Public Document Pack

Cabinet

Monday 12 February 2018 at 6.00 pm
Board Rooms 3, 4 & 5 - Brent Civic Centre

Membership:

Lead Member Councillors:	Portfolio
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: James Kinsella, Governance Manager: 020 8937 2063; james.kinsella@brent.gov.uk

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The press and public are welcome to attend this meeting

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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 discloseable pecuniary interests in any matter to be considered at this meeting.	
3	**Minutes of the Previous Meeting** To approve the minutes of the previous meeting on 15 January 2018 as a correct record.	1 - 12
4	**Matters Arising** 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.	
6	**Reference of item considered by Scrutiny Committees (if any)** To consider reference reports from any of the Council's three Scrutiny Committees.	13 - 20
7	**Budget and Council Tax 2018/19** The purpose of this report is to set out the Council's budget proposals for 2018/19 and to update the medium-term budget outlook. It also sets out the results of the consultation and scrutiny processes. Subject to discussion at the Cabinet meeting these will form the basis of the budget to be agreed at the Full Council meeting of 26 February 2018. **Ward Affected:** All Wards **Lead Member**: Deputy Leader (Councillor Margaret McLennan) **Contact Officer**: Ravinder Jassar, Head of Finance Tel: 0208 937 1487 ravinder.jassar@brent.gov.uk	**REPORT TO FOLLOW**

8 Housing Revenue Account (HRA) Budget and Rent-setting for Council Dwellings for 2018/19 21 - 46

This report sets out the Housing Revenue Account (HRA) forecast outturn for 2017-18 and the proposed HRA budget for 2018/19 as required by the Local Government and Housing Act 1989. This report also sets out, for information, rent-setting proposals for stock managed by Hillside (Hyde Group) and for the Residential Pitches portfolio. The report also summarises the key expenditure priorities and expectations for service delivery through the HRA budget and key policy developments likely to have an impact during the year, highlighting the principal risks.

Ward Affected:
All Wards

Lead Member: Lead Member for Housing and Welfare Reform (Councillor Harbi Farah)
Contact Officer: Hakeem Osinaike, Operational Director Housing
Tel: 020 8937 2023
Hakeem.Osinaike@brent.gov.uk

9 National Non-Domestic Rates - Discretionary Discount Schemes 47 - 124

The government announced in the 2017 March statement that it would make funding available to councils for 4 years from 2017/18 to enable them to introduce their own discretionary discount scheme. Cabinet agreed the discount scheme for revaluation support for 2017/18 at its meeting on 24 July 2017, however the amount of relief awarded to date is short of the allocation from central government for 2017/18 and any shortfalls in spending cannot be used in subsequent years. This report therefore seeks amendment of the 2017/18 scheme in order to ensure full take up of the allocation for 2017/18. It also seeks approval of the proposed scheme for 2018/19 as detailed in this report and in Appendix 1.

Ward Affected:
All Wards

Lead Member: Deputy Leader (Councillor Margaret McLennan)
Contact Officer: Margaret Read, Director of Brent Customer Services
Tel: 020 8937 1521
margaret.read@brent.gov.uk

10 Quarter 3 Financial Performance Report 125 - 138

This report sets out the forecasts, as at 31 December, of income and expenditure against the revenue and capital budget for 2017/18, and other key financial data. The actual spend information in the report is to 30 November 2017, and the forecasts were prepared and finalised as at 31 December.

Ward Affected: All Wards	**Lead Member**: Deputy Leader (Councillor Margaret McLennan) **Contact Officer**: Benjamin Ainsworth, Head of Finance Tel: 020 8937 1731 benjamin.ainsworth@brent.gov.uk

11 Northwick Park One Public Estate Update 139 - 178

The purpose of this report is to update Cabinet on Northwick Park One Public Estate initiative, and approve execution of a variation agreement to the existing Memorandum of Understanding, in order for the partners to deliver the vision.

Ward Affected: Northwick Park	**Lead Member**: Leader (Councillor Muhammed Butt) **Contact Officer**: Sarah Chaudhry, Head of Strategic Property Tel: 020 8937 1705 sarah.chaudhry@brent.gov.uk

12 Lease of Former Douglas Avenue Nursery, 1a Douglas Avenue, Wembley 179 - 190

This report seeks the approval to lease the Former Nursery at 1A Douglas Avenue to a Charity known as Unlocking Potential.

Ward Affected: Wembley Central	**Lead Member**: Leader (Councillor Muhammed Butt) **Contact Officer**: Sarah Chaudhry, Head of Strategic Property Tel: 020 8937 1705 sarah.chaudhry@brent.gov.uk

13 Children and Social Work Act 2017 - The 'Local Offer' for Care Leavers 191 - 210

The purpose of this report is to seek approval from Cabinet regarding Brent's Local Offer for care leavers. The Children and Social Work Act (CSWA) 2017 aims to improve support for looked after children especially for those leaving care. This report outlines the main legislative changes in the Children and Social Work Act 2017 and how Brent aims to implement those changes locally to ensure that our care leavers have the brightest future.

Ward Affected: All Wards	**Lead Member**: Lead Member for Children and Young People (Councillor Mili Patel) **Contact Officer**: Nigel Chapman, Operational Director Integration & Improved Outcomes

Tel: 020 8937 4456
nigel.chapman@brent.gov.uk

14 Authority to Direct Award Contracts for Speech And Language Therapy 211 - 216

This report makes recommendations regarding the procurement of two contracts for the provision of speech and language therapy to support Children with Special Educational Needs and Disabilities (SEND).

Ward Affected:
All Wards

Lead Member: Lead Member for Children and Young People (Councillor Mili Patel)
Contact Officer: Brian Grady, Operational Director, Safeguarding, Partnerships & Strategy
Tel: 0208 937 4173
Brian.Grady@brent.gov.uk

15 Authority to Contract Placements for Children with Special Education Needs And Disabilities (SEND) And Looked After Children through the West London Alliance Dynamic Purchasing Vehicles 217 - 224

This report seeks Cabinet agreement for a variation to the electronic tendering system proposed for the contracting of Independent and Non-maintained Special School placements for children with SEND. It also seeks Cabinet agreement to utilise the West London Alliance electronic tendering systems for the contracting of Children's Home and Independent Fostering Agency placements for Looked After Children.

Ward Affected:
All Wards

Lead Member: Lead Member for Children and Young People (Councillor Mili Patel)
Contact Officer: Shirley Parks, Head of Partnerships, Planning and Performance
Tel: 020 8937 4529
Shirley.Parks@brent.gov.uk

16 i4B Business Plan 2018/19 225 - 284

This paper presents the i4B Holdings Ltd Business Plan for 2018/19 to Cabinet for Shareholder approval in February 2018. It also includes a number of other matters which require Shareholder approval.

Ward Affected:
All Wards

Lead Member: Deputy Leader (Councillor Margaret McLennan)
Contact Officer: Sadie East, Head of Transformation
Tel: 020 8937 1507
sadie.east@brent.gov.uk

17 Voluntary Sector Initiative Fund Grants 285 - 290

This report seeks agreement on the approval of a one-year extension to the Voluntary Sector Initiative Fund Infrastructure Grant for CVS Brent from 1 April 2018-31 March 2019. The proposed grant will total £160K per annum. The report also seeks an increase to the financial level delegated to relevant Officers for the award of grants under the Brent Advice Fund.

Ward Affected: All Wards

Lead Member: Deputy Leader (Councillor Margaret McLennan)
Contact Officer: Pascoe Sawyers, Head of Strategy and Partnerships
Tel: 020 8937 1045
pascoe.sawyers@brent.gov.uk

18 Authority to Award a Contract For Clement Close Sensory Impairment Supported Living Scheme 291 - 316

In accordance with Contract Standing Orders 88, this report seeks Cabinet authority to award a care and support contract for the Sensory Impairment scheme at Clement Close. This service has been developed to meet the needs of people who have a Sensory Impaired such as deafblind.
This report summarises the rational for this request and the impact on the wider community as well as the financial implication on the London Borough of Brent. The report also outlines the tendering process which was conducted through the Accommodation Plus 2017 Dynamic Purchasing System (DPS).

Ward Affected: All Wards

Lead Member: Lead Member for Community Wellbeing (Councillor Krupesh Hirani)
Contact Officer: Helen Woodland, Operational Director, Adult Social Care
Tel: 020 8937 6168
helen.woodland@brent.gov.uk

19 On-Street Parking Management Review 317 - 330

This report provides Cabinet with an update on the On-Street Parking Management Review further to the approval by Cabinet on 24th July 2017, for an initial programme of introducing new Controlled Parking Zones (CPZs) and reviewing existing CPZs. It provides details of an analysis of feedback from the public to identify levels of demand for changes and whether these should be considered for inclusion in our Parking Management Review programme. It also considers anticipated future levels of demand and a continuing annual review programme.

Ward Affected: All Wards

Lead Member: Lead Member for Environment (Councillor Eleanor Southwood)
Contact Officer: Sandor Fazekas, Projects

Development Manager, Highways and Infrastructure
Tel: 020 8937 5113
Sandor.fazekas@brent.gov.uk

20 CCTV Parking Enforcement of School Keep Clear Markings 331 - 336

The purpose of this report is to inform Cabinet of the results of the School Keep Clear re-mountable CCTV camera enforcement trial which commenced in September 2017.

Ward Affected:
All Wards

Lead Member: Lead Member for Environment (Councillor Eleanor Southwood)
Contact Officer: Tony Kennedy, Head of Highways and Infrastructure
Tel: 020 8937 5151 tony.kennedy@brent.gov.uk

21 Adoption of Revised Planning Design Guide for the Mapesbury and Roe Green Village Conservation Areas 337 - 442

The design guides for both the Mapesbury and Roe Green Village Conservation Areas were identified for updating due to age and also potential development pressures that might otherwise dilute the special character of the Conservation Areas. If adopted by Cabinet, the documents will replace the existing design guides for the areas. The consultation responses in relation to the Mapesbury guide also identified concerns that the boundary of the conservation area is not a reflection of the extent of area that should have this status. The report also sets out how this issue can be addressed.

Ward Affected:
Mapesbury;
Queensbury

Lead Member: Lead Member for Regeneration, Growth, Employment and Skills (Councillor Shama Tatler)
Contact Officer: Mark Price, Planning Policy and Projects
Tel: 020 8937 5236
mark.price@brent.gov.uk

22 Decision to delegate authority for the award of contract for a delivery partner for Peel Project, and for approval to amend red line and for appropriation for the Peel Site 443 - 470

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. This report seeks various approvals from Cabinet in relation to the Peel Project site.

Ward Affected:	**Lead Member**: Lead Member for Regeneration,
Kilburn	Growth, Employment and Skills (Councillor Shama Tatler)
	Contact Officer: Jill Rennie, Senior Project Manager, Estate Regeneration
	Tel: 020 8937 2556
	jill.rennie@brent.gov.uk

23 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)":

- Agenda Item 12
  - Lease of Former Douglas Avenue Nursery, 1A Douglas Avenue, Wembley HA0 4DT – **Appendix 2**
- Agenda Item 18
  - Authority to Award a Contract For Clement Close Sensory Impairment Supported Living Scheme – **Appendix 1**
- Agenda Item 22
  - Decision to delegate authority for the award of contract for a delivery partner for Peel Project, and for approval to amend red line and for appropriation for the Peel Site – **Appendix 5**

24 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 12 March 2018



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.

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Brent

LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET
Monday 15 January 2018 at 6.00 pm

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

Also Present: Councillor Mashari

1. **Apologies for Absence**

   There were no apologies for absence.

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 11 December 2017 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 considered.

6. **Reference of item considered by Scrutiny Committees (if any)**

   Cabinet noted that, on 19 July 2017, the Community and Wellbeing Scrutiny Committee received a report about children's oral health in the borough. The report, which was presented by the Director of Public Health, Dr Melanie Smith, outlined that Brent's children have some of the worst oral health outcomes in England with dental extractions remaining the main cause of elective hospital admissions in children. Dr Smith had stressed that, although there had been some improvement, levels of tooth decay remained unacceptable bearing in mind that it was almost entirely preventable.

   Councillor Krupesh Hirani, Cabinet Member for Community Wellbeing, thanked the Community and Wellbeing Scrutiny Committee for its report and recommendations.

   RESOLVED that:

   6.1 The recommendations to Cabinet made at the Community Wellbeing Scrutiny Committee be noted; and

6.2 In relation to recommendation five (within Appendix one) Cabinet requested further clarity from colleagues within the Council's Public Health team.

7. 2017/18 Mid-Year Treasury Report

Councillor Margaret McLennan, Deputy Leader of the Council, introduced the report which asked Cabinet to note the 2017/18 Mid-Year Treasury report. It was noted that the report had already been reviewed by the Audit Advisory Committee and was to be forwarded to the Council.

Councillor McLennan stated that the Council's Treasury Management Strategy was underpinned by the adoption of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011, which included the requirement for determining a treasury strategy on the likely financing and investment activity for the forthcoming financial year.

It was noted that the Code also recommends that Members be informed of Treasury Management activities at least twice a year. The report therefore ensured that the authority embraced best practice in accordance with CIPFA's recommendations.

RESOLVED that:

7.1 The 2017/18 mid-year Treasury report be noted by Members.

8. Bobby Moore Bridge Dressing/Advertising Lease, Olympic Way, Wembley

Councillor Muhammed Butt, Leader of the Council, introduced the report which recommended that a new lease for the dressing/advertising on Bobby Moore Bridge be entered into for four years with Wembley City Estate Management.

Councillor Butt stated that the lease will be outside the security of tenure provisions of the 1954 Landlord and Tenant Act except Sections 24 to 28 (inclusive) of the 1954 Act be excluded in relation to the tenancy.

RESOLVED that:

8.1 A new four year lease for Bobby Moore Bridge dressing/advertising be entered into with Wembley City Estate Management; and

8.2 The lease will be outside the security of tenure provisions of the 1954 Landlord and Tenant Act except Sections 24 to 28 (inclusive) of the 1954 Act be excluded in relation to the tenancy.

9. Council Loans Framework for in-borough Capital Projects

Councillor Margaret McLennan, Deputy Leader of the Council, introduced the report which sought authority to establish a capital advances lending framework. She stated that responsibility for the advance of loans and administration of the loans pool would be delegated to the Chief Finance Officer in consultation with the Deputy Leader of the Council.

Councillor McLennan stated that under this framework, loans would be available to part-finance the delivery of in-borough capital schemes that produce outcomes in line with the Council's aims and objectives. She noted that, for the avoidance of doubt, this was about providing an option to provide debt finance to schemes that were already part of the council's approved capital programme.

Councillor McLennan stated that agreeing the recommendations within the report would therefore provide a structured approach to this aspect of financing in the capital programme, with the proper governance and clarity of decision making required for such transactions and a framework for financial monitoring and control.

RESOLVED that:

9.1 The establishment of a framework for the provision of senior loans to:

- Joint ventures to which the Council is party;
- Council subsidiaries; and
- Third party organisations in which the Council has no direct financial interest.

be approved, subject to conditions (the 'framework') outlined in the report;

9.2 The advance of loans to organisations as set out above, be delegated to the Chief Finance Officer in consultation with the Deputy Leader of the Council;

9.3 The list of voluntary loan controls included with Appendix 1 of the report, be approved;

9.4 The daily monitoring and administration of loans be delegated to the Council's Chief Finance Officer;

9.5 The authority to procure and award a contract for specialist advice on loans pool management, if required, be delegated to the Chief Finance Officer; and

9.6 A loan facility of up to £40m be made available to the South Kilburn (Queen's Park 2) Council-proposed Joint Venture with LondonNewcastle.

10. **Pan London Energy Project (LEP) Water Framework**

Councillor Margaret McLennan, Deputy Leader of the Council, introduced the report and stated that the Water market in England had been deregulated in April 2017. She stated that to comply with the Public Contracts Regulations 2015, the London Borough of Brent will require a contract for a Water Retailer. In this newly deregulated market, the most economically advantageous approach would be to collaborate with other authorities. On behalf of local and other public sector authorities, The London Energy Project (LEP), with Haringey Council acting as the Lead Authority, will co-ordinate a mini-competition through the Crown Commercial Services (CCS) Framework for Water, Wastewater and Ancillary Services, accessed by call-off from YPO. The intention is to appoint a single water and waste water retailer to meet multi-site authorities' business requirements for back-office and water efficiency products and services, with each authority having a separate contract.

Councillor McLennan stated that the report was being brought forward to allow for the decision making of the joint procurement with the other local authorities to proceed; and that delegated authority was being given the Strategic Director, Resources to award the contract to the preferred bidder for water, following the mini-competition outcome, which will include rigorous evaluation of quality, price, financial standing and terms and conditions.

RESOLVED that:

10.1 The collaborative procurement of a single water retailer through the Crown Commercial Services (CCS) Framework for Water, Wastewater and Ancillary Services, to be led by the London Borough of Haringey, be approved;

10.2 The use of the London Borough of Haringey's Contract Standing Orders and Financial Regulations for the collaborative procurement, as detailed in 10.1 above, be approved;

10.3 Authority to award a call off contract following the collaborative procurement referred to in 10.1 above for a period of two years with an option to extend for a further two years from 1 April 2018, be delegated to the Strategic Director of Resources in consultation with the Deputy Leader;

10.4 The use of the London Energy Project (LEP) Team to manage supplier performance and service development to deliver services in line with LEP authorities' collective business requirements post contract award to maximise benefits, be endorsed.

11. **Merchant Acquiring Services and Equipment**

Councillor Margaret McLennan, Deputy Leader of the Council, introduced the report and stated that the current Merchant Acquiring Services and Equipment contract was due to expire on 31 March 2018 and that a new contract needed to be established.

She stated that, in simple terms, the contract provided chip and PIN terminals to take credit and debit card payments, and provided the service that transferred payments from the companies who issued credit and debit cards to the Council's bank account.

Councillor McLennan stated that this report was being brought forward for Members to note the use of the Crown Commercial Services (CCS) Framework for Merchant Acquiring Service ref RM 3702 Lot 1 to procure a new contract and to delegate authority to the Strategic Director, Resources in consultation with the Deputy Leader to award the contract to the preferred bidder, following the mini-competition, which would include rigorous evaluation of quality, price, financial standing and terms and conditions.

RESOLVED that:

11.1 The procurement of Merchant Acquiring Services through mini-competition under the Crown Commercial Services (CCS) Framework for Merchant Acquiring Service on the basis of the pre - tender considerations set out in paragraph 3.5 of the report be noted; and

11.2 Cabinet to delegate authority to the Strategic Director of Resources Awarding and entering into the call off contract under the CCS Framework for Merchant Acquiring Services be delegated to the Strategic Director of Resources.

12. **Review of the Shared Procurement Service**

Councillor Margaret McLennan, Deputy Leader of the Council, stated that with the recent resignation of the Harrow Divisional Director of Procurement and Contracts it was now an opportune time to review whether or not Brent continued to see benefit in the shared procurement service or whether it believed it would be more beneficial to dissolve the shared service and make alternative arrangements i.e. bring the function back in house.

Councillor Muhammed Butt, Leader of the Council, stated that, at just over 1 year into the shared service, a number of difficulties had been identified.

Councillor McLennan stated that the report detailed the advantages and disadvantages of both options and made a recommendation to bring the function back in house.

RESOLVED that:

12.1 The recommendation to end the shared procurement service agreement with the London Borough of Harrow, at the end of the current Financial year, by mutual agreement, and proposal to bring the procurement function back in house, be agreed; and

12.2 Authority to agree the precise terms of the exit arrangements required to bring the procurement function back in house, be delegated to the Strategic Director of Resources in consultation with the Deputy Leader.

13. **The Use of Food Banks in Brent Scrutiny Task Group Report**

Councillor Muhammed Butt, Leader of the Council, welcomed Councillor Roxanne Mashari, Chair of the Use of Food Banks In Brent Scrutiny Task Group, to the meeting.

Councillor Mashari thanked the Cabinet and stated that the report set out the findings and recommendations of the recent task group into the use of food banks in Brent.

Councillor Mashari stated that the task group made the decision to look at this area due to the significant rise in food bank usage nationally and lack of a detailed picture of food bank usage across Brent.

She stated that members were also concerned with the human impact food poverty is having on local communities and wanted to understand the scale and drivers of food poverty and food insecurity

Councillor Mashari stated that there were a number of issues which arose with the increased use of food banks. Concern was focused on vulnerable residents such as

the elderly, disabled and children, for example the impact of hunger on children and young people's education. The task group also explored why individuals need to use food banks, and ways to tackle stigma associated with this. This included the impact of welfare reform changes from central government, unemployment, rising costs of living and low pay. There also exists a varying degree of regulation, safe guarding and data collection across different providers.

The task group considered that the impact of welfare changes such as Universal Credit could be far reaching. It was vital, therefore, that the council and other local public sector partners put in place organisational arrangements that enable Brent to mitigate the impact Universal Credit as far in advance as possible.

Councillor Butt, Leader of the Council, thanked Councillor Mashari for her work in chairing the Task Group and thanked also the members of the Group: Councillors Conneely, Daly, Ezeajughi, Hoda-Benn, Kabir and Kansagra.

Councillor Margaret McLennan, Deputy Leader of the Council, reiterated the Cabinet's thanks for the report. Councillor McLennan noted that many of the task group's recommendations required support from and joint working with the Council's partners and suggested that the report be shared widely with partners.

RESOLVED that:

13.1 The report, appendix and the recommendations contained therein, be noted.

14. **Approval for Commissioning a Block Contract for Semi-independent Living for Looked After Children aged 16+ and Care Leavers aged 18+**

Councillor Mili Patel, Cabinet Member for Children and Young People, introduced the report which made recommendations for a preferred delivery model for Semi-Independent Living Services for Looked After Children aged 16+ and Care Leavers aged 18+.

Councillor M Patel stated that the report sought Cabinet approval to invite tenders for a block contract for three years with the option to extend for two years through a mini competition under the approved West London Alliance Semi-Independent List.

RESOLVED that:

14.1 The invitation of tenders for a contract for the delivery of Semi-Independent Living Services for Looked After Children aged 16+ and Care Leavers aged 18+ in line with the Proposed Delivery Model. detailed in section 7.0 and on the basis of the proposed tender arrangements set out in section 10.1 of the report, be approved;

14.2 The provision for officers to evaluate tenders referred to in 14.1 above on the basis of the evaluation criteria set out in paragraph 10.1 of the report, be approved; and

14.3 Authority to award the contract for Semi–Independent Living Services for Looked After Children 16+ and Care Leavers 18+ be delegated to the Strategic Director, Children and Young People in consultation with the Lead

Member for Children and Young People for the reasons detailed in paragraph 10.1 of the report.

15. **Wembley Housing Zone Update and Appointment of Architecturally Led Multidisciplinary Design Team**

Cllr Shama Tatler, Cabinet Member for Regeneration, Growth, Employment and Skills, introduced the report which provided Cabinet with an update on the Wembley Housing Zone programme, following on from the June 2017 Cabinet report.

Councillor Tatler stated that the proposed Joint Venture with developer HUB, as discussed in the June 2017 Cabinet report, would not be proceeding at this time, and therefore Council Officers were now focused on a smaller programme, including the former Copland school site and Ujima House and land to the rear. HUB will progress proposals for the sites within their interest. Officers do not envisage any reduction in the Wembley Housing Zone outputs from those envisaged under the joint venture proposal.

Councillor Tatler stated that officers have commenced work to contract an architecturally led, multidisciplinary design team to undertake designs for sites along Wembley High Road, including the former Copland school site and Ujima House and land to the rear, which had been discussed in further detail within the report.

She stated that the report seeks approval for delegated authority to Strategic Director, Regeneration & Environment in consultation with Lead Member for Regeneration, Growth, Employment and Skills to approve the preferred bidder from the Architecture, Design and Urbanism Panel (ADUP) framework.

RESOLVED that:

15.1 The revised method of delivery of the Wembley Housing Zone programme such that the Council lead on design and planning for development on its own land interests, as set out in paragraph 3.3 of the report, be approved;

15.2 The intention to procure a multidisciplinary design delivery team using the pre-tender considerations detailed in Appendix 1, be noted;

15.3 Authority to award a contract for a multidisciplinary design delivery team from the Architecture, Design and Urbanism Panel (ADUP) framework using the evaluation criteria detailed in Appendix 2, for the reasons detailed in paragraph 3.11 of the report, be delegated to the Strategic Director Regeneration & Environment, in consultation with Lead Member for Regeneration, Growth, Employment and Skills;

15.4 Authority to oversee design development, viability testing, consultation and ultimately agree the scheme that is submitted for planning approval, be to delegated to the Strategic Director Regeneration & Environment in consultation with Lead Member for Regeneration, Growth, Employment and Skills; and

15.5 The release of up to £1m funding (already allocated for Wembley Housing Zones Masterplanning and Planning applications under a Joint Venture) to finance Council-led Masterplanning, Planning applications and supporting services and surveys of sites, as discussed in the report, be approved.

16. **Air Quality Improvement Measures: Electric Vehicle Charging Infrastructure**

Councillor Eleanor Southwood, Cabinet Member for Environment, introduced the report to inform and obtain approval from Cabinet for Brent's involvement in two projects that will provide new charging infrastructure for electric vehicles in Brent: The Rapid Charging Infrastructure Project and a project to deliver on-street residential charge points in lamp columns. Councillor Southwood stated that both projects required entry into supplier contracts. She stated that the report would also provide an update on progress with Source London infrastructure installation.

Councillor Southwood stated that the Brent Long Term Transport Strategy 2017 – 2035, Planning Policy Guidance, the London Plan and Brent Development Management Policies all sought improvements in air quality.

RESOLVED that:

16.1 Brent Council's continued involvement in the GULCS for the Rapid Charging Infrastructure Project and the project to provide on-street electric vehicle charge points in residential locations, be approved;

16.2 Brent Council's participation in a collaborative procurement led by Transport for London (TfL) and London Councils using the Crown Commercial Services Traffic Management Technology 2 Framework Agreement in order to select a single supplier to install, manage and maintain electric vehicle charge points in lamp columns in Brent, be approved;

16.3 The collaborative procurement exercise detailed in 15.2 above be exempt from the normal requirements of Brent Council's Contract Standing Orders and Financial Regulations for good operational and/or financial reasons in accordance with the Contract Standing Order 84(a) and 85(c) for the reasons detailed in paragraphs 6.8 and 11.2.3 of the report, be agreed;

16.4 The provision and installation of electric vehicle charge points in lamp columns to serve residents with no access to off-street parking now and in the future (subject to funding), be authorised in principle;

16.5 The Strategic Director Regeneration and Environment, in consultation with the Lead Member for Environment, be authorised to undertake any necessary statutory and non-statutory consultations and consider any objections or representations regarding the installation of rapid charge points at on and off-street locations in Brent now and in the future (subject to funding), with consultation results referred to Highways Committee to determine the outcome of the responses;

16.6 The intention to commence a procurement using a mini-competition under the TfL Rapid Charge Point Concession Framework for the installation of electric vehicle rapid charge points, be noted; and

16.7 Authority to award contracts following mini-competitions under the frameworks detailed in 15.2 and 15.6 above to the successful bidders of the Rapid Charging Infrastructure Project and the project to provide on-street electric vehicle charge points in residential locations for the reasons detailed in paragraphs 11.1.8 and 11.2.6, be delegated to the Strategic Director Regeneration and Environment, in consultation with the Lead Member for Environment.

17. **Update and approval of decisions to enable the disposal and redevelopment of 1-8 Neville Close, 1-64 Winterleys and 113-128 Carlton House and 1-71 Blake Court in pursuance of the Regeneration of South Kilburn**

Councillor Shama Tatler, Cabinet Member for Regeneration, Growth, Employment and Skills, introduced the report and reminded Cabinet that the regeneration of South Kilburn was a fifteen year programme that was approximately half way through.

She stated that the programme would 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 had 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 were able to utilise St Augustine's Sports Hall.

Councillor Tatler stated that the South Kilburn Masterplan review took place in 2016, and that the community was at the heart of our decision making process. She stated that the Council had taken an inclusive and participatory approach to the 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 would be an important document in determining how the area continues to transform over the next 10-15 years.

Councillor Tatler stated that the South Kilburn Regeneration Programme also included 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.

Councillor Tatler stated that the report soughtw approval to authorise the Strategic Director, Regeneration and Environment to seek the Secretary of State's consent pursuant to Part V of Schedule 2 to the Housing Act 1985 to the disposal and development of 1-8 Neville House, 1-64 Winterleys, 113-128 Carlton House (as shown edged red Appendix 1) and 1-71 Blake Court (as shown within the SK Masterplan area at Appendix 2) for the purpose of Ground 10A of Schedule 2; and also seeks approval to authorise the final Allocation Policy for secure tenants with homes in 1-8 Neville House, 1-64 Winterleys, 113-128 Carlton House and 1-71 Blake Court.

RESOLVED that:

17.1 Authority to seek the Secretary of State's consent to the disposal and redevelopment of 1-8 Neville House, 1-64 Winterleys, 113-128 Carlton House and Carlton Hall and 1-71 Blake Court (also referred to the report as "the South Kilburn properties") pursuant to Part V of Schedule 2 to the Housing Act 1985 and to seek possession of those dwellings occupied by secure tenants by relying on Ground 10A of Schedule 2 of the Housing Act 1985, be delegated to the Strategic Director of Regeneration and Environment;

17.2 Possession of the South Kilburn Properties be sought under Ground 10A of Schedule 2 of the Housing Act 1985, subject to the Secretary of State's consent to approve the adoption of the Allocation Policy as set out in Appendix 5 which will apply to the South Kilburn Properties; and

17.3 The Allocation Policy referred to within the report which sets out the basis on which replacement homes will be allocated to secure tenants in the South Kilburn Properties and the legal means to be adopted for seeking possession of the South Kilburn Properties, through the use of Ground 10A of the Housing Act 1985 (if approval is given by the Secretary of State) and compulsory purchase powers under section 226(1)(a) of the Town and Country Planning Act 1990, be noted.

18. **Residential Extensions and Alterations Supplementary Planning (SPD2) Adoption**

Councillor Shama Tatler, Cabinet Member for Regeneration, Growth, Employment and Skills, introduced the report which outlined the consultation responses received between 6 July and 17 August 2017 on the draft Residential Extensions and Alterations Supplementary Planning Document (SPD 2).

Councillor Tatler stated that the consultation responses received have resulted in some minor amendments, with revised text and additional drawings now providing clearer guidance. When adopted by Cabinet the document will replace the existing Brent Altering and Extending Your Home Supplementary Planning Guidance (SPG 5) adopted in September 2002, which will need to be revoked.

RESOLVED that:

18.1 The proposed amendments, as set out in Appendix 1 of the report, be approved;

18.2 The Residential Extensions and Alternations Supplementary Planning Document ('SPD 2 (amended)'), as set out in Appendix 2 of the report, be adopted;

18.3 The existing Brent Altering an Extending Your Home Supplementary Planning Guidance ('SPG 5'), adopted in September 2002, be revoked; and

18.4 The deletion of the word “original” from pages 291 and 302 of the Cabinet agenda pack, as specified by the Lead Member of the Regeneration, Growth, Employment and Skills at the meeting itself, be noted.

19. **Dockless Cycle Hire**

Councillor Eleanor Southwood, Cabinet Member for Environment, presented the report which informed Cabinet as to how dockless cycle hire could be beneficial for Brent with regards to encouraging cycling and walking, as set out in the Brent Long Term Transport Strategy 2015 – 2035 and the Brent Cycle Strategy 2016 – 2021.

Councillor Southwood stated that it would also promote active travel and could be instrumental in promoting a mode shift away from the car, improving residents’ health, and the Borough’s air quality/public realm environment. It would also help towards meeting the objective of the draft Mayor’s Transport Strategy of 80% of journeys by 2041 being made on foot, by bike or using public transport.

She stated that the report set out a proposal to introduce dockless cycle hire in Brent.

RESOLVED that:

19.1 Entry into a Memorandum of Understanding with a single supplier to provide a dockless cycle hire scheme on a pilot basis for one year, be approved;

19.2 Authority to select the single supplier and agree the terms of the Memorandum of Understanding, be delegated to the Strategic Director of Regeneration and Environment in consultation with the Lead Member for Environment; and

19.3 The contents of the report be noted.

20. **Exclusion of Press and Public**

None.

21. **Any Other Urgent Business**

None.

The meeting was declared closed 6.40 pm

COUNCILLOR MUHAMMED BUTT
Chair

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Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Policy, Performance and Partnerships

Recommendations to Cabinet from the Community and Wellbeing Scrutiny Committee

Wards Affected:	All
Key or Non-Key Decision:	Non-key
Open or Part/Fully Exempt:	Open
No. of Appendices:	2
Background Papers:	None
Contact Officer:	Mark Cairns Policy and Scrutiny Manager Tel: 020 8937 1476 mark.cairns@brent.gov.uk

1.0 Purpose of the Report

1.1 To inform the Cabinet of recommendations made to the council's Cabinet or a Cabinet member by the Community and Wellbeing Scrutiny Committee.

2.0 Recommendation(s)

2.1 To note the recommendations made at Community Wellbeing Scrutiny Committee as set out in Appendix A and Appendix B.

3.0 Detail

3.1 On 22 November members of the Community Wellbeing Scrutiny Committee discussed two separate reports. Firstly, the SEND Local Area inspection report followed by a report about the effectiveness of existing support for care leavers and the implications of recent legislative changes. The Cabinet Member for Children and Young People attended for the discussion of both reports.

3.2 The report about the SEND Local Area inspection was presented by the Strategic Director for Children and Young People and the Interim Chief Operating Officer at Brent Clinical Commissioning Group. The committee heard that the inspection report had been complimentary of the strategic leadership at the local authority and its relationship with schools, which demonstrated the strong link between education and care outcomes.

However, there were some areas where the inspection team felt there had been reasons for concern, including concerns about a lack of strategic leadership within the CCG related to implementation of the SEND reforms and the fragmented approach to joint commissioning leading to gaps in services and separated commissioned services being delivered by the same provider.

3.3 A result of the inspection was that a Written Statement of Action, had been produced and agreed and it had been approved by Ofsted without comment. In addition, ways to integrate health and local authority commissioning had been examined and work had begun on all actions included in the Written Statement of Action. The Committee heard that a further priority for the CCG would be to make joint commissioning arrangements work to address the issue of fragmented commissioning.

3.4 Members asked questions about financing of SEND and were told that funding for education for children with additional needs and disabilities came through the Dedicated Schools Grant (DSG) and that the biggest impact on outcomes for children was and would be created by changes to the national funding formula and the high needs block, which combined with population growth, created additional pressure for funding special educational needs. The CCG said it was important to examine its resources currently available. On the basis of the discussion, members made the recommendations set out in Appendix A.

3.5 Brent Council's Operational Director for Integration and Improved Outcomes introduced the report about the effectiveness of current services for care leavers and the implications of recent legislative changes introduced by the Children and Social Work Act in April 2017. Committee members were told that one of the key changes of the legislation was that the duty and responsibility to all care leavers was extended to the age of 25, regardless of their education and employment status.

3.6 Members of the committee heard that said that although the precise budget implications of the new local offer were not yet clear, there was a need for demographic growth to be built in so a new cohort of teenagers, currently growing up, could be accounted for. Furthermore, that if the council had to support 200 additional care leavers and continue to provide the same level of service, it would have to recruit eight new personal advisers, costing approximately £328,000. There was also a discussion about partnership work to support care leavers within the local authority and also with the borough's private sector. On the basis of the discussions, members of the committee made the recommendations to Cabinet or for a Cabinet member as set out in Appendix B.

4.0 Financial Implications

4.1 There are no financial implications.

5.0 Legal Implications

5.1 There are no legal implications.

6.0 Equality Implications

6.1 There are no equality implications.

7.0 Consultation with Ward Members and Stakeholders

7.1 Overview and scrutiny involves non-executive ward members of the council.

Report sign off:

PETER GADSDON
Director of Policy, Performance and Partnerships

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Appendix A

SEND Local Area Inspection

1. **The next steps to continue to address the areas of concern identified through the local area SEND inspection be endorsed.**

2. **Details of a Human Resources Strategy for the delivery of the future therapy service model be provided at a future meeting of the Committee.**

3. **Information about how the SEND budget in the health and social care system would be safeguarded be provided at a future meeting of the Committee**

4. **An update report on jointly commissioned services be provided to committee during the 2018/2019 municipal year.**

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Appendix B

Effectiveness of Offer for Care Leavers

1. **The Lead Member for Children and Young People and the Council continued to lobby central government to secure the necessary finances to meet the delivery of the new local offer.**

2. **Detail be sought from mental health services about how they would work with care leavers up to the age of 25 in relation to the new local offer.**

3. **The Head of Strategy and Partnerships be encouraged to seek support from local retail outlets to add value to the local care offer.**

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Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Community Wellbeing

Housing Revenue Account (HRA) Budget and Rent-setting for Council Dwellings for 2018/19

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	4
Background Papers:	None
Contact Officer:	Hakeem Osinaike Operational Director of Housing Tel: 020 8937 2023 / 07766 442 372 Hakeem.osinaike@brent.gov.uk

1. Purpose of Report

1.1 This report sets out the Housing Revenue Account (HRA) forecast outturn for 2017-18 and the proposed HRA budget for 2018/19 as required by the Local Government and Housing Act 1989. The proposed annual budget takes account of the national rent reductions as required by Government. This will reduce rental income by £463k in 2018/19 with further annual reductions required to 2020.

1.2 To offset this it is necessary to make savings to revenue budgets over this period and the budget for 2018/19 includes provision for efficiency and other savings. Further savings will be required in future years to assure the future financial sustainability of the HRA and to support the programmes for stock investment and new housing development agreed through the HRA Asset Management Strategy in 2013.

1.3 The proposed HRA annual budget for 2018-19 sets out proposed expenditure for housing management services, stock investment and maintenance works and new council housing development programmes as well as rent and service charge setting proposals for 2018/19. This report also sets out, for information, rent-setting proposals for stock managed by Hillside (Hyde Group) and for the Residential Pitches portfolio. Finally, the report summarises the key expenditure priorities and expectations for service delivery through the HRA budget and key policy

developments likely to have an impact during the year, highlighting the principal risks.

1.4 The report is set in the context of the return of the housing management service into the Council, which provides significant opportunities for improvement and innovation across all housing services, the Community Wellbeing department and the council. A Transformation Programme is underway and will deliver in 2018. It will deliver improved systems and processes to help staff to do their jobs, a new structure, which will ensure more staff are more visible to residents, and it is underpinned by changes in management and culture.

2. Recommendations

That Cabinet:

2.1 HRA Business Plan Budget 2017-18 and 2018-19:

a) Note the HRA forecast outturn for 2017/18 as set out in Appendix 1 to this report.

b) Approve the proposals and agree the savings and budget reductions for the HRA budget for 2018/19 as set out in Appendix 2 to this report and agree that they be included in the overall Budget for 2018/19 for approval by Full Council on 26th February 2018.

c) Approve the HRA budget growth for 2018/19 of £1.29m with the use of £2.5m of one-off available resources.

d) Approve the HRA budget savings for 2018/19 of £1.32m.

2.2 HRA Rent Setting 2018/19:

a) Approve an average overall rent decrease (excluding service charges) from April 2018 of £1.15 per dwelling per week for HRA council dwellings, representing an average overall decrease of 1% as set out in section 3.4.2 and Table 1.

b) Note an average overall rent decrease from April 2018 of £1.27 per dwelling per week for Hillside Dwellings, representing an average overall rent decrease of 1% as set out in section 3.5.1 and Table 2.

c) Approve a decrease (excluding service charges) from April 2018 of £96.05 per pitch, per week, for residential pitches on the council's Traveller site at Lynton Close, which is an average overall licence decrease of 40% as set out in section 3.6 and Table 5.

2.3 HRA Service Charges 2017-18:

a) Agree to increase the service charges for HRA dwellings from April 2018 by an average of £0.27 per dwelling per week, as set out in Appendix 3.

b) Agree an increase in Garage Rents for Council renters of an average £0.55 and for Private Renters of £0.68, as set out in section 3.8 and Table 6.

c) Note that service charge levels for Hillside dwellings from April 2018 are under review as set out in section 3.5 and that details will be reported to Cabinet as soon as they are available.

2.4 HRA Stock Investment Programmes 2018/19:

a) Approve an overall HRA stock investment programme of £27.65m for 2018/19, as set out in Table 7.

2.5 HRA Development Programmes 2017-19:

a) Agree to continue delivery of Council New Build Development Programme with HRA budget of £24m for 2018/19 and £10.5 for 2019/20 to complete 117 new homes.

b) Agree a feasibility budget (Revenue Budget) of £0.125m for 2018/19 to work on the delivery of the additional Council New Build Development Sites

3.0 Detail

3.1 The Housing Revenue Account (HRA):

3.1.1 The Housing Revenue Account is a ring-fenced account which contains the income and expenditure relating to the Council's landlord duties in respect of approximately 7,797 dwellings as at April 2018.

3.1.2 The proposed budget takes account of the rent reduction required by Government under the Welfare Reform and Work Act of 1% per annum Between 2016 and 2020.

3.1.3 Four successive rent reductions and the loss of stock through RTB and other factors have and will continue to significantly reduce HRA income and a number of budget savings are proposed to mitigate the impact of this and support the sustainability of the HRA over the longer-term. These are detailed later in this report

3.1.4 The Housing and Planning Act includes provision for the council to pay a levy to fund the RTB discount for Housing Association Tenants, which would require the council to consider the disposal of vacant higher-value properties to fund it. It remains unclear how the scheme will operate in practice and proposals to defer introduction of the levy to April 2018 and carry out a five-year pilot programme have been subject to further change. It is now proposed that a one-year pilot will be carried out, commencing in July 2018 and covering local authorities in the midlands and the Secretary of State has recently confirmed that no payments will be required from local authorities in 2018/19. No allowance for the levy is therefore required for 2018/19 but the position beyond that is unclear. The Secretary of State has confirmed that the earliest date from which payments could be required is April 2019, although that would be within the proposed pilot period.

3.1.5 In November 2016 Cabinet agreed to bring housing management services under direct management of the council and, following extensive consultation, this exercise was completed in October 2017. Associated savings and costs are considered further below.

3.1.6 A capital investment has been made in the Transformation of the Housing Management Service of £1m. £0.7m of this is allocated to the introduction of the new corporate Customer Relationship System, which will provide the tools:

- For staff to do all activities more quickly and ensure cases are managed from start to finish, resulting in fewer delays and complaints.
- For managers, to have better, real time, data, which means they will understand issues and be able to respond them more quickly, and use the insight to deliver further improvements to the service.

3.1.7 A new structure has been specified. This new structure addresses key gaps observed in the current structure, most notably in the areas of compliance, strategic asset management and contract management. The structure will also enable far more visibility ‘on the ground’ of our housing management staff, and puts in place a ‘single front door’ for customers to engage with the Housing Management service (and in due course to the whole Housing service).

3.1.8 There is already a new senior management team in place and further recruitment of Service Managers is taking place, which will strengthen management capacity. A culture change programme is also underway to improve interaction between employees and residents and a new engagement strategy will be delivered to increase the engagement and participation of residents in decision-making. These are all aimed at improving the experience residents have when they contact and engage with the service

3.1.9 Officers are confident that the new senior management team, and the structure, supported by the new ways of working that Transformation will deliver, will enable far greater cost control, generate new income streams and reduce demand driven by service failures by better engagement with tenants and leaseholders and getting things right the first time.

3.2 HRA Annual Budget Outturn Forecast 2017/18

3.2.1 A table setting out the 2017/18 budget outturn and current forecast is provided at Appendix 1. In summary the forecast position is as follows:

(i) **Income:** 2017/18 income to the HRA is forecast to be £2m more than budgeted. This is largely as a result of a higher than budgeted income from leaseholder major works charges, offsetting an increase in rent loss from voids. The cause of the increase in rent loss due to voids has been addressed and will not have an impact in 2018/19.

(ii) **Expenditure** – this is forecast to be £207k over budget. This is largely due to increased activity on responsive repairs for lifts, boilers and disabled adaptations, along with costs for council tax on voids. It is offset by cost reductions to communal utility bills, cleaning variation orders, contractual savings on wardens and underspend on the transformation budget to be carried forward into next year.

(iii) **Outturn** – The 2017/18 net outturn (income minus expenditure) forecast is £2.21m against a budget of £4m. The forecasted under spend of £1.79m will be added to the HRA reserve and utilised in the 2018/19 budget.

3.3 Revenue Budgets

3.3.1 The Government's required rent reductions of 1% per annum in each of the four years to April 2020 have reduced and will continue to significantly reduce income to the HRA. This will be exacerbated by the loss of stock through Right to Buy, redevelopment of existing units in the South Kilburn Regeneration Programme and, potentially from April 2019 as noted earlier, disposal of 'high-value' properties to fund payments to Government to support the extension of the RTB.

3.3.2 To compensate for the loss of rental income, revenue costs will need to be reduced in 2018/19 and in subsequent years in order to ensure that the HRA remains financially sustainable. The Government has now set out its rent policy for the five years from 2020. From April that year, social rent increases will be limited to the Consumer Price Index (CPI) plus 1%. This provides some certainty for the future but the HRA needs to be put in a strong financial position to maximise its ability to manage

further rent reductions over the next two years as well as the potential imposition of high value sales.

Savings - the main savings in the 2018/19 budget are:

- £0.50m reduction in transformation budget
- £0.22m reduction in housing management costs in relation to the management of voids.
- £0.25m reduction in bad debt provision
- £0.35m reduction to communal utilities and wardens contract

Growth - These savings and budget reductions are counter-balanced by a number of necessary growth items:

- £0.79m repairs and maintenance budget to reflect anticipated demand
- £0.35m to finance further anticipated borrowing
- £0.15m growth required to offset the income reduction from water billing commission.

Technical adjustments – in addition to the growth and savings, technical adjusts to budgets are required for:

- £2m increase in major works income in line with the profile of charges for 2018/19.
- £0.55m reduction in estimated revenue based contributions to capital.
- £1.13m reductions in rents due to 1% ret reduction and stock loss.

3.3.3 Overall the budget includes a net reduction £1.46m when compared to 2017/18. The budget includes a decrease in rent of 1% per dwelling per week excluding service charges. The rent loss will amount to £0.463m. The proposed budget and summary movement from 2017/18 is set out in Appendix 2 and shows a balanced budget.

3.3.4 The review to decide whether to bring housing management back into the council identified the need to achieve £3.6m savings by 19/20. This was confirmed in the 2017/18 HRA budget. £1.9 of this saving will have been delivered by the end of 18/19 as a result of bringing housing management back into the council (removing the duplication across what was two organisations) and delivering the additional savings set out in this report. This means that a further £1.7m still needs to be delivered in 19/20. Work has already begun to identify these savings and the expectation is that through the full impact of the Transformation they can be delivered while maintaining and improving the service.

3.4 Proposed Rent Setting for HRA Dwellings

3.4.1 The Welfare Reform and Work Act 2015 requires the council to reduce rents by 1% per year for four years with effect from April 2016. In

November 2013, the Council agreed a HRA Asset Management Strategy. This included a five-year Rent Policy for 2014-19 to provide sufficient resources to fund the proposed stock investment and development programmes set out in the strategy. As a result of the government's rent reduction policy 2018/19 rental income will be £0.463m less than in 2017/18 and £6.19m less than it would have been had the Council's rent policy been allowed to continue from 2016/17. Over the next two years rental income is predicted to reduce in cash terms by a further £0.935m, largely as a consequence of the rent reductions required, but also as a result of a reduction in the number of properties over this period. For 2017/18, the total rent loss due to stock reduction and RTB is £0.947m.

3.4.2 The table below sets out the current average 2017/18 rents and the proposed rents for 2018/19, taking account of the 1% reduction as required. The amount of the rent reduction depends on the property size and current rent and averages £1.15 per week.

Table 1: Current Average Rents and Proposed Rents for 2018/19

	2017/18			2018/19	
Bed Size	**Number of Properties**	**Average of net rent 2017/18**	**1% reduction**	**Number of properties**	**Average of net rent 2018/19**
		£			**£**
0	420	88.15	18,656	407	87.27
1	2483	100.32	127,179	2438	99.31
2	2560	115.55	151,543	2522	114.40
3	2014	126.37	130,501	1987	125.04
4	415	137.08	29,582	415	135.71
5	61	146.91	4,584	60	145.44
6	9	158.55	742	9	156.96
Grand Total	**7962**	**113.56**	**462,786**	**7838**	**112.41**

3.5 Hillside Rent Setting 2017/18 – General Fund

3.5.1 In addition to the dwellings contained within the HRA, the Council also continues to hold dwellings in the General Fund (GF). These dwellings were formerly held by the Stonebridge Housing Action Trust (HAT) and were transferred to Brent Council in August 2007 when the HAT was dissolved. The Council currently owns 328 properties under this scheme and Hillside Housing Trust (part of Hyde Housing Group) manages these properties on the Council's behalf and is responsible for setting rents and service charges, which are set out in this report for information.

3.5.2 The table below sets out the proposed rent levels for 2018/9. The reduction of 1% will decrease weekly rents (excluding service charges) by an average of £1.27 per week.

Table 2 – Range of Weekly Rents for 2018/19

	Weekly Rent 2017/18 (£)	Weekly Rent 2018/19 (£)	Decrease (£)	Decrease %
1 Bed Flat	101.36	100.35	-1.01	-1.0
2 Bed Flat	120.00	118.80	-1.20	-1.0
1 S/croft Elders	101.36	100.35	-1.01	-1.0
2 S/croft Elders	120.00	118.80	-1.20	-1.0
2 Bed House	130.33	129.03	-1.30	-1.0
3 Bed House	142.84	141.41	-1.43	-1.0
4+ Bed House	150.37	148.87	-1.50	-1.0

3.5.3 Hillside are also responsible for setting service charges across the stock, including those retained by the council. At the time of writing, Hillside are undertaking a zero-based review of charges that will not be completed until mid-February, meaning that final proposals are not available for inclusion in this report. However, it should be stressed that, at this stage, the review could result in a higher or lower increase than that proposed for the council stock, depending on its findings.

3.6 Travellers' Site Pitch - Licence Fee Setting 2017/18 – General Fund

3.6.1 Pitch rents need to be reviewed in order to make them more affordable and more comparable with other social housing rental charges. As a comparison, the Local Housing Allowance rate for a three bedroom property in this area of the borough is £303 per week, significantly lower than the pitch and mobile home rental costs incurred by residents of Lynton Close.

