Advocacy and MARAC Coordination Contract, to include the delivery of the Home Office Transformation Fund services detailed in paragraph 3.2 of the report to the value of an additional £100,000 per annum for three years, be agreed.
- 10. Implementation of Financial Penalties as alternatives to prosecutions under Housing Act 2004 introduced under Part 2 Housing and Planning Act 2016

Councillor Harbi Farah, Cabinet Member for Housing and Welfare Reform, introduced the report setting out the powers and obligations introduced by the Housing and Planning Act 2016 relating to the Government's response to tackling rogue landlords and improving the private rental sector.

Cabinet noted that the Housing and Planning Act 2016 received royal assent on the 12 May 2016. Part two of the Act is concerned with rogue landlords and property agents and introduces:

- Civil penalties of up to £30,000
- Extension of Rent Repayment Orders (RROs)
- Banning orders for the most prolific offenders
- Database of rogue landlords/property agents

Councillor Farah stated that the most significant and radical of those listed above is the introduction of civil penalties. Unlike fines issued by the Courts when criminal prosecutions are taken, income received from a civil penalty can be retained by the local housing authority; provided that it is used to further the local housing authority's statutory functions in relation to their enforcement activities covering the private rented sector. This means that any income received from civil penalties issued can be reinvested into carrying out more enforcement work to bring about further improvements within the private rented sector (PRS).

Councillor Farah stated that Brent's PRS currently represents over 1/3<sup>rd</sup> of the housing stock, somewhere in the region of 36,000 properties and our research indicates that it is still growing. There are more PRS properties in Brent than the combined social housing stock. The corporate vision is that "Brent will be a thriving, vibrant place, where our diverse community lives in an environment that is safe,

sustainable and well maintained", yet we know that there are still many tenants that are being exploited by rogue and criminal landlords who let out substandard, poorly managed and sometimes dangerous accommodation.

Councillor Farah stated that since the introduction of property licensing in Brent in January 2015, the Private Housing Service (PHS) has made great strides to tackle many of these criminal activities, prosecuting more landlords, agents and lead tenants in the past eighteen months than the previous eighteen years added together, but despite this there is still much more to do. By agreeing to adopt these new enforcement powers, the Cabinet will be arming PHS with additional tools to combat those criminals who flout the law and more importantly the income generated by the fines will be reinvested to provide additional resources to see further improvements with the PRS with increased enforcement activities.

- 10.1 The Council shall adopt the new enforcement powers against rogue landlords and letting agents contained within the Housing Act 2004 as amended by the Housing and Planning Act 2016;
- 10.2 It was noted that the enforcement powers once in force, enable the Council to serve notices imposing Civil Penalties of up to a maximum of £30,000 in respect of the following offences:
  - Failure to comply with an Improvement Notice
  - Failure to licence or be licensed in respect of Houses in Multiple Occupation (HMOs)
  - Failure to licence or be licensed in respect of the Landlords Selective Licensing Scheme
  - Failure to comply with licensing conditions
  - Failure to comply with an Overcrowding Notice
  - Failure to comply with a regulation in respect of an HMO
  - Breaching a Banning Order;
- 10.3 It was noted that the enforcement powers once in force, enable the Council to apply a Rent Repayment Order in respect of the following offences:
  - Failure to comply with an Improvement Notice
  - Failure to comply with a Prohibition Order
  - Breaching of a Banning Order
  - Using violence to secure entry to a property
  - Illegal eviction or harassment of the occupiers of a property:
- 10.4 The Housing Enforcement Policy, within Appendix 1 of the report which had been amended to include reference to the issuing of civil penalties as an alternative to prosecution for relevant offences under the Housing Act 2004, be agreed; and
- 10.5 The Strategic Director of Community Wellbeing be authorized to authorise other council officers, including but not limited to the Head of Private Housing Services (PHS), PHS Managers, PHS Enforcement Officers and PHS Licensing Officers, to discharge the powers listed above.

#### 11. London Business Rates Pilot Pool 2018-19

Councillor Margaret McLennan, Deputy Leader, introduced the report which aimed to provide an update following the July Finance Review reported to Cabinet on 24 July on the proposal for an expanded London business rates retention pilot via a pan-London pool in 2018/19. Councillor McLennan stated that a draft prospectus from London Councils is enclosed in Appendix A and sets out how it is envisaged that a pilot pool could operate in 2018/19, should the government renew its commitment to this approach.

Councillor McLennan informed Cabinet that the report sets out the founding principles of a potential pool, options for allocating the financial benefits and the proposed governance and administrative arrangements for operating a potential pool.

She stated that the net one-off financial gain in 2018/19 from participating in the pool has been estimated at £229m for all London Boroughs and Greater London Authority. On current estimates the choice of distribution would give Brent a one-off financial benefit of between £4m and £4.8m.

#### **RESOLVED** that:

- 11.1 The report and the draft prospectus from London Councils enclosed in Appendix A of the report, be noted;
- 11.2 The two founding principles of the London Pool where no authority can be worse off than they would otherwise be under the current scheme and that all London boroughs will share some of the financial gain arising from the pilot pool, be noted; and
- 11.3 The Chief Finance Officer, in consultation with the Leader of the Council, be delegated authority to indicate an 'in principle' decision to participate in a pilot business rates pool in 2018/19 and to enter into negotiations in respect of the legal, governance and administrative framework, the sharing of any financial benefits other details in respect of the operation of the pool.

#### 12. Award of Telephony Contract

Councillor Margaret McLennan, Deputy Leader of the Council, informed the Cabinet that the report requests authority to award 4 contracts for Telephony Services as required by Contract Standing Order No 88. This report summarises the process undertaken in procuring the contracts and recommends to whom the contracts should be awarded.

- 12.1 The contract be awarded for Lot 1: Telephony to Voicenet Solutions T/A 8x8 Solutions for a term of 5 years;
- 12.2 The contract be awarded for Lot 2: Automated Call Distribution to Voicenet Solutions T/A 8x8 Solutions for a term of 5 years;

- 12.3 The contract be awarded for Lot 3: Mobile Telephony to Vodafone Limited for a term of 2 + 1 years; and
- 12.4 The contract be awarded for Lot 4: Automated Switchboard to Netcall Telecom Limited for a term of 5 years.

#### 13. National Non Domestic Rates – Applications for Discretionary Rate Relief

Councillor Margaret McLennan, Deputy Leader of the Council, informed Cabinet that the Council has the discretion to award rate relief to charities or non-profit making bodies. It also has the discretion to remit an individual National Non-Domestic Rate (NNDR) liability in whole or in part on the grounds of hardship. The award of discretionary rate relief is based on policy and criteria agreed by Cabinet on 15 November 2016. New applications for relief have to be approved by the Cabinet.

Councillor McLennan stated that the report details new applications for relief received since Cabinet last considered such applications in November 2016.

#### **RESOLVED** that:

13.1 The applications for discretionary rate relief as detailed in Appendix 2 of the report be approved.

#### 14. Authority to Tender Contract for Insurance Services

Councillor McLennan, Deputy Leader of the Council, stated that the report concerns the future provision of the Council's Insurance Services contracts. She informed Cabinet that the report requests approval to invite tenders in respect of the proposed Insurance Services contracts to start 1 October 2018, as required by Contract Standing orders 88 and 89.

Councillor McLennan stated that the report also seeks authority to extend the contracts that form the current programme of insurance. This is to allow for time to tender a new insurance programme, including the insurable risks formerly covered under separate arrangements made by the Brent Housing Partnership (BHP).

The insurable risks of the formerly outsourced housing services under BHP are to form part of this procurement as the service is scheduled to be brought back under the Council's control.

- 14.1 The Strategic Director of Resources be delegated authority to invite expressions of interest, invite tenders in respect of the Council's Insurance Services contracts, and evaluate them in accordance with the approved evaluation criteria in 3.6 following the procurement process; and
- 14.2 The extension of the current insurance services contracts for a period of twelve months: From 1 October 2017 to 30 September 2018, be approved.

15.	Reference of item considered by Scrutiny Committees (if any)
	None.
16.	Exclusion of Press and Public
	None.
17.	Any Other Urgent Business
	None.
The m	neeting was declared closed at 6.51 pm
COUN Chair	NCILLOR MUHAMMED BUTT





# Cabinet 23 October 2017

# Report from the Director of Performance, Policy & Partnerships

Wards affected:

ALL

#### Complaints Annual Report 2016 – 2017

#### 1.0 Purpose of the Report

- 1.1 This report sets out complaints performance in Brent Council and Brent Housing Partnership (BHP) for the period April 2016 to March 2017. High level data for the previous 2 years has been included where available for the purpose of comparison over a 3-year period.
- 1.2 Complaints concerning the Adult Social Care and Children and Young People departments come under separate statutory complaint procedures and separate analysis reports have been provided in **Appendices A and B** respectively. **Appendix C** summarises departmental performance across the Council in 2016/17. BHP service-level analysis in 2016/17 is summarised in **Appendix D**.
- 1.3 Complaints performance for the Council and for BHP have been analysed and reported across four broad aspects - complaints received, complaint types, outcomes and timeliness. This report also includes improvements and lessons learned from complaints.
- 1.4 The key points from the Council and BHP's performance are as follows:
  - Brent Council:
    - The number of new complaints received is decreasing however more cases are being escalated to the second stage of the complaints process.
    - Service delay/failure was the most common cause for complaint in 2016/17, as in previous years.
    - The Council upheld/partly upheld a smaller proportion of cases at the final review stage in 2016/17 than in previous years.

- As average compensation payments have decreased at the first stage there has been a corresponding increase in compensation awarded at the Ombudsman stage.
- Timeliness of corporate and statutory complaint responses has improved over the past 3 years.

#### BHP

- The volume of first and second stage complaints has increased significantly.
- Service delay/failure remains the most common cause for complaint in 2016/17, as in previous years.
- There is a greater willingness to acknowledge fault and the majority of complaints were upheld/partly upheld at the first stage; fewer cases were upheld at the second stage
- The number of cases awarded compensation has doubled but the average amount of compensation paid has decreased.
- 1.5 This report makes a number of recommendations to help reduce complaints and improve the management of complaints. These recommendations are also summarised in Section 2 below for Cabinet approval.

#### 2.0 Recommendations

- 2.1 Cabinet is asked to note and consider the Council and BHP's performance in managing and resolving complaints.
- 2.2 Cabinet is asked to review and agree the eight specific recommendations made in this report and note that the Complaints team will:

#### Root cause of complaints

- a. Work with service area and departmental management teams to review key service delay/failure hotspots and develop improvement plans.
- b. Develop a tailored training plan on communication and staff behaviours to be implemented in priority service areas across the Council.
- c. Support the new Housing Management Service during the redesign of the repairs process by feeding in the lessons learned from complaints.

#### Decision making and outcomes

- d. Review LGO referrals and identify any future opportunities for early resolution and minimisation of premature LGO referrals.
- e. Review our internal approach to complaint decisions, corrective actions and compensation in light of LGO outcomes in 2016/17.

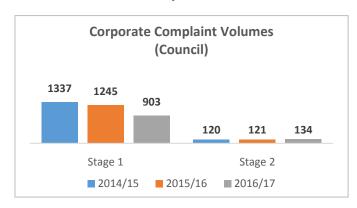
- Complaint handling and monitoring
- f. Continue to improve internal processes and working arrangements with service managers to increase the timeliness of Stage 2 responses.
- g. Work closely with the Housing Management Service management team to establish a new and effective complaints process and implement improved working arrangements to manage Stage 2 complaints
- h. Implement a weekly Corrective Actions Tracker for all departments to monitor the timely completion of agreed remedial actions.
- 2.3 Cabinet is asked to note that BHP has been reported as a separate organisation for the purposes of this annual report for 2016/17.

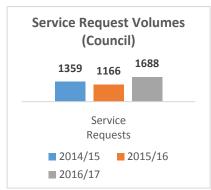
#### 3.0 Detail

#### Council's Complaint Framework

3.1 The Council operates a 2-stage corporate complaints process, 2-part Adult statutory complaints process and a 3-stage Children's statutory complaints process. The various timescales and decision outcomes are explained in Appendix C.

#### Brent Council - Complaints Received

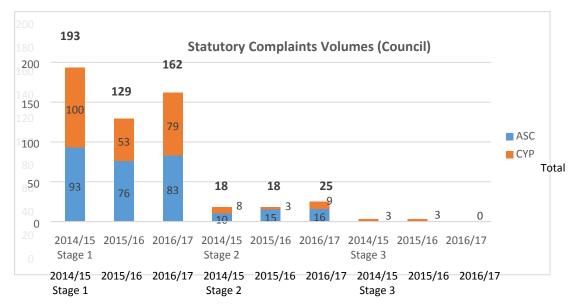




# 3.2 The volume of Stage 1 corporate complaints has fallen by one third over the past 3 years.

- One of the main reasons identified is that service areas are logging other types of initial customer contact (i.e. pre-complaint queries and follow up requests for services) as service requests, rather than as formal Stage 1 complaints.
- All first stage contact (i.e. Stage 1 complaints and service requests) with the Council has gone down by over 100 cases in the past 3 years.

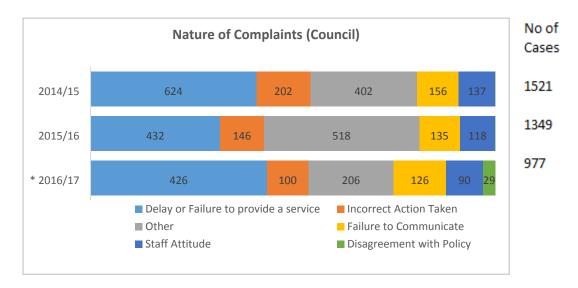
- The breakdown of the 903 complaints received in 2016/17 by council departments was: 41% Regeneration & Environment (R&E) department, 28% Community Wellbeing (CWB) department, 23% Resources (Res) department, 4% Children & Young People (CYP) department and 4% Chief Executive's (CE) department.
- 3.3 Although the volume of Stage 1 cases has gone down there has been a 12% increase in the volume of Stage 2 corporate complaints, and the proportion of cases escalated to Stage 2 has also increased in the past 3 years.
  - In 2014/15, 1 in every 11 first stage corporate complaint was escalated to the second stage; this increased to 1 in every 7 corporate complaint being escalated in 2016/17.
  - The rise in Stage 2 escalation rates suggests an increased level of unhappiness with the outcome of first stage decisions. This is considered further in the Outcomes section of the report.



- 3.4 Statutory first stage complaints have gone down by 12% and statutory Stage 2 complaints have gone up by 28% over the past 3 years.
  - Escalation rates have almost doubled in the past 3 years, with 1 in every 6 statutory Stage 1 complaints being escalated to the second stage in 2016/17 compared with 1 in every 11 case in 2014/15. As previously suggested with corporate complaints, this may reflect increased dissatisfaction with our statutory Stage 1 decisions.

#### **Brent Council – Nature of Complaints**

3.5 The nature or type of complaint is recorded on the iCasework system by officers. The broad categories and sub-classifications were updated part way through 2016 to give us better insight into the root cause of complaints. One of the main changes was that the 'Other' category was removed from the system and the 'Disagreement with Policy' category was added. Additional service-specific sub-classifications have been updated on the system for some areas across the council.



- 3.6 'Service delay/failure' remains the most common reason for complaints received by the Council, accounting for almost half of all corporate complaints in 2016/17. We upheld/partly upheld almost half of the 426 service delay/failure cases received in 2016/17.
- 3.7 The table below shows the three highest volume service areas for complaints within each department and the root causes identified:

Community Wellbeing Department					
Services	No. of Stage 1 Cases	Stage 1 as % of Dept Total	Root Causes		
Housing	128	51%	<ul> <li>Accommodation Services – Assessment</li> <li>Poor Communication</li> <li>Staff Conduct</li> </ul>		
Culture	66	26%	<ul> <li>Libraries – Computer Provision</li> <li>Libraries – Other</li> <li>Libraries – Events &amp; Exhibitions</li> </ul>		
Private Housing Services	38	15%	<ul> <li>Housing Advice – Other Service</li> <li>Enforcement – Assessment / Housing</li> <li>Enforcement – Multiple Occupation - Safety</li> </ul>		

Regeneration & Environment Department						
Services	No. of Stage 1 Cases	Stage 1 as % of Dept Total	Root Causes			
Parking & Lighting	146	39%	<ul> <li>PCN Received</li> <li>Payments / Parking Permits</li> <li>On Street Enforcement – Not Taking Action</li> </ul>			
Environmental Improvement	90	24%	<ul><li>Contractor Conduct</li><li>Non Collection</li><li>Management Issues</li></ul>			
Highways & Infrastructure	64	17%	<ul><li>Other Highways Issue</li><li>Other Pavement Issues</li><li>Highways Information and Advice</li></ul>			
		Resource	es Department			
Services	No. of Stage 1 Cases	Stage 1 as % of Dept Total	Root Causes			
Benefits & Customer Facing	89	43%	<ul> <li>Benefits – Over Payments</li> <li>Benefits – Change of Circumstances</li> <li>Benefits – Other Service</li> </ul>			
Revenues & Customer Contact Centre	53	25%	<ul> <li>Contact Centre – Officer Behaviour</li> <li>Council Tax – Recovery</li> <li>Contact Centre – Enquiry Handling</li> </ul>			
BCS Social Care Functions	17	8%	<ul><li>Communication</li><li>Service Failure</li></ul>			
	Ch	ildren & Youn	g People Department			
Services	No. of Stage 1 Cases	Stage 1 as % of Dept Total	Root Causes			
Inclusion	10	28%	<ul><li>Social Workers</li><li>Contract Issues</li><li>Service not provided</li></ul>			
Localities	7	19%	<ul><li>Support / Contact</li><li>Assessment</li><li>Child Protection</li></ul>			
LAC & Permanency	5	14%	-			

- 3.8 The table above shows that there are a variety of issues that have led to service delay or service failures across council departments. Individual service areas need to continue to take responsibility for tackling the fundamental causes of service delay/failure and for improving the customer experience.
- 3.9 The Complaints Service team have attended management and team meetings to discuss the quarterly performance reports and discuss ways of improving both service area operations and complaint handling. Service areas have put in place a number of measures to improve performance such as ongoing staff training on policies, procedures and communication; streamlining processes; and improved contract management. Departmental examples of improvements in response to complaints are provided in Appendices A, B and C.

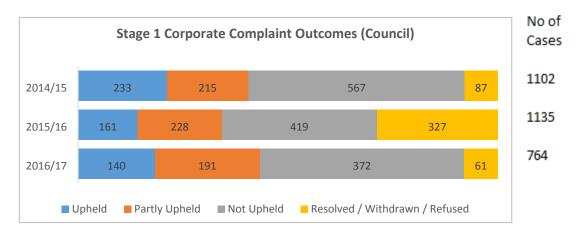
3.10 Although service areas have already put some measures in place, it is clear that we need to a continued and greater emphasis on addressing service delay/failure issues across the organisation. Ongoing and fundamental improvements are needed to prevent avoidable errors being repeated and to embed lasting changes that will improve service delivery across the council. This is a challenge for the council with the financial constraints and resourcing pressures facing local government, but nonetheless fundamental improvements must be made.

**Recommendation:** the Complaints Service team should work with service area and departmental management teams to review key service delay/failure hotspots and develop improvement plans.

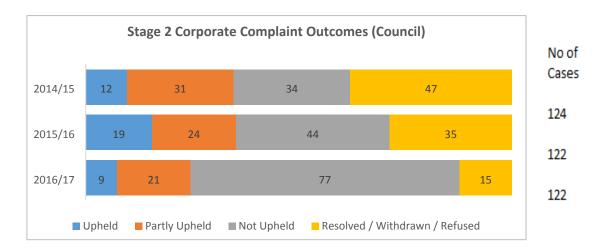
3.11 Staff attitude and failure to communicate are two other significant causes of complaints that also need to be addressed more widely across the council. The importance of learning from complaints and getting the customer service 'basics' right have been shared at staff forums and senior manager meetings by the Chief Executive. Some service areas already provide customer service training for their staff, however there is the need to put in place wider targeted training provision for particular service areas that may need this.

**Recommendation:** the Complaints Service team should develop a tailored training plan on communication and staff behaviours to be implemented for priority service areas across the Council

#### **Brent Council – Complaint Outcomes**



- 3.12 The proportion of corporate complaint cases upheld/partly upheld at the first stage by the Council has remained broadly the same over the past 3 years:
  - Although complaint volumes are coming down, the Council acknowledged fault in a large proportion of the new complaints we received.
  - 41% of cases were upheld/partly in 2014/15 and this has increased slightly to 43% of cases upheld/partly upheld in 2016/17.



- 3.13 Whilst upheld/partly upheld rates have been stable at the first stage, this has dropped significantly at the second stage.
  - In 2014/15, 35% of Stage 2 cases were upheld/partly upheld compared with 24% in 2016/17.
  - 27% of cases were not upheld in 2014/15 and this has jumped to 63% not upheld in 2016/17.
  - Although 1 in every 7 case was escalated to Stage 2 in 2016/17, we upheld/partly upheld fewer cases than in previous years.
- 3.14 This sharp increase in cases not being upheld at the second stage to a large extent supports the decisions being made at the first stage.
- 3.15 There were 30 cases upheld/partly upheld at the final review stage in 2016/17 and unfortunately in some of these cases the service areas delayed implementing corrective action or paying compensation. These delays created additional follow up work for the Complaints Service team and on some occasions led to an Ombudsman referral. Closer monitoring of final review corrective actions needs to be put in place particularly as the LGO has signalled that it will take more stringent action against local authorities that do not follow through on agreed corrective actions/complaint remedies.

**Recommendation**: Complaints Service Team should implement a weekly Corrective Actions Tracker for all departments to monitor the timely completion of agreed remedial actions

3.16 Beyond the Council's final review stage, there were still a large number of cases that were escalated to the Ombudsman. We can reasonably assume that this was because of ongoing dissatisfaction or disagreement with the Council's final review decisions. The table below shows the of volume of referrals to the Local Government & Social Care Ombudsman (LGO) over the past 3 years:

Case Type	2014 - 2015	2015 - 2016	2016 – 2017
Ombudsman Referrals	169	195	168

- 3.17 There has been a 5% reduction in cases referred to the Ombudsman over the past 3 years. Although Ombudsman case volumes have decreased, we recognise and accept that there are still too many cases being referred to the Ombudsman.
  - In 2016/17 Brent had the 7<sup>th</sup> highest number of LGO referrals out of the 33 London councils.
- 3.18 Although the number of cases referred to the LGO was very high, the large majority of cases did not warrant a formal investigation. During 20161/17, the LGO considered or reviewed 161 Brent referrals. 136 out of 161 LGO referrals were not progressed after initial investigations for the following reasons:
  - Referred back for local resolution 84 cases.
  - Closed after initial enquiries 43 cases.
  - Advice given 5 cases.
  - Invalid or incomplete 4 cases.
- 3.19 More than half of the cases considered by Ombudsman in 2016/17 were sent back to the Council to be resolved locally. (Brent had the 4<sup>th</sup> highest number of cases referred back for local resolution across all London councils). These cases were essentially submitted prematurely to the Ombudsman and further work is needed to understand how we could resolve more of these cases earlier within the Council without the need for an Ombudsman referral. By doing this we should be able to provide a quicker, more efficient and mutually agreeable resolution to complaints.

**Recommendation:** the Complaints Service team should review LGO referrals and identify any future opportunities for early resolution and to help minimise premature LGO referrals.

3.20 There were fewer LGO cases investigated and upheld against Brent in 2016/17 than in previous years. During 2016/17 the LGO fully investigated 25 cases against Brent - 17 cases were upheld and 8 cases were not upheld.

Outcome Type		2014 - 2015	2015 - 2016	2016 - 2017
No. of Cases Decided	No.	39	36	25
Linhold	No.	22	26	17
Upheld	%	58%	72%	68%
Not Unhold	No.	16	10	8
Not Upheld	%	42%	28%	32%

- 3.21 The 17 upheld cases in 2016/17 were categorised under the following services by the LGO:
  - Housing 8 cases.
  - Adult Care Services 3 cases.
  - Education & Children's Services 3 cases.
  - Benefits & Tax 2 cases.
  - Highways & Transport 1 case.
- 3.22 Further analysis of the 17 LGO upheld decisions showed that:
  - 4 cases had been investigated by the LGO that had bypassed the Council's full complaints process and the LGO awarded compensation in 1 of these cases.
  - There were another 4 cases upheld by the LGO that overturned the Council's not upheld decision at final review stage; the LGO awarded compensation in 1 of these cases.
  - Of the remaining 9 cases upheld by the LGO, the Council had already upheld/partly upheld 8 of these complaints and 1 complaint had previously been withdrawn; the LGO awarded compensation in 5 of these 9 cases.
- 3.23 This LGO analysis highlights two further areas for consideration by the Council:
  - Firstly, we need to review our first and final review decisions in light of the 17 LGO cases upheld against us (and specifically the 4 cases that contradicted the not upheld decision by the Council)
  - Secondly, we need to reconsider the levels of compensation awarded by the Council, bearing in mind that the LGO increased the financial redress in 5 cases and awarded compensation in 2 cases that we had not awarded compensation. Aligning our decision making and compensation levels more in line with the LGO may reduce the number of LGO decisions upheld against the Council in future. However there is a risk that even if we increase compensation payments in line with LGO thresholds, the LGO may still decide to increase compensation payments even further.

**Recommendations:** the Complaints Service team should review our internal approach to complaint decisions, corrective actions and compensation in light of LGO outcomes in 2016/17.

3.24 The Local Government Ombudsman issued a joint report against Brent Council and Ealing Council relating to a BHP tenant's complaint about their need for urgent rehousing due to domestic violence. The report was discussed at the Audit Committee in September 2016. Lessons have been learnt and service changes have been implemented. The LGO has issued two reports against the Council in about the last five years and therefore this is a rare occurrence.

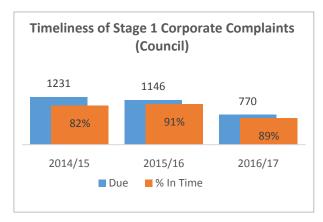
3.25 The table below shows the compensation payments breakdown in 2016-17 and the two previous years, at all stages for corporate and statutory complaints.

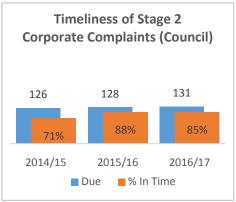
	Year	Council Wide			
Stage		No of Cases	Total Compensation	Average per case	
	2014/15	31	£23,773	£767	
Stage 1 /	2015/16	31	£15,708	£507	
Provisional	2016/17	33	£5,347	£162	
	2014/15	39	£24,251	£622	
Stage 2 / Final	2015/16	36	£14,193	£394	
	2016/17	33	£22,668	£687	
	2014/15	1	£500	£500	
Stage 3	2015/16	1	£1,000	£1,000	
	2016/17	0	£0	£0	
	2014/15	7	£1,200	£171	
Ombudsman	2015/16	10	£1,510	£151	
	2016/17	8*	£6699*	£837	
	2015/15	78	£49,724	£637	
Total	2015/16	78	£32,411	£416	
	2016/17	71	£32,764	£461	

<sup>\*</sup> Includes one ASC case from 2015/16 with financial redress confirmed in 2016/17

- 3.26 The total number of cases awarded compensation at different stages of the complaints process over the past 3 years has actually decreased slightly. However the average amount of compensation has changed significantly at the first stage and Ombudsman stage.
  - Stage 1 compensation awarded has decreased nearly 5-fold over 3 years, averaging £162 per case in 2016/17.
  - LGO compensation has increased nearly 5-fold over 3 years, averaging £917 per case in 2016/17.
- 3.27 As previously recommended, we need to reconsider how we can put appropriate remedies in place more quickly and efficiently when we get things wrong to avoid unnecessary escalation or dissatisfaction.

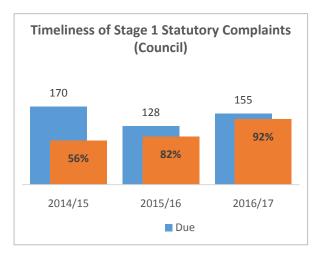
#### **Brent Council – Timeliness of Complaints**

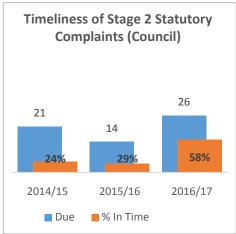




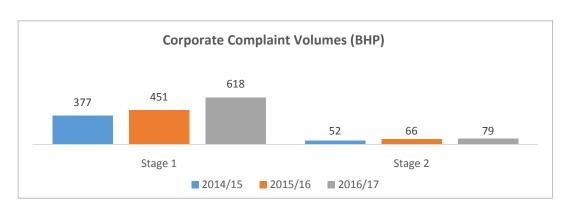
- 3.28 The volume of cases closed has come down in line with the reduction in new cases received over the past 3 years. Service managers have responsibility for managing Stage 1 complaints and with a reduction of 450 cases or so, timeliness of Stage 1 complaints has improved by 7% points overall in the past 3 years. Although there was a 2% point dip in timeliness from the 2015/16 peak of 91% completed on time.
- 3.29 Stage 2 corporate complaints are managed by the Complaints Service team on behalf the Chief Executive. The volume of Stage 2 cases for both the Council and BHP has increased by 28% and 52% respectively. The *timeliness of corporate Stage 2 complaint responses for the Council has improved by 14% points over 3 years*, however there was a 3% point drop in timeliness from the peak level of 88% in 2015/16. The Complaints Service team is continuing to review processes, workload and priorities, and is also working with service area managers to speed up the completion of final review complaints.

**Recommendation:** Complaints Service team should continue to improve internal processes and working arrangements with service managers to increase the timeliness of Stage 2 responses.





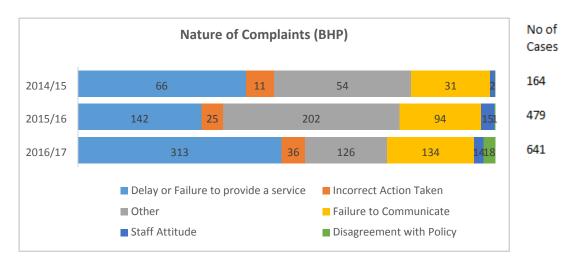
- 3.30 There has been a vast improvement in the timeliness of statutory Stage 1 complaints over the past 3 years, with the Council achieving its best performance of 92% on time in 2016/17.
- 3.31 Timeliness of statutory Stage 2 complaints has also increased over the past 3 years and reached 58% in 2016/17, however this is still considerably below the expected standard for the Council. Statutory Stage 2 complaints are typically very complex and most of the delays have occurred with Children's cases where there is a requirement for independent investigators and independent persons. The Complaints Service team and the CYP department are working together to improve processes and timescales of independent Stage 2 investigations.
- 3.32 Further information on departmental performance in 2016/17 and learning from complaints is provided Appendix C.



**BHP - Complaint Received** 

- 3.33 The volume of Stage 1 BHP complaints has increased by 64% and Stage 2 complaint volumes have increased by 52% over the past 3 years.
  - The increase in first and second stage complaints in BHP reflects service delivery issues over the past 3 years that have been widely acknowledged.
  - Escalation rates have come down slightly over the last 3 years. In 2014/15, 1 in 7 cases were escalated to Stage 2 and in 2016/17 this went down to 1 in every 8 case being escalated.
  - The service breakdown of the 618 new Stage 1 complaints received in 2016/17 was: 57% - Property Services, 21% - Neighbourhood Services, 10% - Customer Response Team, 8% - Income Collection and 4% - Core Services & Development.

**BHP** – Nature of Complaints

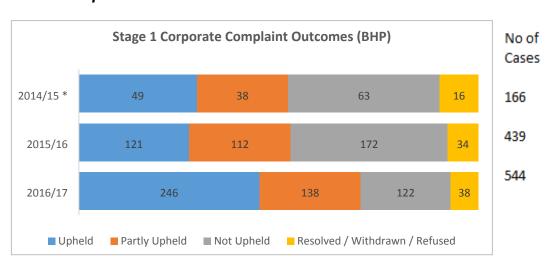


- 3.34 As with the Council, 'service delay/failure' was the most common cause of complaints against BHP in 2016/17 and accounted for 49% of complaints received.
  - Over three-quarters of the 313 complaints caused by service delay/failure in 2016/17 were upheld/partly upheld by BHP.
  - The removal of the 'Other' category during 2016/17 on the iCasework system has meant that more specific root cause information has been captured on the system during the year.
  - Communication failures and incorrect actions were the other two highest causes of complaints and these issues need ongoing attention in BHP.
- 3.35 The table below lists the 3 services that received the most complaints in BHP during 2016/17 and the root causes of these complaints.

Brent Housing Partnership					
Top 3 Services	No of Stage 1 Cases	Stage 1 as % of BHP Total	Root Causes		
Property Services	353	57%	<ul><li>Delay in job completion</li><li>Poor Communication</li><li>Service Failure</li></ul>		
Neighbourhood Services	130	21%	<ul><li>Poor Communication</li><li>Harassment</li><li>Neighbour Dispute</li></ul>		
Customer Response Team	60	10%	<ul><li>Other</li><li>Poor Communication</li><li>Service Failure</li></ul>		

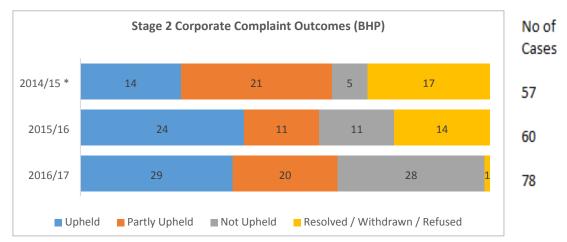
- 3.36 BHP and its contactors carry out over 25,000 repairs each year and most of these repairs are completed satisfactorily. In 2016/17, the bulk of BHP complaints were received by Property Services and there were over 350 cases regarding repairs. A number of these cases were escalated to the second stage and regrettably there were also some delays in implementing the repairs and corrective actions agreed at the final review stage. During the year a case study was carried out the Programme Management Office and Complaints Service team on a small number of cases involving problematic repairs. The learning points essentially confirmed systemic issues and BHP officers were tasked with addressing these issues.
- 3.37 As BHP moves back into the Council as a Housing Management service the redesign of the repairs process with improved accountability is being prioritised within the operational transformation programme.

**Recommendation:** the Complaints Service team should work closely with the Housing Management Service management team to establish a new and effective complaints process and implement improved working arrangements to manage Stage 2 complaints.



**BHP – Complaint Outcomes** 

- 3.38 More cases are being upheld/partly upheld at the first stage by BHP than in previous years.
  - 71% of cases were upheld/partly upheld in 2016/17 compared with 52% in 2014/15.
  - The increased volume of new complaints and increased proportion of cases upheld/partly upheld reflects a changing culture and greater willingness to accept faults and address mistakes within BHP.



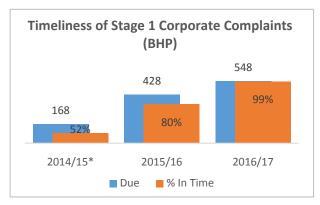
- 3.39 More cases are being upheld outright at the second stage.
  - Upheld cases has increased from 25% in 2014/15 to 37% in 2016/17.
- 3.40 The number of cases not upheld at Stage 2 is also increasing
  - The proportion of cases not upheld has increased from 9% in 2014/15 to 36% 2016/17.
  - This suggests that the first stage decisions to predominantly uphold/partly uphold cases were correct.
- 3.41 The Housing Ombudsman (HO) handles housing management referrals. The HO has not published an annual report on their decisions for quite some time, therefore the data provided below is taken from information recorded on the iCasework system.
- 3.42 There were 12 Housing Ombudsman cases recorded on the iCasework system in 2016/17, compared with 8 cases on the system in 2015/16 and also in 2014/15.
- 3.43 **Seven Housing Ombudsman cases were upheld in 2016/17**, 4 cases were not upheld and 1 case was closed after initial enquiries.
- 3.44 The HO awarded compensation totalling £2,150 in 6 of these cases.

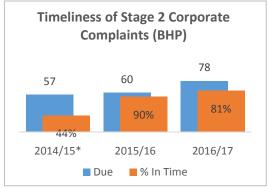
3.45 The table below shows BHP compensation payments during 2016-17 and the two previous years, at all stages of the complaints process.

		ВНР			
Stage	Year	No of Cases	Total Compensation	Average per case	
	2014/15	31	£6,418	£207	
Stage 1	2015/16	58	£20,395	£352	
	2016/17	76	£19,972	£263	
	2014/15	30	£17,055	£569	
Stage 2	2015/16	32	£9,799	£306	
	2016/17	51	£22,716	£445	
	2014/15	*N/A	*N/A	*N/A	
Ombudsman	2015/16	2	£160	£80	
	2016/17	6	£2,150	£358	
	2015/15	61	£23,473	£385	
Total	2015/16	92	£30,354	£330	
	2016/17	133	£44,838	£337	

- 3.46 The number of cases awarded compensation at the first stage has more than doubled and average compensation payments have also increased.
  - This is in line with the increased rate of cases upheld/partly upheld at the first stage by BHP.
  - The number of cases awarded compensation at Stage 1 has increased by 145% and the average amount of compensation awarded has increased by 27% over the past 3 years.
- 3.47 The number of Stage 2 cases awarded compensation has significantly increased but average compensation payments have decreased.
  - Number of Stage 2 cases awarded compensation has increased by 70% over the last 3 years.
  - Average compensation has decreased by 22% over the last 3 years.
- 3.48 Overall, the total number of all cases award compensation has doubled although the average compensation awarded has dropped by 12% in the past 3 years. This does reflect the increased willingness to accept fault and remedy mistakes.

**BHP – Timeliness of Complaints** 

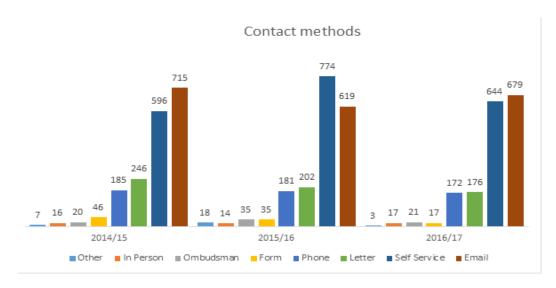




- 3.49 Timeliness of Stage 1 cases has improved over the past 3 years, although the 99% performance figure shown on iCasework in 2016/17 is inaccurate. Over the last few months it has become apparent the some of the cases reported as closed on time in 2016/17 were not closed down correctly. Some of these cases had to be re-opened and the outstanding casework completed before the cases could be closed down properly. This extra work generated a backlog of complaints for the BHP complaints team at the start of 2017/18.
- 3.50 BHP's Stage 2 complaints are managed by the Council's Complaint Service team. Stage 2 timeliness has improved over the last 3 years, with a 37% point increase in performance in this area over the past 3 years. Performance dropped by 9% points in 2016/17 from the previous year, however it should be noted that there was a large increase in case volumes and there were some delays in getting the information needed from BHP to complete the investigations on time.
- 3.51 During the year the Complaints Service team has provided support to BHP in various ways including providing training, bespoke management reports and general advice and guidance. A member of the Complaints Service team also worked in the BHP complaints team for several months to help with casework. As BHP moves into the Council it is important that the Complaints Service team work closely with the new Housing Management Service to create an effective complaints function within the new service and develop improved ways of working on final review stage complaints (as recommended in paragraph 3.36)
- 3.52 Further information on BHP's performance in 2016/17 and learning from complaints is provided Appendix D.

## **Complaint Channels**

3.53 The chart below shows the different channels used to submit complaints to the Council and BHP. The pattern of complaint channels used by the public has remained fairly stable with online and self-service methods being the most popular ways of submitting a complaint. Planned changes to the website should make it easier in future to contact us online about a complaint, service request or compliment. Other forms of contact such as telephone and letter will still be available, but we would expect to see a greater take up of online channels in future years.



## 4.0 Financial Implications

4.1 There are no direct financial implications arising from this report. Instead, the details provided on compensation payments reflect the monetary impact of not getting things right first time as an organisation and the need to improve the customer experience and therefore minimise the financial penalties incurred by the Council.