3.6.2 A report commissioned by the Joseph Rowntree Foundation in 2016 found that pitch charges ranged from £119.22 to £205.84 per week. This was based on data obtained from 71 councils. Officers have undertaken a benchmarking exercise to establish pitch rents charged in other London Boroughs, but only three submissions were received, and the charges are extremely varied:

Table 3 – Comparative Pitch Rents

Borough	Pitch rent 2017/18
Brent	£240.20
Southwark	£206.23
Lambeth	£45.87
Barking & Dagenham	£133.90 (average)

3.6.3 The current rent level is extremely high when compared with the pitch rent with authorised Gypsy and Travellers sites elsewhere in the country that are under the control of local authorities. It is therefore proposed that weekly rents should be reduced significantly, which would in turn oblige the Mobile Home provider to reduce their rental charges. A reduction to £143.95 would mean a maximum charge per pitch of £287.90, a figure below the Local Housing Allowance (LHA) cap, which would mean that where a resident is eligible for full HB, this would generally be sufficient to cover the full cost of the pitch and mobile home rental.

3.6.4 The current rental income generated by the site each year is £386,880, and expenditure is £383,957. The table below provides a breakdown of the total service cost for the site.

Table 4 – Traveller Site Costs

Expenditure	Annual cost (£)
Oxfordshire County Council (OCC) Management Fee	231,228
BHP Management fee	42,458
Bad Debt Provision	88,294
Repairs	21,977
Total Cost	**383,957**

3.6.5 As is clear from the table, the greatest single cost is the OCC management fee which includes all activity to manage the site and engage with residents. This constitutes 60% of the total cost, which will no longer apply from April 2018 when the service reverts under direct management of the Council. The BHP management fee will also no longer apply and we estimate the staff cost of managing the site at £65,000, as per the proposed Housing Management structure. The insourcing of the management service will therefore generate significant cost savings to the Council's general fund, which enables lower and affordable rent to be charged. It is proposed that the new rent setting policy will be implemented from April 2018 while options for delivery of new services and associated charges will be considered during 2018/19 with a view to, subject to consultation with residents, introducing a new approach from April 2019. What is not immediately obvious from the table is the underinvestment in the accommodation on the site. A programme is to address this is being

prepared and we believe the income is sufficient to deliver this in the longer term.

Table 5 – Pitch Rent Charges and Income

Descriptions	2017/18 Charges £	2018/19 Charges £	2018/19 Decrease £
Weekly Rent	240	143.95	96.05
Total Weekly Rental Income £ (31 lots)	£7,440	£4,462.45	£2,977.55
% Change	-1%	-40%	-40%
Annual Rental Income	386,880	£232.047.40	£154,832.60

3.7 Proposed Service Charges for 2017/18:

3.7.1 For HRA dwellings it is proposed that each service charge is increased by an average of £0.27. The individual service charge increases are detailed in Appendix 3. For the Brent tenancies at Hillside the position is as noted at 3.5.3 above.

3.8 HRA Garage Charges and Asset Portfolio Management.

3.8.1 A review and consultation on the terms for garage rentals was undertaken in 2015/16 by BHP on the Council's behalf and in February 2017 Cabinet approved increases based on a benchmarking exercise, recognising that charges were in the main significantly below those being charged by other London Authorities at that time. For 2018/19, it is proposed that charges should increase by CPI plus 2%, equating to a 5% increase in total.

Table 6: Charges for Garages 2018/19

	Existing charges for residents 2017/18	Existing charges for non-residents 2017/18	Proposed charges for residents 2018/19	Proposed charges for non-residents 2018/19
	£	£	£*	£*
Cage Garages	3.24	3.64	3.40	3.82
Half Garages	6.47	7.29	6.79	7.65
Single	12.95	14.57	13.60	15.30

Garages				
Double Garages	21.21	29.14	22.27	30.60

3.9 HRA Stock Investment and Improvements

3.9.1 The current HRA Asset Management Strategy was approved by the Cabinet in November 2013. This sets out a long-term approach to stock maintenance and investment in order to best meet desired objectives, in particular that all council homes are brought up to a set Investment Standard by 2021.

3.9.2 Following the return of housing management services in-house, a revised Business Plan will also consider what the council's investment strategy is to be. This will be dependent upon a new Housing Asset Management Strategy, which will be prepared for Cabinet approval in December 2018. A comprehensive stock condition survey will be procured in April 2018 to support the development of the strategy. However, it is already understood that the key proposals are to develop plans for improving the external environment of estates and the external fabric of blocks. The opportunities to improve thermal efficiency and to review the way in which residents and visitors circulate within the estate, estate security and how parking and refuse is managed will be primary considerations of the strategy. This will be supported by proposals to soften the often hard landscapes prevalent on a significant number of estates following consultation and feasibility work during 2019/20. In addition, it is intended to consider maximising opportunities created by the internet to make our blocks 'smart' – for example, auto reporting on faults in boilers and fire doors as well as developing programmes for the replacement of windows and doors, roofs, electrical laterals and capital programmes for compliance related matters such as fire safety, water tanks and rewiring homes in 2018/19

3.9.3 Cabinet has approved that the integration of the fire safety improvement programme with the HRA capital investment programme and three tower blocks per year are to be completed. This means all blocks over 12 storeys will be completed within 5 years. To inform the fire safety improvement programme a comprehensive FRA4 programme will be procured in May 2018 to include low and medium rise blocks, although the programme of assessments would be prioritised, starting with the 14 blocks above 12 storey's, then moving to the other high rise blocks before moving to the medium and low rise. The findings of the Type 4 surveys will have a significant bearing on the fire strategy of the building and the prioritisation of the improvement works. The reasons for integrating fire improvement works with the planned works programme are twofold: it will be more cost effective to do one set of works on a building and not all residents may appreciate the fire safety works, which may be unsightly. Carrying out fire safety works alongside planned works should see overall improvement in the building. Planned work may include refurbishments such as new roofs,

facades, windows, lifts, kitchens, bathrooms and heating systems. The aim is that projects should be meaningful and act as beacons in the borough for innovation and progress. This may make it more palatable for leaseholders as an improvement would mean an increase in the quality and value of their property.

3.9.4 At the end of quarter 3 expenditure on stock investment and improvement works for 2017/18 was forecast to be £28.65m against a budget of £32.8m, and we expect expenditure to be very close to that forecast given current invoice activity in December.

3.9.5 The planned overall Stock Investment Programme for 2018/19 is budgeted at £27.65m. This includes provision for a programme of cyclical and planned works, health and safety works, energy efficiency and environmental works. The main areas of expenditure are set out in Table 7 below.

Table 7: Proposed Stock Investment Expenditure for 2018/19

Programme	Proposed Budget 2018/19	Estimated Tenanted Costs	Estimated Leasehold Costs
	£'000	£'000	£'000
TOTAL STOCK INVESTMENT BUDGET	£27,652	£22,406	£5,246

3.9.6 The budget of £27.65m includes an estimated £5.2m of expenditure on leaseholder properties that is rechargeable. In advance of any works proceeding detailed costings and statutory consultation will be undertaken with leaseholders on the prospective works and rechargeable costs. We have listened to leaseholders and recognised the deficiencies previously existing in this process and we have taken steps to address them both in the present and more importantly as we move into the new service delivery structure

3.9.7 To ensure the efficient delivery of this multi-year capital programme, it would be prudent to allocate an indicative 2019/20 budget. The total budget has been estimated at £41m, so an allocation of at least £20m for works commencing in April 2019 would be appropriate.

3.10 Development Services 2016-18

3.10.1 The development of new council homes is a key priority of the council's Housing Strategy and of the HRA Asset Management Strategy. Two phases of development are currently underway.

3.10.2 **Phase 1** - this is supported by GLA grant, will provide 47 Affordable Rent homes. The first units have been completed, a number of further

schemes are on site with the great majority of these due for completion by March 2018 with the remainder completing in the first half of 2018-19.

3.10.3 **Phase 2** - this will provide 52 Affordable Rent homes units with the majority of these due for completion in in 2019-2020.

3.10.6 The recommendations in this report set out the required capital budgets to progress the above new-build development phases and further detail is provided in Appendix 4.

4.0 Financial Implications

4.1 This report is concerned with financial issues associated with setting the HRA budget for 2018/19 under the self-financing system for council housing, and for setting the level of rents for Council dwellings in 2017/18. Cabinet are required to approve a budget that meets the statutory requirements as contained in Part VI of the Local Government and Housing Act 1989. Sections 76 (2) and (3) of that Act requires Members to ensure that their proposals are realistic and that the Council's Housing Revenue Account does not show a debit balance. Estimates have been compiled on the basis of the Council's corporate guidance for budget preparation and on the basis that the spending budgets should be adjusted in relation to the stock numbers. The advantage of this approach (which ignores fixed costs) is that managers are able to reduce their expenditure on a planned basis.

4.2 HRA Borrowing Limit:

4.2.1 In order to ensure that borrowing is affordable nationally, each local authority was set an HRA borrowing limit under self-financing, and it will not be possible or that limit to be exceeded. Where a local authority's Housing Capital Financing Requirement (HCFR) is less than the limit set for self-financing valuation, a "headroom" to increase borrowing under self-financing will be created. The government determinations for self-financing set out that Brent's borrowing limit is £199.291m. The HCFR is estimated to be £136.621m on 1 April 2018, giving estimated "headroom" to increase borrowing of approximately £62.670m.

4.2.2 The November 2017 budget announced limited relaxation of the HRA borrowing cap. From 2019/20 up to 2020/21, a total of £1bn additional borrowing headroom will be available. However, only authorities in areas with "high affordability pressures" will qualify and additional headroom will be granted on the basis of a competitive bidding process. While Brent might expect to meet the affordability threshold, no detail are yet available of how this will be defined or how the bidding process will work and there is no further certainty beyond 2021. There will therefore be no impact in 2018/19 and, even were Brent to succeed in bidding for a share of the national pot, the additional headroom will

not support new building at a scale large enough to make significant inroads into local housing needs.

5.0 Risks

5.1 A key feature of the Housing Operations Transformation Programme is to build capacity and resilience across the housing frontline teams to manage the range of demands from residents including income maximisation and tenancy sustainment. The new target operating model will take into consideration the resource levels and skills required to mitigate the risks associated with Universal Credit both for the Council and local residents

5.2 The provisions of the Welfare Reform and Work Act 2016, with the further reduction in the Overall Benefit Cap during 2016-17 and the phased introduction of Universal Credit which will bring direct payment of housing benefit to tenants, will have an impact on rent collection figures and costs, meaning both expenditure and income will be put under pressure. Brent Housing Management have started engaging with the Corporate Welfare Reform Group who have been working with other registered providers (RPs) to develop a strategy to mitigate the associated risks . A sub operational group is being formed to focus on the roll out of Universal Credit in Brent.

5.3 The recovery of Leaseholder Service Charges (Major Works) will remain a priority and it is anticipated that new programmes, for example to improve fire safety, will introduce new challenges.

5.4 The continuing imposition of rent reductions will impose further budget pressures. Although the new rent settlement from April 2020 will provide some relief, the council's freedom to set rents will remain constrained and increases from 2020 will not fully compensate for four years of reduced income.

5.5 The November 2017 budget announced limited relaxation of the HRA borrowing cap. From 2019/20 up to 2020/21, a total of £1bn additional borrowing headroom will be available. However, only authorities in areas with "high affordability pressures" will qualify and additional headroom will be granted on the basis of a competitive bidding process. While Brent might expect to meet the affordability threshold, no details are yet available of how this will be defined or how the bidding process will work and there is no further certainty beyond 2021. There will therefore be no impact in 2018/19 and, even were Brent to succeed in bidding for a share of the national pot, the additional headroom will not support new building at a scale large enough to make significant inroads into local housing needs.

5.6 The Housing and Planning Act includes provision for the council to pay a levy to fund the RTB discount for Housing Association Tenants,

which would require the council to consider the disposal of vacant higher-value properties to fund it. It remains unclear how the scheme will operate in practice and proposals to defer introduction of the levy to April 2018 and carry out a five-year pilot programme have been subject to further change. It is now proposed that a one-year pilot will be carried out, commencing in July 2018 and covering local authorities in the midlands and the Secretary of State has recently confirmed that no payments will be required from local authorities in.

6.0 Legal Implications

6.1. Legal Implications for the Housing Revenue Account and Rent Setting:

6.1.1 Under section 74 of the Local Government and Housing Act 1989 ("the 1989 Act"), the Council is required to keep a separate Housing Revenue Account ("HRA") of sums falling to be credited or debited in respect of its housing stock. Sections 75 and 76 of the 1989 Act set out the rules for establishing and maintaining that 12 account. Under section 76 of the 1989 Act, the Council is required to formulate in January and February of each year proposals for the HRA for the following year which satisfy the requirements of that section and which relate to income, expenditure and any other matters which the Secretary of state has directed shall be included.

6.1.2 In formulating these proposals the Council must secure that upon their implementation the HRA will not show a debit balance assuming that the best assumptions and best estimates it can make at the time prove to be correct. Put simply, the legislation requires the Council to prevent a debit balance, to act reasonable in making assumptions and estimates and to act prudently. The 1989 Act also requires the authority to review the proposals from time to time and make such adjustments as are necessary to ensure that the requirements, as set out above, continue to be met. This report sets out the forecast outturn for the current financial year and also the proposals for the coming year.

6.1.3 The Council may make such *reasonable* charges as it so determines for the tenancy or occupation of their dwellings and shall review those rents and charges from time to time. In so doing the Council shall have regard to the principle that the rents for different types of houses should bear broadly the same proportion to private sector rents for those different types of houses. This means that the difference between the Local Authority rent for, say, a bedsit and a two bed house with a garden should be broadly comparable to the difference between the rents for those types of dwellings in the private sector. In making such reasonable charges officers have given consideration to the Government's policy aims of introducing social housing rents that will ultimately produce rents being set (both in the council and Registered Provider/RSL sectors) on a nationally determined basis (whilst taking into account local factors

such as the value of dwellings). This aim is not prescriptive in so much it remains the responsibility of the local housing authority to set rents.

6.1.4 The Council's discretion as to setting rents is now subject to the mandatory provisions of the Welfare Reform Act 2016, which become law on 16 March 2016. Section 23 of the 2016 Act requires that as from 1 April 2016 for a period of four years, an annual reduction of the rent payable by social tenants. Schedule 2 to the 2016 Act introduces, for a period of 4 years, requirements about the maximum levels of rent for social tenancies beginning after the beginning of 8 July 2015. These requirements apply to tenancies of new homes and re-lets to a new tenant, but not the grant of a new tenancy to an existing tenant. The Welfare Reform and Work Act 2016 (Commencement No. 1) Regulations 2016 set out exceptions to and circumstances in which exemptions may be given from the rent reduction regime otherwise applicable, and make alternative provision for certain excepted categories. In respect of social rent properties, the mandatory reduction applies to the rent element and not to service charges. The rent income estimates included for 2017/18 are based upon the rent reductions required under the Welfare Reform and Work Act 2016 and adjusted for Right to Buy.

6.1.5 The decisions recommendations set out in section 2 of this report are an exercise of the Cabinet's rent-setting function and must take into account the implications of the Council's overall budget. Under section 76(8) of the Local Government and Housing Act 1989, the Council is required to prepare a statement of the revised estimates and new proposals within one month of the proposals and this requirement will be satisfied by Council approval of the overall budgets for 2018/19 on 26th February 2018.

6.1.6. The Secretary of State issued a Direction (under section 74(3)(d) of the Local Government and Housing Act 1989) in March 2008 which allows the Council to hold outside the Housing Revenue Account the rent accounts of the Council owned properties on the Stonebridge estate that were transferred from the Stonebridge HAT to the Council in 2007. Section 313 of the Housing and Regeneration Act 2008, which adds section 80B to the Local Government and Housing Act 1989, makes it possible for councils and specified properties belonging to Councils to be excluded from the subsidy system subject to agreement with the Secretary of State and it allows the Secretary of State to make directions in relation to such agreements. Once Cabinet decides on the setting of the rents in respect of the Council's housing stock and the Brent Stonebridge Dwellings that are managed by Hillside Housing Trust, notices of variation will be served on the tenants pursuant to section 103 of the Housing Act 1985 to give them notification of the changes in rent which will come into effect from 2nd April 2018.

7.0 Equality Implications

7.1 This report deals with the rent setting and budget proposals for the Council's HRA. This report does not propose any significant changes to the operation of this account. The proposals in respect of stock investment and new development are in accordance with the HRA Asset Management Strategy agreed by Cabinet in November 2013. This report is not concerned with operational service issues.

8.0 Consultation with Ward Members and Stakeholders

8.1 This report has not been subject to member or stakeholder consultation.

9.0 Human Resources/Property Implications (if appropriate)

9.1 There are no human resources or property issues immediately arising from this report.

Report sign off:

PHIL PORTER
Strategic Director of Community Wellbeing

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Appendix 1 - 2017/18 Budget and Forecasted Outturn

HRA Forecasted Outturn v Budgets 2017/18	(1) 2017/18 Budgets	(2) Draft Forecast Outturn 2017/18	(2-1) Variance	Variance Explanation (2-1)
Description	**£'000**	**£'000**	**£'000**	
Rents	(49,582)	(48,864)	718	Increase in rent loss through voids
Non Dwelling Rents	(217)	(175)	42	
Leaseholders' Charge for Services and Facilities	(2,276)	(2,543)	(267)	Service charge income expected to be higher than budgeted
Major Works and Other Contribution Towards Expenditure	(1,523)	(4,019)	(2,496)	Increased leaseholder major works income
Total Income	**(53,598)**	**(55,600)**	**(2,002)**	
Repairs and Maintenance	11,035	11,926	891	Increased activity on responsive repairs and adaptations
Supervision and Management	11,673	11,131	(541)	Transformation budget underspend to be carried forward
Special Services	4,680	4,296	(385)	Reduction on expenditure for communal utility and cleaning
Rent and Rates and Others Charges	352	595	243	Council Tax on voids increase more than anticipated
Depreciation of Fixed Assets	21,653	21,653	0	
Bad or Doubtful Debts	670	670	0	
Capital Financing and Debt Management	7,535	7,535	0	
Total Expenditure	**57,598**	**57,806**	**207**	
(Surplus)/or Deficit for the Year on HRA	**4,000**	**2,205**	**(1,795)**	
Housing Revenue Account brought forward	(4,746)	(4,746)	0	
(Surplus)/or Deficit on HRA	4,000	2,205	(1,795)	
Closing balance	(746)	(2,541)	(1,795)	

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Appendix 2 - Draft Budget 2018/19

HRA Budget 2017/18 v Draft Budgets 2018/19	(1) 2017/18 Budgets	(2) Draft Budgets 2018/19	(2-1) Variance	Variance Explanation (2-1)
Description	**£'000**	**£'000**	**£'000**	
Rents	(49,582)	(48,449)	1,132	Reductions to rent (1%), stock loss
Non Dwelling Rents	(217)	(217)	0	
Leaseholders' Charge for Services and Facilities	(2,276)	(2,276)	0	
Major Works and Other Contribution Towards Expenditure	(1,523)	(3,533)	(2,010)	Increased major works income
Total Income	**(53,598)**	**(54,475)**	**(877)**	
Repairs and Maintenance	11,035	11,820	785	Growth on responsive repairs
Supervision and Management	11,673	10,949	(724)	Includes savings on transformation budget £500k and Housing management costs 380K
Special Services	4,680	4,333	(347)	Savings on communal utility and wardens contract
Rent and Rates and Others Charges	352	502	150	Reductions to water billing commission
Depreciation of Fixed Assets	21,653	21,103	(549)	Reduction to capital contribution
Bad or Doubtful Debts	670	420	(250)	Reduction to bad debt provision
Capital Financing and Debt Management	7,535	7,888	353	Increased financing costs for borrowing
Total Expenditure	**57,598**	**57,016**	**(582)**	
(Surplus)/or Deficit for the Year on HRA	**4,000**	**2,541**	**(1,460)**	
Housing Revenue Account brought forward	(4,746)	(2,541)	2,205	
(Surplus)/or Deficit on HRA	4,000	2,541	(1,460)	
Closing balance	(746)	(0)	746	

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Appendix 3 - HRA Dwelling Service Charges - 2018/19

Service	Average Charge 2017/18 (£/Week)	Recommended Average Charge 2018/19 (£/Week)	Increase/ (Decrease) %
Concierge	8.78	9.13	4%
Communal Lighting	1.36	1.42	4%
Grounds Maintenance	1.24	1.29	4%
Cleaning (Ext & Int)	6.37	6.62	4%
Laundry	2.31	2.40	4%
TV Aerial	0.71	0.74	4%
Communal Heating (District)	8.16	8.49	4%
Hot Water	2.19	2.28	4%
Helpline Monitoring Service	1.43	1.49	4%
Total charge	**6.91**	**7.18**	**4%**

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Appendix 4 – Capital Budget for Development programme 2018/19 and 2019/20

Programme	Units	2018/19 Forecast (£000)	2019/20 Forecast (£000)	Total Cost (£000)
Church End Regeneration	65	11,305	8,364	19,668
Infill Development - Phase 1	15	1,979	-	1,979
Infill Development - Phase 2	63	10,654	2,189	12,843
RTB Expenditure	-	-	4,000	4,000
Total	**143**	**23,938**	**14,553**	**38,490**

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Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Resources

National Non-Domestic Rates – Discretionary Discount Schemes

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	1
Background Papers:	6
Contact Officers	Richard Vallis Revenues & IT Client Manager Tel: 020 8937 1503 richard.vallis@brent.gov.uk Matthew Dibben Head of Employment, Skills and Enterprise Tel: 020 8937 1815 matthew.dibben@brent.gov.uk

1.0 Purpose of the Report

1.1 The council collects Business Rates in accordance with the Local Government Finance Act 1988. There is usually a revaluation of the rateable value of all non-domestic properties every 5 years, however the revaluation due in 2015 was delayed for 2 years. A revaluation therefore came into effect from 1 April 2017, the first for 7 years which saw some considerable increases in bills for some ratepayers. Whilst there is a transitional relief scheme whereby both increases and reduction in bills are phased in over 5 years many businesses still faced considerable increases in their bills year on year. The government therefore announced in the 2017 March statement that it would make funding available to councils for 4 years from 2017/18 to enable them to introduce their own discretionary discount scheme in order to provide further help to those businesses facing increases in their bills as a result of the revaluation. The funding for Brent over the 4 years 2017/18 – 2020/21 is £1.878M, with specific allocations for each financial year.

1.2 The powers to grant local discounts are within section 47 of the Local Government Finance 1988. To award discounts under this provision it needs committee approval of any scheme. Cabinet agreed the discount scheme for revaluation support for 2017/18 at its meeting on 24 July 2017, however the amount of relief awarded to date is short of the allocation from central government for 2017/18 and any shortfalls in spending cannot be used in subsequent years. This report therefore seeks amendment of the 2017/18

scheme in order to ensure full take up of the allocation for 2017/18. It also seeks approval of the proposed scheme for 2018/19 as detailed in this report and in Appendix 1. In view of the numbers of ratepayers who will be entitled to relief the report also seeks approval to authorise the Chief Finance Officer to implement the scheme so that officers can award these discretionary reliefs which satisfy the set criteria detailed in the report

1.3 The government will fully fund the cost of reliefs awarded up to the funding allocation for each year. Additional administrative costs incurred as a result of introducing and running the scheme will be met through new burdens funding

1.4 The government has announced the continuation of 2 other discount schemes to help specific businesses affected by the revaluation – Support for Pubs which in effect will give a £1,000.00 discount where their rateable value is less than £100,000, and Supporting Small Businesses whereby businesses facing increases in their rates bill due to losing small business rates relief will have their increases restricted to £600 per annum. The government expects local authorities to introduce these 2 schemes using their section 47 powers. Again these schemes were agreed by Cabinet on 24 July 2017, approval is sought to continue them for 2018/19

2.0 Recommendations

2.1 That the discretionary discount scheme (Revaluation Support) for 2017/18 be amended as detailed in Appendix 1 of this report and be approved pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988.

2.2 That the discretionary discount scheme (Revaluation Support) for 2018/19 as detailed in Appendix 1 of this report be approved pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988. A further report will be presented to Cabinet in 2019 detailing the proposed scheme for 2019/20 and 2020/21

2.3 That the 2 schemes - Support for Pubs and Supporting Small Businesses- and as detailed in sections 3.16 and 3.17 of the report be approved for 2018/19 pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988.

2.4 That the Chief Finance Officer be authorised to implement the three schemes as detailed in Appendix 1 and sections 3.0 of this report so that the agreed discretionary discounts for business rates can be awarded in compliance with the scheme criteria.

3.0 Detail

Discretionary Discount Scheme – Revaluation Support

3.1 Business rates (also known as non-domestic rates) are payable by the occupiers or owners of all non-domestic premises. The amount payable is based on the rateable value and this is assessed by the Valuation Office Agency (part of HMRC). The rateable value broadly reflects the annual rental value of the property. The VOA maintain a Rating list which shows the rateable value of each property in each council's area.

3.2 Every 5 years there is a revaluation whereby the rateable values are reviewed and a new rating list compiled. However the revaluation that was due in 2015 was postponed until 2017. As rental values have changed dramatically over the last 7 years this is reflected in the new rateable values that took effect from 1 April 2017. For Brent the total rateable value increased from £285,256,183 to £318,929,082, an increase of 11.8%. This resulted in some properties seeing very large increases in their rates bills for 2017/18 when compared to 2016/17. Whilst there is a transitional relief scheme that limits the increases in bills for 2017/18 and subsequent years, (see table below), businesses are still experiencing increases well above inflation.

Transitional Relief Scheme – Increases in bills restricted to percentages shown

Size of Business	**2017/18***	**2018/19****	**2019/20**	**2020/21**	**2021/22**
Small (up to £28,000)	5%	7.5%	10%	15%	15%
Medium (£28,001 to £100,000)	12.5%	17.5%	20%	25%	25%
Large (£100,001+)	42%	32%	50%	16%	5%

*For 2017/18 inflation of 2% is also added
** For 2018/19 inflation of 3% is also added

In 2017/18 over 53% of businesses in Brent were entitled to transitional relief. In 2018/19 this has fallen to xx%, however it should be noted that the percentage increases before transitional relief is applied is much higher than in 2017 -18 – 7.5% for small businesses and 17.5% for medium sized businesses

3.3 In the 2017 March Budget, the Government announced £300 million for local councils to finance business rates relief for revaluation support. The Government's extra funding will only support relief schemes targeted at businesses facing an increase in their business rate bills following the 2017 revaluation. The Government's allocation of funding for Brent is:

	Amount of discretionary pot awarded (£000s)				
LA	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**Total**
LB Brent	1,096	532	219	31	1,878

3.4 It is a condition of the funding that relief can only be awarded to ratepayers facing increases in their bills as a result of the revaluation, it further assumes that relief will be given to those ratepayers facing the highest increases and will target ratepayers occupying lower value properties. It has confirmed that any under or overspends cannot be transferred or offset against any future years.

2017/18 Scheme

3.5 The council approved its own local discretionary discount scheme for revaluation support at the Cabinet meeting on 24 July 2017, this being for 2017/18 only. The relief scheme being administered under section 47 of the Local Government Finance Act 1988 as amended. The council consulted with the GLA, other business organisations and local businesses on its proposed scheme and as a result of the this seven key criteria on scheme design were agreed, these being-

- That only businesses who have seen increases in their rate bills in 2017/18 when compared to 2016/17 of more than the percentages specified in the tables below and in Appendix 1 be considered for relief
- The relief be a percentage discount of the net bill
- That the scheme applies to all of the council's area
- That any company who is liable for 6 or more properties nationally be excluded
- That apart for betting shops and gaming establishments the scheme be open to all property types
- That properties unoccupied on 1 April 2017 be excluded from the scheme
- That businesses who have arrears of business rates from previous years be given an opportunity to either pay these in full or agree a repayment arrangement before being considered for relief.

3.6 The scheme for the financial year 1 April 2017 to 31 March 2018 provided for relief to be awarded at different percentages depending on the percentage increase in the property's rate bill for 2017/18 and its size, i.e., small, medium or large as per the table below. The relief is the equivalent a percentage discount off the net bill (excluding any business rates supplement) as per the table below

1. Small properties (up to £28,000) rateable value

Increase in Bill	Amount of Discount (percentage of net charge)	Actual Increase after relief
3.00% - 4.99%	2%	1% - 2.99%
5.00% - 6.99%	3%	2% - 3.99%
Over 7.00%	4%	3%+

2. Medium Properties (rateable value between £28,001 and £100,000)

Increase in Bill	Amount of Discount (percentage of net charge)	Actual Increase after relief
5.00% - 7.99%	3%	2% - 4.99%
8.00% - 10.99%	4%	4% - 6.99%
Over 11.00%	5%	6%+

3. Large properties (rateable value between £100,001 and £199,999)

Increase in Bill	Amount of Discount (percentage of net charge)	Actual Increase after relief
Over 15.00%	5%	10% +

3.7 In last July when the scheme was approved by Cabinet it was estimated that the amount of relief to be awarded was £941,000. This allows for some tolerance and movement so that it did not exceed the amount of funding allocated to Brent for 2017/18 (£1,096,000). However in reality between April and December 2017 relief totalling £750,000 has been awarded, which is £346,000 less than our allocation. This is due to less businesses being entitled

than expected, plus the tolerance and movement has all been downward due to changes in occupation, etc. In order to utilise as much of our allocation as possible and to further help businesses it is therefore recommended that the scheme for 2017/18 be amended by increasing the discount percentages for small and medium sized businesses as detailed below. (Note there are only 26 large businesses receiving a discount so it is recommended the discount for these remain unchanged especially as the consultation exercise carried out wished for relief to be concentrated on small and medium sized businesses). This will be awarded automatically rather than expecting businesses to apply:-

1. Small properties (up to £28,000) rateable value

Increase in Bill	Amount of Discount (percentage of net charge)	Amended Discount
3.00% - 4.99%	2%	3%
5.00% - 6.99%	3%	5%
Over 7.00%	4%	6%

2. Medium Properties (rateable value between £28,001 and £100,000)

Increase in Bill	Amount of Discount (percentage of net charge)	Amended Discount
5.00% - 7.99%	3%	4%
8.00% - 10.99%	4%	6%
Over 11.00%	5%	7%

By applying these changes it is expected that additional relief of £300,000 can awarded by the end of March 2018, marginally under Brent's allocation.

2018/19 Scheme

3.8 The funding for 2018/19 is £532,000, less than 50% of the funding made available for 2017/18. Because the transitional relief scheme is less generous for 2018/19 it means that ratepayers will be seeing larger increases in their bills for 2018/19 than they did for 2017/18 – small ratepayers could be seeing increases of up to 10.7% and medium sized ratepayers' increases of up to 21.03%. Those businesses who received the revaluation support discount in 2017/18 will be seeing even bigger increases. Over 2,100 small businesses will have increases in their 2018/19 bills of more than 4% and modelling has indicated that 1,726 of these would met the qualifying for a discount. Over 350 medium sized businesses will have increases in their bills for 2018/19 of more than 10% and modelling shows that 279 of these would qualify for a discount

3.9 The principles of the revaluation support scheme for 2018/19 should remain the same in order to achieve consistency and transparency. The results of the consultation exercise wished for any scheme to concentrate on small and medium sized businesses, so as funding for 2018/19 is reduced it is recommended that the scheme does not apply to large properties (those with a rateable value for £100,000 or more). In addition as there are many small businesses who will see above inflation increases in their bills for 2018/19 relief should focus on small businesses, whilst still providing help to those medium sized businesses facing large increases in their bills.

3.10 The proposed scheme for the financial year 1 April 2018 to 31 March 2019 will therefore mirror the scheme for 2017/18 and provide for relief to be awarded at different percentages depending on the percentage increase in the property's rate bill for 2018/19 and its size, i.e., small or medium as per the table below. The relief is the equivalent a percentage discount off the net bill (excluding any business rates supplement) as per the table below

1. Small properties (up to £28,000) rateable value

Increase in Bill	Amount of Discount (percentage of net charge)	Actual Increase after relief	Estimated number of qualifying businesses
4.00% - 5.99%	2%	2% - 3.99%	400
6.00% - 8.99%	4%	2% - 4.99%	116
9.00% - 11.99%	5%	4% - 6.99%	1,160
Over 12.00%	6%	6%+	50

2. Medium Properties (rateable value between £28,001 and £100,000)

Increase in Bill	Amount of Discount (percentage of net charge)	Actual Increase after relief	Estimated number of qualifying businesses
10.00% - 14.99%	2%	8% - 12.99%	55
15.00% - 19.99%	3%	12% - 16.99%	81
Over 20.00%	4%	16%+	143

Modelling indicates that the value of relief in respect of the above cases would be £568,000, £36,000 more than our allocation, however this year has shown that there will be at least a 10% reduction in this figure due to ratepayers moving and other changes in circumstances. This would reduce the amount of relief for 2018/19 to £508,000.

3.11 The scheme for 2018/19 (and 2017/18) is the fairest way of distributing Brent's allocation of government funding for extra relief because:-

- It would ensure that the value of the extra relief given out is proportional to the amount that a businesses' bill has increased by. Those local businesses facing the most significant increases in their bills following the revaluation, would receive the most support under the proposed scheme.
- It would ensure that the extra relief available supports different types and sizes of business across the whole borough, rather than just being concentrated on a very small number of businesses or any one particular high street or sector.
- It provides for a consistent method of calculating how much relief to award any one business, ensuring that the relief scheme is transparent and that businesses are treated fairly against a clear criteria
- This scheme will be easy to administer requiring less manual intervention thus making it less costly than other schemes that were considered.

3.12 It is also recommended that some discretion be included in the scheme so that companies facing particular short term difficulties due to the increase in rates may be awarded relief over and above that set out in the tables above and in Appendix 1. They would have to demonstrate financial hardship and that the award of relief will help the long term sustainability of the company. The amount of relief would be restricted to the actual increase in rates bill resulting from the increase in rateable value as a result of the revaluation.

3.13 The scheme will apply for 2018/19 only. A further report will therefore be presented to Cabinet in the final quarter of 2018/19 recommending the discount scheme for 2019/20 and 2020/21

3.14 Entitlement to relief will also be subject to State Aid rules whereby a business must not have received state aid exceeding 200,000 euros in the last 3 years (current year plus preceding 2). State aid includes reliefs, grants, interest rate and tax relief, subsidies, guarantees, etc. Potential qualifiers have been identified and relief will be awarded automatically after checks have been carried out to ensure they meet the criteria. Qualifying businesses will be advised of their entitlement and of the state aid rules and will be told to notify the council if they do not meet these rules.

3.15 Full details of the scheme for 2017/18 and 2018/19 and criteria are detailed in Appendix 1. There will be some administrative costs in implementing and administering the scheme, however the government has announced there will be funding available via New Burdens to cover all or part of it. An initial allocation of £12,000 has been awarded for 2017/18, however it is unclear whether there will be additional funding for 2018/19 other than for billing and postage costs

3.16 **Support for Pubs**

3.16.1 The government announced in its 2017 Spring Budget business rates relief for public houses and premises. This proposed a £1,000 discount for pubs that have a rateable value of less than £100,000. This scheme was originally for the financial year 2017/18 only, however it was announced in the November 2017 Autumn Statement that it will be extended into 2018/19. The government expects local authorities to use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to award this relief. The DCLG issued guidance on the award of this relief in its Business Rates Information letter dated 20 June 2017 (BRIL 4/2017) and the scheme will be implemented in accordance with this guidance.

3.16.2 This relief will also be subject to state aid rules. Less than 50 businesses qualified for this relief in 2017/18, so a similar number will be entitled in 2018/19. Councils will be fully reimbursed for the costs of reliefs awarded as well as receiving some administrative costs. There is therefore no or little cost to the council of operating this scheme.

3.17 **Supporting Small Businesses**

3.17.1 In the 2017 Spring Budget the Chancellor announced that a scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business rate relief in 2017/18 due to the revaluation.

3.17.2 The supporting small businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business rate relief and, as a result, are facing large increases in their bills. To support these ratepayers, the supporting small businesses relief will ensure that the increase in the bills of these ratepayers is limited to £600 per year (£50 per month). Qualifying ratepayers will receive this relief each year until their actual rate liability is reached. As with the other schemes the government expects local authorities to use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to award this relief.

3.17.3 Full guidance on the scheme criteria and operation of the scheme was provided by the Department of Communities and Local Government in May 2017. The scheme will therefore be implemented in accordance with this guidance. Councils will be fully reimbursed for the costs of reliefs awarded as well as receiving some administrative costs. There is therefore no or little cost to the council of operating this scheme. This relief will also be subject to state aid rules. 159 businesses qualified in 2017/18, it is estimated that xxx will qualify in 2018/19.

4.0 Financial Implications

4.1 The three schemes described in this report were originally announced by the government in its Spring 2017 Budget, with the extension of the Pub Relief scheme being announced in the 2017 Autumn statement. The actual cost of providing reliefs for small businesses and public houses are fully funded by way of a Section 31 grant. The cost of the Revaluation Support Scheme will be funded by a separate grant with fixed allocations. As this is intended to be locally designed scheme the total cost may vary from the Government's allocation. The Government's allocation is £1,096,000 in 2017/18 and £532,000 for 2018/19. The changes to the 2017/18 scheme anticipate total relief to be awarded at £1,050,000 and modelling suggests relief for 2018/19 will be £500,000. The actual cost may vary marginally as a result of new businesses and changes to valuations but it is not expected to exceed the grant allocations. The cut off point for awarding relief for 2017/18 is 30 September 2018 and for 2018/19 is 30 September 2019.

4.2 There will be some additional IT software and administrative costs borne by the council in implementing and administering these schemes, estimated to be in the region of £15,000. The government has announced that there will be new burdens funding available meet these costs and an initial allocation of £12,000 has been announced. Additional amounts to cover the cost of re-billing, etc., will also be made.

5.0 Legal Implications

5.1 These schemes were announced by the government in the Chancellor's Spring Budget in March 2017, with the extension of the Pub Relief scheme being announced in the 2017 Autumn statement. Rather than introduce legislation the government expects authorities to implement these schemes by using their discretionary relief powers, introduced by the Localism Act. Section 69 of The Localism Act 2011 amended section 47 of the Local Government Finance Act 1988 to allow authorities to grant business rate discounts. Under this provision authorities can create their own discount schemes in order for example to

promote growth and jobs in its area, or specified areas. Any such scheme would need to be approved by the Council's Cabinet.

5.2 Normally the authority would have to fund its share of the cost, however the government will fully fund the costs of the Supporting Small Businesses and Support for Pubs schemes as it expects authorities to implement these schemes in accordance with the guidance. With regards to the Revaluation Support discount scheme the government will fund relief up to its funding allocation for 2017/18 of £1.096M and £532,000 for 2018/19. Any underspends or overspends in these years cannot be transferred or offset against subsequent years It has announced that there will be new burdens funding available for administering these schemes

5.3 State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. Relief for each of these three schemes will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (as set out in Statutory Instrument 1407/2013).

5.4 The De Minimis Regulations allow an undertaking (in this case, a business) to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). Officers will need to familiarise themselves with the terms of this State Aid exemption when considering whether to award business rate relief upon receipt of business relief applications, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2)) and the requirement to convert the aid into Euros.

5.5 To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. It should be added that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation).

6.0 Equality Implications

6.1 An Equality Impact assessment has not been carried out as these schemes are aimed at helping businesses, so that no-one will be adversely affected. Those who are likely to be entitled for 2017/18 were initially sent application forms. However as the response rate was poor it was decided to automatically award relief to potential qualifiers after having carried out checks to ensure they met the criteria. Thus will be replicated in 2018/19. Those businesses awarded relief will be asked to advise us if they fail to meet the State Aid criteria.

7.0 Consultation with Ward Members and Stakeholders

7.1 As mentioned in paragraph 3.5, the council consulted with various business organisations, the GLA and local businesses in May and June 2017 on the original scheme criteria and principles of the scheme. Responses were received from the Federation of Small Businesses, West London Business, the GLA and 12 independent companies. There was broad agreement on scheme design and criteria, with the majority of responses wishing relief to concentrate on small/medium sized businesses. As this report is not seeking amendments to the scheme design or criteria a further consultation is not necessary. It is only

the discount percentages to be applied for 2017/18 and 2018/19 which are changing.

8.0 Human Resources/Property Implications (if appropriate)

8.1 None

Report sign off:

ALTHEA LODERICK
Strategic Director of Resources

APPENDIX 1 NNDR Discretionary Discount Scheme – Revaluation Support for 2017/18 and 2018/19

A. Scheme Criteria

1. The Revaluation Support Rate Relief Scheme applies for years 1 and 2, i.e., 1 April 2017 to 31 March 2018 and 1 April 2018 to 31 March 2019. Under the scheme relief will only be provided where a qualifying ratepayer's bill has increased due to the 2017 revaluation. The property must be entered in the Rating List and be situated in the area of the London Borough of Brent

2. Ratepayers who may benefit from the Scheme will be in occupation of a property with a rateable value of less than £200,000 for 2017/18 and less than £100,000 for 2018/19.

3. Ratepayers will be excluded from relief where any of the following apply:-

- The ratepayer is liable for business rates in respect of six or more properties in the U.K
- The ratepayer is in receipt of small business rate relief support which limits increases on small properties caused by the loss of small business rates relief to £600.
- The ratepayer was not in occupation of the property on 1 April 2017
- The property for which the ratepayer is making the application in respect of was not entered in the rating list at 1 April 2017.
- The property for which the ratepayer is making the application in respect of was unoccupied on 1 April 2017.
- The ratepayer had arrears of business rates on 1/4/2017 of £500.00 or more from previous years and these have not been cleared or an arrangement agreed by the time the application for revaluation support is made
- The ratepayer is operating a betting shop or the property has gaming machines present on the premises

B. Calculation of Relief

1. Local discretionary business rate relief is calculated after any or all of the following have been applied:

- Exemptions and other Reliefs
- Transitional Relief or Premium
- And before the application of the Business Rates Supplement. Local discretionary business rates relief does not apply to the supplement.

2. In accordance with the terms of the Government grant for local discretionary business rate relief, all ratepayers are subject to inflationary increases on their bills for 2017/18 and 2018/19 to which the relief will not apply.

3. The business must have seen an increase in their rates bill for 2017/18 when compared to 2016/17 as a result of the revaluation, this being calculated as detailed in the above criteria. For 2018/19 businesses

must have seen an increase in their bills when compared to 2017/18 due to the 1/4/2017 revaluation, again the increase being calculated in accordance with the above criteria

4. If the increase in rates bill is within the parameters in the table below and the ratepayer meets all the criteria detailed above relief is awarded as a percentage reduction in their net bill as detailed in the tables below (after the reliefs and exemptions described above and before the business rates supplement):

2017/18 Discount

Small properties (up to £28,000) rateable value

Increase in Bill	Amount of Discount (percentage of net charge)
3.00% - 4.99%	3% (formerly 2%)
5.00% - 6.99%	5% (formerly 3%)
Over 7.00%	6% (formerly 4%)

Medium Properties (rateable value between £28,001 and £100,000)

Increase in Bill	Amount of Discount (percentage of net charge)
5.00% - 7.99%	4% (formerly 3%)
8.00% - 10.99%	6% (formerly 4%)
Over 11.00%	7% (formerly 5%)

Large properties (rateable value between £100,001 and £199,999)

Increase in Bill	Amount of Discount (percentage of net charge)
Over 15.00%	5%

2018/19 Discount:-

1. Small properties (up to £28,000) rateable value

Increase in Bill	Amount of Discount (percentage of net charge)
4.00% - 5.99%	2%
6.00% - 8.99%	4%
9.00% - 11.99%	5%
Over 12.00%	6%

2. Medium Properties (rateable value between £28,001 and £100,000)

Increase in Bill	Amount of Discount (percentage of net charge)
10.00% - 14.99%	2%
15.00% - 19.99%	3%
Over 20.00%	4%

5. Where a qualifying ratepayer's 2018/19, 2017/18 or 2016/17 rates bill is reduced for any of the following reasons, the amount of their relief will be reduced or removed accordingly:

- A reduction in rateable value in the 2010 and, or 2017 rating lists
- The provision of a certificated value for the 2010 rating list or historical change
- The application of any additional rate relief or exemption
- Vacation and re-occupation of the property
- Any other reason

6. Relief for 2017/18 can only be awarded up until 30 September 2018, and for 2018/19 relief can only be awarded up until 30 September 2019

7. Where a ratepayer qualifies for relief but even after award of relief is still experiencing severe short term difficulties due to the increase in rates then discretion may be used to award relief over and above that set out in the tables above. The ratepayer would have to demonstrate financial hardship and that the award of relief will help the long term sustainability of the company. The amount of relief would be restricted to the actual increase in rates bill resulting from the increase in rateable value as a result of the revaluation.

C. State Aid

Relief will not be awarded where the award of relief would not comply with EU law on State Aid. The application form requires the ratepayer to confirm that they have not received any other State Aid that exceeds in total €200,000, including any other rates relief (other than exemptions, transitional or mandatory reliefs) being granted for premises other than the one to which the declaration and letter relates, under the De Minimus Regulations EC 1407/2013.

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Department for Communities and Local Government

Business Rates

Consultation on proposals on the design and implementation of the locally administered Business Rates Relief Scheme

March 2017
Department for Communities and Local Government

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1. Scope of the consultation

A consultation paper issued by the Department for Communities and Local Government on behalf of the Secretary of State

Topic of this consultation:	Business rates. This consultation paper sets out the Government's proposals for the design of a discretionary business rates support scheme, administered by local government.
Scope of this consultation:	At the Budget on 8 March the Chancellor announced that the Government would provide £300m to support those business most effected by the revaluation. The Department for Communities and Local Government is consulting on proposals for how local government would design and implement this scheme.
Geographical scope:	As a devolved function the proposed scheme only applies to authorities in England.
Impact Assessment:	No impact assessment has been produced for this consultation because this is a discretionary activity.

Basic Information

To:	This consultation is open to everyone. We particularly seek the views of all English local authorities and the Local Government Association and of businesses and their representative bodies.
Body responsible for the consultation:	The Department for Communities and Local Government is responsible for conducting the consultation.
Duration:	The consultation will begin on 9 March 2017. The consultation will run for four weeks and will close on 7 April 2017. All responses should be received by no later than 7 April 2017.
Enquiries:	During the consultation, if you have any enquiries, please contact: email: ndr@communities.gsi.gov.uk Tel: 030 3444 2518
How to respond:	You can respond by email or by post. Please respond by email to: ndr@communities.gsi.gov.uk

	Alternatively, please send postal responses to: Shaun Morroll Department for Communities and Local Government 2nd Floor, NE, Fry Building 2 Marsham Street London SW1P 4DF Responses should be received by close on 7 April 2017. When responding, please make it clear which questions you are responding to. When you reply it would be very useful if you could confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include: - your name - your position (if applicable) - the name and address of your organisation (if applicable)and - an e mail address (if you have one)

2. Introduction

2.1 At the Budget on 8 March, the Chancellor announced that the Government would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. Local government is best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.

2.2 The intention is that every billing authority in England will be provided with a share of the £300 million to support their local businesses. This will be administered through billing authorities discretionary relief powers under section 47 of the Local Government Act 1988.

2.3 The Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies. The Government will allocate the available funding to each billing authority area based on assumptions about how authorities will target their relief scheme.

2.4 The proposed funding allocations set out in this consultation paper are for the total amount of relief to be provided to ratepayers. Under the 50% business rates retention system, the reduction in business rates receipts resulting from the increased award of discretionary relief will generally result in a reduction in local authorities' business rates income under the 50% rates retention system of 50% of the value of the relief given. In London, and those areas which are piloting 100% rates retention from 2017-18, the loss of income will be higher. Once the 100% rates retention system is introduced everywhere with effect from 2019-20, authorities will see their income reduced by the entire value of the relief given. For any year, the funding arrangements will ensure that all authorities are compensated for the loss of income they incur by means of grant payments under s.31 of the Local Government Act 2003, or transfer payments between authorities.

3. Consultation Parameters

3.1 This consultation paper seeks views on the:

- Allocation of resources to local authorities (section 4)
- Arrangements under which local authorities will be compensated for loss of income (section 5)

- Operation of discretionary relief schemes, including conditions to be attached to s.31 grants (section 6).

4. The Allocation of Resources to Local Authorities

4.1 The Government will make £300 million available to local authorities over four years from 2017-18, to provide discretionary relief to those ratepayers facing significant increases in their bills following the revaluation.

4.2 The Government is already providing support to such ratepayers through the transitional arrangements that it put in place following the revaluation; and through the additional support, announced at the Budget, to ratepayers who are losing some or all of their small business rate relief and to pubs.

4.3 The further £300 million is being made available for local authorities to develop their own discretionary relief schemes to deliver further targeted support to those hard-pressed ratepayers.

4.4 It will be for billing authorities, in collaboration with other authorities operating within their area, to design their discretionary relief schemes and determine the eligibility of ratepayers for support. The schemes must clearly set out the criteria that ratepayers across the local authority area, or within specific locations within their areas need to meet in order to qualify for discretionary relief.

4.5 The total resource available to support local authority's discretionary relief schemes is:

£ 300million

2017-18	2018-19	2019-20	2020-21
175	85	35	5

4.6 To allocate the resource between authorities the Government has assumed that authorities will provide support only to those ratepayers who are facing an increase in their bills following revaluation – and will make this a condition of the grant. It further assumes that, by and large, more support will be provided to;

- ratepayers or localities that face the most significant increases in bills; and
- ratepayers occupying lower value properties

4.7 In line with those broad assumptions about how authorities will design their transitional relief schemes, we propose to allocate the available resource to each billing authority by:

i. working out the total increase in bills (excluding the impact of transitional relief and other reliefs), for every rateable property in the billing authority's area that satisfies both the following conditions:

a. the rateable property has a rateable value for 2017-18 that is less than £200,000;

b. the increase in the rateable property's 2017-18 bill is more than 12.5% compared to its 2016-17 bill (before reliefs);

ii. summing the total increase in bills in all billing authority areas and distributing the available funding in each year in accordance with the formula:

$$A \times B/C,$$

Where:

A is the total funding available for the year;

B is the total increase in bills in an individual authority's area; and

C is the sum of the total increase in bills in all local authority areas.

4.8 Where the above formula produces an allocation of less than £100,000 in the first year of the programme, the amounts are topped-up to £100,000, in every case except that of the Isles of Scilly, which only has 445 rateable properties in total.

Question 1: Do you agree that individual local authorities should be responsible for designing and implementing their own discretionary relief schemes, having regard to local circumstances and reflecting local economies?

Question 2: Are the Government's assumptions about the design of local discretionary relief schemes reasonable?

Question 3: Is the allocation methodology reasonable?

5. Compensation Arrangements

5.1 The allocations set out at appendix 1 represent the maximum amount of discretionary relief that billing authorities can award for which they and major precepting authorities will be compensated through s.31 grant.

5.2 Any discretionary relief paid by billing authorities in respect of "revaluation support" in excess of their allocation will not attract s.31 grant.