#### 5.0 Legal Implications

5.1 Complaints concerning the Adult Social Care and Children and Young People departments come under separate statutory complaint procedures. It is a legal requirement to produce annual reports for these areas and these are included in appendices A and B with reference to the statutory frameworks for the management of these statutory complaints

#### 6.0 Equality Implications

6.1 None.

# 7.0 Staffing/Accommodation Implications (if appropriate)

#### 7.1 None

# **Background Papers**

Appendix A – Adults Complaints Annual Report 2016/17

Appendix A – Children's Annual Complaints 2016/17

Appendix C – Council Departments Complaints Analysis 2016/17

Appendix D – Brent Housing Partnership Complaints Analysis 2016/17

#### **Contact Officers**

Irene Bremang, Head of Performance & Improvement

#### PETER GADSDON

Director of Performance, Policy and Partnerships Brent Civic Centre, Engineers Way, Wembley, Middlesex, HA9 0FJ. 020 8937 1400



#### Annual Complaints Report 2016 – 2017

### Appendix A – Adult Social Care Complaints

#### Summary

1. This report provides an overview of complaints made about Adult Social Care (ASC) during 2016 – 2017 as required under The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009, the Health and Social Care (Community Health & Standards Act 2003 and the Local Authority Social Services Complaints (England) Regulations 2006 and the Council's Corporate Complaint Process for all other complaints

# **Statutory Complaints Process**

- 2. The Department of Health defines a complaint as, "an expression of dissatisfaction or disquiet about the actions, decisions or apparent failings of a council's adult social care provision which requires a response"
- 3. Anyone who has received a service; is currently receiving a service or is seeking a service from us can make a complaint. This includes anyone affected by decisions we make about social care, including a service provided by an external provider acting on behalf of the Council. In such a case they can complain directly to the provider or to us. External providers are required to have their own complaints procedures and must comply with them. They are also required to share this information on complaints and outcomes with the Council.
- 4. There is only one stage in this statutory process which allows for a provisional and then final decision. All complaints made to the Council are logged and acknowledged. The Council will try to resolve the complaint as soon as possible, and no later than within 20 working days. If delays are anticipated, the complainant is consulted and informed appropriately. All responses, whether or not a timescale has been agreed with the complainant, must be made within six months of receiving the complaint.
- 5. All complaints are signed off by the Head of Service and complainants are given the opportunity to have their complaint reviewed by the Operational Director, Adult Social Care, Community Wellbeing department. In some cases, some complaints may need to be passed on to the Safeguarding Leads as appropriate, where the complaints process may be suspended in order to allow the safeguarding process to be completed. In cases where the complaint is across several organisations, one organisation will act as the lead and co-ordinate a joint response to the complainant. The final complaint response must set out the Council's standard paragraph advising of their right to approach the LGO should the complainant remain dissatisfied.

#### **Corporate Complaints Process**

- 6. The Council's corporate complaints process has two stages
  - Stage 1: responded to by the Head of Service
  - Stage 2: Review / Investigation by the Complaints Service team on behalf of the Chief Executive



#### Headlines

- 7. The main headlines from ASC complaints performance are:
  - 97 complaints received at the initial stage in 2016/17, 83 Statutory 14 Corporate (10% reduction from the previous year). Year on year reduction in volume.
  - Highest volume service areas for Stage 1 complaints Support Planning & Transitions (44%), Safeguarding & Hospital Discharge team (38%) and Commissioning (7%).
  - 48% of Stage 1 cases were upheld or partly upheld.
  - 92% of Stage 1 complaints were responded on time, significantly improved performance from previous years.
  - £4,295 paid in compensation, a significant reduction on the previous year.

#### **ASC Service Users**

8. There are approximately 3,000 service users in ASC and approximately 3% of these customers or someone acting on their behalf raised a complaint about a service that they had received in 2016-17.

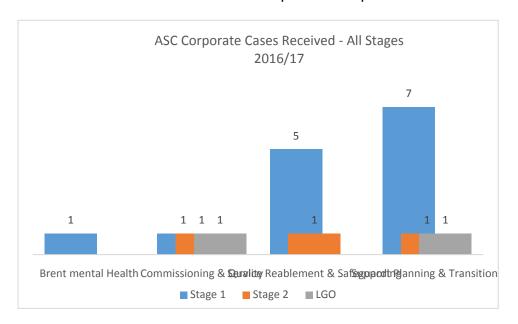
### **Complaints Received**

- 9. ASC received 83 Statutory Complaints and 14 Corporate Complaints a total of 97 complaints. This is a reduction of 10% on complaints received (108) in the preceding year 2015 -16 and a 17% reduction over the last two years. There have been a number of changes in the structure where teams such as the Client Affairs Team have moved from ASC to the Resources department. All Statutory complaints have been included in this report but Corporate complaints are included in the main Annual Complaints Report:
  - Support Planning & Transitions: received 44% of the complaints made to ASC, this is an increase on the previous year. This team handle the more complex support cases and annual reviews and have to manage the realistic expectations of the families and service users. The complaints received by the team mainly consist of disagreements with the care package the service user has been assessed to receive. These complaints also often relate to disagreements in the type of accommodation that is most suitable for the service user. For example: can the service user reside at home with homecare support; do they need to be placed in a residential care home or live in extra sheltered accommodation. The council also has to consider value for money as well as the needs of the service user when providing services. These are complex and sensitive matters and can lead to disputes.
  - Home Care Providers: ASC have approximately 1,700 care packages with home care providers and complaints received about homecare packages account for less than 1%. It has been suggested that the council receives a large number of complaints about home care providers, however this is not confirmed by the number of complaints that the council actually receives. The majority of concerns received are reported directly to the home care provider and resolved by them. Concerns are also raised directly with the commissioning team who will resolve such matters directly with the provider. The service user is made aware of the

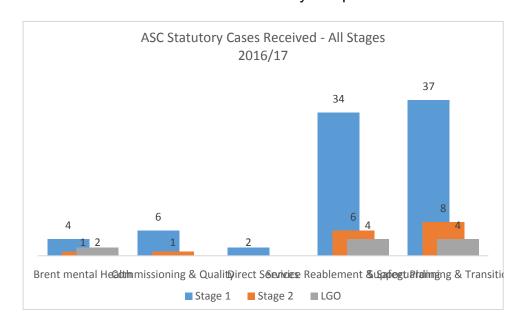


complaints process if they wish to use that route as a possible resolution to their concerns.

- Safeguarding & Hospital Discharge Team: accounted for 38% of complaints
  for ASC. The complaints are centred on the safeguarding team and hospital
  discharge team. Issues for the safeguarding team relate to the difficulties in
  managing the expectations of families who are often in dispute with each other
  over the financial / welfare of the service user. With regard to hospital discharge
  this generally centres on the assessed needs of the service user and the
  requirements of their families after the service user has been discharged from
  hospital.
- 10. The chart below shows the number of ASC corporate complaints received in 2016/17.



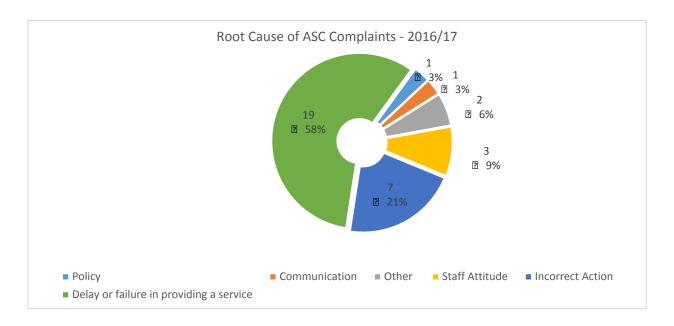
11. The chart below shows the number of ASC statutory complaints received in 2016/17.





12. Of the 85 statutory complaints received, 16 were escalated and were reviewed at the final stage which is comparable with last year. Of the 13 corporate complaints, 3 escalated to the final stage. In total there is a 19% escalation rate as compared to 17% in 2015/16. Over the last year there has been an improvement in complaint handling and managers are working closely with the Principal Complaint Service Officer improving their investigations skills. The Complaint Service team held regular training sessions for ASC managers and staff throughout the year.

### 13. Nature / Reasons for Complaints



- 14. Complaints about delay or failure to provide a service accounted for over half of the complaints received. Incorrect Action accounted for 21% of complaints and staff attitude for 9% of cases.
- 15. It should be noted that complaints about staff attitude usually arise when social workers and service users have not been in agreement about actions taken or a decision that has been made. Complaints of this nature are not usually upheld and service users may subsequently feel that the Council did not meet their expectations.
- 16. Other examples of the types of issues that lead to complaints are listed below:-
  - Delay/failure to provide a service concerns raised about delays with care needs assessments.
  - Poor communication a number of complaints were received regarding telephone calls not being answered and failure to respond to messages.
  - Incorrect action taken when advising a client of their financial assessment the team had backdated the assessment to an incorrect date.



# **Complaint Outcomes**

Resolved / Withdrawn / Refused

17. The chart below shows the outcome of complaints at Stage 1 and final review stage:



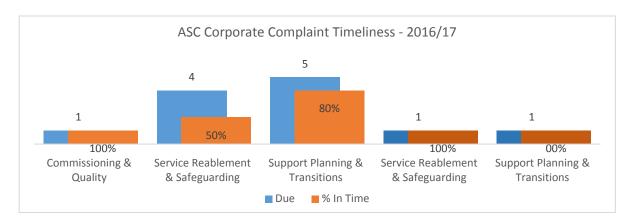
18. Complaints received for both Corporate and Statutory at the first/provisional stage shows that some fault by the Council (upheld or partly held) was found in 48% of cases. This compares to 65% in the year 2015/16.

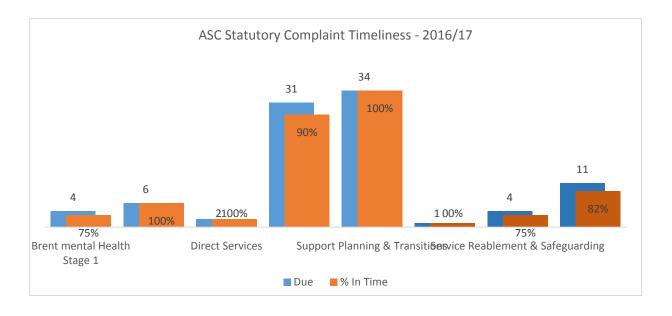


- 19. At the final review stage fault has been found in 55% of cases (corporate and statutory). There has been an increase in complaints being escalated from both Support Planning/Transitions and Safeguarding/Hospital Discharge teams to the final review stage.
- 20. The Complaints Service team is working with managers in ASC to ensure the quality of the complaint investigation and the explanations provided to the complainant addresses all the issues raised. The very nature of these cases are complex and service users and their families will sometimes proceed through the complaint process and escalate to the final stage.

# Timeliness of Responses

21. The chart below shows Stage 1 complaint response times across the various ASC service areas in 2016/17:





22. ASC responded to 92% of all complaints within timescales as compared to 78% in 2015/16, this was an improvement of 14% points on the preceding year and over the last 2 years performance has improved by 35% points. Although this is still below the council's target of 100% it shows year on year improvement and there is a continued focus within the department to achieve the council's target of 100%.



### Compensation

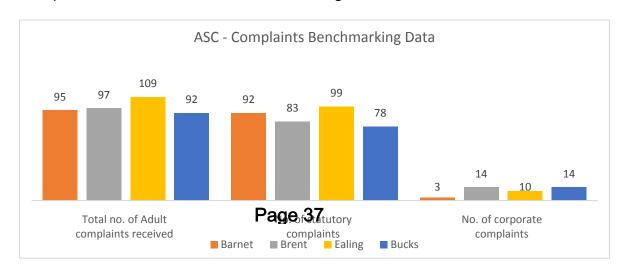
23. There has been a reduction in compensation paid out in 2016/17. In total ASC paid £4,295 in compensation. This was a reduction of £3,464 on 2015/16. No compensation payments were made at Stage 1. Seven cases were paid compensation at the final review stage. The LGO also awarded compensation in one case. As part of the training carried out by the Complaints Service Team an emphasis has been placed on remedies which includes considering when compensation should be awarded. The Council follows the guidelines that are published by the Local Government Ombudsman.

#### **Local Government Ombudsman Decisions in 2016/17**

- 24. The Local Government Ombudsman received 35 referrals for ASC up from 21 the previous year. The information below shows the outcome of these referrals, 6 referrals were closed after initial enquiries, and 16 were referred back to the Council's own complaint procedure. Twelve cases were investigated of which 2 cases were not upheld, 7 cases are still in the process of being investigated. Three cases were upheld as follows:
  - Case 1: the Council had failed to act correctly in the way they discharged someone with mental health needs from aftercare services. The Council agreed to review their procedures
  - Case 2: the Council had unreasonably delayed in handling a claim for disability related expenditure and when completing a financial assessment failed to assess a client's needs properly or address the carer's needs.
  - Case 3: the Council had accepted fault in the actions of Care agencies in some aspects of care. There was no evidence of fault with the council in responding to the complainants concerns.
- 25. The number of ASC complaints upheld is similar to the previous year.

#### **Benchmarking**

26. Brent Council belongs to the North West London Social Care Complaint managers group. The Council has benchmarked the volume of complaints received against eight of our Central and West London neighbours. With regards to statutory complaints we have come third in the table behind Hillingdon and Buckinghamshire; with regards to all complaints we have come third behind Hillingdon and Barnet.





### **Customer Feedback and Engagement**

27. The majority of customer contact with the Complaints Service team is reactive in that the team responds to direct contact from customers and their representatives when they report a problem with a service. The Complaints Service team has attended meetings with some provider and community organisations to introduce themselves and provided advice on the complaint processes. Through the initial contact the team has managed to resolve a number of complaints at the point of contact e.g. Delayed OT assessments / care assessments finding early resolutions to invoicing / billing queries that could have turned into more formal complaints.

# Compliments

- 28. Customers and their representatives are encouraged to tell the Council if they are satisfied with their care or to highlight good service. People can send feedback to the Complaints Service team or ASC directly. In 2016/17, ASC and the Complaints Service team received 19 compliments about ASC. This is a 50% increase on the previous year. Some of these compliments were not logged on iCasework and the Complaints Service team is working with ASC to improve the logging of compliments on the system. Three examples of compliments are as follows:
  - From a service user who required the service of an Occupational Therapist "I have been disabled for over 8 years, in that time I have had many occupational therapists, (OT) some have been good some bad (not all Brent Council). What I can say about Mr R from the first meeting I knew this OT actually understands what I need. The biggest problem for a disabled person is someone understanding their background and most of all LISTENING to him or her. I am happy to say Mr R ticked all the above and has gone above and beyond, what he has done in the short amount of time has changed my life for the better. He has been excellent in all cases from the initial meeting to the follow up and follow through
  - From a relative "I know the Purchasing team have worked really hard to investigate placements and understand both the urgency and the real needs of their relative. Both the family and I really appreciate the Placement manager keeping us constantly updated and their understanding and empathy they have shown to the family. The communication was a reassurance in a very difficult time. There has been a genuine care from the whole team for the family"
  - From a Mother "I am writing to express my heartfelt gratitude for the help and support given by our Social Worker. They have been able to recognise any shortfalls in our life and has managed to put in place the appropriate support to fulfil these shortfalls and make sure my daughter and I have the help we need. The Social Worker has been thoughtful and has always gone the extra mile to be there for us. We are truly grateful for their presence in our lives

### **Learning from Complaints**

29. Learning from complaints provides opportunities for services to be improved and shaped by customer experience. ASC managers are encouraged not only to respond



to complaints fully but to identify learning points that can help improve services. Here are some examples of how customer feedback has changed and improved service delivery:

Customer Feedback - 'You Said'	Service Area Changes - 'We Did'
You told us that you did not want the care package when you were discharged from hospital.	<ul> <li>We found that we had put the package of care in place on the advice of the hospital.</li> <li>We agreed to cancel the care package and remove all financial charges. It was agreed to review the process of providing care to service users discharged from hospital.</li> </ul>
You have told us that you had requested a care assessment for your relative due to her finances reducing below the financial threshold for support. You were still paying for care and the savings were nearly exhausted	We carried out an assessment and backdated the support to the point that the savings went below the threshold. We reviewed the waiting list to ensure that such cases were prioritised.
The complainant said that we had not protected their relative from being moved abroad	We agreed that there were practice issues regarding communication and safeguarding managers have been made aware of these issues. We also agreed to share the need for detailed risk assessments to be completed with team managers

Martin Beasley Principal Complaint Officer





#### Annual Complaints Report 2016 – 2017

## Appendix B - Children & Young People Complaints

## Summary

1. This report provides an overview of complaints activity across the Children & Young People department in 2016-17.

#### **Statutory Complaints Process**

- 2. There are two types of complaint processes followed by Children & Young People (CYP). The Children Act 1989 Representation Procedure (England) Regulations 2006 for all complaints relating to actions taken under the Children Act (statutory complaints) and the Council's Complaint Process for all other complaints.
- 3. The Children's Act 1989 Representation Procedure (England) Regulations 2006 has three stages:
  - Stage 1: Local Resolution responded by the Head of Service for the team complained about.
  - Stage 2: Independent Investigation complaint is investigated by an "Independent Investigator" a person external to the service usually independent of the Council. We have to appoint an "Independent Person" who is independent of the Council.
  - Stage 3: Review Panel the complaint investigation is reviewed by a panel of three Independent People appointed by the Council.

### **Corporate Complaints Process**

- 4. Council's Corporate Complaints
  - Stage 1: responded to by the Head of Service.
  - Stage 2: Review / Investigation by the Complaints Service team on behalf of the Chief Executive.

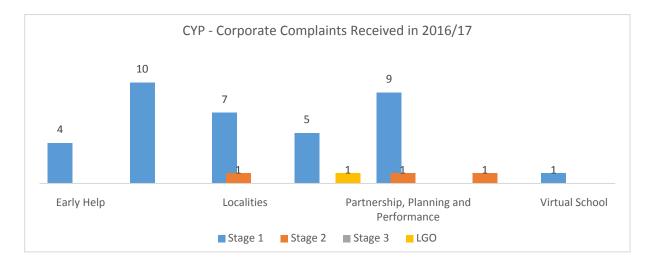
#### Headlines

- 5. The main headlines from CYP complaints performance are:
  - Stage 1 complaint numbers have increased for the first time in five years.
  - 79 statutory Stage 1 complaints and 36 corporate Stage 1 complaints.
  - Low 10% escalation rate to Stage 2 for corporate and statutory complaints.
  - Main reasons for complaints received in 2016/17 were poor communication, delays or failure to provide a service, incorrect action taken and staff attitude.
  - 88% of all complaints responded to within target in 2016/17 (compared with 87% on time in 2015/16).
  - £7,977 compensation paid in 2016/17 on three cases.

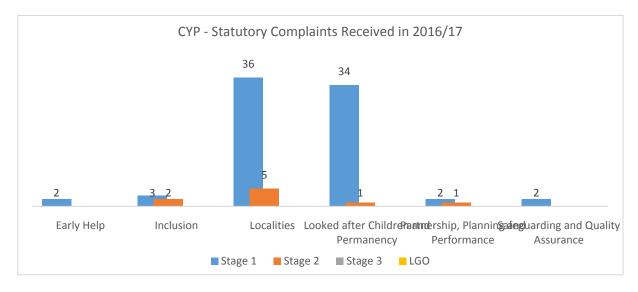


## **Complaints Received**

6. The chart below shows the number of corporate complaints received at Stage 1, Stage 2 and Local Government Ombudsman for 2016/17.



7. The chart below shows the number of statutory complaints received at Stage 1, Stage 2 and Local Government Ombudsman for 2016/17.

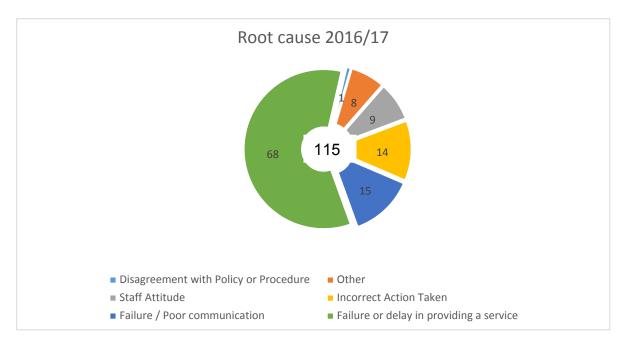


- 8. A total of 115 Stage 1 complaints were received in 2016/17, an increase of 4% on the previous year. This is the first increase for five years. This total consisted of 79 statutory complaints and 36 corporate complaints. There has been an increase of 61% in statutory complaints and a decrease of 42% in corporate complaints. The majority of complaints listed under Early Help and Inclusion, Setting and School Effectiveness teams were corporate complaints with the remaining complaints falling under the Children's statutory complaint procedure. As the table above indicates the majority of statutory complaints were in the Localities and Looked after Children teams.
- 9. The Council received 12 Stage 2 requests which is an escalation rate of 10% and comparable to last year. However, in line with the split at Stage 1, 9 of these were statutory complaints and 3 were corporate complaints.
- Under the Children's statutory procedure the complainant has a right for their complaint to be heard by an Independent Review Panel at Stage 3. No Stage 3 panels were held



in 2016/17 and this reflects the positive work carried out by the Principal Complaint Service Officer and the two Operational Directors in resolving any remaining issues after the Stage 2 process.

# Nature / Reasons for Complaints



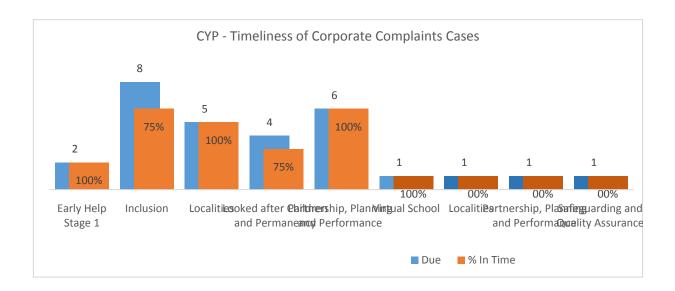
- 11. The main reasons for complaints received in 2016/17 were: delays or failure to provide a service, poor communication, incorrect action taken and staff attitude. Complaints about failure or delays in providing a service accounted for 59% of complaints received. Failure/poor communication and incorrect action taken each accounted for 13% of complaints and complaints concerning staff attitude accounted for 8% of complaints, (down from 15% in 2015/16).
- 12. Social care makes intervention in the best interest of the child, however families do not always agree with the action that has been taken and as a result may choose to make a complaint about this. Similarly the most common reasons for complaints against staff members are when they disagree with a decision that has been made, or alleged general poor service. There has been an increasing number of complaints received from partners or service users. Most often this has been from one of the partners not living in the family home (or they are not the primary carer for their children) and felt that social care services had not communicated with them enough.
- 13. It is probably true to say that many of the Stage 1 complaints reflect the unhappiness of parents and carers about some of the decisions made by social care staff acting in the best interest of the child. Whilst the feelings and views of parents and carers about these decisions are often understandable most of these complaints were not upheld.



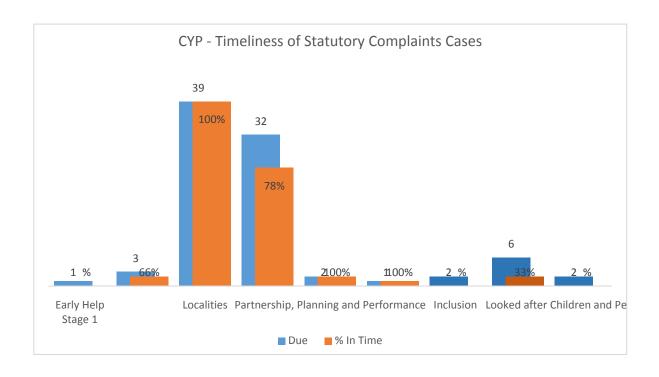
- 14. Examples of the types of issues that fall under each of the main reasons for a complaint are listed below:-
  - Alleged poor staff attitude much of the work of Localities staff involves them
    taking actions in connection with highly sensitive child protection or child in need
    issues, which parents or carers may not be in agreement with. This has for
    example led to complaints concerning the alleged limited impartiality of
    assessments.
  - Delay in the payment of financial support the complaint was that CYP did
    not recognise a kinship placement or that the child involved should be recognised
    as a looked after child (LAC) and that the Council had delayed in making the
    appropriate financial support to a LAC. The complaint investigation upheld the
    complaint and the outcome was to assess the amount of payment due.
  - Poor communication on completion of a child and family assessment CYP had not kept all the interested parties up to date with the completed assessment.

# **Timeliness of Responses**

15. The chart below shows Stage 1 complaint response times by service area in 2016/17. CYP responded to 88% of all complaints within appropriate timescales. This is an improvement of 1% point on the previous year. In total 88% of statutory complaints and 88% of corporate complaints were answered within time. CYP needs to continue to have a strong focus in improving the timeliness and quality of responses in line with the Council target of 100%.

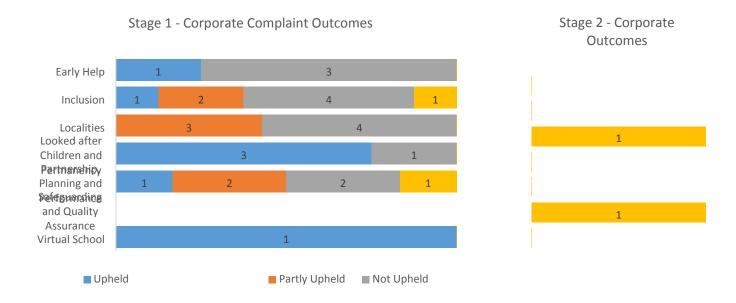






# **Complaint Outcomes**

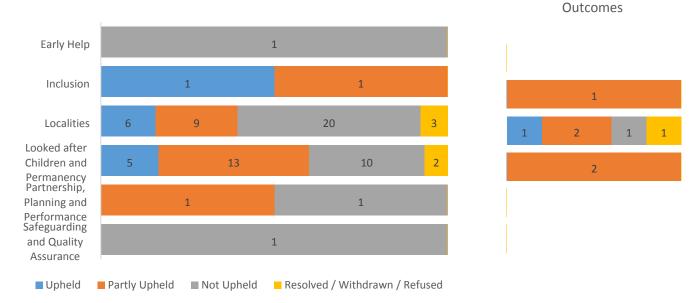
16. The chart below shows the outcome of complaints at Stage 1 and Stage 2





Stage 1 - Statutory Complaint Outcomes

Stage 2 - Statutory



- 17. There were 104 cases decided during the year and in 48% of Stage 1 complaints CYP fully or partly upheld the complaint demonstrating a willingness by the service areas to admit errors or mistakes and to remedy the concerns raised.
- 18. A further 7% of complaints were resolved at the initial approach to the Complaints Service team.
- The Council considered 8 statutory Stage 2 complaints and 2 corporate Stage 2 complaints during 2016/17. Of these 30% were resolved through intervention by Service Managers and the Complaint Service team. Some fault was found in 60% of cases and one case (10%) was not upheld. The Complaints Service team are working with managers in CYP, to improve investigation and correspondence skills when dealing with Stage 1 complaints.
- 20. Of the 6 cases in which fault was identified at Stage 2, one case progressed to Stage 3, however the review panel took place in early 2017/18 and has not been included in this 2016/17 report. Details of the six cases are summarised below:
  - The complaint concerned the way the Council had delayed the Child & Family assessment of a disabled child and the attitude of social workers to the complainant. The investigation partially upheld the complaint and it was agreed that the Council would complete a new child and family assessment, review the direct payment account and agreed for a mediation between the Council and complainant
  - The complaint concerned a child kinship placement with a relative. There were concerns about payments. The complainant was unhappy with the support received from the Leaving Care team. The complaint was partially upheld and the Council agreed to pay any allowances due, apologise and provide training for staff.



- This complaint concerned our failure to consider a complaint from a child about their parent and failure to properly record the child and family assessment and share the assessment with all parties. The Independent Investigator partially upheld the complaint and recommended: a) a meeting with the Operational Director; b) providing an apology; and c) paying compensation.
- The complaint relates to the actions of the social worker and manager in the
  course of undertaking a child and family assessment. This complaint was upheld
  and we agreed to hold a learning outcomes meeting to consider the findings with
  staff and that all staff should be reminded of statutory guidance on completing
  high quality assessments.
- The complaint refers to the complainant's involvement with the No Recourse to Public Funds / Intentionally Homeless team in CYP. This complaint was partly upheld. We agreed to discuss practice and learning points with staff and the need to record clear and accurate information.
- The complaint relates to the intervention of CYP, which resulted in the estranged parent making complaints regarding the child and family assessment. This was partly upheld and we agreed to remind staff of Freedom of Information legislation and the need for recording clear and accurate information.

### Compensation

21. CYP paid out £7,977 compensation in 2016/17 on six cases. This is an increase from £1,250 in 2015/16. One complainant was awarded £25 at Stage 1, and three payments totalling £6,702 were paid at Stage 2. The payments were made due to a failure in procedures at a short break centre; an assessment that had not been completed correctly; and compensation payment to a LAC in conjunction with the staying put process. A further two payments came from Local Government Ombudsman decisions.

#### **Local Government Ombudsman**

- 22. The Local Government Ombudsman (LGO) received 15 referrals for CYP throughout the year and made decisions on 16 cases. Of the cases decided, 1 referral was closed after initial enquiries, 11 were referred back to the Council's own complaint procedure, 1 closed with advice given and 3 cases were upheld. The 3 LGO upheld cases are summarised below:
  - Case 1: there was a fault in the Council's records of its decision to commence child protection investigations which calls the decision into question. The LGO accepted the Council's remedy as agreed at the independent review panel and the LGO upheld the complaint.
  - Case 2: The Council did not accept the complainant as a Looked after Child, when they became homeless at 16. As a result they missed out on a package of care they would have been entitled to as a looked after child and care leaver. The Council had argued that this had happened nine years ago and is not in their time limit for complaints. The LGO disagreed and decided the Council should pay compensation of £500 and implement a plan to ensure the complainant was not



- disadvantaged. This resulted in a Personal Adviser and a pathway plan being completed. A further payment was made towards missed payments according to our policies.
- **Case 3:** the complaint was that the Council had failed to keep the parent properly informed and updated when their children were under child protection plans. The LGO has asked us to pay £750 compensation.

# **Learning from Complaints**

- 23. Lessons learned from complaints can help shape and improve our services and the customer experience and there is a commitment in CYP for managers and staff to use this learning to improve services.
- 24. A few examples of how the learning points from complaints helped to improve services are provided below:

Customer Feedback - 'You Said'	Service Area Changes - 'We Did'
You told us about a delay in recognising a looked after child and delay in paying the due allowances.	<ul> <li>We agreed to provide refresher training for social workers in identifying Kinship Placements.</li> <li>Provide Data Protection refresher training for Personal Advisors.</li> </ul>
You told us about our failure to properly record information on assessments and to treat all partners equally.	<ul> <li>We agreed to remind staff of statutory guidance on completing high quality assessments and that these assessment should be shared with all interested parties.</li> <li>To put in place a system for recording dates when assessments are given to the various parties.</li> </ul>
Case related to the complainants involvement with the Intentionally Homeless Team in CYP.	<ul> <li>We agreed to review how we deal with those service users who are less keen to engage with us.</li> <li>Provide clear written policies for the Intentionally Homeless Team in CYP.</li> </ul>

#### **Compliments**

- 25. CYP logged 3 compliments on the iCasework database. This is lower than other Councils that we were benchmarked with. However this is not to say that we do not receive more compliments but we are not capturing them on the system.
- 26. Compliments can be recorded on the Council's comments system iCasework and managers are being encouraged to log any compliments. Here is an example of the one of the compliments received in 2016/17.
  - A mother praised a social worker in the east locality team for her professional investigation, she listened and explained very clearly what was happening.

Martin Beasley
Principal Complaint Service Officer



### Annual Complaints Report 2016 – 2017

## **Appendix C – Council Departments**

#### Introduction

1. This report provides a summary of corporate complaints performance at a departmental level across the Council in 2016/17. Adults and Children's statutory complaints performance are reported separately in Appendices A and B respectively.

### **Complaints Framework**

2. The Council's Complaints Framework sets out the stages and timescales for handling both corporate and statutory complaints:

Complaint Type	Stages	Timescales (Written Response)
Corporate	2 stages + Ombudsman	Stage 1 - 20 working days Stage 2 - 30 working days
Adults (Statutory)	1 stage (provision/final) + Ombudsman	Stage 1 - 20 working days (extension up to 6 months in complex cases)
Children (Statutory)	3 stages + Ombudsman	Stage 1 - 10 working days (extension to 20 working days in complex cases)  Stage 2 - 25 days (extension to 65 working days in complex cases)  Stage 3 - 45 working days
	100	10 11
Service	N/A	10 working days
Requests		

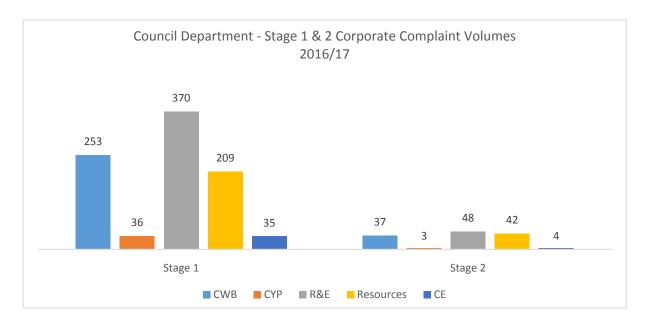
- 3. Initial acknowledgements should be sent within 5 working days for all of the complaint types shown above, with the exception of Stage 3 Children Statutory complaints where acknowledgements should be sent within 2 working days.
- 4. Service areas are responsible for the management and resolution of all corporate and statutory Stage 1 complaints. The corporate Complaints Service team manages final review/Stage 2 corporate complaints on behalf of the Chief Executive. Children's statutory complaints are reviewed by an independent investigator and independent person at Stage 2 and by an independent panel at Stage 3.



- 5. The outcome of a complaint is decided in one of these ways:
  - "Upheld" this is where the Council has accepted responsibility for the matter arising. The complaint response will offer an apology, clarify what happened and the remedy to the problem. We will also identify actions to prevent this from happening again.
  - "Partially Upheld" this is where the Council accepts some responsibility for part of the complaint. We will send a complaint response as above also highlighting our reason for not accepting the whole complaint.
  - "Not Upheld" this means the investigation into the complaint has not found the Council at fault. The complaint response will explain our reasons for this decision.
- 6. It should be noted that departmental analysis provided for 2016/17 is based on the current departmental/service area structure, although the composition of departments has changed over recent months and years.

### **Complaints Received**

7. The chart below shows the volume of first and second stage corporate complaints received by each department during 2016/17.



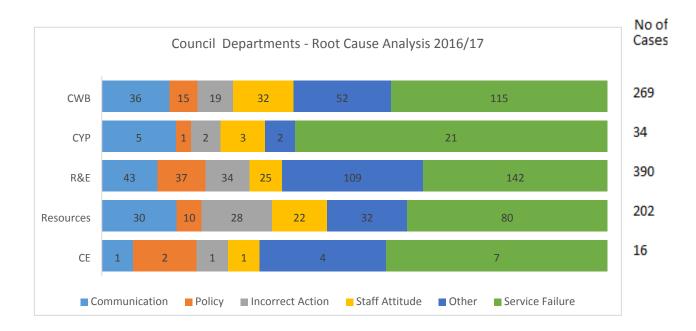
- 8. The breakdown of the 903 Council complaints received in 2016/17 was: 41% Regeneration & Environment (R&E) department, 28% Community Wellbeing (CWB) department, 23% Resources (Res) department, 4% Children & Young People (CYP) department and 4% Chief Executive's (CE) department
- 9. Escalation rates for each department are shown in the table below:



Department	No. of Stage 1 Cases	2016/17 Escalation Rate
Regeneration & Environment	370	1 in 8
Community Wellbeing	253	1 in 7
Resources	209	1 in 5
Children & Young People	36	1 in 12
Chief Executive's	35	1 in 9
Council-wide	903	1 in 7

# **Nature/Type of Complaints**

10. The chart below shows the root cause of complaints for each council department. Service delay/failure accounted for nearly half of all the corporate complaints received by the Council and was the primary cause of complaints in each department.



11. A further breakdown of the three service areas that received the highest number of complaints in each department is provided below:

Department	Top 3 Services	No of Stage 1 Cases	% of Total	Top 3 Root Causes
	Housing	128	51%	<ul> <li>Accommodation Services –         Assessment     </li> <li>Poor Communication</li> <li>Staff Conduct</li> </ul>
CWB	Culture	66	26%	<ul> <li>Libraries – Computer Provision</li> <li>Libraries – Other</li> <li>Libraries – Events &amp; Exhibitions</li> </ul>
	PHS	38	15%	<ul> <li>Housing Advice – Other Service</li> <li>Enforcement – Assessment / Housing</li> <li>Enforcement – Multiple Occupation</li> </ul>



				- Safety
	Inclusion	10	28%	Social Workers
				<ul> <li>Contract Issues</li> </ul>
				<ul> <li>Service not provided</li> </ul>
CYP	Localities	7	19%	<ul> <li>Support / Contact</li> </ul>
CIP				<ul> <li>Assessment</li> </ul>
				<ul> <li>Child Protection</li> </ul>
	LAC &	5	14%	<ul> <li>No Classifications</li> </ul>
	Permanency			
	Environmental	90	24%	<ul> <li>Contractor Conduct</li> </ul>
	Improvement			<ul> <li>Non Collection</li> </ul>
				<ul> <li>Management Issues</li> </ul>
	Highways &	64	17%	<ul> <li>Other Highways Issue</li> </ul>
R&E	Infrastructure			<ul> <li>Other Pavement Issues</li> </ul>
INGL				<ul> <li>Highways Information and Advice</li> </ul>
	Parking &	146	39%	<ul> <li>PCN Received</li> </ul>
	Lighting			<ul> <li>Payments / Parking Permits</li> </ul>
				<ul> <li>On Street Enforcement – Not Taking</li> </ul>
				Action
	Benefits &	89	43%	<ul> <li>Benefits – Over Payments</li> </ul>
	Customer			<ul> <li>Benefits – Change of Circumstances</li> </ul>
	Facing			<ul> <li>Benefits – Other Service</li> </ul>
Resources	Revenues &	53	25%	<ul> <li>Contact Centre – Officer Behaviour</li> </ul>
Resources	Customer			<ul> <li>Council Tax – Recovery</li> </ul>
	Contact Centre			<ul> <li>Contact Centre – Enquiry Handling</li> </ul>
	BCS Social Care	17	8%	<ul> <li>Communication</li> </ul>
	Functions			Service Failure

12. Service areas have undertaken a range of activities to improve their operations as a result of complaints about service issues. The Adult and Children appendices include several examples of improvements from complaints, four more examples are provided here for other departments.

# Regeneration & Environment department

- Cause of complaint: a mother whose daughter had passed away complained that
  it had not been made clear to her that the Cemeteries Service charged a fee in
  certain circumstances for installing a memorial plaque/headstone at the
  gravesite. The complaint highlighted the value of ensuring information about the
  fee is communicated to service users through all possible points of contact.
- Service improvement example: all Cemeteries Service officers were therefore reminded to mention this when discussing memorial plaques / headstones with service users. Information about the fee was added to the list of recommended memorial masons issued by the Cemeteries Service. All the memorial masons on this list were reminded of the need to inform families of a possible installation fee when customers purchase a memorial plaque / headstone. The Cemeteries Service also waived the installation fee for the complainant in this instance.

#### Resources department

 Cause of complaint: the complainant was unhappy with the administration of her Council Tax account and the customer service they received in response to previous queries they had made about it. The complaint was not upheld because there were no errors in the handling of their account.



Service improvement example: the final review complaint investigation did
however highlight two generic customer service issues that were fed back to
relevant managers: the need for officers to put their names rather than just
generic job titles on all correspondence; the need for officers to ensure that if
they promise to confirm a telephone conversation in an email on the same day
they should do so.

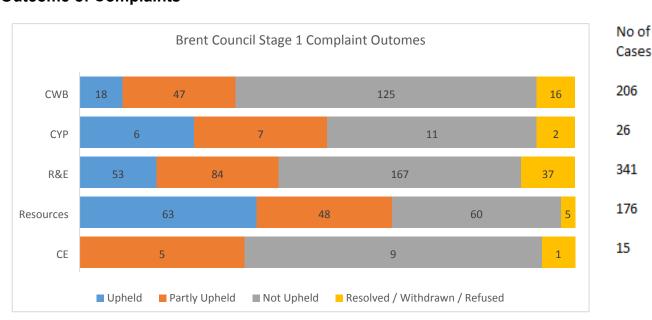
## Community Wellbeing department - Housing Needs

- Cause of complaint: the complainant, a single person who would not qualify as homeless under homeless legislation, was assisted by the Housing Needs Care and Support team during his discharge from hospital. He was unhappy with what he considered to be unsuitable accommodation referrals.
- Service improvement example: the final review complaint investigation highlighted the need for relevant Care and Support officers to check all the available documentation relating to hospital discharge on Mosaic (the Adult Social Care database) before finalising hostel/bed and breakfast referrals to ensure a suitable referral is made. It also highlighted the usefulness of Care and Support officers referring available medical evidence to the District Medical Officer in order to assist their decision-making in similar situations in future.

## Community Wellbeing department – Libraries

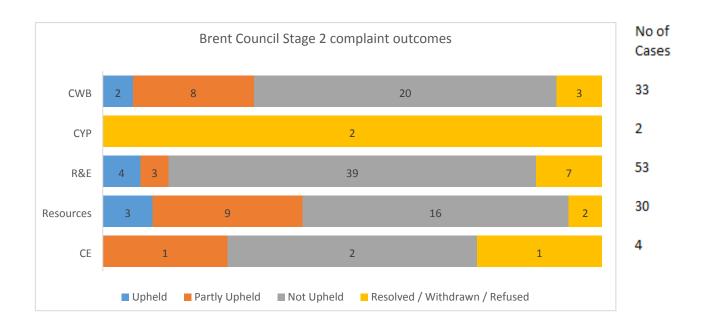
- Cause of complaint: staff at one of Brent's libraries failed to enforce the Council's Private
  Tuition Fair Use Policy by not asking fee-charging private tutors to stop using the
  library as their personal tutoring space. The Council's Private Tuition Fair Use
  Policy prohibits fee-charging private tutors from teaching within Brent libraries.
  The complainant was concerned about the level of noise this generated in the
  library and stated that where there is a rule in place, it should be followed by all.
- Service improvement example: the final review complaint investigation highlighted the need for library staff to keep the use of the library by private tutors under closer review and to address any observations or trends during the next periodic review of the Council's Private Tuition Fair Use Policy. Library staff were also reminded of the Council's Private Tuition Fair Use Policy and the need for enforcement where the rules are not being followed.

### **Outcome of Complaints**





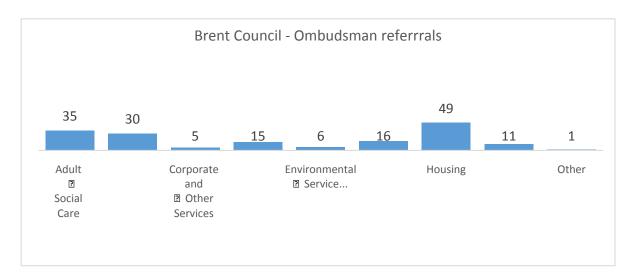
13. 43% of Stage 1 complaints were upheld/partly upheld council-wide in 2016/17. The Resources and CYP departments were above average with 63% and 50% of cases upheld/partly upheld respectively in 2016/17.



14. 27% of Stage 2 complaints were upheld/partly upheld council-wide in 2016/17. The Resources and CWB departments were above average with 40% and 30% of cases upheld/partly upheld respectively in 2016/17.

#### **Local Government Ombudsman**

15. There were 168 referrals to the Ombudsman; the LGO categorised these referrals under the services shown in the chart below:



- 16. The LGO upheld 17 cases against Brent in the following services:
  - Housing 8 cases.
  - Adult Care Services 3 cases.
  - Education & Children's Services 3 cases.



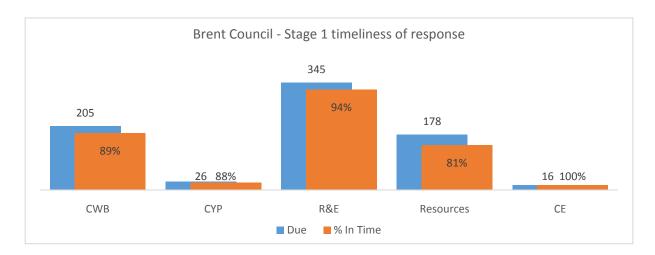
- Benefits & Tax 2 cases.
- Highways & Transport 1 case.
- 17. The breakdown of compensation paid by departments for corporate complaints in 2016/17 is shown below:

Department	Stages	2016/17		
	31119	No of Cases	£ Cost	£ / Case
	Stage 1 / Provisional	2	£580	£290
CWB	Stage 2	7	£2,660	£380
	Ombudsman	5	£4,715	£943
	Stage 1 / Provisional	0	£0	£0
СҮР	Stage 2	0	£0	£0
	Ombudsman	1	£500	£0
	Stage 1 / Provisional	21	£1,902	£91
R&E	Stage 2	8	£2,395	£299
	Ombudsman	0	£0	£0
	Stage 1 / Provisional	9	£2,840	£316
Resources	Stage 2	8	£7,350	£919
	Ombudsman	0	£0	£0
	Stage 1 / Provisional	32	£5,322	£166
Council -wide	Stage 2	23	£12,405	£539
	Ombudsman	6	£5,215	£869

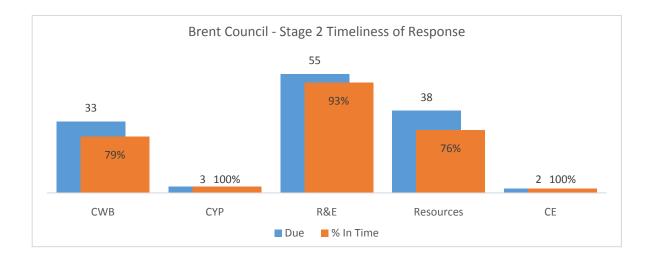
18. Although the R&E department paid out compensation on the most number of cases at Stage 1, the average level of compensation paid was relatively low. The Resources department had the highest average amount of compensation paid at the final review stage and CWB had the highest average amount paid at the Ombudsman stage.



# **Timeliness of Complaints**



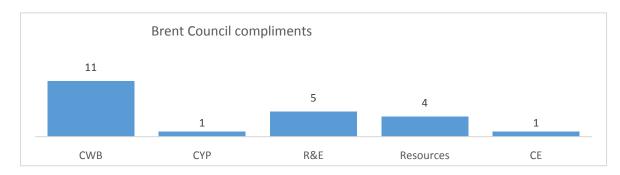
19. Overall timeliness in responding to complaints at Stage 1 in 2016/17 was 89%. R&E department not only had the highest volume of complaints but also achieved the highest levels of timeliness across the Council.



20. Overall timeliness at Stage 2 in 2016/17 was 85%. These cases are managed by the Complaints Service team (R&E department cases were the highest by volume across all departments and also had the best timeliness response rates).



### Compliments



21. There has been an under-recording of compliments across the council, with 22 compliments recorded on the iCasework system during the year. Planned changes to the website will make it easier for the public to record their compliments directly online. A few examples of compliments received are listed below:

#### **Parking**

 Thank you very much for the clarification and all the work you have put into solving this issue for us. It is much appreciated.

# Library Service

• I wanted to write you a note to say how brilliant I, and so many others in the borough, think the Home Library Service is and how very much both the team and the volunteers are appreciated. Since my accident I've not been able to get to the library at all so the Home Library Service has become a real lifesaver and the delivery a monthly highlight. Not only is it an absolute joy to know that there will be great books, and films and music too, arriving each month but it is also always a real pleasure to deal with you all. I know you supply hundreds of people and yet you are all always so incredibly helpful, calm and reliable, I just don't know how you do it! The Service and the team really are exceptional and deserve every award going! Numerous thanks to you all!

#### Benefits

Please note that during my claim assessment, Mr S has demonstrated a great degree of professionalism and understanding. He is very knowledgeable in his field. He has high level of customer awareness, and he has treated me with dignity and respect. I am writing to you because previously I have had several unpleasant episodes with the Housing Benefit department, up to the point when Mr S handled my claim, who then managed to resolve the issues satisfactorily. I wish him all the best in his job and recommend him for any future work promotion and appraisals.

#### ASC Social Care and ASC Duty Team

 Would like to thank all the staff at Brent social services who were so helpful with my brother's alarm. Especially a lady called S who kindly traced why all my brothers paperwork was missing. He has now got the alarm and it is peace of mind for me as he lives alone and is very vulnerable.



#### CYP

• Thank you for your report it's an excellent reflection of the issues and challenges I faced at the time of complaint. Also I think you argued my case very well. I was anxious at first wondering if I could trust you as an employee of Brent services, so I would like to thank you very much for the time and effort it has taken you to develop the report, and also for communicating with me in the meantime.

### **Diversity Data**

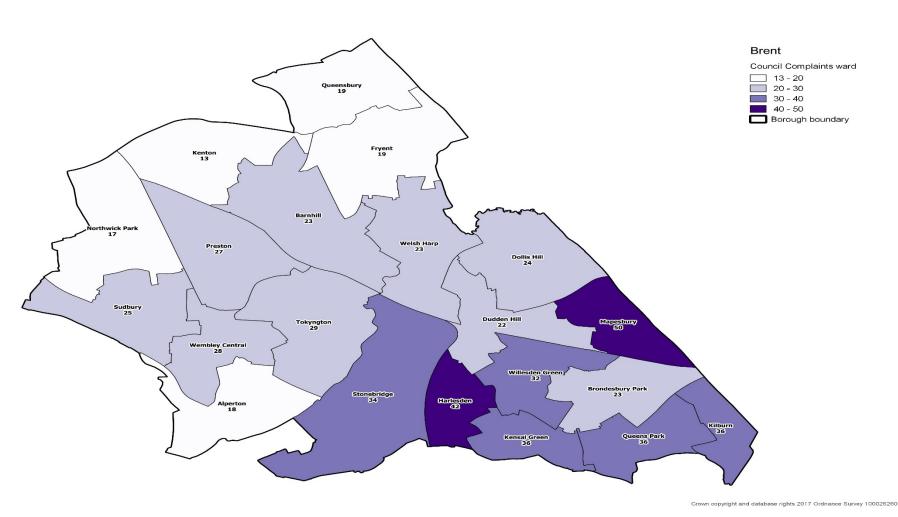
22. The provision of diversity information by complainants is discretionary. The data shown below is the diversity information that was disclosed in 2016/17 and only gives us partial view of the diverse backgrounds of complainants. It cannot be considered to be representative off all complainants during the year.

Equality Characteristics	Sub-category	Count	% of Count
	Male	172	45%
Gender	Female	199	52%
Gender	Prefer not say	12	3%
	Total	383	100%
	16-24	16	5%
	25-34	59	19%
	35-44	87	28%
	45-54	54	17%
Age	55-64	44	14%
	65+	31	10%
	Prefer not say	18	6%
	Total	309	100%
	African	21	8%
	Asian - Indian	40	16%
	Black	35	14%
	Asian - Non Indian	1	0%
Ethnicity	Mixed	20	8%
	White	87	35%
	Other	4	2%
	Prefer not say	40	16%
	Total	248	100%
	Christian	83	33%
	Hindu	15	6%
	Jewish	2	1%
	Muslim	39	16%
Faith	Other Religion	9	4%
	Agnostic	8	3%
	No Religious Belief	29	12%
	Prefer not to say	66	26%
	Total	251	100%



# **Map of Complaints by Ward**

23. There were 579 postcodes supplied with Council complaints in 2016/17, the map below shows the distribution of these complaints by ward.



Irene Bremang Head of Performance & Improvement

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#### Annual Complaints Report 2016 - 2017

# **Appendix D – Brent Housing Partnership (BHP)**

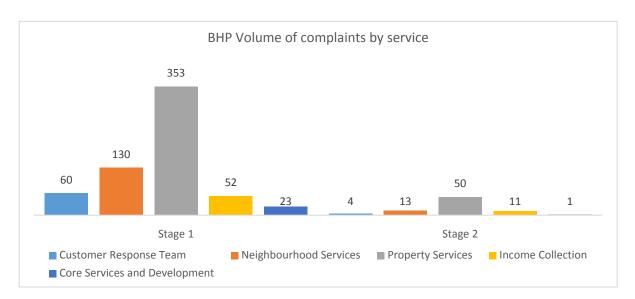
#### Introduction

1. This report provides an overview of complaints activity across the Brent Housing Partnerships (BHP) service in 2016-2017.

#### **Complaint Framework**

2. BHP operates a pre-Stage 1 complaints process that is used to refer some enquiries to their contractors to respond to in the first instance. BHP service areas are responsible for the local management and resolution of all corporate Stage 1 complaints. The Council's Complaints Service team manages final review/stage 2 corporate complaints on behalf of the Chief Executive.

### **Complaints Received**



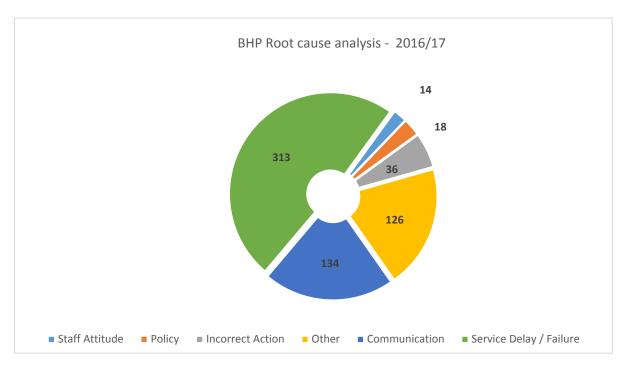
3. The breakdown of the 618 BHP complaints received in 2016/17 was: 57% - Property Services, 21% - Neighbourhood Services, 10% - Customer Response Team, 8% - Income Collection and 4% - Core Services & Development.



4. The escalation rates across these services were as follows:

ВНР	No. of Stage 1 Cases	2016/17 Escalation Rate
Property Services	353	1 in 7
Neighbourhood Services	130	1 in 10
Customer Response Team	60	1 in 15
Income Collection	52	1 in 5
Core Services & Development	23	1 in 23
BHP Total	618	1 in 8

# **Nature/Type of Complaints**

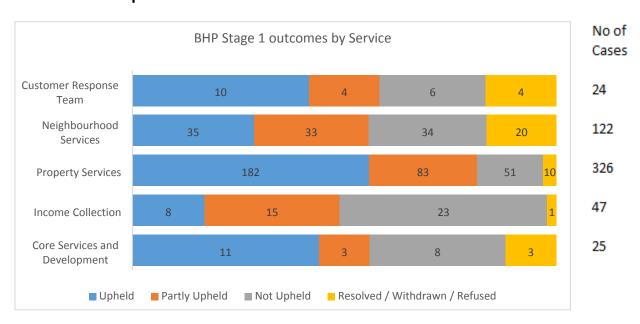


- 5. 'Service delay/failure' accounted for 49% of all complaints received. Communication failures were the root cause of 21% of cases and a further 20% of complaints were recorded under the 'Other' category during 2016/17. The removal of the 'Other' category during 2016/17 will give us better insight into the root cause of complaints in future years.
- 6. A further breakdown of the three service areas that received the highest number of complaints is provided below:



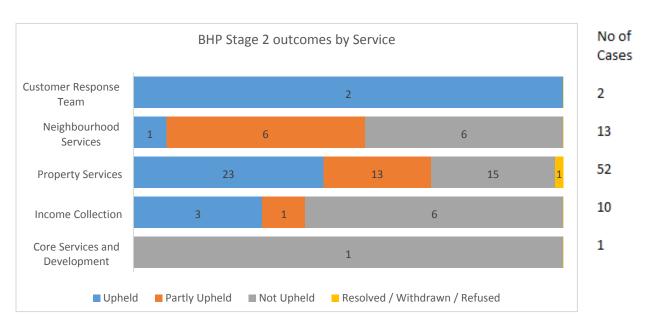
Brent Housing Partnership				
Top 3 Services	No of Stage 1 Cases	Stage 1 as % of BHP Total	Root Causes	
Property Services	353	57%	<ul><li>Delay in job completion</li><li>Poor Communication</li><li>Service Failure</li></ul>	
Neighbourhood Services	130	21%	<ul><li>Poor Communication</li><li>Harassment</li><li>Neighbour Dispute</li></ul>	
Customer Response Team	60	10%	<ul><li>Other</li><li>Poor Communication</li><li>Service Failure</li></ul>	

### **Outcome of Complaints**



- 7. Overall 71% of BHP cases were upheld at the first stage:
  - Property Services complaints were mainly to do with adaptations and planned and responsive repairs and 81% of the 326 cases were upheld/partly upheld.
  - Neighbourhood Services complaints centred on staffing, parking, low level antisocial behaviour and tenancy management. 56% of 122 cases were upheld/partly upheld.





- 8. Overall 63% of BHP cases were upheld at the Stage 2:
  - 69% of Property Services complaints (52 cases) were upheld at the second stage.
  - 54% of Neighbourhood Services complaints (13 cases) were upheld.
- 9. The information below on Ombudsman outcomes has been taken from the iCasework system because the Housing Ombudsman has not produced an annual report on decisions.

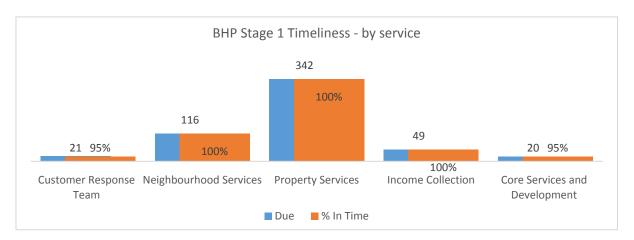
BHP Ombudsman Outcomes	2015/16	2016/17
Closed after initial enquires	1	1
Not Upheld	3	4
Upheld	4	7
Total	8	12

10. The breakdown of compensation paid in 2016/17 is shown below:

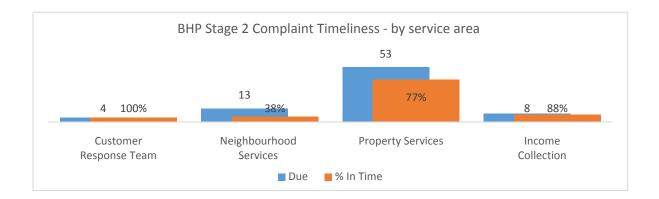
	Stage	No. of Cases	Total	Average per case
ВНР	Stage 1 / Provisional	75	£19,472	£260
	Stage 2	52	£23,116	£445
	Ombudsman	4	£700	£175



#### **Timeliness of Complaints**



11. Although Stage 1 timeliness has improved from previous years, the timeliness rate recorded on iCasework is inaccurate as some of these cases were closed down without being dealt with fully. Some of these cases had to be re-opened and handled properly before being finally closed on the system.



12. Stage 2 timeliness is improving, although the majority of the delays occurred in finalising the final reviews with Property Services and Neighbourhood Services teams.

#### Compliments

13. BHP staff are generally not recording compliments on the iCasework system as there were only 3 compliments logged on the system during 2016/17. Two of the compliments were regarding repairs and the third compliment was about the usefulness of a resident's magazine.



### **Diversity Data**

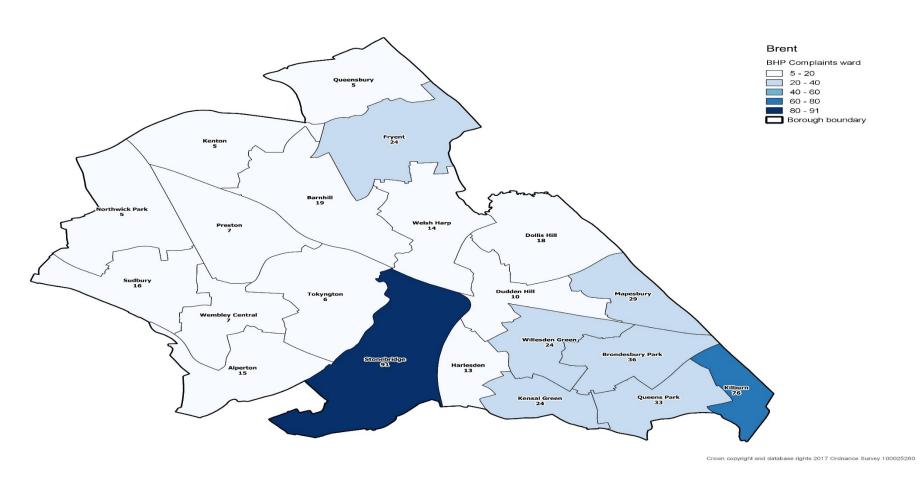
14. The provision of diversity information by complainants is discretionary. The data shown below is the diversity information that was disclosed in 2016/17 and only gives us a partial view of the diverse backgrounds of our complainants. It cannot be considered to be representative for all complaints received for the year for BHP.

Equality Characteristics	Sub-category	Count	% of Count	
Gender	Male	-	-	
	Female	-	-	
Gender	Prefer not say	-	-	
	Total			
	16-24	-	-	
	25-34	-	-	
	35-44	-	-	
A	45-54	-	-	
Age	55-64	-	-	
	65+	-	-	
	Prefer not say	-	-	
	Total	-	-	
	African	12	17%	
	Asian - Indian	9	13%	
	Black	32	46%	
	Asian - Non Indian	0	0%	
Ethnicity	Mixed	7	10%	
	White	0	0%	
	Other	2	3%	
	Prefer not say	8	11%	
	Total	70	100%	
	Christian	0	0%	
	Hindu	0	0%	
	Jewish	0	0%	
Faith	Muslim	0	0%	
	Other Religion	1	100%	
	Agnostic	0	0%	
	No Religious Belief	0	0%	
	Prefer not to say	0	0%	
	Total	1	100%	



### Map of Complaints by Ward

15. There were 477 postcodes supplied for BHP complaints in 2016/17, the map below shows the distribution of BHP complaints by ward. The concentration of complaints has similarities to the spread of BHP properties across the borough.



Irene Bremang Head of Performance & Improvement

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# Cabinet 23 October 2017

## **Report from the Chief Executive**

For Decision Wards affected : All wards

I4B Holdings Ltd – matters requiring shareholder consent and plans to develop 2018/19 business plan

#### 1. Purpose of the Report

- 1.1. This paper sets out a series of matters which require Cabinet consent as shareholder of I4B Holdings Ltd.
- 1.2. This paper also sets out the proposed process and timetable for the development of the I4B Holdings Ltd Business Plan for 2018/19.

#### 2. Recommendations

- 2.1. Cabinet agrees that the Council and the I4B Holdings Ltd should enter into a new four-year Services Agreement to provide a range of support services.
- 2.2. Cabinet agrees to make available for draw-down (by I4B Holdings Ltd) £50m as the final tranche of the £100m PRS funding, to complete the purchase of 300 properties in line with the Cabinet's agreement of the Temporary Reform Accommodation Plan in March 2016 and the 2017/18 to 2019/20 budget in February 2017.
- 2.3. Cabinet agrees that the end of I4B Holding Ltd's first financial year is moved from the end of December 2017 to the end of March 2018 to bring it in line with the Council.
- 2.4. Cabinet agrees the appointment of an additional Company Director to the I4B Holdings Ltd Board.
- 2.5. Cabinet notes I4B Holdings Ltd's intention to develop its second Business Plan and seek Shareholder agreement at the Cabinet meeting in February 2018.
- 2.6. Cabinet approves the establishment of an Equity Investment Framework, restricting the Council's investment in I4B Holdings Ltd to 25% of total capital invested.

### 3. Background

- 3.1. In November 2016, Cabinet agreed a paper presented by the Chief Finance Officer entitled 'Establishing a Wholly Owned Investment Company'. Cabinet supported the setting up of the wholly owned company and the Company's PRS business plan reflecting the ownership and management of three hundred properties to support the Council's homelessness agenda.
- 3.2. The Company, 'Investing 4 Brent' Ltd ("Investing 4 Brent" / "I4B" / the Company) was subsequently set up using the agreed delegated powers and incorporated on 16 December 2016.
- 3.3. Since its initial establishment, the Company's board, with the approval of Cabinet, has taken the decision to change the name of the Company to I4B Holdings Ltd. This decision was recently executed following activation of the Company's bank account.
- 3.4. The Company is overseen by a Board of Directors, chaired by an independent voting Director. This role is fulfilled by Martin Smith, who is the former Chief Executive of Ealing Council.
- 3.5. The other Company Directors are Cllr George Crane, the Strategic Director of Community Wellbeing (Phil Porter) and the Director of Performance, Policy and Partnerships (Peter Gadsdon).
- 3.6. The Board of Directors meets on a monthly basis and has overseen the mobilisation of the Company and the execution of its Business Plan. The Board is supported by a team of Council officers who are able to provide expert legal and financial advice.
- 3.7. In the November 2016 Cabinet report 'Establishing a Wholly Owned Company', structures were proposed to enable the Directors of the Company to act with commercial freedom with all the advantages desired in terms of operational flexibility, whilst the Council retains democratic control over all of the key strategic decisions.

3.8.	The o	governance	structures	are	as	follows:

90.0	
	Company Directors - operate with commercial freedom in the best
	interests of the company (as required by the Companies Act).
	Corporate Management Team - acts as senior 'client', overseeing the
	activities of the Company
	Cabinet - acts as the strategic supervisory body with ultimate
	responsibility for ensuring governance of the Company and approval and
	delivery of its business plan. This role is without prejudice to Cabinet's
	normal decision making powers as set out in the Council's constitution.

- 3.9. In addition, the Audit Advisory Committee plays a role in holding the Company and Directors to account through its remit to scrutinise complex financial models and forecasts and to consider the governance matters that may arise accordingly. The Audit Advisory Committee considered its first report from the Company on 20 September 2017.
- 3.10. A number of core legal and financial documents set out the role and operating arrangements for the Company. These are:

- Articles of Association / Memorandum of Association these are the constitution of the Company, as agreed by Cabinet.
- Business Plan/Financial Plan as agreed by Cabinet.
- Shareholder Agreement agreed by Cabinet. Sets out the exact nature of the relationship between the Council (as the sole shareholder) and the Company, and matters on which shareholder consent is required.
- **Loan Agreement** setting out the terms of the loan facility provided by the Council to the Company.
- 3.11. The Company has a fixed-term, six-month overarching Services Agreement with the Council which covers all of its day-to-day operational activity, including the purchasing and conveyancing process, nominations, lettings and refurbishments, the provision of housing management services and all such other activities as may reasonably be expected to be undertaken.
- 3.12. In turn, the Council has contracted three housing management agents to manage properties in the areas in which it has purchased units for PRS letting. The Council's housing management service, Pinnacle Housing Group and Mears Group have been appointed to provide housing management and three external buyers' agents have been procured to complement the Council's own property buyers in the acquisition of PRS properties. Pinnacle Housing Group and Mears Group have been awarded contracts to provide housing management in the Home Counties. Contracts have been signed with BHP (Brent & Greater London), Pinnacle (Home Counties) and Mears (Home Counties).

#### 4. Matters requiring shareholder consent

4.1. The Company has requested that Cabinet agrees a number of matters requiring shareholder consent, which will assist it in delivering the intentions set out in its business plan. These are detailed below.

#### Services Agreement

- 4.2. The Council has been asked by I4B Holdings Ltd to provide it with services. A medium-term (four-year) Services Agreement is considered appropriate. The Services Agreement will require the Council to procure and directly deliver a number of services and provide a number of functions in return for a fee income and reimbursement of pass through costs.
- 4.3. The four-year Services Agreement will replace the current six-month Services Agreement which was put in place as a temporary measure to ensure the successful commencement of the PRS programme and to support the early months of the Company.
- 4.4. The four-year Services Agreement will contain details of service descriptions, performance targets, service standards, lead officers, the fee structure, and clarity of how the service scope can be reviewed during the lifetime of the Services Agreement.

- 4.5. The Services Agreement includes a conflict resolution clause for resolving matters between the parties and a break clause should persistent breaches occur. The Services Agreement, or elements of the SLA, can be ended at any time by mutual consent, however, a six-month notice period is required should one party wish to end the agreement.
- 4.6. The Company is seeking to grow and diversify its business to meet the Shareholder's (Council's) priorities. The Services Agreement is designed to permit additional schedules to be incorporated as services are required and as the Company's business expands and changes.
- 4.7. The Services Agreement requests the Council to provide, directly or through contracts with external providers, three key service functions:
- Services to Support the Company structure / Governance functions
- Acquisitions & Refurbishment services to grow the Company's PRS portfolio
- Procurement of contractors and direct management and services supporting the Company's private rented sector housing management and repair functions
- 4.8. Services to the Company structure / Governance function include support in areas such as Board administration, business planning and business modelling, support with freedom of information requests, complaints, IT and IT systems, procurement and legal advice, financial management, treasury management, and payment systems.
- 4.9. Acquisition and refurbishment services will be provided by the Council to the Company. The nature of this service is likely to change over time. The period up to December 2018 will be a continuation of the Council's current level of service in acquiring and refurbishing individual street properties, directly or through agents, on behalf of the Company, including valuations, conveyancing and refurbishment.
- 4.10. Should the Council support the Company in pursuing new business opportunities, the Company may request support in acquiring land or blocks of properties. The Company may also seek expertise to help it work in partnership on new build developments and joint ventures or develop leasing and market rent opportunities. The Services Agreement provides for services to be in line with the Company's agreed business plan. The fee structure also allows for appropriate pricing of the Council's service to the Company.
- 4.11. The Council will procure and administer the private sector Housing Management and Repairs functions of the Company. The Services Agreement permits the Council to provide private sector Housing Management and Repairs services to the company directly or through sub-contractors. Contracts are in place with Pinnacle Group, Mears Group and BHP to provide housing management and repairs services up to autumn 2019. All housing management contractors will be managed in accordance with the Company's Assured Shorthand Tenancy agreement and policies.
- 4.12. As the Company requires new or replacement services and functions, it will work with the Council's procurement service to establish in-house or external expertise.

4.13. The fee value of the Services Agreement 2017-2021 is £2.8m (including VAT) over four years.

#### Agreement draw-down of the second £50m

- 4.14. Following agreement of the 2017/18 to 2019/20 budget, £100m was identified for the purchase of 300 PRS properties for the new wholly owned company.
- 4.15. To date £50m has been made available for draw-down and the Company is requesting Cabinet agreement to release the final £50m tranche. The Company has committed to purchase 61 properties and has 75 in conveyancing (136 properties in total). The total value of these properties and associated refurbishment and other costs is £48m. A number of measures have been put in place to support the property acquisition strategy, including the appointment of a team of external buyers in order to deliver the target of 300 properties.
- 4.16. The final draw-down of funds will allow the purchase of the portfolio to continue. The target date for the purchase of 300 units is 30 September 2018 with all properties refurbished and let by 31 December 2018.

#### Year end

4.17. The Company is required to register its annual accounts with Companies House one calendar year after it was established, in December 2017. In order to bring its year end accounting arrangements in line with the Council's, the Company intends to move its year end for 2017/18 to 31<sup>st</sup> March 2018. The Shareholder agreement sets out that changing the financial year end is a decision which requires Shareholder content and Cabinet is asked to agree this change.

#### Appointment of additional director

- 4.18. The Company's Business Plan, which was agreed by Cabinet in November 2016, sets out details of the four directors of the Company, as detailed in paragraph 3.4. The Shareholder Agreement states that Shareholder consent is required for the appointment of additional directors. Cabinet is asked to authorise the selection and appointment of a fifth Company Director to join the Board.
- 4.19. There are currently four directors with a casting vote for the Chair, if votes for and against a motion are equal. Appointing a fifth director would be good practice and would limit the need for the Chair's casting vote.
- 4.20. In addition, the standing Directors have identified a need for expertise in the commercial property business to provide additional external challenge and to strengthen the expertise available at Board level within the Company especially in its role to develop new business opportunities.

#### Equity Investment Framework

- 4.21 I4B Holdings Ltd's purchase of residential properties is financed through a combination of borrowing on which the Company must pay interest, and Council equity (capital investment).
- 4.22 The need to pay interest on borrowing is the main reason why properties acquired must have a yield of around 5%, and this approximate level of return was agreed in the I4B base business plan.
- 4.23 As the business plan and financial model evolve, the ratio of equity to borrowing is likely to change and it is therefore prudent to set limits within which the amount of equity (and by default the amount of borrowing) should be contained.
- 4.24 It is recommended that Cabinet approve the imposition of an absolute upper limit on the amount of equity the Council is prepared to invest in I4B, and sets this at 25%. At this level, it is comfortably below the equity investment of comparable organisations and therefore should therefore not precipitate any undue aid to I4B at the expense of the Council.
- 4.25 Any subsequent requests to amend the current limit on the amount of equity will be the subject of detailed reports to Cabinet.

#### 5. Developing 2018/19 business plan

- 5.1 The first Business Plan of the Company was agreed by Cabinet in November 2016. The Shareholder Agreement states that the Company should produce an annual Business Plan for Shareholder agreement and that this plan should be substantially in the format of the first Business Plan and shall be for at least a one-year period.
- 5.2 The Company intends to work on the development of its second Business Plan in October/November 2017 and provide it to Cabinet to request Shareholder consent in February 2018.
- 5.3 The revised Business Plan will include additional opportunities which the Company seeks to pursue. Examples of the types of development opportunities which the Company is considering include:
  - A £7m scheme consisting of 30 new homes of modular construction within Brent. The properties would be built in partnership with the Council and have affordable, social and intermediate I4B tenancies. The scheme has been provided with an initial grant allocation from the GLA.
  - The Company may become a suitable recipient for the assets currently owned by BHP, if a decision is made to transfer assets once BHP comes back into the Council. BHP has circa 300 properties let at market and intermediate rents. Any transfer of assets would strengthen the Company

- and provide benefits including shared core costs and economies of scale in relation to services provided.
- Working with the Council to increase the viability of affordable and intermediary rental products on land owned by the Council. One such example would include the purchase of ten new build leasehold units. The scheme could enable the Council to avoid losing the freehold of the site and increase the affordable (intermediate) units from 30% to 100% and enable the provision of a new community facility.
- A loan arrangement to be set aside, to be drawn upon for non-specified projects. Those projects are to meet a series of tests laid down by the shareholder and delegated to relevant officer in consultation with Cabinet.

#### 6. Financial Implications

- 6.1. Recommendation 2 is a request for a final draw-down of the remaining £50m out of the original £100m. This was already approved in principle under the original plan in March 2016. This will have an equivalent impact on the Council's cash flow, albeit that the timing is subject to requirements of the company.
- 6.2. The I4B financial model currently forecasts an equity investment of approximately 21% of the total property acquisitions' capital expenditure which is £98.1m (£20.6m equity).
- 6.3. To contain forecast capital expenditure and stay within the current £100m expenditure cap, it is feasible that the equity proportion may need to increase and setting a limit on the amount of equity allows for this to happen in a managed way.
- 6.4. Increasing the amount of equity represents only one mitigation measure that may be implemented to deliver 300 units from £100m and so it may not be necessary if other measures are put in place and that achieve the same outcome.
- 6.5. The imposition of an equity limit upper cap of 25% means that, based on the latest financial modelling (and only if required and approved), I4B would have £3.9m less borrowing to finance, which would further reduce the required yield on its property portfolio.
- 6.6. Approval of any change to the equity limit must be made by Cabinet and take account of State Aid issues.

#### 7. Legal Implications

7.1 The general power of competence in the Localism Act 2011 permits the Council to provide services to the Company. To date, the Council has provided such services under a short term interim contract but the Council and the Company now seek to enter into a four-year Services Agreement. Under Contract Standing Order 87(c), authority to enter into such arrangements must be agreed by the Cabinet where the contract value would exceed £150,000 per annum; or the gross cost to the Council of providing the relevant services under the contract is estimated to exceed £150,000 per annum calculating the full costs over the term of the contract. The value of a four-year contract

- is £2.8m (including VAT). In the circumstances Cabinet approval is required to enter into a four-year Services Agreement.
- 7.2 The Recommendations, to include changes involving the appointment of an additional director and changes to the year end, will require certain changes to the Company's legal documentation, including the Articles of Association. Cabinet approval is required to give effect to proposed changes of the Company's Articles of Association.
- 7.3 Any changes to the Company's Articles needs to be registered at Companies House and, should the proposed change be agreed by Members, a revised version will be sealed by the Council as the sole member, initialed and sent to Companies House by the Company.
- 7.4 Cabinet agreement to financial recommendations, to include the drawing down of funds and the approval of a revised business plan, require Cabinet approval and it is noted that the intention is to revert to Cabinet in February 2018 seeking consent to a revised business plan.
- 7.5 With reference to the proposals regarding the equity investment framework, it should be noted that any capital investment has possible State Aid implications, with the potential for the whole capital investment to be regarded as State Aid. The market economy operator principle does provide an exemption to a capital investment falling foul of State Aid and this requires that any investment is made on a similar basis to that a private operator acting under market conditions and in similar circumstances would make. Financial advice should therefore be obtained prior to any capital investment if relying on the market economy operator principle.

#### 8. Diversity Implications

- 8.1. No diversity implications have been identified.
- 9. Staffing/Accommodation Implications (if appropriate)
- 9.1. No staffing/accommodation implications have been identified.

#### **Contact Officers**

Carolyn Downs, Chief Executive Conrad Hall, Chief Finance Officer

CAROLYN DOWNS
Chief Executive



# Cabinet 23 October 2017

# Report from the Strategic Director of Community and Wellbeing

Wards Affected: ALL

# **Authority to Award a Care and Support Services Contract** for Visram House Extra Care Scheme

**Appendix 1 this report is not for publication** as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"

### 1.0 Purpose of the Report

- 1.1. In accordance with Contract Standing Order 88, this report seeks Cabinet authority to award a contract for care and support services at Visram house Extra Care Scheme (ECH) in Brent. The contract will be for a period of 5+1+1 years. The care and support service will be provided to people aged 50+ with an assessed care and support need as defined by the Care Act 2014.
- 1.2. This report summarises the process undertaken in tendering this contract, and recommends which organisation the contract should be awarded to as determined through the evaluation of tenders.
- 1.3. The tender process was conducted through the Brent Council's Accommodation plus Dynamic Purchasing System (AP DPS).

#### Recommendations

2.1. That Members award the contract for care and support services to Notting Hill Housing Trust (NHHT) for a period of 5 years with an option to extend by up to two further one year periods (5+1+1).

#### **Background**

New Accommodation for Independent Living (NAIL) - Market Position Statement

- 3.1. NAIL is central to the long term vision for adult social care in Brent. The vision as set out in the Market Position Statement is to provide alternatives to institutional residential and nursing care homes. The alternatives (in particular extra care and supported living) will provide people with a well designed long-term home, with their own front door, and access to communal spaces to encourage a community to develop and grow, and with flexible care and support available when people need it. In other words, NAIL will support individuals to live independently in a home of their own, providing tenants with greater independence, choice and control. It also means that we need to ensure that through good design the accommodation will allow residents to 'age in place' rather than needing to move to specialised schemes.
- 3.2. The NAIL programme is ambitious and will deliver at least 700 new units of Accommodation Plus, to provide alternatives to residential and nursing care by the end of 2020/21. Visram House is a key part of delivering NAIL and will provide 99 of these units of Accommodation.
- 3.3. Visram House is a new Extra Care Housing Scheme (ECH) at Park Royal. It is currently in the final stages of commissioning by PA Housing Group formally known as ASRA Housing. The facility will provide 99 modern units of accommodation in total, consisting of 84 self-contained one-bedroom flats and 15 two-bedroom flats for people aged 50+years with care and support needs. The scheme is an alternative to the more traditional service of residential care but is less restrictive and provides tenants with greater choice and control over their day to day life. A care team will be on site 24 hours a day to provide care and support when it is needed.
- 3.4. Visram House is central to Brent re-balancing our use of accommodation-based care and support options, away from traditional residential and nursing care towards increasing use of Independent Living models of care and support ('Accommodation Plus'), when people cannot live in their current home.
- 3.5. Visram House opening has been delayed for nearly two years due to a number of building and other development issues which ASRA/PA Housing have been working to resolve.
- 3.6. A care and support services contract was awarded in October 2015 for a period of 2 years with an option to extend by 2 years (2+1+1) and the initial 2 year period is about to end. It was originally envisaged that this contract would be used to provided care and support services at Visram House but due to delays this has not transpired and care and support services under the contract have instead been delivered at Brent's 4 long term extra care schemes. Officers concluded that rather than exercise the option to extend this contract by 2 years

to provide care and support services at Visram House, it was preferable to retender for care and support services at Visram House enabling the provider to concentrate their current resources on operational issues they inherited when they took over Brent's four long term extra care schemes in November 2016.

- 3.7. The new development at Visram House creates an opportunity for the local authority to ensure people receive care and support in a way that is flexible in meeting their needs, delivers better outcomes for people, improves their quality of life and give greater choice and control over how their care is delivered, in a home of their own.
- 3.8. An ECH model of provision also affords the local authority the opportunity to meet people's care and support needs in a much more cost effective way when compared to a residential care setting. Within an ECH facility the local authority is only responsible for the cost of the individual's care and support as their accommodation costs are met by housing benefit or the tenant pays their own rent as they have their own tenancy and associated security that brings. In a residential setting the local authority is responsible for the full cost that includes accommodation, food and utilities. This makes the residential model more costly to the local authority as well as being a more restrictive environment for the individual tenant.
- 3.9. Visram House will offer care and support across a number of older service user groups such as learning disabilities and Mental Health as well as general older people. As long as needs are compatible, this will create a mixed community.
- 3.10. The service model commissioned is a 'residential replacement model' of care and support that ensures individuals' needs can be met in a more flexible way and that the provider can meet unplanned needs (such as toileting needs, respond to falls or other more immediate needs) as well as planned care needs (such as planned personal care, assistance with meals and domestic activities).
- 3.11. The residential replacement model delivers a more flexible model of care and support by having a core rota of staff on duty that ensures there is always a safe number of staff available day and night regardless of the assessed care needs. This rota includes the night staff (3) that will be shared across all tenants and day staff (2-4) that will provide and meet all unplanned care needs during the day whilst other staff are delivering all the planned care needs. This core team also answer the emergency call alarms across all floors and ensures a timely and professional response.
- 3.12. The rota is divided into two elements, a core rota to meet unplanned care needs and the flexible element that provides the planned care and support needs in line with assessed care needs and outcomes. The amount of hours and when they will be delivered will fluctuate on the tenant group and in line with assessed needs and tenant's wishes in terms of times of delivery. Given the volume of assessed hours being delivered alongside the core hours it is expected that the provider will be able to offer efficiencies and flexibility by combining hours and

using them elsewhere to facilitate additional activities for example. The provider will develop a rota based on the planned and unplanned needs of tenants as set out in their Care and Support plans. This rota will ensure that care is available throughout the 24 hour period which meets the needs of tenants. If the provider finds that the needs of tenants are higher or lower than stated in their Care and Support Plan, they can request a review of an individual's assessed care needs.