5.3 In each year of the scheme, we propose to pay billing and major precepting authorities s.31 grant equivalent to their loss of income under the business rates retention scheme. Subject to paragraph 5.4 below, payments will be based on estimates of the relief to be provided to ratepayers, capped at the maximum of that year's allocation (as set out at appendix 1). Grant will be paid to authorities in four equal instalments, quarterly in arrears – i.e. at the end of June, September and December 2017 and the end of March 2018.

5.4 The Government recognises that local relief schemes will vary across the country according to the circumstances of local ratepayers and wants to ensure that the profile of payments set out at appendix 1 provides the most effective support to local ratepayers and secures maximum value for money over the four years of the programme. The Government therefore would welcome views on whether local authorities should be given some flexibility to switch resources between years.

5.5 As set out above, in the same way as for other payments under the business rates retention system, we propose that payments to billing authorities and major precepting authorities should be made during the course of the year, based on estimates of the amount of relief that the billing authority will give. Amounts will be reconciled following the end of the year when outturn figures are available; with payments of any difference being made to, or from, billing authorities and major precepting authorities, depending on whether outturn figures are higher or lower than the original estimates.

5.6 The current programme will span the introduction of 100% business rates retention in 2019-20; and before then, we may create more 100% business rates pilots in 2018-19. Accordingly, local authorities' shares of business rates under the business rates retention scheme will change over the life of the discretionary relief programme. If authorities are given flexibility to switch resources between years (see paragraph 5.4 above) this could result in a s.31 payment for a previous year being switched into a later year. If this were to happen and the payment was then insufficient to reimburse an authority for its loss of income in that year because the authority's share of business rates had increased, the Government would provide the authority with additional s.31 grant to ensure that it is fully compensated for the relief given, up to the maximum of that year's "total pot".

5.7 To assist authorities with the calculation of in-year payments, end-year reconciliations and the annual switching of a proportion of any year's grant into later

years, the Department will provide for the necessary data entries and calculations as part of NNDR1s and NNDR3s.

5.8 As 2017-18 NNDR1s are now complete, exceptionally, for 2017-18, billing authorities will be asked to complete a one-off estimate of the relief they will grant in that year at the end of June to coincide with the first payment of s.31 grant.

<u>Question 4:</u> Do you think that authorities should have some flexibility to switch resources between years to ensure relief provided meets local need and provides maximum value for money?

<u>Question 5:</u> Do you agree with the proposal that s.31 grant should be paid to compensate authorities for their loss of income under the rates retention scheme up to the maximum of that year's "total pot"?

<u>Question 6:</u> Do you agree with the proposals for administering payments, including in-year payments based on estimates, end-year reconciliations and payments quarterly in arrears?

6. Operational Issues

Determining Schemes

6.1 Billing authorities will be responsible for designing the discretionary relief schemes that are to operate in their areas. However, the Government expects billing authorities to discuss options with their major precepting authorities at an early stage and to consult them before adopting any scheme and where applicable consult their combined authority.

6.2 We will place conditions on the s.31 grant that we pay billing authorities requiring them to consult their major precepting authorities and where applicable their combined authority.

Notice Periods

6.3 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059)[1] require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which are conditional upon

[1] The Non-Domestic Rating (Discretionery Relief) Regulations 1989 No. 1059.

eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

6.4 Therefore, when making an award for the support for ratepayers, local authorities must ensure in the conditions of the award that the relief can be recalculated in the event of a change to the rating list for the property concerned (retrospective or otherwise). This is so that the relief can be re-calculated if the rateable value changes.

State Aid

6.5 State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the support for ratepayers will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)2.

6.6 The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2)[3]) and the requirement to convert the aid into Euros[4].

6.7 To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance***Discretionary Relief in Enterprise Zones?***

6.8 Where an eligible property is also eligible for Enterprise Zone relief, then Enterprise Zone relief should be granted and, until the introduction of 100% business rates retention, this will be funded under the rates retention scheme by a deduction from the central share (or, in the case of 100% business rates plots, from a separate s.31 grant). Local authorities should not provide discretionary relief under their schemes for “revaluation support” to properties which would otherwise qualify for Enterprise Zone government funded relief.

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[2] http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF
[3] The ‘New SME Definition user guide and model declaration’ provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf
[4] http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm

6.9 If a property in an Enterprise Zone is not eligible for Enterprise Zone relief, or that relief has ended, discretionary relief for "revaluation support" may be granted.

Other Discretionary Reliefs reimbursed by s.31 grants

6.10 Similarly, if a property is eligible for discretionary relief under schemes for which s.31 grant is payable – for example, "new empty property" relief, or "local newspaper relief" – authorities should first award relief under those schemes and claim s.31 grant funding in the normal way. Only having awarded relief under those schemes, should they then award additional relief for "revaluation support" in accordance with local schemes.

Grant Conditions

6.11 In line with paragraphs 5.6 and 6.2 above, we propose to place conditions on the s.31 grants that we give to authorities. The conditions will require grant to be used to support only ratepayers facing an increase in their bills following revaluation; and to require billing authorities to consult their major precepting authorities and, where appropriate, combined authorities, before adopting any discretionary relief support scheme.

Question 7: Do you agree the grant conditions are appropriate?

7. About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department for Communities and Local Government will process your personal data in accordance with DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.
Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact DCLG Consultation Co-ordinator.

Department for Communities and Local Government
2 Marsham Street
London
SW1P 4DF
or by email to: consultationcoordinator@communities.gsi.gov.uk

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Department for Communities and Local Government

Chief Finance Officers and
Business Rates Leads
of Local Authorities in England

15 May 2017

Dear Colleague,

SPRING BUDGET 2017 – BUSINESS RATES RELIEF SCHEMES

We have received a number of enquiries about the business rates relief schemes announced at the Budget and we thought it might be helpful to provide you with an update to support your work.

Supporting small business

We published a business rates information letter on 9 March, which provided initial guidance on the operation of this scheme in 2017/18 and allowed councils to identify eligible businesses. It also encouraged councils to identify and notify businesses that were likely to benefit from this new relief and we are grateful to the many authorities that have quickly identified and provided support to eligible ratepayers. The letter can be found at:

https://www.gov.uk/government/publications/22017-spring-budget-support-for-business

Since then, we have been working with billing software suppliers, local government and user groups to further develop the guidance to cover subsequent years and more complex cases. The updated guidance, attached at annex A, sets out a more detailed description of the operation of the scheme to allow software providers to code changes accurately and councils to take forward implementation.

Local discretionary relief schemes

We consulted on a proposed allocation methodology and funding arrangements on 9 March, with a closing date of 7 April. Allocations to local authorities were confirmed on 21 April and a grant determination sent out on 28 April. Councils should now be proceeding with developing their local schemes.

Some issues have been raised, in particular the ability to flex money between financial years to maximise value for money. We will provide further advice on this

point as soon as possible. There have also been some suggestions that money has to be spent in accordance with the distribution methodology included in the consultation. However, this is not the case. The methodology set out in the consultation simply provides a proxy for need, and determines the allocation for each billing authority. It is for each authority to design its scheme as it sees fit.

A number of authorities have asked why the sums in the grant determination letter are different from the allocations set out in the consultation document. This is because the allocations reflect the maximum amount of relief that authorities can award to ratepayers. The sums in the grant determination letter, on the other hand, reflect the financial impact on local authorities of awarding that amount of relief, having regard to the central and local shares under the business rates retention scheme. For example, in an area where the central and local shares are both 50%, the award of £100 of relief will result in a loss of business rates income under the rates retention scheme of £50 to central government and £50 to the local authorities in the area. Hence, the grant determination letters give local government £50 for every £100 of allocation. In areas where the local share is higher – e.g. London, where it is 67%, or the 100% pilot areas, where it is 100% - the grant determinations are, respectively, £67 and £100 for every £100 of allocation.

Under the terms of the grant determinations, all the compensation is being paid to billing authorities, in the first instance. However, the intention is that the sum is to be shared between billing and major precepting authorities in the normal way. Government will arrange for this automatically at NNDR3 stage and the amount of grant due to each of the billing and major precepting authorities will be automatically calculated from data provided in the form. We will reconcile these calculations against the amounts paid under the grant determinations and make/receive reconciliation payments to/from major precepting and billing authorities.

Support for pubs

Following the Budget announcement, we engaged with trade bodies and local government representatives on the detail of the pubs relief scheme. We understand that many authorities have already taken steps to identify pubs within the parameters set out at the Budget and final guidance on the operation and scope of this scheme will be issued as soon as possible.

New burdens

We have previously confirmed that new burdens funding would be paid to cover the additional cost of administering these relief schemes. We have asked local authority software user group representatives for evidence on likely costs, beyond those which

would normally be covered, in line with our usual practice. We will confirm the amounts to be paid to each billing authority shortly.

If you have any further queries, please contact us at ndr@communities.gsi.gov.uk



Chris Megainey
Deputy Director, Local Taxation

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Supporting Small Businesses Relief Scheme

Section 31 Guidance

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About this Guidance

1. This guidance is intended to support local authorities in administering the scheme of relief for properties losing some or all of their Small Businesses Rate Relief or Rural Rate Relief as a result of the 2017 Revaluation – known as "Supporting Small Business" relief. This Guidance applies to England only.

2. This guidance sets out the criteria which central government will use to determine funding relief for properties eligible for Supporting Small Businesses relief. The Guidance does not replace existing legislation on any other relief.

3. Enquiries on this measure should be addressed to: ndr@communities.gsi.gov.uk

Introduction

4. For 2016/17, eligible ratepayers[1] with a rateable value less than or equal to £6,000 are entitled to 100% small business rate relief. Those with a rateable value of between £6,000 and £12,000 enjoy tapered relief from 100% to 0%. Following the measures in the 2016 Budget, we are increasing these thresholds from 1 April 2017 to £12,000 for the 100% relief and £15,000 for the tapered relief. This ensures that most ratepayers currently entitled to small business rate relief will pay less or nothing following the revaluation. However, some ratepayers that are facing large increases in their rateable value will lose some or all of their small business rate relief.

5. For 2016/17 the sole post office, general store, pub or petrol station in rural settlements are (subject to rateable value thresholds) entitled to 50% rate relief. This is increasing to 100% relief from 1 April 2017. However, some ratepayers currently eligible for rural rate relief may lose that entitlement if their rateable value increases above the threshold due to the revaluation.

6. The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing large percentage increases in bills from 1 April 2017.

7. In the Spring Budget the Chancellor announced that a new scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief due to the revaluation. This document provides guidance to authorities about the operation and delivery of this policy.

[1] Businesses with more than one property are only eligible for small business rate relief if their additional property or properties all have rateable values of under £2,600, and the total rateable value of all their properties are below £18,000 (£25,500 in London).

How will the relief be provided?

8. The government is not changing the legislation around transitional relief[2]. Instead the government will, in line with the eligibility criteria for the Supporting Small Businesses scheme, reimburse billing authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended[3], to grant relief. Central government will fully reimburse local authorities for the local share of the Supporting Small Businesses relief (using a grant under section 31 of the Local Government Act 2003). In view of the fact that such expenditure will be reimbursed, the government expects billing authorities to grant Supporting Small Businesses relief to all qualifying ratepayers.

9. Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance. DCLG will also undertake a New Burdens assessment of the IT and administrative costs in local government associated with the Supporting Small Businesses scheme.

Who is eligible for the relief and how much relief will be available?

10. This section describes in principle the Supporting Small Business Scheme. Local authorities should use the detailed guidance at section 2 to determine eligibility and calculate bills. The Supporting Small Businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.

11. To support these ratepayers, the Supporting Small Businesses relief will ensure that the increase per year in the bills[4] of these ratepayers is limited to the greater of:

    a. a percentage increase p.a. of 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 all plus inflation. Unlike the transitional relief scheme, for the first year of the scheme the percentage increase is taken against the bill for 31 March 2017 after small business rate relief or rural rate relief , or
    b. a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after small business rate relief are brought into paying something.

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[2] The Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265

[3] Section 47 was amended by the Localism Act 2011

[4] Prior to the Business Rates Supplement (2p for properties in London with a rateable value of more than £70,000) and City of London multiplier (which is 0.5p higher for all properties in London). The level of these supplements are unchanged at the revaluation but changes in the amounts paid through the supplements are outside the transitional relief scheme and the Supporting Small Businesses scheme.

12. In the first year of the scheme, this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter. This means that ratepayers who are currently paying nothing under small business rate relief and are losing all of their entitlement to relief (i.e. moving from £6,000 rateable value or less to more than £15,000) would under this scheme be paying £3,000 in year 5.

13. Those on the Supporting Small Businesses relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for the Supporting Small Businesses relief scheme.

14. Ratepayers remain in the Supporting Small Businesses relief scheme for either 5 years or until they reach the bill they would have paid without the scheme[5]. A change of ratepayers will not affect eligibility for the Supporting Small Businesses relief scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

15. There is no 2nd property test for eligibility for the Supporting Small Businesses relief scheme. However, those ratepayers who during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended can continue on the scheme for the remainder of their 12 month period of grace.

16. Guidance on eligibility and the value of the Supporting Small Businesses relief is at Section 2.

Recalculations of relief

17. As with all reliefs, the amount of relief awarded under the Supporting Small Businesses relief scheme should be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

18. The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059)[6] require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

[5] This will be the bill in the main transitional relief scheme.
[6] The Non-Domestic Rating (Discretionary Relief) Regulations 1989 No. 1059.

19. Therefore, when making an award for Supporting Small Businesses relief, local authorities should ensure in the conditions of the award that the relief can be recalculated in the event of a change to the rating list for the property concerned (retrospective or otherwise). This is so that the relief can be re-calculated if the rateable value changes.

State Aid

20. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the Supporting Small Businesses relief scheme will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)[7].

21. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a rolling three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2)[8]) and the requirement to convert the aid into Euros[9]. They should ensure each business has not exceeded its threshold through all sources of state funding[10].

22. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance[11].

Other Reliefs

23. Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for Supporting Small Businesses Relief. And, for the avoidance of doubt, small business rate relief or

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[7] http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF
[8] The 'New SME Definition user guide and model declaration' provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf
[9] http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm
[10] Article 3(2) of the De Minimis Regulation
[11] Detailed State Aid guidance can also be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

rural rate relief should not be applied to further reduce the bill found under Supporting Small Business relief (to avoid the double counting of relief – see the detailed rules in section 2). For example,

- a ratepayer eligible for Small Business Rate Relief whose rateable value has increased from £3,000 (paying £0 in 2016/17) to £14,000 would be paying the following in 2017/18 before Supporting Small Businesses relief:

    - Bill before reliefs: £6,524,
    - Bill after transitional relief: £1,555
    - Bill after Small Business Rate Relief (@1/3) £1.037.

- After Supporting Small Business Relief the bill for 2017/18 would be reduced to £600. No further Small Business Rate Relief should be applied to the £600 bill.

24. The same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties). The presence of a section 44A certificate should not further reduce the bill found under the Supporting Small Business scheme.

25. All other discretionary reliefs, including those funded by section 31 grants, should be considered after the application of Supporting Small Businesses relief. Following discussions with local government stakeholders and their software providers, the expectation is that Supporting Small Businesses relief will be shown on the bill as an adjustment to the chargeable amount after any transitional relief – i.e. it will appear as a deduction.

Compensation Arrangements

26. Central government will reimburse billing authorities and those major precepting authorities for the actual cost to them under the rates retention scheme of the Supporting Small Businesses relief. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in a one off estimate for 2017/18. Central government will then provide payments to local authorities for their share of the cost of the estimated relief for 2017/18. The final cost to local authorities will be calculated and reconciled following the NNDR3 for 2017/18.

27. Guidance for local authorities on how to calculate the value of the section 31 grant will be included in the guidance notes for completing the National Non-Domestic Returns (NNDRs). However, in line with the New Burden's principle, section 31 compensation will be calculated having regard to the additional costs on local government of awarding the relief (before any other section 47 reliefs). Therefore, the section 31 grant for Supporting Small Businesses should be calculated by:

    a. taking the chargeable amount which would have applied for the hereditament after the transitional arrangements and other mandatory reliefs but before discretionary reliefs,

and deducting

b. the chargeable amount found under the Supporting Small Business scheme before other discretionary reliefs.

28. The same principle will apply for calculation Transitional Protection Payments (TPPs) for the purposes of non-domestic rating income in the rates retention scheme. TPPs on NNDR1s and NNDR3s will be calculating ignoring the Supporting Small Businesses scheme.

Section 2: Detailed guidance for operation of the Supporting Small Businesses (SSB) scheme

Day 1 Eligibility for the Scheme

29. For 1 April 2017, the supporting small businesses (SSB) relief scheme applies to hereditaments for which[12]:

    a. the chargeable amount for 31 March 2017 is calculated in accordance with section 43(4B) or (6B),

    b. in relation to 43(4B) the value of E for 31 March 2017 is greater than 1,

    c. the chargeable amount for 1 April 2017 is found in accordance with section 43(4), 43(4B), 43(6A) or where regulations 12(3), 12(7) or 12(9) of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 applies, and

    d. the chargeable amount for 1 April 2017 is more than (£600/365) higher than the chargeable amount for 31 March 2017.

30. Where for 31 March 2017 the chargeable amount has been found under section 47, then eligibility for SSB should be determined as if section 47 did not apply.

31. Where the hereditament is shown in a local list for the area of a special authority (i.e. the City of London), then eligibility for SSB should be determined as if the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17 and 46.6p for 2017/18.

Continued eligibility for the scheme after 1 April 2017

32. After 1 April 2017, the Supporting Small Businesses (SSB) scheme will cease to apply where:

    a. the chargeable amount for a day found under the SSB scheme is the same as or more than the chargeable amount found in the absence of the SSB scheme. This ensures that where, for example, the minimum increase in the chargeable amount in the SSB scheme would take the bill above the level it would otherwise have been then the hereditament will drop out of the SSB scheme. It also ensures that where, for example, with effect from after 1/4/17, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of the SSB scheme,

[12] unless otherwise stated, references are to the Local Government Finance Act 1988

b. the chargeable amount for a day would otherwise fall to be found by section 43(5) or where paragraph 12(5) or sub-paragraphs 2(4), 3(4), 4(4), 5(4) of Schedule 2 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 applies (charities or registered community amateur sports clubs), or

c. the hereditament for a day is unoccupied.

33. Furthermore, where the ratepayer during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended (and therefore was still entitled to small business rate relief on 31 March 2017), then eligibility for the SSB scheme will cease at the end of that 12 months period of grace.

34. Hereditaments which cease to be entitled to Supporting Small Businesses for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for Supporting Small Businesses relief if it subsequently becomes occupied again.

Chargeable Amount under the Supporting Small Businesses Scheme

35. Where the Supporting Small Businesses scheme applies then DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act for the period 1 April 2017 to 31 March 2022 found in accordance with the rules in [Part 1 to Part 3 of] the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 subject to the following changes:

a. BL for 2017/18 is the chargeable amount for 31 March 2017 x 365 (on the assumption that section 47 did not apply for 31 March 2017 and on the assumption in the City of London that the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17). This ensures the starting base liability for hereditaments eligible for SSB include the SBRR or rural rate relief for 31 March,

b. Where a certificate has been issued under regulations 17 or 18 then BL for 2017/18 should be found in line with a) above but on the assumption that the rateable value in the rating list was the rateable values as certified,

c. References to "(BL x AF)" are to "(BL x AF) or (BL + 600) whichever is the greater". This ensures the bill increase is the greater or £600 or the increase under the caps in the transitional relief scheme,

d. AF is found in accordance with regulation 10(6) irrespective of the rateable value of the hereditament for 1 April 2017. This ensures only the cap on increases for small properties is applied in the SSB scheme irrespective of the actual rateable value of the hereditament,

e. regulation 12(6)(b) is omitted. This ensures SBRR is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief as illustrated at paragraph 23 above,

f. the reference to "2" in regulation 12(8) is "1". This ensures rural rate relief is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief,

g. "U" is taken to have a value of 0 throughout. This ensures that any hereditament whose rateable value is £51,000 or more does not have to pay the 1.3p supplement whilst eligible for SSB relief,

h. for a year (the year concerned) other than 2017/18, BL is (BL x AF) or (BL + 600) from the year immediately the year concerned whichever is the greater.

36. No change is made to the meaning of NCA. However, as discussed above, eligibility for Supporting Small Businesses relief ceases when the chargeable amount for a day found under the Supporting Small Businesses scheme is the same as or more than the chargeable amount found outside the scheme.

37. Regulation 6 (special authorities) will apply as normal under the Supporting Small Businesses scheme. This ensures ratepayers in the City of London continue to pay any additional amount attributable to the City multiplier.

38. For the avoidance of doubt, the rules for changes in rateable value with effect from after 1 April 2017 (regulation 13) will continue to apply as normal subject to the amendments in paragraph 35 above. This ensures that, for example, later increases in rateable value are paid in full in the normal way[13].

Splits and mergers

39. The SSB scheme will apply to hereditaments:

a. coming into existence because of the circumstances described in paragraph 1 of Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265,
b. where one of the hereditaments from which the new hereditament was formed in whole or in part was for the day immediately before the creation day eligible for the SSB scheme, and
c. the circumstances described at paragraph 32 above do not apply for the creation day in respect of the hereditament.

40. After the creation day, the SSB scheme will cease to apply in the circumstances described in paragraph 32 above.

[13] based on the small business non-domestic multiplier. This is because U is taken to have a value of 0 throughout.

41. The number of hereditaments eligible for SSB which then split or merge is likely to be very small and devising rules in particular for mergers with properties outside of the SSB scheme would be complex. Therefore, in discussions with local authority stakeholders, DCLG has concluded it would be disproportionate to devise detailed rules to prescribe the chargeable amounts in the various circumstances which could arise from a split or a merger.

42. Instead, for hereditaments meeting the criteria in paragraph 39 and 40 above, DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act found in accordance with the following principle:

    a. that the protection offered by the SSB scheme (that the bill will not rise by the greater of £600 p.a. or the transitional relief caps) will continue to apply in principle to that part of the newly created hereditament which was immediately before the creation day in the SSB scheme, and
    b. that increases (or reductions) in overall rateable value arising from the split or merger are not subject to the protection of the SSB scheme.

43. For simple splits of hereditaments previously eligible for SSB, authorities may wish to simply apportion the chargeable amount in the SSB scheme for the hereditament before the split in line with the change in rateable value from the split (i.e. in line with the principle in Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265).

44. For mergers and reorganisations, authorities will have to estimate the degree to which, in line with the principle of the SSB scheme, that part of the hereditament which was formerly eligible for SSB should continue to receive support under the SSB scheme. DCLG does not expect authorities to seek any formal apportionments of the rateable value for this purpose.

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20 June 2017

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (4/2017): Spring Budget Update

This is the fourth business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

https://www.gov.uk/government/collections/business-rates-information-letters

or for archived letters:

http://webarchive.nationalarchives.gov.uk/20120919132719/http:/www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/.

- **Supporting Small Businesses**
- **New Discretionary Relief Scheme**
- **New Business Rate Relief Scheme for Pubs**

Supporting Small Businesses

At the Spring Budget, the Chancellor announced that a scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief. Initial terms for this scheme were published with the BRIL (2/2017) on 9 March 2017.

The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing very large percentage increases in bills from 1 April 2017.

On the 16 May a letter was sent to Chief Finance Officers, it included as an annex final guidance on the scheme to authorities about the operation and delivery of this policy for more complex cases. It includes full technical guidance to identify all eligible ratepayers for the duration of the scheme. For completeness, this guidance is attached at **Annex A**.

Local authorities are expected to have begun implementing this scheme for simple cases with the initial terms published on 9 March 2017, with a full rollout to all cases with the attached final terms.

Discretionary Relief Scheme

At the Spring Budget, the Government announced the establishment of a £300m discretionary fund over four years from 2017/18 to support businesses in their area. The £300m will cover the four years from 2017/18:

- £175m in 2017/18
- £85m in 2018/19
- £35m in 2019/20
- £5m in 2020/21

DCLG published a consultation of the design of the scheme and draft allocations to billing authorities on 9 March. Allocations were confirmed on 21 April in accordance with those draft allocations published as part of the consultation. On the 28 April the accompanying Grant Determination was also circulated to Chief Finance Officers. The allocations can be found at:

https://www.gov.uk/government/consultations/discretionary-business-rates-relief-scheme

The Government is grateful for all responses to the consultation, which ran until 7 April. Billing authorities have already begun developing their own discretionary schemes to deliver targeted support to the most hard-pressed ratepayers. For avoidance of doubt, the design and administration of schemes is for authorities to decide and does not necessarily need to follow the distribution methodology used in the consultation to determine allocations.

Support for Pubs

At the Spring Budget, the Government also announced a new relief scheme for pubs that have a rateable value of below £100,000. Under the scheme, eligible pubs will receive a £1000 discount on their bill. The relief will have effect for 2017/18.

DCLG has worked with key industry stakeholders to determine the operation of the relief scheme for pubs. Many authorities have already begun the work to identify eligible pubs in their area and final guidance on the design and delivery of the scheme is attached at **Annex B**.

Administration of New Reliefs

Billing authorities are expected to deliver the scheme through the use of their discretionary relief powers under section 47 of the Local Government Finance Act 1988, as amended. Billing authorities will be compensated through a Section 31 grant for the cost to the authority of granting the relief – up to a maximum amount based on the authority's allocation of the £300m fund. The grants will be made quarterly in arrears for the duration of the scheme.

We expect billing authorities to have communicated with ratepayers on the confirmed terms of the new schemes for relief covered by the BRIL (2/2017) and this BRIL (4/2017), including anticipated timescale for rebilling where necessary.

New Burdens

DCLG recognises that implementing these schemes places additional burdens on billing authorities. In accordance with the New Burdens doctrine, the Department has conducted an assessment of the expected reasonable additional costs of new software and staffing/administration around rebilling affected ratepayers.

Full details of this funding will be published shortly so we encourage local authorities to continue to progress with this in mind.

Progress Review

We are conducting a short, progress update survey for local authorities to update us on their work to date. We would be grateful for responses from local authorities by Friday 30 June 2017. The survey can be found at: www.surveymonkey.co.uk/r/DCLG_Budget_2017

In addition to this, the Department will undertake a wider data collection exercise to review the implementation of the schemes once underway. The Department will continue to liaise with local government stakeholders as to the form this will take and will confirm with local authorities in due course.

Supporting Small Businesses: Annex A

About this Guidance

1. This guidance is intended to support local authorities in administering the scheme of relief for properties losing some or all of their Small Businesses Rate Relief or Rural Rate Relief as a result of the 2017 Revaluation – known as “Supporting Small Business” relief. This Guidance applies to England only.

2. This guidance sets out the criteria which central government will use to determine funding relief for properties eligible for Supporting Small Businesses relief. The Guidance does not replace existing legislation on any other relief.

3. Enquiries on this measure should be addressed to:
ndr@communities.gsi.gov.uk

Introduction

4. For 2016/17, eligible ratepayers[1] with a rateable value less than or equal to £6,000 are entitled to 100% small business rate relief. Those with a rateable value of between £6,000 and £12,000 enjoy tapered relief from 100% to 0%. Following the measures in the 2016 Budget, we are increasing these thresholds from 1 April 2017 to £12,000 for the 100% relief and £15,000 for the tapered relief. This ensures that most ratepayers currently entitled to small business rate relief will pay less or nothing following the revaluation. However, some ratepayers that are facing large increases in their rateable value will lose some or all of their small business rate relief.

5. For 2016/17 the sole post office, general store, pub or petrol station in rural settlements are (subject to rateable value thresholds) entitled to 50% rate relief. This is increasing to 100% relief from 1 April 2017. However, some ratepayers currently eligible for rural rate relief may lose that entitlement if their rateable value increases above the threshold due to the revaluation.

6. The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing large percentage increases in bills from 1 April 2017.

7. In the Spring Budget the Chancellor announced that a new scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief due to the revaluation. This document provides guidance to authorities about the operation and delivery of this policy.

1 Businesses with more than one property are only eligible for small business rate relief if their additional property or properties all have rateable values of under £2,600, and the total rateable value of all their properties are below £18,000 (£25,500 in London).

How will the relief be provided?

8. The government is not changing the legislation around transitional relief[2]. Instead the government will, in line with the eligibility criteria for the Supporting Small Businesses scheme, reimburse billing authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended[3], to grant relief. Central government will fully reimburse local authorities for the local share of the Supporting Small Businesses relief (using a grant under section 31 of the Local Government Act 2003). In view of the fact that such expenditure will be reimbursed, the government expects billing authorities to grant Supporting Small Businesses relief to all qualifying ratepayers.

9. Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance. DCLG will also undertake a New Burdens assessment of the IT and administrative costs in local government associated with the Supporting Small Businesses scheme.

2 The Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265
3 Section 47 was amended by the Localism Act 2011

Who is eligible for the relief and how much relief will be available?

10. This section describes in principle the Supporting Small Business Scheme. Local authorities should use the detailed guidance at section 2 to determine eligibility and calculate bills. The Supporting Small Businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.

11. To support these ratepayers, the Supporting Small Businesses relief will ensure that the increase per year in the bills[4] of these ratepayers is limited to the greater of:

    a. a percentage increase p.a. of 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 all plus inflation. Unlike the transitional relief scheme, for the first year of the scheme the percentage increase is taken against the bill for 31 March 2017 after small business rate relief or rural rate relief , or
    b. a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after small business rate relief are brought into paying something.

12. In the first year of the scheme, this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter. This means that ratepayers who are currently paying nothing under small business rate relief and are losing all of their entitlement to relief (i.e. moving from £6,000 rateable value or less to more than £15,000) would under this scheme be paying £3,000 in year 5.

13. Those on the Supporting Small Businesses relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for the Supporting Small Businesses relief scheme.

14. Ratepayers remain in the Supporting Small Businesses relief scheme for either 5 years or until they reach the bill they would have paid without the scheme**5**. A change of ratepayers will not affect eligibility for the Supporting Small Businesses relief scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

4 Prior to the Business Rates Supplement (2p for properties in London with a rateable value of more than £70,000) and City of London multiplier (which is 0.5p higher for all properties in London). The level of these supplements are unchanged at the revaluation but changes in the amounts paid through the supplements are outside the transitional relief scheme and the Supporting Small Businesses scheme.

5 This will be the bill in the main transitional relief scheme.

15. There is no 2nd property test for eligibility for the Supporting Small Businesses relief scheme. However, those ratepayers who during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended can continue on the scheme for the remainder of their 12 month period of grace.

16. Guidance on eligibility and the value of the Supporting Small Businesses relief is at Section 2.

Recalculations of relief

17. As with all reliefs, the amount of relief awarded under the Supporting Small Businesses relief scheme should be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

18. The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059)[6] require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

19. Therefore, when making an award for Supporting Small Businesses relief, local authorities should ensure in the conditions of the award that the relief can be recalculated in the event of a change to the rating list for the property concerned (retrospective or otherwise). This is so that the relief can be re-calculated if the rateable value changes.

6 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 No. 1059.

State Aid

20. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the Supporting Small Businesses relief scheme will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)[7].

21. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a rolling three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2)[8]) and the requirement to convert the aid into Euros[9]. They should ensure each business has not exceeded its threshold through all sources of state funding[10].

22. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance[11].

7 http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF
8 The 'New SME Definition user guide and model declaration' provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf
9 http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm
10 Article 3(2) of the De Minimis Regulation
11 Detailed State Aid guidance can also be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

Other Reliefs

23. Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for Supporting Small Businesses Relief. And, for the avoidance of doubt, small business rate relief or rural rate relief should not be applied to further reduce the bill found under Supporting Small Business relief (to avoid the double counting of relief – see the detailed rules in section 2). For example,

- a ratepayer eligible for Small Business Rate Relief whose rateable value has increased from £3,000 (paying £0 in 2016/17) to £14,000 would be paying the following in 2017/18 before Supporting Small Businesses relief:

    - Bill before reliefs: £6,524,
    - Bill after transitional relief: £1,555
    - Bill after Small Business Rate Relief (@1/3) £1.037.

- After Supporting Small Business Relief the bill for 2017/18 would be reduced to £600. No further Small Business Rate Relief should be applied to the £600 bill.

24. The same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties). The presence of a section 44A certificate should not further reduce the bill found under the Supporting Small Business scheme.

25. All other discretionary reliefs, including those funded by section 31 grants, should be considered after the application of Supporting Small Businesses relief. Following discussions with local government stakeholders and their software providers, the expectation is that Supporting Small Businesses relief will be shown on the bill as an adjustment to the chargeable amount after any transitional relief – i.e. it will appear as a deduction.

Compensation Arrangements

26. Central government will reimburse billing authorities and those major precepting authorities for the actual cost to them under the rates retention scheme of the Supporting Small Businesses relief. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in a one off estimate for 2017/18. Central government will then provide payments to local authorities for their share of the cost of the estimated relief for 2017/18. The final cost to local authorities will be calculated and reconciled following the NNDR3 for 2017/18.

27. Guidance for local authorities on how to calculate the value of the section 31 grant will be included in the guidance notes for completing the National Non-Domestic Returns (NNDRs). However, in line with the New Burden's principle, section 31 compensation will be calculated having regard to the additional costs on local government of awarding the relief (before any other section 47 reliefs). Therefore, the section 31 grant for Supporting Small Businesses should be calculated by:

    a. taking the chargeable amount which would have applied for the hereditament after the transitional arrangements and other mandatory reliefs but before discretionary reliefs,

       and deducting

    b. the chargeable amount found under the Supporting Small Business scheme before other discretionary reliefs.

28. The same principle will apply for calculation Transitional Protection Payments (TPPs) for the purposes of non-domestic rating income in the rates retention scheme. TPPs on NNDR1s and NNDR3s will be calculating ignoring the Supporting Small Businesses scheme.

Section 2: Detailed guidance for operation of the Supporting Small Businesses (SSB) scheme

Day 1 Eligibility for the Scheme

29. For 1 April 2017, the supporting small businesses (SSB) relief scheme applies to hereditaments for which**12**:

    a. the chargeable amount for 31 March 2017 is calculated in accordance with section 43(4B) or (6B),

    b. in relation to 43(4B) the value of E for 31 March 2017 is greater than 1,

    c. the chargeable amount for 1 April 2017 is found in accordance with section 43(4), 43(4B), 43(6A) or where regulations 12(3), 12(7) or 12(9) of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 applies, and

    d. the chargeable amount for 1 April 2017 is more than (£600/365) higher than the chargeable amount for 31 March 2017.

30. Where for 31 March 2017 the chargeable amount has been found under section 47, then eligibility for SSB should be determined as if section 47 did not apply.

31. Where the hereditament is shown in a local list for the area of a special authority (i.e. the City of London), then eligibility for SSB should be determined as if the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17 and 46.6p for 2017/18.

Continued eligibility for the scheme after 1 April 2017

32. After 1 April 2017, the Supporting Small Businesses (SSB) scheme will cease to apply where:

    a. the chargeable amount for a day found under the SSB scheme is the same as or more than the chargeable amount found in the absence of the SSB scheme. This ensures that where, for example, the minimum increase in the chargeable amount in the SSB scheme would take the bill above the level it would otherwise have been then the hereditament will drop out of the SSB scheme. It also ensures that where, for example, with effect from after 1/4/17, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of the SSB scheme,

    b. the chargeable amount for a day would otherwise fall to be found by section 43(5) or where paragraph 12(5) or sub-paragraphs 2(4), 3(4), 4(4), 5(4) of Schedule 2 of the Non-Domestic Rating (Chargeable

12 unless otherwise stated, references are to the Local Government Finance Act 1988

Amounts) (England) Regulations 2016 No. 1265 applies (charities or registered community amateur sports clubs), or

c. the hereditament for a day is unoccupied.

33. Furthermore, where the ratepayer during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended (and therefore was still entitled to small business rate relief on 31 March 2017), then eligibility for the SSB scheme will cease at the end of that 12 months period of grace.

34. Hereditaments which cease to be entitled to Supporting Small Businesses for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for Supporting Small Businesses relief if it subsequently becomes occupied again.

Chargeable Amount under the Supporting Small Businesses Scheme

35. Where the Supporting Small Businesses scheme applies then DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act for the period 1 April 2017 to 31 March 2022 found in accordance with the rules in [Part 1 to Part 3 of] the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265 subject to the following changes:

a. BL for 2017/18 is the chargeable amount for 31 March 2017 x 365 (on the assumption that section 47 did not apply for 31 March 2017 and on the assumption in the City of London that the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17). This ensures the starting base liability for hereditaments eligible for SSB include the SBRR or rural rate relief for 31 March,

b. Where a certificate has been issued under regulations 17 or 18 then BL for 2017/18 should be found in line with a) above but on the assumption that the rateable value in the rating list was the rateable values as certified,

c. References to "(BL x AF)" are to "(BL x AF) or (BL + 600) whichever is the greater". This ensures the bill increase is the greater or £600 or the increase under the caps in the transitional relief scheme,

d. AF is found in accordance with regulation 10(6) irrespective of the rateable value of the hereditament for 1 April 2017. This ensures only the cap on increases for small properties is applied in the SSB scheme irrespective of the actual rateable value of the hereditament,

e. regulation 12(6)(b) is omitted. This ensures SBRR is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief as illustrated at paragraph 23 above,

f. the reference to "2" in regulation 12(8) is "1". This ensures rural rate relief is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief,

g. "U" is taken to have a value of 0 throughout. This ensures that any hereditament whose rateable value is £51,000 or more does not have to pay the 1.3p supplement whilst eligible for SSB relief,

h. for a year (the year concerned) other than 2017/18, BL is (BL x AF) or (BL + 600) from the year immediately the year concerned whichever is the greater.

36. No change is made to the meaning of NCA. However, as discussed above, eligibility for Supporting Small Businesses relief ceases when the chargeable amount for a day found under the Supporting Small Businesses scheme is the same as or more than the chargeable amount found outside the scheme.

37. Regulation 6 (special authorities) will apply as normal under the Supporting Small Businesses scheme. This ensures ratepayers in the City of London continue to pay any additional amount attributable to the City multiplier.

38. For the avoidance of doubt, the rules for changes in rateable value with effect from after 1 April 2017 (regulation 13) will continue to apply as normal subject to the amendments in paragraph 35 above. This ensures that, for example, later increases in rateable value are paid in full in the normal way**13**.

Splits and mergers

39. The SSB scheme will apply to hereditaments:

a. coming into existence because of the circumstances described in paragraph 1 of Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265,
b. where one of the hereditaments from which the new hereditament was formed in whole or in part was for the day immediately before the creation day eligible for the SSB scheme, and
c. the circumstances described at paragraph 32 above do not apply for the creation day in respect of the hereditament.

40. After the creation day, the SSB scheme will cease to apply in the circumstances described in paragraph 32 above.

41. The number of hereditaments eligible for SSB which then split or merge is likely to be very small and devising rules in particular for mergers with

13 based on the small business non-domestic multiplier. This is because U is taken to have a value of 0 throughout.

properties outside of the SSB scheme would be complex. Therefore, in discussions with local authority stakeholders, DCLG has concluded it would be disproportionate to devise detailed rules to prescribe the chargeable amounts in the various circumstances which could arise from a split or a merger.

42. Instead, for hereditaments meeting the criteria in paragraph 39 and 40 above, DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act found in accordance with the following principle:

    a. that the protection offered by the SSB scheme (that the bill will not rise by the greater of £600 p.a. or the transitional relief caps) will continue to apply in principle to that part of the newly created hereditament which was immediately before the creation day in the SSB scheme, and
    b. that increases (or reductions) in overall rateable value arising from the split or merger are not subject to the protection of the SSB scheme.

43. For simple splits of hereditaments previously eligible for SSB, authorities may wish to simply apportion the chargeable amount in the SSB scheme for the hereditament before the split in line with the change in rateable value from the split (i.e. in line with the principle in Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265).

44. For mergers and reorganisations, authorities will have to estimate the degree to which, in line with the principle of the SSB scheme, that part of the hereditament which was formerly eligible for SSB should continue to receive support under the SSB scheme. DCLG does not expect authorities to seek any formal apportionments of the rateable value for this purpose.

Support for Pubs Guidance: Annex B

1. About this guidance

1.1 This guidance is intended to support local authorities in administering the "Pubs Relief Scheme" announced in the Budget on 8 March 2017. This guidance applies to England only.

1.2 This guidance sets out the detailed criteria, which local Government will use to provide funding relief for pubs. This guidance does not replace existing legislation or any other relief.

1.3 Enquiries on this measure should be addressed to:
ndr@communities.gsi.gov.uk

2. Introduction

2.1 The Government recognises the important role that pubs play in urban and rural communities across the country. At Spring Budget 2017, the Chancellor announced a £1,000 business rate discount for public houses with a rateable value of up to £100,000 for one year from 1 April 2017. This was part of a wider £435m package to support businesses – including pubs - facing significant increases in rate bills following the business rates revaluation. This included £110m of support for small businesses losing small business rates relief (SBRR) or rural rate relief (RRR) and providing local authorities with funding to support £300 million of discretionary relief.

2.2 This document provides guidance on the pubs relief scheme. It sets out how the scheme should operate and the eligibility criteria that should apply.

2.3 The Government expects local billing authorities to use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to grant relief to all qualifying ratepayers. We will reimburse local authorities using grants under section 31 of the Local Government Act 2003, provided they have acted in accordance with guidance. No new legislation will be required to deliver the scheme. Sections below explain how the scheme will operate, the level of funding available, and the means of compensation.

2.4 The guidance will be of interest to local authorities, operators of pubs and similar businesses, and their representative bodies.

3. Eligibility criteria - which properties should benefit

3.1 This section describes in principle the Pubs Relief Scheme. Local authorities should use this section to determine eligibility for the relief. The scheme will be available to eligible occupied properties with a rateable value of less than £100,000. The majority of pubs are independently owned or managed and will not be part of chains. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements (see section 5 of this guidance).

3.2 There is no definitive description of a traditional pub or public house in law which could be readily used by local authorities to determine eligibility. The objective has been to adopt an approach that makes the design and eligibility of the scheme easy to implement by local authorities in a clear and consistent way, is widely accepted by the industry and which is consistent with the Government's policy intention as set out in this section.

3.3 The Government's policy intention is that eligible pubs should:

- be open to the general public
- allow free entry other than when occasional entertainment is provided
- allow drinking without requiring food to be consumed
- permit drinks to be purchased at a bar.

For these purposes, it should exclude:

- restaurants
- cafes
- nightclubs
- hotels
- snack bars
- guesthouses
- boarding houses
- sporting venues
- music venues
- festival sites
- theatres
- museums
- exhibition halls
- cinemas

- concert halls
- casinos

3.4 The proposed exclusions in the list at para 3.3 is not intended to be exhaustive and it will be for the local authority to determine those cases where eligibility is unclear. We believe that billing authorities will already have a good understanding of the licensed premises in their areas and will be able to readily form a view on eligibility in the majority of cases. We expect local authorities to design the implementation of the scheme with regard to their business rates base and existing collection practices.

3.5 Where eligibility is unclear authorities should also consider broader factors in their considerations – i.e., in meeting the stated intent of policy that it demonstrates the characteristics that would lead it to be classified as a pub, for example being owned and operated by a brewery. Additionally, local authorities may also wish to consider other methods of classification, such as the planning system and the use classes order to help them decide whether a property is a pub or not. However, permission for a particular use class will not necessarily mean that the property meets the definition of a pub.

4. How much relief will be available?

4.1 The total amount of Government-funded relief available for 2017/18 under this scheme is up to £1,000 for each eligible property. There is no relief available under this scheme for properties with a rateable value of £100,000 or more. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

4.2 In addition to the pub scheme set out in this guidance, the Chancellor announced in the Spring Budget that £110 million will be available to assist ratepayers losing small business rates relief or rural rate relief as a result of revaluation. On top of this, the Government is also making available a separate £300 million discretionary relief fund over the next four years to enable local authorities to help individual businesses that are facing increased rates bills. Both of these schemes may also be available to pubs.

5. Compensation arrangements

5.1 Government will reimburse billing authorities and those major precepting authorities for the actual cost to them under the rates retention scheme of the relief that falls within the adopted criteria for pubs relief. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in a one off estimate for 2017/18. The Government will then provide payments to local authorities for their share (under the rates retention scheme) of the cost of the estimated relief for 2017/18. The final cost to local authorities will be calculated and reconciled following the NNDR3 for 2017/18.

State Aid

5.2 State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the support for ratepayers will be State Aid compliant where it is provided in accordance with the *de minimis* regulations (EC 1407/2013)[14].

5.3 The *de minimis* regulations allow an undertaking to receive up to €200,000 of '*de minimis*' aid over a rolling three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving *de minimis* aid (Article 1), the relevant definition of undertaking (Article 2(2)[15]) and the requirement to convert the aid into Euros[16].

5.4 It is necessary for the local authority to establish that the awarding of aid will not result in the undertaking having received more than €200,000 of *de minimis* aid. Note that the threshold only relates to aid provided under the *de minimis* regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the *de minimis* calculation). Where local authorities have further questions about the *de minimis* regulations or other aspects of State Aid law, they should seek advice from their legal department in the first instance[17].

14 http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF
15 The 'New SME Definition user guide and model declaration' provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf
16 http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm
17 Detailed State Aid guidance can also be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

5.5 Pubs are within the scope of State Aid law as companies within the hospitality sector can and do set up business in other Member States as they trade on a market. Linked enterprises are considered as one single undertaking for the application of the *de minimis* rule, therefore can receive €200,000 *de minimis* aid (including that outside of business rates relief) over three years.

Discretionary Relief in Enterprise Zones?

5.6 Where an eligible property is also eligible for Enterprise Zone relief, then Enterprise Zone relief should be granted and this will be funded under the rates retention scheme by a deduction from the central share. Local authorities should not provide pub relief to properties which would otherwise qualify for Enterprise Zone Government funded relief.

Other Discretionary Reliefs reimbursed by s.31 grants

5.7 Similarly, if a property is eligible for relief under other schemes for which s.31 grant is payable – for example, "new empty property" relief, or the Supporting Small Business Scheme– authorities should first award relief under those schemes and claim s.31 grant funding in the normal way. Only having awarded relief under those schemes, should they then award additional relief in accordance with the Pubs Relief Scheme.

5.8 DCLG does not prescribe whether Scheme 2 (Discretionary Relief) is calculated before or after Scheme 3 (Support for Pubs). However, DCLG understands that authorities and software companies will follow the practice of taking the Discretionary Relief before the Pubs Relief.

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24 November 2017

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (8/2017): Autumn Budget

This is the eighth business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

https://www.gov.uk/government/collections/business-rates-information-letters

or for archived letters:

http://webarchive.nationalarchives.gov.uk/20120919132719/http:/www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/.

- **2017 Autumn Budget and Provisional Multipliers**
- **2017 Spring Budget Rate Relief Schemes**

2017 Autumn Budget Business Rate Measures

1. The Chancellor of the Exchequer announced on 22 November at the 2017 Autumn Budget a package of business rates measures:

- Switch from RPI to CPI for business rates indexation
- Implementing 3-year business rate revaluations following the next revaluation
- Commitment to legislate to reinstate previous VOA practice on the valuation of business properties located in multi-occupancy buildings
- Extension of the £1000 business rates discount for pubs

Business Rates Indexation and Provisional Multipliers for 2018-19

2. Under Schedule 7 to the Local Government Finance Act 1988 (as amended) there are two multipliers. The small business non-domestic rating multiplier which is used for those properties with a rateable value below £51,000; and the non-domestic rating multiplier, paid by properties above those levels and which includes the supplement to pay for the small business rate relief scheme.

3. The small business non-domestic multiplier is determined by Schedule 7 to the 1988 Act. These rules ensure that the small business multiplier in 2018-19 is based on the 2017-18 multiplier adjusted for Retail Price Index inflation for September 2017 unless HM Treasury exercises its order making power.

4. At Autumn Budget 2017 the government confirmed that it would bring forward the planned switch in the indexation of business rates from RPI to the main measure of inflation (currently CPI) by two years to April 2018. The government will use secondary legislation to bring forward the switch in the business rates multiplier indexation to CPI. This will apply to bills from 1 April 2018.

5. This results in a provisional small business non-domestic multiplier for 2018-19 of 48.0p. The provisional non-domestic multiplier will therefore be 49.3p in 2018-19.

6. In accordance with Schedule 7 to the 1988 Act, the provisional multipliers will be confirmed after either the Local Government Finance Report for 2018-19 has been approved by the House of Commons or 1 March 2018, whichever is earlier.

7. Local authorities will be fully compensated via Section 31 grant for income lost as a result of bringing forward this measure.

More Frequent Revaluations

8. At the Autumn Budget it was confirmed that the frequency of revaluations would be increased to every three years, following the next revaluation currently due in 2022. Three year revaluations will be delivered by the VOA, and to support this business owners will be required to provide regular information on who is responsible for business rates and on property characteristics including use and rent to the VOA. We will consult on the detail of implementation of more frequent revaluations in the spring.

Reinstating previous VOA practice for properties located in multi-occupancy buildings

9. The Chancellor has confirmed that we will legislate to reinstate previous VOA practice in relation to properties located in multi-occupancy buildings. This will require primary legislation and DCLG intends to consult on a draft bill shortly.

10. Implementation of this measure will be led by the VOA, and we expect that once the necessary legislation is in place ratepayers will be able to ask the VOA to recalculate valuations so that bills are based on previous practice backdated to April 2010 as appropriate. This, in turn, will include reinstating Small Business Rate Relief for ratepayers who as a result once again meet the single hereditament test. More detailed guidance on implementation will be provided in due course.

11. Any additional business rates revenue to local authorities from the ruling will be offset by the reinstatement of the VOA's previous practice. The overall impact on local authorities will therefore be nil, and we do not plan to compensate local authorities in relation to any income lost as a result of this measure.

Extension of the Pubs Relief Scheme

12. In the Autumn Budget 2017 the Chancellor announced that the pubs relief scheme would be extended by a further year. The existing guidance and terms for the current scheme will continue to apply in the same way – eligible pubs with a rateable value of below £100,000 will

receive a £1000 discount on their bill. The relief will have effect for 2018/19.

13. Local authorities will be expected to use their discretionary relief powers (under section 47 of the Local Government Finance Act 1988, as amended) to grant this relief for pubs in line with the relevant eligibility criteria. They will be compensated for the cost of granting the relief through a Section 31 grant. No new legislation will be required to deliver the scheme. The government expects all authorities to apply the relief to eligible pubs from April 2018, given the scheme is already established.

2017 Spring Budget – Rate Relief Schemes

14. On 13 October, the Government published a list of billing authorities that had begun rebilling under each of the new relief schemes announced at the Spring Budget 2017.