- 3.13. The service will be available 24 hours a day, 365 days of the year. It will principally be delivered at Visram House but may also be delivered in the community as dictated by a service user's needs.
- 3.14. Increasing the use of Assistive Technology (e.g. telecare) will be used to further streamline the service and meet service user's needs in the least restrictive option possible. This will also ensure that tenants are safe and support staff know when tenants need assistance, i.e. by using sensors and falls detectors, staff can respond when needed rather than doing regular intrusive check visits.
- 3.15. The local authority has secured 100% nomination rights for all 99 units at Visram House. The key criteria, as set out in the agreed nominations agreement with PA Housing stipulates that any prospective tenant will have substantial care and support needs and would otherwise have been at risk of being admitted into a residential care and an identified social housing need (in that in their current home the delivery of a flexible care service is not possible).

#### 4. The Tender and Evaluation Process

- 4.1. Tenders were requested from the 31 providers on Lot 4.1 of the Accommodation plus Dynamic Purchasing System ("DPS") on the 1<sup>st</sup> August 2017 for the provision of Care and Support at Visram House. Three responses were received from the bidders detailed in Appendix 1, which were evaluated by Council officers from the Adult Social Care Commissioning and Quality Team against 40% quality and 60% price criteria. Full details of the criteria used and weightings attributable to each criterion are set out in Appendix 3.
- 4.2. The evaluation of the quality element of the bid enabled officers to satisfy themselves as to the ability of the bidder to provide the proposed service. The council was satisfied that all bidders could provide a quality service and the bidders quality scoring is at Appendix 2A.
- 4.3. With regard to pricing, Officers compared pricing (set out in Appendix 2) with other pricing information available for similar provision and concluded that the bidders' pricing was competitive.
- 4.4. Having satisfied themselves as to quality and cost elements of the bids, Officers therefore recommend that the contract for care and support services at Visram

House is awarded to the highest scoring and therefore most economically advantageous tender, namely Notting Hill Housing Trust (Bidder A2).

#### 5. Financial Implications

- 5.1. The Council's Contract Standing Orders state that contracts for supplies, services and works exceeding £0.5m shall be referred to the Cabinet for approval of the award of the contract.
- 5.2. The annual value of this contract is £2.04m. The recommendation is for the contract to be awarded for 5 years with the option of a further 2 year (+1+1), resulting in a total contract cost of £14.3m over the 7 years.
- 5.3. There is an estimated activity level of 110,000 hours of care and support each year throughout this contract. This equate to an hourly rate of £18.51.
- 5.4. This hourly rate provides for care staff to be paid the London Living Wage (LLW) throughout the length of the contract.
- 5.5. The additional annual cost of paying LLW rather than National Living Wage for this contract equates to £278k pa.
- 5.6. The council, in setting the annual council budget will need to consider that future inflation in the LLW rate is likely to be higher than other measures of inflation.
- 5.7. As set out in paragraph 3.5, this contract represents a more cost effective way of meeting people's eligible care and support needs compared to meeting these needs in a residential care setting. Accommodation costs are met through housing benefit and Adult Social Care is only responsible for meeting the cost of the care and support. Visram will significantly contribute towards the savings target of reducing the use of and spend on residential care as part of the New Accommodation to Independent Living (NAIL).
- 5.8. Visram House creates significant cost efficiencies to the local authority and benefits the service user. Each individual supported in Visram House that would have traditionally gone to a residential home create a £332 saving per week on average.
- 5.9. There are no implications for the Council's rent control or debt collecting processes. This will be the responsibility of the housing provider, PA Housing Group, with the Council having nomination rights for potential tenants.

#### 6. Legal Implications

6.1. The estimated value of the contract detailed in paragraph 6.2 is in excess of the EU threshold for Schedule 3 Services under the Public Procurement Regulations 2015 (the "EU Regulations"). Consequently, the award of the contract is governed by the EU Regulations. The contract has been procured using a DPS established in accordance EU Regulations and in accordance with relevant DPS procedures.

- 6.2. The award is subject to the Council's own Standing Orders in respect of High Value contracts and Financial Regulations and as such Cabinet approval is required to award this contract.
- 6.3. Whilst there is no strict legal requirement for the council to observe a minimum 10 calendar day standstill period between tenderers being notified of the contract award decision and the actual award of the contract where a DPS is used, such period is recommended in order to protect against possible post-contractual ineffectiveness claims. Therefore once Cabinet has determined whether to award contracts all tenderers will be issued with written notification of the contract award decision and a minimum 10 calendar day standstill period will then be observed before the contract is awarded.

#### 7. Equality Implications

- 7.1 The proposed contracts will require the provider to deliver services which are:
  - Culturally and gender sensitive by providing cultural awareness training for all staff, matching specific language requirements where possible, and;
  - Able to provide training for all staff in areas that will raise awareness of issues faced by vulnerable people from different ethnic backgrounds.
- 7.2 The provider will be monitored to ensure they are complying with these requirements through checking of their records, regular review of services provided to individual service users where feedback will be sought from service users, monthly monitoring meetings and provision of quarterly performance information to the Council.
- 7.3 In view of the fact that this procurement represents a change to the model of service delivery for some service users it is necessary for the Cabinet, as decision-making body, to consider the equalities implications which are contained within the Equalities Impact Assessment in Appendix 4. In accordance with the Equality Act 2010 officers believe that there are no adverse diversity implications.

#### 8 Staffing & Accommodation Implications

8.1. The proposed contract award for care and support services at Visram does not have any implications for council staff as this is a new scheme. Also, there are no TUPE implications.

#### 9. Public Services (Social Value) Act 2012

9.1. The Council at the pre-procurement stage of these contracts considered the requirements of the Public Services (Social Value) Act 2012, i.e. how the services to be procured may improve the economic, social and environmental

well-being of Brent. The services under this proposed contracts have as their primary aim, the improvement of the social wellbeing of one of the most vulnerable groups in Brent.

### **Background Papers**

None.

#### **Contract Officers**

Edwin Mensah NAIL Commissioner Edwin.mensah@brent.gov.uk 020 8937 4132

Jasmina Gomes Commissioning & Change Officer Jasmine.gomes@brent.gov.uk 0208 937 4049

PHIL PORTER
Strategic Director of Community Wellbeing



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

**Document is Restricted** 



## **APPENDIX 2 -TENDER EVALUATION GRID**

Bidders were asked a series of questions which covered key areas of service delivery with weightings attached to each question.

APPENDIX 2A - QUALITY TENDER EVALUATION GRID Visram House		BIDDER WEIGHTED SCORE			
	Weighting of 40%	A1	A2	A3	Lot 4.1
1. The London Borough of Brent is multicultural borough with an increasingly diverse ageing population. As a care and support provider in extra care what challenges do you foresee and how would you plan to manage these to respectfully meet the needs and wishes of tenants	5.00%	3.54%	3.75%	3.33%	В
2. Would you outline your Quality Assurance (QA) process and describe how this influences and highlights service delivery issues both positive and negative? Please provide one example of how your QA process has impacted service delivery and influenced how you manage services?	5.00%	3.33%	3.54%	3.46%	A
3. A key element of the service at Visram House will be the six Re-Ablement and four Step Down units. Would you please explain how you will set this service up to ensure that short term tenants are supported back to high levels of independence and how you will actively support timely hospital discharges. (A staffing structure can be attached to support the question).	4.00%	2.57%	2.25%	3.38%	A&C
4. Brent Extra Care schemes house tenants with multiple needs including tenants with learning disabilities and mental health conditions. Please describe your experience in supporting adults with learning disabilities and mental health issues and how your organisation would up skill your staff to effectively meet needs swiftly after mobilisation.	4.00%	3.08%	3.02%	2.75%	D
5. The Extra Care schemes are designed to be an alternative to residential care for many tenants. How would you manage the planned and unplanned needs of your tenant group and facilitate flexibility? Please give an example of how this currently works in one of your existing services.	4.00%	2.27%	2.17%	2.83%	A

6. What process and procedure's do you have in place in the instance where you believe you are or may need to deprive a resident of their liberty to meet there care and support needs.	4.00%	3.25%	3.18%	3.17%	В
7. Given this is a new scheme with potentially large number of new staff starting with varying degrees of experience. How will you ensure each shift has a balance of experience and skill and they complete the care certificate? Please provide a percentage of how many staff have completed the care certificate within your organisations entire care and support team?	4.00%	3.13%	3.27%	1.67%	D
8. From your experience, please provide three key examples of how you have delivered one or more of the following Social Value benefits:  Sustainable improvements Waste and carbon reduction Increased use of Small and Medium Enterprises, particularly within Brent Adoption of ethical practices such as Safety and Hygiene, Working Hours and payment of the London Living Wage.	10.00%	7.08%	6.50%	6.67%	E
Total	40%	28.25	27.68	27.26	

### APPENDIX 2B - WEIGHTED COST/ QUALITY SCORES AND BIDDER RANKING

As stated within the ITT evaluation methodology, the quality scores for the quality element were added to the costs scores to give the overall total scores.

#### **Visram House**

Service	Bidder Ref	Quality score (out of 40%)	Cost score (out of 60%)	TOTAL SCORE	RANK
	A1	28.25%	58.70%	86.95%	2
	A2	27.68%	60.00%	87.68%	1
	A3	27.26%	55.76%	83.02%	3



#### APPENDIX 3 – TENDER EVALUATION CRITERIA

Each bidder was assessed against the following ITT criteria agreed when the AP DPS was first established:

#### Lot 4.1:

- (A) How the Service will be operated to achieve delivery of outcomes.
- (B) How policies and procedures regarding equality and human rights will be applied.
- (C) How the Service will be operated to lead to improved personal independence.
- (D) Proposals with regard to Staffing (skills, qualifications and experience and structure) in order to meet the needs of the service users.
- (E) How Social Value will be delivered.



#### **APPENDIX 4:**

#### **Brent Council Equality Analysis Form**

## Equality Analysis- New Accommodation for Independent Living (NAIL) Extra Care

#### **Stage 1 Screening Data**

1. What are the objectives and expected outcomes of your proposal? Why is it needed? Make sure you highlight any proposed changes.

The New Accommodation for Independent Living (NAIL) project aims to deliver alternatives to residential and nursing care in tenanted accommodation which ensures that individuals' needs are met and giving people more independence, choice and control over where they live and how they receive care.

The purpose of the project is to design and develop alternative 'accommodation plus' options, which incorporate:

- 'extra care' living (generally for older clients) and
- supported living for younger people who require support from Adult Social Services due to a physical disability, learning difficulty or mental health condition.

Providing services in this way enables clients to live independently in the community, promoting well-being and alleviating social isolation. It also enables primary health, care and support services to come to the individual, rather than the individual being required to change their accommodation in order to receive services that can and should be available in the community.

The table below shows the four main client categories under which Adult Social Care (ASC) clients living in residential care homes may be receiving support, and number of units were planned to be developed in the first tranche of developments until March 2017 for each of these categories of service user. As the mix of units has planned until March 2017, it was agreed that further decisions would be made on the basis of the demographic of clients remaining in residential care at that time (2014). Analysis of the number of people receiving accommodation and support in 2017 suggest that figures from 2014 were underestimated.

Client Group			
Learning Disability 18-64	220	271	62
Mental Health	46	106	22

Older Services	People's	407	550	93
Physical 18-64	Disability	23	44	22
Grand Tota	al	696	971	200

# Who is affected by the proposal? Consider residents, staff and external stakeholders

National evidence suggests that this approach has the capacity to bring significant improvements to people's quality of life by moving away from a limited selection of traditional accommodation settings to a diverse range of accommodation settings which better support individual needs.

There is broad recognition that for some people residential/nursing care homes will continue to offer the best solution, and individual assessments will ensure that moves into "accommodation plus" units are only offered where appropriate. Conversely, there are significant numbers of people within restrictive residential care homes that could be better supported in more independent accommodation and who have the potential to achieve greater personal independence.

At present, there are over 1000 clients currently in residential or nursing care homes. Clients who are identified as potentially being suitable for accommodation plus will be identified through individual assessment of their health and social care needs. As a result, the likelihood is that the vast majority of accommodation plus units will be filled from those living in residential care homes. Those currently living in nursing care homes are more likely to have needs which are best managed within a nursing setting, and are least likely to be able to benefit from independent accommodation, although they will be considered on an individual basis. As such, this EA only considers equalities data relating to the 700 individuals living in residential care homes.

#### Provider/Staff

Although supporting individuals in extra care is not necessarily seen as a specialism our residential replacement model indicates we are asking generic support providers to support more complex individuals. This model means we will need to support providers to upskill to meet the needs of our tenants and this will particularly relate to recruitment, selection and the training needs of staff.

The local authority may also need to ensure that our health partners offer continuing support to providers whilst individuals are placed in extra care to maintain placements.

This proposal will diversify the provider mix, encouraging greater skills and expertise, as well as encouraging competition between the new providers. The level of specialist provision in the borough will increase creating employment opportunities for Brent residents.

#### **Service Users**

A large number of service users who are now in residential care or who would have traditionally be offered this service model when their needs become too complex to be managed in the community will now be offered Visram House. This offers them greater choice and control in a less restrictive environment.

#### **Carers and Families**

Where the families have been providing care to their members, but the care needs have increased beyond their level of coping and skills, or the capacity of the family carer has been affected by the change in their own care needs, family relationships will continue with the support of the professional carers and the environment conducive of independent living.

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

The core purpose of Adult Social Care is to prevent deterioration of physical and mental health, to promote independence and social inclusion, and to improve opportunities and life chances by provision of person-centred and needs-based support. The ability to live independently whilst receiving this tailored support has been shown to enable people to achieve better outcomes, and is what service users have told us that they want. The NAIL project will enable the Council to support the development of the types of accommodation that is needed, and to get involved earlier in the process so that we have adequate time to address any concerns our service users may have, and to build the skills they need to prepare for independent living.

The detailed needs assessments that are central to Adult Social Care will be used to match service users to the appropriate accommodation. These assessments are based upon need, and not on whether someone exhibits any of the protected characteristics, and as such are fair and transparent.

The policy would have a significant impact on different equality groups and on cohesion and good relations such as:

- Older group of people with learning disabilities improving accommodation and support options for an older group of people in a mainstream community.
- Older people with physical issues- instability of accommodation precluded from engagement with long term treatment and the support to make lasting life style changes
- Older people with MH needs being placed in services that would cater to their personal care and mental health needs

NAIL accommodation aims to address these inequalities by improving the security of tenure for the target group through:

- Issuing clients with Assured Shorthold Tenancies rather than Licence Agreements and designing the accommodation that would be suitable to individuals in the long term, rather than for a fixed period.
- Standard of accommodation adhering with meeting the long term needs rather than temporary arrangements, so that the accommodation is provided "for life", discouraging service revolving door through emergency and hospital services.
- Development of stabile accommodation that also delivers support with access to the main health care services as part of the package, thus improving treatment and management of chronic physical illnesses affecting the target group
- Including support with managing negative symptoms of psychiatric illnesses as part of accompanying support and care package (domestic support, managing hoarding behaviour, support with healthy nutrition, exercise, stimulating occupational framework catering individual's needs, interests and abilities, monitoring medication concordance)
- Establishing an environment where health relationships and supportive social networks can be developed and maintained
- Improving access to volunteering, education and employment opportunities

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

No changes to the level of the service are proposed, other than the opportunities identified during phase one to improve both the quality of service delivery and the commitment by Brent to support local residents to stay at home for as long as possible, or as close to home for as long as possible with excellent quality and personalised care and support.

It must be noted that Adult Social Care play an important role in ensuring that older people; people with learning disabilities, physical disabilities or mental ill health access the right support within the community. Also in doing so, Adult Social Care support social inclusion for these groups within the wider community in Brent.

In addition, it is the intention of the NAIL project to provide suitable, flexible communal space within schemes whenever possible that can be used for a variety of purposes, enabling different groups to participate in activities with one another.

We anticipate a positive impact in relation to most service users across all protected groups, as the opportunity to live independently with the right support and care is a preferable long term outcome than living in institutionalised and restrictive care settings.

The levels and type of service provision will remain as at present, but will be improved by giving service users more choice and independence to decide how and where they live. It is recognised that for many service users across all different groups, relocation may cause emotional distress and orientation issues in their new surroundings. To

mitigate this, it will be necessary to offer a 'resettlement package' to ensure that appropriate support and assistance are in place, both during and after the move.

As the project will move a significant number of service users throughout the borough, there is potential for a negative impact on faith / belief. While we hope that the varied distribution of potential sites mitigates this risk, the benefits of the project, and the financial pressure on Adult Social Care budgets mean that we must pursue the most suitable and viable sites and may not be able to take into account the relative location of places of worship. Should we identify a negative impact as the project progresses, we could consult with the Brent Multi-Faith forum to ascertain whether we can engage faith groups to provided added community support.

#### 3.4 Does the proposal relate to an area with known inequalities?

Overall, the detailed analysis has found that the proposals will be beneficial for all service users. The analysis has only identified a minor negative impact in relation to religion or belief as Visram may not be as close to places of worship as people may like.

There are numerous places of worship within a 1-3 mile distances of the scheme:

- St Michael's and all the Angels Church (Church of England), 1.2 mile
- Our Lady Of Willesden Church (Roman Catholic), 1 mile
- Ealing Synagogue, 2.8 miles
- BAPS Shri Swaminarayan Mandir (Hindu Temple), 1.5 miles
- Monks Park Masjid (Mosque), 1.6 miles.

While we hope that the varied distribution of places of worship, the benefits of the project, and the financial pressure on Adult Social Care budgets mean that we must pursue the most suitable and viable sites and may not be able to take into account the relative location of places of worship.

This aside, Visram House has the potential to have a significant positive impact on all service users, regardless of what protected characteristics they exhibit, by enabling them to have choice and control over their lives, and ensuring that tailored support is provided to them to improve their equality of opportunity and the overall quality of their lives.

#### Design and the quality of accommodation

Visram House is comprised of a single seven storey block with a lift to all floors. The schemes has 99 homes and this consists of 90 one bedroom flats and 15 two bedroom flats. All flats are 100% wheelchair accessible and feature turning circles in each flat, accessible wet rooms, additional storage and a pathway and knock out panel for a future hoist to move tenants between the bedroom and bathroom if is needed in the future.

The site has been specifically developed to provide communal space, both internal and external. Externally there is a communal garden, internally there are communal activity spaces on every floor area in which it is anticipated a range of activities will

both be facilitated and develop organically as the community matures. There is also a hairdressing unit on site and a guest bedroom facility so that tenants can have overnight visitors, even if they are not able to accommodate them within their flat.

#### **Location & local transport**

Although the immediate surrounding area is principally an industrial and warehousing zone the scheme is situated in a new residential community being developed about the Central Middlesex Hospital, centred on a neighbourhood centre. With such close proximity to the hospital the scheme will be unusually well served by GP and older people's health services. The proximity of the hospital also means that the scheme is particularly well served by bus services.

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

Yes

Brent has produced its first Market Position Statement (MPS) which aims to signal our intention to share better, more transparent information with the market; for the benefit of both current and potential providers of Accommodation Based Care and Support Services (ABCSS). It will support better relationships between Commissioners and service providers, acting as a foundation for better engagement and partnership working resulting in a full range of services that fully meet the needs of people as close to home as possible and to promote real choice for local people.

Packages of social care are based upon an individual's social care needs, irrespective of what protected groups they may or may not be part of. In doing this, services users are provided tailored support to enable them to live more independently and thus improve their equality of opportunity.

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

Yes, it relates to the following objectives:

Equality Objective 1: To know and understand all our communities

Equality Objective 2: To involve our communities effectively

Equality Objective 4: To ensure that local public services are responsive to different needs and treat users with dignity and respect

#### Recommend this EA for Full Analysis?

Yes. Full analysis is recommended in two years' time, updating the impact of the current proposal and entering the phase three of the NAIL program.

4. Describe how the policy will impact on the Council's duty to have due regard to the need to:

# (a) Eliminate discrimination (including indirect discrimination), harassment and victimisation;

As described above the Council will be better able to discharge its duty under the Care Act in meeting the client's eligible needs. Clients support plans and the assessment of needs will determine their eligibility for the service and the care plan developed in conjunction with a customer and the flexibility and bespoke nature of the services will reduce the inherent discrimination against the sections of the protected group by:

- Improving access to health care
- Securing a permanent address to allow engagement with healthy communities
- Advocacy
- Community safety and offending as well as protecting victims of crime
- Preventing Homelessness
- Community Cohesion
- Access to ETE
- Wellbeing- nutrition, sleep, exercise
- Promoting independence with people with Physical disability
- Concurrent support for people with Comorbidity issues 9MH and PD as well as MH and substance misuse)
- Reducing Housing inequality (security of tenure, financial stability, reducing transiency)

The following four principles guide our thinking around how we develop models of ABCSS going forward:

**Principle 1**: Wherever possible we meet people's needs at home or as close to home as possible and we will build local capacity in the marketplace to achieve this

**Principle 2:** We recognise that the needs of individuals may change over time, and we work with individuals receiving care and support to review the services they receive in line with these changes; which may mean a change in service provision to better meet their needs, rather than the customer moving accommodation as happens now.

**Principle 3:** We work proactively with the market to ensure that services are always of an excellent quality and value for money is always achieved.

**Principle 4:** For local people, who genuinely need residential or nursing care, we actively review and monitor the quality of these services, to ensure they are safe, personalised, and deliver excellent quality and good outcomes for individuals.

The Brent Health and Wellbeing Strategy 2014-2017 stipulates that people will need to take on much greater personal responsibility for their own wellbeing, making the right choices when these are open to them. At the same time, recognising those people who are vulnerable or at risk, so that we can focus on keeping people safe, offering prevention and early help for them.

#### (b) Advance equality of opportunity;

Providing stability of accommodation would allow commonly excluded group to participate in civic activities, family life, education, access to health care.

#### (c) Foster good relations

NAIL strives to work in partnership with the statutory Health provision, developing a system that would allow the health provision to continue being delivered according to a specific individuals need, but in more planned and coherent manner, reducing the occurrence of crisis, or making a better crisis management a possibility, that would move away from a revolving door between acute hospital, residential and housing.

Developing accommodation according to need and the flexibility in the design of the care packages would improve relationships between the housing and the care providers as well as mitigating anxieties of both.

#### 5. What engagement activity did you carry out as part of your assessment?

As Visram House is a new ECS there was no service user to engage.

We have however over the past 12 months engaged with a number of tenants across four other extra care schemes to establish what they think works well in extra care and what they feel requires more thought and improvement.

We have also completed contract management and analysed the reoccurring themes.

#### Things that worked well:

- Having one care provider and based in the scheme.
- Communal areas for activities and socialising.
- Having your own flat and care provided when required.
- Security and safety and knowing there is an emergency alarm and response when feeling unwell.
- More choice and control.
- Provider will manage aspects of care and support for service uses such as ordering medication etc.

#### Things that were not working as well:

- Not as many activities and opportunities as people would like.
- Care provider not always delivering a high quality service.
- Communication and consultation from care providers not always proactive.
- Staff turnover.
- Mixed community group was highlighting issues for both provider and service user.
- MCA/DOL's and the application.

This feedback was used to develop the service specification for Visram House and influence contract management and future Extra Care schemes.

6. Have you identified a negative impact on any protected group, or identified any unmet needs/requirements that affect specific protected groups? If so, explain what actions you have undertaken, including consideration of any alternative proposals, to lessen or mitigate against this impact.

No negative impact has been identified, as the project emerged from identification of the need for the protected group.

Stage 2: Analysis

# 5. What effects could your policy have on different equality groups and on cohesion and good relations?

Protected Group	Positive Impact	Adverse impact	Neutral
Age	X		
Disability	X		
Gender Re-assignment			Unknown
Marriage and Civil Partnership			Unknown
Pregnancy and Maternity			X
Race			X
Religion and Belief		Possible adverse impact	
Sex			X
Sexual Orientation			Unknown

# Age and Disability

People with mental health problems that are of a mature age would be placed in age appropriate accommodation, rather than directed towards older peoples extra care services earlier than their care needs may demand. People with physical disability and mental health problems would be receiving support in least restrictive environment, where their participation in occupational activities would be encouraged and institutionalisation prevented.

Gender identity, Sexual Orientation, and Marriage and Civil Partnership

Even though the impact of the policy is unknown, it is likely for it to have a positive impact, as people would be in more stable and better quality accommodation, that would allow them to express, establish and exercise activities that would lead to development of relationships.

# **Pregnancy and Maternity**

Due to the nature of the service and the service user profile, we do not anticipate any impact on this protected characteristic

## Sex:

Policy is likely to be neutral.

## Race,

Policy is likely to be neutral

# Religion or Belief:

The policy may have a minor negative impact in relation to religion or belief as sites cannot be guaranteed to be close to places of worship. While we hope that the varied distribution of potential sites mitigates this risk, the benefits of the project, and the financial pressure on Adult Social Care budgets mean that we may not be able to take into account the relative location of places of worship.

6. Could any of the impacts you have identified be unlawful under the Equality Act 2010? Prohibited acts include direct and indirect discrimination, harassment, victimisation and failure to make a reasonable adjustment.

Yes

No

7. Please provide a brief summary of any research or engagement initiatives that have been carried out to formulate your proposal.

See section 5.

# What did you find out from consultation or data analysis?

As a local authority we are still placing a significant number of people in residential care due to not having enough alternatives available to meet demand. This appears to be the emergency cases when something is needed urgently and no extra care places are available and there is not enough time to assess and do a tenancy sign up especially where there maybe capacity and best interest decisions to be made.

Service users with Dementia are ending up in residential or nursing services due to lack of services. This tells us that we also need to consider how we meet this demand in new and existing extra care schemes.



# Cabinet 23 October 2017

# Report from the Strategic Director of Community Wellbeing

Wards affected: All Wards

# Selective Licensing in the Private Rented Sector - Update

# 1. Purpose of the Report

- 1.1 This report advises members of the need to acknowledge and correct some drafting errors in the report considered by Cabinet on 19<sup>th</sup> June 2017: Selective Licensing in the Private Rented Sector.
- 1.2 This report does not affect the decisions taken on 19<sup>th</sup> June 2017 regarding the designation for selective licensing in relation to Designation Areas 1 (the wards of Dudden Hill, Kensal Green, Kilburn, Mapesbury and Queens Park), 3 (the wards of Dollis Hill and Welsh Harp) and 5 (the ward of Stonebridge). This report also does not affect the decision regarding the setting of licensing fees for the six designation areas. By way of clarification, this report seeks to make corrections in respect of Designation Areas 2, 4 and 6 and the wards included in those areas which are set out in paragraphs 2.2 and 2.3 below.

# 2. Recommendations

- 2.1 Cabinet notes the identified inconsistencies in the original report of 19 June 2017 and the required amendments, in particular that Preston ward is included in Designation Area 4 and Queensbury ward in Designation Area 6 and that no rectifications are required regarding Designation Areas 1, 3 and 5.
- 2.2 Cabinet agrees by way of clarification that the legal requirements for introducing Selective Licensing on the grounds of anti-social behaviour (ASB) and/or migration and/or deprivation and/or poor housing conditions and/or high levels of crime have been met with regard to three of the six selective licensing designation areas as summarised in table 6 in paragraph 10.16 of the report to Cabinet dated 19 June 2017, which cover the following Council wards:

- i) Brondesbury Park (designation 2 on grounds of migration, antisocial behaviour and high level of crime);
- ii) Alperton, Barnhill, Sudbury, Tokyngton, Preston (designation 4 on grounds of anti-social behaviour and poor housing conditions);
- iii) Fryent, Kenton, Northwick Park, Queensbury (designation 6 on grounds of anti-social behaviour and migration).
- 2.3 Subject to paragraph 2.2 above and by way of clarification, agrees to authorise the designation of three areas for selective licensing, namely Designation Areas 2, 4 and 6 to last for five years from the date of designation which cover the following Council wards as shaded in blue and marked D2, D4 and D6 on the map at paragraph 4.6 of this report, namely:
  - i) Brondesbury Park (designation area 2);
  - ii) Alperton, Barnhill, Sudbury, Tokyngton, Preston (designation area 4);
  - iii) Fryent, Kenton, Northwick Park, Queensbury (designation area 6).
- 2.4 Agrees to seek consent from the Secretary of State for the designation for Selective Licensing of the three designation areas 2, 4 and 6 as referred to in paragraphs 2.2 and 2.3 above and notes that this consent application in relation to designation areas 2, 4 and 6 will be submitted in addition to the application for consent which has been submitted to the Secretary of State following the Cabinet's decision of 19 June 2017.
- 2.5 Agrees that authority to issue the required statutory notifications in respect if designation areas 2, 4 and 6 as referred to in paragraphs 2.2 and 2.3 above in relation to the Selective Licensing Scheme designations are delegated to the Strategic Director of Community Wellbeing, in consultation with the Lead Member for Housing and Welfare Reform.
- 2.6 Agrees that, subject to consent being obtained from the Secretary of State, and the issue of statutory notifications, that the Strategic Director of Community Wellbeing, in consultation with the lead member for housing and welfare reform is authorised to decide the date from which the council will begin to accept applications for Selective Licensing for the Designation Areas 2, 4 and 6 and the date on which those three designations will come into effect.

## 3. Detail

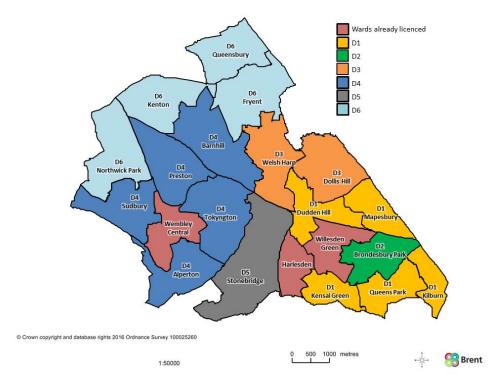
3.1 On 19<sup>th</sup> June 2017, Cabinet approved a report recommending the extension of Selective Licensing on the basis of six new designations, covering the wards not included in the existing scheme covering Harlesden, Wembley Central and Willesden Green. The recommendation at 2.1 in the report requested that Cabinet "Agrees that the legal requirements for introducing Selective Licensing on the

grounds of anti-social behaviour (ASB) and/or migration and/or deprivation and/or poor housing conditions have been met with regard to the proposed selective licensing designation areas as summarised in table 6."

- 3.2 Table 6 in paragraph 10.16 in the report presented to the Cabinet on 19 June 2017 set out the correct proposed designations. The six draft designation orders, which were included as an appendix to the report, also referred to the correct designation areas. Sub-paragraphs (i) to (vi) of recommendation 2.1 of the report dated 19 June 2017 set out the wards included in each designation as follows:
  - (i) Dudden Hill, Kensal Green, Kilburn, Mapesbury, Queens Park (designation area 1 on grounds of anti-social behaviour, poor housing conditions, migration and high levels of crime);
  - (ii) Brondesbury Park, Queensbury (designation 2 on grounds of migration, anti-social behaviour and high level of crime);
  - (iii) Dollis Hill, Welsh Harp (designation 3 on grounds of poor housing conditions and anti-social behaviour);
  - (iv) Alperton, Barnhill, Sudbury, Tokyngton, (designation 4 on grounds of anti-social behaviour and poor housing conditions);
  - (v) Stonebridge (designation 5 on grounds of anti-social behaviour, high levels of crime, deprivation and poor housing conditions);
  - (vi) Fryent, Kenton, Northwick Park, Preston (designation 6 on grounds of anti-social behaviour and migration).
- 3.3 The wards listed in sub-paragraphs (i), (iii) and (v) in the previous paragraph are correct and match the contents of table 6 in paragraph 10.16 of the report of 19 June 2017. However, in sub-paragraph (ii), Queensbury has been included in error, in sub-paragraph (iv) Preston has been omitted in error and in sub-paragraph (vi) Preston has been included and Queensbury omitted in error. The corrections in respect of Designation Areas 2, 4 and 6 are set out in paragraphs 2.2 and 2.3 of this report.
- 3.4 Recommendation 2.2 of the report which was presented to Cabinet on 19 June 2017, which sought approval for the individual designations, repeats these errors as does the map which was set out in paragraph 10.10 of the report dated 19 June 2017.
- 3.5 Paragraph 10.9 of the 19 June 2017 report introduces the rationale for the individual designations, each of which is considered in the subsequent paragraphs. Paragraph 10.11, covering designation 2, paragraph 10.13, covering designation 4 and paragraph 10.15, covering designation 6, include the same mistake.
- To clarify, the rationale set out at paragraph 10.9 onwards should have read as follows in respect of Designation Areas 2, 4 and 6:
  - 3.6.1 The Brondesbury Park ward is also situated within the south east of the borough and although levels of ASB are less significant, (ranked 16<sup>th</sup>),

- migration (9<sup>th</sup>) and crime (13<sup>th</sup>) levels are serious problems. Brondesbury Park having quite distinctive issues in particular migration forms a separate designation in its own right. **Designation 2**.
- 3.6.2 The wards listed in the table in paragraph 10.16 (of the Cabinet report dated 19 June 2017) in relation to ASB also rank highly for poor property conditions. It is proposed that the wards of Tokyngton and Barnhill which were not included in designation 1 should be combined with the other wards which provide evidence of disrepair, these being Sudbury (8th rank) and Alperton (11th rank and also 11th for deprivation) along with Preston which is ranked 15th for disrepair and is located geographically next to the other wards in this area to form a separate designation based on these two criteria, namely poor property conditions and ASB **Designation 4**.
- 3.6.3 A strong correlation is shown between migration and the PRS in the north western wards, notably Preston (11<sup>th</sup> rank) and Northwick Park (13<sup>th</sup> Rank). These wards plus Fryent consistently feature as the wards least linked to problems in the single family PRS. Queensbury is ranked 12<sup>th</sup> for ASB and 18<sup>th</sup> for migration suffering from similar problems. It is also located geographically next to the other wards in this area. However given the very strong ASB problems linked to the whole PRS (R²=0.73), these three wards are combined with Kenton to form **Designation 6**, on the basis of migration and ASB
- 3.6.4 The map below illustrates the geographical coverage of the proposed designations, each of which is numbered in line with Table 6 in paragraph 10.16 of the report to the Cabinet meeting of 19 June 2017.

# **Map of Proposed Licensing Designations**



- 3.7 The purpose of this report is to clarify and correct drafting errors in the Cabinet report of 19 June 2017. The evidence and the rationale behind the recommendation to extend licensing were set out in detail in the report dated 19 June 2017 and its appendices and Table 6 referred to in recommendation 2.1 which clearly set out the correct wards within each designation, as did the Designation Orders appended to the report.
- 3.8 In practical terms, no rectifications need to be made in respect of Designation Areas 1, 3 and 5 and the Designation Orders have already been made in respect of these three areas.
- 3.9 In order to provide clarity and leave no room for doubt or ambiguity, the Cabinet is asked to approve the recommendations set out in section 2 of this report so that the correct wards are set out in respect of Designation Areas 2, 4 and 6 with the reasons justifying why designation orders should be made in respect of Designation Areas 2, 4 and 6. If the Cabinet approves the recommendations in this report, although Designation Orders which were made in respect of Designation Areas 2. 4 and 6 are correct in their content and cover the correct wards, fresh Designation Orders will be made in respect of Designation Areas 2, 4 and 6 relying on the authority of the decision of the Cabinet (this is on the assumption that the recommendations in section 2 of this report are approved). The content of the new Designation Orders for designation areas 2, 4 and 6 will be precisely the same in the content (apart from the date) as the designation orders for designation areas 2, 4 and 6 which were made after the decision of Cabinet dated 19 June 2017.

3.10 The application for consent following the decision of the Cabinet dated 19 June 2017 has been submitted to the Secretary of State. The Department of Communities and Local Government has indicated that a decision should be expected towards the end of the year. Therefore, the clarification of the wards included in designation areas 2, 4 and 6 will not cause any delay in the consideration of the Council's application for consent to the Secretary of State.

# 4. Legal Implications

4.1 The implications are detailed in the original Cabinet report of 19th June 2017.

# 5. Financial Implications

5.1 There are no financial implications arising from this report in addition to those identified in the report approved by Cabinet in June 2017.

# 6. Equalities Implications

6.1 There are no equalities implications arising from this report in addition to those identified in the report approved by Cabinet in June 2017.

# **Background Papers**

None.

# **Contact Officers**

Anthony Jemmott
Private Sector Housing Licensing Manager
Anthony.jemmott@brent.gov.uk
020 8937 2377

Spencer Randolph Head of Private Housing Services Spencer.randolph@brent.gov.uk 020 8937 2546

Tony Hirsch
Strategy and Policy Manager, Housing Partnerships
Tony.hirsch@brent.gov.uk
020 8937 2336

PHIL PORTER
Strategic Director – Community Well-Being



# Cabinet 23 October 2017

# Report from the Strategic Director of Regeneration & Environment

For Action Wards affected: Kilburn

Queens Park/Cullen House, South Kilburn - Approval to bring forward the JV Co or other option to commence delivery of this project to include procurement of a construction partner

# 1 Purpose of the Report

- 1.1 The regeneration of South Kilburn is a fifteen year programme that is approximately half way through. It aims to transform the area into a sustainable and mixed neighbourhood and create a real sense of place and belonging. The programme will deliver around 2,400 new homes of which 1,200 will be made available for social rent for existing South Kilburn, secure council tenants. To date 1073 new homes have been delivered with 60% (639) new homes having been made available for existing secure tenants of South Kilburn. Woodhouse Urban Park was opened to the public in May 2016 and South Kilburn residents are able to utilise St Augustine's Sports Hall.
- 1.2 The Council's objective is to provide high quality new homes with values driven from market sales in order to maintain the viability of the Regeneration Programme in the long-term, and to achieve a substantial improvement in the living conditions of existing South Kilburn secure Council tenants.
- 1.3 The South Kilburn Masterplan review took place in 2016, and the community are at the heart of our decision making process. We have taken an inclusive and participatory approach to consultation and engaged with residents and stakeholders of South Kilburn with extensive local consultation from July through to December, which directly fed into the drafting of a revised South Kilburn Supplementary Planning Document 2017 (SPD). The SPD was adopted by Cabinet on the 19 June 2017 and will be an important document in determining how this area continues to transform over the next 10-15 years.
- 1.4 The South Kilburn Regeneration Programme also includes the delivery of a new larger high quality urban park and an improved public realm, a new local primary school, new health facilities, new retail facilities, an Enterprise Hub and Community Space, improved environmental standards and a South Kilburn District Energy System. The South Kilburn Programme has been recognised for exemplar design for new build homes as well as landscape projects and has won a number of prestigious awards.

- 1.5 The report relates to Queens Park/Cullen House, which is a fundamental part of the South Kilburn Regeneration Programme. The Site comprises of Keniston Press (now demolished), Premier House, Salusbury Road public car park, Cullen House and the Falcon Public House together defined as "Queens Park/Cullen House" (see appendix 1 Existing Site Plan).
- 1.6 This report provides an update on the progress regarding the Joint Venture with London & Newcastle Capital Limited **(LN)** but also sets out a contingency option to acquire the Falcon Public House (FPH).
- 1.7 The report also seeks approval to procure a construction partner. However if the JV can be established then Recommendations 2.2; 2.3; 2.4; 2.5 and 2.6 would not be required to be implemented. The appointment and selection of a construction partner would then fall within the remit of the JV Board.
- 1.8 This report also seeks approval to set rent levels at Homes and Communities Agency target rents as well as seeking approvals in relation to property issues relating to the Queens Park/Cullen House Site.