15. The list is regularly updated once authorities confirm that they have started to rebill. We would therefore be grateful if billing authorities could continue to notify us when rebilling has begun for their remaining schemes, by sending updates to: DCLG-SBschemes@communities.gsi.gov.uk

The list is available at: www.gov.uk/government/publications/business-rates-relief-schemes-2017-rebilling-progress

16. On 20 November, the Local Government Minister Marcus Jones MP wrote to all English MPs setting out the progress made by authorities in their constituency. The letter also reiterated that there is no end year flexibility in the Discretionary scheme; and that any unspent funds below the allocation for an authority will be clawed back following the close of the 2017/18 financial year. It is therefore important that authorities take all necessary steps to publicise their local schemes and ensure that all eligible businesses are aware of the support available and can benefit from it.

Administration and Communication of Reliefs

17. We expect billing authorities to have in place clear and swift arrangements for communicating with ratepayers the extension of the pubs relief scheme. The terms of the Supporting Small Businesses and Discretionary Relief Scheme will continue to apply as previously set out in BRIL 4/2017. This guidance can be found at:

www.gov.uk/government/uploads/system/uploads/attachment_data/file/620750/BRIL_4-2017_Spring_Budget_update.pdf

18. Authorities should therefore ensure that arrangements are in place to ensure the smooth implementation of the second year of each of the schemes – with reliefs applied to eligible businesses from April 2018.

Data collection

19. On 17 November, the Department requested data on the three Spring Budget schemes which is necessary to recompense authorities (via s31 grant payment) for the applicable schemes.

20. Authorities are asked to submit the value of relief awarded / forecasted under the Supporting Small Business, Support for Pubs and Discretionary Relief Schemes to 31 March 2018 and the number of ratepayers benefitting. Please complete and return all issued forms to DCLG-SBschemes@communities.gsi.gov.uk by COP Friday 1 December 2017.

New Burdens

21. New burdens funding to support implementation of the three Spring Budget schemes has been confirmed. No additional funding is being provided in relation to the extension of the pubs measure, given that we expect that authorities already have all necessary arrangements in place.

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22 December 2017

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (9/2017): Administration

This is the ninth business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

https://www.gov.uk/government/collections/business-rates-information-letters

or for archived letters:

http://webarchive.nationalarchives.gov.uk/20120919132719/http:/www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/.

- **Spring Budget 2017 £300m Discretionary Rate Relief Scheme**
- **Spring Budget 2017 Rate Relief Schemes - NNDR process**

Spring Budget 2017 £300m Discretionary Rate Relief Scheme

1. As previously confirmed, there is no provision for end year flexibility. Unallocated funds cannot be rolled over into the next financial year, and will be returned to DCLG as part of the usual NNDR process. Further guidance is provided below.

2. Relief can be provided to eligible businesses in respect of a financial year up to 6 months (to the 30 September) following the close of that financial year, as set out in S.47 to the Local Government Finance Act 1988. However, Ministers expect that relief should be provided in year. Authorities should therefore plan on the basis of providing all relief by the close of the current financial year, to ensure local businesses can benefit from the support available in year.

3. After 30 September, no further claims for support will be met or supported by DCLG in respect to the previous financial year.

4. Authorities running an application based process should ensure they plan accordingly. If indications highlight the risk of a low take up rate, authorities should consider now what additional steps they will take to manage this. This could include providing automatic awards to eligible businesses rather than inviting full applications where viable, subject to confirmation that State Aid requirements are met.

Spring Budget 2017 Rate Relief Schemes - NNDR process

5. Authorities will be aware that the usual process for compensating authorities for the relief they provide, which is paid on the basis of the authorities' NNDR1 (forecast) return. This amount is then reconciled at the point the authority submits their NNDR3 (actual) return.

6. Compensation due to authorities in regard to the 2017 Spring Budget relief schemes will be paid at different times in regard to relief provided in 2017-18.

- Compensation for the Discretionary Scheme was paid 'on account' as per each authority's allocation earlier this year. Any value of relief given (up to an authority's annual allocation) will be reconciled at NNDR3 2017-18 stage when the actual value of relief given is known.

- Compensation for the SSB and Pub Schemes will be paid in year on the basis of data returned to DCLG via the recent data collection exercise. Authorities were required to return two forms (certified by s151 officers) to DCLG-SBschemes@communities.gsi.gov.uk. These in year payments will be reconciled at NNDR3 2017-18 stage. In line with the usual process, if authorities did not submit data, no payment will be made until NNDR3 stage.

7. For 2018/19, we expect to continue paying authorities their allocations in quarterly payments 'on account' for the Discretionary scheme, as per 2017/18.

8. Supporting Small Business and Support for Pubs will be included in future NNDR1 and NNDR3 returns. Compensation payments will therefore be paid in line with all

other discretionary reliefs compensated via s31 grant – the timings will remain in line with the NNDR returns timeline.

9. We encourage authorities to continue to update us with information on relief awarded and ratepayers benefitting to DCLG-SBschemes@communities.gsi.gov.uk.

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Brent	**Cabinet** 12 February 2018
	Report from the Chief Finance Officer

Financial Forecasts Q3 2017/18

Wards Affected:	All
Key or Non-Key Decision:	Non-key
Open or Part/Fully Exempt:	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s):	Conrad Hall Chief Finance Officer Tel: 020 8937 6528 conrad.hall@brent.gov.uk

1.0 Purpose of the Report

1.1. The purpose of this report is to provide Cabinet with the forecast outturn for revenue and capital, and other key financial data as at Q3 2017/18.

2.0 Recommendation(s)

2.1 To note the overall financial position and the actions being taken to manage the issues arising.

3.0 Summary

3.1 This report sets out the forecasts, as at 31 December, of income and expenditure against the revenue and capital budget for 2017/18, and other key financial data. The actual spend information in the report is to 30 November 2017, and the forecasts were prepared and finalised as at 31 December.

3.2 The outlook for local government as a whole remains challenging, and the extent of the challenge remains uncertain given the developing national policies on matters such as exiting the EU, health and social care. A little additional certainty for the immediate future has been provided by the new policy announcements made in the Autumn Budget 2017 and the Provisional Local Government Finance Settlement for 2018/19 which includes the London

100% business rates pilot for 2018/19. However, the new announcements of a fair funding review being completed and implemented for 2020/21 along with a new 75% business rates retention system mean further uncertainty for these years. The proposed budget for 2018/19 and longer-term financial outlook are presented as another item on this agenda.

3.3 In order to be able to deliver a balanced budget and spend within its means, the council has put considerable effort into developing both a realistic budget that addresses the various challenges, and a culture of strong financial control so that areas at risk of overspend are addressed and solutions put in place. This means that the Council is able to continue to navigate this potentially turbulent period on a sound financial footing.

3.4 Overall, expenditure will be contained within budget. Whilst this is a good position it masks some over and underspends across different funds. Underspends in the HRA and the DSG funded element of the general fund are offsetting an overspend of £0.6m in the rest of the general fund, which had been forecast to spend within budget at the last report to Cabinet, in November 2017.

3.5 This adverse movement is due to increased forecast overspend in Community Wellbeing (£0.3m increase on the £0.5m previously reported) and a forecast overspend in Children & Young People (a new variance of £0.1m). Both of these relate mainly to social care placement costs, planned savings not yet achieved, and increased staffing costs. These overspends are partially offset by underspend in Regeneration & Environment of £0.6m (unchanged since last report) relating principally to vacancies in the service and increased income. The Housing Revenue Account (HRA) is expected to underspend as a result of additional income from leaseholders; as is the Dedicated Schools Grant (DSG), mainly due to reduced growth in primary school place requirements.

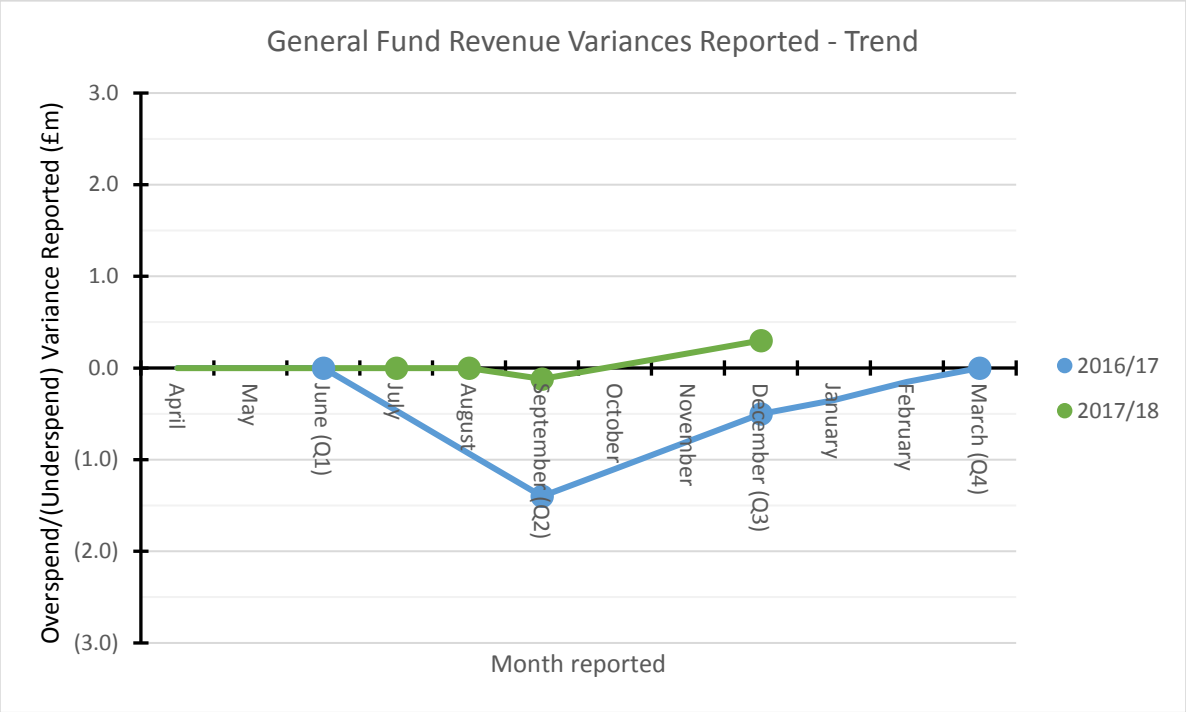
3.6 Table one shows the overall revenue position and Graph one shows the net General Fund variance compared with the reports made in 2016/17.

Table One: Overall revenue financial position 2017/18

Department	**Budgeted Income**	**Budgeted Expenditure**	**Net Budget**	**Forecast spend**	**Variance**
Figures as at December 2017	**£m**	**£m**	**£m**	**£m**	**£m**
Children & Young People	(29.2)	70.0	40.8	40.9	0.1
Community Wellbeing	(74.2)	202.2	128.0	128.8	0.8
Regeneration & Environment	(39.3)	74.0	34.7	34.1	(0.6)
Resources	(16.7)	51.1	34.4	34.4	0.0
Performance, Policy & Partnerships	(1.2)	10.8	9.6	9.6	0.0
Central Items (excludes Housing Benefit)	(291.7)	44.2	(247.5)	(247.5)	0.0
Total (General fund)	**(452.3)**	**452.3**	**0.0**	**0.3**	**0.3**
DSG funded activity (see table three)	(201.0)	201.0	(0.0)	(2.5)	(2.5)
HRA funded activity (see table four)	(53.1)	57.1	4.0	2.2	(1.8)
Overall position	**(706.4)**	**710.4**	**4.0**	**0.0**	**(4.0)**

Graph One: Overall revenue financial position 2017/18

Net overall revenue spend is forecast to be contained within the agreed budget. The General Fund variance is shown in the graph compared to the variances reported in 2016/17.



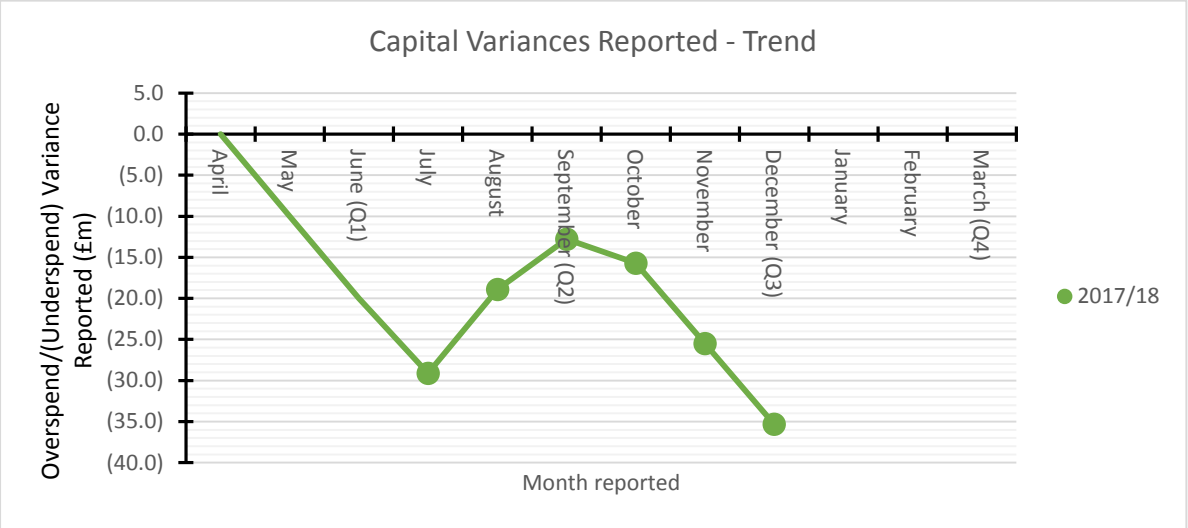
3.6 This revenue outturn forecast does not mean that the council can afford to be complacent, there are still notable risks, which are discussed below, and there is extensive work necessary to deliver the savings on procurement and income generation through the civic enterprise strategy.

3.7 The Capital Programme is currently forecast to underspend by £35.3m (15%, additional underspend of £22.5m compared with the last report), principally on projects reporting to the Housing Care Investment Board and Public Realm Board, as shown in table two, below. The budget has increased slightly since Q2 due to the addition of new projects, mainly funded by direct grants and contributions from developers through Section 106 planning obligations. The details are shown in Table Two and the Graphs Two and Three show, respectively, the reported variance and actual spend to date compared to last year's figures.

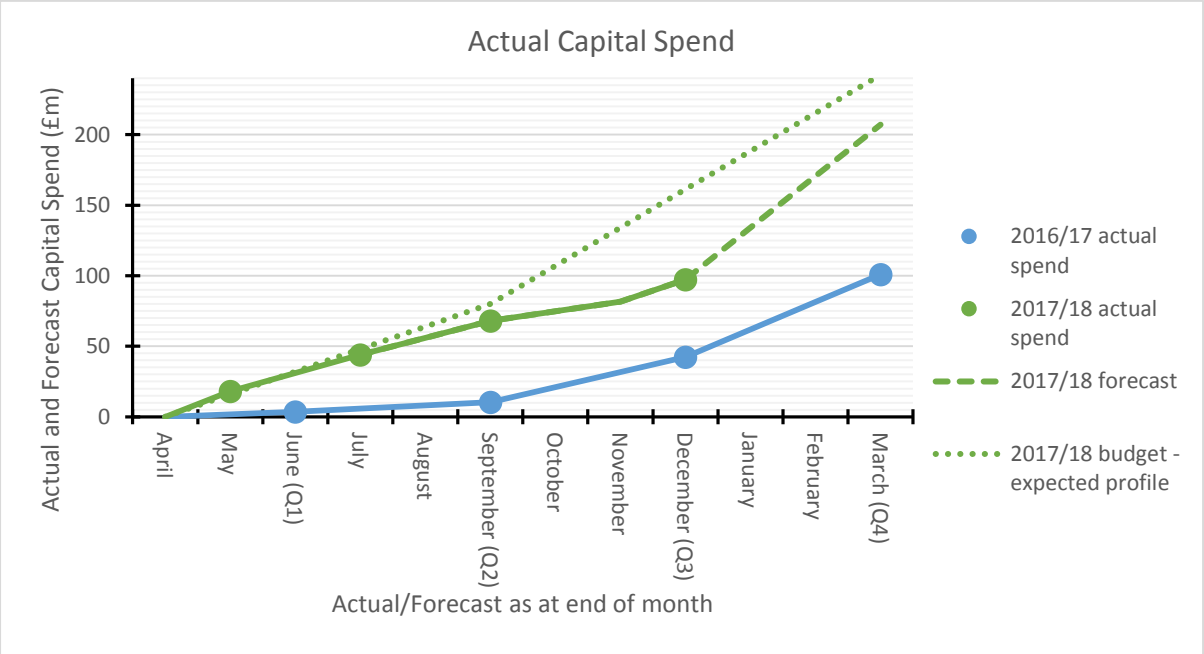
Table Two: Overall capital programme position 2017/18

Board	Budget	Revised Budget (Q2)	Revised Budget (Current)	Forecast Outturn	Actual Spend	Forecast Variance
Figures as at December 2017	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Corporate Landlord	2.1	3.5	3.5	3.1	0.9	(0.4)
Housing Care Investment Board	147.7	153.5	153.5	130.6	61.3	(22.9)
Public Realm Board	17.1	26.3	27.2	16.7	6.6	(10.5)
Regeneration Board	8.7	11.9	12.2	10.6	6.1	(1.6)
Schools Programme Board	30.6	32.5	33.3	33.0	13.3	(0.3)
South Kilburn	12.7	11.7	12.7	13.1	9.2	0.4
Grand Total	**218.9**	**239.4**	**242.4**	**207.1**	**97.4**	**(35.3)**

Graph Two: Overall capital programme position 2017/18
Capital spend is forecast to be contained within the agreed budget. The underspend has increased significantly since the last report.



Graph Three: Actual Capital Spend 2017/18
Actual capital spend compared with last year is shown in the graph. The dotted line on the graph shows the profile commonly taken by capital spend. This indicates that spend would need to accelerate significantly to achieve the current forecast. That said, spend to date in 2017/18 is almost the same as the 2016/17 outturn of £101m.



3.8 The rest of this report sets out more detail on a department by department basis, before moving on to the Capital Programme.

4.0 Children & Young People (General Fund)

4.1 The Children and Young People department (CYP) now forecasts an overspend of £0.1m. This compares to a balanced budget position forecast as at the end of Q2. In summary, this adverse movement is due to increased numbers of young people in remand or secure accommodation placements, increased cases in the Localities service, and higher than previously forecast spend by front line social work teams on supporting children and care leavers in need.

4.2 The social work staff remodelling has resulted in a costed establishment within the available annual employee budget, and will be in place from 2 January 2018. However, this means that implementation is 4 months later than originally planned for the budget, and means a slight increase in the budget pressures that were previously reported in social work teams.

4.3 Overall, the staffing remodel has not yet resulted in an improvement in the reliance on agency social workers, with 38% of positions held by agency in November, almost twice the target ratio. However, management have now concluded the interview and appointment process and expect this ratio to improve. This is a key reason for the forecast overspend. In addition, the number of cases held by the Localities service has risen sharply since Q2. The six month average from April to September 2017 for the East and West teams was 1,175, which formed the basis for the new social work staffing model. This rose to 1,365 in October and totalled 1,396 in November. The new social work staffing model was designed to accommodate only 1,348 cases, so given the commitment to appropriate case holding this will affect staffing costs. The total impact of the additional staffing costs is a variance of £0.7m, £0.2m more than reported at Q2.

4.4 Pressures were also previously reported in relation to placements. The placements budget was reset with additional funds in 2017/18 to support 320 LAC across a mix of placements plus care leavers in semi-independent provision. Broadly, CYP have been able to hold LAC placement numbers and unit weekly costs within budgeted expectations. There were 320 LAC placements in November, a net increase of one compared to October. The average for 2017/18 so far is 315. However, the budget did not allow for the cost of three remand placements made during Q3 and an ongoing secure welfare placement. It is anticipated the remand placements will continue until at least the end of the financial year, and will cost £0.2m. The secure welfare placement will cost £0.3m, which is £0.2m per annum more than an average residential placement. The forecast also includes the £0.3m of additional funding recently announced by the government to support the costs of unaccompanied asylum seeking children and care leavers.

4.5 This increase in cases is not being seen across other social work teams in CYP, and the numbers for the Family & Adolescent Support team, Looked After Children (LAC) teams and leaving care teams are all well within the budgeted levels. In addition, there is a small overspend (£0.1m) to support clients, principally with rent, subsistence and setting up home allowances. This is lower than in 2016/17 but still considerably above the budget. Management are reinstating some additional expenditure controls, which significantly reduced spend when previously used. Finance are supporting analysis of this spend to identify long term methods to reduce spend or ensure appropriate budget.

4.6 Against these pressures possible management actions totalling £0.8m were identified in the Q2 report. Some of these, such as use of non-ring fenced grants and the bringing forward of future savings plans, have now been implemented by CYP management and remain reflected in the forecasts. In addition, there is now a forecast underspend in the Settings & School Effectiveness service, which is able to use a non-ring fenced grant to offset

expenditure and where a small surplus is expected from the Brent Music Service.

4.7 The balance of forecast variances totals £0.1m, 0.3% in excess of the agreed budget. This includes £1.3m of mitigating actions identified by management, which continues to act to control spend. These actions can be grouped into 3 areas: controlling staffing expenditure, controlling other committed expenditure, and maximising other sources of income.

4.8 To control staffing expenditure CYP managers are taking action to require agency workers to take appropriate leave, and will reduce staffing headcount by holding vacancies where caseloads are below the thresholds and where it is judged safe to do so.

4.9 All CYP Heads of Service are reviewing spending commitments and cancelling those that are not urgently required. In addition, the centralised training budget is being carefully managed and in-house resource is being utilised to reduce spending in the current financial year.

4.10 Maximising other sources of income involves scrutinising placements and care packages to ensure financial support from health partners and grant funded education budgets is appropriate.

5.0 Community Wellbeing (General Fund)

5.1 The Community Wellbeing department is forecasting to overspend by £0.8m in Adult Social Care.

5.2 The demand for nursing care has continued to grow across the first nine months of 2017/18, with 395 clients as at 31 December, a 17% (57 client) increase since 1 April. The budgeted growth for business as usual demographic change in 2017/18 accommodates an increase of nine clients across the full year.

5.3 A significant number of cases where nursing care was approved relate to hospital discharges, and more specifically the management of discharge delays (Delayed Transfers of Care, DTOC). A lack of available appropriate provision means that clients are being discharged to more expensive nursing care settings, as this is judged to be better than leaving them in hospital. The additional cost of this increase in demand means a forecast overspend of £0.7m. This additional cost will be offset through the short term one-off DTOC related improved Better Care Fund funding programme. This is a specific intervention identified by the Council to support a reduction in hospital discharge delays by block purchasing additional nursing beds as this is seen as a major alleviator of delayed discharges in Brent.

5.4 As last quarter, Mental Health budget is projected to overspend by £0.5m. Although existing service users have moved from residential to supported living schemes and from supported living to general needs, these reductions have been to some extent offset by new demands. The Mental Health target number of placements was set as 75 (ten residential, and 65 supported living). The current number of placements is 99 (24 residential, and 75 supported living), generating the £0.5m pressure. A specialist team has been

set up to support service users in Q4, whilst ensuring their safety, to move to less intensive provision and the intention is for the number of placements to reach 75 (15 residential, and 60 supported living) by the end of 2017/18.

5.5 The remaining £0.3m overspend in Adult Social Care is within Direct Services. The deregistration of Tudor Gardens from a Residential Home to a Supported Living scheme has been delayed to Q4 of 2017/18, so only a part year effect on the 2017/18 savings target. Unbudgeted staffing levels were also increased in Tudor Gardens following a recommendation from the CQC following the inspection this year.

5.6 The continuation of the Housing Association Lease Scheme (HALS) for temporary accommodation continues to be uncertain, with discussions with providers ongoing. So far both Genesis and Network housing associations have contacted the Council about increasing their management fees by approximately £15 per week per property.

5.7 Cost increases are expected at the renewal of leases, and are estimated at a full year effect of £1m for all HALS. However, if it emerges, this pressure would be staggered over a two year period from 2018/19 as the leases come due for renewal.

6.0 Regeneration & Environment

6.1 The Regeneration & Environment department (R&E) is forecasting a budget underspend of £0.6m, the same as reported at Q2. The department's current budget pressures/risks remain as set out below, with updates for the last quarter's activities.

6.2 The contract to implement LED Lanterns in street lights was delayed last financial year due to technical procurement problems and legal challenges from unsuccessful bidders. The implementation was begun, as predicted at Q2, in November so the underachievement of savings totals £0.6m as previously estimated.

6.3 The Brent Transport Service 3 year joint passenger transport inter-authority agreement (IAA) model with Harrow went live in September 2016. While operationally the merged service has so far proved capable of delivering a collective transport solution, rising costs have become an area of growing concern. The latest forecast presented to Brent is a net overspend of £1.3m (an increase of £0.5m since Q2) driven principally by increased demand. While passenger number increases typically averaged between 5% and 7.5% in recent years, last year saw an 11.4% overall increase. Current data for 2017/18 indicates an increase of 15%-20%. The core requirements for passenger transport come from children and young people with Special Educational Needs and adults who are elderly or disabled. Demand management work continues, principally moving adult clients from day centres to other forms of provision, and to ensure Educational Health and Care Plans for children are robustly assessed so transport is definitely needed.

6.4 To offset these pressures, a line by line review was undertaken of budgets throughout the directorate, and action taken to reduce overall costs to budget by holding vacancies and additional income generation in Highways and

Parking in Environment Services (£1.2m), and in Regeneration (£0.8m). The additional overspend reported in the Brent Transport Service is offset by additional underspends in central management budgets for the strategic directorate, also relating principally to the holding of vacancies. This means a total of £0.6m underspend remains for R&E.

7.0 Resources, and Performance, Policy & Partnerships

7.1 As last quarter, Resources and PPP are forecasting a breakeven position against their 2017/18 budgets. However, as previously reported, there are known risks within the Customer Services budget in relation to the timing of the planned restructure and income generation within the Registration and Nationality service, and the HR department in relation to their savings target. Mitigating actions are being taken and offsetting underspends being found elsewhere in the department, so the overall forecast remains on budget.

8.0 Central Items

8.1 The declining share of total council income made up by central government grants makes it increasingly important that the Council monitors and maximises available income. The first key source of income is council tax. In order to deliver the plans set out in the budget, the total council tax payable needs to grow to £136.2m in 2017/18. As at 30 November this amount (technically, the gross debit) is materially the same as at 1 April, at £133.2m. Whilst there is considerable planned development of new residential properties the expected completion of most of these are now expected to fall in 2018/19.

8.2 The Council does not collect 100% of its council tax, so the other key element is the collection rate. The budget for 2017/18 set a challenging cumulative target collection rate for November of 74.1%, which is higher than last year's actual collection of 73.5%. The November actual of 73.7% is better than last year, though not quite to the ambitious target set. Officers are in regular discussions with the contractor responsible for collection in relation to their plans to achieve the required the collection rate by the end of the financial year. This is still considered achievable.

8.3 The other key source of income in the collection fund is business rates. The council budgeted for total business rates payable of £133.2m. As at 31 December, this figure is £134.8m, which has grown slightly through the year, as expected, but is prone to fluctuation as businesses move around. This income is vulnerable to economic conditions, and may also rise or fall depending on changes to the economic climate.

8.4 As with council tax, the actual collection rate is important in determining how much money the council ultimately collects, at the end of December, the council's target was to have collected 84.3% of business rates, and 87.2% was collected. As expected, this has come back on-target since the last report, though will continue to be monitored throughout the year.

8.5 The Council's council tax and business rates assumptions for future years have been updated to reflect current forecasts and the updated figures are included in the budget papers elsewhere on this agenda. However, it is

expected that for 2017/18 performance across business rates and council tax will be on budget. In part, this is due to the statutory arrangements for these budgets, which mean that in-year income variances will not be felt until future years once the Council has had time to plan for them. That said, there is an effect on the Council's cash holdings where the total local taxes collected is above or below target, as surpluses (and deficits) are not distributed to (or collected from) central government and the GLA until future years. This is currently manageable within the Council's operational treasury management.

8.6 The status of the Procurement and Civic Enterprise savings is unchanged since Q2, with shortfalls of £2m and £0.6m respectively. These are offset by £1.9m of compensating savings, which are factored into forecasts. Further savings proposals are required but have still not been made, and therefore the £0.6m pressure remains ongoing and likely to increase in 2018/19 if not addressed as further savings are expected in these areas. As appropriate, any proposals will be brought to Cabinet to agree. Developing and delivering these proposals will need imagination to identify new opportunities for the council and drive to realise the income, which is why this is an area being prioritised as part of Brent 2020.

8.7 Historically, Capital financing has underspent due to delayed delivery of the capital programme. At the moment, this budget is forecast to underspend by £0.5m, reflecting the small underspend in the capital programme referred to above. In addition, corporate debt collection targets are forecasts to be exceeded. Together, these offset the £0.6m shortfall in corporate savings targets, above.

8.8 Other areas of central items are expected to be on budget in 2017/18.

9.0 Dedicated Schools Grant

Table Three: Dedicated Schools Grant 2017/18

Dedicated Schools Grant	Budget	Forecast spend	Variance
	£m	£m	£m
School Budget Shares	141.0	140.8	(0.2)
Inclusion Service	27.3	27.2	(0.1)
Early Years	23.8	23.2	(0.6)
Central Services and Pupil Growth	8.9	6.8	(2.1)
Total DSG Expenditure	**201.0**	**198.0**	**(3.0)**
Total DSG Income	**(201.0)**	**(200.5)**	**0.5**
Total net DSG funded activity (to table one)	**(0.0)**	**(2.5)**	**(2.5)**

9.1 The Dedicated Schools Grant (DSG) expenditure and income budgets for Brent total £311m before recoupment of funds by the Department for Education to fund the borough's Academies. This figure represents the total cost of funding education to early years and school age pupils in the borough. Recoupment is forecast to total £110m, so the borough budgets to receive a net £201m of DSG and Sixth Form grant before any adjustments relating to early years provision. The early years income adjustment will mirror the

underspend on 3 and 4 year old provision so the latest projection of DSG income is £200.5m, £0.5m less than budget.

9.2 There are known DSG underspends on the school budget share budget and school growth allocation forecasts. The Floreat free school was included in the mainstream funding formula budget, but this will no longer be opening, causing an underspend of £0.2m. The rising rolls growth allocations have now been calculated following the release of the October 2017 pupil data. This shows primary pupil growth has slowed and an underspend of £0.5m is confirmed against the £1.1m budget. The planned growth budget is likewise forecast to underspend by £1.3m.

9.3 Growth budgets are being reviewed ahead of the 2018/19 financial year as although the increase in the number of Primary pupils has clearly slowed, the demographic bulge is expected to require additional funding in future years as it starts to affect Secondary Schools.

9.4 Additional placements with SEN provision (in Inclusion), particularly within the borough are expected to increase spend in the High Needs block compared to last year so no underspend is forecast at this stage. Further work is being carried out to review these budgets ahead of 2018/19. A small underspend against the capital charges budget for The Village School is forecast, due to interest rates remaining low, but High Needs recoupment for post 16 is higher than planned which offsets this.

9.5 The Early Years block of the DSG was rebalanced to match income and expenditure for 2017/18. However, the number of parents who have registered for the extended 30 hours provision is slightly lower than that budgeted, as is the take up of the standard 15 hours. Original budgets were set in line with Department for Education forecasts. The final position will depend upon autumn adjustments and the spring early years census, for now an indicative underspend of £0.5m is forecast, though as above it is expected that Early Years block income will be reduced commensurately. Additional small underspends bring the total to the £0.6m shown in the table.

9.6 The overall position for the DSG is a £2.5m underspend, which is less than 1% of the total £312m allocation for Brent. Any underspent DSG at year end will be added to the DSG reserves from where it can be reallocated to schools and used across DSG funded services in future financial years.

10.0 Housing Revenue Account

Table Four: Housing Revenue Account 2017/18

Housing Revenue Account	Budget	Forecast spend	Variance
	£m	£m	£m
Housing Repairs	9.0	10.1	1.1
General and Special Management	16.7	15.8	(0.9)
Bad Debt Provision, Rent, Rates and Services	2.3	2.4	0.1
Capital Financing and Depreciation	29.1	29.1	0.0
Total HRA Expenditure	**57.1**	**57.4**	**0.3**
Rental Income	(49.8)	(49.0)	0.8
Service Charges and other Income	(3.3)	(6.2)	(2.9)
Total HRA Income	**(53.1)**	**(55.2)**	**(2.1)**
Total net HRA funded activity (to table one)	**4.0**	**2.2**	**(1.8)**

10.1 Overall the HRA is forecasting a net underspend of £1.8m against budget.

10.2 A number of variances have been identified as would be expected against a budget with gross expenditure of £57m. These relate to pressures of £1.1m in the repairs budget due to increased demand for responsive repairs and adaptations and the additional cost of recruiting two fire safety officers. General and Special Management is forecast to underspend by £0.9m, £0.5m of Housing Management Transformation budget is not expected to be spent in 2017/18 though will be required to deliver the programme in 2018/19. There is also £0.4m underspend in communal utility and cleaning budgets.

10.3 Dwelling rents are showing under-recovery of income of £0.8m, this is due to increased rent loss through voids. It is envisaged that these costs and the under-recovery of income will be offset against £2.9m over recovery of income on leaseholders' major works due to increase in the billing of leaseholders for capital works.

10.4 The forecasted net outturn will result in an additional contribution to the HRA reserve, as required by statute. The 2018/19 and future years' budgets are based on utilising this underspend.

11.0 Capital – Overall

11.1 The Capital programme as a whole has a 2017/18 budget of £242m, two-thirds of which relates to Housing. The Forecast Outturn is currently £207m or 85% of target. It is forecast to underspend by £35m, an increase of £23m since the previous report. Further detail about the movement is provided in each Board's section, below.

11.2 There has been minimal change in the Revised Budget of £3m since the previous report. These have been approved under delegated authority, or by Cabinet.

11.3 In general, the rate of Capital spend increases towards the end of the year, and usually a third of spend takes place in the first half of the year. This is the profile shown in the graph in the summary. £97m of spend to date indicates an outturn position of around £204m, not allowing for any catch up of slippage to date, compared to the current forecast of £207m. That said, spend-to-date at £97m in eight months of 2017/18 is almost the same as the 2016/17 outturn of £101m.

12.0 Capital – Housing Care Investment Board

12.1 Overall, the Housing Care Investment Board expects to deliver £131m out of £154m budget, forecasting a net £23m underspend. The delivery of this programme is, however, dependent on a number of complex legal, planning and contracting factors, which can significantly influence the profile and size of spend.

12.2 The Investment strategy linking capital spend to corporate objectives around affordable housing and social care accommodation was signed off in April 2016. A wholly owned investment vehicle – I4B Holdings Ltd (I4B) – was established late in 2016, and the company is now operating. I4B is expecting to purchase 200 properties by the end of the financial year, which will ultimately be financed through loan drawdowns from the Council, paid from this Capital Programme. Spend in 2017/18 is forecast at £60m, which is £26m ahead of the budget profile and £16m more spend than the previous forecast report to Cabinet.

12.3 Development schemes are currently predicted to underspend by £17m against a budget of £23m. A review of schemes has been undertaken and although the programme is generally on track, the spend profile has been revised and is currently anticipated to fully deliver spend and completed units by 2019/20.

12.4 The Mixed Development and NAIL programmes are currently forecasting an underspend of £34m against a budget of £45m. The budget profiles have similarly been reviewed across years and are generally on track, with individual projects progressing. 2017/18 is expected to see NAIL delivering a significant portion of its planned units towards the end of the year after a shortfall in 2016/17.

12.5 The Major Repairs and Maintenance programme is also forecasting an underspend of £5m. This may be mitigated by additional fire and electrical programmes that are being investigated and could be delivered under agreed policy objectives.

12.6 There is additional accelerated spend of £1m on HRA Acquisitions and South Kilburn buy backs, where the budget is profiled for 2018/19. This has largely been to manage the overall Board position and maximise the use of Right to Buy capital receipts.

13.0 Capital – Other Boards

13.1 Corporate Landlord (IT, Property, Energy) is projecting a forecast underspend of £0.4m against a budget of £3.5m. The majority of spend of £1.6m relates to IT in respect of One Oracle hosting, network upgrade and telephony projects, overspend of £2m against the budget. This is offset by underspends (£1.6m) in other areas of the budget held by this Board. A comprehensive asset strategy is being developed to fully inform requirements for property management expenditure over the coming months.

13.2 Schools Programme Board is reporting materially on budget. The ability to deliver the £33m outturn directly relates to the three key primary school projects. All other items are broadly on track. Letters of intent and agreement to do early site works have been signed with the relevant contractors. It is currently forecasted that all stage 2 contracts will be signed within the next month, and if that happens the forecast outturn will be achievable.

13.3 An extra £1.6m has been added to the budget in light of monies received to fund 30 hour childcare places, however, these are pay to pay for project costs already expended by schools. The Gordon Brown Outdoor Education Centre's budget of £0.8m is expected to be delivered before the end of the financial year.

13.4 Public Realm board consists of Highways, Parks, Sports and Street-Lighting, and is reporting a £10.5m underspend. There is an anticipated £3.7m slippage on Street-lighting into 2018/19, due to delays finalising the contract. This has not further affected the delivery of revenue savings. On the positive side, the contracted price is expected to cost £1.3m less than the budget, despite challenge on the procurement, the service has managed to deliver greater value for money. CCTV is currently only forecast to spend £0.8 m of the £2.3m in 2017/18, due to delays in the procurement. As a result £1.5m will be slipped into 2018/19. Parks/Landscaping and Sports have a combined underspend of £1.4m, primarily relating to a number of schemes completed in previous years. Highways and infrastructure is on track to fully spend its main programme and Transport for London allocation. £2.4m unused budget relates to unapplied S106 funding. This is likely to be slipped in 2018/19.

13.5 Regeneration spend relates primarily to Housing Zones and shows a forecast variance underspend of £1.6m. This is largely due to a Bridge Park underspend of £1m, unused budget will be slipped into 2018/19. Barham Park scheme is expected to complete in 2017/18 and projected unused budget of £0.3m will be absorbed back into the South Kilburn Programme. There is a further underspend of £0.3m on Housing Zones.

13.6 South Kilburn is expected to exceed its budget by £0.4m, as reflected in its forecast position. However, this is dependent on the level of leaseholder buybacks.

14.0 Conclusion

14.1 Currently, the forecast shows that the financial position for the Council in 2017/18 is broadly on target with revenue overspends in Community Wellbeing and Children & Young People offset by underspend in

Regeneration & Environment, lower than expected growth in Council Tax offset by higher than expected Business Rates, and underspends on DSG, HRA and Capital.

14.2 However, there are some risks identified that could develop into structural issues if the Council is unsuccessful at addressing them. In particular, changes in the temporary accommodation market could significantly increase costs, and action needs to be taken now to ensure that the Procurement and Civic Enterprise savings for 2018/19 are delivered. Subject to these plans being delivered, no new major cost pressures emerging, and the savings agreed by full Council being delivered, the Council should spend within its budget in 2017/18.

14.3 Work is underway to update the financial strategy and budget for 2018/19 and future years to ensure that the Council remains on a secure financial footing. The latest update is presented separately at this meeting.

15.0 Financial Implications

15.1 This report is about the council's financial position in 2017/18, but there are no direct financial implications in agreeing the report.

16.0 Legal Implications

16.1 Managing public money responsibly is a key legal duty, but there are no direct legal implications in agreeing the report.

17.0 Equality Implications

17.1 There are no direct equality implications in agreeing the report.

18.0 Consultation with Ward Members and Stakeholders

18.1 None.

Report sign off:

CONRAD HALL
Chief Finance Officer

Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Resources

Northwick Park, One Public Estate - Update

Wards Affected:	Northwick Park
Key or Non-Key Decision:	Non Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	2
Background Papers:	None
Contact Officers:	Gordon Cooper Project Manager Tel: 020 8937 1739 Gordon.cooper@brent.gov.uk Sarah Chaudhry Head of Property Tel: 020 8937 1705 Sarah.Chaudhry@Brent.gov.uk Althea Loderick Strategic Director of Resources Tel: 020 89371564 Althea.loderick@brent.gov.uk

1.0 Vision

1.1 This is an exciting, ambitious project where Brent leads a consortium of public sector landowning partners, dissolving ownership boundaries and working collaboratively to deliver a residential led regeneration of the area.

1.2 There is a collective vison amongst partners to make Northwick Park a landmark destination of choice, delivering a modernised university hospital, central hubs serving local people, improved infrastructure and transport connections, a common energy strategy, shared services and facilities, and reduced running costs.

1.3 Key objectives for Brent are; more good quality affordable homes, more school places, growth, increased revenue from homes and businesses and generation of growth and skills opportunities within the borough.

2.0 Purpose of the Report

2.1 The purpose of the report is to update Cabinet on Northwick Park One Public Estate initiative, and approve execution of a variation agreement to the existing Memorandum of Understanding, in order for the partners to deliver the vision.

3.0 Recommendation(s)

3.1 Approve execution of variation agreement to Memorandum of Understanding.

4.0 Detail

4.1 Brent received grant funding from the One Public Estate Office (OPE), to lead a consortium of land owning public sector partners in examining the potential regeneration of adjacent landholdings at Northwick Park. The other partners are London North West University Hospital (LNWUH), The University of Westminster and Network Homes Ltd.

4.2 The partners have dissolved boundaries of individual ownership and worked collaboratively to produce proposals with a far greater vision than could be achieved individually. Supported by development and planning consultants, GVA, the partners have prepared a feasibility/capacity study, which outlines the next steps required for the project. (Appendix A)

4.3 The four partners executed a Memorandum of Understanding in August 2017. This outlines common and individual objectives for the project, principles of collaboration, Governance and partnership values. Taking into account likely next steps, a variation to the MOU is attached. (Appendix B), to give a legal framework for partners to progress the proposals.

4.4 The feasibility study looked at site constraints and development opportunities. It considered option appraisals, and outlined planning strategies. The report considered high level financial viabilities and commercial considerations of partners, and an analysis of delivery strategies. Finally it considered phasing and outlined next steps.

4.5 The next steps outlined in the report are broadly;

- Prepare a planning brief for the site. (Feb 18- Dec 18)
- Commission further transport studies. (Feb 18- Dec 18)
- Maximise OPE funding. (ongoing)
- Commission energy feasibility studies. (Jan 18- July 18)
- Consider potential for inclusion of a secondary school. (Jan 18 – July 18)
- Network Homes Ltd and LNWUH to conclude negotiations on NHS owned land. (June 2018)

Timescales are indicative.

4.6 Two agreements will follow from the next steps;

- An infrastructure agreement between all four partners, dealing with delivery of infrastructure of the entire site.
- A joint venture/development agreement between The London Borough of Brent and Network Homes Ltd.

4.7 The next steps and associated agreements have been discussed with partners and a variation agreement developed. (Appendix B). This incorporates the next steps and associated agreements outlined above, with responsibilities and approximate costs.

4.8 Preparation of a supplemental planning brief and a joint masterplan for the site, will allow individual or joint development of the site by partners. Whilst two concept plans have been modelled to illustrate potential development scenarios, it is acknowledged more detailed design, due diligence work and stakeholder consultation is required.

4.9 There have been initial discussions with Brent planners regarding the feasibility study, and the proposal to develop an SPD. It is proposed to progress the masterplan in more detail in parallel with the SPD.

4.10 Brent's objectives in the MOU are; more affordable homes, more school places, growth, increased revenue and employment and skill opportunities.

4.11 The study demonstrates delivery of a number of new homes, of which a significant number will be affordable, growth and increased revenue. Studies are currently being undertaken for the potential to include a secondary school. Although not detailed in the study, employment and skills opportunities will arise from the development taking place.

5.0 Financial Implications

5.1 Brent received an allocation of £270,500 OPE funding for Northwick Park, in round four (2016), and a further £200,000 in round six (2017). A total of £470,500, awarded to Brent, to be spent on behalf of the partners. This will be used to fund consultants to move the project forward.

5.2 The next stage of the project is still to be defined in terms of exact scope and costs. At this stage the indicative costs range from £319,000 to £690,000. A further update will be provided when the project is at a more advanced stage and when costs have been further clarified, however it is anticipated that the total cost will be contained within the total grant amount.

6.0 Legal Implications

6.1 The variation agreement (Appendix B) will deal with the next steps. The document is not legally binding. Consultants will be procured and agreements entered.

6.2 The Localism Act 2011 provides the Council with general powers of competency,

which means it can do anything that the individual can do in the United Kingdom for a commercial purpose for the benefit of the Council, its area or persons resident in its area. In addition section 111 of the Local Government Act 1972 provides for a local authority to do "anything" which is "calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions". Accordingly, the Council has wide powers establish by statute to undertake the commercial activities highlighted in the MOU.

7.0 Equality Implications

7.1 None at this stage.

8.0 Consultation with Ward Members and Stakeholders

8.1 Officers from Brent, Network and London Northwest Health Authority met with ward members on 7th April 2017, to discuss the OPE allocation and Proposed studies at Northwick Park. A further meeting took place on 18th January 2018.

8.2 It is proposed to consult with stakeholders as part of the formation of the planning brief, contained within the variation agreement.

9.0 Human Resources/Property Implications (if appropriate)

9.1 None at this stage.

Report sign off:

ALTHEA LODERICK
Strategic Director of Resources

GVA

An APLEONA company

Report

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Northwick Park One Public Estate Feasibility Study

October 2017

Brent

Network Homes

NHS London North West Healthcare NHS Trust

UNIVERSITY OF WESTMINSTER

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Prepared By: Oliver Maury
Status: Final Report
Document Date: October 2017

For and on behalf of GVA Grimley Limited

1. Introduction

1.1 Northwick Park is located within London Borough of Brent, and adjacent to the border with London Borough of Harrow, northwest London. There are four principal landowners at Northwick Park, as follows:

- London Borough of Brent (the 'Council');
- London Northwest Healthcare NHS Trust (the 'Trust');
- Network Homes Ltd ('Network'); and
- University of Westminster (the 'University').

1.2 The four landowners (the 'Partners') have committed to work together to promote redevelopment of land at Northwick Park in a comprehensive manner. The Partners have signed a Memorandum of Understanding ('MoU') which establishes key joint objectives and individual objectives of each Partner, and an agreed approach to joint-working.

1.3 The Council has secured funding for feasibility work to develop proposals for Northwick Park through the One Public Estate initiative ('OPE'), a programme delivered by the Local Government Association and the Cabinet Office Government Property Unit aimed at delivering new jobs and homes, integrating public services, and driving efficiency in service provision.

1.4 GVA was appointed in April 2017 to provide development, valuation and planning advice to the Partners, in conjunction with architects and other consultants, to determine potential options for the development and delivery of a comprehensive scheme/masterplan at Northwick Park. GVA has been supported by PRP Architects ('PRP') and Peter Brett Associates ('PBA') in understanding technical design and transport constraints at the site and defining capacity for redevelopment.

1.5 The following report provides an overview of the respective findings of each consultant, including GVA, as a basis for determining a broad delivery strategy for a comprehensive scheme at Northwick Park. In doing so the report also summarises the key commercial considerations for the Partners resulting from capacity studies and Partners' stated priorities and objectives.

1.6 Site constraints, design approaches and indicative concept plans are summarised where appropriate to inform the commercial approach; detailed supporting information is provided in separate technical reports appended to the main text.

2. The Site

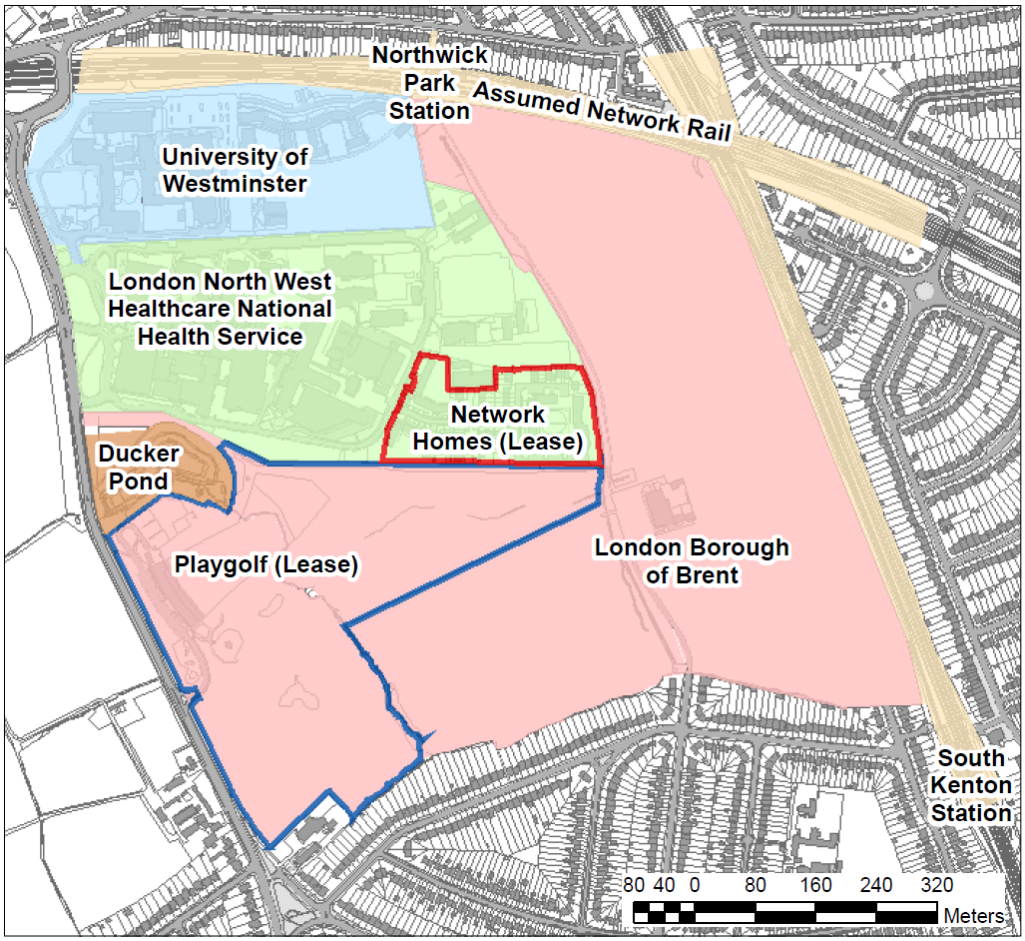
2.1 Northwick Park is located immediately to the south of Northwick Park train station, in the London Borough of Brent in north-west London.