## 2 Recommendations

That Members:

- 2.1 Note the significant progress made on the technical issues and the current position as set out in paragraph 3.6 and 3.7 with regard to progress in establishing a Joint Venture Company with London & Newcastle Capital Limited for the comprehensive redevelopment of the Queens Park/Cullen House project.
- 2.2 Delegate to the Strategic Director of Regeneration and Environment in consultation with the Lead Member Regeneration, Growth, Employment and Skills authority to implement the contingency option detailed in paragraph 3.8 (the "Contingency Option") should it not be possible to agree the terms of the Joint Venture.
- 2.3 Authorise Officers to negotiate a buyout of London & Newcastle Capital Limited's interest in the Falcon Public House in order to bring the site forward for development, should the Contingency Option be selected.
- 2.4 Approve the procurement of a construction partner for the Queens Park/Cullen House site either through a mini-competition using an appropriate Framework or alternatively through a Competitive Procedure with Negotiation under the Public Contracts Regulations 2015 on the basis of the pre-tender considerations and evaluating the tenders on the basis of the evaluation criteria set out in (Appendix 3) should the Contingency Option be selected.
- 2.5 Delegate to the Strategic Director of Regeneration & Environment in consultation with the Lead Member of Regeneration, Growth, Employment and Skills, authority to select the appropriate procurement route outlined in 2.4 above for the reasons detailed in paragraph 3.11.
- 2.6 Delegate authority to award a contract for a construction partner for the Queens Park/Cullen House site to the Strategic Director of Regeneration & Environment

in consultation with the Lead Member of Regeneration, Growth, Employment and Skills for the reasons detailed in paragraph 3.14. should the Contingency Option be selected

- 2.7 Approve the setting of rent levels for the affordable homes at the Queens Park/Cullen House site once complete, at a rent equivalent to the H.C.A. Target Rent levels.
- 2.8 To agree in principle that the Council acquire a long lease of Networks Rail's interest. A further report will be presented to Members on the terms negotiated for this proposed purchase which will help to bring the site forward for redevelopment.
- 2.9 To agree that officers negotiate and enter into Heads of Terms with Transport for London for the delivery of their new offices.

## 3 Detail

# **Background**

- 3.1 The Council's Scheme for the redevelopment of the Queens Park/Cullen House has the benefit of full detailed planning permission granted in 2012 and has since secured further planning approvals which made adjustments to the original consent most recently in 2017. These adjustments are considered to improve the original scheme but not materially alter the original scheme.
- 3.2 Queens Park/Cullen House is a consented scheme and a vital part of the South Kilburn Regeneration Programme currently sitting within Phase 3a/3b. The redevelopment will provide 137 new high quality homes of which 39 will be for social rent for existing secure tenants of South Kilburn, along with new public space, 1270 sqm of commercial space, 959 sqm of office space and a new signalled junction at Kilburn Lane.
- 3.3 The scheme will require the closure of the existing spur road and the introduction of a new signalled junction at Kilburn Lane. The Public Notice advising of the intention to close this road has been published and consultations have taken place with Westminster City Council. A Stopping up Order is due to be heard at General Purposes Committee seeking approval in December 2017.
- 3.4 This development has been in abeyance since 2012 when HS2 safeguarded the site for a vent shaft and ATS. This HS2 safeguarding is now removed enabling development to proceed. As such the Council is currently extinguishing third party interests on the land owned by the Council and has secured vacant possession of Cullen House.
- 3.5 The Council did not take the opportunity to acquire the Falcon Public House when it was placed on the market by the former owners, Greene King, and consequently the site was acquired by private developers, LN, who subsequently approached the Council to propose a joint venture to develop the site. Following discussions between the parties in April 2017 the Cabinet approved for Brent Council to enter into a JV vehicle to bring forward the comprehensive redevelopment of this site as a Limited Liability Partnership (LLP) with London &

- Newcastle Capital Limited, or a member of its group as approved by the Council. (Appendix 2 (Site 18) Queens Park/Cullen Cabinet Report April 2017).
- 3.6 To date reasonable progress has been made in agreeing the Heads of Terms of the JV but the final details remain unresolved. A proposal is currently being considered by both parties to unlock the impasse and if acceptable would mean that the JVV could be set up before the end of 2017 and, subject to various technical and legal matters including HS2 consent, would allow a start on site Spring 2018. Both parties are striving to narrow the contractual differences and it would appear the genuine desire and preference on both sides is to conclude the negotiations by establishing the JVV. Brent has identified the Directors who will be on this JVV Board and are making preparations to ensure officers are fully briefed as to their roles and responsibilities.
- 3.7 However, it is considered prudent to now contemplate the possibility of these remaining issues taking too long to resolve; the delay does have a knock impact for the Council in regard to other SK Regen projects due to the need to be able to relocate tenants whilst keeping them on the estate, or these final issues may just not be capable of settlement. Therefore this report also seeks, as a contingency measure, to be utilised only once it is clear that the JVV cannot be formed in a reasonable time frame for authority to proceed with this scheme by acquiring the Falcon PH.
- 3.8 The Cabinet has previously delegated authority to the Strategic Director of Regeneration and Environment in consultation with the Lead Member Regeneration, Growth, Employment and Skills, to agree terms for creation and entry into a joint venture based on the draft Heads of Terms approved by Cabinet. If this is not possible, the proposed contingency option would require officers purchasing LN's interest in the Falcon PH and the procurement of a delivery partner to develop the Queens Park/Cullen House site. This additional authority is merely to provide a contingency option should it be determined that the JVV cannot be entered into by Brent Council. It is envisaged that this contingency option would only be contemplated where the parties have not been able to enter into the JV within, say three months of this decision.
- 3.9 The Council has acquired by agreement all leasehold interests in Cullen House and all secure tenants have moved to alternative homes within the South Kilburn Estate. It is in the process of removing all other third party interests and seeking to acquire a long lease of land owned by Network Rail. The Falcon Public House is still operational and Premier House, which is owned and occupied by TfL, will also remain operational until new purpose built offices are available to TfL to relocate. The Council is also seeking to enter into Heads of Terms with TfL to facilitate their relocation to the proposed new office space

# **Delivery Partner**

3.10 Should it not be possible to agree terms of a JV with LN, the Officers consider a Delivery Partner should be procured ahead of the site being fully vacant in order to speed up delivery timescales for both delivering the new homes, but also to assist with the wider South Kilburn programme. It is hoped that by the time a delivery partner is on board the site will be fully vacant and under the ownership of Brent Council. The procurement options currently being considered are:

- Procurement using the Competitive Procedure with Negotiation under the Public Contracts Regulations 2015 (PCR 2015);
- Procurement by way of a mini competition using a framework that has itself been procured under the PCR 2015.

The current estimated target for a start on site is the spring/summer 2018

- 3.11 Officers preferred procurement route for the selection of a delivery partner is by means of a mini competition using an appropriate framework. Officers are currently reviewing a range of possible frameworks. Should the frameworks prove to be unsuitable however, then Officers would wish to proceed with a procurement using the Competitive Procedure with Negotiation under the PCR 2015.
- 3.12 Given that Officers have not yet identified a suitable framework, Cabinet approval is sought to delegate authority to the Strategic Director of Regeneration & Environment in consultation with the Lead Member of Regeneration and Environment, to select the appropriate procurement route.
- 3.13 Should the Competitive Procedure with Negotiation procurement route be selected, Cabinet is asked to give its approval to the pre-tender considerations set out in Appendix 3 and in accordance with Standing Order 89.
- 3.14 Officers are conscious of the ongoing delays to the Queens Park/Cullen House project. Should it be appropriate to proceed with the procurement of a delivery partner, negotiations with LN having failed to result in agreement on the JV, Officers recommend that to avoid further delay authority to award the contract for a delivery partner is delegated to the Strategic Director of Regeneration & Environment in consultation with the Lead Member of Regeneration, Growth, Employment and Skills.

# **Target Rents**

- 3.15 On 18 July 2011 the Executive adopted HCA Target Rent level equivalence for affordable developments in South Kilburn. HCA Target Rent level equivalence was considered the only realistic way of affording the South Kilburn regeneration programme and avoiding the requirement for large amounts of grant that would not in themselves be certain of being awarded and, if awarded, would require rents to be increased to the new higher 'affordable rent' levels of up to 80% market rents.
- 3.16 Target Rents are calculated by a formula, the basis of which is set out below.

  Target Rent increases are also pegged to inflation and subject to an overall cap:
  - 30% of a property's Target Rent is based on relative property values compared to the national average
  - 70% of a property's Target Rent is based on relative local earnings compared to the national average
  - A bedroom factor is then applied so that, other things being equal, smaller properties have lower rent

3.17 Between 2010/11 and 2014/15 increases in Target Rent levels and caps were linked to RPI as set out in the tables below:

Year	Guideline Limit	All Items RPI changes at Previous September	Guideline Limit for rent changes	Maximum increase to individual rent
1/4/2014 to 31/3/2015	RPI + 0.5%	+ 3.2%	+ 3.7%	+ 3.7% plus £2 per week
1/4/2013 to 31/3/2014	RPI + 0.5%	+ 2.6%	+ 3.1%	+ 3.1% plus £2 per week
1/4/2012 to 31/3/2013	RPI + 0.5%	+ 5.6%	+ 6.1%	+ 6.1% plus £2 per week
1/4/2011 to 31/3/2012	RPI + 0.5%	+ 4.6%	+ 5.1%	+ 5.1% plus £2 per week
1/4/2010 to 31/3/2011	RPI + 0.5%	- 1.4%	- 0.9%	- 0.9% plus £2 per week
Year	Rent Cap Change limit		All Items RPI change at the Previous September	Change in rent cap Levels
1/4/2014 to 31/3/2015	RPI + 1.0%		+ 3.2%	+ 4.2%
1/4/2013 to 31/3/2014	RPI + 1.0%		+ 2.6%	+ 3.6%
1/4/2012 to 31/3/2013	RPI + 1.0%		+ 5.6%	+ 6.6%
1/4/2011 to 31/3/2012	RPI + 1.0%		+ 4.6%	+ 5.6%
1/4/2010 to 31/3/2011	RPI + 1.0%		- 1.4%	- 0.4%

3.18 In 2015/16 however this policy was reversed with rents in the social sector reducing by 1% per annum for four years from 1st April 2016.

Target & Formula Rent Caps 2015-16 have now been published as below:

Number of Bedrooms	Rent Cap
0 or 1	£141.43
2	£149.74
3	£158.06
4	£166.37
5	£174.69
6 or more	£183.00

- 3.19 New social rented properties developed in South Kilburn are worth more than existing Council properties, so attract a higher Target Rent under the formula outlined. Any inflationary rent increases on these new properties, would therefore also be higher in monetary terms.
- 3.20 In line with the Council's commitment to maintaining current HCA Target Rent level equivalence in regeneration areas it is recommended that the Cabinet agree to set the rent levels for the affordable units at the Queens Park/Cullen House site once complete, at rents equivalent to the HCA Target Rent levels.

# 4 Financial Implications

- 4.1 The aim of the financial model for the South Kilburn regeneration programme is to be self-financing within the funding envelope generated from on-going disposals. The capital receipts generated are reinvested back into the South Kilburn regeneration programme, to enable the rolling regeneration programme that delivers new homes.
- 4.2 The South Kilburn model has traditionally worked through a process of procuring delivery partners, who develop an existing site and generate high value properties. In return for this site, they build affordable and social housing, while also delivering capital receipts to support the capital programme.
- 4.3 The Council, if it entered into the proposed JV model, would wish to be assured that the terms secured through that were more favourable, taking all of the relevant factors into account, than those that could be achieved through the approach adopted to date, as described above. The financial modelling undertaken provisionally demonstrates that this would be the case. There would be a very different set of cash flows, as under this option the council would be taking on a share of the development costs, in exchange for longer-term returns.
- 4.4 The cost of the procurement process will be paid out of existing budgets.

# 5 Legal Implications

- 5.1 Should it not be possible for the council and LN to agree the terms of the Joint Venture, Officers are seeking the option to pursue the delivery of the comprehensive redevelopment of the Queens Park / Cullen House project through the negotiated acquisition of LN's interest in the Falcon Public House and the appointment of a delivery partner. Delegated authority is sought enabling the Strategic Director of Regeneration and Environment in consultation with the Lead Member Regeneration, Growth, Employment and Skills authority to decide whether to proceed with a Joint Venture with LN for the comprehensive redevelopment of the Queens Park/Cullen House project or alternatively to procure a delivery partner for the redevelopment.
- 5.2 Should the Strategic Director consider that the selection of an alternative delivery partner is preferred then where the Council utilises a development agreement in respect of the land, it will need to undertake some form of procurement process which is compliant with EU law in order to identify a partner to carry out the development. The Court of Justice has ruled that development agreements cannot be viewed as merely part of a land transfer, because they impose detailed requirements as to the development to be constructed and are therefore a form of procurement of works
- 5.3 As indicated in paragraph 3.11, Officers' preferred procurement approach is the use of a suitable framework that has been procured pursuant to the PCR 2015. The Council would be required to operate a mini-competition in accordance with framework rules, to include evaluation using the criteria specified in the framework. In accordance with Contract Standing Order 86 (e) no formal tendering procedures apply where contracts are called off under a Framework Agreement established by another contracting authority though there is a

- requirement for the Chief Legal Officer to confirm that participation in the Framework Agreement is legally permissible. Following the operation of a minicompetition Cabinet approval is required for the award of a High Value Contract.
- 5.4 Should it not be possible to identify a suitable framework to procure a delivery partner, the intention is to identify a delivery partner through inviting tenders using the Competitive Procedure with Negotiation under the PCR 2015.
- 5.5 When a Competitive Procedure with Negotiation under the PCR 2015 is used, the value of this proposed procurement over its lifetime will be higher than the EU threshold for Services and the procurement of the contract is therefore governed in full by the PCR 2015. The estimated value of the procurement is in excess of £500k and therefore it will be classed as a High Value Contract under Contract Standing Orders and accordingly the Cabinet must approve the pretender considerations set out in (Appendix 3) above (Standing Order 89) and the inviting of tenders (Standing Order 88).
- 5.6 Once the procurement process has been undertaken under the PCR 2015, officers would ordinarily report back to the Cabinet recommending award. However, for the reasons detailed in paragraph 3.14, authority to award the contract for a delivery partner is delegated to the Strategic Director of Regeneration & Environment in consultation with the Lead Member of Regeneration, Growth, Employment and Skills.
- 5.7 Using the Competitive Procedure with Negotiation under the PCR 2015, the Council must observe the requirements of the mandatory minimum ten calendar days standstill period imposed by the PCR 2015 before the contract can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing the prescribed information which includes the reasons for the decision and the characteristics and relative advantages of the winning bid. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract may commence.

# 6 Equality Implications

- 6.1 The new affordable homes in South Kilburn are available to all secure tenants currently living in properties due for demolition as part of the South Kilburn regeneration programme within the neighbourhood. In regards to the Queens Park/Cullen House site, secure tenants within the South Kilburn Regeneration Programme will be offered the opportunity to move into the new affordable (social rent) units. The additional units will be made available to other secure tenants living in properties due for demolition as part of the South Kilburn regeneration programme.
- 6.2 Every effort should be made to provide the secure tenants with suitable alternative accommodation and to reach mutually acceptable agreements with the leaseholders to buy their properties without seeking legal action. When

- identifying the options and alternatives put forward, the Council should proactively engage with affected residents and leaseholders.
- 6.3 As with all other schemes that are part of the South Kilburn regeneration programme, full consideration must be given to residents and leaseholders with protected characteristics, particularly people with disabilities and / or other types of vulnerabilities due to older age, childcare and/or caring responsibilities, socioeconomic status (lone parents and large families).
- 6.4 The diverse residents and stakeholders impacted have been consulted extensively from July through to December; this directly fed into the drafting of a revised South Kilburn Supplementary Planning Document 2017 (SPD).
- 6.5 There will also be a number of assets which will benefit residents from different backgrounds. For younger people there will be a new larger high quality urban park and a new local primary school. Residents can access an improved public realm and new health facilities which will encourage healthier lifestyles. There will also be new opportunities for jobs and growth through new retail facilities, an Enterprise Hub and Community Space. These elements will address socio economic disadvantage.

# Race / Ethnicity

6.6 Due to the ethnicity profile of the area, full consideration must be given to the impact on black, Asian and minority ethnic individuals/groups. The Council must also ensure that the options put forward to secure residents and leaseholders, so far as possible, provide reasonable and affordable alternatives that enable them to remain in the area and maintain their family and community ties, as per Article 1 of the First Protocol and Article 8 of the European Convention on Human Rights.

# Age/Carers/Disability/Pregnancy and maternity

- 6.7 The requirements for anyone who is older or with a disability, or those who are pregnant or on maternity to have to move from their current property (residential or commercial property) is likely to be more difficult and could suffer greater psychological effects, including stress. (This in turn has an impact on carers).
- 6.8 To mitigate this, for the secure tenants who are moving, the re-housing team provides help to secure tenants through the moving process, additional support and services to those who require it can be provided.
- 6.9 Leaseholders may be affected if they are seeking to acquire a similar sized property in the surrounding area as the value for a Local Authority property tends to be less than a non-Local Authority property. To counteract this leaseholders have been offered the option of shared-equity on the South Kilburn Estate. For those who move off the estate, they may have to increase/get a new mortgage agreement which could be difficult for older residents or those with caring/dependant children responsibilities. The Council has recruited an estate regeneration leasehold liaison officer which will liaise with all leaseholders providing support and guidance as to the options available to relocate or sell their property.

# Socio-economic Disadvantage

6.10 Target rents are proposed for secure tenants, but it should be noted that new social rented properties being developed in South Kilburn have a higher capital value than existing Council properties and therefore will attract a higher Target Rent under the target rent formula. In line with the Council's commitment to maintaining current HCA Target Rent levels in regeneration areas it is recommended that the Cabinet agree to set the rent levels for the affordable units at the Queens Park/Cullen House site once complete, at rents equivalent to the HCA Target Rent levels.

# 7 Staffing/Accommodation Implications

7.1 There are no specific implications for Council staff or accommodation associated with the proposals contained within this report save as detailed elsewhere in Section 3.

# 8 Public Services (Social Value) Act 2012

- 8.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the council might act with a view to securing that improvement; and whether the council should undertake consultation. This duty does not strictly apply to the proposed contract as it is not a services contract. Nevertheless, Officers have had regard to considerations contained in the Social Value Act in relation to the proposed procurement.
- 8.2 The services to be procured under the Contingency Option aim to improve the economic, social and environmental well-being of residents of South Kilburn through the disposal and development of this site. The new homes will improve living conditions of residents of South Kilburn. The delivery partner will be required prior to a material start (excluding demolition and piling) to inform in writing Brent Works of the projected number of construction jobs and training opportunities to be generated through the development and provide a copy of the Schedule of Works, and, prior to a Material Start to prepare and submit for the Council's approval, an Employment Training Plan for the provision of training, skills and employment initiatives for residents of the Borough relating to the construction phase of the Development and also the operational phase of the Development.
- 8.3 Officers will also have regard to the Social Value Act in its procurement of a delivery partner should it be necessary to proceed with the Contingency Option and seek to implement Social Value considerations where permitted.

# 9 Background Papers

Appendix 1 – Existing Site Plan

Appendix 2 – Queens Park/Cullen House Site Cabinet Report

Appendix 3 – Standing Order 88 & 89

#### 10 **Contact Officers**

Marie Frederick Senior Project Manager

Tel: 020 8937 1621

E-mail: marie.frederick@brent.gov.uk

Richard Barrett Head of Estate Regeneration

Tel: 020 8937 1330

E-mail: richard.barrett@brent.gov.uk

Aktar Choudhury Operational Director of Regeneration

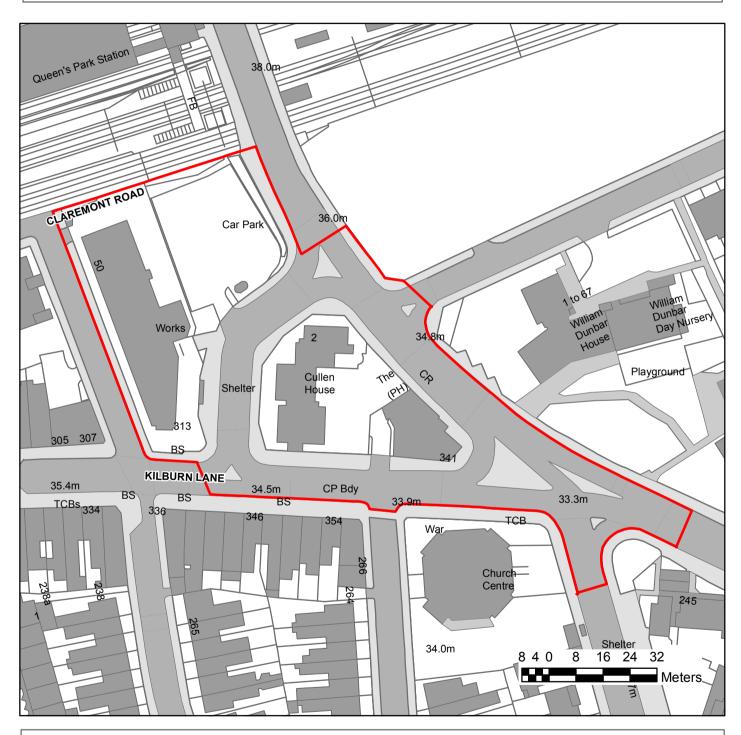
Tel: 0208 937 1764

Email: aktar.choudhury@brent.gov.uk

AMAR DAVE Strategic Director Regeneration & Environment



# Site 18 Red Line Boundary





# Premises shown outlined red.

1:1,120 Plan to stated scale if printed at A4.

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**NORTH** 







# Cabinet 24 April 2017

# Report from the Strategic Director of Regeneration & Environment

Wards Affected: Kilburn, Queens Park

Authority to enter into a Joint Venture Vehicle to bring about the comprehensive development of the Cullen House & Falcon P.H. site in South Kilburn Regeneration Programme Area

# **Appendix 2 is Not for Publication**

# 1.0 Summary

- 1.1 This report sets out the detail of a proposal to enter into Heads of Terms with the landowner/developer of the Falcon Public House, London & Newcastle Capital Limited, (**LN**), or a member of its group, in order to proceed with the establishment of a Joint Venture Vehicle to bring forward the comprehensive redevelopment of the Cullen House & Falcon P.H. development site.
- 1.2 This development will involve the demolition of Keniston Press, Premier House, Cullen House and the Falcon public house and the closure of the spur road), together defined as ("Site 18"), please see (Appendix 1); which is a site that forms part of Phase 2b of the, South Kilburn Regeneration Programme.

# 2.0 Recommendations

- 2.1 Subject to 2.2 below, to approve the creation and for Brent Council to enter into a joint venture vehicle to bring forward the comprehensive redevelopment of Site 18 through the formation of a Joint Venture Vehicle (JV) as a Limited Liability Partnership (LLP) with London & Newcastle Capital Limited, or a member of its group as approved by the Council (LN) (as the landowner of the Falcon Public House);
- 2.2 Delegate authority to the Strategic Director of Regeneration and Environment in consultation with the Lead Member Regeneration, Growth, Employment and Skills, to agree terms for creation and entry into a joint venture based on the draft Heads of Terms at (**Appendix 2**).

- 2.3 To note the intention to engage Londonewcastle as Development Manager to the JV on terms to be agreed and as approved by the Board of the JV when established
- 2.4 Reconfirm that the development of Site 18 is a key component of the overall South Kilburn Regeneration Masterplan which seeks to bring forward a comprehensive redevelopment of South Kilburn providing new homes and significant social and economic benefits to the area through the regeneration process;
- 2.5 Confirm that the primary purpose of the Council's participation in the JV is the pursuit of socio-economic objectives which are more particularly described in paragraph 3.7 below and are in, overall terms, non-commercial.

## 3.0 Detail

- 3.1 Site 18 is a consented scheme and a vital part of the South Kilburn Regeneration Programme currently sitting within Phase redevelopment consists of the closure of Salusbury Road Car Park, demolition of the adjoining buildings comprising Keniston Press, Premier House, Cullen House and the Falcon public house and the closure of the spur road, with subsequent redevelopment of 137 new high quality homes of which 39 affordable rent for social rent for existing secure tenants of South Kilburn, along with new public space, 1270 sgm of commercial space, 959 sgm of office space and a new signalled junction at Kilburn Lane, as shown edged red on the Plan at (Appendix 1). Development of Site 18 has been in abevance since 2012 when HS2 safeguarded the site for a vent shaft and ATS. This HS2 safeguarding is now removed enabling development to proceed.
- 3.2 Site 18 is predominantly in the ownership of Brent Council with only the TfL Offices (Premier House) and the Falcon PH (recently purchased by Londonewcastle (QP2) LLP), that sit outside the Council's ownership.
- 3.3 By way of background, LN is the developer partner for the private homes at Queens Park Place, opposite Site 18, and have ensured the delivery of high quality private homes which have generated overage payable to the Council in addition to the land sale.
- 3.4 Since purchasing the Falcon P.H., LN has approached the Council and suggested that it would like to deliver the proposed development of Site 18 with the Council.
- 3.5 For a number of months officers from the Estate Regeneration Team and a core group of officers from other departments have been working through technical aspects and undertaking various financial checks and other due diligence action in order to explore this approach to delivery of a joint venture (JV) scheme and also to ensure the Council is acting properly and that this proposition would be to the Council's financial advantage. Therefore should

the Council have the desire to take on the risk of acting as a developer and taking a scheme to full build, then working alongside a known and respected private developer would seem a good entry point. Furthermore establishing a partnership through a JV will have significant advantages to the Council and in particular for South Kilburn and should generate a higher level of financial return which can be reinvested in the wider South Kilburn regeneration programme to achieve the Council's social and economic objectives for the area.

3.6 Delivering this scheme with LN via a JV is considered to be the preferred approach to deliver this particular scheme as they already own part of the proposed development site and are therefore the obvious partners should the Council decide to want to bring forward its own scheme. The Estates Regeneration Team has worked successfully with LN on the Queens Park Place scheme and are of the view that LN can add significant private sector expertise to this scheme, due in part to their detailed knowledge of the local market but also their understanding of the private residential market as a whole. This would therefore help to de-risk the proposal for the Council as it would be partnering up with a known entity who has successfully worked with the council on a similar development scheme.

# Objectives of the JV

- 3.7 The Council's stated objectives for participation in the JV and the overall aim for the wider South Kilburn Programme (**SKRP**) are contained within the South Kilburn Masterplan Review 2016 (Final Proposal Highlights December 2016) document and the Regeneris Report (Section 5 Assessment of Impact document) and may be summarised as follows:
  - The Council have described the overall aim of the SKRP as being:-
    - "to transform the area into a sustainable and mixed neighbourhood and create a real sense of place and belonging"
  - The current stated objectives, aims and outcomes for the SKRP include the following:
    - (a) "to provide high quality homes with values driven by market sales in order to maintain the viability of the Regeneration Programme in the long term, and to achieve a substantial improvement in the living conditions of existing South Kilburn secure Council tenants";
    - (b) "to deliver 2400 new high quality homes of which 1200 are available for existing secure tenants of South Kilburn, facilities for primary age provision, a new estate wide energy solution, new retail facilities, an enhanced and improved public realm and a new health centre";

- (c) "to implement a number of open and green spaces that vary in scale and character to create a greener and more sustainable South Kilburn":
- (d) "to continue to rebalance the existing housing stock across the area to transform the area into a sustainable and mixed neighbourhood":
- (e) "to create a real sense of place and belonging by meeting needs of the existing residents but also creating sustainability for generations to come"; and
- (f) "working with our developers and contractors to look at offering employment and training opportunities for local residents when sites are brought forward for development"
- The current stated objectives for participation in the JV and the development of site 18 itself include the following:-
  - (a) "directly supporting up to 360 construction years of employment". This is described as being a "benefit to the local area" (due to a high number of unemployed residents seeking employment within the construction sector) and as contributing to the Council's "strategic objectives of improving access to employment opportunities for residents":
  - (b) "helping the Council to achieve its objectives of improving the quality of the housing stock in the South Kilburn area";
  - (c) "helping to deliver a step **change in local quality of life**, raising aspirations and reducing levels of disparity

## Form of JV

3.8 The Council's legal advisors, Pinsent Masons, have reviewed the applicable legislative provisions and the Council's objectives for the scheme (specifically those set out in the South Kilburn Master Plan Review 2016 and section 5 (reference case of the full development of site 18) of the Regeneris Report) and has confirmed that the Council has the requisite power to establish and participate in a JV with LN. The preferred option would be for the corporate JV to be established as a Limited Liability Partnership (LLP) rather than a company limited by shares. The Council has the requisite power to establish the JV as an LLP on the basis that there are reasonable grounds to support the case that the primary purpose of the Council's participation in the LLP is the pursuit of socio-economic objectives which are, in overall terms, non-commercial.

## Heads of Terms for the JV

- 3.9 Officers have been in discussions with LN and attached as (**Appendix 2**) are draft Heads of Terms reflecting discussions to date. These set out the funding, budget and governance arrangements of the proposed JV. The Heads of Terms will also contain provision for the JV Board to appoint Londonewcastle as development manager for the scheme and to act as advisers to the JV Board. The Council will have a similar role to Londonewcastle to the JV Board to ensure the delivery of the scheme in accordance with the objectives of the JV as stated in Paragraph 3.7 above
- 3.10 The intention in order to maintain the continuity of work already being carried out on this site by the Design Team is to formally enter into a JV by June 2017. Members will recall the Cabinet report of February 2017 enabled the scheme to be restarted following a number of years in abeyance due to the HS2 safeguarding which, as stated above has now been lifted. In order to meet the proposed June 2017 date, delegated authority for the Strategic Director of Regeneration & Environment is sought to agree the final Heads of Terms.
- 3.11 If it is decided not to proceed with the JV option then Council officers will ensure that the scheme is still delivered as a project within the Regeneration Programme, as the scheme forms an integral and fundamental part of the South Kilburn Regeneration Programme and the homes to be delivered are needed for decant for the existing secure tenants of South Kilburn and the site is a key gateway to the area.

# 4.0 Financial Implications

- 4.1 Entering this JV provides the Council with an opportunity to generate a return on capital investment which can be reinvested to achieve the Council's overall objective for the wider South Kilburn regeneration programme. However, at the same time, the Council would be exposed to significant risk as the achievement of all returns is dependent on the JV generating profits sufficient to finance them.
- 4.2 The Council would need to set-aside a substantial capital sum to fund a cash contribution, as well as transferring land to the JV and would then not anticipate any return on either of these investments for many years.
- 4.3 A key principle of the JV is that it should be mutually beneficial (i.e. deliver equal financial benefit to both parties). To this end, Council officers are working with counterparts at LN to determine the parameter(s) that should be used to measure 'financial benefit' and to establish what the cash-flows that achieve parity will look like for LN, the Council and the JV itself.
- 4.4 Officers have engaged the services of specialist tax consultants to advise on arrangements for the Council making payments on behalf of the JV and/or transferring assets to JV ownership, so that these can be made as tax efficient as possible for the Council, specifically with respect to VAT and

Stamp Duty Land Tax (SDLT).

# 5.0 Legal Implications

- 5.1 **Procurement Approach:** The recommendation is to enter into a JV with LN. Leading Counsel's advice has been sought regarding whether an OJEU compliant procurement process is required before entry into such contract. The opinion received is that entry into the joint venture vehicle would not itself entail an OJEU procurement as a competitive procurement in these circumstances is not required by either the Public Contracts Regulations 2015 or the Treaty on the Functioning of the European Union or otherwise.
- 5.2 State Aid Considerations: The Council's investment in the operation, and continued involvement in its operation, has the potential to create State aid risk at two levels. Firstly, the private sector partner could be a potential recipient of State aid. Second, the JV itself could be a recipient. To mitigate this risk, the Council's investment in the JV must be made on entirely commercial terms so as to satisfy the legal principle of the Market Economy Investor Principle (MEIP). The MEIP test dictates that where a public sector investor invests on terms which a private sector investor in comparable circumstances would agree to. The MEIP test is automatically satisfied if the private sector investor is investing on a pari passu basis. For an investment to be pari passu, it must be exactly the same, both in terms of amount, risk and reward. If the JV partner is not investing on a pari passu basis, it will still be possible to demonstrate that the MEIP test is met however an independent commercial appraisal on the terms of the Council's investment in the JV will need to be undertaken prior to completion. Further State aid analysis can be provided once the transfer of funds and property into the JV is confirmed.
- 5.3 **Form of the JV:** As stated above, there are reasonable grounds to support the case that the primary purpose of the Council's participation in the corporate JV is the pursuit of socio-economic objectives which are in, overall terms, non-commercial (as more particularly described in paragraph 3.7). Once confirmed, such objectives should remain consistent and clearly reflected in all other documentation produced by or on behalf of the Council in respect of the Project.
- It should be noted that the use of an LLP is, however, not entirely without risk as the use of the General Power of Competence pursuant to Section 1 of the Localism Act 2011 in this context is currently untested by the Courts. In the event that the use of such a vehicle is deemed to be ultra vires by a Court, it is also difficult to assess the consequences of such a determination as such projects are often multi-layered and contain a number of stakeholders and interests. However, comfort can be taken from the fact that LLPs have been utilised by a number of local authorities in large scale regeneration schemes, so far as Pinsent Masons are aware, without challenge for the preceding seven to eight years. Further details are given in Pinsent Masons' Legal Options report.

# 6.0 Property Implications

- 6.1 Council officers have instructed BNPPRE (BNP Paribas Real Estate) to carry out an independent Red Book development valuation and negotiation advice in respect of site 18.
- 6.2 BNPPRE have assessed the development value of the comprehensive redevelopment of the whole site with the benefit of its existing planning permission and also the development value of the Council's land only.
- 6.3 BNPPRE will negotiate with Londonewcastle's surveyor to agree the benchmark and values of both parties' land interests to be included in the proposed joint venture following approval of BNPPRE's valuation by Council officers."

# 7.0 Equality Implications

- 7.1 It is anticipated that the new scheme will provide high quality residential and commercial premises which will assist in improving the physical characteristics of the neighbourhood and will also help regenerate the area by attracting new retail business.
- 7.2 Currently there are four secure tenants and two leaseholders remaining within Cullen House. Every effort will be made to provide the secure tenants with a suitable alternative accommodation and to reach mutually acceptable agreements with the two leaseholders to buy their properties. When identifying the options and alternatives put forward, the Council should engage with affected residents and leaseholders.
- 7.3 As with all other schemes that are part of the South Kilburn regeneration programme, full consideration must be given to residents and leaseholders with protected characteristics, particularly people with disabilities and / or other types of vulnerabilities due to older age, childcare and/or caring responsibilities, socio-economic status (lone parents and large families). Due to the ethnicity profile of the area, full consideration must also be given to black, Asian and minority ethnic individuals/groups. The Council must also ensure that the options put forward to secure residents and leaseholders, so far as possible, provide reasonable and affordable alternatives that enable them to remain in the area and maintain their family and community ties, as per Article 1 of the First Protocol and Article 8 of the European Convention on Human Rights.

# 8.0 Staffing/Accommodation Implications (if appropriate)

## 8.1 N/A

# **Background Papers**

Appendix 1 – Site 18 Site Boundary

# Appendix 2 – Heads of Terms

# **Contact Officer(s)**

Marie Frederick Senior Project Manager marie.frederick@brent.gov.uk

Tel: 0208 937 1621

Richard Barrett Head of Estate Regeneration richard.barrett@brent.gov.uk

Tel: 0208 937 1330

Aktar Choudhury
Operational Director of Regeneration

Tel: 020 8937 1764

E-mail: aktar.choudhury@brent.gov.uk

AMAR DAVE Strategic Director of Regeneration & Environment



# Appendix 3

Ref.	Requirement	Response
(i)	The nature of the service/ works.	To procure a delivery partner/contractor to develop the Queens Park/Cullen House site.
(ii)	The estimated value.	As the procurement is for a delivery partner, the Council would receive a receipt for the sale of the site. Any contract will have a value in excess of £500k thus being a High Value Contract under the Council's Contract Standing Orders and requiring Cabinet approval to tender.
(iii)	The contract term.	The contract period will be approximately four years.
(iv)	The tender procedure to be adopted including whether any part of the procedure will be conducted otherwise than by electronic means and whether there will be an e-auction.	PCR 2015 compliant Competitive Procedure with Negotiation procurement route, in which parts of the procedure may be conducted by electronic means but there will not be an e-auction.
V)	The procurement timetable.	<ul> <li>The procurement would be undertaken during 2017. Indicative milestones/timescales are:</li> <li>Contract Notice placed</li> <li>Selection Questionnaire (SQ) – 30 days</li> <li>Evaluation of SQ responses in accordance with the Council's approved criteria – 10 days</li> <li>Invitation to tender period – 6-8 weeks</li> <li>Panel evaluation, moderation– 10 days</li> <li>Negotiation meetings (if required)</li> <li>Panel decision</li> <li>Seek Cabinet approval to award contract</li> <li>Standstill period – 10 calendar days</li> </ul>
(vi)	The evaluation criteria and process.	Shortlists are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines namely the SQ and thereby meeting the Council's financial standing requirements, technical capacity and technical expertise.  Officers will evaluate the tenders from the shortlisted bidders on the basis of "most economically advantageous tender criteria" (MEAT) on the basis of: 60% - price 30% - quality
		10% - social value





Ref.	Requirement	Response
(vii)	Any business risks associated with entering the contract.	The Council will ensure the Development and Sale Agreement is drafted to minimise all business risks.
(viii)	The Council's Best Value duties.	The procurement process will seek to ensure best value is achieved.
(ix)	Consideration of Public Services (Social Value) Act 2012.	See Paragraph 8 below.
(x)	Any staffing implications, including TUPE and pensions.	No staffing implications relating to TUPE or pensions.
(xi)	The relevant financial, legal and other considerations.	See Paragraphs 4 and 5 below. This proposed procurement process would be in line with the Council Standing Orders and the Public Contract Regulations 2015.







# Cabinet 23 October 2017

# Report from the Strategic Director of Resources

For Action Wards affected: ALL

# **Review of Local Council Tax Support Scheme**

# 1.0 Purpose of the Report

- 1.1 Since April 2013 all Councils in England and Wales are required to operate a local Council Tax Reduction Scheme. These local schemes replace the former national Council Tax Benefit (CTB) scheme.
- 1.2 Brent introduced its current scheme ("Council Tax Support") in 2013 and it has remained in place with only minor changes since then. Councils are required to review and confirm or change their scheme each year.

# 2.0 Recommendations

- 2.1 To agree that Brent's Council Tax Support ("CTS") scheme should remain unchanged in 2018/19.
- 2.2 To note the factors which will be relevant for consideration regarding the future of the local scheme beyond 2018/19.

## 3.0 Detail

# **Background**

- 3.1 CTS is a local scheme providing eligible Council Tax Payers with support by way of a reduction to their Council Tax bill dependent upon their income and circumstances. The current Brent scheme became effective from 1st April 2013 and has remained broadly unchanged with minor amendments since then.
- 3.2 Unlike the former national CTB scheme that was fully funded by the Department of Work and Pensions (DWP), the local CTS Scheme, whilst demand-led, is funded by a fixed amount that is "rolled up" within the Council's revenue support grant allocation and therefore not separately identifiable.
- 3.3 The Council has a statutory duty to provide a local CTS Scheme for workingage claimants within its area. Pension Credit-age claimants are subject to statutory provisions determined on a national basis that must be incorporated

within each authority's local scheme. The authority's scheme must be reviewed each year and any revisions to the scheme made by Full Council by 31<sup>st</sup> January. A decision to leave the scheme unchanged can be made by Cabinet.

3.4 A fundamental review of the current Brent scheme was undertaken in 2015, and concluded that in terms of legal, financial and equitable robustness, the current scheme can be considered as a success. There have been no legal challenges brought against the scheme, and no unforeseen impact was identified. There was no perceived appetite for radical change or a departure from the main principles governing the scheme at that time.

# 4.0 CTS scheme 2018/19

- 4.1 Many of the arguments for retaining the scheme when it was reviewed in 2015 are still applicable for 2018/19; there have been no major problems or legal challenges to the scheme, it is well-established and caseload and expenditure are falling. Changing the scheme to any degree is costly and carries risks. In addition the future impacts of other welfare reforms may still play a part in the consideration of any future approach.
- 4.2 The current scheme also has a significant advantage both for residents, and administratively, in that its structural similarity to the Housing Benefit (HB) scheme means that claimants can claim both HB and CTS at the same time, making a joint claim and providing the same supporting evidence. However it should be noted that as more of the working-age caseload moves onto Universal Credit (UC) over the next few years, this advantage will be lost as claimants will be required to claim UC from the DWP and CTS from the Council.
- 4.3 The two main disadvantages with the current scheme are as follows:-
  - 4.3.1 Under the current scheme, any claimants in receipt of UC gain a "maximum" (i.e. in most cases 80%) rebate regardless of whether they are unemployed or in work. This is no different to treatment of UC's legacy benefits for unemployed claimants, but it does treat working claimants slightly more generously if they are in receipt of UC rather than Working Tax Credit (as the latter would currently be subject to a means-test).
  - 4.3.2 This difference is currently marginal in terms of impact on the individual, and on the overall cost of the scheme. However as more claimants move onto UC, this aspect of the Brent scheme will increase CTS expenditure.
  - 4.3.3 Brent has been live on UC since March 2015 (for new claims from unemployed single job seekers only) and currently has 307 CTS claimants on UC, mostly unemployed. Brent is scheduled to go live with UC Full Service (again new claims only) from August 2018. The half-year effect of this in 2018/19 would see up to 1,338 more new claims from working claimants move onto UC, however this would only increase annual CTS expenditure by approximately £86K, which is likely to be outweighed by continuing caseload decrease which would reduce expenditure by £758K if current caseload trends continue.
- 4.4 Secondly, Brent's scheme has frozen its applicable amounts, premiums and allowances at 2012/13 rates and therefore there is no inflationary uplift in the scheme each year. This does not affect any claimant receiving maximum

rebate (either 80% or 100% of liability) but does mean that any claimant subject to the means-test does not see an increase in their needs allowance, so if their other income increases, they see a small reduction in their CTS. It should be noted that almost all national benefit rates have been frozen since 2015/16 also.