2.2 The site comprises a number of different uses:

- Northwick Park Hospital;
- Playgolf 9-hole golf course and driving range (incorporating baseball batting cages, fitness suite, golf shop and restaurant;
- sports pitches, public park and pavilion;
- University of Westminster; and
- Ducker Pond, the site of a former outside swimming pool, now overgrown.

2.3 The locations and extents of these uses is demonstrated in the plan below:

Figure 1: Land Usage and Ownership Plan



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2.4 Council freehold ownership is shown by the pink shading. Part of the Council ownership is subject to a long leasehold interest (shown bounded by a dark blue line) held by Playgolf Ltd.

2.5 Trust freehold ownership is shown by the light green shading. This ownership is subject to a long leasehold interest (shown bounded by a red line) held by Network.

2.6 University freehold ownership is shown by light blue shading.

2.7 The brown shaded area is held freehold by Nilkanth Estates.

3. Site Constraints

3.1 The site is subject to a number of major constraints which have been established by the consultant team and the Partners, and used to inform the assessment of development capacity at the site. These are summarised below:

Planning

3.2 All of the Council freehold ownership, and the Ducker Pond, is designated as Metropolitan Open Land ('MOL'). This effectively affords it the same planning status as Green Belt, where development for uses other than those deemed appropriate for the Green Belt will be refused unless there are exceptional circumstances. The same land area is also designated as local open space.

3.3 The Ducker Pond area is designated as a Site of Importance for Nature Conservation Grade I, being of high biodiversity value. This designation extends to part of the Playgolf site, particularly the hedged area at the boundary. Part of the site also forms a section of the Capital Ring public walkway. Policy seeks to preserve and enhance the habitats in these areas.

3.4 There is site specific local policy for the Trust land and Ducker Pond area in combination. This supports redevelopment of the hospital for new hospital space, plus ancillary retail and leisure uses, and enabling residential development on any land deemed surplus to the hospital. Under the policy, any development should be in accordance with an agreed masterplan, and the Ducker Pond should be conserved and enhanced. Policy also supports provision of step-free access at Northwick Park station.

Transport

3.5 Vehicular access to the site is from Watford Road. Watford Road is already often congested with traffic moving between the Harrow and Wembley areas, and visiting Northwick Park Hospital. New development at the site is only likely to increase pressure on this route and therefore mitigation measures are likely to be necessary.

3.6 There are a number of different access and egress points along Watford Road for the various site uses, including a particular concentration near the hospital entrance. There may be the potential for some consolidation of these routes.

3.7 Within the site, there is a 'ring road' around the Hospital which is used by a combination of staff and visitors, and in particular at the southern portion, by emergency services accessing the A&E department. It is imperative that the development should not impede this emergency route.

3.8 There is a secondary vehicular access to the site from Norval Road to the south. This is used to access the existing pavilion and associated car park only, and is not a route to any other uses on site. Norval Road and the surrounding streets are residential in nature and have limited capacity for any greater traffic movements; the roads are narrow and typically double-parked.

3.9 The site is served by Northwick Park (Metropolitan line) and South Kenton (London Overground and Bakerloo line) stations. Pedestrian access from South Kenton is relatively poor, but there are paved paths to all the main site uses from Northwick Park station. Access from Northwick Park station is, however, through a very narrow brick tunnel. There is no step-free access.

Operational

3.10 The University and hospital, including accommodation for Trust staff and hospital visitors on the Network land, are operational institutions and any development on the site will need to preserve continuity of operations.

3.11 Given this constraint, Partners have agreed that the 'teaching' areas of the University and parts of the Trust land within the hospital ring road will not be considered as available for redevelopment at this time.

3.12 Those other areas which may be considered for redevelopment will require decant of existing uses such that re-provision will be required prior to the development of operational land. This includes:

- hospital staff car parking;
- Trust accommodation (unless re-provided elsewhere in the local area); and
- student accommodation.

4. Design Development

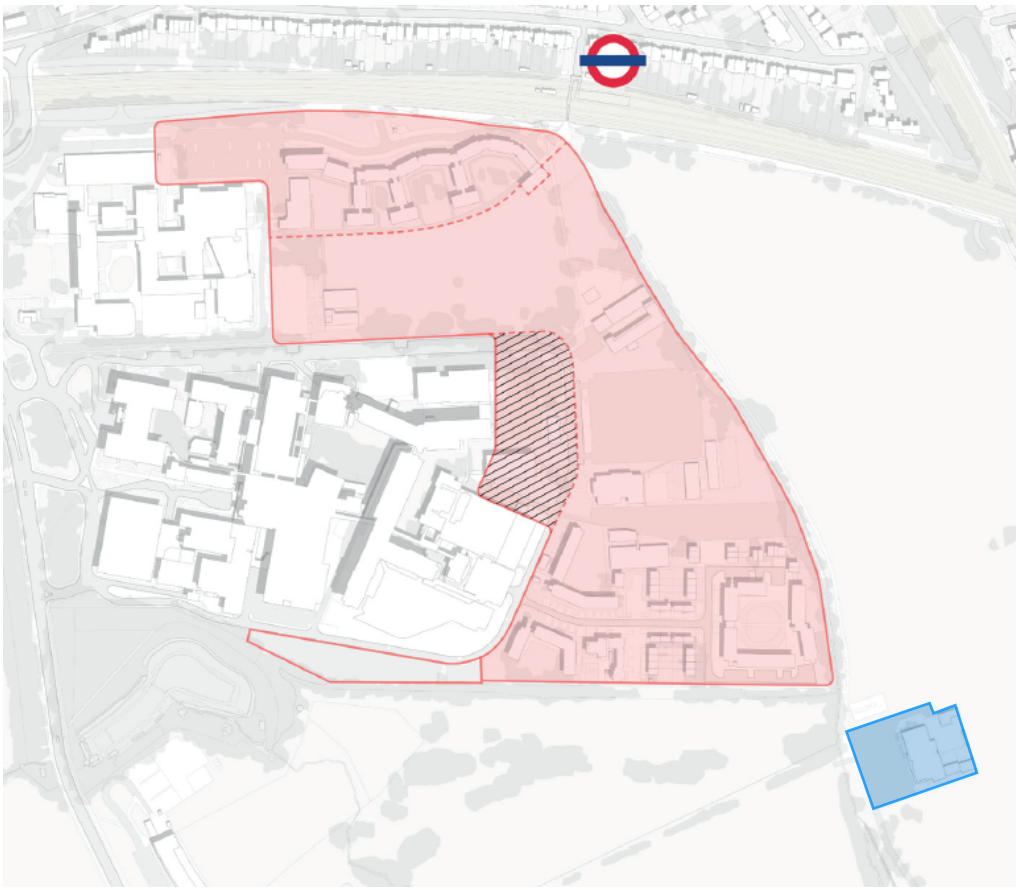
4.1 PRP has undertaken site capacity studies for the potential development of Northwick Park. This work has been informed by the constraints identified in section 3, though discussion with PBA on transport impacts and GVA on planning parameters, and with reference to the development parameters prepared as a brief to PRP following the first Partner workshop.

4.2 At the same Partner workshop, it was established that the following areas would not be considered for development, at least for initial testing:

- Playgolf golf course, thought there was the potential to use this land as a vehicular access point;
- Northwick Park playing fields, due to their restrictive planning designation as Metropolitan Open Land and a desire to retain the asset;
- the hospital site within the ring road, as this is an operational asset which will be the subject of a separate estates review to be carried out by the Trust. This land is not considered surplus to requirements at this time. The potential for wholesale relocation of the hospital into the MOL was considered, but was rejected as a proposal due to the high associated planning risk; and
- the 'teaching' parts of the University, i.e. all buildings other than the existing student accommodation. Similarly, these buildings are operational and not considered surplus.

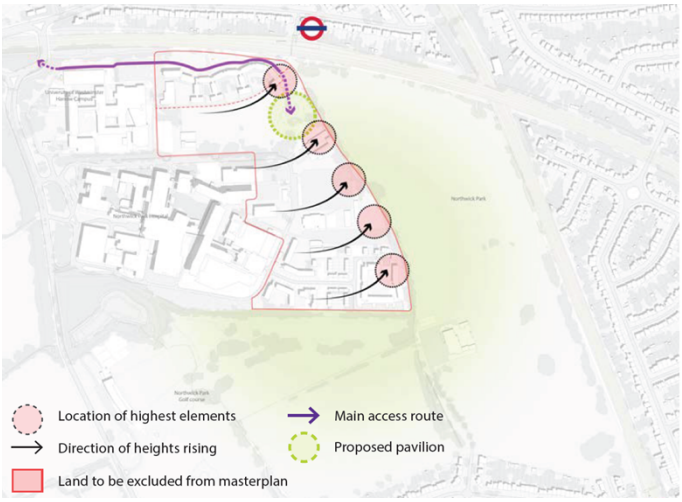
4.3 This provided for an area to be considered for development as illustrated by the red line in the plan below. The black shaded area was to be assessed but it was noted that this area is part of that to be included in the Trust's plans for potential reconfiguration of the hospital, and as such may not be available or only available in part. The pavilion area, illustrated with blue shading, is to be included in the scheme in order to enable the inclusion of MOL land near the station, but is not an area for development:

Figure 2: Development Area



4.4 Following these design parameters, PRP produced some early design options for the site as illustrated below.

Figure 3: Early Design Proposals





Option 1



Option 2



Option 3

4.5 Variance to the options proposed was primarily based on access to the site, the total extent of site area to be included, whether the existing pavilion was included in the scheme, and the approach to distribution of heights and massing across the site.

4.6 A number of key design principles emerged from the early iterations which were common to all options:

- a desire to blend the scheme into Northwick Park along the eastern edge;
- the concept of central squares, acting as 'hubs', distributing the non-residential uses across the site with directly related uses sited placed closest to relevant institutions;
- perimeter blocks to provide floorspace efficiency and maximise residential amenity;
- undercroft car parking to all blocks in order to provide the necessary number of spaces; and
- creating a strong sense of arrival from Northwick Park station.

4.7 Following further discussion with Partners, it was resolved to:

- investigate further the potential to include a secondary school on site;
- to further consider vehicular access through either Playgolf or Ducker Pond;
- examine the potential for greater density in the highest value areas of the site;
- revisit the potential to initiate a wholesale land swap of the area of MOL closest to the station with the south-eastern section of the development site, subject to consultant views on planning risk and impacts to programme;
- definitely include the smaller MOL swap involving the existing pavilion area and the area immediately to the south of Northwick Park station;
- further investigate the feasibility of creating a new exit on the Watford Road roundabout to serve a northern access road; and
- better define required traffic interventions at Watford Road.

5. Illustrative Concept Plan

5.1 Following a number of Partner workshops and discussions, a final set of concept plans have been developed by PRP illustrating the potential development capacity of the site under a number of scenarios:

- Option A – development of the site excluding the existing student accommodation within the University land;
- Option B – development of the site including the existing student accommodation within the University land, to be re-provided. Further sub-options are included for this scenario:
  - Option B1 – as Option B but incorporating a secondary school; and
  - Option B2 – as Option B but assuming greater density in the highest value area of the site.

Figure 4: Concept Plan Proposals



Option A



Option B



Option B1



Option B2

5.2 GVA has adopted different floorspace efficiency assumptions to those adopted by PRP, and assessed the scheme on a policy compliant basis. This provides for the following residential unit numbers and non-residential areas:

Table 1: Concept Plan Development Capacities

Use	Option A	Option B	Option B1	Option B2
Existing Uses Redeveloped				
Trust Staff and On-call units	c 330	c 330	c 330	c 330
Network Homes	c 320	c 320	c 320	c 320
Student Bed Spaces	-	c 620	c 620	c 620
Private Dwellings (adj. Pavilion)	2	2	2	2
Northwick Park Pavilion (NIA)	c 9,000 sq ft	c 9,000 sq ft	c 9,000 sq ft	c 9,000 sq ft
Retained Uses				
Student Bed Spaces	c 620	-	-	-
Development Capacity				
Private Residential (units)	545	645	454	688
Affordable Rent (units)	575	667	491	707
Shared Ownership (units)	216	255	180	273
PRS (units)	175	207	146	221
Student Accommodation (bed spaces)	424	1,381	1,223	1,381
Trust Accommodation (units)	580	580	580	580
All Residential Units	***c 3,135***	***3,735***	***3,074***	***3,850***
Net Additional Residential Units	***c 1,865***	***c 2,465***	***c 1,804***	***c 2,580***
Foodstore (NIA)	3,200 sqft	3,680 sqft	3,200 sqft	3,921 sqft
Flexible Retail (NIA)	4,800 sqft	5,520 sqft	4,800 sqft	5,881 sqft
Gym (NIA)	15,000 sqft	17,249 sqft	15,000 sqft	18,380 sqft
GP Surgery (NIA)	8,000 sqft	9,199 sqft	8,000 sqft	9,802 sqft
Pharmacy (NIA)	800 sqft	920 sqft	800 sqft	980 sqft
Flexible Non-residential (NIA)	11,966 sqft	14,832 sqft	6,855 sqft	18,380 sqft
School (NIA)	-	-	290,000 sqft	-

Use	Option A	Option B	Option B1	Option B2
All Non-residential Floor Area (NIA)	***44,000 sqft***	***51,000 sqft***	***329,000 sqft***	***37,000 sqft***

5.3 The Options provide the following residential tenure mix:

Table 2: Concept Plan Tenure Mix – All Residential Uses

Use	Option A	Option B	Option B1	Option B2
Student Accommodation (bed spaces)	17%	37%	40%	36%
Trust Accommodation (units)	23%	16%	19%	15%
Private Residential (units)	22%	17%	15%	18%
PRS (units)	7%	6%	5%	6%
Affordable Tenures	32%	25%	22%	25%
of which:				
Affordable Rent (units)	23%	18%	16%	18%
Shared Ownership (units)	9%	7%	6%	7%

5.4 We also set out below for reference purposes the proposed tenure mix relating to net new residential accommodation only (excluding student also).

Table 3: Concept Plan Tenure Mix – Net Additional Residential Only (Excluding Student)

Use	Option A	Option B	Option B1	Option B2
Private Residential (units)	38%	38%	38%	38%
PRS (units)	12%	12%	12%	12%
Affordable Tenures	50%	50%	50%	50%
of which:				
Affordable Rent (units)	35%	35%	35%	35%
Shared Ownership (units)	15%	15%	15%	15%

5.5 Table 3 demonstrates that the Options meet the local policy requirement for 50% affordable housing, on the basis of net additional units in excess of existing affordable units. It is assumed for this purpose that the existing Trust accommodation is classified as affordable, and therefore its re-provision is excluded from this table given it is the net additional units only which are assessed. The student accommodation units are also excluded as they do not give rise to an affordable housing requirement, on the assumption that the units would be direct let to the University.

5.6 These concept plans illustrate potential approaches to the redevelopment of the site, but more detailed design and due diligence work, including further investigation into site access, is required in order to progress to a masterplan for the site. The concept plans establish indicative development capacity at the site which provides an indication of the scale of the opportunity at the site.

5.7 The capacities can also be used for viability testing, providing illustrative figures for the development proposals to give context and shape potential routes to delivery including the establishment of commercial relationships between the Partners.

6. Planning Strategy

6.1 Having defined the concept plan, GVA has considered how best to progress the development in planning terms. The planning strategy is based on the aim of optimising the potential of the site, in terms of the delivery of planning policy, and broader Partner objectives.

6.2 Key to this will be to follow a site-wide comprehensive approach. This will be dependent on establishing a set of site-wide development principles within which development will be brought forward. This should cover the key planning issues associated with the site, including:

- principle of development;
- land uses (and spatial distribution);
- access and movement principles;
- layout and scale;
- Metropolitan Open Land and Green Infrastructure; and
- infrastructure and delivery.

6.3 The planning system has a key role to play in establishing and formalising these principles, via a number of different mechanisms, including:

- A site wide outline planning consent, which would be prepared by the Partners (with the involvement of the Local Planning Authority, local community, and other stakeholders);
- An Area Action Plan, which would establish a site-specific set of development plan policies, against which a future planning application(s) would be determined. This would be prepared by the Local Planning Authority (with support/involvement from the Partners and local community); and
- A Planning Brief, which would provide site specific guidance on the implementation of existing planning policies, and which would be a material consideration in the determination of a future planning application(s). This would be prepared by the Local Planning Authority (with support/involvement from the Partners and local community).

6.4 The table below summarises some pros/cons of each of the above options:

Table 4: Potential Planning Approaches

Option	Advantages	Disadvantages	Timescales
Outline Planning Application	• Establishes the greatest level of planning certainty, including rigorous assessment/testing, and	• Limits flexibility for individual Partners • Requires Partners to reach agreement on detailed planning principles in the	18-24 months

Option	Advantages	Disadvantages	Timescales
	s.106 matters (to de-risk the project) • Partner control	short term • Costly and time-consuming	
Area Action Plan	• Establishes significant site specific planning certainty, to support the preparation and determination of future planning applications	• Local Planning Authority-led, with Partners influencing content as 'stakeholders' • Resource intensive	18-24 months
Planning Brief (Supplementary Planning Document - SPD)	• Establishes broad site-specific guiding principles • Acts as a development brief for decision-making, de-risking planning applications when they come into the Council for decision-making • Quick and 'resource-light' to prepare	• It is not adopted guidance and so does not hold as much weight as an AAP • Local Planning Authority-led, with Partners influencing content as 'stakeholders' • Likely requires a Sustainability Appraisal	6-9 months
Planning Brief (non-statutory guidance)	• As per SPD but quicker and less resource required to prepare	• As per SPD, but would carry less weight	4-7 months

6.5 It is GVA's view that either of the Planning Brief options would establish sufficient planning certainty to optimise development i.e. set parameters for a coherent overall scheme across ownership boundaries, albeit a full SPD would provide some additional planning weight with few dis-benefits other than the additional timescales and resource involved. GVA therefore recommends the following planning strategy:

- Prepare and deliver a Planning Brief SPD in accordance with the following principles:
    - it would be prepared by the Local Planning Authority (or their consultants), however we would recommend establishing a Partner steering group (or similar) to guide its content;
    - it should be informed by a site specific evidence base covering each of the key issues referred to above;
    - it should be subject to public consultation at the draft stage (including options); and
    - it will likely require a Sustainability Appraisal (which will require public consultation).

6.6 It is envisaged that following the publication of the SPD, outline or hybrid applications would be progressed by landowners either individually or jointly, depending on the outcome of commercial discussions.

7. Viability Analysis

7.1 GVA has taken the development capacities produced by PRP and used these to undertake viability analysis of the development proposals. This analysis has been undertaken using Argus Developer software and assumptions based on market assessment and GVA experience of similar schemes in London.

7.2 The viability analysis has been undertaken in order to establish the broad potential development economics of a scheme at Northwick Park, providing Partners with an indication of the broad order of scale of the opportunity. The results of the appraisals have also formed part of the consideration of the most appropriate and deliverable approach to promoting the Northwick Park scheme, described further in Section 8. The results of various appraisal scenarios and iterations have been used in determining factors such as extent of land to be included in the scheme, potential development mix, and the extent of Partner joint-promotion of land.

7.3 Key conclusions of this analysis are as follows:

- iterations of appraisals run on a fully policy-compliant basis, where 50% of net additional residential uses are affordable are at the margins of viability, before any consideration of the value of existing uses;
- alternative iterations of the appraisals run with 30% of net additional residential units being affordable, are viable, albeit before any consideration of the value of existing uses; and
- B2 is the most viable option, illustrating the value of increased density.

8. Delivery Strategy

8.1 GVA has held a number of discussions with the Partners to establish commercial considerations from each, building on the MoU objectives. Considering these, as well as key elements of the concept plan and the viability analysis results, GVA has formed a view of a potentially deliverable partnering approach for the Northwick Park opportunity.

General Recommended Delivery Approach

8.2 Based on our findings to date, GVA does not consider that a **formal joint venture** between the Partners would be appropriate. In particular this is because Partners do not all share a desire to have actively participate in development, whilst the commercial incentives for such a structure are also questionable given prevailing development economics. This structure is also likely to carry significant cost and resource implications which would not be attractive to most Partners, whilst exposure to risk and development participation is not a priority across the board.

8.3 Due to divergence in Partner timescales and preferred approaches to participation, GVA is also of the view that an **overarching development agreement** would not be appropriate. Some Partners are less concerned about retaining significant controls over the development site, or about committing their land contractually within a short timeframe. An overarching development agreement would also most likely entail a fairly protracted procurement process for the entire site.

8.4 GVA therefore considers that the most appropriate approach, given stated Partner objectives and preferences, as well as prevailing development economics, would be to **allow for individual Partners to progress development themselves within the context of an agreed development framework** crystallised by an agreed masterplan and associated Planning Brief SPD, as in Section 6.

8.5 This strategy still allows for land deals between Partners to facilitate development across current ownership boundaries, for example through a series of conditional land sales, or development agreements between 2 or 3 of the Partners across only a part of the site.

8.6 Critically the comprehensive delivery will also need to be supported by an Infrastructure Agreement between the Partners, to enable joint delivery of the up-front infrastructure required to unlock the site and ensure maximum returns to the scheme/Partners.

8.7 It should be noted that, whilst this approach is considered most deliverable given the preceding sections of this report, it is not the only potential approach to delivery of development at Northwick Park, particularly if circumstances change.

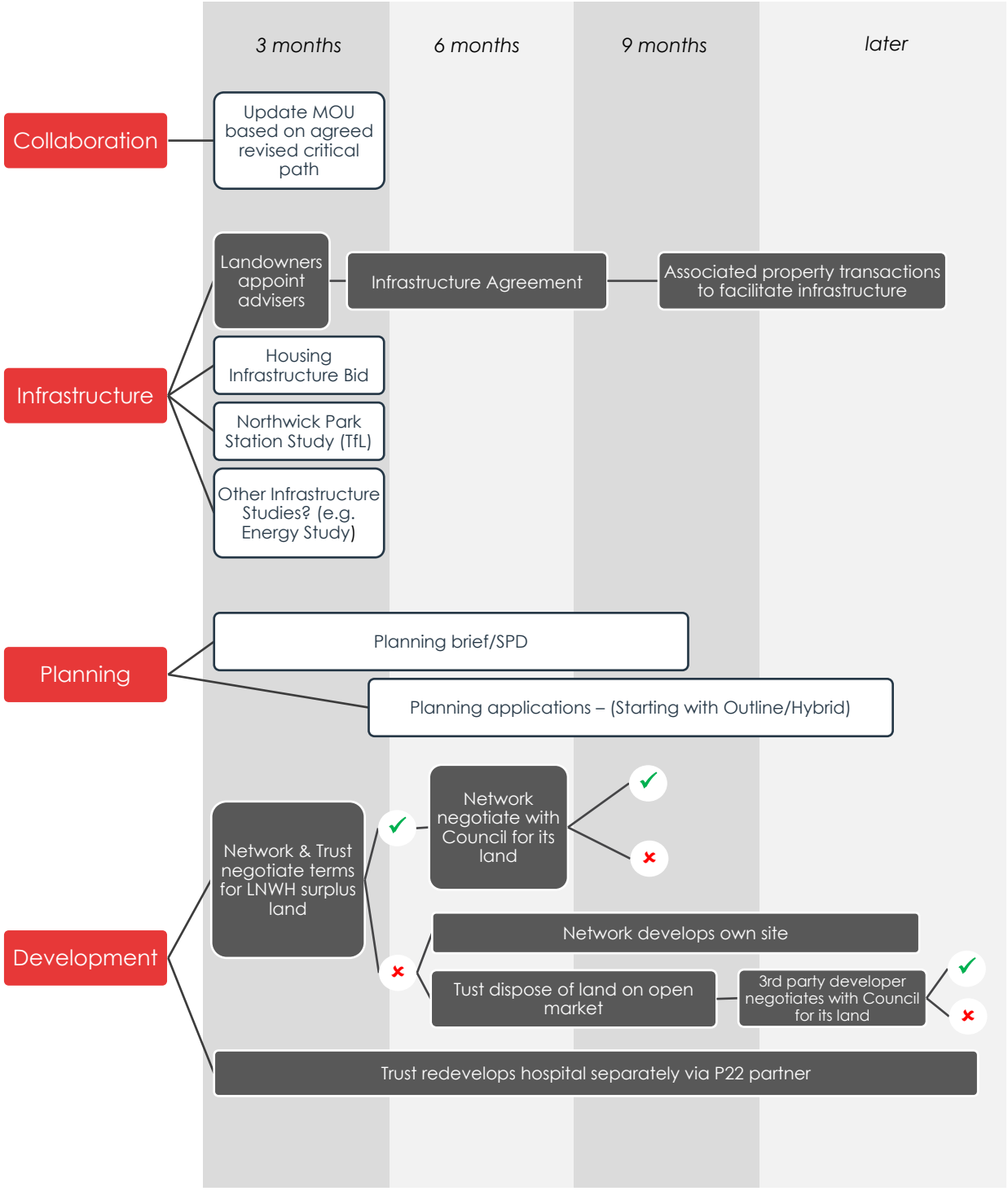
Delivery Themes

8.8 This approach to delivery can be broken down into the following themes:

- Collaboration;
- Infrastructure;
- Planning; and
- Development.

8.9 Broad timescales and key dependencies between these themes are illustrated on the diagram below; the themes are then further described each in turn.

Figure 5: Delivery Strategy Illustration



Collaboration

8.10 It is envisaged that Partners may wish to revisit the MoU following consideration of this report. This may include:

- assessment of whether any refinement of the objectives is required, potentially including more specific elements of the scheme;

- expansion of the stated Partner roles and responsibilities to refer to any of the various actions described in this section;
- consideration of critical path/timescales; and
- potentially adding a section on seeking and providing funding for relevant studies, undertaking design, or works.

Infrastructure

8.11 A number of infrastructure items are required to be delivered up-front in order to enable the scheme to progress. These include:

1. works to Watford Road to consolidate junctions and enable a right-turn entry to the site;
2. delivery of a new access road for the use of development traffic;
3. a new energy centre, which may take the form of a CHP or form part of a wider Harrow District Heating Network, to serve the development as well as the hospital;
4. a new multi-storey car park to allow for re-provision of visitor parking spaces which will be lost through redevelopment of the Trust land;
5. upgrade works to Northwick Park station, likely to include provision of step-free access and reconfiguration of existing pedestrian access to increase capacity. This could be undertaken in tandem with the first phase of development rather than before;
6. new and improved pedestrian routes to other local amenities including Harrow town centre and South Kenton station. This is not necessarily a prerequisite for development; and
7. enhancements to the Northwick Park MOL as part of the planning case for the proposed MOL land swap with the existing pavilion. This could be delivered in stages as part of scheme planning applications rather than as up-front infrastructure.

8.12 Items 1 to 3 above are of particular importance, and are required to enable any development. 4 and 5 are required to enable delivery of any land beyond that held by Network.

8.13 In order to deliver these works, Partners will need to come to agreement on the actual design and siting of the works, how to fund and procure them, and what property agreements (e.g. land ownership transfers/consolidation, access rights etc.) will be required. An Infrastructure Agreement would seek to facilitate this.

8.14 Further due diligence may be required firstly to decide on what form some of the infrastructure may take. We understand that commissioning a feasibility study for Northwick Park station upgrades is currently being considered for example. Such a study would be beneficial in helping to define the extent of works that may be required, and the potential cost and sources of funding. Similarly, further detailed transport assessment may be required to establish the

feasibility and nature of works to Watford Road, to determine the preferred route for the new access road, and to confirm the feasibility of including a school on site as per Option B1; and a technical study may be required to confirm energy requirements, including connections to a wider network.

8.15 Following this, it is proposed that a legal agreement will be drawn up between the parties to define the development obligations of each party in relation to infrastructure. This Infrastructure Agreement might include:

- Partner commitments to sourcing funding, either from internal resource or from third party sources. This will include potentially seeking debt funding, and supporting bids for public funding. A Housing Infrastructure Fund bid has recently been submitted and, if successful, a further due diligence stage is likely to follow which will require the provision of information, and possibly resource, form Partners;
- property transactions. The provision of infrastructure will in some cases require the Partners to agree terms for transfer of ownership of land, the grant of access rights, and/or the grant of licences or other rights to carry out works. The Agreement will set out what forms of transactions are agreed, and either the principal terms or the process by which terms will be agreed;
- securing necessary consents. Partners may need to obtain internal consents from boards or committees to progress with the delivery of infrastructure, including approving the transactions above. Statutory consents will also be required in order to deliver the Watford Road improvements, which Partners, and the Council in particular, will need to support; and
- delivery obligations, including internal consents.

8.16 The Infrastructure Agreement will also put deadlines to all of the above, agreed between the Partners, in the form of longstop dates.

8.17 Legal advice will be required to draft the Agreement. Partners may wish to appoint lawyers individually, or it may be possible to jointly instruct lawyers to act on behalf of all parties. Even in that event, Partners may wish to seek legal opinion of their own.

Planning

8.18 The proposed planning strategy for Northwick Park was outlined in Section 6. Under this strategy a Planning Brief SPD will establish over-arching design principles for the site, and will carry sufficient weight to guide a comprehensive form of delivery. Even if a non-statutory Planning Brief is chosen as the preferred approach, the Planning brief in any case will need to cover a number of key principles for the development of the site, including:

- MOL land swap with the pavilion;

- height and massing parameters;
- proposed use types; and
- layout and movement principles.

8.19 The Planning Brief will also have to be specific about the proposed form of access to the development, so a decision on access options will be required relatively quickly.

8.20 Notwithstanding this, the Planning Brief can be undertaken straight away and completed within c 9 months. Some additional design work may be required to finalise preferred approaches and to articulate proposals in terms of design principles and parameters, but it is not anticipated that designs are required to be worked up to significantly greater detail than they have been already.

8.21 It is envisaged that Partners will progress their own planning applications, either individually or jointly depending on Partners' preferences, with the Planning Brief providing context. Applications can be worked up at the same time as the Planning Brief is being prepared, provided that both processes are in close contact to ensure there is no inconsistency.

Development

8.22 GVA envisages a staged process to Partners agreeing terms for land disposal and partnership.

8.23 Given the existing progress of discussions, it is envisaged that Network and the Trust will firstly seek to agree terms for the acquisition of the Trust land by Network for redevelopment, including the southern car park area to be developed as a multi-storey car park if this has not been covered as enabling infrastructure under the Infrastructure Agreement. This will also include obligations to re-provide car parking spaces and Trust accommodation within a prescribed period of time and, in the latter case, within a prescribed geographical area. GVA would suggest this could be concluded within c 3 months.

8.24 If these discussions are successful, GVA would then anticipate that the Council would deal with Network for the inclusion of its land. Subject to legal advice, as Network would be an adjoining landowner and developer, the Council may be able to use exclusive rights arguments to treat directly and exclusively with Network, subject to demonstrating Best Consideration.

8.25 Given the Council's role in the scheme as primarily a promoter, with potential for investment, it is anticipated that this transaction may take the form either of a conditional land sale or sale subject to a Development Agreement. The Council is likely to want limited control over some items in particular:

- the form of replacement pavilion facilities;

- the timing, quality and quantum of commercial assets in which the Council is seeking to invest, if appropriate; and
- the provision of any public funding, including with reference to milestones, outputs or longstop dates.

8.26 This is a suggested chronology of events, but in practice it may be appropriate for the relationship with the Council to be crystallised jointly with the Trust and Network.

8.27 GVA is aware that the Trust will have obligations to demonstrate best value, and it may be that for this or any other reason agreement is not able to be reached with Network. In that event, Network may be able to progress its own detailed application for its own site, within the overarching planning framework set by the Planning Brief. The Trust would then market its interest openly, and Network would be able to bid within this process as would any other third party. Using the same exclusive rights arguments, the Council could then treat with the successful bidder, subject to legal advice.

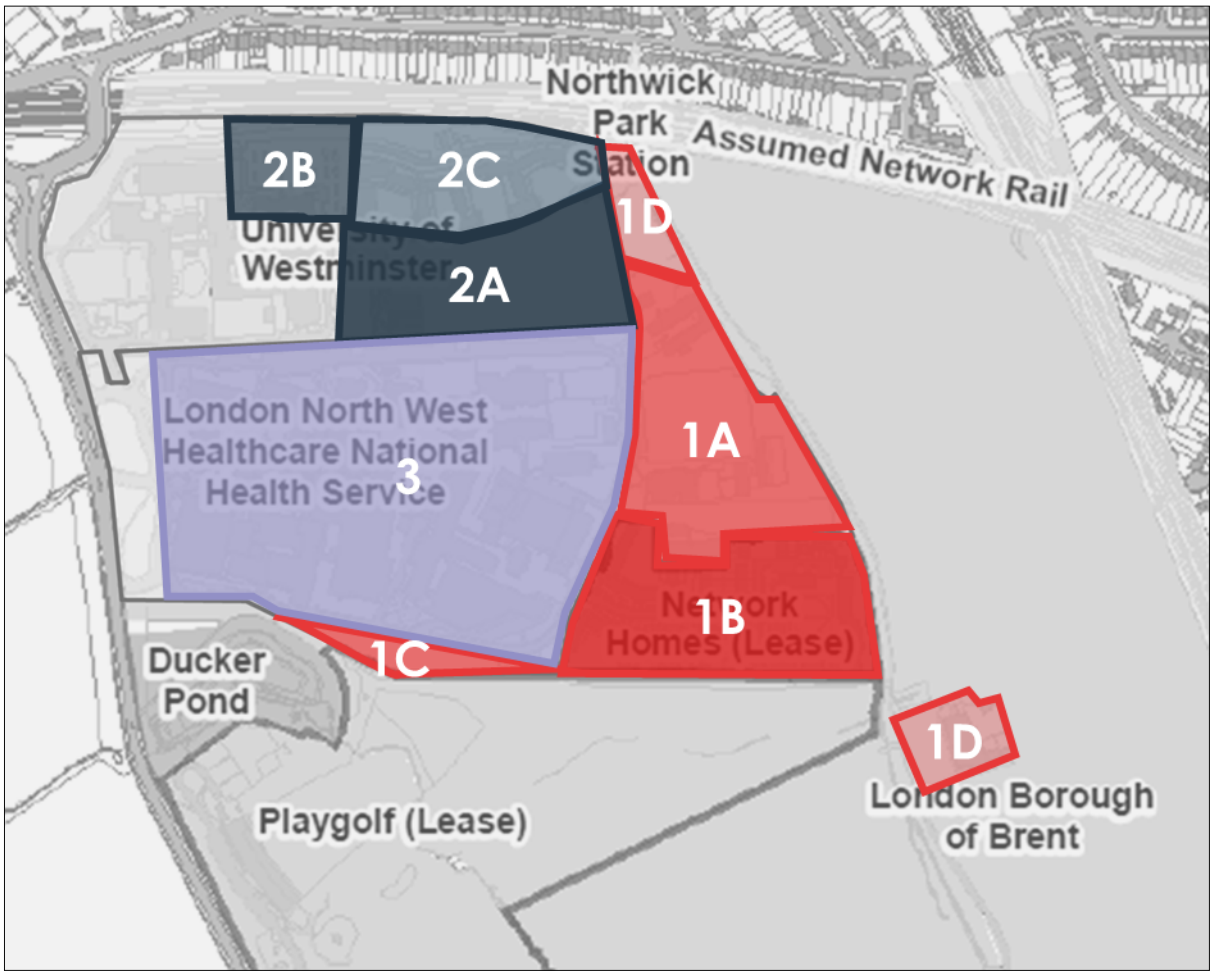
8.28 Alternatively, in this sequence of events where the Trust and Network do not agree terms, it may be appropriate for the Trust to align its disposal with the on-going hospital masterplanning, which may delay disposal. It may be appropriate at that point for the Council to liaise with the Trust and include its land in the eventual disposal, with conditions as it considers appropriate, potentially in the form of a Development Agreement to which the Trust could be party.

8.29 It is anticipated that the inclusion of the University land is likely to follow after the Network, Trust and Council parcels. Depending on when the University land comes forward, it could be marketed separately, or potentially be combined with the disposals of the Trust and Council. It is considered, however, that in the first instance the University is unlikely to participate in disposals (other than as may be necessary for infrastructure purposes), albeit equally it would not seek to frustrate the future development potential of its land as part of the Planning Brief exercise (i.e. as a later phase).

Scheme Phasing

8.30 Taking the above into consideration, the plan illustrates a potential approach to phasing the delivery of the development.

Figure 6: Indicative Phasing Plan



8.31 This plan is indicative, and whilst the scheme may come forward in the sequence shown, in reality they may overlap, particularly in the case of sub-phases within a phase, shown with the same colour shading. Is it assumed that all of the above land parcels are developed following the provision of key up-front infrastructure, including Watford Road works and the new access road, as well as determination of an acceptable vacant possession strategy.

8.32 Phase 2C, the existing student accommodation, is shown as a potential later phase, though the scheme could come forwards without it, as per Concept Plan Option A.

8.33 Phase 3 is shown to represent the potential for the imminent masterplanning of the hospital site to give rise to potential joint development. It will be important to maintain a dialogue about the emerging plans for the hospital to ensure that any opportunities for mutual improvement of the two schemes are identified.

8.34 It is very difficult to estimate a programme for delivery at this stage, given timing will depend on a variety of factors including:

- Partner decisions regarding land disposal;

- the delivery approach including whether some uses or land parcels can be disposed and delivered separately from the main scheme;
- the density of the final scheme;
- the planning approach;
- prevailing market conditions including market absorption rates; and
- the eventual scheme mix including proportions of any tenures which could be pre-sold including affordable housing, PRS and student accommodation.

8.35 Broadly, dependent on these factors, we anticipate an approximately 10 – 15 year development programme for the scheme, taking Option B as a guide. This includes an assumption that the student and Trust accommodation would be directly contracted. This would provide for an overall average delivery rate of approximately 240 – 359 units per annum, or 93 – 163 units per annum for standard residential only.

Funding

8.36 A number of activities, studies and works have been described in the preceding text as potentially necessary to progress development. These will require funding from the Partners or other sources; Figure 5 illustrates those where the cost may be met in whole or in part by OPE funding. The costs and their potential sources of funding are summarised in the table below:

Table 5: Promotion Costs and Funding

Item	Indicative Cost	Potential Funding Sources
Planning Brief	c £50,000 - £70,000	• OPE • Partner investment
Technical Studies (transport, energy, station)	c £40,000 - £70,000	• OPE • Partner investment
Up-front Infrastructure (Watford Road works, access road, MSCP)	c £15m - £18m	• Partner investment • Grant funding (HIF) • Packaged within land disposals (will require coordinated disposals)
Planning Applications	c £1m per application (cost will depend on scale and whether outline/detailed/hybrid)	• Partner investment (individual or joint) • Packaged with land disposals (subject to planning)

9. Next Steps

9.1 In order to further promote the Northwick Park development, a number of actions are proposed throughout the preceding section. The most immediate of these are summarised below for ease of reference:

1. determine potential for OPE funding to be utilised for further technical studies and preparation of a Planning Brief, otherwise seek funding from Partners
2. commission further transport technical feasibility work to decide the optimal access route(s) to the site and feasibility of including a school;
3. decide whether technical energy feasibility work is required – it may be possible to obtain this from existing work being undertaken in relation to the Harrow District Heat Network;
4. commission Northwick Park upgrade feasibility study;
5. revisit the MoU, consider any need to amend or add clauses;
6. prepare a Planning Brief;
7. Network and the Trust to seek to conclude discussions;
8. Partners appoint commercial and legal advisers as necessary; and
9. prepare Infrastructure Agreement.

9.2 As described in Section 8, GVA anticipates these actions could be substantially completed within the next 6 – 9 months. It will be possible to promote outline or hybrid planning applications in conjunction with the Planning Brief, provided Partners have sufficiently established the likely extents of each planning application within this timeframe.

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VARIATION AGREEMENT

DATED day of 2018

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF BRENT

And

LONDON NORTH WEST UNIVERSITY HEALTHCARE NHS TRUST

And

THE UNIVERSITY OF WESTMINSTER

And

NETWORK HOMES LTD.

VARIATION AGREEMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE NORTHWICK PARK ONE PUBLIC ESTATE PROJECT.

THIS VARIATION AGREEMENT is made on day of 2018

Between

(1) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF BRENT** of Brent Civic Centre, Engineers Way, Wembley HA9 OFJ (Partner One).

(2) **LONDON NORTH WEST UNIVERSITY HEALTHCARE NHS TRUST** of Northwick Park Hospital, Watford Road, Harrow, HA1 3UJ [ADDRESS] (Partner Two).

(3) **UNIVERSITY OF WESTMINSTER** of 309 Regent Street, London, W1R 8AL (Partner Three).

(4) **NETWORK HOMES LIMITED** of Olympic Centre, 8 Fulton Road, Wembley, Middlesex HA9 0NU (Partner Four).

together the "Partners".

Whereas

(A) The Partners have entered into a Memorandum of Understanding dated 9th August 2017, to deliver the outputs of Brent's One Public Estate Phase 4 delivery plan in respect of Northwick Park and to deliver common and individual Partner objectives.

(B) The Partners have commissioned consultants to develop proposals for the redevelopment of Northwick Park. This has resulted in a Feasibility Study, dated November 2017, prepared by GVA.

(C) The feasibility study sets out next steps, for partners to take to further promote the Northwick Park regeneration, namely;

1. Prepare a Planning Brief;

   Responsible Partner, Brent

   Approximate cost £50,000-70,000 planning consultant.

   £50,000- 120,000 technical consultants

2. Commission further transport technical feasibility work to decide;

   - Optimal road access route(s) to the site
   - Footpath and cycleway upgrades, including improvements to Capital Ring.
   - Northwick Park tube station upgrade feasibility study;
   - Increased bus capacity and increase PTAL

   Responsible partner, Brent

   Approximate cost £50,000 – 70,000. (Consultancy costs)

   TFL high level study £25,000

3. Determine potential for OPE funding to be utilised for further technical studies and preparation of a Planning Brief, otherwise seek funding from Partners.

   Responsible Partner, Brent

4. Commission technical energy feasibility work. Energy strategy and Project specific intentions.

   Responsible Partner, Brent

   Approximate cost £30,000 - £60,000

5. Consider options for inclusion of a school, including further transport technical feasibility, subject to resolution of any partner concerns

   Responsible partner, Brent

   Approximate cost £25,000 – 45,000

6. Network and the Trust to seek to conclude discussions on possible land sale;

   Responsible Partners, Network, LNWUH NHS Trust

7. Communications. All partners to communicate with third parties in line with communications plan.

   Responsible Partners, Network, LNWUH NHS Trust, Brent, Westminster

(D) Two agreements follow from the above work;

1) Infrastructure agreement

   Responsible Partners, Network, LNWUH NHS Trust, Brent, Westminster

   Approximate cost, (legal fees) TBA.

2) Joint Venture/development agreement between, Network Homes and Brent.

   Responsible Partners, Network, Brent.

   Approximate cost (legal fees) TBA.

(E) The London Borough of Brent, on behalf of the Partners, has bid for bid for funding for the Northwick Park OPE Project through;

1) GLA Housing Infrastructure fund (HIF)
2) One Public Estate (Round six)

If successful this funding will be used to develop the project. All the partners will bid for further funding as opportunities arise.

(F) Funding

1) Brent has received the following funding through One Public Estate.

Round Four	£270,500
Round six	£200,000
	£470,500

2) Spend to date;

Development/Planning consultant (GVA)	£25,000
Architects (PRP)	£24,800
Highway consultants (Peter Brett)	£21,200
Project management costs	£56,250
	£127,250

3) Anticipated spend on next steps (approximate);

Planning brief	
Planning consultant	£50,000 – 70,000
Technical consultants	£50,000 – 120,000
Infrastructure feasibilities	
Transport consultant	£50,000 – 70,000
Transport consultant (school)	£25,000 - 45,000
TFL study	£25,000
Energy Feasibility	
Energy Consultant	£30,000 – 60,000
Project Management	£90,000 – 120,000
Legal costs (say)	£50,000 – 120,000
Contingency (say)	£30,000 - £60,000
	£319,000 - £690,000

(G) The partners will work collaboratively to develop a mechanism to provide further funding, to progress the project. This will acknowledge individual partners mechanisms for payment, and financial or other benefit of financial investment.

(H) This Variation Agreement constitutes an addendum to the original agreement, and the partners are committed to progressing the actions outlined in (C) above.

IN WITNESS WHEROF the parties have executed this Variation Agreement on the day and year first above written.

Signed by **The Mayor and Burgesses**

Of the London Borough of Brent

by its Authorised officer

_____

Authorised officer of the Council

Signed by **London North West University**

Healthcare NHS Trust

by its authorised officer.

_____

Authorised Officer of London Northwest Healthcare NHS Trust

Signed By **The University**

of Westminster

by its authorised officers. _____

Authorised Officer of The University of Westminster

Signed by **Network Homes Ltd**.

by its authorised officer. _____

Authorised Officer of Network Homes Ltd.

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Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Resources

1A Douglas Avenue, Wembley HA0 4DT

Wards Affected:	Wembley Central
Key or Non-Key Decision:	Non-Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	**Part Exempt -** Appendix 2 of this report is not for publication as it contains the following category of exempt information in paragraph 3 Schedule 12(A) of the Local Government Act 1972 namely: *"information relating to the financial or business affairs of any particular person (including the Authority) holding the information"*
No. of Appendices:	2
Background Papers:	None
Contact Officers:	James Young Commercial Portfolio Manager Tel: 0208 937 1398 james.young@brent.gov.uk Sandra Bingham Head of Inclusion Tel: 0208 937 3033 Sandra.bingham@brent.gov.uk

1. Purpose of the Report

1.1 This report seeks the approval to lease the Former Nursery at 1A Douglas Avenue to a Charity known as Unlocking Potential.

2. Recommendation

2.1 To grant a 10 year lease to a Charity known as Unlocking Potential on the terms set out in the report and the confidential appendix 2.

3. Detail

3.1 The property is a 1970s purpose built single storey brick nursery school. The internal accommodation extends to net internal area of 394 square metres. It is separated into 3 classrooms, a kitchen, female and male WCs, a reception area and various store cupboards. The building is in reasonable condition. The School benefits from four parking spaces accessible along a narrow roadway. It is also accessible via a pedestrian access from The Close which leads to Lyon Park Avenue. It is a backland location bounded by mostly low rise residential properties on the North, East and South boundaries and by the Ealing Road Methodist Church on the West boundary. It is located near to Ealing Road

which is well served by local bus services. It is a short bus journey away from Wembley Central and Alperton tube station.

3.2 The property has been used for a variety of functions over the years, the latest being as an Annex for the Lyon Park School. The school recently completed an extension on their site and subsequently handed the property back in mid-2017

3.3 The property was offered on the market with proposals required by November 2017. Twelve applications for the property were received through the Brent Council's website. The following are the proposed letting terms:

- Lease for up to 10 years
- 5 year rent review
- The lease will be on a full repairing and insuring terms with the Council covering the insurance under its block policy and recovering the premium from the prospective tenant.
- The prospective tenant will be required to maintain the property in good order.
- The prospective tenant will not be permitted to sub-let the property.
- The lease will be entered into on the Council's standard terms.
- The lease will contain such terms as the Borough Solicitor considers appropriate.
- The lease is to provide security of tenure to renew under the Landlord and Tenant Act 1954

3.4 The applications were mainly for D1 uses. The applications received were from a broad range of applicants, including pre-school nurseries, existing schools and religious establishments.

3.5 The proposal that best aligned to the educational use and need of the Council was from Unlocking Potential. Unlocking Potential wish to use the building for the delivery of education to Special Educational Needs and Disability (SEND) pupils. Representatives from the Children and Young People department have analysed the proposal and have advised the following:

3.6 The borough's SEND strategy in relation to school place planning is to realise their potential in an appropriate inclusive setting whether in a mainstream school, an additionally resourced provision or in a special school. It is also important that they should be placed in provision that is local to their communities

3.7 The numbers of children and young people with Special Educational Needs is continuing to grow in Brent. In January 2017 (SEN2 Return) there were 1960 Brent resident children and young people with an Education Health and Care Plan (or statement of Special Educational Need). This represents 3% of the school population and this is higher than the national average of 2.8%.

3.8 As of January 2017 48% of children with SEND were attending a mainstream school and 52% attended a specialist school or ARP setting. In the last 12 months a change has occurred in that the majority of children with SEND now attend a non-mainstream school.

3.9 The demand for specialist provision has increased over the last 3 years and continues to increase. There are 4 special schools in Brent that have expanded significantly to meet demand particularly for children with Autistic Spectrum Disorder (ASD) but also for children with very complex needs. There are 5 mainstream schools with additionally resourced provision. Despite an increase of 104 places there is still a demand for specialist provision and Brent is reliant on sourcing specialist places in out of borough schools. These are usually in either maintained special schools or independent special schools

which are costly and not only have additional travel costs but also means that children are educated away from their local communities

3.10 There are plans to develop more provision locally – a new Special Free School sponsored by the Brent Special School Academy Trust (BSSAT) for ASD children in 2018 offering 100 places. 2 new ARPs have been opened in 2 primary schools for children with ASD. If the current level of demand for specialist places continues there will be a need for 1027 specialist places by 2020 creating a gap of 276 places. To meet this demand and reduce reliance on out of borough placements, additional local SEN places will be needed.