- 4.5 Both of these disadvantages are considered marginal in comparison to the potential effects of other factors faced by claimants (eg the impacts of UC and other welfare reforms) and indeed the Council as a whole (the financial impact of caseload variation), and the potential cost involved in changing the scheme, to say nothing of the risk opening up the scheme as a whole to challenge from external organisations and pressure groups.
- 4.6 It is therefore proposed to retain the existing scheme for at least a further year into 2018/19.

# 5.0 CTS scheme 2019/20 and beyond

- 5.1 There are a number of factors for consideration for Brent's scheme in 2019/20 and beyond. These include:-
  - 5.1.1 The aforementioned built-in increase in CTS expenditure due to the treatment of working UC claimants (5,945 claimants in total): this is expected to incur an additional annual cost of £1.3M (other factors remaining equal) by 2023/24 if all working age claimants have moved onto UC by then as predicted by DWP.
  - 5.1.2 The impact of caseload change: at present this is on a downward trend with a 3% decrease in the last year. Authorities already on UC Full Service report further drop-offs in CTS claims. A continuing reduction in caseload may help to make the current scheme more viable for a longer period but obviously this is at the mercy of other economic factors.
  - 5.1.3 Table 1 below shows a best estimate of the likely migration of claimants in work from HB to UC, and the gross financial impact this would have under the current CTS scheme. For comparison and to keep this in context, this has been mapped against the gross financial impact should the CTS caseload continue to decrease at 3% per year.
  - 5.1.4 It can be seen from the table that should caseload continue to decrease at the forecast rate, the financial saving from this will outweigh the expected increased expenditure caused by UC in both 2018/19 and 2019/20 (other factors remaining equal). However from 2020/21 onwards net expenditure is likely to increase, presenting a more pressing case for amending the current scheme.

Table 1: Year by year financial impact on the CTS scheme of caseload migration to UC (other factors unchanged)

Year*	No. of working claimants moving from HB to UC**	Additional annual cost due to claimants moving to UC (cumulative from 2017/18)	Impact of 3% caseload decrease (cumulative from 2017/18)	Net financial impact	Net % expenditure increase / (decrease)
2018/19	1,338	£85,631	(£757,740)	(£672,109)	-2.7%
2019/20	2,675	£611,653	(£735,008)	(£123,355)	-0.5%
2020/21	644	£957,352	(£712,958)	£244,395	1.0%
2021/22	644	£1,098,716	(£691,569)	£407,147	1.6%
2022/23	644	£1,240,080	(£670,822)	£569,258	2.3%
2023/24	0	£1,304,981	(£650,697)	£654,285	2.5%

<sup>\*</sup>Allowance has been made for some slippage in the DWP UC rollout timetable

- 5.1.5 As more working age claimants move onto UC, there will also be less of an argument to retain a scheme which so closely resembles the HB scheme. The ability to claim both CTS and HB together will disappear for working-age claimants. Equally the administrative benefits of processing HB and CTS jointly will reduce (for working-age claimants).
- 5.1.6 Concurrently, the HB administration grant will reduce and will ultimately only support the administration of pensioner claims, with CTS attracting a modest grant inadequate to support the administration of a complex scheme. It may therefore be necessary to change to a scheme which is simpler to administer, possibly one more akin to a Council Tax discount.
- 5.1.7 The adoption of a simpler scheme would almost inevitably result in a cruder mechanism to establish entitlement and therefore more "cliff edges" in entitlement and a scheme which is less "fair" for claimants.
- 5.1.8 The current Revenues contract with Capita ends on 30 April 2019 and an options appraisal for future service delivery is being presented to Cabinet imminently. Although the two functions are not co-dependant, it will be sensible to review the CTS scheme composition and its delivery bearing in mind the decisions taken regarding future Council Tax collection, and the timing of these two major changes.
- 5.1.9 Two further key considerations for any scheme review are: whether the authority wishes to find financial savings by adopting a less generous scheme; or conversely, if there is a political desire to make the scheme more generous. Either of these considerations would clearly have a significant effect on the nature of any revised scheme.
- 5.1.10 It should also be noted that whenever the scheme is changed, a public consultation of up to 12 weeks will be necessary during the preceding year. If the scheme were to be changed for 2019/20, it should be noted that the pre-election (purdah) period for the Local Elections in May 2018, plus any post-election considerations, is likely to put additional pressure on the timetable for the scheme review.

<sup>\*\*</sup>Non-working claimants are treated the same on UC as on HB within the current CTS scheme

- 5.1.11 Project costs for reviewing and changing the CTS scheme are estimated
  - at £90K, taking account of project resources, consultation, legal advice, financial modelling, software changes etc.
- 5.1.12 In order to devise and implement a new scheme whilst minimising risk, a minimum 18-month lead-in time is recommended, although implementation could be achieved within 12 months with the acceptance of greater risk.
- As will be seen from the above, the future situation is subject to a large number of variables, and to wider financial and political imperatives, which will be kept under regular review with regard to the potential timing of any future scheme changes.

#### 6.0 Financial Implications

- 6.1 The introduction of UC will tend to increase CTS awards, as set out in section 4, although it is difficult to predict this with complete accuracy as changes in the caseload arising from local and national factors may impact upon it.
- The underlying trend in caseload reduction is currently anticipated to continue over the next 12 months, contributing to an increased Council Tax net yield which therefore mitigates against the additional cost of UC. Financial modelling has been conducted based upon average volumes of new claims received per month during 2016/17 and the proportion of those for which Tax Credits were in payment. This showed that the increase in CTS expenditure would be significantly outweighed by the expected caseload reduction, which re-enforces the recommendation to retain the existing scheme for 2018/19.

#### 7.0 Legal Implications

- 7.1 The Local Government Finance Act 2012 requires that for each financial year. the Council must consider whether to revise its Council Tax Support scheme or replace it with another scheme and that such decisions need to be made by 31st January in the financial year preceding that for which the revision or replacement scheme is to take effect. Only Full Council has the power to make or amend a Council Tax Support Scheme as set out in section 67(2)(a)(aa) of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012). However, as this report's recommendations propose the retention of the existing scheme for 2017/8 and not to revise the CTS scheme for the next financial year, this matter can be considered by Cabinet. The default position is that if the CTS scheme is not revised or changed by Full Council by 31st January 2018, the CTS scheme for 2018/19 will be the same as the current CTS scheme in 2017/18 subject to any amendments to prescribed rates (e.g. for persons of pension credit age) that are made by central Government.
- 7.2 In addition to the Public Sector Equality Duty, which is discussed below, the Department for Communities and Local Government has advised that the following should also be taken into account when setting up a Council Tax Reduction Scheme:
  - Child Poverty Duty under the Child Poverty Act 2010;

- ➤ Homelessness Act 2002;
- Armed Forces Covenant;
- > Chronically Sick and Disabled Persons Act 1970,
- Disabled Persons (Services, Consultation and Representation)
- > Act 1986, and
- > The Children Acts 1989 and 2004.
- 7.3 The above-mentioned legislation was referred to and considered in the report to Full Council on 10<sup>th</sup> December 2012 when Full Council decided to make and approve the proposed local Council Tax Support scheme for 2013/14 and when Full Council amended the scheme for 2014/15 and 2015/6. The CTS Scheme was not changed for the 2016/17 or 2017/18 financial years. As it is proposed that the scheme will not be changed for 2018/19, the legal implications regarding the above-mentioned legislation as set out in the report to the Full Council meeting of 10<sup>th</sup> December 2012 will not be repeated in this report.

#### 7.4 Public Sector Equality Duty

7.4.1 Under the Equality Act 2010, the Council has a duty to have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act; advance equality of opportunity between people who share a protected characteristic and people who do not share it; and foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics covered by the Equality Duty are as follows:

Age, disability, gender reassignment, marriage and civil partnership (but only in respect of eliminating unlawful discrimination), pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex and sexual orientation.

- 7.4.2 The public sector equality duty, as set out in section 149 of the Equalities Act 2010, requires the Council, when exercising its functions, to have "due regard" to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a "protected characteristic" and those who do not share that protected characteristic.
- 7.4.3 Having "due regard" to the need to "advance equality of opportunity" between those who share a protected characteristic and those who do not includes having due regard to the need to remove or minimise disadvantages suffered by them. Due regard must also be had to the need to take steps to meet the needs of such persons where those needs are different from persons who do not have that characteristic, and to encourage those who have a protected characteristic to participate in public life. The steps involved in meeting the needs of disabled persons include steps to take account of the persons' disabilities. Having due regard to "fostering good relations" involves having due regard to the need to tackle prejudice and promote understanding.
- 7.4.4 The public sector equality duty is not to achieve the objectives or take the steps set out in section 149 of the Equality Act 2010. The duty on the

Council is to bring these important objectives relating to discrimination into consideration when carrying out its public functions (in this case, reviewing and considering whether to retain the existing localised scheme for Council Tax Support within Brent).

7.4.5 The phrase "due regard" means the regard that is appropriate in all the particular circumstances in which the Council is carrying out its functions. There must be a proper regard for the goals set out in section 149 of the 2010 Act. At the same time, when Cabinet Members make their decision, they must also pay regard to countervailing factors which it is proper and reasonable for them to consider. Budgetary pressures and economic and practical factors will often be important. The weight to be placed on the countervailing factors in the decision making process will be for Cabinet Members to decide when making their decision.

#### 8.0 Diversity Implications

8.1 A decision to retain the current CTS scheme in 2018/19 would have no adverse implications on claimants. It is thought that a maximum of an additional 1,338 claimants would be slightly <u>better</u> off due to the treatment of UC under the current CTS scheme. Modelling indicates that the recipients of this advantage would be spread across the caseload proportionately to the representation of protected characteristics within Brent's demographic. Any future changes to the CTS scheme will be subject to a full Equality Analysis.

#### 9.0 Staffing and Accommodation Implications

9.1 None in respect of the decision to retain the current scheme into 2018/19. However there will be a requirement to identify and allocate resources to any scheme review whenever this is scheduled to take place. These will be determined and costed through the project scoping process when a decision is taken to commence a review.

#### **Background Papers**

Appendix A – Overview of the current Brent Council CTS Scheme

#### **Contact Officers**

David Oates
Head of Service (Benefits and Customer Services)
David.Oates@brent.gov.uk

Tel: 0208 937 1931

ALTHEA LODERICK
Strategic Director of Resources



#### Appendix A

#### The Existing Brent Council CTS Scheme

The Brent Council CTS scheme was made by Full Council in December 2012 and became effective from 1st April 2013 having been preceded by extensive public consultation. The scheme incorporates six key principles and two key features as listed below and which are themes that have continued and are currently anticipated to be replicated within any revised future scheme provisions.

#### Principle 1: "Everyone should pay something"

All working age claimants (unless protected under principle 2 below) are required to pay a minimum contribution towards their Council Tax – this is currently set at 20% within the scheme.

### Principle 2: "The most vulnerable claimants should be protected" (from the minimum contribution)

Claimants are protected from the 20% minimum contribution if they, a partner or a dependant in their household are entitled to a disability premium, enhanced disability premium, disabled earnings disregard, Disability Living Allowance or Personal Independence Payment, Disabled Persons Reduction for Council Tax purposes, War Disablement Pension, War Widow's and War Widower's Pension. Additionally, claimants are also protected if they or their partner are in receipt of a Carer's Allowance.

#### Principle 3: "The scheme should incentivise work"

Incentives to work are achieved by letting claimants who are working keep more of what they earn (before means-testing) – the existing scheme incorporates earnings disregards for Single Persons, Couples and Lone Parents earnings that are £10 higher than the level previously set nationally under the Council Tax Benefit scheme. In this context, a disregard means the amount of weekly earnings that may be ignored when calculating entitlement to Benefit.

#### Principle 4: "Everyone in the household should contribute"

Other adults in the claimant's household ("non-dependants") should contribute more proportionately to their income – the existing scheme incorporates rates of non-dependant deductions that are twice the level of deductions that existed in 2012/13. Additionally, the scheme incorporates a deduction of £6.60 for each other adult residing in the claimant's household who receives Job Seekers Allowance (Income Based) where none previously existed under the former national Council Tax Benefit scheme.

### Principle 5: "Better off claimants should pay relatively more so that the least well off receive greater protection."

The existing scheme incorporates a taper of 30%. This is applied in the means test calculation for claimants whose income exceeds their needs. It is the rate at which Council Tax Support is reduced where weekly income exceeds basic living needs. Under the former national Council Tax Benefit scheme, the taper was 20 pence in the pound rather than the 30 pence currently applied.

### Principle 6: "Benefit should not be paid to those with relatively large capital or savings"

The existing scheme incorporates a savings cut-off limit of £6,000 rather than the £16,000 limit that previously applied to the national Council Tax Benefit scheme.

**Feature 1:** The second adult rebate scheme (whereby claimants whose own income is too high to receive CTB, but have other adult(s) in the household whose income is low, can receive a Council Tax discount of up to 25%) was removed for working age claimants.

**Feature 2:** Premiums and personal allowances used to determine basic living needs for a claimant and their family when calculating entitlement to CTS have been held at the rates that previously applied to the national Council Tax Benefit scheme in 2012/13.



## Cabinet 23 October 2017

# Report from the Strategic Director of Resources

For Action Wards Affected:

#### **Brent Council Workforce Strategy**

#### 1.0 Purpose of the Report

- 1.1 Any successful organisation needs to have three key strategies:
  - 1. A business strategy setting out its vision, strategic priorities and how to achieve them.
  - 2. A financial strategy to ensure viability of the business and business strategy achievement.
  - 3. A people strategy to ensure the workforce has the right skills and is fully engaged to successfully deliver the business strategy.
- 1.2 Brent council has undergone many changes in the last 18 months. With development of the Brent 2020 strategic priorities, Brexit, changes in local government finance and increasing demand for services, it's absolutely the right time to have a new workforce strategyThis strategy being presented to Cabinet has been to the Council Management Team and discussed at five different focus groups with senior managers and employees. The Strategy has also been discussed with the Trade Unions. The high level action plan will evolve over the lifetime of the strategy and will be underpinned by a more detailed annual action plan.
- 1.3 The workforce strategy is often perceived as an HR strategy and although HR plays an important delivery role, the workforce strategy is owned and led by the Chief Executive and Council Management Team. This ensures the right level of senior ownership and support for strategy implementation. It will mean too, that the workforce strategy remains relevant and focused on the right priorities for the council as it progresses towards achievement of Brent's 2020 vision. The Workforce Strategy annual action plan will be monitored and reviewed by the Council Management Team.
- 1.4 Subject to approval by Cabinet, it is proposed to launch the strategy in November 2017.

#### 2.0 Recommendations

2.1 Cabinet approve the Brent Council Workforce Strategy 2017 – 2020 including the four workforce priorities and high level action plan. There are no specific proposals to change terms and conditions in the Workforce Strategy.

#### 3.0 Detail

- 3.1 The workforce strategy used a variety of sources to inform its drafting such as interviews with senior managers, feedback from the staff survey and "Forward Together" sessions, Brent 2020 Vision, Outcome Based Reviews (OBRs), high level workforce data and information from professional bodies such as the Chartered Institute for Personnel and Development (CIPD), the Public Sector People Managers Association (PPMA) and examples of workforce strategies from other public and private sector organisations.
- 3.2 In seeking to assess the key factors influencing the current and future Brent workforce, Brent 2020 priorities, the digital strategy, Brexit, skills and demographics and the local government landscape are considered to be the most important.
- 3.3 It's clear the workforce will need to develop its skill set becoming more engaged, customer led, collaborative, skilled and innovative to meet future challenges. This will help people to thrive in a changing culture of collaborative relationships/working within the workforce, and across the community and strategic partners. The reasons for highlighting these skills are covered in the workforce strategy.
- 3.4 It's not only important what we do to achieve successful outcomes but how we go about it. Everyone working for Brent will need to understand and act in accordance with our values, demonstrating this through their behaviours. This must be led from the top down. Although there are headline descriptions of what the values mean, there needs to be further work on mapping desired behaviours for each of our values.
- 3.5 Managers are going to be key, demonstrating leadership, driving a different culture and helping to deliver Brent's strategic priorities. In a world which is volatile, uncertain, complex and ambiguous, a different approach to effective leadership is needed. Leaders must be equipped with mental and emotional resilience, a personal preparedness to deal with uncertainty and a readiness to act. This combination of skills is a different leadership approach to what we've had traditionally and will be needed to sustain employee engagement and wellbeing especially if top talent is to be attracted and retained. This is more likely to create an environment too for creativity and innovation. This is the reason that leadership and management is one of the priorities in the workforce strategy.
- 3.6 There is a significant amount of activity in the high level action plan. Based on information in the workforce strategy and feedback from CMT, it's proposed that initially work activities in the next stage more detailed action plan should focus on:
  - A development programme for junior managers

- Introducing a coaching approach to management this will feed positively into performance management. It's intended this will be a one day course covering coaching principles for better performance management
- A specific course for helping managers improve performance management and take a more consistent approach across the council
- Reviewing corporate learning and development and other similar activity across the council with the aims of:
  - Improving the corporate offer and taking a more strategic approach than hitherto
  - Better utilising resources
  - Having a more co-ordinated approach aligned with strategic priorities.
- Using our "Managing Potential" Strategy to assess our talent across the council.
- Having an Apprenticeship Strategy and action plan.
- Development of a workforce planning tool supported by market intelligence.
- 3.7 The next steps in taking the workforce strategy forward are proposed below.

	Activity	When
1.	Approval of Workforce Strategy by Cabinet	23/10/17
2.	Approval of Workforce Strategy Action Plan by CMT	02/11/17
3.	Formal launch of the Workforce Strategy	November 2017

#### 4.0 Financial Implications

- 4.1 It is not possible to determine the total amount of money that will be required to deliver the Workforce Strategy over a three year period. This is because individual activities will be costed as they are scoped. Proposals for one-off interventions may have other options for funding other than the revenue budget. It is clear that in an environment where ongoing savings will be necessary, revenue funded activity will be difficult either in HR or from departments and therefore will have to be considered on their merits as detailed proposals are brought forward.
- 4.2 Expenditure required to deliver the Workforce Strategy will, however, operate within the annual Council Budget and Medium Term Financial Strategy. The Council will use every opportunity to match learning needs with any appropriate new apprenticeship standards which can be used to draw down the council's apprenticeship levy for training purposes.
- 4.3 The existing corporate learning and development budget is £0.3m, which is currently forecast to be spent in full in 2017/18.

#### 5.0 Legal Implications

5.1 Under section 149 of the Equality Act 2010, the council has a duty when exercising its functions to have 'due regard' to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations

between persons who share a protected characteristic and persons who do not. This is the public sector equality duty. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

Due regard is the regard that is appropriate in all the circumstances. The weight to be attached to the effects is a matter for the council. As long as the council is properly aware of the effects and have taken them into account, the duty is discharged.

#### 6.0 Diversity Implications

6.1 We must ensure that any development and policies arising from this strategy provide opportunities for our whole diverse workforce, comply with our Equality Duty and do not unintentionally disadvantage underrepresented groups across the council. An Initial Screening Equalities Analysis has been completed for the Workforce Strategy.

#### 7.0 Staffing/Accommodation Implications

7.1 The amount of use of the training facilities within the Civic Centre is increasing especially with Brent Start losing its current training facilities. Implementing the workforce strategy is likely to further increase demand on the training suite at a time when options are being considered for more commercial use of the Civic Centre.

#### **Background Papers**

Appendix 1 - Workforce Strategy Appendix 2 – Initial Equality Analysis

#### **Contact Officers**

David Veale
Director of Human Resources and Organisational Development

ALTHEA LODERICK
Strategic Director of Resources

# brent workforce strategy

2017-2020







# introduction

Brent is one of the most culturally diverse boroughs in the UK. The council is a vibrant and dynamic organisation with a workforce that reflects the diversity of its community. The diversity of the borough and the cohesion between its different communities are major factors in Brent's characteristic vitality and energy. In Brent, 76% of the working age population (16-64) are economically active; 72% are employed. As an employer, we have an indisputable bearing on the economic development of the borough and an essential responsibility as a role model for other local employers. We are therefore pleased to introduce our Workforce Strategy.

Over the last few years the council has had to face unprecedented financial challenge and change. Brent has a clear vision to make the borough a great place to live and work even whilst this challenge continues; a place where people feel that they have opportunities to change their lives for the better even in the context of the most pressing financial challenges experienced in public services for decades.

A skilled and engaged workforce is crucial to achieving our Brent 2020 vision. We are proud of our staff; we recognise the challenges and opportunities that lie ahead for our borough and it is only through our staff that these will be met. Our Workforce Strategy sets out our priorities for the next three years to support our workforce in plotting a course towards our vision.



### WORKING TOGETHER WITH OUR PARTNERS TO:

- Deliver the right services and outcomes for our residents
- Be an employer which is representative of our borough
- Support every member of staff to meet their full potential

# THIS WORKFORCE STRATEGY WILL FOCUS ON ACTIVITIES TO CREATE A CULTURE AND WORKFORCE:

- Where the customer is at the heart of everything we do
- Is high performing
- Where staff are fully engaged

# **VISION** We focus to deliver priorities for our community

**LEADERSHIP** Managers role-model positive behaviours, live our values and nurture the potential in our diverse workforce

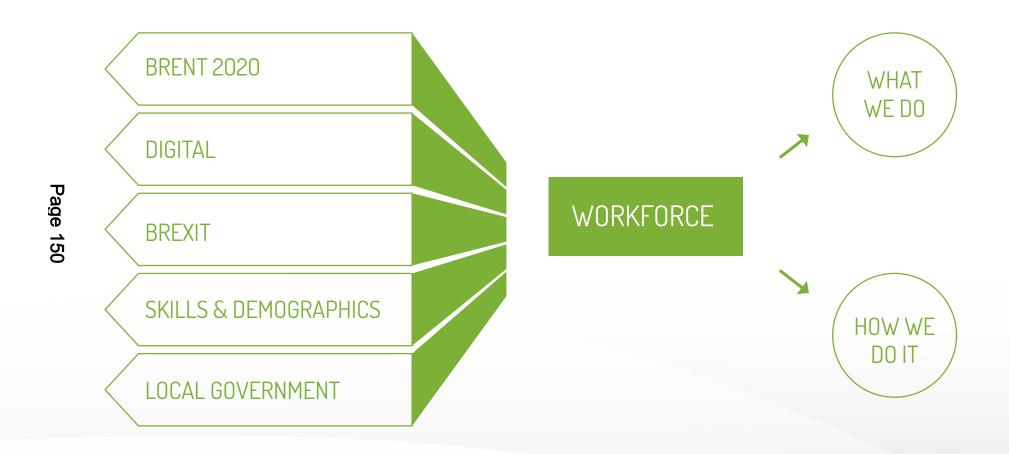
**VOICE** We seek and hear the views of our staff and problems are solved together

**VALUES** All staff are empowered to do their jobs and take personal responsibility; there is greater trust and transparency and we celebrate our successes together

#### ...AND IN THIS CULTURE:

- The customer is at the heart of everything we do
- We are managing the performance of all our staff effectively
- We are leading our staff through change
- We are involving them in decision-making
- Staff take personal accountability for their decisions and actions

# drivers for workforce change



# BRENT 2020

The Brent 2020 vision: Our priorities are focussed on Brent being a better place where people have better lives, supported by building capacity in the community so things are better locally. As an organisation, our priority is also to provide efficient services through working differently. A growing and ageing population increases demand for services at a time when funding pressures are high. Significantly, growth in Brent's working age population means more people will require skills and jobs if we are to impact positively on economic growth in the borough. We will need to break the cycle of Brent workers receiving a lot less than the London average wage.

To meet the priorities, our communities and residents have identified, the council intends To focus on five core priorities



**EMPLOYMENT AND SKILLS** 

To respond to the increase in the working age population and lift people out of poverty and welfare dependency.

**REGENERATION** To improve the economic, social and environmental conditions in the borough.

**BUSINESS AND HOUSING GROWTH** To maximise the tax base to support the delivery of core services.

**DEMAND MANAGEMENT** To manage the pressure on needs led budgets such as children's social care, adult social care and homelessness.

**RAISING INCOME** To support the delivery of core services.

Finding new ways of operating and changing service delivery models to meet the vision will need the involvement of the whole workforce. whose ideas and creativity are necessary to achieving the vision

# DIGITAL

#### NATIONAL CONTEXT

The sheer speed of digital development makes this the biggest "disruptor" at work. The top 10 "in demand" jobs in 2010 did not exist in 2004 and 65% of school children today will be doing jobs not yet invented. It's estimated that 15 million jobs will be replaced by robots in the next 20 years. The loss of jobs so far through introducing robotics have created a range of new roles which have tended to be better paid than the manual jobs they replaced.

The top 10 "in demand" jobs in 2010 did not exist in 2004 and 65% of school children today will be doing jobs not yet invented.

Digital provides opportunities for rethinking service delivery and to manage demand. The development of sophisticated algorithms and artificial intelligence (AI) will reshape workforce and resident interfaces with digital as well as replacing more professional roles especially in support services.

Social media has already profoundly changed how we communicate creating opportunities and risks for every organisation that wants to communicate effectively with employees, customers and stakeholders.

#### **BRENT CONTEXT**

The council has developed the key components of its digital strategy. This will result in outcomes such as:

- Creating a "Smart Borough" to ensure digital interconnectivity
- Creating a new online offer for residents and stakeholders
- Connecting residents and partner organisations across the borough
- Modelling "big data" to focus preventative actions, for example, identifying those vulnerable residents at risk of child sexual exploitation

- The "workplace" will become less defined as technology creates even more opportunities for mobile and flexible working.
- This will mean rethinking how the workforce is given voice, is engaged and how values and trust are managed in such a different environment. This will need a change in mind-set and council culture.
- The workforce will need to be adept at fully utilising digital skills to be effective in their jobs and many management functions will be done in the digital space, for example, a virtual reality coaching session with an Al avatar.
- Digital will mean the workforce has to become more collaborative with an attitude to "explore the art of the possible" through innovation and creativity. It will drive multi-disciplinary team working and place emphasis on employees contributing to designing services for residents to achieve more self-help.

# BREXIT

#### NATIONAL CONTEXT

No one knows what the full impact of leaving the EU will be, however, it's probable there will be:

- 1) Some negotiated arrangement for EU nationals already living and working here and
- 2) Implementation of immigration controls that limit the freedom of movement of EU nationals.

Of the workforce of 2.26 million that make up social care, health, hospitality and agriculture, 56% are from the EU. In addition, 27% of EU nationals are considering leaving their current organisation in 2017.

It's estimated that 10% of the public sector workforce is European.

Of the workforce of 2.26 million that make up social care, health, hospitality and agriculture, 56% are from the EU

#### **BRENT CONTEXT**

Brent has about 40,000 residents born in the EU with the majority being from Eastern Europe. In 2016, 60% of applications for national insurance numbers from Brent residents were by Europeans. Europeans tend to be more economically active as a group compared to the borough average.

Approximately 10% of the council workforce are from the EU and it's about 7% of NHS staff in north west London.

- In North West London, applications for nursing courses fell from 1,680 to 1,100 between 2013 and 2017. Anecdotal evidence suggests this trend will continue. This has real implications for being able to resource the health and social care workforce
- Brexit and immigration controls will exacerbate current skills shortages so skills development for residents and the workforce will be crucial to maintain employment and employability
- Effective attraction and retention strategies for hard to recruit posts will be essential components of the workforce strategy

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# APPRENTICESHIP LEVY, SKILLS AND DEMOGRAPHICS

#### NATIONAL CONTEXT

The government introduced the "Apprenticeship Levy" in April 2017. It does provide opportunities to address some skill shortages and be integrated with learning and development priorities.

There are already skill shortages in areas such as IT, advanced engineering and health and social care. These will be exacerbated with Brexit and new immigration controls.

Thirty percent (9.4m) of the UK's workforce is aged over 50 years and that percentage will continue to increase. With an ageing population, planning simply to replace those retiring with younger people won't work in the long term. Older employees have strengths in knowledge sharing, problem solving and customer service so it's important to prevent losing

Thirty percent (9.4m) of the UK's workforce is aged over 50 years and that percentage will continue to increase.

this from the council too quickly. At the same time the next working generation (Generation z) will be the first truly digital generation and have very different expectations of the workplace.

#### **BRENT CONTEXT**

The council annual levy contribution is c£440,000. The government target when combined with maintained schools for the number of apprentices under the levy scheme will be about 150.

The council workforce has a median age of 44, compared to Brent's population which has a median age of 32. The figure rises to 39 in England and Wales.

The council and community have highly diverse populations for example 66% are BAME.

As a corporate parent, the council needs to ensure it is developing the skills of it's care leavers and finding pathways to employment for them.

The hard-to-recruit roles in the council (in line with many other local authorities) are: social workers, IT architects, planners, building control surveyors, public health specialists, education phycologists.

Data about the council's workforce is given below and highlights that social care, customer services and finance are the largest parts of the workforce.

The council has an additional challenge of operating in a vibrant London economy where improved transport links enable any individual to live in one place but have a choice to work in 20 or more London boroughs. There is competition with the private sector especially for technical and professional roles.

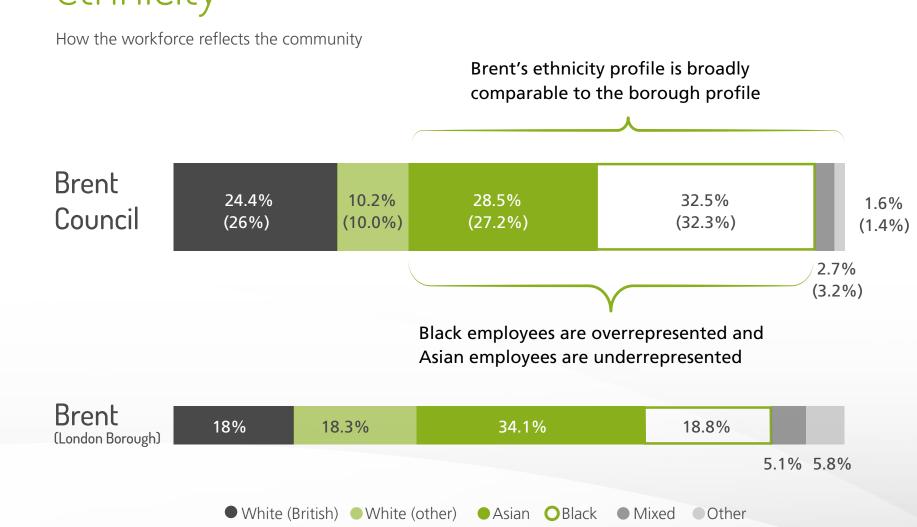
- Use workforce planning to adopt creative and flexible practices that retain and refocus older workers to new opportunities whilst still attracting and retaining younger employees.
- Opportunity to improve skills development for those under 21 years old and utilise the apprenticeship levy as part of the solution for growing our own to meet demand especially in hard to recruit roles. This applies to the Brent diverse community and the council workforce.
- Opportunities to tap into the local diverse graduate population be this specific graduate schemes or internships.
- The challenge of increasing the number of apprenticeships are costs for administration and support.
- The council will leverage opportunities for better skill development across its strategic partnerships, for example, the integrated health and social care workforce.

EMPLOYEES BY DEPARTMENT SERVICE AREA (MAY 17)	CURRENT EMPLOYEES
Chief Executive's Department	92
Children and Young People	521
Community Well-being	538
Regeneration and Environment	358
Resources	511
Grand Total	2,020

WORKFORCE TRENDS	2013	2014	2015	2016
Total staff	2,484	2,378	2,345	2,062
Average age	49	44	45	44
Disabled	6%	8%	10%	10%
BAME	61%	62%	64%	65%
Female	65%	65%	66%	65%
LGBT	3%	3%	3%	3%

TOP 10 ROLES BY NUMBER OF EMPLOYEES ACROSS THE COUNCIL	NO. OF EMPLOYEES
Social Worker	141
Benefit Assessment Officer	86
Customer Services Assistant	55
Community Support Worker	42
Administration Officer	37
Apprentice	36
Customer Service Officer (Contact Centre)	28
Care Assessor	27
Finance Officer	27
Team Manager (social worker)	25

# ethnicity

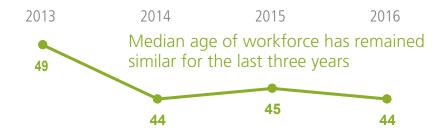


# age

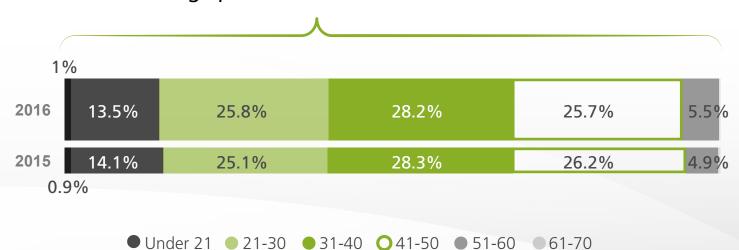
How old is the Brent workforce?

### Median age of workforce is 44

One of the lowest median ages of any London borough



#### Age profile has remained similar



SOCIAL CARE FILLED POSITIONS	CHILDREN	'S SOCIAL CARE	ADULT'S SOCIAL CARE	
JOB ROLE	CURRENT EMPLOYEES	REED AGENCY	CURRENT EMPLOYEES	REED AGENCY
Team Manager	13	6	12	1
Deputy Team Manager	12	15	3	1
Senior Social Worker	12	23	2	3
Mental Health Social Worker	-		2	-
Advanced/Senior Practitioner	1	4	2	2
Social Worker	91	22	50	28
Social Work Asst./Personal Advisor	19	10	-	-
Care Assistant/Domestic	2		9	10
Residential Childcare Officer	-	5	-	-
Grand Total	150	85	80	45

#### **PLANNING FILLED POSITIONS**

JOB ROLE	CURRENT EMPLOYEES
Area Planning Manager	2
Deputy Area Planning Manager	2
Principal Planner	2
Planner/Planning Officer	7
Trainee/Assistant Planner	8
Grand Total	21

# age 15

# LOCAL GOVERNMENT

#### NATIONAL CONTEXT

Most councils in the country will have faced budget reductions of about 55% between 2010 and 2020 at a time when an ageing population and higher birth rate are increasing demand. Population growth in cities like London puts further pressure on housing needs and provision of services.

Financial pressures have forced councils to change service provision, manage demand and find different ways of working internally and with partners.

For example, social care and health integration is a huge opportunity to improve customer experience, improve the quantity and quality of hospital discharges and reduce costs. This and joint strategic commissioning are ways in which working closely with strategic partners will benefit the whole community.

The way councils are being financed is changing. The revenue support grant will be replaced by business rates in 2020. Other income streams will be through council tax receipts, selling services, grants and joint funding.

Public sector pay increases have been held at about 1% for several years now and there is no indication this approach is going to change.

Social care and health integration is a huge opportunity to improve customer experience, improve the quantity and quality of hospital discharges and reduce costs.

#### **BRENT CONTEXT**

Over £117m had come out of the council budget by the end of 2016/17. Further savings of £4.4m are agreed, split between £2.3m in 2017/18 and £2.1m in 2018/19. A further gap of nearly £13m remains in 2019/20 and planning is in place to resolve this. It's estimated that by 2020 over half of the council's budget will be spent on social care.

The Office for National Statistics projects that in Brent, between 2017 and 2020 the number of over 65s will grow by over 8%; and the number of under 15s by 3.5%. This is much faster than the population as a whole, which is nonetheless forecast to grow by 3.2%.

The council's Brent 2020 vision is already driving activities capitalising on opportunities such as significant regeneration projects, plans to build 31,000 homes including affordable housing and improving services and outcomes for residents whilst managing demand.

The planned creation of a learning hub in Wembley with Westminster University, North West London College and the University of Football will attract high tech, start-ups, professional jobs and boost skills and learning opportunities for residents and staff. Those with a post degree qualification are under represented in Brent.

- Social care and health integration, change and project work in the council and across strategic partners, will create new career paths in the council
- Different skills and behaviours from all employees will be needed to thrive in this new environment.
- There will be pressure to increase wages after years of austerity and this will put additional pressure on attraction and retention
- A different type of leadership and management will be needed
- Attraction and retention packages will need redesigning to develop workforce potential and improve engagement and well-being
- The cost of housing is an issue for attracting key workers such a social workers and teachers

### what are the new skills that will be needed?

As people step into spaces left by changing structures and meducing posts, they are asked broaden the spectrum of their roles as we find new ays to manage the pressure on needs-led services such as social care and housing. So that our priorities, once delivered can be sustained, we now need to build resilience, capacity and capability, developing essential skills in several key areas →

#### REIMAGINE **SERVICES**

To lift people out of poverty and welfare dependency and improve the economic, social and environmental conditions in the borough we will need new knowledge and innovation to apply different commissioning and design principles

#### **CUSTOMER** FOCUS

To support the delivery of core services and manage the pressure on needs-led services such as social care and housing we will need to apply robust research and analysis skills to understand current demand, customer patterns and systems/ procedures

#### DELIVER **OUTCOMES**

To support and sustain the delivery of core services we will need agility, resilience and collaboration to pilot and test solutions rapidly and at reduced cost

DEMAND MANAGEMENT

RAISING INCOME

the Brent 2020 vision forms the basis of organisational transformation and requires a workforce that is:

- Engaged
- Customer led
- Collaborative (across partners and the council)
- Skilled
- Innovative



#### what will be different?



- We will be a smaller organisation
- The customer is at the heart of everything we do
- Our staff will be more agile, skilled and collaborative, working with colleagues and partners and not limited by physical or structural boundaries
- Managers and staff will use more commercial, collaborative and strategic commissioning skills to obtain best value from our resources, partners and contractors
- We will be more innovative, developing and embracing new ways of working
- We will use "digital" to be more efficient and effective
- Our managers will role model organisational behaviours, values and competencies
- Our managers will follow a clear set of management standards for managing staff, resources and budgets
- Staff will be more engaged

We will need the creativity, vision, imagination and innovation of all our workforce if we are to find new ways of doing things, and sustain high standards of service in the face of rising demand and falling funding.

A great example are Outcome Based Reviews (OBRs), one of which resulted in the Harlesden Hub where staff and partners are working differently to find new ways of engaging the community in a different setting.

# values

It's not just what we do, but how we do it is just as important. Our values are the foundation on which everything else is built and help shape and define the standard to which we work and the way that we do it. Our values express the over-arching importance to our organisation of being fully inclusive and welcoming of the broad spectrum of skills, experiences and perspectives represented in our communities and our workforce.

#### **Fairness**

We are driven by a determination to reduce inequality and justice

We actively engage with our residents and staff, seek their views and use them to shape our decision-making

Equality

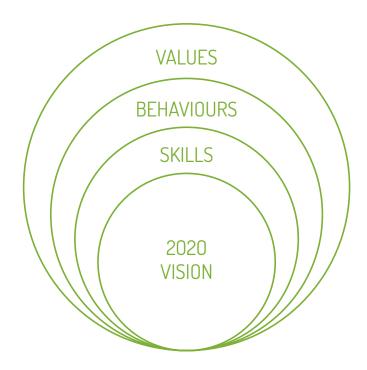
We believe that every person is different but equal, and that everyone's unique

talent should be recognised and encouraged and aim to create opportunities for people to make the most of their abilities

#### **Excellence in all our services**

We strive to achieve the very best standards of service for all our residents





Our staff networks play a valuable role in helping us express and uphold our values; celebrating the diversity across our borough with our residents and communities.

#### where are we now?

Brent currently has around 2,020 employees, and a small contingent workforce. Since 2010, government funding cuts have meant a large reduction of employee numbers and restructuring in most parts of the organisation. To counter this, the council is working with partners to transform services, using opportunities for regeneration and growth to build income and creating a more agile workforce. The way we work together, sharing the space with our customers and communities in the Civic Centre symbolises this ethos and it is this respect and humility for all parts of Brent's communities that gives us our drive and energy.

# where do we need to be? The new skill set of the workforce is shaped by national changes

The new skill set of the workforce is shaped by national changes and local priorities. The council has had some rich sources of edback in the last 12 months which help to triangulate the strategic approach.

- 1. During 2016, Outcome Based Reviews (OBRs) were conducted based on a desire to have a systems wide approach to improving services and outcomes for employment and welfare, housing vulnerable people and regeneration (physical, social, environmental). In talking to residents some key themes emerged which are workforce related.
- 2. In the 2016 staff survey, our staff identified ways which we can further demonstrate our commitment to our values particularly in supporting each other through change and taking personal responsibility.
- **3.** Senior management feedback was sought in face-to-face interviews which captured their views about the current culture and what needs to change.