3.11 The analysis of the categories of Special Educational needs in the school population suggests that at SEN support the highest primary needs are:

Speech Language and communication needs 32%

Moderate Learning Difficulties 24%

Social Emotional and Mental Health Difficulties 18**%**

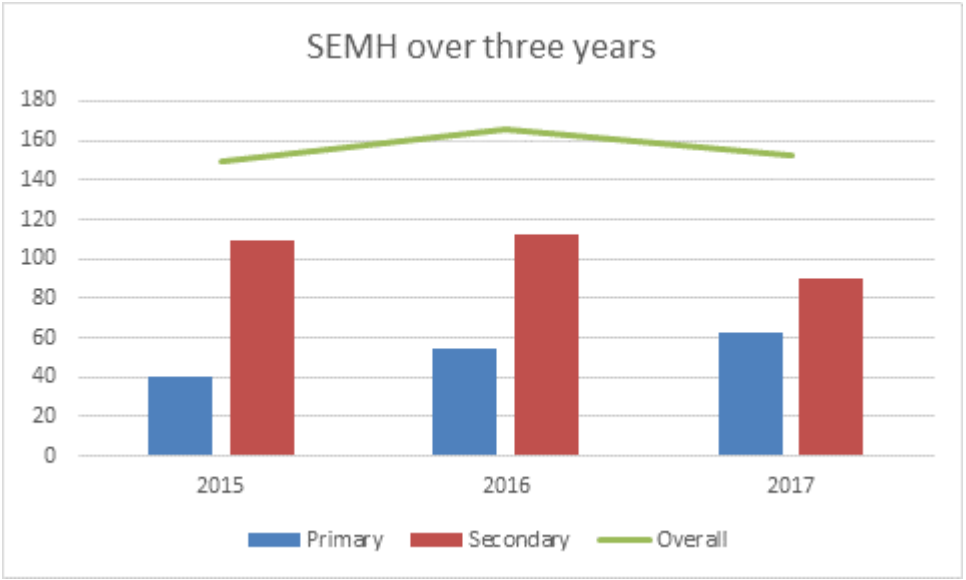
3.12 Many of the children with SLCN are later diagnosed as having Autistic Spectrum Disorder. Whilst ASD is a growing need in the borough there has been significant development in provision to meet these needs. Most children with MLD have their needs met in mainstream schools with some whose needs are more complex attending special schools

3.13 However within the Borough there is a distinct lack of specialist provision for children with Social Emotional and Mental Health Difficulties. These difficulties may mean that children and young people experience challenging, disruptive or disturbing behaviour. There may be underlying mental health difficulties such as anxiety or depression or they may have other disorders such as attention deficit disorder or attachment disorders

3.14 The numbers of children experiencing these difficulties which can be long term and enduring are rising particularly at primary age. The number of exclusions from schools is rising for primary age pupils. Below is the table and corresponding chart produced on data from the SEN2 returns for 2017, 2016 and 2015

	Primary	Secondary	Overall
2015	40	109	149
2016	54	112	166
2017	63	90	153

3.15



3.16

3.17 Most children with SEMH who have an Education Health and Care Plan have their education provision in an out of Borough school. There are currently 21 primary children attending schools out of the Borough. These placements cost on average £60,000 plus associated travel costs. A residential school for children with these needs can cost up to £200,000. 8 children are attending the Family School in Islington daily which is an academic and therapeutic provision that also involves the parents also attending with their child. It is an excellent provision but involves long journeys and the ability to reintegrate children back into a local school is more difficult

3.18 To address these needs and the rising demand there is a need to develop provision locally not only to try to prevent needs escalating and exclusions from school but to create more specialist expertise within the Borough. Some provision has already been developed; in 2017, 6 places were created at Brent River College for a primary class for children with SEMH and who have an Education Health and Care Plan. In addition to this there are plans to create another class to offer preventative programmes for school to commission short term placements there. However this is not enough to meet needs.

3.19 Officers have been in discussion with a potential provider - Unlocking Potential - to develop a special school for Primary age children with SEMH. The provider proposes to work in close partnership with the Family school to develop similar provision locally in Brent and to offer therapeutic provision. They aim to provide 3 classes and up to 15 children in the first instance

3.20 This development is welcomed and would meet a critical need for SEMH provision in the Borough meaning fewer children will need to be educated out of Borough. This proposal has the full support of CYP and aligns with Brent's place planning strategy for SEND.

4. Financial Implications

4.1 A rental income will accrue to the property service budget set out in the confidential appendix.

4.2 As set out in the report there will be savings arising out of not having to send children out of borough for SEN placements, the value of which has yet to be determined.

5. Legal Implications

Part 3 of the Children and Families Act 2014 places legal duties on Local Authorities (LAs) to identify and assess the special educational needs (SEN) of children and young people for whom they are responsible. LAs become responsible for a child/young person in their area when they become aware that the child/young person has or may have SEN. They must then ensure that those children and young people receive a level of support which will help them "achieve the best possible educational and other outcomes" – Section 19 (d). The proposal of this paper is made in accordance with the LA's "local offer" to children with SEN.

6. Equality Implications

6.1 The proposed use would provide educational facilities to students from a diverse population. The building is also well suited for disabled access being at a single ground floor level.

7. Consultation with Ward Members and Stakeholders

7.1 None.

8. Human Resources/Property Implications

8.1 There are no implications for Brent staff or accommodation.

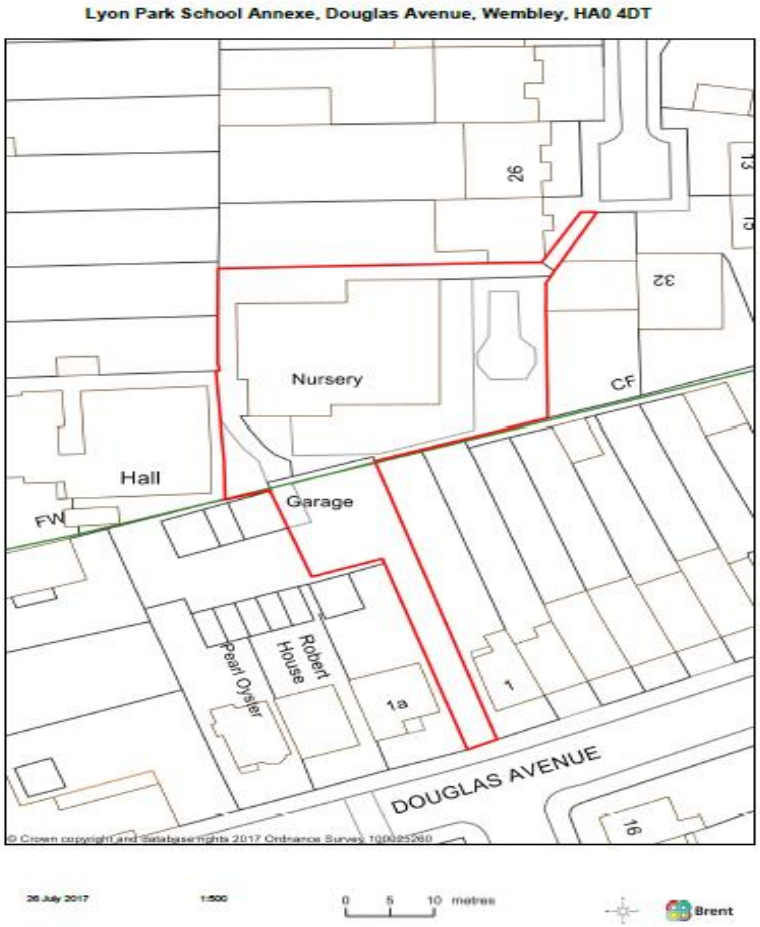
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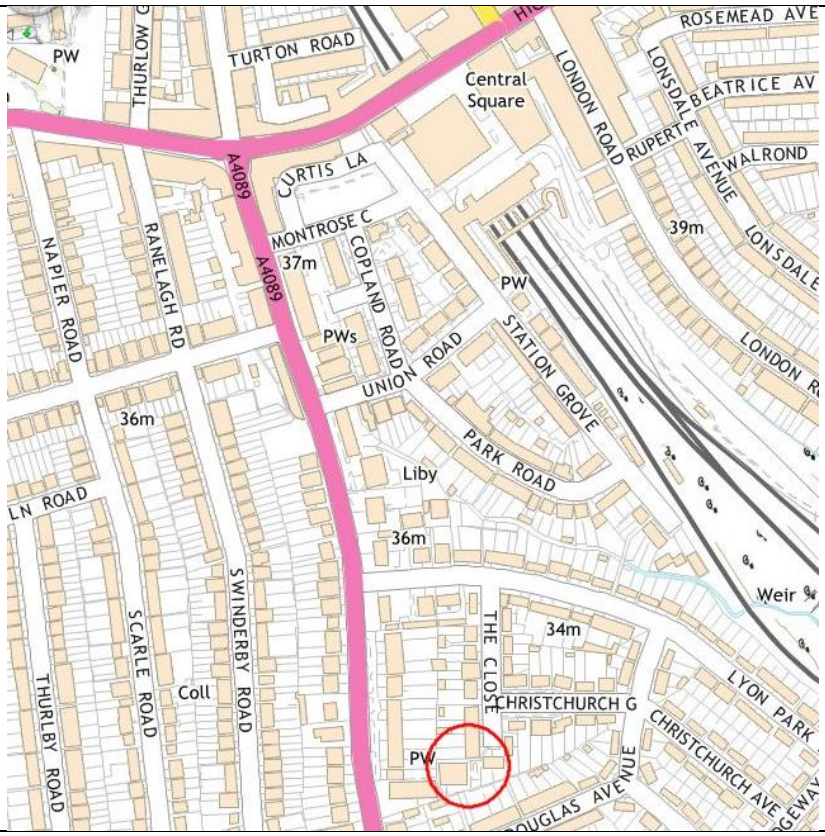
ALTHEA LODERICK
Strategic Director of Resources

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APPENDIX 1

Location Plan and Site Plan





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

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Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Children and Young People

Children and Social Work Act 2017 – The 'Local Offer' for Care Leavers

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	2
Background Papers:	None
Contact Officers:	Nigel Chapman Operational Director, Integration and Improved Outcomes Tel: 020 8937 4387 Nigel.Chapman@brent.gov.uk Onder Beter Head of Service, Looked After Children and Permanency Tel: 020 8937 1228 Onder.Beter@brent.gov.uk

1.0 Purpose of Report

1.1 The purpose of this report is to seek approval from Cabinet regarding Brent's Local Offer for care leavers. The Children and Social Work Act (CSWA) 2017 aims to improve support for looked after children especially for those leaving care. This report outlines the main legislative changes in the Children and Social Work Act 2017 and how Brent aims to implement those changes locally to ensure that our care leavers have the brightest future.

1.2 The CSWA 2017 includes the following key provisions about looked after children and care leavers:

- Introduces corporate parenting principles to which local authorities must have regard;
- Local authorities must publish a Local Offer for care leavers, providing information about services which the local authority offers that may assist care leavers in, or preparing for, adulthood and independent living.

- Extension of local authority support to Care Leavers up to the age of 25, including provision of Personal Advisors, assessment of the needs of former relevant children and preparation of a Pathway Plan.

2.0 Recommendations

That Cabinet:

2.1 Approve the draft Local Offer to Care Leavers as set out in appendix 1 and for authority to be delegated to the Strategic Director, Children and Young People, to make any necessary revisions to the Local Offer and re-consult if required following publication of statutory guidance.

2.2. Approve the Brent Care Leavers' Charter at appendix 2.

2.3 Supports the work of the department in ensuring partner agencies commit to providing an offer to care leavers that will be included in the final version of the Local Offer document.

2.4 Agree that as part of the Local Offer to Care Leavers who are looked after by Brent:

- the Council use its powers as a billing authority to reduce to nil, council tax payable by care leavers who live in the borough;
- that in cases where care leavers live outside the borough and are liable to pay council tax, the Council provide financial support to reimburse that cost.

2.5 Give the authority to the Strategic Director of Resources and the Strategic Director, Children and Young People to take all appropriate steps to set up, implement and administer all the areas of support as set out in the Local Offer.

3.0 Looked after Children and Care Leavers

3.1 The term 'looked after' refers to any child or young person for whom the local authority has, or shares, parental responsibility, or for whom we provide care and accommodation on behalf of their parent. The term "child" can refer to any child or young person aged 0 to 18 years. The Council also has a duty and responsibility to those young people who leave their long-term care from the age of 18 years until they reach the age of 21, or 25 if they are in higher education. One of key changes made in the CSWA 2017 was that the duty and responsibility to all care leavers be extended to the age of 25, regardless of their education or employment status.

3.2 In November 2017 the Council's Community and Wellbeing Scrutiny Committee considered the effectiveness of the existing support arrangements for care leavers. The report to this committee detailed the specific additional needs and increased vulnerabilities of this group of young people.

3.3 As of 31st March 2017, Brent was responsible for the support to 308 Former Relevant young people (aged 18-21). This includes 63 former Unaccompanied Asylum-Seeking Children (UASC). A further 25 young people aged 21-25 continue to receive support as they are in further or higher education.

4.0 Implications of the Children and Social Work Act 2017 for Brent

4.1 Extending the Personal Advisor duty to age 25

4.1.1 The major implication will be the financial burden on Brent, as the requirement to provide advice and support, a personal advisor (PA) and a pathway plan is extended to young people up to 25 who are not in education or training. The legislation also affects young people who are present in the UK, but have no recourse to public funds such as former UASC.

4.2 Local Offer

4.2.1 Section 2 of the CSWA 2017 requires Brent to publish information about:

- Services that Brent offers to care leavers;
- Any other service Brent offers that may assist care leavers in preparing for adulthood and independent living. This includes services relating to health and well-being, relationships, education and training, employment, and participation in society.

4.2.1 The DfE intends to issue practice guidance in early 2018 to detail the type and level of support to care leavers aged 21 to 25. It is not envisaged that there will be an expectation on authorities to provide the same level of service as is currently offered to young people aged 18-21. This approach recognises care leavers' growing stability and maturity between the ages of 21 and 25, during which time many care leavers are able to lead successful lives without PA support and may not want continuing contact with their local authority.

5. Brent's Local Offer

5.1 The local offer for care leavers is a combination of statutory entitlements and what Brent and its partners can provide, over and above its statutory duty. The CSWA 2017 requires local authorities to consult on and publish details of their local offer to care leavers, setting out areas such as education, health, employment and accommodation. In development of Brent's local offer for care leavers, a focus has been on areas where improvement is needed in the progress of and outcomes for care leavers.

5.2 As part of the offer Brent has examined whether to exempt care leavers from paying council tax. More than a third of councils across England have taken the step to exempt care leavers from council tax, up to the age of 25. The care leavers who would benefit from this are the ones who are in employment, on a training or apprenticeship scheme. Young people in full-time education are usually exempt from paying council tax due to their student status or because

they are claiming certain welfare benefits such as universal credit or income support. It is recommended that there is a Council Tax exemption for Brent care leavers who live in the borough. For Brent care leavers placed outside of the borough in areas where they are not exempt from paying Council Tax the council will reimburse the cost. The specific details as to how this process will operate are being developed.

5.3 Local authorities have statutory responsibility for support to care leavers formally looked after by them. In the absence of a London-wide approach to co-ordinate Council Tax arrangements it is incumbent on those local authorities whose care leavers are placed within Brent to consider similar exemption arrangements.

5.4 Local authorities will be expected to publish their Local Offer to care leavers by April 2018. A summary of Brent's proposal, provided in full at appendix 1, is as follows:

Specific areas	**Existing support**	**Proposed examples of additional support under our local offer**
Support from Personal Advisors	• Young people are allocated a personal advisor from the age of 17 to ensure they receive a consistent service when they are preparing to leave care. • PAs are allocated to work with all care leavers until they are 21 or until they are 25 if they are in education, training or employment.	• All care leavers up to the age of 25 regardless of their education status, will have an allocated PA. • Care leavers whose cases are closed after their 21st birthday can approach Brent and ask for support and guidance before they turn 25. As the corporate parent, Brent will be responsible for assessing their needs and providing support and guidance where necessary.
Accommodation	• Tenancy – following an assessment, care leavers are offered priority housing nomination. • Care Leavers are entitled to a Setting up Home Allowance of £2,000 when gaining a permanent tenancy	• Training and workshops will be offered to care leavers and their PAs by the Housing Needs Service. • Decoration allowance to young people housed in Brent Housing properties.

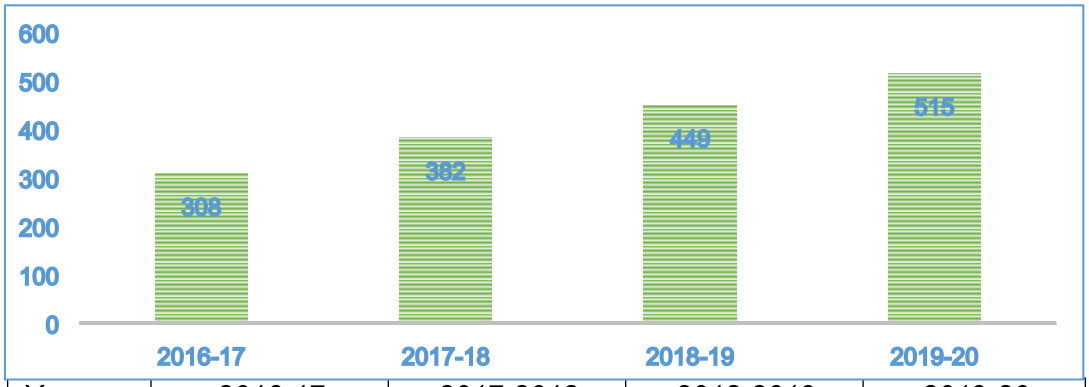
	• Supported Accommodation – care leavers are offered supported accommodation if they are not ready for independence; support workers are available to assist the young person in her/his transition to independent living • Work is undertaken with organisations such as Centrepoint to provide suitable accommodation for young people leaving care with a range of individual needs • The 'Staying Put' policy has been implemented to enable more care leavers to remain in stable supportive fostering placements. • A nominated housing officer who works with the leaving care team and manages the housing nominations for care leavers	• Handyperson support who can assist care leavers when they move into their new tenancy such as putting up shelves, curtain rails or assembling furniture. • Care leavers will be supported to avoid becoming intentionally homeless.
Education Employment and Training (EET)	• Financial contribution towards travel, books and laptop if young person is in further or higher education. • A monthly panel meets to look at opportunities for care leavers who are currently not in employment, training or education • 'Brent Works' offers specialist life and career coaches on a pilot basis, funded by the DWP and the Brent Employment, Skills and Enterprise Team. The project is	• We will assess and provide financial assistance towards EET travel expenses. • The Council will aim to arrange up to 10 apprenticeships. • A traineeship programme will be offered twice a year in partnership with Brent Employment Skills & Enterprise for all care leavers who do not have the required qualification and skills to apply for an apprenticeship scheme. • Financial assistance

	being delivered over the course of a 12-month contract and staff are co-located with the Leaving Care Team in the Civic Centre. • Support young people who wish to go onto further or higher education with financial support including a £2000 Higher Education Grant	towards specialist equipment/clothing depending on work requirements. • Volunteering opportunities for care leavers.
Transition to Independent Living	• Life skills workshops are offered to all care leavers to improve their money management skills, practical skills such as cooking, managing tenancy, etc. • Financial assistance towards rent and subsistence payment for care leavers in higher education during the Christmas, Easter and summer vacations.	• Development of a website for care leavers and an app to support independent living arrangements. • To provide Council Tax exemption for Brent care leavers who live in the borough. For Brent care leavers living outside of the borough in areas where they are not exempt from paying Council Tax the council will reimburse the cost.
Health and Wellbeing	• All Children Looked After in the criminal justice system have an allocated youth offending worker • All young people in custody are provided with resettlement support • The health needs of care leavers are assessed, prioritised and met • LAC Nurse conducts annual health assessments until the age of 18 • CAMHS consultation offered to social workers. • Support to register with a	• Use of the Tricycle Theatre: care leavers will have free tickets to events. • Clinical Mental Health worker for care leavers who need emotional support including offer of 'talking therapies'. • Health passports to care leavers at their last statutory health check. • CAMHS Consultation to PAs. • 'Staying healthy' sessions for care leavers. • Annual celebration event

	GP • Give information about counselling services that are available locally • Provide financial assistance towards assessed health costs. • Young parents are supported by children's centres.	to celebrate care leavers achievements.
Relationships	• PA support and encouragement to establish or maintain healthy relationships.	• Where appropriate, continuing contact with an 'Independent Visitor'. • Group work for young parents regarding healthy relationships. • Group work with former UASC regarding relationships, minimising isolation in society. • Workshops for care leavers with SEND by Brent Outreach Autism Team regarding positive relationships.
Participation and achieving well in society	• Care in Action (CIA/CLIA) promotes participation and encourages young people to take an active part in shaping the services they use in order to make improvements and respond to their needs. • Seats on Brent Youth Parliament.	• Workshops to inform care leavers about participation in society, led by the Chief Executive of the council. • Assistance to enrol on the Electoral Register. • Support to participate in community events. • Providing young people with an advocate if they need one. • Development of a website for care leavers that will have updated information on key events, links to helpful advice and support.

6.0 Finance

6.1. The table below shows the projected number of young people that could potentially require a service beyond their 21st birthday. The projection is based on the assumption that the looked after children population stays relatively stable over a 5-year period.



Year	*2016-17*	*2017-2018*	*2018-2019*	*2019-20*
No's	*308*	*382*	*449*	*515*

Table 1: Care Leavers Current and Projected Growth

6.2 The current Leaving Care team comprises 2 Team Managers plus 13 PAs working with 308 care leavers. The projected growth will mean that our resources will need to be increased in order to meet our new statutory obligations.

6.3 Each new PA, who would have on average a caseload of 25 young people, would cost an additional £41k. The burden of the duty may grow incrementally for four years as young people who turn 21 and are accustomed to having a personal advisor continue to request support.

6.4 The Department for Education (DfE) has consulted on the statutory guidance that sets out in detail how local authorities are expected to implement the new duty to provide personal advisors to all care leavers up to age 25. The DfE modelled the financial implications of this new duty and produced a new burdens assessment. No details of any additional funding have been published so far.

6.5 The projected increase in the numbers of care leavers is also partly due to population changes, and so part of the increased cost will be met from the demographic growth allocations in the medium term financial plan.

6.6 Considering current Brent care leavers, an additional 2 to 3 personal advisors may be required in the first year of the new duty which will commence from 1st April 2018.

6.7 Granting an exemption from Council tax to care leavers who reside in Brent has a financial impact as the total Council tax to be collected by Brent is

reduced. However a number of care leavers will already be eligible for existing exemptions, discounts or council tax support – for example Council tax exemptions for full time students; single person discounts or council tax support for those not in employment or on low incomes.

6.8 Granting an exemption from Council tax to care leavers who don't reside in Brent has a financial impact as the young person may still have a liability to pay in the borough they live in; Brent would then have to pay the Council tax for the young person to that borough.

6.9 The total cost of an exemption from Council tax for Brent care leavers up to the age of 25 is estimated at £50k based on the circumstances of the current care leavers.

7.0 Equality Implications

7.1 The Council's corporate parenting duty extends to all care leavers to whom the local authority owes a duty, regardless of their current area of residence. On that basis the support offered should be broadly similar, irrespective of where a young person resides.

8.0 Legal Implications

8.1 The Children and Social Work Act 2017 received Royal Assent on 27th April 2017. However, the government has yet to take the required steps for the following provisions of the CSWA 2017 to commence.

8.2 *Corporate Parenting Principles*

Section 1 of the CSWA 2017 Act introduces corporate parenting principles which comprises of seven needs that local authorities must have regard to whenever they exercise a function in relation to looked after children and care leavers. These principles will apply to the every part of the local authority and not just to children's services in how it carries out its functions to ensure that there is more joined up approach in relation looked after children and care leavers. These are largely a collation of existing duties local authorities have towards looked after children and those leaving care.

The seven principles that local authorities must have regard to when carrying out their functions in relation to children and young people are as follows:

- To act in their best interests and promote their physical and mental health and well-being.
- To encourage them to express their views, wishes and feelings.
- To take into account their views and wishes and feelings.
- To help them to gain access to and make the best use of services provided by the LA and its relevant partners.
- To promote high aspirations and seek to secure the best outcomes for them.

- To ensure they are safe, and have stability in their home lives, relationships and education or work.
- To prepare them for adulthood and independent living.

8.3 *Local offer for care leavers*

Section 2 of the CSWA 2017 states that local authorities will be required to consult on and publish their local support offer to care leavers and to promote the educational attainment of children who have been adopted or placed in other long-term arrangements.

The Council will be required to publish information about all the services and support that is available to care leavers. It should include information about their statutory entitlements as well as any discretionary support the Council might chose to provide. The local offer can include details of other services the Council will offer in relation to health and well-being, relationships, education and training, employment, accommodation and participation in society.

When developing their local offer local authorities are required to consult with relevant persons which would include care leavers and organisations or people that support care leavers.

The CSWA 2017 does not specify how soon after the commencement of the above duty the local offer should be published. However, draft statutory Guidance states there will be a duty on the local authority to publish the local officer (subject to the consultation requirements) on the commencement, and the Government's expectation is that the local offer should be available within six to nine months of commencement.

8.4 *Advice and support*

Section 3 of the CSWA 2017 requires local authorities to appoint a personal adviser for care leavers who request one up until the age of 25, even if they are not in education or training. The local authority also has a duty to carry out an assessment of the young person's needs and to provide the necessary advice and support.

8.5 *Commencement of the CSWA 2017*

At the time of writing these implications, the Government has yet to bring the above provisions into effect. The Government has consulted on three sets of draft statutory guidance to accompany sections 1 – 3 of the Children and Social Work Act 2017. The consultation ran from 16 October 2017 to 27 November 2017. Therefore the development and approval Brent's Local Offer is therefore in advance of the commencement of this duty.

8.6 *Council tax exemption*

As stated above, S1 of the CSWA 2017 states that every part of the local authority will need to consider the extent to which the corporate parenting principles are relevant to their particular service area and all service areas can have a role in supporting care leavers.

The Council has power as a billing authority under S13A (1) (c) of the Local Government Act 1992 to reduce to nil to reduce the amount of council tax payable by young people leaving in care. The power to reduce council tax to nil is limited to those young people living in care in the borough. However, financial support can be offered to meet the cost of council tax that may be payable by Brent's leavers who live outside the borough.

8.7 *Apprenticeships*

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 has in place an Apprenticeship Strategy 2017-20 which was agreed by Cabinet on 23 October 2017. Generally the Council will need to advertise apprenticeship opportunities to every age group within of the community to 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; otherwise the Council may be vulnerable to claims of age discrimination.

The Council's Local offer can include employment services and support that is specifically available to care leavers. In the context of age discrimination in having a quota of apprenticeship places for care leavers, it is lawful for the Council to make such an offer to care leavers provided that the Council is able to demonstrate that there is justification for this offer, which promotes fairness and accords with a social policy aim to secure best outcomes for care leavers

8.7 *Public Sector Equality Duty*

Under Section 149 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.

The public sector equality duty 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.

Prior to Cabinet approval the Council must have considered the equalities impact in relation to all of the protected characteristics in order to identify any potential for discrimination and to respond accordingly.

9.0 Consultation with Internal Stakeholders

9.1 Young people have been consulted in relation to the development of the local offer. Care Leavers in Action (CLIA), the participation group for young people who have left care were consulted with in July 2017 where a workshop was held. Young people were asked to act as a Director of a service area in a council and write down what they thought they could offer care leavers from their service area. Feedback was collated from all the participants to be incorporated into the final version of the Local Offer.

9.2 A Local Offer questionnaire is in progress to all care leavers to obtain their views on what is important to them and what should be included in the Brent Local Offer. The feedback will provide an opportunity to refine the current draft document.

9.3 In the development of the Local Offer Senior Managers across all Brent departments were consulted and pledged to work together at an event in June 2017. Further meetings took place with several service areas across the Council including Housing Needs, Employment Skills & Enterprise, Human Resources and Legal Services for their contribution to explore their contribution to the Local Offer. The outcome of these discussions are contained within the draft offer. There is continuing liaison with the Resources, Community Wellbeing and Regeneration and Environment departments to have final agreement for the inclusion of services relating to pro-bono legal advice, free leisure passes and travel passes.

9.4 Consultation with social work staff on the Local Offer was undertaken at a recent Looked after Children staff forum.

9.5 Subject to Cabinet approval, the final version of the Local Offer will be designed by Brent's care leavers before being formally launched at the end of March 2018.

Report sign off:

GAIL TOLLEY
Strategic Director of Children and Young People

Appendix 1:
Our Offer to Care Leavers

1. Introduction

As your corporate parent, Brent Council continues to be responsible for you after you turn 18. We must make sure that you are safe, healthy and are achieving your goals. As any good parent, we want to make sure you have the best possible support to help you thrive as you grow older.

We will do our best to help you achieve your full potential. We know that it is a big step when you move out of care and start living on your own. Being a good parent means keeping in touch and providing you with the support you need to meet your individual needs.

Just because you are leaving care, or have already left care, we haven't stopped caring about you. We want to make sure that you feel safe and supported and know where and who to go for advice and help.

This local offer is made by Brent Council to all care leavers and sets out how we will support you.

To be able to get the support set out in this offer, you must have been in care for at least 13 weeks between the ages of 14 and 16 (including your 16th birthday) or for 13 weeks after your 16th birthday. Your personal advisor will talk with you about the information in this offer.

2. Support we must provide by law

Following changes introduced through the Children and Social Work Act 2017, you can ask for support from your personal advisor until you reach the age of 25. This is to make sure care leavers receive similar support that young adults who live with their families would normally expect.

- **Personal Advisor**

Once you turn 18, in most cases, you'll no longer have a social worker, so your personal advisor, we call them PAs, will make sure you get the services you need and help co-ordinate your pathway plan and reviews.

Your PA is there to help you to think about your future, what you are studying, what you want to do in the future and your independence skills. Your PA will talk to you and other people who are important to you to find out more about you and your needs.

Your PA can help you with lots of things in your life. The main things they will do are:

- Be involved in understanding your needs and preparing your Pathway Plan so that you can get a good idea of what you want to do with your life;

- Review your Pathway Plan at least every six months to help you to stay on track and achieve the things you want from life;
- With your agreement, seek the views of our partner agencies when completing your pathway plan. This may include housing, education, training and employment providers, benefits and health services. PAs will also liaise with youth offending services and probation if needed.
- Even if your case has been closed you can still get in touch with us before your 25th birthday and we will assess what help or assistance we may be able to give you.

2. Support we offer

- **Education, Employment and Training**

Good parents want to help their children achieve the right qualifications, training and skills to enable them to succeed in life. As your corporate parent, we want to make sure you have this solid foundation so that you are able to find the right career and job that goes with it. To do this we will make sure you have good advice, support and assistance.

The law says we must provide you with assistance with expenses linked with employment, education and training. In particular:

- We will provide you with a Higher Education (HE) bursary of £2,000 if you go to University, to help with books and materials.
- We will provide somewhere for you to stay during University holidays (or funding for this if you would prefer to make your own arrangements) if you are in higher education or in residential further education.

Our other education and training support offer to you includes:

- Support to meet your transport costs when travelling to training, school/college, apprenticeships or job interviews;
- Support to buy tools, equipment, essential clothing and books;
- Support & advice if you choose to go to university, such as helping you apply for tuition fees and maintenance loans;
- A job coach through our partnership with Brent Works to help you get into employment, training or an apprenticeship scheme within the Council or elsewhere;
- A Department of Work and Pensions worker seconded to the leaving care team who will assist you in claiming benefits and avoid you getting undue benefit sanctions;
- An annual celebration event to share the positive education and training experiences of care leavers;
- Up to 10 apprenticeships arranged by the council on an annual basis;
- A traineeship programme offered twice a year in partnership with Brent Employment Skills & Enterprise for all care leavers who do not have the required qualification and skills to apply for an apprenticeship scheme;
- Volunteering opportunities for care leavers.

- **Accommodation**

Your PA will help you to find suitable accommodation. We will work with you to ensure you are provided with the most suitable housing options. Our accommodation support offer to you includes:

The law says the following about how we must support you with your accommodation:

- We will encourage you to say in care until you are 18, but if you choose to leave care before the age of 18 we must provide you with suitable accommodation.

Our other accommodation support offer to you includes:

- Supported accommodation if you are not ready or don't want to have your own tenancy yet;
- Supporting you to remain with your foster carers under what's called a 'Staying Put' arrangement. This will be reviewed every six months to make sure its meeting your needs;
- Once you have reached the stage where you can live independently and maintain your tenancy, you will have the option to apply to Brent Council for social housing (this is accommodation managed by us or a housing association). As a care leaver you will be given priority. Your PA will speak to the nominated housing officer, who works with the leaving care team, when you are ready to live on your own;
- Access to a nominated tenancy officer who can assist you with your tenancy;
- Workshops to receive advice about holding down a tenancy, including avoiding rent arrears, paying bills and budgeting effectively;
- A 'Setting up Home Allowance' of £2,000 (based on assessed need) for items you need to set up home like appliances, bedding and furniture.
- If you don't want to live in Brent because you have friends, family or connections elsewhere you will need to talk to your PA. Your PA can make contact with the Local Authority where you wish to live to see if they are able to assist you.
- A decorating allowance if housed in a Brent Housing Property, such as to buy paint or wallpaper;
- A Handyperson who can assist care leavers who move to their new tenancy such as putting up shelves, curtain rails or assisting with assembling a bed or furniture;
- Not making care leavers intentionally homeless in Brent and being given a second chance if you run into problems with your tenancy.

- **Your Health & Wellbeing**

Looking after your physical health and mental wellbeing is extremely important as you get older. The Leaving Care Team and your PA will arrange advice and support for you to encourage you to lead a healthy and active lifestyle. Our health and wellbeing offer to you includes:

- Providing you with a health passport at your last statutory health check before turning 18;
- Support to register with a GP;
- Providing information on healthy living including 'Staying Healthy' sessions;
- Use of the Tricycle Theatre: care leavers will have free tickets to events;
- If you need someone to talk to your PA or keyworker can refer you to counselling including offering 'talking therapies' or for general advice to The Mix (Freephone 0808 808 4994);
- A Child and Adolescent Mental Health Service consultation before turning 18 for social workers and PAs so that they can be better equipped to assist you in relation to your health and well-being;
- Clinical Mental Health worker for care leavers who need emotional support;
- If you are a young parent, being referred to a local children's centre for help;

- We will, depending on assessment of need, provide assistance towards certain medical costs if they are not covered by the NHS. This particularly applies to young people with no recourse to public funds.
- All young people in custody are provided with resettlement and aftercare support.

- **Finances**

  We will provide you with support to become financially independent, in a similar way to how other parents support their own children.

  The law and the guidance says:

  - We can, depending on assessment of need, provide financial assistance towards expenses relating to education, employment or training and also access to other sources of funding such as college or university funds or from the Department of Works and Pensions.

  Our additional support offer to you includes:

  - Being exempt from paying Council Tax;
  - Providing you with relevant money management courses;
  - Information on how to access your Junior ISA, if you have one (a fund of money set aside by the government and the council);
  - Support to open a bank account;
  - Support to gain important identification documents, such as a passport and/or provisional driving licence, before your 18th birthday;
  - Support to get your National Insurance number;
  - Financial support in exceptional emergencies.

- **Relationships**

  As well as support from a Personal Advisor, we will offer you additional practical support, such as:

  - Providing you with an advocate if you need one;
  - Where appropriate, continuing support contact with an ‘independent visitor’
  - Help to maintain or regain contact with people special to you or who cared for you in the past, like former foster carers or social workers;
  - Life skills workshops that will focus on practical skills and managing relationships;
  - Group work for young parents regarding healthy relationships;
  - Group work with former Unaccompanied Asylum Seeking Children regarding relationships to minimise risks of isolation;
  - Workshops for care leavers with Special Educational Needs and Disabilities by Brent Outreach Autism Team regarding relationships;
  - As part of our independence training, workshops on Healthy Relationships.

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- **Participation in Society**

We want our care leavers to be active members of society, and to have all the chances in life that other young adults have. We can help you participate in society in the following ways:

- Workshops to inform you more about participation in society and having your voice heard, led by the Chief Executive of the council.
- Encouraging and helping you to enrol on the Electoral Register, so you can vote in elections;
- Providing information on groups and clubs you may wish to join;
- Development of a website for care leavers and an app to support independent living arrangements;
- Seats on Brent Youth Parliament;
- Informing you about voluntary work that you may be interested in;
- Giving you advice and helping you to challenge any discrimination you face as a care leaver;
- You will have access to our Children and Young People's participation service called Care Leavers in Action (CLIA), where you can get involved in decision making on matters that have impact on children in care and care leaver or join an interview panel when recruiting senior staff and commissioned services to the council.

3. Who can help?

As a care leaver, there is a range of support services available to you. We have put together a list of useful contact details. If there is anything you do not understand or need further information about then please speak to your PA.

Brent Leaving Care Team

Where to find the Leaving Care Team:	Civic Centre, Engineers Way, Wembley.
When are we open:	Monday to Friday 9 a.m. – 5.00 pm.
How to contact us:	Duty Number 0208 379 4612 or 4613 during office hours, 24 hour emergency number 0208 863 5250

Independent Advocacy: You have a right to support from an independent advocate if you are thinking about challenging decisions about the care we give you. An advocate is someone who is independent of the council who can inform you of your rights and help you to be heard in meetings. For advocacy, we use an independent agency called Aidhour that provides advocacy services for looked after children and care leavers. To find out more you can contact the manager of this service, Goitom Mebrahtu, Goitom.Mebrahtu@brent.gov.uk

Participation Service (Care Leavers in Action) – email: Shirley.Ricketts@brent.gov.uk or Phone: 020 8937 3695

Brent Care Leavers Charter

Other places you can go for help:

- Rees: The Care Leavers Foundation https://www.reesfoundation.org Provides small grants for care leavers aged 18-25;

- The care leavers association http://www.careleavers.com A charity aimed at improving the lives of care leavers;
- Become http://www.becomecharity.org.uk Online advice and information for care leavers;
- Propel http://propel.org.uk/UK Information on what support is available for care leavers at university;
- Shelter https://england.shelter.org.uk Provides housing advice;
- National government benefits calculator https://www.gov.uk/benefits-calculators Information on benefits;
- Citizens Advice Bureau https://www.citizensadvice.org.uk Information about money, benefits, your rights, employment, housing and the law.

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Brent Care
Leavers' Charter

We will ensure that all children and young people in and leaving our care have the right support to keep them safe and to help them grow into happy, healthy and fulfilled young adults who are optimistic about their future.

We promise



To respect and honour your identity

- We will respect your personal beliefs and values and accept your culture and heritage.
- We will support you to become the person you want to be.

To believe in you

- We will value your strengths, gifts and talents and encourage your aspirations.

To listen to you

- We will listen to your feelings and you can tell us what help you need to be a young adult.
- We will promote and encourage access to independent advocacy whenever you need it.
- We will provide easy access to complaint and appeals processes.

To inform you

- We will give you information that you need at every point in your journey, from care to adulthood, including information on legal entitlements and the service you can expect to receive from us. The information will be presented in a way that you want.
- We will make clear to you what information about yourself and your time in care you are entitled to see. We will support you to access this when you want it, to manage any feelings that you might have about the information and to put on record any disagreement with the content.

To provide you with information on how to stay healthy

- We will encourage you to make healthy and positive choices for your life.
- We will provide you with information and advice about healthy eating, exercise, smoking, drugs and sexual health.

To support you



- We will help you manage changing relationships or come to terms with loss, trauma or other significant life events.
- We will provide guidance on your next steps in life – in terms of education, financial, leaving care and more.
- As well as information, advice, practical and financial help, we will provide emotional support.
- We will make it our responsibility to understand your needs. If we can't meet those needs we will try and help you find a service that can.

To find you a home

- We will work alongside you to prepare you for your move into independent living only when you are ready. We will help you think about the choices available and to find accommodation that is right for you.
- We will do everything we can to ensure you are happy and feel safe when you move to independent living.

To be a lifelong champion

- We will provide you with support and guidance to equip you for independent living.
- We will do our best to support you until you are settled in your independent life.
- We will work proactively with other agencies to help you sustain your home.
- We will do our best to help you break down barriers you face when dealing with other agencies.
- We will work together with the services you need to help you establish yourself as an independent individual. These services can include housing, benefits, health services, training providers, colleges and universities.

Brent

Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Children and Young People

Authority to Direct Award Contracts for Speech And Language Therapy

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer:	Brian Grady Operational Director, Safeguarding, Partnerships and Strategy Tel: 020 8937 4713 Brian.grady@brent.gov.uk

1.0 Purpose of the Report

1.1 This report makes recommendations regarding the procurement of two contracts for the provision of speech and language therapy to support Children with Special Educational Needs and Disabilities (SEND).

1.2 This report seeks approval to directly award a contract to London North West NHS Healthcare Trust for twelve months for speech and language therapy in mainstream schools (ages 5-19 years) and to directly award a twelve month contract to Central and North West London NHS Foundation Trust for speech and language therapy in Children's Centres (ages 0-5 years).

2.0 Recommendation(s)

That Cabinet:

2.1 Approves an exemption pursuant to Contract Standing Order 84(a) of the requirement to tender a twelve month contract for Speech and Language Therapy in mainstream schools and a twelve month contract for Speech and Language Therapy in Children's Centres for the operational and financial reasons set out in sections 3 and 4.

2.2 Approves the award of a twelve month contract for Speech and Language Therapy in mainstream schools from 1st April 2018 to 31st March 2019 to London North West NHS Healthcare Trust.

2.3 Approves the award of a twelve month contract for Speech and Language Therapy in Children's Centres from 1st April 2018 to 31st March 2019 to Central and North West London NHS Foundation Trust.

3.0 Background

3.1 Under the Children and Families Act 2014, local authorities have a responsibility to meet the educational needs of children and young people as stated in a child or young person's Education Health and Care Plan (EHCP). This often includes speech and language therapy.

3.2 Clinical Commissioning Groups (CCGs) have a responsibility under the Children and Families Act 2014 to provide community services, including therapy services, for children and young people to meet their health needs.

3.3 It is estimated that between 1 and 2% of the UK's population at any one time has a severe speech, language and communication disability, requiring specific assistance in order to have their needs met. Nationally, speech, language and communication needs are the most common type of need in primary-aged children with Education, Health and Care Plans and for 26.5% of this group it is their primary need. Children with communication difficulties often have additional behaviour problems.[1]

3.4 Demand for the speech and language therapy services provided by Brent Council is high. In 2017, 358 pupils received speech and language therapy in mainstream schools, with an average of 20 new cases per quarter. A total of 6634 children received speech and language support in Children's Centres through group sessions, bespoke advice and information or assessment and identification for qualified speech and language therapy support, with 1442 seen for targeted support.

3.5 Speech and language therapy for Children and Young People is currently commissioned by Brent Council and Brent Clinical Commissioning Group as follows:

- The Council contracts with London North West NHS Healthcare Trust to deliver speech and language therapy into Brent mainstream schools (annual contract value of £391,439) and with Central and North West London NHS Foundation Trust to deliver Speech and Language Therapy into Children's Centres (annual contract value is £238,626).

- Local therapeutic support commissioned by Brent CCG is delivered as part of a wider Paediatric services contract by London North West NHS Healthcare Trust (LNW). This service is currently included in a block contract of community services delivered by LNW at a total value of

[1] http://www.rcslt.org/governments/docs_2017/uncrpd_submission

£1,700,000, for which Ealing Clinical Commissioning Group is the lead commissioner.

- Speech and language therapy is commissioned for Brent children in out of borough schools from appropriate local providers on a case by case basis to support the specific needs of the child.

3.6 The speech and language therapy service in Children's Centres supports children aged 0 to 5 and their parents attending Brent Children's Centres. The service works with parents, practitioners and children to encourage age appropriate communication development and prevent speech delay. The service provides advice, guidance and training to improve understanding of child communication development.

3.7 The speech and language therapy service in mainstream schools delivers support to pupils attending Brent mainstream schools. The service provides assessment and therapy interventions, as well as guidance for staff in schools on how to implement programmes that assist speech, language and communication development.

4.0 Joint Commissioning

4.1 Between 15 May 2017 and 19 May 2017, Ofsted and the Care Quality Commission (CQC) conducted a joint inspection of Brent to judge the effectiveness of the area in implementing the SEND reforms. The inspection identified areas of strength, but also five areas of areas concern, of which three are relevant to this commission:

- the fragmented approach to joint commissioning causing gaps in services;
- poor access to services for some vulnerable groups; in particular, to audiology, OT and speech and language therapy;
- limited opportunities for parental involvement when designing and commissioning services.

4.2 An action plan, formally identified as a Written Statement of Action, has been agreed and is being implemented through Brent Children's Trust, to address these areas of concern. A priority in this action plan was to jointly commission integrated paediatric therapy services (SLT, OT, PT) to ensure that therapy services are accessible to children and young people, including the most vulnerable groups and those in alternative educational settings.

4.3 Brent CCG and LNW have agreed a timetable for contract variation for paediatric therapies and taken steps to address any gaps in speech and language therapy provision:

- Brent CCG Service specifications have been revised to cover all CCG GP registered children for SLT irrespective of education setting (September 2017)

- Brent CCG commissioned services for health-related SLT (acute dysphagia, stammering, voice problems, and significant hearing loss) have been confirmed as accessible to all CCG registered children.
- Special school based speech and language therapy services have been aligned with Brent CCG contracted services.
- Brent Council and Brent CCG have reviewed paediatric therapies contracts, to ensure that gaps in delivery between the two agencies' contracts are removed.

4.4 The proposed Brent Council contract extensions will ensure a fully aligned paediatric therapy service with Brent CCG, including speech and language therapy, as a basis for the development of a fully integrated service by April 2019. Developing integrated therapy services jointly with Brent CCG is the aim from 2019 as it would best support a service that is tailored to the needs of Brent children that provides:

- seamless services and seamless transition – establishing consistent links between therapeutic services to support smooth transition with regard to age of child and level of need.
- effective access – service delivery in a variety of settings, including schools and early years settings
- a focus on prevention and early intervention – as part of a continuum of service delivery offering training, consultation and advice to staff in universal service settings to promote early identification, intervention and prevention.
- consistently responsive services with agreed response times – ensuring that an assessment of need takes place in a timely manner and that parents and referrers are kept informed of developments
- efficiency in delivery – reducing duplication and costs through streamlining the operational structure.

4.5 To allow time to progress the integration of the Council and the CCG's commissioning requirements, it is proposed that the Council's existing contracts are retained for one year, with varied specifications to resolve previous service gaps, through a direct award to existing providers. Officers have considered the option of competitively procuring one year contracts for existing speech and language therapy provision. However, this is not considered to be feasible as short term contracts would involve the TUPE transfer of staff and are not likely to be financially attractive to the specialised providers in the speech and language therapy market. Tendering would also lead to further service disruption and the risk that service gaps could re-emerge.

4.6 Approval from Cabinet to grant an exemption from the requirement to tender and approval to award a contract to Central and North West London NHS Foundation Trust for speech and language therapy in Children's Centres and to London North West Healthcare NHS Trust for speech and language therapy in mainstream schools from 1st April 2018 to 31st March 2019 will ensure that the existing Local Authority provision continues, aligned to Brent CCG commissioned services, while joint-commissioning and integrated delivery is progressed.

5.0 Financial Implications

5.1 The current speech and language therapy contract with Central and North West London NHS Foundation Trust has an annual value of £238,626. This contract is entirely funded by the General Fund. This service is currently forecasting to spend within budget.

5.2 The speech and language therapy contract with London North West NHS Foundation Trust has an annual value of £391,439. This contract is entirely funded by the Dedicated Schools Grant (DSG). An overall underspend is currently forecast in 2017-18 against DSG supported expenditure.

5.3 Direct award of the contracts is unlikely to realise any savings against procurement savings targets. The Children and Young People's directorate will need to identify alternative savings to achieve the target of 10% against each contract.

6.0 Legal Implications

6.1 Speech and Language Therapy services are classified as Schedule 3 Services under the Public Contracts Regulations 2015 (the "EU Regulations"). The estimated value over the lifetime of the proposed contracts as detailed in the Recommendations are £238,626 for Children's Centre provision and £391,439 for Mainstream School provision and consequently both are below the threshold for full application of the EU Regulations.

6.2 The proposed contracts are both classified as Medium Value Contracts under the Council's Contract Standing Orders and Financial Regulations and should thus be procured through a competitive tender exercise. As detailed in Sections 3 and 4, officers have indicated that there are considered to be good operational and financial reasons not to tender the contract but instead award to the providers identified in Recommendations 2.2 and 2.3. In the circumstances, an exemption from the requirement to tender in accordance with Contracts Standing Orders and Financial Regulations is sought. Cabinet is permitted to grant such an exemption pursuant to CSO 84(a) if it considers that there are good operational and/or financial reasons.

7.0 Equality Implications

7.1 Under Section 149 of the Equality Act 2010, the Council has a duty when exercising its public functions to have 'due regard' to the need to eliminate discrimination and other conduct prohibited under the Act; advance equality of opportunity, and foster good relations between those who share a "protected characteristic" and those who do not. This duty is known as the public sector equality duty (PSED). The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. All providers that are commissioned to deliver public services on behalf of or in partnership with Brent Council are required to comply with the PSED and the Council's Equality and Diversity policies.

7.2 Access to services was a criticism in the Ofsted Inspection report for some vulnerable groups with complex SEND 0-25 and those in education settings, including Looked After Children, children and young people in the Pupil Referral Unit or known to the Youth Offending Service, and those home educated. The specifications for these contracts have been revised to address these access issues.

8.0 Consultation with Ward Members and Stakeholders

8.1 As this report affects all wards, consultation with specific ward members has not been conducted.

8.2 Parent/Carers have been involved in the revision of service specifications through Parent/Carer representation on the Children's Trust workstream developing specifications, through the Brent Parent/Carer Forum, Brent Health Partners Forum and Healthwatch. Targeted consultation dates have also been arranged with special schools. Engagement in joint commissioning will continue with the Parent/Carer Forum consulted on commissioning priorities for 2018/19 and the involvement of parents/carers in contract monitoring through the Children's Trust.

9.0 Human Resources/Property Implications (if appropriate)

9.1 There are no direct staffing or accommodation implications for the Council arising from the Recommendations.

Report sign off:

GAIL TOLLEY
Strategic Director of Children and Young People

Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Children and Young People

Authority to Contract Placements for Children with Special Education Needs And Disabilities (SEND) And Looked After Children through the West London Alliance Dynamic Purchasing Vehicles

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer:	Brian Grady Operational Director, Safeguarding, Partnerships and Strategy Tel: 020 8937 4713 Brian.grady@brent.gov.uk

Purpose of the Report

1.1 Cabinet on the 27 June 2016 agreed for Brent Council to lead the establishment of a Dynamic Purchasing System, an electronic tendering system, on behalf of the West London Alliance of local authorities, for the contracting of Independent and Non-maintained Special School placements for children with Special Educational Needs and Disabilities (SEND).

1.2 Further work with the West London Alliance has developed the design and scope of the proposed electronic tendering system, beyond that defined as a Dynamic Purchasing System. West London Alliance authorities have also developed proposals for consistent electronic tendering systems for the contracting of Children's Home and Independent Fostering Agency placements for Looked After Children.

1.3 This report seeks Cabinet agreement for a variation to the electronic tendering system proposed for the contracting of Independent and Non-maintained Special School placements for children with SEND. It also seeks Cabinet agreement to utilise the West London Alliance electronic tendering systems for the contracting of Children's Home and Independent Fostering Agency placements for Looked After Children.

2.0 Recommendation(s)

It is recommended that Cabinet:

2.1 Approves the variation from a Dynamic Purchasing System to a Dynamic Purchasing Vehicle for the procurement of Independent and Non-maintained Special School (INMSS) placements for children with SEND.

2.2 Approves the Council's entry into an Access Agreement with Barnet for Brent Council to call-off the West London Alliance (WLA) Dynamic Purchasing Vehicle for Independent Fostering Agency placements for Looked After Children.

2.4 Approves the Council's entry into an Access Agreement with Ealing for Brent to call-off the West London Alliance's (WLA) Dynamic Purchasing Vehicle for Children's Home placements for Looked After Children.