#### feedback

THEME	RESIDENTS	STAFF	SENIOR MANAGERS
Collaborative	Collaborative across the system towards shared outcomes, work across the council	They need a better understanding of the bigger picture	Culture still too siloed and risk adverse. People happy to push decision making upwards
Engaged	Thinking about people and place not organisation and system	They want to be more engaged and better recognised for doing a good job	People are generally friendly and want to be supportive
Customer led	Partnerships based on accountability and trust	They need to create a better customer experience	Too much bureaucracy and too many processes to navigate
Leadership	Continually build relationship capabilities of staff so they are more effective in their work	They want more motivating and inspiring managers	People can be too cautious and defensive
Performance management	Encourage honest two way conversations and use as a basis for action	They thought performance management across the council should be better	There needs to be better performance management in the council
Diversity	Work across the council and get community involvement and ownership	They enjoy the diversity and dynamism of Brent and like working for the council	A lot of energy and wanting to drive forward community engagement

# forward together

In recent "Forward Together" sessions, nearly two thirds of our staff were asked for the top five characteristics they'd like to see in front line staff, team leaders and managers and senior leaders. These are listed in order of most frequently chosen:

	FRONT LINE STAFF	TEAM LEADERS AND MANAGERS	SENIOR LEADERS
1	Customer focused	Supportive	A great communicator
2	Knowledgeable	Knowledgeable	A great role model
Page	A great communicator	Makes decisions	Makes decisions
e 164	Professional	A great communicator	Supportive
<b>4</b> 5	A good listener	Open to ideas	Values Diversity

Staff feel most supported when their manager is approachable, is a great communicator and acts decisively. This approach leads to more effective performance management and engagement of staff and this workforce strategy will support development of these skills in managers. These characteristics will be used as a basis to develop management standards.

Our culture is already more open and friendly and people generally want to help each other. There is a sense of energy driven by the number of projects and activities delivering council priorities and a strong connection with our local community. We want to build on this so our culture allows our whole workforce to be the best they can be.



"Staff feel most supported when their manager is approachable, is a great communicator and acts decisively. This approach leads to more effective performance management and engagement of staff"

# priorities for the workforce

The journey to transform the culture of the organisation is at the heart of sustaining the pace and depth of business change. Workforce engagement is the key to delivering the outcomes we seek. A priority will be ensuring that staff understand what part they need to play in achieving the vision, that the organisation values their involvement and can best succeed through their contributions.

This Strategy sets out the headline actions for the next three years. The action plan will be monitored and the Strategy reviewed annually on a rolling basis. These are the workforce priorities, with initial focus being on performance and development combined with increasing management capability and modelling the right behaviours.

WORKFORCE PLANNING AND MANAGING POTENTIAL

PERFORMANCE AND DEVELOPMENT

LEADERSHIP AND MANAGEMENT

ENGAGEMENT, REWARD AND WELL BEING

- Right people, right time right place, right numbers
- Attracting and developing employee potential
- High performing teams
- People skilled and developed
- Right Behaviours
- Inspirational leadership
- Having the right culture
- Customer is our focus
- Staff recognised and supported



WORKFORCE PLANNING AND MANAGING POTENTIAL

- Job roles and skills will be identified to meet the council's need now and in the future.
- A workforce planning tool will be developed to help services think about and plan their workforce requirements using context and market information to decide which roles we will employ, develop, source as contingent labour or share with partners.
- We will boost the skills of the workforce through the use of work experience, apprenticeships and graduate schemes that benefit employers and individuals and help improve economic productivity.
- Over the coming months and years, we will take more control over designing, choosing and supporting wider pathways to employment and providing opportunities for our diverse workforce and community.
- We will review flexible ways of working, supported by our Digital Strategy that are aligned with council priorities to generate income and deliver transformed services.
- We will review our recruitment processes to ensure we are attracting the best people across the community and recruiting for the right behaviour and value mind-set.
- We will identify our best potential across our diverse workforce and ensure staff are given the opportunity to flourish in a way that supports and drives achievement of the council's priorities.
- We will use projects and activities across the council and partners to provide opportunities for skills development and to grow staff with potential.

#### PRIORITY 2

PORFORMANCE AND

D<del>I</del>VELOPMENT

- We will enable and require managers to be adept at supporting staff with development planning, supporting them to reflect on their performance, giving and receiving feedback and helping staff to take personal responsibility for their own performance and development.
- We will focus our development activities on increasing our leadership capability and capacity for leading employees through change and creating a culture of collaborating with others, having a commercial focus, and creating a resilient workforce.
- We will review our performance processes to ensure they are fit for purpose for a smaller more agile workforce.
- We will ensure that staff understand their role, the contribution they make to the council and what they can do to achieve.
- The council's learning and development offer will be aligned with emerging development priorities.
- We will encourage people to take personal responsibility for their development supported by a corporate development offer.

#### **PRIORITY 3**

LEADERSHIP AND MANAGEMENT

- We will make sure our leaders and managers can manage people in an effective and inclusive way, that recognises potential, develops performance and role models our values.
- Our managers will be supported to develop their leadership capability at all levels to build trust and resilience, maximise the potential of their teams and lead the way in enhancing our capacity for working in collaboration and partnership.
- We will enable a coaching approach to management and facilitate all aspects of workforce engagement, performance and cultural development.
- Leadership is found at all levels of the organisation and we will encourage our dispersed leadership to grow.
- We will develop a set of management standards for managing staff, resources and budgets.

#### **PRIORITY 4**

ENGAGEMENT REWARD AND WELL-BEING

- We will work together to achieve the set of common behaviours that allow us to live our values every day and express our sense of personal responsibility and pride in working at Brent Council.
- We will make the council an employer of choice for a great diversity of people and prioritise achieving diversity in our workforce.
- We want everyone in our workforce to feel they can be who they are and feel confident in a supportive environment, able to contribute their ideas and opinions and work in partnership with others.
- We will create development and network opportunities so staff tell positive stories about our council as a supportive employer that encourages confidence across our diverse workforce.
- There will be specific attraction and retention plans for hard to recruit areas.
- We will continue to help staff to access the benefits and well-being support available to them.
- We will have a staff recognition scheme and look at ways to achieve more flexibility with reward where circumstances are appropriate to do so.



# workforce planning and managing potential

OUTCOME	WHAT WE ARE GOING TO DO	HOW WE WILL KNOW WE HAVE SUCCEEDED
P1.1 We will provide opportunities for progression both within and outside the council balancing opportunities to develop staff alongside assessment of need to refresh the workforce  Service areas will have clear workforce plans to ensure actions are taken in time to meet workforce requirements for delivery of council priorities	<ol> <li>Having clarity about workforce planning helps us balance short and long term workforce objectives. It helps us to better target resources, managing of potential, development priorities and improve staff engagement to meet Brent 2020 outcomes:</li> <li>We will develop a workforce planning tool to help services structure their thinking and planning about workforce needs This will include workforce intelligence based on employment market analysis to assist services with planning for which roles to develop, grow, source through other means or accept that such roles could only be filled by contingent labour</li> <li>We will review job roles and competencies to reduce complexity and have a clear set of competencies and job families better suited to a more agile workforce working across strategic partnerships</li> <li>We will use digital to underpin and develop new ways of working</li> <li>We will conduct a review of management tiers and spans of control across the council</li> </ol>	<ul> <li>The council has a corporate workforce plan being actioned that meets workforce requirements and is delivering Brent 2020 priorities</li> <li>The council has adopted new ways of working allowing more workforce flexibility, staff engagement and effective utilisation of the Civic Centre to generate income</li> <li>CMT will be able to make strategic decisions about management tiers and spans of control based on the analysis</li> </ul>

ОИТСОМЕ	WHAT WE ARE GOING TO DO	HOW WE WILL KNOW WE HAVE SUCCEEDED
P1.4 We will review our recruitment processes to ensure we are attracting the best people across the community and recruiting for the right behaviour and value mind-set	<ol> <li>We will seek to enhance our reputation as an employer that lives its values through a programme of work allowing us to engage our staff in our mission and values from the outset:</li> <li>Complete a full review of the recruitment service and process</li> <li>Successfully on-board new colleagues through the provision of engaging and inspiring induction activities from the point of appointment to establishment in role</li> <li>Monitor and report on the number and nature of employee relations issues across the council including employee complaints and employment tribunals and take appropriate action to remedy and reduce these</li> <li>Target and implement interventions where appropriate to improve employee relations</li> <li>Design and implement a learning programme that underpins the cultural change</li> </ol>	<ul> <li>By 2020 the majority of staff will believe that the council is an employer that values staff contributions; there will be an increase in the proportion of positive employee comments</li> <li>By 2020 the majority staff will be participating in engagement activities; and all staff will be engaging in some of the activities</li> <li>By 2020 completion rates for induction modules will be at least 90% and all new colleagues attend corporate induction within 1 month of start</li> <li>By 2020 the majority of new staff will evaluate corporate and local induction as good, leading to improved retention across 12 months from start date</li> <li>We will have succeeded when:</li> <li>Staff and partners speak positively and routinely about the values and culture of the council and residents report that the council acts on feedback</li> </ul>



# performance and development

OUTCOME	WHAT WE ARE GOING TO DO	HOW WE WILL KNOW WE HAVE SUCCEEDED
P2.1 Brent will be a learning and high performing organisation where value is placed on the learning that stems from reflection on practice as well as collaborative learning through networks	Good performance and development are a clear expectation from an engaged and productive workforce. A critical building block on our path to developing a highly engaged workforce is getting performance and development activities right for our staff:  1. Review the performance and development processes so that that poor performance is consistently addressed and very good performance is properly recognised and celebrated  2. Provide support to all staff and managers to raise competencies in interpersonal awareness, meaningful conversations, giving and receiving feedback and development  3. Support the development of a culture of personal accountability through a series of learning interventions focused on proactivity, participation and personal influence  4. Improve organisational capability for development  5. Embed values and behaviours as a driver of great performance	<ul> <li>The majority of staff will report satisfaction with their development and development plans (90%)</li> <li>The majority of staff with report satisfaction with their appraisal discussions (90%)</li> <li>Brent has a strong culture of performance management and poor performance is dealt with effectively</li> <li>We will have succeeded when:</li> <li>Staff acknowledge that their skills are appreciated and we have a committed and capable workforce who want to get things done</li> </ul>



# leadership and management development

OUTCOME	WHAT WE ARE GOING TO DO	HOW WE WILL KNOW WE HAVE SUCCEEDED
P3.1 Our leaders and managers can manage people in an effective and inclusive way, that recognises potential, develops performance and role models our values	A culture which supports and involves staff requires a strong strategic narrative, engaging managers who encourage and act on feedback and organisational values that are demonstrably part of organisational life. Leadership and management capability is critical to achieving the right cultural outcomes:  1. We will clearly define the role of the manager and identify and embed leadership and management behaviours within the organisation  2. We will develop and implement a new leadership offer within our organisation to:  • Develop leader and manager capability to help employees understand why change is happening, what it means for them and how they can model expected behaviours at work  • Help leaders and managers to effectively manage performance across the organisation  • Support managers in communicating better with their teams, stakeholders and customers  • Provide managers and leaders with networking opportunities to share experience and expertise and get routine advice from colleagues  • We will develop a clear set of management standards to ensure that managers are adopting a consistent approach to managing staff, resources and budgets  • Develop an introduction to management programme for non-line managers	<ul> <li>By 2020 performance appraisals will accurately reflect performance standards and include a SMART development plan</li> <li>By 2020 there will be noticeable improvement in positive feedback that managers are living the council's values</li> <li>By 2020 the majority of staff will believe that the council is an employer that values staff contributions; there will be a reduction in the proportion of employee complaints</li> <li>Skills in dealing with service improvement and change and staff motivation and performance improvement are consistently higher</li> <li>Employees are confident and capable to engage in, get involved in and contribute to making change happen and creativity is more abundant</li> <li>We will have succeeded when:</li> <li>Staff and partners speak positively and routinely about the values and culture of the council and Brent manages change effectively</li> <li>The majority of staff are clear about their responsibilities; are not hampered in their work and feel trusted and accountable for their actions</li> </ul>

# P3.2 Workforce engagement will rise and cultural development will prosper as all staff are supported to develop and contribute through a consistently applied coaching approach to supporting others

A coaching approach allows personal leadership to flourish and encourages dispersed leadership in action across and throughout the whole workforce:

- 1. Provide a sustainable, credible, internal coach/coach training offer which delivers value for money and reduces costs of 3rd party provision
- 2. Embed internal and external mentoring as an accepted and valued tool for personal development in support of leadership which extends beyond the management hierarchy
- **3.** Develop manager capability to ensure employees understand the council's vision and values and see the connection with their own team and role

- By 2020 there will be a reduction in external coach training spend
- The majority of staff will report positive feedback relating to appraisal discussions
- An active coaching network will be established internally
- By 2020 there will be increased usage of the My Mentor programme

#### We will have succeeded when:

 Staff and partners recognise the council as having a climate of listening and feedback, up, down and across the organisation



# PRIORITY 4

# engagement, reward and well-being

	ОИТСОМЕ	WHAT WE ARE GOING TO DO	HOW WE WILL KNOW WE HAVE SUCCEEDED
Page 173	P4.1 Brent Council continues to promote an open, inclusive and fair culture aligned to Brent's values and all employees have opportunities to develop	<ul> <li>We will seek the contributions of all our diverse staff by ensuring we do all that we can to maximise their potential, and proactively engage in their development:</li> <li>1. To develop and implement a 'fit for purpose' learning and organisational development plan in response to skills and capacity shortages, to support staff performance and meet the needs of emerging talent</li> <li>2. Help managers to apply strong general management practice such a performance management, appraisal, feedback, project management and learning interventions</li> <li>3. Develop organisational awareness of bias in order to design negative bias out of all decisions related to talent from recruitment and selection, to appraisal and development</li> </ul>	<ul> <li>The performance of all staff will be evaluated against their potential</li> <li>All staff will have access to development opportunities and be encouraged to take on additional responsibilities where possible</li> <li>We will have succeeded when:</li> <li>Our workforce feel psychologically safe to fully participate in organisational life without fear or favour, and trust that they will receive support if they ask for it</li> </ul>

ОИТСОМЕ	WHAT WE ARE GOING TO DO	HOW WE WILL KNOW WE HAVE SUCCEEDED
P4.2 Staff and potential staff will understand the full range of benefits and support available to them  Page 174	<ul> <li>We will seek to ensure the well-being of our staff through engaging and involving them in dialogue about their well-being in a variety of ways.</li> <li>We will make prospective employees excited about coming to Brent Council as an employer of choice.</li> <li>1. We will review pay structures and our evaluation schemes to ensure we can attract and retain people especially in hard to recruit and key roles</li> <li>2. We will review staff rewards and benefits to ensure they support a culture of personal responsibility, demonstrating initiative and delivering outcomes aligned to strategic priorities</li> <li>3. Deliver a programme of regular staff feedback (pulse surveys) to measure staff understanding and engagement in the corporate offer</li> <li>4. Promote health and well-being activities for our staff</li> <li>5. Review reasons for sickness absence and target interventions if any areas of concern are identified</li> <li>6. Introduction of staff awards</li> </ul>	<ul> <li>By 2020 90% of staff will feel that the council values employee well-being</li> <li>By 2020 we will be confident that 90-100% of sickness absence is being recorded by managers; and sickness absence will be less than 5.5 days per FTE per year</li> <li>By 2020 80% of staff will feel that they are paid competitively and that they have a good work-life balance</li> <li>By 2020 the majority of staff will report satisfaction with their development plan</li> <li>By 2020 reward and recognition activities will be embedded as part of organisational life</li> <li>We will have succeeded when:</li> <li>The majority of staff are ambassadors for working at Brent Council and take responsibility for their own health and well-being using support available through the council and its partners</li> </ul>
P4.3 To ensure the council has a representative workforce and at least 80% of the same representation exists in the senior management cohort.	To deliver our outcomes we need to understand the diverse needs of our communities, residents and service users. To build trusting and helpful relationships we need to reflect the communities we serve. In order to innovate we need ideas generated from a multitude of different skills, learning, life experience and attitudes. Our leadership reflects the diversity of our workforce.  1. Establish and take positive steps to ensure that our organisational diversity profile reflects our borough diversity profile  2. Participate in external accreditation measures (e.g. Stonewall Index; Timewise) to encourage employee participation and benchmark our progress  3. Sponsor and support employee participation in diversity networking	<ul> <li>We will have by 2020 a minimum of 95% staff disclosure (relating to staff diversity data)</li> <li>By 2020 the number of disabled applicants to the council will be proportionate to the estimated economically active disabled people within the borough</li> <li>By 2020 for the council to be in the Stonewall top 100 employers / Best 100 employers for race</li> <li>We will have succeeded when:</li> <li>Our workforce represents the working age community we serve at all levels +/- 20% and</li> <li>We have 80% of staff choosing to disclose all of their protected characteristics</li> </ul>

OUTCOME	WHAT WE ARE GOING TO DO	HOW WE WILL KNOW WE HAVE SUCCEEDED
	<ul> <li>4. To ensure all council employees are paid at least the London Living Wage; and ensure Equal Pay within the council</li> <li>5. To participate in external fora (e.g. ENEI, London councils, Business in the community); and accreditation measures (e.g. Timewise, disability confidence) to encourage employee participation and benchmark our progress</li> <li>6. To further embed Valuing Diversity into everyday organisational life through the establishment of a beyond-compliance diversity learning</li> </ul>	<ul> <li>We will be perceived by staff to be an equal opportunities employer</li> <li>We will be a Timewise accredited organisation</li> <li>We will have a 10% improvement from the 2016 baseline in the proportion of men and women adopting flexible working patterns at all levels of the organisation</li> <li>We will have succeeded when:</li> <li>We have the same representation of women, BAME and disabled staff in senior management roles as exists within the workforce +/- 20% and our customers report that their voice is being heard and our services are meeting need in the right way</li> </ul>
P4.4 To ensure the council is an employer of choice for Brent's culturally diverse communities	<ul> <li>Engaged employees are productive employees. We need to make sure we continue to be attractive to potential employees through the ways we support, encourage, manage and develop our existing workforce:</li> <li>1. To establish key actions to address under representation of certain groups applying for the council's training and employment opportunities</li> <li>2. To systematically review HR metrics relating to the diversity profile of employees included in employee relations and performance management procedures.</li> <li>3. To review and improve our processes where necessary for attracting under represented communities to work or train for the council</li> </ul>	<ul> <li>We will continue to recruit and promote the best people for the job; and by 2020 all divisions will have a diversity profile that meets our success criteria</li> <li>Council staff and community groups work together to reap the benefits of Brent's cultural diversity</li> <li>We will have succeeded when:</li> <li>The protected characteristics of staff are represented proportionately in employee relations and performance management procedures</li> </ul>

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# Appendix 2 Cabinet Report for 23 October 2017 Workforce Strategy

## Equality Analysis Workforce Strategy

Department: Resources Person Responsible: David Veale,

Director of HR and OD

EA date: October 2017

Next Review (if applicable): October 2018

#### Stage 1 Screening Data

1. What are the objectives and expected outcomes of your proposal? Why is it needed? Make sure you highlight any proposed changes.

Brent is one of the most culturally diverse boroughs in the UK. The council is a vibrant and dynamic organisation with a workforce that reflects the diversity of its community. The diversity of the borough and the cohesion between its different communities are major factors in Brent's characteristic vitality and energy. In Brent, 76% of the working age population (16-64) are economically active; 72% are employed. As an employer, the Council has an indisputable bearing on the economic development of the borough and an essential responsibility as a role model for other local employers.

Over the last few years the council has had to face unprecedented financial challenge and demographic changes. The Brent 2020 Vision is clear: to make the borough a great place to live and work; a place where people feel that they have opportunities to change their lives for the better even in the context of the most pressing financial challenges experienced in public services for decades.

A skilled and engaged workforce is crucial to achieving the Brent 2020 vision and the 2017 – 2020 Workforce Strategy sets out the priorities for the next three years to enable the council to achieve its strategic priorities and vision, and to ensure that the council employs the right people, with the right skills, knowledge and experience, in the right place, at the right time.

The Brent 2020 vision forms the basis of organisational transformation and requires a workforce that is:

- Engaged
- Customer Led
- Collaborative (across the council and partners)
- Skilled
- Innovative

The Workforce Strategy priorities are therefore grouped in the following themes, with initial focus being on performance and development combined with increasing management capability and modelling the right behaviours:

- Workforce planning and managing potential
- Performance and development
- Leadership and management
- Engagement, rewards and wellbeing

#### The intended outcomes of the strategy are as follows:

• We will be a smaller organisation

# Appendix 2 Cabinet Report for 23 October 2017 Workforce Strategy

- The customer is at the heart of everything we do
- Our staff will be more agile, skilled and collaborative, working with colleagues and partners and not limited by physical or structural boundaries
- Managers and staff will use more commercial, collaborative and strategic commissioning skills to obtain best value from our resources, partners and contractors
- We will be more innovative, developing and embracing new ways of working
- We will use "digital" to be more efficient and effective
- Our managers will role model organisational behaviours, vales and competencies
- Our managers will follow a clear set of management standards for managing staff, resources and budgets
- Staff will be more engaged

## 2. Who is affected by the proposal? Consider residents, staff and external stakeholders.

All current and prospective employees will be affected by and benefit from this strategy. Other stakeholders that will be in/directly affected are: Councillors, trade unions, partners and contractors, service users and the wider community.

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

While the Workforce Strategy will apply to all employees, employees with certain protected characteristics are over-represented (e.g. women, BAME groups) and are therefore more likely to be affected by and benefit from the new strategy.

There are also equality groups that are more likely to be affected by and benefit from the new strategy due to their specific needs such as: older employees, young employees (including apprentices, graduates, interns and care leavers where the Council is Corporate Parent) and employees with disabilities and long-term health conditions. The strategy also considers the needs of part-time workers and employees with childcare or caring responsibilities who are more likely to be women, as well as women returning from maternity. It also acknowledges that more work is required to promote paternity leave, job sharing, reasonable adjustments and flexible working patterns.

The strategy acknowledges the importance of diversity monitoring and disclosure, and sets arrangements in place to regularly monitor the diversity profile of the council's workforce and address under-representation of specific groups at senior management levels (e.g. women, BAME groups and disabled employees), and any potential pay gaps (e.g. gender pay gap). In order to facilitate change, the strategy commits to further enhancing mentoring, coaching, training and development opportunities to grown its own talent. It also acknowledges the importance of Disability Confidence, Cultural Diversity and Unconscious Bias awareness, as well as Inclusive Leadership to ensure fair and inclusive employment practices in recruitment, selection, promotion, training and development, consultation and engagement, health and wellbeing, performance management, award and recognition.

There is also a commitment to lead by example and promote equal pay and the London Living Wage among its partners and contractors. The strategy also reaffirms the council's commitment to working in partnership and adopting good practice in the attraction and recruitment of diverse talent, flexible working, promotion and progression, LGBT inclusion, disability confidence and reasonable adjustments, digital inclusion and access, etc

The strategy's annual action plans set out how the above commitments will be achieved.

# Appendix 2 Cabinet Report for 23 October 2017 Workforce Strategy

## 3.2 Could the proposal have a disproportionate impact on some equality groups? If you answered 'Yes' please indicate which equality characteristic(s) are impacted

See 3.1 above

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

No. This is a strategic document that aims to enable the council to achieve its strategic priorities and vision. It also aims to facilitate the required transformation change by effectively supporting, managing and upskilling its current / future workforce to enable them to deliver the best services and outcomes for local communities.

Any significant changes that result from the general direction of this strategy would be subject to an equality analysis which would look at the specific proposals and their impact on affected internal or external individuals/groups with protected characteristics.

#### 3.4 Does the proposal relate to an area with known inequalities?

See 3.1 above

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

See 3.1 above

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

Yes, to all five equality objectives (EOs):

EO1: To know and understand all of our communities

EO2: To involve our communities effectively

EO3: To demonstrate leadership in equalities and human rights, both within the council and among partners

EO4: To ensure that local public services are responsive to different needs and treat users with dignity and respect

EO5: To develop and sustain a skilled and committed workforce able to meet the needs of all local people

#### Recommend this EA for Full Analysis?

No. This is a strategic document that aims to enable the council to achieve its strategic priorities and vision, and to facilitate the required transformation change. Any significant changes that result from the general direction of this strategy would be subject to an equality analysis which would look at the specific proposals and their impact on affected internal or external individuals/groups with protected characteristics.

The Workforce Strategy will be supported by an action plan informed by feedback and consultation with key stakeholders. The action plan will be monitored and the strategy reviewed annually on a rolling basis to ensure that they continue to meet the strategic priorities and employees' diverse needs.



#### Agenda Item 13



# Cabinet 23 October 2017

# Report from the Strategic Director of Resources

Wards Affected:

ΑII

#### **Apprenticeship Strategy 2017-20**

#### 1 Purpose of the Report

- 1.1 The Apprenticeship Strategy and associated action plan for 2017-20 sets out the key areas of activity the council will lead, often in partnership with external organisations, to increase the take-up of apprenticeships in Brent and to utilise the opportunity of the Apprenticeship Levy to support career progression.
- 1.2 To date the council has committed to supporting the generation of increased apprenticeship opportunities in both the council and the borough for 16-24 year olds, since the launch of the council's current apprenticeship scheme in 2014 and the externally facing apprenticeship offer via Brent Works since 2016. The introduction of the levy and no longer having an age limit on funding, gives opportunities to expand this approach across the council workforce in addition to creating new apprenticeships.
- 1.3 Apprenticeships are a source of development opportunities for staff and residents to both earn and learn, helping entry into careers and progression in the workforce. This is a key tool in addressing the 'low skills and low pay cycle' that exists in the UK, particularly in London, by enabling development of qualifications to higher levels of skills and pay.
- 1.4 The strategy formalises the council's approach and sets commitments for the coming 3 years, supporting quality employment opportunities for its residents, and supporting the Council's workforce development priorities.

#### 2 Recommendations

Cabinet is asked to:

- 2.1 Endorse the Council's Apprenticeship Strategy.
- 2.2 Note the recommended new apprenticeship pay scales for the council's own apprentices.
- 2.3 Note the analysis of the council's skills gaps identified to date and to support the ongoing utilisation of the Apprenticeship Levy to support investment in workforce development and apprenticeships.

#### 3 Detail

#### **Background**

- 3.1 The council has already made significant steps to support the growth of apprenticeships in the organisation and borough more widely.
- 3.1.1 The council's internal apprenticeship scheme set-out to support the completion of 100 apprenticeships in 3 years, and has overachieved on this aim by recruiting 110 young people as apprentices. There are currently 30 apprentices (22 at level 2 and 8 at level 3). The apprenticeships are mainly in business administration and so far 54 have achieved level 2 (equivalent to GCSE) and 23 have achieved Level 3 (equivalent to A level) gualifications.
- 3.1.2 Brent Works supported 30 apprenticeship placements in the 2016/17 and aim to support 50 young people into apprenticeships in 2017/18. This is a new aspect of the local recruitment offer provided by Brent Works. There will still be a focus on young people, NEET prevention and promoting apprenticeships amongst disabled residents and employees. Care leavers will also be supported through provision of "wrap around services" and this will include, where appropriate, apprenticeships. Apprenticeship opportunities will be utilised to support adult residents in key target groups such as "job ready" and long term unemployed. The council can also use its leverage in procurement and planning to generate additional apprenticeship opportunities, which Brent Works can then support through council contracts worth over £100k and Section 106 Policy.
- 3.1.3 The Apprenticeship Levy was introduced in April 2017.
- 3.1.4 In March 2017, the government said that local authorities would be responsible for holding levy monies in the council account for community schools. This has been problematic in Brent as the council does not manage the payroll for most community schools. So far, £37,750 (as at end of June 2017) has been collected from community schools. The council is working with community schools to see how it can support them to utilise their levy monies. Nineteen schools are making payments directly to HMRC despite being written to earlier this

year and thirteen schools have not confirmed if they will pay into the Council's digital levy account or not. At the time of this report's publication, only seven schools are paying into the council's digital levy account. The data collection exercise shows that approximately £350k levy per annum could be expected from 39 community schools. Although the standard for teaching assistants is still not approved, other standards such as business administration can be used.

#### Apprenticeship Strategy and Action Plan (the Council's approach)

3.2 The Apprenticeship Strategy and Action Plan outlines the council's aspirations to grow the apprenticeship workforce in Brent, both within the council and by supporting other Brent based organisations. It also proposes how the council will utilise the apprenticeship levy to support workforce development, and how this can also be promoted to large organisations across the borough who are paying the levy.

Growing the apprenticeship workforce in the council

The Strategy will:

3.2.1 Commit to paying apprentices in the council pay rates that will help to attract and retain them in the organisation, as well as enable fair employment so that they are able to complete an apprenticeship even if not living at home. The proposed rates of pay in the Strategy for council apprentices are as follows:

Current Apprenticeship Rates (Based on national apprenticeship rates)

	Basic pa	Hourly	Bonus	Total	Hourly
		Rate		Annual	Rate
Level 2	£8,500 to	£4.54 to	£1,500	£10,000 to	£5.34 to
	£9,500	£5.07		£11,000	£5.87
Level 3	£12,168	£6.50	£1,500	£13,668	£7.30

National Living Wage & Apprenticeship Rates	Hourly Rate
(April 2017)	
Aged 25 and above	£7.50
21-24 yrs inclusive	£7.05
18-20 yrs inclusive	£5.60
Under 18 (but older than participation age)	£4.05
Apprentices 19 yrs and in first year	£3.50
Apprentices under 19 yrs	£3.50

Proposed Apprenticeship Rates (For new apprenticeships)

	Hourly Rate	Basic pa
Level 2	£7.50	£14,000
Level 3	£8.01	£15,000
Level 4	£9.75	£18,252
and above		

Please see finance section for cost implications

- 3.2.2 National Living Wage for all apprenticeships is given above. The proposal is that for level 2 entry apprentices are paid at the highest rate shown i.e. £7.50 per hour, whilst Level 3 apprentices are paid at £8.01 per hour.
- 3.2.3 The current London Living Wage (LLW) is £9.75 giving an annual salary of £18,252 (36 hour week). Brent pays all its employees at the LLW or higher. It is not proposed to pay level 2 and 3 apprentices the LLW, as they would not be sufficiently trained to be on the same rate of pay as other members of the council's workforce at the London Living Wage salary level.
- 3.2.4 Although it is not proposed to pay London Living Wage to level 3 apprentices, the proposed salary is increased to reflect their level of training and skills and the reduced requirement upon managers to supervise their work.
- 3.2.5 It is proposed to pay level 4 apprenticeships and above London Living Wage. At this level it's anticipated that supervision required will be far lower. It's more likely that current employees will take up apprenticeships of level 4 and above, in which case, they will be on a minimum of the London Living Wage anyway or their current salary.
- 3.2.6 The last survey of apprenticeship rates across London shows that proposed rates are in the top half of pay rates, but since the levy introduction, the market place for apprentices is becoming more competitive. The highest payers, Hackney, Haringey, Harrow, Southwark and Tower Hamlets typically pay hourly rates of £7.20 to £9.91 with Harrow paying £8.52 per hour for level 2 and 3 apprentices.
- 3.2.7 The strategy supports the achievement of 350 apprenticeships by 2020, 200 within the Council and 150 through Brent Works.
- 3.2.8 Ensure that coordinated actions are taken to use apprenticeships to support care leavers. As Corporate Parent, the Council has an obligation to support education and employment prospects for this vulnerable group and apprenticeships are a particularly appropriate pathway to do this.
- 3.3 <u>Utilising the Apprenticeship Levy to support workforce development -</u> Council
- 3.3.1 There is a mixed picture of available standards with more now being approved. For example the standard for adult social care level 2 is ready, having a maximum funding allowance of £3,000. Other standards that are not available are for a social worker and those for planning qualifications to enable progression to senior management but these are in development.

3.3.2 In the recent Learning Needs Analysis (LNA) Survey, two questions related to apprenticeships:

"Have you considered a "grow your own approach" to utilising an apprentice or graduate?"

73% (120 responses) said yes and 27% (45 responses) said no

"Please indicate what opportunities you think you have in your area to create apprenticeships, this could be recruiting an apprentice or upskilling an existing employee".

159 people responded to this question out of 230 people who completed the LNA.

Unsurprisingly, frequency of response clustered around the following areas:

Activity	Number of respondents
Business administration type roles	37
Health and social care roles	21
Saying they already have or did have apprentices in their areas e.g. IT, customer services,	20
Customer Services	8
Enforcement/Environment type roles e.g. food safety	7
Housing roles	6
IT	5
HR	3
Engineering	2
Various individual services areas not falling into specific categories above including planning	20

The remaining responses were not specific or were simply making a comment. A draft cost projection linked to some of these training needs and other apprenticeships is given in appendix 2. The cost projection demonstrates that significant creation of apprenticeships will be required but a proportion of these could be used amongst existing employees. Recruitment of new apprentices will also take place. The cost projection has a tab for schools but at the moment, these suggestions are purely examples as the council will need to work with schools to support their levy utilisation.

3.3.3 One strand of future activity for Brent Works is about growing the apprenticeship workforce Brent-wide with partners. This will primarily be through engagement with schools and career services. Employers will also be encouraged to support the promotion of apprenticeships in their sector. Apprenticeships will be promoted via voluntary and community organisations and children's centres to both young people and parents. Apprenticeship opportunities will be sought with business

- partnerships (including but not limited to the Brent Business Board, Town Centre business associations and Park Royal Business Group).
- 3.3.4 The council will also work with the Partners for Brent group of organisations to explore collaboration, to take forward apprenticeships that can work across organisational boundaries, such as the Fire Service, Policy, NHS, education, and voluntary sector.

#### 4 Financial Implications

- 4.1 Based on payments made to date, the amount of levy will be approximately £381k per annum for three years\_starting from April 2017 up to March 2020. Including the Government top up of 10%, £419k is estimated to be available to spend on training through the Digital Apprenticeship Account. If the money is not spent within 2 years the funds will be claimed back by the Government. Community schools are anticipated to contribute approximately £350k per annum to the levy fund.
- 4.2 It should be noted that the tables below show cost implications but if a funded vacant post is used for an apprentice, salary costs will already be in the budget. Higher level apprentices are more likely to be current employees who would retain their current salaries.
- 4.3 The table below shows the projected costs (without employer's on costs) for the proposed increase in apprenticeship pay scales. The costs are based on a) the costs of increasing rates of the current apprentice population and b) the cost of recruiting 30 new apprentices (assuming current employees will make up 20 of the remaining apprentice target of 50). This means that it will cost £92k to bring the current apprentice population up to new proposed rates and if the council were to recruit 30 new apprentices, the projected costs (excluding employer's on costs) would be £429k (please note comment in para 3.2.1 above).

Level 4 apprenticeships and above are not included in the projections below as the assumption is they would be current employees. It's worth noting that if the council were to pay London Living Wage to all current and new apprentices based on projected numbers below, the costs excluding employer's costs would be £757k.

Funding is to be found within existing budgets. The apprenticeship levy pays for training only, not salaries.

**Current Apprentices** 

		Totals	£295,344	£337,344	£428,880	£91,536
2	8	3	£97,344	£109,344	£120,000	£10,656
1	22	2	£198,000	£228,000	£308,880	£80,880
				bonuses		
			Costs	including		
	apprentices	level	Annual	Costs	costs	Costs
	Number of	NVQ	Current	Annual	New total	Additional
	Surrent Apprentices					

#### 5 Legal Implications

- 5.1 The funding for apprenticeship training is no longer restricted to younger age groups, although some additional funds are available for younger groups and 19-24 year old care leavers. The Council will need to advertise apprenticeship opportunities to every age group within of the community. The Council should avoid giving the impression that apprenticeships are just for young people even if in practice the majority of those applying for and being offered them are young. Leaflets and advertisements should also include images of older people; without a conscious effort to present these opportunities in this way the Council may be vulnerable to claims of age discrimination.
- 5.2 Although maintained schools are included within the council's apprenticeship target, it's unclear how the council can enforce this without the individual schools' cooperation. There are also challenges in respect of ensuring that individual community schools fund the levy in relation to their staff in the same way as other staff related costs such as national insurance contributions. Some commentary has envisaged councils employing the apprentices themselves, rather than expecting every community school to do so. This potentially could place a considerable administrative burden on local authorities which would be required to operate an apprenticeship scheme for maintained schools and ensure each school contribute their proportion of the levy.
- 5.3 Staff terms and conditions are not determined by Cabinet and if a member level decision is needed in respect of the pay rates for the council's own apprentices, then it would need to be made by the General Purposes Committee which is responsible for determining the overall framework of terms and conditions for employees.

#### 6 Diversity Implications

- 6.1 This report provides an update on the Apprenticeship Levy and reforms, and highlights the implications for the Council both as an employer that trains apprentices itself, and for the Council's work to promote apprenticeships with other local employers. The report also highlights the potential opportunities and it is anticipated that these will lead to better outcomes for local residents and the existing workforce.
- 6.2 The availability of this new apprenticeship training fund, coupled with flexibilities introduced by the Apprenticeships Reforms provides opportunities for the council to fill skills gaps and introduce apprenticeships for hard to recruit roles, as well as to up-skill the existing workforce. The removal of age barriers to participation in apprenticeships will enable the council to up-skill a wide range of age groups, including older residents and employees.
- 6.3 There are some additional funds available for recruiting 16-18 year old apprentices, those with a Local Authority Education, Health and Care plan, and 19 -24 year old care leavers. The Council has already put a number of projects in place to support vulnerable local residents: e.g.

work is underway to support care leavers into employment in partnership with the Department for Work and Pensions, being delivered by Future Paths; a project commissioned to The Mencap Society will offer supported employment and apprenticeship opportunities to residents with learning difficulties and disabilities; a work placements scheme supporting local people with mental and/or learning disabilities is also in place.

- Due to the diversity profile of the borough, it is anticipated that there will be a higher proportion of BAME residents benefitting from the apprenticeship opportunities because BAME individuals and groups (including White Other, Gypsies, Roma and Travellers, etc.) are more likely to live on low incomes or be unemployed.
- 6.5 Apart from the opportunity to offer apprenticeships to vulnerable and socio-economic individuals and groups, there is an opportunity for the Council to address occupational segregation by attracting more women in historically male dominated roles and vice versa, as well as BAME individuals in higher level apprenticeships.
- 6.6 The Council will also be able to further enhance its corporate social responsibility and support its supply chain and local businesses (including SMEs) to utilise the levy funding. While there will be resource implications for the Council, in the long-term this investment on return will improve the equality of outcomes for more local residents and significantly increase their chances of employment in and outside the borough.
- 6.7 In London operating costs for training providers are higher, particularly for employers who aim to recruit people needing additional support to succeed in an apprenticeship. One of the key issues and focus for the Council as an employer is how to maximise the benefits of using its 'virtual levy budget' without compromising the quality of training, including the ability to successfully support apprentices with additional training needs.
- 6.8 The Council must carefully consider the impact on staff and monitor any unintended consequences arising. The organisation also needs to equip the employees with a responsibility for apprentices with the skills to provide adequate level of support, particularly to the apprentices with additional needs and those who require reasonable adjustments.

#### 7 Background Papers

None.

#### 8 Contact Officers

David Veale Director of Human Resourses 0208 937 4594

Matt Dibben Head of Employment, Skills and Enterprise 0208 937 1815

Mildred Phillips Head of Employee Services 0208 937 5442

#### Appendices:

- Apprenticeship Strategy
   Council Apprenticeship Levy Cash flow 2017-19

ALTHEA LODERICK Strategic Director of Resources



# brent apprenticeship strategy 2017-2020







# foreword

Brent Council is committed to the continued expansion and development of all apprenticeship programmes within the council and the borough. One of the Brent 2020 priorities is to lift people out of poverty and dependence on benefits by making them more employable and offering appropriate pathways to employment.

Creating a strong and prosperous Brent that is resilient and resourceful can only be achieved if we have a highly trained, engaged and flexible workforce and can continue to attract and retain the very best talent to live and work in our borough. Apprenticeships can make a positive contribution to this by creating opportunities for young people and by providing a framework for the workforce, of all ages, to undertake relevant qualifications and/or re-training, helping to raise skills and aspirations.

The government's vision for Apprenticeships 2020 highlights the value of apprenticeships to economic prosperity and its recent apprenticeship reforms have called for a substantial rise in the number of apprentices.

Brent Council has a responsibility in helping to create these opportunities both as an employer and as a strategic leader in the community. The introduction of the apprenticeship levy provides the means to fund skills development aligned with council and borough priorities although the levy will not fund apprenticeship salaries.

An objective of the council's workforce strategy is to have a workforce that is engaged, customer led, collaborative, skilled and innovative.

The strategy contains four priorities:

- 1) workforce planning and managing potential
- 2) performance and development
- 3) leadership and management
- 4) engagement, reward and well-being

Apprenticeships will be a contributory factor in delivering these priorities and having the type of workforce we need. Apprenticeship activities sit primarily within the workforce planning and managing potential priority. In addition to supporting Brent's wider Employment and Skills agenda it's crucial that we continue to take positive action in utilising apprenticeships as part of our council's workforce strategy.

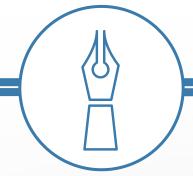
This Apprenticeship Strategy offers the opportunity for the council to provide entry routes into the organisation and local businesses, particularly for young people, as well as enable our existing workforce to undertake relevant apprenticeship qualifications aligned to current and future skills needs.

Adopting a more strategic approach as to how we attract, retain and develop our workforce to meet our communities' needs both now and in the future is vital. Apprenticeships are an integral part of this.

Cllr Tatler

Cabinet Member for regeneration, growth and employment and skills

Cllr Butt Leader of the Council



# introduction

The government revealed its plans to create three millions apprentices by 2020 in its apprenticeship reform plan and introduced a new apprenticeship levy on 1 April 2017. The levy is equivalent to 0.5% of the pay bill for employers whose pay bill is in excess of £3 million. The apprenticeship levy is estimated to be £380,000 pa for Brent council with potentially another £295,000 from community schools in Brent. The levy gives employers control of apprenticeship funding thus empowering them to influence the apprenticeship and training market.

Brent Council is committed to being a good employer and maintain its excellent track record in employing a workforce which reflects the community.

This document sets out the Apprenticeship Strategy for Brent Council as an employer and the positive action that we will take in our approach to apprenticeships as part of our workforce strategy. It also supports the Employment, Skills and Enterprise Strategy 2015-17 in delivering some of its core objectives.

This is a three year strategy, spanning the period 2017-2020. It is intended to be a dynamic document which will be regularly reviewed and updated in response to local and national ochanges. It will be overseen by Human Resources and Employment and Skills.

The strategy will also be used to inform council Services, Local Businesses and Workforce Plans to help identify the actions that individual service areas and or businesses can take in support of this strategy and in meeting the specific skills challenges they face. The Apprentice Strategy also supports and works alongside other talent and entry to work initiatives such as work experience, traineeships, graduate programmes and internships as part of our wider talent approach.



# strategic context

#### 1. Meeting current and future skills needs

The working age population in Brent is due to increase by 11,200 from 2015-2020 with increasing demand for job opportunities in the Borough. Meanwhile Brexit means that the EU workforce in London may reduce meaning that there could be fewer EU applicants, especially in health and social care. Some service areas, particularly within the Adults and Children's areas are already experiencing skills shortages as competition for skilled workers who can work across organisational boundaries increases. Adopting a more strategic approach to 'growing our own' future workforce will become increasingly important if we are to ensure we have the capacity and capabilities we need. Providing opportunities for existing staff to utilise apprenticeships, particularly higher level apprenticeships, to gain skills and progress their career will further help to develop talent pipelines within the organisation.

Government reforms

The government's drive is to increase apprenticeships which will result in circa

£380,000 of the Authority's budget being allocated to its apprenticeship levy. This approach is designed to attract apprentices and provide opportunities to progress to higher level apprenticeships which will be critical to ensuring we meet both our skills needs and fully utilise our levy fund.

The government's goal is for young people to see apprenticeships as a high quality and prestigious path to successful careers, and for these opportunities to be available across all sectors of the economy, in all parts of the country and at all levels. This will support its aim for young people to get the best start in life (English Apprenticeships: Our 2020 Vision). The National Apprenticeship Service has set a target for one in five young people aged 16-19 to be engaged on apprenticeships by 2019/2020.

Currently only 1.7% of the council's employees are apprentices. To meet the public sector requirement of 2.3% of the workforce, undertaking an apprenticeship will require the council to start circa 500 apprentices over the next four years. Against a background of public sector change it is, however, important that the increase of apprentices within the council is aligned to our future skills needs and not just to meet the government targets.

#### 3. Supporting the council's strategic priorities

Providing apprenticeships and routes into apprenticeships are an integral part of the council's wider employment, skills and enterprise strategy 2015-2020 by helping to raise skills and aspirations. As a leader of public services and the largest employer in Brent, it is important that our workforce reflects the community we serve. Currently 15% of our workforce are under 25 compared to 27% amongst residents. The challenges for finding work are particularly acute for young people between the ages of 18-24 as well as care leavers, long-term unemployed, returners to the labour market and those with disabilities as they compete with more experienced candidates. Routes into apprenticeships can also be an alternative path for NEET prevention and consequent reduction in the number of NEETs. The council has a responsibility as an employer and strategic leader in helping to create opportunities for these disadvantaged groups.



# strategic aims

It is timely to review our approach to apprenticeships, in particular how we attract, develop and retain apprentices and deliver apprenticeship programmes

Support our workforce and skills needs in accordance with the workforce strategy

Support the Employment, Skills and Enterprise Strategy for 2015–2020 to increase employment opportunities for local residents

Increase the number of apprenticeships available in Brent, improving skills that meet labour market demand, in turn increasing the productivity of the workforce and pay for those in work



# strategic priorities

#### PRIORITY 1

PROMOTE THE VALUE AND PROFILE OF APPRENTICESHIPS WITH LOCAL EMPLOYERS, WITHIN THE COUNCIL AND IN SCHOOLS

We will promote help apprentices to employers and to students as a good career route which can lead to progression to well-paid employment and/or higher education. We will challenge the poor perception and reputation through the provision of guidance and information to parents and other advisers.

#### PRIORITY 2

DEVELOP SKILLS AND CAPABILITIES OF APPRENTICES

We will help apprentices develop strong professional capabilities and be part of a highly capable, skilled and engaged workforce. This includes developing profession-oriented apprenticeships, at a variety of levels including higher apprenticeships (degree and masters level) and in areas where the council and or local business has identified skill gaps (e.g. social work, commercial and digital).

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#### PRIORITY 3

**ENSURE DIVERSITY AND INCLUSION** 

We will ensure that apprenticeships are a key component of an inclusive council that reflects the community it serves. This includes promoting apprenticeships to those from under-represented groups and low socio-economic backgrounds and adapting recruitment processes accordingly, to emphasise the importance of potential rather than the finished product.

Particular attention should be given to supporting care leavers and other vulnerable young people into apprenticeships (where appropriate) such as young people with Special Education Needs (SEN) and young offenders. More wrap-around support may be required for these priority groups.



#### PRIORITY 4

EMBED APPRENTICESHIPS IN OUR WORKFORCE

We will create apprenticeships that provide a modern employment offer and viable route into the local authority and the wider economy. This includes considering apprenticeships as part of workforce planning, location strategies, talent management, people strategies and career pathways.

#### PRIORITY 5

**ENSURING QUALITY EXPERIENCES FOR APPRENTICES** 

We will make sure apprentices receive high quality training and feel engaged with the council and the work it does. This includes working with reputable training providers, complying with apprenticeship standards and securing senior and line management engagement to ensure accountability for the quality of the apprenticeship schemes.

#### PRIORITY 6

ENSURE A POSITIVE "RETURN ON INVESTMENT" FOR OUR APPRENTICESHIP PROGRAMME

We will build apprenticeship schemes that achieve the best mix of quality and efficiency. This includes working collaboratively across boundaries to ensure apprenticeships fit efficiently within workforce planning and maximise strategic outcomes of delivering apprenticeships within the resources available.

#### PRIORITY 7

WE WILL ACHIEVE 300 APPRENTICESHIPS ACROSS THE COUNCIL, SCHOOLS AND BRENT WORKS BY 2020

The government target of 2.3% of the head count workforce includes the council and community schools but not apprenticeships within Brent's wider public services or business network. Currently this would mean a target of approximately 130 apprenticeships a year, 52 of which would be within the council. The council currently has 33 apprentices and 30 in 2016/17 have obtained apprenticeships through Brent Works.

# challenges

There are some key challenges that we must overcome, in order to ensure the success of the Apprenticeship Programme.

#### 1. Maximising the use of levy funds

The levy will be a significant cost to all local authorities, and it will be imperative to ensure that it is utilised as effectively as possible. Promotion of opportunities to young people, parents, managers and existing staff will be needed to ensure the funds in the levy account are maximised. The initial approach of the council will be to procure an apprenticeship strategic partner who will be able to provide access to a range of training providers and support the council in it apprenticeship programme. The council will need to spot purchase training once apprenticeship priorities are identified.

In addition, close collaborative working between local authorities will be needed to identify areas where apprenticeship frameworks may not exist and to align workforce strategies. Skills gaps areas, once identified, could become the basis for the design and development of new apprenticeship standards tailored to local authority roles.

It is important to maximise the use of the apprenticeship levy and get the most value for money for example through taking a collaborative approach to procurement across local authorities and other public sector organisations.

London councils is exploring the establishment of a collaborative Provider Framework (framework of pre-approved training providers) a procurement process requiring potential providers to demonstrate both quality and value for money, through a pre-qualification process. Local Authorities will then be able to select the most appropriate training provider from a limited group, through a process of mini competition. A collaboration between organisations will also enable greater ability to influence provision suited to local needs, and support the development of new tailor made apprenticeship standards.

#### 2. Cost of apprenticeships

The levy can only be used for development and training. The cost of salaries and administration will have to be funded additionally. For the council this will be a balance of using some budgeted vacancies for apprenticeships, creating apprenticeships as part of departmental restructuring and utilising vacant roles for hard to recruit jobs.



#### 3. Care leavers

Those leaving care have been identified as a particular group who find it hard to enter and sustain the labour market. It is especially difficult for those that have not had the opportunity, or developed the ability to navigate the complexities of finding and sustaining work. Whilst apprenticeships can provide an opportunity, research evidence has shown without the right support mechanisms and basic employability skills in place, many care leavers find it difficult to sustain and complete an apprenticeship. Consequently developing pre-apprenticeship work experience opportunities or traineeships which help prepare them for the world of work and enable the right wrap around support services to be identified and put in place would enable greater success. This strategy will link into the council's strategic approach to supporting and sustaining care leavers in employment.

#### **4.** People with a disability

Similarly we will work with a range of supported employment organisations to develop work experience opportunities for people who are unemployed and who have a disability. These individuals, by virtue of their disability are one of the groups furthest from the labour market. Identifying and creating effective ways of increasing access to education skills and training will help improve the life chances for individuals and assist their ability to become economically active.

#### 5. Disadvantaged young people

The challenges for finding work are particularly acute for young people aged 18-24 as they try to complete in the labour market against more experienced candidates. Offering good quality apprenticeship opportunities that provide

an entry and development route, and at a competitive salary, is vital if we are to attract and retain young people into apprenticeships. Research has shown that apprentices who start their careers with employers providing good quality programmes have a high commitment to the overall culture and aims of the business and provide a ready-made talent pool. There will be a planned approach to ensure apprenticeships are aligned to areas where they are sufficient employment opportunities at the end of their training programme. This approach will help stimulate the growth of apprentices, secure a return on investment and improve the council's reputation. In conjunction with education colleagues within the council we will also seek opportunities to access and utilise relevant funding streams to help disadvantaged young people overcome personal barriers to accessing training opportunities and employment.

#### **6.** Long term unemployed/returners to the labour market

Providing work experience pathways to apprenticeship, along with apprenticeship opportunities, would also assist the longer term unemployed and older workers returning to the labour market. Brent has an unemployment rate of 13% above the Greater London Average and over 40% above the national average. In addition a high proportion of higher than average proportion of Brent residents do not have the necessary basic skills. Whilst apprenticeships have tended to focus on providing opportunities for younger people, developing propositions and attractive apprenticeship opportunities for older workers would ensure that the opportunities considered the wider diversity of the population within Brent. Consequently we will ensure that the apprenticeship programme supports a mature entrant talent pool and continue to work with partner agencies to develop and promote relevant positions.

#### 7. Cross-sector collaboration

By working across Brent's economy and strategic partners, we are more likely to further the agenda at pace and on a larger scale than could be achieved solely within the council. We should be collaborating on developing standards, raising the reputation of apprenticeships, marketing apprenticeships and procuring training.

For example, we partner with other employers to lead the development of apprenticeships standards that meets or current and future workforce requirements. e.g. health, the police, NW London College.

#### 8. Long-term tracking

We need to be able to track what happens to an apprentice after they successfully complete the programme, to understand the impact that training has had on apprentice career outcomes and the benefits it has brought to the council, local business and community. Either through end of programme interviews and follow-ups, we ideally want to know what the apprentice progresses on to do, in what profession, at what grade and in what organisation (whether they stay in the council or not). This will allow us to assess whether we have successfully built our own talent and capability to fill skill gaps, rely less on contingent labour and increase social mobility.

#### 9. Data collection

It is critical that reliable data on apprenticeships is collected to allow the council to report and publish its contribution towards the national target of three million apprenticeships, as well as its commitments to the Public Sector Duty and tracking of apprenticeship levy value. It will also be used to inform and evaluate policy and delivery initiatives, allowing us to make data-driven strategic decisions on a regular basis. With such ambitions to improve skills, diversity and quality, we need a baseline of data to understand where we are now, so we can plan where we need to be in the future and how we are going to get there. Qualitative information will also be required to quality assure the programmes, ensuring apprentices are delivering the roles agreed with managers and that they and the managers are being effectively supported.

# apprenticeship strategy action plan

	STRATEGIC OBJECTIVE	BRENT 2020	ACTION	OUTCOME	ACTION OWNER	DUE DATE
1. Page 201	Promote the value and raise profile of apprenticeships	Employment and Skills	<ul> <li>Establish robust monitoring system to track the number of apprentices contractors employ</li> <li>Promote the different types levels and benefits of apprenticeships to managers</li> <li>Communicate case studies and success stories through a variety of communication media</li> <li>Draw up an annual calendar of workshops, events and activities to promote apprenticeships within Brent</li> <li>Appoint Apprenticeship Ambassadors</li> <li>Brent Works to engage all secondary schools with apprenticeship presentations and utilise ambassadors when appointed</li> </ul>	<ul> <li>Ongoing relationships between providers and employers are in place to promote increases in apprenticeship numbers</li> <li>Events held annually</li> <li>Raised profile for apprenticeships in Brent</li> <li>Schools partners and training providers are better informed of jobs and skills projections</li> <li>Increase in number of school leavers engaged in apprenticeships</li> <li>Teaching staff in schools have a better understanding of apprenticeships and their role in developing future workforce</li> </ul>	HR/Employment and Skills  HR  Brent Works	Ongoing
2.	Develop skills and capabilities of apprentices	Employment and skills	<ul> <li>Commission future skills needs analysis based on employment growth areas and jobs pipeline predictions</li> <li>Publication of updates on future skills needs and Labour Market Information to schools/ training providers/ community particularly about new opportunities arising and future predictions for skills pipeline</li> <li>Develop links with local construction companies to create early opportunities for apprenticeships in the construction industry, also traineeships</li> <li>Encourage employers to offer progression in Apprenticeships at all levels and promote a progression scheme to increase take-up from residents</li> <li>Map training providers that meet requirements of opportunities brokered by Brent</li> </ul>	<ul> <li>Apprenticeships supply chain aligned to future business needs</li> <li>Increased interest and demand from employers for pre-apprenticeships and/or traineeships</li> <li>Improvement in work-readiness skills in order to help transition to apprenticeships and/or full time roles</li> </ul>	HR/Employment and Skills  HR/Employment and Skills  Employment and Skills  Employment and Skills  HR/Employment and Skills	July 2017 Ongoing Apr17- Mar 18

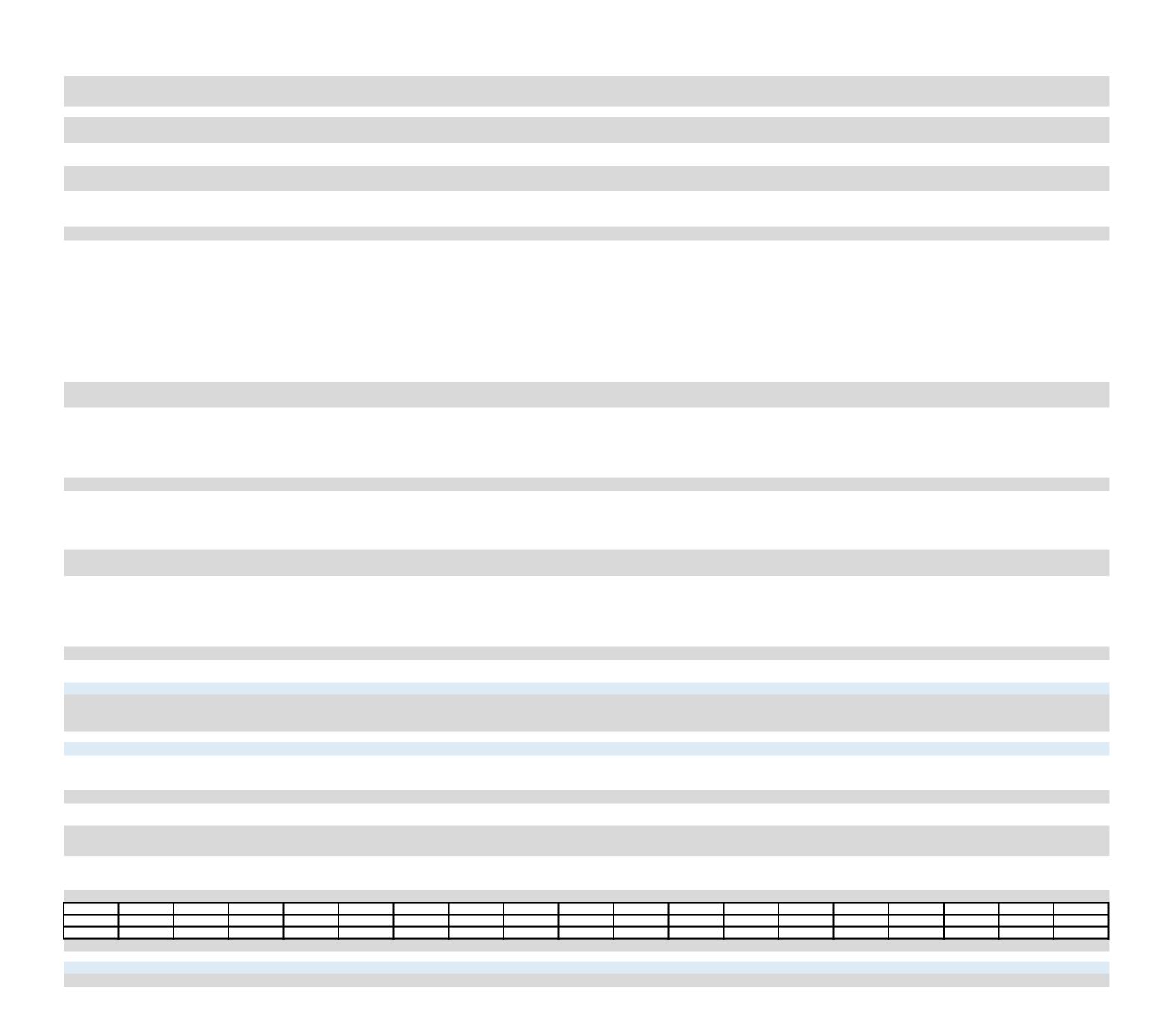
	STRATEGIC OBJECTIVE	BRENT 2020	ACTION	ОИТСОМЕ	ACTION OWNER	DUE DATE	
3.	To ensure diversity and inclusion	Employment and skills	<ul> <li>Increase the take up of apprenticeships by making them more financially viable for adults and attractive to employers</li> </ul>	<ul> <li>Partnership/collaborative working between key agencies</li> </ul>	HR/Employment and Skills	Ongoing	
		Demand management	<ul> <li>Work with colleagues in LAC to develop and expand opportunities for care leavers</li> <li>Amend the apprenticeship application form template to include an optional care leaver declaration and</li> </ul>	Increased applications for Apprenticeships from under represented groups	Skills	Ongoing	
			<ul> <li>Utilise the extra financial support for employing apprentices with additional needs frameworks to support aspiring and developing managers.</li> </ul>	<ul> <li>Increase in number of Brent residents undertaking apprenticeships</li> </ul>	HR		
			<ul> <li>Procurement to monitor the creation of apprentices opportunities and proportion filled by Brent residents via Social Value commitments made in council contracts</li> </ul>				
P			<ul> <li>Ensure that apprenticeship commitments are included in Section 106 Planning Agreements</li> </ul>				
Page 202	To embed apprenticeships within the council	Employment and Skills	<ul> <li>Recruit apprenticeship lead to co-ordinate apprenticeship activity</li> <li>Hold briefing sessions for departments on the</li> </ul>	Apprenticeship programme is effectively co-ordinated and managed	HR/Employment and Skills	Jan 18	
×	workforce		c.i	opportunity to use apprenticeship funding for training existing employees ap	<ul> <li>Increase in number of higher level apprenticeships</li> </ul>	HR	Ongoing
			<ul> <li>Work with departments e.g. CYP, CWB where learning and development activity is delivered, to ensure that the maximum amount of LBC training is funded through apprenticeship levy</li> </ul>	<ul> <li>Increase in number of higher level and range apprenticeships</li> </ul>	HR/Employment and Skills	Ongoing	
			<ul> <li>HR build into organisational change processes consideration of creation of apprenticeships trainee roles in new staffing structures</li> </ul>	<ul> <li>Increase in number of trainee posts and departments building apprenticeship salary costs into</li> </ul>	HR/Depts		
			<ul> <li>Embed the use of apprenticeships within the council's workforce planning and succession planning.</li> </ul>	budgets			
			<ul> <li>Identify opportunities to use relevant supervisory and management apprenticeship frameworks to support aspiring and developing managers.</li> </ul>	<ul> <li>Increase in number of Brent residents undertaking apprenticeships</li> </ul>	HR		
			<ul> <li>Procurement to monitor the creation of apprentices opportunities and proportion filled by Brent residents via Social Value commitments made in council contracts</li> </ul>				
			<ul> <li>Ensure that apprenticeship commitments are included in Section 106 Planning Agreements</li> </ul>				

	STRATEGIC OBJECTIVE	BRENT 2020	ACTION	ОИТСОМЕ	ACTION OWNER	DUE DATE
5.	To ensure a quality experience for apprentices	Employment and Skills	<ul> <li>Work with training providers to ensure all vocational provision from Entry Level through to Level 3 have a recognised progression route into employment/ apprenticeships and or further study at a higher Level and that sufficient appropriate and relevant work experience/taster sessions are available for all students</li> <li>Increase attraction of potential applicants through better use of social media and digital platforms incorporate clauses into Contracts and Standing Orders and Procurement Standards to ensure that opportunities to promote apprenticeship places are captured in relevant procurement exercises</li> <li>Improve consistency of support from training provider through SLA. Develop protocols and standards. Disseminate to all providers. Monitor progress</li> <li>Ensure every apprentice has own action plan and ensure progress is regularly monitored</li> </ul>	<ul> <li>Increased pool of applicants</li> <li>Key skill gaps identified to continue to attract large numbers of apprentices and to progress them within the organisation</li> <li>Increased use of social media to promote apprenticeships and how to access further information</li> <li>Providers to ensure that progression pathways are always promoted to apprentices to ensure career development</li> </ul>	HR/Employment and Skills HR/Employment and Skills	Oct-17 May-17
Rage 203	To achieve internally 200 apprenticeships by 2020	Employment and skills	<ul> <li>Identify opportunities to use relevant supervisory and management apprenticeship frameworks to support aspiring and developing managers</li> <li>Implement a three year recruitment strategy which progressively increases the intake of apprentices each year to achieve the public sector duty target of 2.3%</li> </ul>	<ul> <li>Assist organisational skills needs and career pathways</li> <li>Apprentices are recruited in line with organisations skills need</li> <li>Public Sector Duty Target for apprenticeships are met</li> </ul>	HR/Employment and Skills	Mar-18
7.	To achieve externally 150 apprenticeships by 2020		<ul> <li>Engagement with external employers and business partnerships</li> <li>Hold awareness raising event and celebration event for employers</li> </ul>			Ongoing  Nov-Dec 2017
8.	Ensure that apprenticeship levy is fully utilised		<ul> <li>Procure strategic partner for advice and access to training providers</li> <li>Collaborate with strategic partners to create a training provider framework</li> </ul>	Ensure full utilisation of levy	HR/Employment and Skills	

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TOTAL ISIN DED VE 40	
TOTAL LEVY PER YEAR         £418,598         Apr-17         May-17         Jul-17         Aug-17         Sep-17         Oct-17         Nov-17         Dec-17         Jan-18         Feb-18         May-18         Jul-18         Aug-18         Sep-18         Oct-18         Nov-18         Dec-18         Jan-19         Feb-19         Mar-19           Total levy per month         £31,712 <t< td=""><td></td></t<>	
10% Government top up £3,171 £	
Total Levy Pot (Per month)         £34,883         £34,	
Total training spend per month  £3,542 £5,292 £19,292 £19,292 £48,542 £48,542 £48,542 £48,542 £48,542 £48,542 £48,542 £48,542 £57,000 £57,000 £47,167 £47,167 £47,167 £47,167	
10% to supply chain from April-18	
Cumulative total remaining in levypot         £34,883         £69,766         £104,650         £139,533         £174,416         £209,299         £240,640         £294,162         £269,924         £249,229         £230,283         £211,338         £202,225         £193,113         £184,001	
Pipeline: Apps band Total cost (months)  Standard Appropriacehing	
Business Admin L2 (Cohort 1) 15 £2,000 £30,000 12 £2,500 £2,500 £2,500 £2,500 £2,500 £2,500 £2,500 £2,500 £2,500 £2,500 £2,500	
Business Admin L2 (Cohort 2) 10 £2,000 £1,667 £1,66	
Business Admin L3 (Cohort 2) 10 £2,500 £25,000 12 £2,083 £	
Customer Service 12 (Colort 2) 5 £4,000 £20,000 12 51,007 £1,007	
Finance L2 5 £2,000 £10,000 12	
Customer Service Level 3 (Projected costs for 15 months) 5 £2,000 £10,000 18 £833 £833 £833 £833 £833 £833 £833 £	
Management Development Programme - April 18 start	
Team Leading Academy Level 3     15     £5,000     £75,000     £75,000     £6,250 <td></td>	
(Standard) £11,250 £11	
Start  Team Leading Academy Level 3	
Team Leading Academy Level 5	
(Standard) 5 £27,000 £135,000 24 55,625 £5,625 £5,625 £5,625 £5,625 £5,625	
Project Management Development Programme	
4 per department at L4 20 £3,000 £0,000 £2,5	
Adult Social Care L2 (Standard)  10 £3,000 £2,500 £	
Youth Work L2         10         £1,500         £15,000         £1,250         £1,250         £1,250         £1,250         £1,667         £1,	
Sponsored Degree pilot           Foundation Degree in Civil Engineering         1         £12,000         £12,000         £33	
IT Systems and Networking (Standard)	
Solicitor (Standard) 1 £18,000 £18,000 72	
Progressions from 2017 scheme           Estimate 25% ~ and average cost         12         £2,500         £30,000         18         \$1,667         £1,667	

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TOTAL LEVY PER YEAR Schools contribution - cannot be used by LB		350,000		Γ	Apr-17	May-17	7 Jun-	17 J	lul-17	Aug-17	Sep-17	Oct-17	Nov-1	7 Dec	c-17 J	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-1	Sep-1	8 Oct-1	I8 Nov-1	8 Dec-	-18 Jan	-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	0 Mar-2	0 Apr-20
Schools contribution - cannot be used by LB					-															-																								
Brent					29,167	29,167	29,16	67 2	9,167	29,167	29, 167	29, 167	29,16	7 29,	167	29, 167	29,167	29,167	29, 167	29,167	29,167	29,167	29,16	29,16	7 29,16	67 29, 16	7 29, 1	167 29,	167	29,167	29,167	29,167	29,167	29, 167	29,167	29,167	29, 167	29,167	29,167	29, 167	29,167	29,167	7 29,16	7 29,167
Total training spend per month												10139	1013	39 10	)139	10139	10139	10139	10139	10139	10139	10139	1013	1013	9 1013	39 222	2 22	222 2	222	2222	2222	2222	0	0	0	0	0	C	C	0	0	(	0	<u>0</u>
10% to supply chain from April-18																																												
Spending gap					29167	29167	7 2916	67 2	29167	29167	29167	19028	1902	28 19	9028	19028	19028	19028	19028	19028	19028	19028	1902	1902	8 1902	28 2694	4 269	944 26	944	26944	26944	26944	29167	29167	29167	29167	29167	29167	29167	29167	29167	29167	7 2916	7 29167
School Recruitment - examples																										_																		
Teaching Assistant L3 Sports Coach L2	20	2000	40000	18								2222	222	2 2	2222	2222	2222	2222	2222	2222	2222	2222	222	222	2 222	22 222	2 22	222 2	222	2222	2222	2222												
Sports Coach L2	10	1500	15000	12								1250	125	50 1	250	1250	1250	1250	1250	1250	1250	1250	1250	125	0 125	<del>50</del>																		
Caretaker L2 (Local Env Services)	10	1500	15000	12								1250	125	50 1	250	1250	1250	1250	1250	1250	1250	1250	1250	125	0 125	<del>50</del>																		
Receptionist/ Customer Service L2	10	4000	40000	12								3333	333	3 3	3333	3333	3333	3333	3333	3333	3333	3333	333	333	3 333	3 <mark>3</mark>																		
Catering L2	10	2500	25000	12								2083	208	3 2	2083	2083	2083	2083	2083	2083	2083	2083	3 208	208	3 208	3 <mark>3</mark>																		
Finance - existing staff Level 3	5	9000	45000	18								2500	250	00 2	2500	2500	2500	2500	2500	2500	2500	2500	250	250	0 250	00 250	0 25	500 2	500	2500	2500	2500						, in the second second						
Management for Business Managers	5	9000	45000	24								1875	187	'5 1	875	1875	1875	1875	1875	1875	1875	1875	187	187	5 187	75 187	5 18	375 1	875	1875	1875	1875	1875	1875	1875	1875	1875	1875						



# Cabinet 23 October 2017

# Report from the Strategic Director Resources

For Action Wards Affected:
ALL

# **Reconfiguration of Resources Department Senior Management**

#### 1.0 Purpose of the Report

1.1. This report sets out proposals to further refine the Resources Department senior management structure to create the leadership capacity to deliver priorities and to further align responsibilities in order to improve productivity and efficiency. As the proposals entail the re-designation, deletion and creation of senior management posts, Cabinet's approval is required.

#### 2.0 Recommendations

- 2.1 That Cabinet approves the deletion of the role of Director of Human Resources and Organisational Development for the reasons set out in the report.
- 2.2 That Cabinet approves the proposal to re-designate and then appoint to the Chief Legal Officer role at Hay 3 and notes the intention to move the oversight of the shared service for Procurement with Harrow as well as some aspects of the current HR function to within the remit of the re-designated Chief Legal Officer
- 2.3 That Cabinet approves the creation of a Director of Property and Assets role at Hay 3.
- 2.4 That Cabinet notes the proposal to bring the oversight of Civic Enterprise and some aspects of the current HR function within the remit of the Chief Finance Officer.
- 2.5 That Cabinet notes the proposal to move the Equalities function to Performance, Policy and Partnerships.
- 2.6 That Cabinet delegates the final decision-making on the proposals following consultation to the Chief Executive in consultation with the Leader and Deputy Leader.

#### 3.0 Detail

- 3.1 The Strategic Director of Resources post was created in January 2016 following a restructure of senior management by the chief executive. Her rationale for the creation of the role at the time was stated as:
  - "The Strategic Director, Resources will be able to provide an overview of the Council's resource and asset base, these being money, people, property and information technology and manage these to ensure that the priorities of the Council are appropriately resourced."
- 3.2 The role brought together all the Corporate Services and comprises: Finance, Legal, HR, Digital Services, Customer Services, Facilities Management, Property, and Civic Enterprise. (Procurement moved from Performance, Policy and Partnerships to Resources in April 2017).
- 3.3 It was always the intention that once in post the Strategic Director would review the operation of the department to ensure that, as per the rationale for the role, the priorities of the Council are appropriately resourced. The strategic director role has been in post for over a year now and in that time, there have been some key changes to service areas within the department that necessitate this management reconfiguration.
- 3.4 This report sets out proposals to further refine the Resources Department senior management structure to create the leadership capacity to deliver priorities and to further align responsibilities in order to improve productivity and efficiency.
- 3.5 The proposed changes affect five areas of the department human resources; legal services; finance; civic enterprise and procurement. The main points for each area are noted below.

#### **Human Resources**

- 3.6 The Human Resources function in Brent is responsible for, either directly or through contract management, the workforce strategy, employment relations and advice, corporate learning and development, the workforce equality strategy, pensions and payroll administration, recruitment administration, employee benefits and the occupational health service. Functions such as leading transformation, staff engagement through internal communications and change management, which might in some organisations be led by HR, are led from the Performance, Policy and Partnerships department. This means the service is relatively small when compared to some other HR functions and the remit and span of control of the operational director is not as broad as other comparable operational directors in the Council. This is reflected in the budget in that HR has the smallest net budget in the department. Some years back, the service was led at Head of Service level.
- 3.7 In reviewing the resources department as a whole, the strategic director has considered three things: the need to ensure that all of the services are led at the right level; taking advantage of synergies where they exist to bring closely aligned services together and to avoid unnecessary growth in the number of chief officers in Brent.

3.8 There are some aspects of HR which align naturally with other services in resources. Employment relations, policy and advice is derived from employment law and is very much reliant on legal advice. Pensions and payroll administration align closely with finance who are already responsible for pension fund management and servicing the pensions sub-committee. Following this rationale, and the three considerations in 3.7, the strategic director proposes to move the operational director level oversight of the majority of the HR function to the Chief Legal Officer. It is proposed to move the pensions and payroll administration to the Chief Finance Officer. It is proposed to delete the role of Director of Human Resources and Organisational development.

Subsequent proposals will confirm the structure for the management of the HR function under the Chief Legal Officer to ensure that the service retains the appropriate level of management by a technical specialist. These proposals will also address the detail of how the remaining HR function will be organised including the implications for other roles in the service affected by the restructure.

- 3.9 With the recent resignation of the Head of Equalities being announced in line with changes to the HR function, it is timely to reconsider the positioning of equalities activity in the Council. A significant proportion of the work is community facing and therefore there are natural synergies with the community engagement activity led from within Performance, Policy and Partnerships. As such, it is proposed as part of these changes to move the equalities function to the Partnerships and Strategy team where it will align far more closely.
- 3.10 This reorganisation is not intended to signal a devaluing of the role of HR in Brent as this remains critically important but instead to bring greater coherence to the responsibility of operational directors in the resources department. All HR functions will continue to be undertaken. In seeking to appoint a permanent Chief Legal Officer, attention will be paid to seeking an individual with the breadth of experience to oversee more than a pure legal function. It should also be noted that the strategic director comes from a professional HR background and as such is well able to contribute to overall strategic HR matters such as the workforce strategy.

#### Legal Services

- 3.11 In legal services, when the previous operational director post was deleted, it was anticipated that a shared service model would bring the opportunity to access senior leadership capacity from another Council. Having explored the shared services option in depth, the strategic director has concluded that there is no benefit to be gained for Brent from pursuing this option in its fullest sense although we continue to use cross borough frameworks where these bring greater efficiency. A restructure of the legal service has reduced the senior capacity thereby requiring the head of the service to undertake a more strategic role and senior leadership across the service as well as being the Monitoring Officer. With the growth in our commercial, property and regeneration portfolios, and our renewed commitment to provide or commission legal support in-house, there is a requirement for the service to be led at the right level.
- 3.12 The previous head of service left in the autumn of 2016 and although we have secured a fixed term appointment, all indications from the market are that we will be unable to make a permanent appointment to the role, with the experience we require,

- if the post remains at head of service level. A re-evaluation of the job description reflecting the current duties and responsibilities has confirmed the post as a Hay 3.
- 3.13 To add further weight to the re-designation of the role (although strictly speaking it is not necessary), and realise natural synergies, the proposal is to move the oversight of the shared divisional director of procurement to the Chief Legal Officer. Legal and procurement work very closely together and so this will enhance current arrangements. The Brent 2020 Procurement and Commissioning Board will continue in its current remit to ensure the target to drive greater value and savings from all procurement activity is achieved. As detailed earlier in this report, the re-designated role will also take oversight of the majority of the current HR function.
- 3.14 Subject to Cabinet approval and following the outcome of the consultation, the intention will be to move immediately to permanent recruitment to the post. It will be important to seek an individual with the appropriate breadth of experience of leading more than a pure legal function. In line with the new grade, this will be conducted by the Senior Staff Appointments sub-committee.

#### **Property Services**

- Property services has expanded considerably over the last year in line with our investment and property strategies. A number of self-development projects have secured investment and are moving into development phase e.g., London Road, Preston Road, Church End, Stonebridge, the Learie Constantine Centre and Knowles House; Bridge Park is progressing towards development; we have become a leading partner in One Public Estate and there is a significant programme of property acquisition to service Invest 4 Brent, the NAIL programme and the South Kilburn development. With housing management and development coming back into the Council, the property service will also absorb the housing self-development portfolio. These are all growth areas in the service which have occurred in the 18 months since the previous Operational Director post was deleted and like the legal service, now is the time to ensure the service has the appropriate capacity at senior strategic level to conduct its three functions of asset strategy and management; asset development and asset delivery cohesively. In addition to the growth areas listed, the property service also has responsibility for managing the Council's commercial lease arrangements; emergency planning and management; facilities and buildings management; civic centre capital development projects; health and safety and managing all property and land data.
- 3.16 It is therefore proposed that an Operational Director Property and Assets post is created in order to provide the senior strategic leadership needed to deliver Brent's property and wider ambitions.
  - At this time, no other changes to the structure in the service are being proposed as these will be subject to the new role re-designing the service once they are in post. The budget for this growth will be met from within the overall Resources budget initially but a future change will identify the budget for the cost of this post as well as the identified savings required from property services. A proposed job description and person specification is included at Appendix One.

#### Other Changes

3.17 More generally in the department, it is proposed that some services can be better aligned so that natural synergies are realised. The department is fundamentally different from others in the Council in that there are a range of specialist services of strategic and corporate reach. This means that it does not naturally mirror the two or three Operational Director structure of other strategic directors. However, it is time to move closer to the wider organisation design in restricting reports to the strategic director to Operational Directors (or their equivalent) only.

The proposal is to restrict senior direct reports to five by moving the reporting line of the shared divisional director of procurement to the proposed Chief Legal Officer as detailed above and to move the head of civic enterprise to the oversight of the Chief Finance Officer. Now that the civic enterprise function is established and there is a Head of Finance commercial role, there is logic in moving the Head of Civic Enterprise post within the finance service. This move will not diminish its focus on innovation, income-generation and driving commerciality. As this is not a restructure and simply represents a change in line management, it is included for information purposes only.

#### 4.0 Financial Implications

4.1 The net cost of the proposed restructure is £42,000 and can be contained within the existing Resources budget envelope in 2018/19. This includes any associated one off redundancy costs, which have yet to be calculated. From 2019/20 a budget will be identified within the overall Property budget as part of a wider review of the budget that includes the delivery of required savings.

#### 5.0 Legal Implications

- 5.1 As these proposals envisage the deletion of Director of Human Resources and Organisational Development post and the redesignation of Chief Legal Officer post, then the Council is legally obliged to follow the consultation requirements set out in its "Managing Change Policy" (Policy); officers' individual employment contracts and provided for by employment law more generally. Accordingly, the proposals to delete these positions should be subject to a minimum of 15 calendar days' formal consultation under the Policy.
- 5.2 In addition, these officers' individual employment contracts are subject to JNC terms and conditions. That being the case, the officers are entitled to a longer period of consultation of 28 days and to be given an opportunity to make oral representations to the relevant committee before a final decision is made to dismiss by reason of redundancy. The individual officers however may elect to waive these additional entitlements.
- 5.3 Finally, careful regard will also be had to whether the proposed deletion of these two posts will tip the number of redundancies which the Council is proposing to make within a 90 day period to more than 20 redundancies. If it were to do so then there is a legal requirement contained in section 188 of Trade Union Labour Relations Consolidation Act 1992 to consult for a minimum of 30 days; or if 100 or more employees are being made redundant within 90 days, to consult for at least 45 days. It is understood that the statutory threshold of 20 redundancies within a 90 day period is not triggered by these proposals.

#### 6.0 Equalities Implications

6.1 An equalities impact assessment will be undertaken as part the process of implementation.

#### 7.0 Staffing/Accommodation Implications

7.1 The report proposes one additional post and one post deletion so there is no impact on accommodation. All other staff will remain in their current work locations, there is no impact on accommodation.

#### **Contact Officer**

Althea Loderick

Email: althea.loderick@brent.gov.uk

Tel: 020 8937 1506

ALTHEA LODERICK
Strategic Director of Resources