3.0 Detail

3.1 The Local Authority has a statutory duty to ensure sufficiency of suitable local services to meet the needs of Looked After Children, Care Leavers and children with SEND.

3.2 To help the Council to meet its statutory duties with regard to children with SEND, Cabinet on 27 June 2016 approved the development of an electronic tendering system known as a Dynamic Purchasing System (DPS), led by Brent and to be used by Brent and the other West London Alliance local authorities. This is a particular model of electronic tendering system defined in Regulation 34 of the Public Contract Regulations 2015.

3.3 Through the development of the proposed DPS, the WLA authorities have concluded a DPS as defined in the Public Contract Regulations is too restrictive. Greater flexibility is required to meet the needs of children and young people, in line with the flexibilities available for purchasing placements for children as set out in Schedule 3 of the Public Contract Regulations.

3.4 The approach developed is called a Dynamic Purchasing Vehicle (DPV). The DPV retains the principles and elements of a DPS but has two key differences:

- The process proposed remains electronic, but in variation from a DPS the final part of the selection process will now be offline and subject to LA officer final decision.
- In a DPS, organisations are held to a maximum price at the admittance stage, but providers will now be asked to provide a 'core' fee for information only at application stage, and specify and quantify any additional costs for additional services assessed at individual call off stage. This will allow for tailoring of placements with additional resources when required to meet individual children's needs.

3.5 Over the past twelve months, WLA authorities have developed the same DPV approach for Independent Fostering Agency placements and Children's Home

placements. The Independent Fostering Agencies DPV development has been led by Barnet Council. The Children's Homes DPV development has been led by Ealing Council.

3.6 The WLA authorities have used a consistent approach to the development of DPVs, with the use of consistent core documentation. A bespoke procurement portal, developed by Curtis Fitch, will act as an electronic Procurement platform for all three DPVs.

3.7 The DPVs will be available to all 9 WLA boroughs, other interested local authorities and other organisations that have statutory duties relating to children and will be operational from April 2018.

3.8 All three DPVs will deliver the following benefits:

- Improved outcomes for children and young people by increasing the choice of provision and services on offer, ensuring flexibility of provision to meet individual need.

- Stability in the market with the consequence of improved quality and impact on care for children by establishing a consistent approach to purchasing and contracting across boroughs, specifications, quality control and performance management.

- More placements closer to Brent by increasing access to a broader supply base geographically spread across West London and increasing competition between providers.

- Consistent quality assurance helping providers focus on shared quality standards. Suppliers must first be 'accredited' against a set of quality criteria dictated by the WLA authorities before being granted entry to the DPV. This ensures that only high quality suppliers with strong financial checks are permitted to submit bids.

- Cost effective placements and value for money. The increased purchasing power and the higher level of competition of the DPVs should realise financial benefits. Bids will be ranked in terms of both cost and quality, allowing the Council to demonstrate that placements represent value for money.

- Market intelligence to identify and potentially mitigate market failure.

- Information sharing and an ongoing partnership relationship will be developed electronically with early warning processes across LAs of market challenges or supplier issues.

- DPVs are compliant with the Children & Families Act 2014, Care Act 2014 and Public Contracts Regulations 2015, thereby lowering the risk of legal challenge when spot purchasing directly from providers. To reduce the risk of legal challenges, the DPVs ensure that spot purchasing is covered by the OJEU Contract notice which indicates the services which will be procured, award criteria to be used and individual DPV agreements with providers. The DPV will seek competitive quotes wherever possible and ensure that services are registered, as required, by Ofsted and/or equivalent.

4.0 Financial Implications

4.1 Independent Fostering Agencies (IFA) - the 2017-18 expenditure budget in Brent for IFA placements is £3.745m supported entirely from the General Fund. At November 2017, there were 83 full time equivalent places at a unit cost of £855 per week. The forecast spend in 2017-18 is £3.8m.

4.2 Children's Homes - the 2017-18 expenditure budget in Brent for Children's Home placements is £2.782m supported by the General Fund (£1.772m) and the Dedicated Schools Grant (£1.01m). At November 2017, there were 17 full time equivalent places at a unit cost of £3.2k per week. The forecast spend in 2017-18 is £2.9m.

4.3 Independent and Non-Maintained Special Schools - the 2017-18 expenditure budget in Brent for Independent Non-Maintained Special Schools is £7.538m supported entirely from the Dedicated Schools Grant. At November 2017, the forecast spend in 2017-18 is £6.8m.

4.4 The new purchasing vehicles outlined in this report are expected to contribute to controlling the cost of placements by cost avoidance (controlling inflation within the contractual arrangements), discounts for volume or block bookings and extending competition by widening the number of suppliers available to commissioners.

4.5 The WLA has worked with Lead Local Authorities, including Brent, to model the following forecast of financial benefits:

DPV	Cost Avoidance (£k)	Cashable Savings (£k)	Total (£k)
IFA	1,945	1,066	**3,011**
Children's Homes	1,145	516	**1,661**
SEND	0	0	0
Total	**3,090**	**1,582**	**4,672**

4.6 The table above shows the potential to control expenditure across 3 years of the DPVs across all local authorities in the WLA. In addition, once the DPVs are in place, there is potential for additional savings utilising block contracts for IFA and Residential services in the range of £2.6m - £3.3m across 3 years and all the WLA authorities.

4.7 SEND – Prices will be determined at point of call-off from the DPV and savings will still be achieved through cost avoidance of inflationary increases of placements made on the DPV. The forecast level of savings is difficult to calculate so has been excluded from the overall forecast.

4.8 IFA DPV Benefits Forecast - assuming no significant changes in placement activity, there is potential to deliver savings as set out in the table below over 3 years of the DPV.

LA	3 Year Benefits Forecast			
	Inflation (£k)	Permanence (£k)	Siblings (£k)	Total (£k)
Barnet	265	141	43	449
Brent	254	108	17	379
Ealing	496	250	0	746
Harrow	92	28	30	150
Hillingdon	239	88	38	365
Hounslow	246	71	41	359
Hammersmith & Fulham	160	61	40	261
Kensington & Chelsea	45	11	20	75
Westminster	149	38	41	228
West London	1,945	796	270	3,011

4.9 Children's Home DPV Benefits Forecast - assuming no significant changes in placement activity, there is potential to deliver savings as set out in the table below over 3 years of the DPV.

LA	3 Year Benefits Forecast		
	Inflation (£k)	Permanence (£k)	Total (£k)
Barnet	192	115	307
Brent	255	70	325
Ealing	213	103	316
Harrow	69	35	104
Hillingdon	172	79	251
Hounslow	84	50	135
Hammersmith & Fulham	84	19	103
Kensington & Chelsea	34	26	60
Westminster	42	18	59
West London	1,145	516	1,661

5.0 Legal Implications

5.1 As detailed in paragraph 3.3, officers are recommending that the electronic tendering system for Special Educational Needs and Disabilities is not procured as a DPS strictly in accordance with Regulation 34 of the Public Contracts Regulations 2015. Instead it is proposed that the electronic tendering system is established and operated in a more flexible manner than is permitted for a DPS. As the services to be procured fall within Schedule 3 of the PCR 2015, the Council is permitted to take a more flexible approach to the establishment and operation of an electronic tendering system.

5.2 Cabinet on 27 June 2016 delegated authority to the Strategic Director for Children and Young People to award High Value Contracts for educational

placements procured though the DPS. Cabinet is asked to confirm this and other approvals now that the electronic tendering system is termed a DPV.

5.3 In addition to the establishment of the DPV for Special Educational Needs and Disabilities for Independent and Non Maintained Special Schools led by Brent Council, Barnet Council is leading on the establishment of a DPV for Independent Fostering Agency placements and Ealing Council is leading on the establishment of a DPV for Children's Home placements. To enable Brent to access these other DPVs it will be necessary for Brent to enter into Access Agreements with both authorities. Similarly all authorities accessing the DPV for Special Educational Needs and Disabilities will need to sign Access Agreements with Brent.

6.0 Equality Implications

6.1 The WLA DPV Procurement has considered equality impact and equality assessments during the procurement processes, with separate equality analysis assessments conducted for each procurement exercise. The WLA DPV Procurement will not disadvantage any equality groups or sub-groups; in fact it promotes equality and diversity in a number of ways. For example, it encourages all contractors to consider what equality policies and practices they have in place and whether they meet the Council's own standards and policies. It is anticipated that the DPV will provide consistency in quality and best value in commissioned SEND provision.

6.2 Equalities issues relating to individual children and young people will be included in the assessment process for individual placements. The INMSS DPV will cover providers that are subject to regulation by OFSTED to provide services to children and young people who are in receipt of an Education, Health and Care Plan or undergoing Statutory Assessment of Special Educational Needs as specified under the Children and Families Act 2014.

7.0 Consultation with Ward Members and Stakeholders

7.1 As this report affects all wards, consultation with specific ward members has not been conducted.

7.2 Consultation with service users – parents and carers and children and young people - has been integral to the procurement process. This included focus groups and questionnaires that asked for feedback on what works well and areas for improvement in the current service and service gaps. Views from this consultation informed the WLA service specifications to ensure services meet the needs of children and young people and their carers.

7.3 A range of stakeholders were consulted as part of market warming events on 18 October 2016 and 17 December 2017. These provided the opportunity for providers to inform development of the DPVs.

8.0 Human Resources/Property Implications (if appropriate)

8.1 There are no human resources or property implications.

Report sign off:

GAIL TOLLEY
Strategic Director of Children and Young People

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Brent	**Cabinet** 12 February 2018
	Report from the Chief Executive

i4B Business Plan 2018/19

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	2
Background Papers:	None
Contact Officers:	Sadie East Head of Transformation Tel: 0208 937 1507 Sadie.east@brent.gov.uk

1.0 Purpose of the Report

1.1 This paper presents the i4B Holdings Ltd Business Plan for 2018/19 to Cabinet for Shareholder approval in February 2018. It also includes a number of other matters which require Shareholder approval.

2.0 Recommendations

2.1 Cabinet approves the Business Plan for i4B Holdings Ltd as set out in Appendix 2.

2.2 Cabinet agrees that the remaining properties of the initial PRS acquisition programme (PRS 1) be purchased within Brent, for an additional investment of £3.5m.

2.3 Cabinet agrees to increase the loan to fund the PRS 1 working capital requirement from £1m to £2.5 million with the facility draw down an additional £1m if required.

2.4 Cabinet agrees to make available up to £116m needed to fund the acquisition of 300 additional private rented sector properties (PRS 2) by i4B Holdings Ltd (subject to approval of the 2018/19 i4B Business Plan).

2.5 Cabinet agrees to make available £35m needed to fund the acquisition of 100 intermediate rent sector properties by i4B Holdings Ltd (subject to approval of the 2018/19 i4B Business Plan).

2.6 Cabinet agrees to lend i4B a further £4m to fund the working capital requirements for PRS 2 (£3.2m) and the intermediate rent acquisitions programme (£0.8m).

2.7 Cabinet agrees to appoint the Strategic Director for Children and Young People (Gail Tolley) as a Director of i4B Holdings Ltd in place of the Strategic Director of Community Wellbeing (Phil Porter).

2.8 Cabinet agrees the list of Shareholder Consent Matters which will be delegated to the Chief Executive as detailed at Appendix 1.

2.9 Cabinet agrees the remuneration package for the fifth 5th Company Director.

3.0 Background Information

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 300 properties to support the Council's homelessness agenda.

3.2 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.

3.3 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).

3.4 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.

3.5 The Company has a fixed-term, four-year 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.

3.6 In turn, the Council has contracted three housing management agents to manage Private Rented Sector (PRS) properties. Brent Housing Management, Pinnacle Housing Group and Mears Group have been appointed to provide housing management. Contracts have been signed with BHP (Brent & Greater London) which has now been handed to Brent Housing Management, Pinnacle (Home Counties) and Mears (Home Counties).

3.7 In addition, three external buyers' agents have been procured to complement the Council's own property buyers in the acquisition of PRS properties.

3.8 The first Business Plan of the Company was agreed by Cabinet in November 2016. It included an initial property acquisition plan (to purchase 300 properties) which ran up until the end of the 2017-18 financial year. 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.

4.0 The new Business Plan

4.1 The Company has developed a second Business Plan (Appendix 2) which includes a number of options which are under consideration by the Board as potential opportunities for the Company. These are:

- *Private Rented Sector (PRS)* - Continuation and expansion of the PRS landlord business, purchasing a further 300 units between September 2018 and April 2021 (creating a total of 600 PRS properties by April 2021).
- *Properties for Intermediate Rent* – Creating an Intermediate rent portfolio of 100 properties by April 2020 through the purchase of specific blocks or street properties and through flexible tenure management of PRS stock.
- *Strategic Investments* – The Company is exploring opportunities to benefit from the Quintain intermediary housing market investment opportunity, as well as empty homes projects and land purchases able to provide a meanwhile site use.
- *New build Partnership with the Council (on Council owned sites)* – The Company is exploring the opportunity of a partnership with the Council to maximise the opportunity to invest in Council land and assets to deliver housing and investment return. Immediate opportunities exist to deliver new Housing Revenue Account (HRA) and PRS homes.
- *New Build Partnership with the Council and Registered Providers (RPs) on commercial sites* – the Company may create Joint Venture partnerships with the Council and RPs to purchase commercial sites within Brent for affordable and PRS housing. Immediate opportunities exist with a number of RPs and on a number of sites.

4.2 A draft of the business plan was also presented to CMT on 11 January and comments fed back to the i4B Board. The i4B Board oversaw the development of the business plan and agreed the business plan at its meeting on 24 January 2018.

5.0 Additional investment for the initial PRS acquisition programme (PRS 1)

5.1 In the initial Business Plan (November 2016), £100m funding was requested and agreed by Cabinet to fund the purchase of 300 PRS properties. This programme assumed 150 (50%) of properties would be purchased in Greater London or the Home Counties, and 150 (50%) of properties would be purchased in Brent.

5.2 The Council purchasing team has been successful at purchasing properties at increasingly higher yields and within Brent. Currently, 133 (53.2%) of the 250

properties in the pipeline are located in Brent. The Company has analysed the real data gathered through 18 months of purchasing activity in Brent and the Home Counties. The Company has also become more informed about the customer base which the Council is seeking to nominate for PRS housing. The analysis shows that net and gross yield margins, on average, are very close regardless of location. The primary reason for purchasing outside Brent is the budget ceiling and lower cost of properties. Given the similarity in yield margins, the Company recognises an opportunity to buy a higher proportion of properties within Brent during the initial business plan period than originally proposed.

5.3 To amend the weighting of properties to 180 units in Brent or Greater London and 120 units in the Home Counties an additional £3.5m is required in 2018/2019. The difference between a three-bed Home Counties property and a three-bed Brent property is c. £153,000 (including on-costs). The difference between a two-bed Brent property and a three-bed Home Counties property is £87k. The proposed figure of £3.5m should therefore allow a switch of 30 of the remaining 50 properties from the Home Counties to Brent. 30 two-beds in the Home Counties will be replaced by 30 two/three-beds in Brent or Greater London.

6.0 The new PRS Programme (PRS 2)

6.1 The Company hopes to deliver a second purchasing programme weighted with permission to purchase (1) up to 100% Brent or (2) 60% Brent / 40% Home Counties.

6.2 The practical implementation of the PRS scheme differs from that initially suggested by the theoretical modelling. The Council, in nominating customers to i4B, must always consider the most appropriate offer of accommodation available to that household on that day. This is often based on a concentric circle model where a suitable offer in or closer to Brent will always be given first. Properties within the Home Counties are therefore at risk of longer void periods. The Council's Housing Needs service, with whom the blend of properties has been discussed, suggest a programme with more Brent units will better support the discharge of homelessness duty. Option (1) would cost circa £116m, creating a gross yield of circa 4.96%. Option (2) would cost circa £103m, creating a gross yield of circa 4.86%.

6.3 More detail on this proposal can be found in the business plan (Appendix 2).

7.0 Intermediate Rent Properties

7.1 To strengthen and diversify the business, the Company hopes to purchase 100 properties to be rented at intermediate rents. These properties generally gain a slightly higher rent than LHA rent, and tend to attract young working professionals with low housing management needs. This means that intermediate rent households are also likely to have lower rent debt levels. Intermediate rent is beneficial to the Shareholder as it diversifies i4B's customer base, thus increasing the stability of the Company's income stream. i4B's ability to be more financially self-sustaining reduces the call on Council equity to support the business.

7.2 The intermediate rental properties will contribute towards the housing strategy target of 5,000 new affordable units in the borough over five years. Furthermore, intermediate rent units satisfy the demand for properties priced between LHA and market rent. Recent research carried out by the Cambridge Centre for Housing and Planning research has reaffirmed the need for this type of product. The experience of First Wave Housing Ltd also shows there is demand for properties at intermediate rent.

7.3 More detail on this proposal can be found in the business plan (Appendix 2).

8.0 Investment for 2018/19

8.1 As set out above and in 2018/19 Business Plan at Appendix 2 are details of i4B's aims to purchase, which can be summarised as:

- An additional 300 properties over a three-year period (100 by April 2019, 300 in total by April 2021). This second phase of Private Rented Sector acquisitions (PRS 2) would bring the overall number of PRS properties purchased to 600 by April 2021.
- 100 Intermediate Rented (IR) properties to be acquired by March 2020.

8.2 The location of these additional PRS 300 units could be weighted 100% in Brent at a cost of £116m (plus £3.5m extra funding for PRS 1 – see section 5) or weighted 60% Brent and 40% Home Counties at a cost of circa £103m (plus £3.5m extra funding for PRS 1 – see section 5).

8.3 The Company is therefore requesting that for PRS 2, Cabinet approve additional finance of up to £116m, in addition to the £100m already agreed for PRS 1 in the 2017 i4B Business Plan (plus £3.5m extra funding for PRS 1 – see section 5).

8.4 The company additionally requests £35m for intermediate rent acquisitions.

9.0 Increasing the loan to fund working capital requirements

9.1 The need for a revenue loan facility to fund day-to-day spend (while i4B remains in the property acquisition phase of its business plan and so is not operating at full capacity) was identified in the 2017 Business Plan. The (working capital) loan requirement was set at £1m.

9.2 The speed at which acquired properties are readied for letting has (for reasons identified in the 2018 Business Plan) not been as rapid as had been anticipated in the 2017 Business Plan. This has resulted in a delay in the receipt of significant rent receipts designated to fund operational activities and capital loan interest payments.

9.3 As a result, the working capital loan requirement has increased. The Company is aiming to keep the requirement below £2.5m but will need the facility to draw down up to £3.5m in total if required.

9.4 As with PRS 1, both the PRS 2 and intermediate rent programmes will require separate working capital facilities to remain solvent during their respective property acquisition phases.

9.5 The estimated facilities for PRS 2 and IR are £3.2m and £0.8m respectively.

10.0 Change in personnel of Company Directors

10.1 Cabinet, as shareholder, is required to agree the removal and appointment of company directors. Owing to conflicts, it is recommended that Gail Tolley (Strategic Director for Children and Young People) replaces Phil Porter (Strategic Director for Community Wellbeing) as Company Director. Cabinet is asked to agree this change.

11.0 Shareholder Consent Matters

11.1 In the current document outlining Shareholder Consent Matters, 46 corporate and operational matters are reserved, meaning that the Company cannot undertake them without first requesting and being granted Shareholder consent.

11.2 Based on experience of the Company's first year of operation, it is now recommended that a number of matters be delegated to the Council's Chief Executive. The Shareholder still retains key decisions including the agreement of the Company's work under its annual business plan. Delegation of some decisions will enable to Company to operate flexibly and responsively to meet the objectives which have been set by the Council.

11.3 For a full list of Shareholder Consent matters, including matters which it is recommended are delegated to the Chief Executive, see Appendix 1.

12.0 Remuneration package for the Fifth Company Director

12.1 Recruitment is underway for a fifth Company Director. The role will cover both the i4B Board and the First Wave Housing Board. A maximum payment of £13,000 per annum has been suggested. This would be paid monthly and subject to attendance and performance requirements. This figure has been arrived at following four considerations:

1 That the individual will be undertaking work for both i4B and First Wave Housing.
2 That the role requires previous commercial property experience.
3 That the figure has been benchmarked against advertised remuneration for similar roles.
4 That the figure has been benchmarked against the remuneration paid to the i4B Board's independent Chair.

13.0 Financial Implications

13.1 This report seeks approval from Cabinet for the release of up to £151m for the acquisition (and renovation to a lettable standard) of:

- An additional 300 residential units (PRS 2) at a cost of up to £116m

- 100 Intermediate Rented units at a cost of £35m

13.2 The cost range of the extra PRS properties is between £103m and £116m at current prices, dependent on size and/or location, option for which are outlined in this paper.

13.3 The cost of the intermediate rented (IR) units is more certain than for PRS as there is less variation in the size of these properties and all units would be located in Brent.

13.4 The acquisition and renovation of all PRS and IR properties would be financed in a similar fashion to those acquired under PRS 1, i.e.:

- An interest-bearing loan (to the extent supportable by rent, net of costs)
- Equity (Council cash injection) limited to 25% of total purchase and renovation costs

13.5 It is anticipated that intermediate rented properties will qualify for a favourable interest rate its loan (as is the case for PRS acquisitions) but will generate more income per comparable property than the PRS programme.

13.6 This paper also requests a change in the location profile of i4B acquisitions approved in the 2017 Business Plan (PRS 1) as follows:

Table 1

	Acquisitions	
	Original	Proposed
Brent/Greater London	150	180
Home Counties (Low LHA Rates)	80	56
Home Counties (Medium LHA Rates)	70	64

13.7 The driving force for this change is to ensure delivery of additional units in Brent and would require further capital outlay estimated at between £3m and £3.5m.

13.8 Additional Brent properties (above the original allocation) could be delivered for less than £3m, by implementing a larger reduction (than is proposed) for the number of units in the Home Counties (Medium) category, although this may be impractical for operational reasons not addressed in this report.

13.9 The revenue cashflow facility requirement under the proposals is estimated at £2.7m, so further management action may be required to ensure this is reduced to below the £2.5m envelope that is recommended in this report.

13.10 If approved, the Equity Requirement (Council cash injection) would be significantly beneath the Council's upper threshold in all instances.

13.11 The remuneration for the fifth i4B Director has been benchmarked against similar positions and that awarded to the Board's only other independent member. These costs will be met by existing i4B revenues with only a marginal effect on financial forecasts.

13.12 A summary of the maximum aggregated financial ask pursuant to the recommendations in this report is included in Table 2:

Table 2			
	Business Plan Totals (£m)		Increase (£m)
	2017	2018	
Capital Outlay			
PRS 1	100	103.5	3.5
PRS 2	0	116.0	116.0
Intermediate Rent	0	35.0	35.0
Capital Outlay Total	***100***	***254.5***	***154.5***
Working Capital			
PRS 1	1.0	2.5	1.5
PRS 2	0	3.2	3.2
Intermediate Rent	0	0.8	0.8
Working Capital Total	***1.0***	***6.5***	***5.5***
Total Funding Requirement	***101***	***261***	***160***

14.0 Legal Implications

14.1 The adoption of the proposed Business Plan is a matter reserved to the council as the sole shareholder in I4B Holdings Limited.

14.2 The Business Plan contains proposals for various development opportunities to be funded through council loan and equity investment. There are potential State Aid implications for both, although with an equity investment there is a potential for the whole equity investment to be regarded as State Aid rather than just the difference between the interest rate applied for a loan and the market rate. The market economy operator principle does provide an exemption to both loan and equity 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. The proposed business plan does contain proposals as to how avoid the loan and equity investment constituting unlawful State Aid but full financial advice should be obtained.

14.3 The intention in the business plan is that i4B Holdings Limited will become involved in a range of business opportunities, including joint ventures. To date it has been possible to rely on the Teckal exemption under public procurement legislation (essentially that the company is controlled by the council and carries out at least 80% of its activities for the council) to enable the award of contracts between the Council and i4B Holdings Limited (and vice versa) without the need for a competitive procurement process but care will need to be taken to ensure that the new business opportunities do not undermine the ability to rely on the Teckal exemption.

14.4 Cabinet is permitted to delegate the Shareholder Consent Matters detailed in Appendix 1 to the Chief Executive. The delegation can be made subject to such limits or in consultation with others as is considered appropriate.

15.0 Equality Implications

15.1 The diversity of the i4B Board of Directors is being considered as part of the process to appoint new directors.

16.0 Consultation with Ward Members and Stakeholders

16.1 None.

17.0 Human Resources/Property Implications (if appropriate)

17.1 N/A

Report sign off:

CAROLYN DOWNS
Chief Executive

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Appendix 1 – Shareholder consent matters

Part A – Corporate Matters	Remain with Shareholder/ Delegate to the Chief Executive
1 vary in any respect its articles of association or the rights attaching to any of its shares; or	Remain
2 permit the registration (upon subscription or transfer) of any person as a member of the Company other than the Shareholder in accordance with the terms of this Agreement or agree any rights or restrictions attaching to any shares or memberships allocated to such new shareholders or members as applicable ; or	Remain
3 increase or reduce the amount of its issued share capital except as provided in this Agreement, grant any option or other interest (in the form of convertible securities or in any other form) over or in its share capital, redeem or purchase any of its own shares or effect any other reorganisation of its share capital; or	Remain
4 issue any loan capital or enter into any commitment with any person with respect to the issue of any loan capital; or	Delegate
5 make any borrowing other than under the Finance Documents; or	Delegate
6 apply for the listing or trading of any shares or debt securities on any stock exchange or market; or	Remain
7 pass any resolution for its winding up or present any petition for its administration (unless it has become insolvent); or	Remain
8 engage in any business other than as contemplated by the Business Plan or defray any monies other than in good faith for the purposes of or in connection with the carrying on of such business; or	Remain
9 form any Subsidiary or acquire shares in any other company or participate in any partnership or joint venture (incorporated or not); or	Remain
10 close down any business operation, or dispose of or dilute its interest in any Subsidiary for the time being, or dispose of any material asset unless in each case such closure or disposal is expressly contemplated by the Business Plan; or	Remain
11 agree to enter or enter into any acquisition or disposal of any material assets by the Company the total of which exceeds £0.5m except unless such acquisition or disposal is expressly contemplated by the Business Plan; or	Delegate
12 sell or dispose of any part of the business of the Company, unless such sale or disposal is expressly contemplated in the Business Plan; or	Remain
13 agree or approve any other material services the total value of which exceeds £50,000 per annum to be provided by the Company to a third party unless such activity is expressly contemplated by the Business Plan; or	Delegate
14 amalgamate or merge with any other company or business undertaking; or	Remain
15 alter its name or registered office; or	Remain
16 enter into any transaction or arrangement of any nature whatsoever (including, for the avoidance of doubt, a service contract) with any of its directors or any person who is connected (within the meaning of sections 1122 and 1123 of the Corporation Tax Act 2010) to any of its directors whether or not any other person shall be	Remain

party to such transaction or arrangement; or	
17 enter into any arrangement, contract or transaction outside the normal course of its business or otherwise than on arm's length terms; or	Remain
18 appoint any agent (not being a sub-contractor) to conduct the whole or any part of the business of the Company, other than the appointment of an agent to conduct an area of the business of the Company; or	Delegate
19 enter into, as lessor or as lessee, any finance lease if doing so would mean that the aggregate value of such arrangements entered into exceeds £50,000; or	Delegate
20 create or permit to be created any mortgage, charge, encumbrance or other security interest whatsoever on any material asset, shares, income or its business in whole or in part or any of its shares other than:	Remain
20.1 as contemplated in the Finance Documents;	Remain
20.2 liens arising in the ordinary course of business; or	Remain
20.3 any charge arising by the operation or purported operation of title retention clauses and in the ordinary course of business; or	Remain
21 adopt or amend its annual Business Plan; or	Remain
22 change its financial year end: or	Delegate
23 make or permit to be made any material change in the accounting policies and principles adopted by the Company in the preparation of its audited accounts except as may be required to ensure compliance with relevant accounting standards under the Companies Act 2006 or any other generally accepted accounting principles in the United Kingdom; or	Delegate
24 make or agree to make any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity (other than in the normal course of trading); or	Delegate
25 give any guarantee, suretyship or indemnity to secure the liability of any person or assume the obligations of any person outside the scope of its Business Plan; or	Remain
26 factor or assign any of its book debts; or	Delegate
27 establish or amend any profit-sharing, share option, bonus or other incentive scheme of any nature for directors, officers or employees; or	Remain
28 establish or amend any pension scheme or grant any pension rights to any director, officer, employee, former director, officer or employee, or any member of any such person's family; or	Remain
29 appoint, remove or dismiss any director or company secretary; or	Remain
30 adopt or amend its Remuneration Policy; or	Remain
31 agree to remunerate (by payment of salary, bonus, the provision of benefits-in-kind or otherwise) or to increase the remuneration of any employee, officer of or consultant to the Company unless the annual aggregate amount of such remuneration (by payment of salary, bonus, the provision of benefits-in-kind or otherwise) is in accordance with the Company's current Remuneration Policy or Business Plan; or	Remain

32 institute, settle or compromise any material legal proceedings (other than debt recovery proceedings in the ordinary course of business or in accordance with the Debt Recovery Policy or where the value of such claim is reasonably believed by the Company to be less than £50,000) instituted or threatened against it or submit to arbitration or alternative dispute resolution any dispute if the effect of this is that its solvency may be imperilled, or it may require additional funding in order to undertake its Business Plan; or	Remain
33 undertake any business or action which is inconsistent with the Business Plan then in force or omitting to undertake any action which is required by that Business Plan except with the prior written consent of the Council; or	Remain
34 approve any matter that is reasonably likely to have an adverse effect on the reputation of the Council; or	Remain
35 change the nature of the business or commence any new business which is not ancillary or incidental to the business of the Company, save as expressly contemplated in the business plan; or	Remain
36 make any agreement with any revenue or tax authorities or make any claim, disclaimer, election or consent for tax purposes in relation to the Company or its business if the effect of this is that its solvency may be imperilled, or it may require additional funding in order to undertake its Business Plan; or	Remain
37 give notice of termination of any arrangements, contracts or transactions the total value of which exceeds £1,000,000 per annum or materially varying any such arrangements, contracts or transactions where such termination is likely to have an adverse impact on the financial status of the Company;	Remain
37.1 or enter into any contract with a value in excess of £1,000,000; or	Delegate
38 appoint and approve the appointment terms (including any remuneration terms) of the Directors; or	Remain
39 appoint and approve the appointment terms (including any remuneration terms) of the chief executive officer / managing director of the Company; or	Remain
40 declare or pay any end of year dividend of the Company (where applicable); or	Remain
41 grant rights (by licence or otherwise) in or over any intellectual property owned or used by the Company.	Remain
Part B – Operational Matters	
42 make any amendments to the Lettings Policy and/or Sales Policy;	Remain
43 make any amendments to the Rent Policy;	Remain
44 make any amendments to the Debt Recovery Policy;	Remain
45 make any amendments to the Financial Model;	Remain
46 make any amendments to the Remuneration Policy.	Remain

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i4B HOLDINGS ltd

BUSINESS PLAN 2018/19

AND FORWARD INVESTMENT PROPOSALS 2018-2023



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i4B Holdings has been established to contribute to reducing homelessness, provide affordable, good quality homes, and invest to deliver regeneration



1. The purpose of the company

1.1 i4B Holdings Ltd (i4B; the company) has been established to contribute to reducing homelessness, provide affordable, good quality homes, and invest to deliver regeneration and financial benefits for its sole shareholder, Brent Council (the council).

1.2 Brent Council has one of the highest numbers of households in Temporary Accommodation (TA) in England. For Quarter Two of 2017-18, the council reported having 2,542 households living in TA, the fourth highest of all housing authorities in England. The council, against the overall London trend, has managed to dramatically reduce the number of households in Bed and Breakfast accommodation from a peak of 242 households in Q2 2014-15 to 33 for the same quarter in 2017-18 – an 86% reduction. However, there are still too many households in temporary accommodation which is inadequate for families' needs.

1.3 On 14 March 2016, Brent Council's Cabinet approved the council's TA Reform Plan, as a response to this challenge. One of the main measures outlined in the Plan was for the council to acquire a large portfolio of Private Rented Sector (PRS) accommodation, which would be professionally managed and in which costs could be protected against rental inflation. It was intended that the council acquire properties, either directly or through partner delivery agents, to be let as long-term PRS properties at Local Housing Allowance (LHA) levels to prevent homelessness or end a homelessness duty.

1.4 The primary purpose of the company is to deliver the housing options defined in the TA reform plan. However, the Board of i4B has limited discretion to let properties at affordable rents, higher than LHA rates, where it is affordable for the tenant household and provides additional funding stability for the company. The total mix of properties that may be let at greater than LHA rates is 25% of the portfolio, which may be flexed by prior agreement with the shareholder's representative.

1.5 The company has carried out business development activities, researching new ways and opportunities to support the achievement of the council's wider objectives. Some ancillary expenditure towards this purpose is outlined in this business plan.

One of the main measures outlined in the Plan was for the council to acquire a large portfolio of Private Rented Sector accommodation, which would be professionally managed and in which costs can be protected against rental inflation

2. The benefits of operating as a company

2.1 As a wholly owned, Local Authority company, i4B operates at 'arms-length' from Brent Council, with the remit of providing affordable PRS accommodation to households for which the council has a responsibility.

2.2 i4B has discretion over the individual properties it acquires provided that:

- They are in a suitable location for the council to comply with its duty under the Homelessness Suitability of Accommodation Order of 2011
- They are within the affordability criteria set out in the company investment plan and Capital financing agreement with the council
- The rental income will be broadly equivalent to the relevant Local Housing Allowance

2.3 The company's core business plan anticipates a financial breakeven position over 30 years. However, i4B will explore commercial ventures, which may include growth, diversification or higher-yielding businesses/investment, to support the business in the medium and longer term and importantly maximise its contribution to the council's vision of 'making Brent a great place to live and work'.



3. The structure of the company

3.1 The company is limited by shares, initially providing affordable homes for households who might otherwise be housed in temporary accommodation.

3.2 The company is called i4B Holdings Limited.

3.3 The company's registered office is:

Brent Civic Centre,
Engineers Way,
Wembley
HA9 0FJ

3.4 The company's Memorandum of Understanding, Articles of Association, and Shareholders Agreement are as set out in the relevant documents.

3.5 The Board of the company is chaired by independent voting Director Martin Smith. The other directors of the company are:

- Councillor George Crane;
- The Strategic Director of Community Wellbeing (Phil Porter); and
- The Director of Performance, Policy and Partnerships (Peter Gadsdon)
- Independent board member with expertise/experience in housing/property to be appointed.

3.6 The company has a Service Level Agreement with Brent to provide a range of services to support the company's operations, including:

- Corporate and Financial services
- Property purchasing and refurbishment
- Housing management.

3.7 As the business grows, the company will purchase under contract, either from the council or via procurement, such other services as may be required to discharge this business plan or c ouncil-agreed supplementary business cases.

The company provides affordable homes for households who might otherwise be housed in temporary accommodation



4. Performance to date

4.1 The company was first registered in December 2016, with the company name changing from "Investing 4 Brent" to "i4B Holdings" in July 2017. The company has set up bank accounts for both capital and revenue purposes and has received permission from the council as stakeholder to align its year end accounts with those of the council. During 2017 i4B also agreed a £2.3m contract with the council to provide services to the company up to 2021.

4.2 Currently, the core business of the company is as a PRS landlord accepting homeless nominations from the council to provide good quality homes and to discharge the council's duty. As of 2 January 2018, the pipeline of properties to deliver the council's target of 300 properties is strong with 251 properties either purchased (86), in conveyancing (84) or approved by the PRS panel and under negotiation (81).

4.3 The PRS programme set out to provide 300 units of good quality private sector accommodation for the council to nominate homeless households to. The programme has been profiled to achieve this target over 30 months instead of 24 months and the current programme of acquisitions aims to be complete by September 2018, with all properties refurbished and let by 31 December 2018.

4.4 Clearly, the programme extension of six months means that opportunities to support homeless families and save revenue costs are delayed, reduced or lost.

4.5 Using a calculation based on the current blend of costs relating to the council use of temporary accommodation, the annual revenue cost savings to the council would be circa £900k per annum. The longer delivery date has meant circa £250k of revenue savings benefit to the council have been delayed.

4.6 In the 2017 Business Plan, the period between the acquisition of properties and the time at which they are let was estimated at three months. To date, this figure has actually been closer to five months with an obvious adverse effect on the finances of i4B. This is discussed further in Section 9.

4.7 i4B's business model is highly sensitive to changes in gross yield. Assuming a fixed rental income (i.e. assuming debt supportable remains fixed), a reduction in yield of 0.25% is equivalent to an increase in the equity funding requirement of £7.5m (circa 8%).

4.8 A detailed financial model has been developed which assists company directors as a live management tool. The model may be revised to instantly reflect the impact of changes to financial assumptions within the business plan, providing Board members with real-time updates on which decisions can be made.

4.9 To manage risks, i4B is working towards achieving an average 5%+ gross yield to ensure risks are managed. i4B has introduced a lower gross yield rate target of 4.45% for Brent properties and a minimum of 5% for non-Brent properties to ensure the Business Plan achieves its required number of homes in Brent. However, i4B is acquiring properties with an estimated gross yield of 4.9% in Brent and Greater London and 5.15% in the Home Counties (5% for Brent, Greater London, and Home Counties combined).

4.10 The first Brent PRS property, which was a four-bedroom family house in Neasden, was let in November 2017. Of the 251 properties in the pipeline, 133 are located in Brent. The programme has over-achieved against the business plan on gross yield averaging 5.03% compared to the 4% stated in the business plan. The average cost per unit is above target at £357,000 compared to £333,000. However, to date i4B has purchased more properties within Brent (which are more expensive compared to the Home Counties) meaning the programme still remains on target to achieve £333,000 overall.



The annual revenue cost savings to the council would be circa £900k per annum

4.11 The council's purchasing team has been successful at acquiring properties at increasingly higher yields and within Brent. As of 2 January 2018 the team has purchased or is in the process of conveyancing 170 properties, at a combined purchase price of £59.7m and at an average gross yield of 5.02%. The team also has an additional £26m of pipeline properties approved by the PRS acquisition panel and in negotiation.

4.12 The council has employed three external buying agents under contract. These agents are delivering a small number of lower-cost but above-average yield freehold properties. To date, ten properties have been placed in conveyancing with a value of £1.8m and a gross yield of 5.49%. An additional 23 properties valued at £5.3m are in negotiation.

4.13 The purchasing programme began before i4B was formed, with the council purchasing properties on behalf of the company. i4B is now purchasing homes directly, but 70 homes are in the process of a secondary sale to i4B from the council. The council has also identified empty homes which it is in the process of on-selling to i4B, creating new family homes and making good use of properties which were causing blight.

4.14 The portfolio pipeline reflects a 51%/49% leaseholder/freeholder split. Although many leases are in blocks which are owned by independent freeholders, the company has been successful at purchasing (via the council's property buyers) leases in Brent Council blocks and purchasing multiple leases within the same dwelling to become the freeholder as well as the leaseholder.

Table 1: Purchase and pipeline summary

	Number	Value £s (pipeline and acquisitions)	Average purchase price (target ave. £333k)	True gross yield (target 4%+)
Purchased PRS Units 2016/2017	86	£31.412m	£365k	4.97%
Pipeline PRS Units 2017/2018 (under offer and in conveyancing)	84	£28.290m	£337k	5.08%
Totals	170	£59.703m	£351k	5.02%
Other pipeline properties (not in conveyancing)	81	N/A	N/A	N/A
Remaining PRS Acquisition Budget (£100m)	130	£40.297m	£310k	4.97%



4.15 The portfolio now has sufficient large (four-bedroom and larger) family homes outside the borough to meet demand. Future property purchasing strategy in the Home Counties will focus on three-bedroom and smaller freehold properties.

4.16 Brent Housing Management will deliver a programme of refurbishment to i4B properties of a value of circa £4.5m over two years. Work is underway to improve performance timescales to ensure properties are ready to let within business plan parameters. In addition to the refurbishment delivering the i4B minimal property standard, which is a high PRS standard, the company is also delivering walk-in showers to level-access properties. This improves i4B's ability to support families with mobility needs, including those unable to be discharged from hospital due to the availability of suitable properties. i4B will continue to work with experts within the council to match its property profile and characteristics with those of Brent's customers.

4.17 The council's Audit Advisory Committee considered i4B's performance in September 2017, and will receive a an update on the December 2017 internal audit review in March 2018.

4.18 The Directors consider performance information at the monthly Board meeting. To date, the main activity has been ensuring the acquisitions and refurbishments are in line with the business plan. However, as the properties are now being let, the Board has established a wider range of performance indicators which will allow i4B to be managed effectively. See Section 11 for a full list of Key Performance Indicators (KPIs).

4.19 The establishment of a comprehensive Service Level Agreement (SLA) between i4B and the council has enshrined service standards, expectations of performance, and resources. Bi-monthly client meetings have been established between i4B and the council to monitor adherence to the business plan and the SLA.

4.20 The company does not yet have enough data to provide accurate performance information for housing management aspects of the business. However, performance data is available from the purchasing stage to the letting stage (see Table 2).

The company is also delivering walk-in showers to level-access properties to improve i4B's ability to support families with mobility needs



Table 2: Actual Performance against Key Performance Indicators (KPIs)

KPI	Measure	Target and frequency	Actual performance (2nd January 2018)	Mitigating Action
Gross property yield	Annual rental income as a % of the property purchase price	5% Monthly	4.97% (86 purchased properties)	Performance is close to target. The next 84 properties in the pipeline average 5.08% – an average for the first 170 units of 5.02%. The PRS acquisition panel will continue to manage property purchase to achieve target.
Average portfolio purchase price	Average cost of a portfolio property including works, SDLT, fees and VAT	£333,333 Monthly	£365,000 (86 purchased properties)	The portfolio has over-achieved in the number of larger family homes and purchases in high and medium value areas. The next 84 properties in the pipeline average £337,000 – an average for the first 170 units of £351,000. The purchase of 150 units in the home counties will achieve target. However the business plan recommends purchasing more properties in Brent and greater London and fewer in the Home counties (180/ 120). This will cost an additional £3.5m. However, the gross yield will remain at the 5% overall target.
Acquisitions: Conveyancing periods	Period in weeks from PRS panel approval to property purchase. Includes valuation and conveyancing.	13 weeks Monthly	20	The in-house and an external firm of solicitors are now providing conveyancing services. The council is piloting in December and January a black box financial payment approval system aimed at replacing paper approvals with electronic approvals. The SLA service standards will be reviewed formally on a bi-monthly basis.
Acquisition: Achieving the agreed programme	Number of properties purchased	200 by 31st March 2018 300 by 30th Sept 2018 Monthly	170 properties are purchased or in conveyancing (2nd January 2018) and these should be complete by April 2018	The timescales for acquisitions have lengthened above SLA targets. 230 properties should be complete if SLA standards are achieved. There are 81 properties in negotiation additional to the 170 units. These negotiations will be encouraged to be completed swiftly to allow the target to be achieved. The SLA service standards will be reviewed formally on a bi-monthly basis. However the PRS panel meet with property buyers weekly. External buyers have had their localities increased to maintain momentum.
Refurbishment- keys from purchase to contractor, quotes, works, compliance certification, handover ready to let	Period from keys received from acquisition to refurbished property compliant with i4B handover checklist. This period includes quotes and certification	1st 100 units = 70 days 2nd 100 = 64 days 3rd 100 = 56 days Monthly	9a 200 days (based on 38 refurbished properties)	Weekly meetings are held with the refurbishment team; recruitment of surveying staff is taking place; weekly meetings with works contractors; performance targets of contractors from purchase to refurbishment are being monitored; pre-purchase surveys and quotes to be introduced from February 2018; refined approach to completion of compliance handover packs.
Letting	Period from notification of fully compliant handover following refurbishment to property letting (discharge of duty) or property refusal (discharge of duty)	7 days Monthly	16 days	The lettings process is being analysed and initial concerns relate to low demand from homeless families in emergency accommodation for large four-bedroom units in the home counties. An action plan has been proposed to resolve demand matters for large home county properties and properties of all bedroom sizes located the furthest distance away from Brent. i4B is seeking permission to increase the proportion of properties in its portfolio located in Brent.

5. Benefits analysis of the PRS acquisition programme to date

5.1 The company's purpose is to support the council in achieving its vision of making Brent a great place to live and work.

5.2 There are five areas which can be measured to support the company's contribution:

- Helping the council achieve its strategic objectives
- Reducing the council's revenue cost through i4B investing in new products and delivering services in new ways
- Income generated to the council through 'on-lending' capital to the company
- Supporting the council to retain and grow skills and invest in the expertise of those who deliver services
- Investing in assets that will appreciate their capital value over the medium-and long-term.

5.3 Although the programme has not delivered new housing supply, it has been successful in purchasing private sector homes and switching the tenure to an affordable private rented product. 300 new affordable homes will be created by December 2018.

5.4 Through the SLA contract with i4B, the council has been able to sustain and in some service areas increase staffing budgets. Examples of where the council has been strengthened with additional capacity or new skills include the property team and legal services, where an additional five posts have been created.

5.5 The council is able to borrow funding at preferential rates which it is then able to lend on to the company at a higher rate. For every £10m borrowed by the company, the council receives £30k per annum as net interest income. Should the company deliver products which are not sub market housing products, net interest income would be higher, but so would costs. A non-utilisation fee is also paid by the company for the loan facility and early redemption fees would also apply.

5.6 Although the council is investing capital to reduce revenue expenditure, it can also consider the capital outlay as a medium-and long-term investment. The housing market has historically provided good levels of investment growth. Capital appreciation of 4% per annum has been the average for over 20 years. A very conservative forecast of 1% would lead to growth of £3.5m over 30 years for every £10m invested. If a 3% forecast was predicted, there would be growthof £14m over 30 years for every £10m invested.

The council is able to borrow funding at preferential rates which then is able to lend on to the company at a higher rate. for every £10m borrowed by the company, the council receives £30k per annum as net interest income

Table 3: Benefits generated through the current PRS acquisition programme 2016-18

New affordable housing	300 more affordable homes allowing homeless families to access settled affordable housing
Improving the quality of private rented sector accommodation	300 more private rented homes complying with a good standard of quality and management.
Returning long term empty homes into use	Four long-term empty homes owned by the council are being purchased and refurbished by i4B and used for affordable family housing.
Supporting the diverse needs of Brent residents	i4B has agreed a mobility friendly standard with the council. Homes will have level access and walk-in showers will be installed as part of the refurbishment. Around 10% (30) of i4B properties will achieve this standard helping provide more suitable accommodation for some homeless customers and making a contribution to hospital discharges.
Reducing the use of emergency accommodation to support homeless households	£840,000 based on the council reducing its emergency accommodation need by 30 units and diverting 60 families from emergency accommodation to i4B homes.
Reducing the use of Temporary Accommodation supporting homeless families.	£1,076,400 based on i4B offering 318 families which would have been accommodated in TA at £23 per week cost to the council for a minimum of three years.
Additional income to the council for on-lending	£300,000 per year based on i4B borrowing £100m at a 0.3% on borrowing rate. £1m set up fee plus other fees relating to early redemption.
Capital appreciation	Capital appreciation as a result of investing £100m in property over 30 years is difficult to predict, but is likely to benefit the council.

6. New opportunities

6.1 The initial business plan for 2017/18 anticipated a financial breakeven position over 30 years. However, the company wishes to strengthen its financial position through a variety of mediums including growth, diversification, and higher-yielding investments.

6.2 The company needs to grow and diversify its business operations to strengthen the balance sheet, spreading risk and thereby increasing capacity to do more for Brent. Growth and diversification would help mitigate risks associated with income, for example by diversifying the customer base accessing the company's services. A continuing focus on the commercial needs of the company will make a strong business in the short, medium and longer term and provide more opportunities for the company to accelerate and increase its contribution towards the council's vision of *'making Brent a great place to live and work'*.

6.3 The Board has considered its current PRS business alongside a number of diversification and growth opportunities to strengthen and grow the company in the short and medium term.

6.4 The key areas of opportunity are:

- **PRS**
  Continuation and expansion of the PRS landlord business from 300 units by September 2018 to 600 Units by April 2021.
- **Properties for Intermediate Rent**
  Creating an Intermediate rent portfolio of 100 properties by April 2020 through the purchase of specific blocks or street properties and through flexible tenure management of its PRS stock.
- **Strategic Investments**
  The company is exploring the benefits of purchasing housing built as part of the Wembley Park regeneration, as well as empty homes projects and land purchases able to provide a meanwhile site use.
- **New build Partnership with the council (on council owned sites)**
  The company is exploring the opportunity of a partnership with the council to maximise the opportunity to invest in council land and assets to deliver housing and investment return. Immediate opportunities exist to deliver new HRA and PRS homes.
- **New Build Partnership with the council and Registered Providers (RPs) on commercial sites** – the company may create Joint Venture (JV) partnerships with the council and RPs to purchase commercial sites in the Borough for affordable and PRS housing. Immediate opportunities exist with a number of RPs and on a number of sites.
- In addition, the company will work with the Shareholder to look at the optimum structure for council-owned housing companies, including i4B and First Wave Housing.

6.5 This business plan discusses in more detail these opportunities to strengthen and diversify. Most of the proposed growth involves using the current financial model with a focus on new products, growing the portfolio to share costs between more units and improving average gross yield to increase the financial margin available to the company. This business plan will build on what has already been delivered, and is therefore using the 300 units purchased by the company during the initial business plan period as a basis. Growth of up to 723 units by March 2021 (Table 5) is suggested, bringing the total number of units to 1023 by March 2021. These opportunities will allow the company to develop so that it can do more to deliver the objectives set out in 1.1. The Board has commissioned further work to develop the opportunities set out in this business plan and will consider detailed business cases for individual proposals. The cumulative cost of delivering all opportunities in the business plan is £253m, but £40m will be recovered through capital receipts (see Shared Ownership column – Table 6).

6.6 The company aims to purchase an additional 300 properties over a three-year programme

The company needs to grow and diversify its business operations to strengthen the balance sheet, spreading risk and thereby increasing capacity to do more for Brent



(100 by April 2019, 300 in total by April 2021 – at a cost of between £103m and £116m). This would bring the overall number of purchased properties to 600 by April 2021. The location of these additional 300 units could be weighted 100% in Brent at a cost of circa £116m (plus £3.5m extra funding for PRS 1) or weighted 60% Brent and 40% Home Counties at a cost of circa £103m (plus £3.5m extra funding for PRS 1). The gross yield for both options would be similar with 100% Brent purchases achieving circa 4.95% and the 70/30 split achieving 4.89%.

Table 4: Business Plan timeline – company aims by year

Year 1 (2018/2019)	**The company aims to commence the second PRS acquisition scheme and:**	Purchase 28 intermediate rent units (£10m investment 2018/2019).
		Commence pre-works and consultation on a new build development with the council on council land.
		Enter into a JV in relation to at least one site circa 80 units, of which 40 units are owned by i4B and 40 units are owned by the RP.
Year 2 (2019/2020)	**The company will continue to develop its portfolio and partner with the council and other organisations in the delivery of new homes, and:**	Purchase 72 intermediate rent units (£25m investment 2019/2020).
		Commence new build pilot development with the council (30 unit scheme).
		Commence delivery of the first JV and enter new JV agreements (40-50 i4B Units).
Year 3 (2020/2021)	**The company will continue to grow its portfolio. The company aims to purchase an additional 50 PRS properties and explore other ideas for development including:**	Start an additional new build pilot development with the council (100 units over two or more schemes).
		Delivering and entering into new JV agreements.
		Purchase 153 properties to use as shared ownership (Discounted Market Sale) / intermediate rent.

Table 5: Growth opportunities for the company (Number of units)

	PRS properties	Intermediate Rent	Strategic Investment – Shared Ownership	New Build with council	New Build through JV	Total Number of Units
2018/2019	100	28	0	0	0	128
2019/2020	150	72	153	30	40	445
2020/2021	50	0	0	100	0	150
Total	**300**	**100**	**153**	**130**	**40**	**723**

Table 6: Growth opportunities for the company (Costs)

Year	Rental options		Strategic Investment: Cost Range for Two Shared Ownership Options			New Build Costs		Total Cost Range (Net of Capital Receipts)
	PRS 1 and 2 Cost Range	Intermediate Rent	Gross Cost	Capital Receipts Range	Net Cost Range	With council (Range for Two Options)	Through JV	
2018/2019	£4m to £24m	£10m	-	-	-	-	-	£14m to £34m
2019/2020	£0m to £60m	£25m	£30m	-	£30m	£8m to £19m	£8m	£71m to £142m
2020/2021	£0m to £37m	-	£30m	(£10m) to (£20m)	£10m to £20m	£0m to £25m	£5m	£15m to £87m
2021/2022	-	-	-	(£10m) to (£20m)	(£10m) to (£20m)	-	-	(£10m) to (£20m)
Total Cost Range	£4m to £121m	£35m	£60m	(£20m) to (£40m)	£20m to £40m	£8m to £44m	£13m	£80m to £253m

7. Proposed business products in more detail

PRS Landlord – growing the core business product

7.1.1 Presently, i4B's only business is as a PRS landlord letting properties at LHA rent. Key requirements for financial stability are: loan repayment; maximising rents (i4B's only income stream); maximising property occupation/minimising voids; and managing costs (loan/management/maintenance). This must be done within a 5% gross yield margin.

7.1.2 The company has analysed the real data gathered through 18 months of purchasing activity in Brent and the Home Counties, and has become more informed about the customer base which the council is seeking to nominate for PRS housing. The analysis shows that net and gross yield margins, on average, are very close regardless of location. The primary reason for purchasing outside Brent is the budget ceiling and lower cost of properties. Given the similarity in yield margins, the company recognises an opportunity to buy a higher proportion of properties within Brent during the initial business plan period than originally proposed. To amend the weighting of properties to 180 units in Brent and 120 units in the Home Counties, an additional £3.5m is required in 2018/2019.

7.1.3 The initial business plan outlines a PRS landlord business at LHA rents. Demand for rental units in Brent is high, so i4B could grow this model from 300 to 600 units (September 2018–April 2021).

7.1.4 Following the proposed change outlined above, the company hopes to deliver a second purchasing programme weighted with permission to purchase (1) up to 100% Brent or (2) 60% Brent/40% Home Counties.

7.1.5 The practical implementation of the PRS scheme differs from that initially suggested by the theoretical modelling. The council, in nominating customers to i4B, must always consider the most appropriate offer of accommodation available to that household on that day. This is often based on a concentric circle model where a suitable offer in or closer to Brent will always be given first. Properties within the Home Counties are therefore at risk of longer void periods. The council's Housing Needs service, with whom the blend of properties has been discussed, suggest a programme with more Brent units will better support the discharge of homelessness duty. Option (1) would cost circa £116m, creating a gross yield of circa 4.96%. Option (2) would cost circa £103m, creating a gross yield of circa 4.86%.

7.1.6 The company also wishes to introduce small block purchases and off plan purchases into its buying strategy to complement the successful purchase of street properties.

7.1.7 Key actions:

- Amend the SLA to task the Property purchasing team to continue to identify and purchase PRS units on behalf of the company either through their own resources or through external property buyers
- Amend the SLA to task Brent Housing Management to expand its housing management, refurbishment and repair responsibilities on behalf of the company zzeither through its own resources or through external contractors

Table 7: PRS Property acquisition phase 2 (301-600 units)

Option	1: 100% Brent units	2: 60% Brent, 40% Home Counties
Number of Units	300	300
Budget 2018/19	£20m	£20m
Budget 2019/20	£60m	£60m
Budget 2020/21	£37m	£28m
Total Budget	£116m	£103m
Years of Delivery	Over 3 years – 2018/2021	Over 3 years – 2018/2021
Target gross yield	Circa 4.96%	Circa 4.86%
Risks	House price inflation during three years, causing additional inflation of the local housing market due to number of purchases; not achieving high levels of rent collection; greater proportion of leasehold properties.	Limited availability of two- and three-bedroom properties in excess of 5% gross yield; more challenging to match families to properties outside the borough.



Properties for intermediate renting

7.2.1 To strengthen and diversify the business, the company will purchase 100 properties for intermediate rent in Brent. These properties generally gain a slightly higher rent than LHA rent, and tend to attract young working professionals with low housing management needs. This means that intermediate rent households are also likely to have lower rent debt levels. Intermediate rent is beneficial to the Shareholder as it diversifies i4B's customer base, thus increasing the stability of the company's income stream. i4B's ability to be more financially self-sustaining reduces the call on council equity to support the business.

7.2.2 The intermediate rental properties will contribute towards the housing strategy target of 5,000 new affordable units in the borough over five years. Furthermore, intermediate rent units satisfy the demand for properties priced between LHA and market rent. Recent research carried out by the Cambridge Centre for Housing and Planning research has reaffirmed the need for this type of product. The experience of First Wave Housing Ltd also shows there is demand for properties at intermediate rent.

7.2.3 Properties would be acquired in blocks or as street properties to refurbish and let at intermediate rent. There is a significant opportunity through close working with developers and Registered Provider developers to purchase blocks or a large number of units in blocks.

7.2.4 The company's intermediate renting business stream will provide and enhance the minimal property standard and/or furnish/semi-furnish the properties, increasing some costs. The company could use Brent Housing Management or procure management and repair agents for properties as the current procured services do not include finding customers who wish to rent at market rates.

7.2.5 The council would, as with the core PRS business, benefit from on-lending and capital appreciation of its subsidiary's assets over time. The intermediate rent product should gain a higher yield per property and introduce flexibility within its portfolio. Legal advice is required to be certain that individual properties within the PRS scheme could also switch between PRS

Table 8: Intermediate rent

Number of Units	100
Budget 2018/19	£10m
Budget 2019/20	£25m
Total Budget 2019/21	£35m
Years of Delivery	Over 2 years – 2018/2020w
Target Gross Yield	Circa 5.5%
Suggested Location	Most areas of Brent will support this opportunity. The refurbishment standard and general upkeep of properties is crucial.
Risks	The letting process could result in longer void periods between lets. Increased costs in relation to the provision of furnished accommodation.

and intermediate rent to minimise risk relating to periods of low demand/ failure of the council to nominate.

7.2.6 Key actions:

- i4B's intermediate rent minimal property standard to be set
- Procurement of letting, housing management and maintenance agents. The company will make use of opportunities to extend the SLA and buying into exiting management services within blocks purchased
- Amendment to SLA to task the property purchasing team to identify and purchase intermediate rental units on behalf of the company

To strengthen and diversify the business, the company will purchase 100 properties for intermediate rents in Brent



Strategic investment

7.3.1 The company will occasionally identify market opportunities which are time limited. These are likely to be opportunities to acquire land and property which are of strategic importance to i4B or the council. There are four examples of this type of investment.

7.3.2 The council has an option to purchase circa 250 properties, which are being built as part of the Wembley Park regeneration, at 72.5% of market value (see Table 9). The company is developing an i4B proposal for shared ownership and intermediate rent with the council's working group. The council will consider this opportunity alongside other options.

7.3.3 The i4B option includes a blend of shared ownership and intermediate rent, potentially allowing a preferential purchase opportunity for renters after five years. The first phase of investment could see the purchase of 153 units at £60m, with up to £40m of capital receipts generated from shared ownership sales (see Table 9). Current modelling assumes an initial sales model where buyers purchase a 50% share in their property. However, further modelling will take place to ascertain whether this percentage should be reduced to ensure sales.

7.3.4 Explore opportunities to invest in meanwhile sites for temporary or permanent uses – one example could be to work with the GLA, the council and TFL delivering temporary accommodation on meanwhile (vacant) sites in the form of temporary modular homes. Other opportunities to invest in sites for temporary or permeant use will be explored.

7.3.5 Empty Homes initiative – i4B is exploring opportunities with the council's empty homes team to understand if the company's ability to invest in homes can lead to better engagement with empty home owners. In the current programme of PRS purchases, three long-term empty homes have been refurbished and new family homes created.

7.3.6 Strategic land acquisition – i4B is exploring how it can use its status and borrowing to invest in land to release value at a later date e.g. by supporting the council's strategic land assembly in key locations.

7.4.7 Purchase to sell – i4B will explore the financial benefits of selling on properties which it purchases as part of joint venture arrangements.

7.3.8 Key actions:

- Continue to work with the council's working group to consider the most appropriate option for the Shareholder



Table 9: Example of strategic investment (see 7.3.2/7.3.3)

	Option 1 – This option assumes 78 of the available properties are presold as shared ownership with the owners purchasing an initial 50% share. 75 properties will be for intermediate rent.	Option 2 – This option assumes all properties are presold as shared ownership with the owners purchasing an initial 50% share.
Number of Units	153	153
Budget 2018/2019	£0m	£0m
Budget 2019/2020	The peak pre-sale cost to i4B would be £58.5m, however £20m would be recovered through equity sale.	The peak pre-sale cost to i4B would be £58.5m, however £40m would be recovered through equity sale.
Budget 2020/2021	£0m	£0m
Total Budget 2018/2021	£58.5m reducing to £37.5m following sales.	£58.5m reducing to £17.5m following sales.
Years of Delivery	Over 2 years – 2019/2021	Over 2 years – 2019/2021
Target gross yield	circa 8.3%	circa 12.8%
Best Location for the Scheme(s)	Wembley	Wembley
Risks	The sales and letting process could result in longer void periods between lets. Lack of sales is also a risk. Owners may not purchase the property outright, locking i4B and council equity into the properties for an unknown length of time. Intermediate rent will not allow the council to access its equity unless a rent-to-buy scheme is provided.	The sales and letting process could result in longer void periods between lets. Lack of sales is also a risk. Owners may not purchase the property outright, locking i4B and council equity into the properties for an unknown length of time.

New build in partnership with the council – 30 New Build Homes 2019/2020 with 120 new build homes 2019/2021

7.4.1 The company aims to support the council in making unviable council-owned sites viable though a new partnership model. The model assumes i4B purchases 50%-100% of homes in selective council developments at terms set by the council, usually as leaseholder. i4B would act as a market partner, purchasing homes at circa 5% gross yield, benefitting from bulk buying, and de-risking council developments. The council would fund residual properties as social or intermediate affordable accommodation, potentially accessing Right-to-Buy receipts and HRA match funding.

7.4.2 This model works particularly well in the south of the Borough as i4B can pay more per property, thus paying a higher share of the build cost. This reduces the cost of the remaining properties which the council would normally seek to retain as social housing. The council could use Right-to-Buy receipts on any social affordable properties it retains. The company may be able to access regeneration, planning, marginal viability or GLA grants to improve the viability of the scheme, taking care not to confuse subsidy use within the scheme. The council would lead the development. The scheme would act as a good practice example of achieving high levels of affordable homes on site (50%-100%). Through this model, council would be able to retain the ownership of land, deliver social housing (general fund, NAIL, etc.) and provide interim products if necessary. The council may also wish to provide repair, maintenance and housing management services to the properties. The council would gain from the long-term capital growth of the site and the company would pay a ground rent on any leasehold properties of circa £350pa per unit.

Table 10: New build in partnership with the council

Number of Units	Scheme 1: 30 i4B roof top units	Scheme 2: 100 i4B units		
	Each scheme has sub options e.g. partial site development or site intensification			
Budget 2018/2019	Scheme 1: £0.6m	Scheme 2: £0m		
Budget 2019/2020	Scheme 1: £7m	Scheme 2: £11m		
Budget 2020/2021	Scheme 1: £0m	Scheme 2: £25m		
Total Budget 2018/2021	Scheme 1: £7.6m	Scheme 2: £36m		
Years of Delivery	On-going partnership		**Target gross yield**	Circa 5.0%
Best Location for the Scheme	Several schemes have been identified in the borough but consultation has not commenced with members or residents. Schemes will tend to work better in the South of the Borough due to i4B's higher income levels.			
Risks	Modular roof top schemes are not new to the borough however they are new to the council's delivery teams. Risks may arise during the preparation of the scheme. Community consultation and support will be critical in the speed of delivering this opportunity. Grant for all new build schemes can be sought and a grant for roof top modular schemes has been supported in principle by the GLA.			

7.4.3 Key actions:

- Capital Project Board and Capital Investment panel approval, and Board approval
- Secure full planning permission
- Presentation of a full business case to the council



There is an opportunity for a series of new developments to take place on commercial sites

New build as a Joint Venture (JV) with the council and with one or more RPs

7.5.1 There is an opportunity for a series of new developments to take place on commercial sites. The vision would be for i4B, the council and one or more RPs to work through JV arrangements on a site-by-site basis.

7.5.2 i4B will consider the appropriate council structure for purchases of this type. A joint venture is one approach. However, the use of a contractual agreement may be as practical in achieving new development units.

7.5.3 The intention is to see Registered Providers bringing their commercial and development skills to the partnership, working with the council and i4B to help identify development sites, most of which would be owned privately. The RP would purchase and develop the sites. The development would set out to deliver 50% RP affordable units and 50% i4B PRS units, potentially blended with some intermediate rent properties. The RP would benefit from a Right-to-Buy receipts grant equal to 30% of their 50% share of the build cost. i4B would purchase properties at a build cost of circa 5% gross yield, and may be able to access regeneration, planning or GLA grants to improve the scheme's gross margin. The housing partnerships team will set out the council's and i4B's expectations of this type of JV and share with partner RPs. The ownership of the freehold would need to be determined, but a principle of equal freehold land held by i4B and the RP would be placed in the prospectus along with other information including ideal affordable housing products. The properties could be managed by the RP, council or by the company.

7.5.4 Key actions:

- Housing Partnerships establish prospectus for JV arrangements to ensure clear understanding of the requirements prior to schemes being presented
- Additional two JV opportunities to be identified and explored
- Delivery on site 2019/2020 subject to scheme approval and site purchase
- Capital Project Board and Capital Investment panel approval, and Board approval
- Presentation of a full business case to the council

Table 11: New build through a Joint Venture between the council, i4B, and a RP

Number of Units	0 in 2018/2019 40 units owned by i4B 2021
Budget 2018/2019	£0
Budget 2019/2020	£8m
Budget 2020/2021	£5m
Total Budget 2020/2021	£13m
Years of Delivery	Over 3 years – 2018/2021
Target gross yield	Circa 5.0%
Best Location for the Scheme	A scheme has been identified in the north of the borough but consultation has not commenced with members or residents. Early discussions are taking place with potential JV partners.
Risks	Development partner interest is critical however the JV terms will be understood before capital investment takes place.

8. Risk analysis of the proposals

8.1 The 2017/2018 business plan identified a number of risks which can be mitigated if they arise. The 2018/2019 business plan has considered these risks and how new business streams could reduce business risks. The risks below have been outlined with reference to the current PRS acquisition programme.

Table 12: Top six key risks
(See Appendix 1 for the risk register, providing descriptions of risks, risk scores and mitigations)

Risk	Business plan assumption	Risk Type
company cash flow (capital and revenue) is insufficient to manage expenditure	i4B has commenced a large acquisition and refurbishment programme. The period between purchase and letting requires significant financial resources. The business plan assumes an average of 90 days for property refurbishment and letting from the point of purchase. i4B's revenue account also requires an element of cash flow support to manage expenditure until it creates a surplus through rent.	Financial
Business plan rent collection rates are not achieved. Introduction of Universal credit adversely affects rent collection	The business plan assumes a rent collection rate of 98.5%.	Financial
The appeals court cannot distinguish between i4B as a private sector landlord and the council as a landlord	The i4B business model is based on the wholly owned council company being a private landlord. i4B must retain its autonomy in granting and ending tenancies. As a private landlord i4B will use its assured shorthold tenancy as the primary tenancy offered to tenants. The Directors must strictly adhere to the requirement to 'act in the interest of the company'. The council as shareholder and funder must act in accordance with these roles.	Financial and Reputational
Property portfolio does not achieve the target Gross Yield margin	5% average gross yield (true).	Financial
Void periods exceed business plan	The business plan assumes 1.5% void loss. The business provides an additional allowance of 90 days for refurbishment following the purchase of a property.	Financial and Operational
Interest rates increase	The Board will usually borrow money from the council. The council can choose how to arrange the loan however it would generally borrow funds from the public works loans board at preferential rates and on lends to i4B. The rate at which the council on lend will depend on the product being provided by i4B. i4B must comply with state aid rules.	Financial

9. Financial analysis – existing business model

The 2017 Business Plan allowed for the acquisition of 300 units for a capital outlay of £100m. Financial performance against originally agreed targets are:

9.1 Current estimates indicate that 300 units will be delivered as per the original profile (i.e. 120 in Brent, 30 in Greater London and 150 in the Home Counties) within the capital outlay envelope of £100m.

9.2 With 251 properties currently purchased or in the pipeline, the shareholder is now to be consulted on whether the profile should be changed so that a greater number of total units acquired are in Brent.

9.3 Given the longer-than-anticipated period between the acquisition of properties and the time at which they are let (currently five months), the peak revenue debt for i4B, estimated at £1m in the original business plan, has increased.

9.4 Business advisers have reported that the gap between acquisition and let is expected to dramatically reduce over the remainder of the property acquisition period and that the originally-anticipated average of three months over the entire portfolio should be achieved.

9.5 In that event, i4B would require an increase in the cashflow facility provided by the council from £1m (to cover the originally anticipated short-term peak revenue debt) to £2.8m, though the business plan will still break even over 30 years.

9.6 However, if the five-month average is maintained over the life of the plan, then the working capital requirement will increase to £3.5m. Further management action will be implemented to attempt to keep the working capital requirement under £2.5m but a short term borrowing facility of up to £3.5m will be required to cover the worst case scenario.

9.7 A current forecast of cashflows for i4B's first five operational years (excluding £400k of i4B establishment costs) is shown here:

Table 13: Five Year cashflow

	2017	2018	2019	2020	2021
			£000's		
Capital Outlay	76,400	23,400			
Long Term Loan	-64,600	-19,800	-	-	-
Equity (Cash Injection)	-11,800	-3,600	-	-	-
Net Capital Cashflows	**0**	**0**	**0**	**0**	**0**
Revenue Income Cashflows					
Gross Rental Income	689	3,856	4,429	4,474	4,519
Revenue Expenditure Cashflows					
Loan Fees and Charges	-912	-961	-85	-69	-51
Management and Maintenance	-327	-1,065	-1,208	-1,236	-1,265
company Operating Costs	-400	-155	-159	-163	-169
Net Operating Cashflows	**-949**	**1,676**	**2,977**	**3,007**	**3,036**
Debt Financing	-794	-2,296	-2,423	-2,423	-2,423
Working Capital Financing	-11	-45	-	-	-
Net i4B Cashflow	**-1,754**	**-664**	**554**	**583**	**613**

10. Financial analysis – business model options

Included in this year's business plan are a range of scenarios for business expansion. A summary of the financial impact of each is included below.

LHA PRS – Additional 300 units

10.1.1 The previous business plan for i4B approved the acquisition of 300 sub-market PRS units (PRS – Phase 1) and the acquisition of another 300 units is suggested in this latest business plan (PRS 2).

10.1.2 The latest forecast for PRS 1 is that total capital outlay to deliver 300 units in the areas planned will total just under £100m so is in line with the resources set aside.

10.1.3 The location of the 300 PRS 2 units would be significantly different from those acquired under PRS 1. More properties would be acquired in costly London Boroughs, meaning fewer in the Home Counties.

10.1.4 As a result, the capital outlay for PRS 2 will be significantly more than that originally requested for PRS 1, ranging from an additional £3m to deliver Option 2 to £16m for Option 1.

10.1.5 The loan rate charged to i4B for PRS 1 has been modelled at 2.87% and the same rate has been used to model PRS 2, though the actual rate would be linked to prevailing Public Works Loan Board rates at the time the loan agreement was signed.

10.1.6 The inherent financial risk in both scenarios is that a significant period of time elapses between investment and the achievement of a cumulative surplus, but this was also true for PRS 1.

10.1.7 These outputs imply that, from a financial perspective and conditional on the availability of capital financing, both options are worthy of further consideration.

Table 14: Comparison of PRS location options

	Number of Properties		
	PRS 1	PRS 2 – Option 1	PRS 2 – Option 2
Brent/ Greater London	150	300	210
Home Counties (Low LHA)	80	0	90
Home Counties (Medium LHA)	70	0	0

Table 15: Key outputs from the modelling for PRS 2

	PRS 1	PRS 2 – Option 1	PRS 2 – Option 2
Capital Outlay (£m)	100	116	103
Equity Investment (£m)	15	17	22
Equity Investment	15%	15%	22%
Capital Financing Interest Rate	2.87%	2.87%	2.87%
Peak Revenue Debt (£m)	2.7	3.2	3.0
1st Cumulative Surplus (Year)	2030	2032	2029
Net Yield	4.4%	4.3%	4.3%

Intermediate rent (IR)

10.3.1 This option involves the acquisition of 100 properties which would be let at up to 80% of market rent.

10.3.2 All IR units would be located in Brent/Greater London. As sub-market rent is the offering, it is likely that this element of the portfolio would qualify for a State Aid exemption in relation to interest on borrowing, thereby attracting the preferential rates applicable to LHA PRS.

10.3.3 It is estimated that the capital outlay to deliver market rent units to turnkey would be approximately £35m.

10.3.4 A higher rent would be charged compared with LHA PRS. An additional margin would attached to the borrowing interest rate if this were a market rented product, however there is no additional margin attached to the borrowing interest rate in the case of IR.

10.3.5 The capital financing interest rate assumed is identical to that applied to PRS 1 (subject to confirmation of a State aid exemption). The actual rate will be determined by prevailing interest rates at the time the relevant loan agreement is signed.

10.3.6 The favourable effect of higher rents (than LHA PRS) is offset by a higher acquisition cost per unit, resulting in a proportionally larger Equity Investment requirement, though it still remains below the council threshold of 25%.

Table 16: IR comparison with the original LHA PRS programme (PRS 1)

	PRS 1	IR
Capital Outlay (£m)	100	35
Equity Investment (£m)	15	8
Equity Investment	15%	24%
Capital Financing Interest Rate	2.87%	2.87%
Peak Revenue Debt (£m)	2.7	0.8
1st Cumulative Surplus (Year)	2030	2023
Net Yield	4.4%	5.1%



Acquisitions to shared ownership

10.4.1 In this scenario, i4B would acquire 100% of the equity in 153 newly developed units for approximately £60m, equivalent to 70% of market value. Two options are then proposed:

10.4.2 **Option 1** – i4B sells 50% equity in all 153 properties, retaining the remaining 50%. The i4B-owned stake is available for 'staircasing' by the occupier and is let at a 2.75% yield on market value in the meantime.

10.4.3 The consolidated capital outlay (including interest costs accrued over a sales period presumed to be 24-months) are approximately £17m.

10.4.4 Option 1 delivers and annual deficit of approximately £100k, though i4B would benefit from additional, equity-based capital receipts as they arise.

10.4.5 **Option 2** – i4B allocates 78 of properties for use as per Option 1. The remaining 75 properties are made available as sub-market (intermediate) rented products

10.4.6 The sales period for the shared equity units is again presumed to be 24 months. However, rental income from both intermediate and shared equity units will be sufficient to cover financing costs incurred during that time and so no additional interest costs are incurred.

10.4.7 An annual surplus of approximately £300k is delivered by this option, though this does represent only 0.8% return on net capital employed (gross outlay less sales income).

10.4.8 Under option 2 i4B would also benefit from equity-based capital receipts as they arise.

10.4.9 Due to the unpredictable timing of staircasing capital receipts under the Shared Equity scheme, lenders may argue that maturity (interest only) loans are not appropriate for these products (as i4B would not have a business proposition in place to settle the debt on completion of the loan term).

10.4.10 The financial modelling has therefore been predicated on the undertaking of annuity loans for both options which, while more expensive, will ensure that there is no outstanding debt against the portfolio at the end of the business planning period.

10.4.11 Capital receipts generated through occupier staircasing would then be additional resource which could be immediately ploughed back into i4B for other business initiatives.

10.4.12 The financial analysis for these two options has been carried out at a higher level than for other proposals.

10.4.13 As surpluses/deficits shown here are marginal when compared with outlay, further detailed work should be carried out to determine a more accurate reflection of each option's financial strength.



Council new build on council land

10.5.1 This proposal is in development and as part of this a full financial appraisal is being carried out. This will form part of the Business Case which Cabinet will be asked to approve in order to take forward this proposal.

JV new build on council land

10.6.1 This proposal is in development and as part of this a full financial appraisal is being carried out. This will form part of the Business Case which Cabinet will be asked to approve in order to take forward this proposal.



11. Key performance indicators (KPIs)

Table 17: KPIs

i4B has the following KPIs written into the SLA with the council and in the housing management contracts				
KPI	**Measure**	**Target in weeks or calendar days**	**Monitoring Period**	**KPI owner**
Gross property yield	The annual rental income shown as a % of the property purchase price.	5%	Monthly	i4B
Average portfolio purchase price	The average cost of a portfolio property including works, SDLT, fees and VAT.	£333,333	Monthly	i4B
Maximum equity share held by LB Brent	The proportion of equity held by LB Brent in relation to the total loan provided to i4B.	23% (maximum)	Monthly	LB Brent – Finance
Business modelling exercises undertaken	The number of business modelling exercises undertaken and reported to the Board.	6 per year (minimum)	6 per year (minimum)	LB Brent – Finance
Acquisitions – conveyancing periods	Period in weeks from PRS panel approval to property purchase. Includes valuation and conveyancing.	13 weeks	Monthly	LB Brent – Property
Acquisitions – achieving the agreed programme	Number of properties purchased.	200 by 31st March 2018 300 by 30th Sept 2018	Monthly	LB Brent – Property
Acquisitions – property tenure	Number of Leasehold units in comparison to freehold units.	60%/40% (few leasehold units = better)	Monthly	LB Brent – Property
Acquisitions – location	The number of units located in different locations as specified in the business plan.	150 Brent and Greater London 150 Home Counties	Monthly	LB Brent – Property

KPI	Measure	Target in weeks or calendar days	Monitoring Period	KPI owner
Property handover following acquisition	Period from acquisition date to keys provided to BHM/ refurbishment contractor.	2 working days	Monthly	LB Brent – Property
Refurbishment	Period from keys received from acquisition to refurbished property compliant with i4B handover checklist. This period includes quotes and certification.	1st 100 units = 70 days 2nd 100 properties 64 days 3rd 100 properties 56 days	Monthly	LB Brent – BHM
Letting	Period from notification of fully compliant handover following refurbishment to property letting (discharge of duty) or property refusal (discharge of duty).	7 days	Monthly	LB Brent – Housing Needs
Number of lets in the period	Number of new tenancy sign ups in the month	In line with PRS Programme assumptions	Monthly	LB Brent – Housing Needs
Number of property refusals by nominees leading to discharge of duty	Customers approved by LB Brent as homeless who refused i4B accommodation and were the council formally discharged their duty.	Contextual	Monthly	LB Brent – Housing Needs
Number of voids	Any property not occupied by a tenant. Snap shot as of last day in the month.	Contextual	Monthly	i4B
Void loss	% of property void days as a proportion of 100% portfolio occupation.	1.5%	Quarterly	i4B
Bad debt	Income written off by the i4B Board due to bad debt in particular arrears.	2%	Quarterly	i4B
Rent collection	Rent collected as a % of rent due. This is measured on a 4 weekly cycle in line with BACs payments to i4B.	98.5%	Monthly	Housing Management Agents – Pinnacle, Mears, BHM

KPI	Measure	Target in weeks or calendar days	Monitoring Period	KPI owner
Rent arrears action	S21 Notices served	Contextual	Monthly	Housing Management Agents – Pinnacle, Mears, BHM
Rent arrears action	Evictions	Contextual	Monthly	Housing Management Agents – Pinnacle, Mears, BHM
Customer satisfaction	Annual survey	80% Satisfied with the condition of the property	Quarterly	i4B
Customer satisfaction	Annual survey	80% Satisfied with the management of the property	Quarterly	i4B
Customer satisfaction	Annual survey	80% Satisfied with the Repairs Service	Quarterly	i4B
Customer satisfaction	Survey participation	1/3 of customers surveyed annually (min)	Quarterly	i4B
Complaints	Complaints resolved through management agents agreed procedures.	100% resolved	Quarterly	Housing Management Agents – Pinnacle, Mears, BHM
Ombudsman decisions upholding a complaint	A decision by a statutory body upholding a complaint made by a customer, contractor, employee or member of the public.	Contextual	Quarterly	i4B

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KPI	Measure	Target in weeks or calendar days	Monitoring Period	KPI owner
% of portfolio property home visited	Three properties visits are required in the first year of a letting. 2 property visits are required for each subsequent year. % of property visits completed in relation to the properties under management.	100%	Annual	Housing Management Agents – Pinnacle, Mears, BHM
% of portfolio with valid CP12	Properties let with a valid CP12 gas certificate (properties with a served legal warrant qualify as certified).	100%	Monthly	Housing Management Agents – Pinnacle, Mears, BHM
% of Emergency repairs completed within 24 hrs	The % of all emergency repairs resolved within 24 hrs measured each quarter. Qualifying repairs are contained in the housing management contracts.	100%	Quarterly	Housing Management Agents – Pinnacle, Mears, BHM
% of urgent repairs completed within 7 days	The % of all urgent repairs resolved within 24 hrs measured each quarter. Qualifying repairs are contained in the housing management contracts.	95%	Quarterly	Housing Management Agents – Pinnacle, Mears, BHM
% of routine repairs completed within 28 days	The % of all routine repairs resolved within 24 hrs measured each quarter. Qualifying repairs are contained in the housing management contracts.	95%	Quarterly	Housing Management Agents – Pinnacle, Mears, BHM
Average repair cost per property per annum	The average cost of responsive repairs on the portfolio as charged by the housing management agent (excludes gas servicing).	£500 per annum	Quarterly	Housing Management Agents – Pinnacle, Mears, BHM
Void period (repairs)	The period from the void contractor being notified of a void property to the receipt to the housing management agent of the keys, handover form and certificates.	28 days	Monthly	LB Brent – BHM

Appendices

Appendix 1: Risk analysis and risk register

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
The appeals court cannot distinguish between i4B as a private sector landlord and the council as a landlord	The i4B business model is based on the wholly owned council company being a private landlord. The company must retain its autonomy in granting and ending of tenancies. As a private landlord, the company will use its assured shorthold tenancy as the primary tenancy offered to tenants. The Directors must retain at the forefront of their minds the requirement to 'act in the interest of the company'. The council as shareholder and funder must act in accordance with these roles. The potential consequences of this risk materialising is the company is seen to be one and the same as the council and therefore required to act in accordance with legislation relevant to a council landlords. The risk is that the company would have to provide the same rights as those which apply to secure council tenants and set rents in accordance with legislation and guidance as applies to councils.	Financial & Reputational	3	5	15	The company will use its assured shorthold tenancy agreement when letting PRS properties. Licences and other forms of tenancy terms will be exceptional. The company will make all decisions in relation to granting and ending tenancies and may delegate some responsibility to its management agents through approval of procedural documents. The management agents will act in the name of the company when progressing legal/court action. The Board will approve court action which could result in a tenant losing their home. i4B's logo will be used on its literature although management agents will also use their own brand when communicating with tenants. The Board, council Members and Senior officers will be briefed on the positive contribution i4B can make towards achieving the council's objectives, and on the role of the Board of Directors and the Role of the Shareholder. i4B will work with Brent council's press office to ensure press releases avoid inappropriate descriptions.
Portfolio of properties does not achieve the target Gross Yield margin	5% average Gross Yield (true) The potential consequences of underachieving against this target is that the company's income will be insufficient to meet its assumed expenditure.	Financial	3	4	12	The Board, in consultation with the requirements of the council, has some flexibility to amend the bedroom size and location of property acquisitions to maintain gross yield averages. The business plan could consider increasing the number of properties in high LHA locations such as Brent which would create a larger cash margin per property which would be advantageous to the business plan in managing fixed costs such as insurance and housing management fees. The programme could be spread over more years to prevent artificial house price inflation due to i4B's intense programme. i4B could diversify its products introducing intermediate renting and potentially shared ownership into its portfolio to support the overall strength of the business plan. i4B is seeking to work with the council and Registered Providers to purchase new build homes. With the support of the council, i4B could generate higher yields with some partnerships and introduce new products.

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
Average property price exceeds budget	The average property price for PRS phase 1 is £333,333 and the average purchase price for PRS phase 2 is £360,000 (£108m) or £390,000 (£117m). The potential consequence of this is i4B will be required to raise more capital to achieve unit targets. The ability to borrow more capital would be based on the strength of the company's business and underlying financial strength.	Financial	3	2	6	The Board closely monitors i4B's income and expenditure and has developed and uses a business modelling tool to understand any variation which pipeline purchases are likely to cause. Through this tool, action can be taken in relation to the purchasing strategy and purchasing decisions prior to negative financial consequences. i4B has some flexibility to amend the bedroom size and location of property acquisitions to maintain average property acquisition costs.
Rent collection rates do not achieve business plan. The introduction of Universal credit adversely affects income collection rates.	The business plan assumes a rent collection rate of 98.5% of rent due. The potential consequences of this risk materialising is the company's income is insufficient to cover its expenditure.	Financial	4	5	20	The Board is investing in additional monitoring of rent and arrears performance of housing management subcontractors. It is funding (through the SLA) a weekly monitoring of rent performance data of subcontractors to check contractors' data, identify variations and request information from subcontractors on actions being taken. I4B is seeking to diversify its products to introduce new customers with different household income profiles than exiting PRS customers. The introduction of new products and some new build properties with higher yields may mitigate a slightly lower rent collection rate.
Void periods exceed business plan	The business plan assumes 1.5% void loss. The business provides an additional allowance of 90 days for refurbishment following the purchase of a property. The potential consequences of this risk materialising is the company has fewer properties able to receive rent and therefore income would reduce whilst expenditure potentially increases. Additional costs such as council tax costs to the company increase during void periods.	Financial & achieving operational objectives	4	3	12	The company has built into the contracts with housing management and void contractors the requirement to cooperate to ensure void periods are minimised. i4B has weekly meetings with the council's housing needs team who are responsible for nominating tenant. The company is working with the council to approve the purchases are in line with the council's customer profile and sustainable tenancy requirements. i4B will review the nominations agreement at client/company meetings. The company could approach the shareholder to dispose of properties in locations consistently failing to attract customers. i4B could offer properties to customers requiring intermediate, market or TA accommodation. The company could consider working with social service nominations. i4B is seeking to diversify its products to introduce new customers with different household income profiles than exiting PRS customers. The introduction of new products and some new build properties with higher yields may mitigate a slightly lower rent collection rate.

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
Bad debt exceeds business plan assumptions	The business plan assumes 2% bad debt. The potential consequences of this risk materialising is the company has less income to overcome its expenditure.	Financial	3	4	12	The Board is investing in additional monitoring of rent and arrears performance through the SLA. The council and the company will review the nominations agreement and the application of the sustainable tenancy assessment. The company is seeking to diversify its products to introduce new customers with different household income profiles than exiting PRS customers. The introduction of new products and some new build properties with higher yields may mitigate a slightly lower rent collection rate.
The proportion of equity held by LB Brent in relation to the total loan exceeds target	The equity held by LB Brent is not to exceed 23% of total loan value. The potential consequences of this risk materialising is the company breaches the business plan permissions provided by the shareholder.	Financial	3	2	6	The company has developed a business model tool which automatically calculates the proportion of equity held by LB Brent in relation to the total loan. The board has a KPOI which requires it to review the business model a number of times within each year.
i4B is deemed to have failed a statutory requirement	The business must first and foremost ensure its tenants, employees and contractors enjoy a safe environment. The company must avoid incidents which could cause reputational damage to itself and be aware of the potential reputational damage it could cause to its shareholder. As a private landlord, i4B will strive to fully comply with statutory compliance requirements and respond in a timely way to complaints and Ombudsman enquiries. The potential consequences of this risk materialising vary. Some risks relate to health and safety requirements including gas safety. Failure to comply H&S requirements increase the opportunity for hazards including the causing of death. The ultimate penalty for failure to abide by statutory H&S requirements is imprisonment of the Chair of the Board. The consequences of other statutory failures may be fines and/or reputational damage to i4B.	Financial & Reputational	1	3	3	Contracts cover compliance requirements including gas servicing. Only suitably qualified people will be employed to deliver works. Monthly monitoring and KPI reports include some key aspects including gas, complaints and customer satisfaction. i4B will maintain its own brand which is separate to that of the council. i4B will work with the council's press office to ensure any incidents are appropriately managed.

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
The business plan does not diversify its products	The current business plan is primarily based on a Private Rented Sector (PRS) landlord model with permission to provide some market rent. The potential consequences of this risk materialising is the company may find its income and rent collection rate is more vulnerable to impacts of legislation including changes in housing benefit changes.	Financial & achieving operational objectives	2	2	4	Rent collection is one of the company's monthly monitored KPIs. Trends in rent collection performance of the management agents are also monitored on a weekly basis by rent experts working on behalf of i4B. The company is seeking to diversify its products to introduce new customers with different household income profiles than exiting PRS customers. The introduction of new products and some new build properties with higher yields may mitigate a slightly lower rent collection rate.
The cost to deliver i4B services exceeds business plan assumptions	There are a number of key assumptions built into the business plan and the setting of the Gross Yield %. These cost assumptions include: housing management services; repair and maintenance; insurance; contracts and service level agreements; major refurbishment programmes; and debt finance arrangements. As the business grows, cost assumptions may change and new costs may be encountered. The potential consequences of this risk materialising is the company's expenditure cannot be met by its income.	Financial	3	3	9	A review of business plan assumptions will take place bi-annually and will be reported to the Board. Should additional costs be noted, options will be considered to reduce cost through contract management renegotiation, eliminating the cost where the minimal property standard can be amended. It would be possible to reduce the volume of units purchased but seek higher gross yield margins on each property. The company is seeking to introduce additional products with higher yields to blend the overall yield, for example some new build partnerships and some shared ownership. Through growth i4B may be able to spread certain costs between more properties and negotiate better prices from providers. There may also be an opportunity to deliver savings through closer alignment to First wave housing, ultimately combining corporate and other services to create efficiencies.
Interest rates increase	The Board will usually borrow money from the council. The council can choose how to arrange the loan, however it would generally borrow funds from the public works loans board at preferential rates, then on-lend to i4B. The rate at which the council on-lends will depend on the product being provided by i4B. i4B must comply with state aid rules. The potential consequences of this risk materialising is i4B may not be able to secure a loan rate which can support the delivery of new products and purchase programmes. Ultimately, this will reduce the effectiveness of i4B delivering benefits for the council.	Financial	4	2	8	The council can enter into a long-term fixed rate borrowing which locks i4B's exposure. The council is able to support i4B through injecting equity into the company and reducing the loan element.

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
Inflation increases above business plan assumptions	The business plan assumes 2.5% annual inflation in relation to services. The business plan recognises LHA rent rates are frozen until 2021. The business plan assumes LHA rates will increase at 1% per annum after 2021. The business plan assumes that properties will be purchased within the capital budget agreed and no inflation is assumed within this envelope in relation to property prices, fees, SDLT or works. The potential consequences of this risk materialising is i4B's costs increase above its income. The company's income is primarily rent at Local Housing Allowance rates which are frozen until 2021.	Financial			0	A review of business plan assumptions will take place bi-annually and will be reported to the Board. Should additional costs be noted, options will be considered to reduce costs through contract management or renegotiation, eliminating the costs where the minimal property standard can be amended. It would be possible to reduce the volume of units purchased but seek higher gross yield margins on each property. i4B is seeking to introduce additional products with higher yields to blend the overall yield, for example some new build partnerships and some shared ownership. Through growth, i4B may be able to spread certain costs between more properties and negotiate better prices from providers. There may also be an opportunity to deliver savings through closer alignment to First wave housing, ultimately combining corporate and other services to create efficiencies.
LHA rates fall below business plan assumptions	The business plan assumes LHA rates will be frozen until 2021 and then increase at 1% per annum. The potential consequences of this risk materialising is the company's income will be less than its anticipated expenditure.	Financial	2	5	10	The company is seeking to diversify its products to introduce new customers with different household income profiles than exiting PRS customers. The introduction of new products and some new build properties with higher yields may mitigate a slightly lower rent collection rate. Potentially, properties could be sold to release capital, especially over the medium- and long-term when asset appreciation should create surplus capital.
The number of Leasehold units exceeds the target ration in relation to freehold properties	The business plan assumes a 60%/40% split in favour of Leasehold properties. The potential consequences of this risk materialising is i4B's expenditure would increase payments to the freeholder in relation to service charges and ground rent.	Financial	4	3	12	The company could prioritise purchases of block, multiple dwellings and ex-council dwellings where possible and in so doing either purchase the freehold or work with the council as a responsible freeholder. The purchasing strategy could seek to increase yields. i4B could diversify the portfolio with products which create higher yields. i4B could consider, in consultation with the shareholder, passing on these charges in part or whole to tenants.

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
The pipeline of properties is slower than SLA target	The SLA has a target of 13 weeks for properties to be purchased from approval at the PRS panel. The potential consequences of this risk materialising is mainly on the realisation of benefits to the council. The company pays for the loan facility when it is not being used although this charge increases once funds are drawn down.	Financial & achieving operational objectives	5	2	10	i4B could encourage the council through the SLA to introduce additional conveyancing teams. i4B works will work through the SLA with the council to develop appropriate treasury management strategies.
Property price inflation reduces average yield and increases average purchase prices	The programme assumes 200 properties purchased by 31st March 2018 and 300 by 30th Sept 2018. The potential consequences of this risk materialising is the acquisition programme would slow down, reducing the realisation of benefits to the council. However, the company would also be weaker with fewer properties as some fixed costs would be spread between fewer properties. The company's loan facility would continue to incur costs to the company.	Financial & achieving operational objectives	2	4	8	i4B could encourage the council through the SLA to introduce additional conveyancing teams. The anticipated outcomes of the programme could be profiled with the shareholder.
The location of properties purchased varies from the business plan	The business plan assumes that: phase 1 – 150 properties purchased in Brent & Greater London, 150 in the Home Counties; phase 2 – up to 300 properties purchased in Brent. The potential consequences of this risk materialising is that purchasing more properties in Brent is likely to improve the financial strength of the company as long as the gross yield of 5% is maintained. If more properties are purchased in the home counties the underlying net yield is likely to be reduced and therefore create less income even at 5% gross yield.	Financial & achieving operational objectives	3	3	9	The company will continue to consider the business model tool at its board meetings to understand the impact of portfolio purchase the pipeline of purchases. i4B could reduce the scale of the programme or seek support from the council to purchase in alternative locations.

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
The refurbishment period exceeds SLA target	The SLA has a target of 70 days for the first 100, 64 days for the 2nd 100 and 56 days for the 3rd 100 units. The potential consequences of this risk materialising is properties are unable to be let and remain void for longer than envisaged. The loan cost will not be met by rental income which will mean cash flow requirements increase and expenditure such as council tax liabilities increase.	Financial & achieving operational objectives	5	4	20	The Board monitor refurbishment KPIs at their monthly Board meeting. Weekly meetings take place at the operational level between i4B and the council's refurbishment service. Quotes for works are provided to i4B prior to properties being purchased. i4B could encourage the council through the SLA to introduce additional refurbishment teams or processes. The programme of purchases could be slowed to keep pace with refurbishment capacity.
The nominations process exceeds SLA target	The SLA has a target of 7 days from refurbishment handover to the property being let (tenancy start date). The potential consequences of this risk materialising is properties are unable to be let and remain void for longer than envisaged. The loan cost will not be met by rental income which will mean cash flow requirements increase and expenditure such as council tax liabilities increase.	Financial & achieving operational objectives	4	3	12	The Board monitor refurbishment KPIs at their monthly Board meeting. Weekly meetings take place at the operational level between i4B and the council's housing needs service. i4B could encourage the council (through the SLA) to introduce additional resources and change processes to reflect the new housing supply opportunity. I4B could work to bespoke some properties through a variation to its refurbishment specification. The programme of purchases could be slowed to keep pace with council demand from customers likely to be requiring emergency accommodation. i4B and the council will review the nominations agreement at its client company monitoring meetings.
LBB discharges its duty as a result of the nominee rejecting the offer of accommodation	The business plan does not assume any time (rent) loss from a duty being discharged as a result of a customer refusal. The impact will fall on the company's void loss performance and/or SLA performance in relation to nominations to and letting of properties. The potential consequences of this risk materialising is properties are unable to be let and remain void for longer than envisaged. The loan cost will not be met by rental income which will mean cash flow requirements increase and expenditure such as council tax liabilities increase. The consequent for the council is that they gain an additional discharge of duty and reduce their revenue costs and are still able to nominate another customer to i4B.	Financial	5	2	10	The Board monitor refurbishment KPIs at their monthly Board meeting. Weekly meetings take place at the operational level between i4B and the council's housing needs service. i4B could encourage the council (through the SLA) to introduce additional resources and change processes to reflect the new housing supply opportunity. The programme of purchases could be slowed to keep pace with council demand from customers likely to be requiring emergency accommodation. i4B and the council will review the nominations agreement at its client company monitoring meetings.

Risk	Business plan assumption	Risk Type	Likelihood (out of 5)	Impact (out of 5)	Risk Score (out of 25)	Mitigation
company cash flow (capital and revenue) is insufficient to manage expenditure	The company has commenced a large acquisition and refurbishment programme. The period between purchase and letting requires significant financial resources. The business plan assumes an average of 90 days for property refurbishment and letting from the point of purchase. i4B's revenue account also requires an element of cash flow support to manage expenditure until it creates a surplus through rent. The potential consequences of this risk materialising is the company becomes insolvent.	Financial	5	5	25	i4B is monitoring the performance of the SLA to deliver capital works and refurbishments within business plan requirements. In particular, the company is focusing on reducing the amount of time taken during refurbishment and letting to maximise rental income. The council has approved a cash flow facility for capital and revenue. The company will monitor cash flow requirements at its monthly meetings and with the shareholder at client/company meetings.

i4B HOLDINGS ltd

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Brent	**Cabinet** 12 February 2018
	Report from the Director of Performance,Policy & Partnerships

Voluntary Sector Initiative Fund – Voluntary and Community Sector Infrastructure Support and Assistance Grant 2018 – 2019

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	One
Background Papers:	None
Contact Officer:	Peter Gadsdon Director Performance, Policy & Partnerships Tel: 020 8937 6095 Peter.Gadsdon@brent.gov.uk

1.0 Purpose of the Report

1.1 This report seeks agreement on the approval of a one-year extension to the Voluntary Sector Initiative Fund Infrastructure Grant for CVS Brent from 1 April 2018-31 March 2019. The proposed grant will total £160K per annum.

1.2 The report also seeks an increase to the financial level delegated to relevant Officers for the award of grants under the Brent Advice Fund.

1.3 The report provides an overview of the Brent Advice Fund review and recommendations.

2.0 Recommendation(s)

That Cabinet:

2.1 Approves a one-year year extension to the Voluntary Sector Initiative Fund (VSIF) Infrastructure Grant to CVS Brent in the sum of £160K for 2018-19 commencing 1 April 2018.

2.2 Approves an increase to the financial level delegated to relevant Officers for the award of grants under the Brent Advice Fund to a maximum grant of £20k per annum.

3.0 Detail

3.1 The Voluntary Sector Initiative Fund – Infrastructure Grant is one stream of the Voluntary Sector Initiative Fund (VSIF) and grants made from this fund require Cabinet approval. Under the constitution Cabinet approval is similarly required for the award of grants over £5k per annum except within the case of the Edward Harvist Trust (where the sum is 7k) or the Brent Advice Fund (where the sum is 10K).

3.2 A two-year VSIF grant totalling £320K for CVS Brent was approved in 2016. £160K is awarded annually based on a conditional grant agreement to provide infrastructure support including capacity building, training, business development and fundraising plans, accessing external funding and developing partnerships and networks for Brent's voluntary and community sector.

3.3 The grant provides essential funding to enable the council's ongoing engagement with the voluntary and community sector. The continuation of funding of CVS Brent for 2017-18 will provide a consistent and cohesive approach to the sector's infrastructure support. A one-year extension would also align with the 2019 new budget cycle and the expansion of the community hub model.

3.4 During 2017, CVS Brent has undergone several personnel changes, completing its staff recruitment in November 2017. An extension of the current VSIF award would allow the organisation and its new staff team a full fiscal year to embed and deliver on the grant condition targets and priorities. A one-year extension would also align with the 2019 budget and the expansion of the community hub model.

3.5 Additionally, a voluntary and community sector needs review was recently conducted by the Partnerships & Engagement team and further work is required with staff, stakeholders and the voluntary and community sector to design a future infrastructure support framework based on its findings. Additionally the requirements of sector organisations delivering within community hubs will also feed into future infrastructure requirements.

3.6 In line with Brent's Borough Plan 2015-2019, a grant condition was introduced in 2016 that all posts funded through the grant will need to be paid at least the London Living Wage. Currently CVS Brent pay all staff funded through the grant more than the London Living Wage.

3.7 In February 2016, Cabinet approved the award of the Brent Advice Fund ("BAF") contract to Brent's Citizen's Advice Bureau. In order to ensure efficient administration of the BAF grants programme, previous reports detailed that the grants applications would be assessed by a BAF panel and any grants up to £10k would be awarded pursuant to officer delegated powers of authority. In exceptional circumstances, the grant value may exceed £10k, however this requires officer sign-off and approval by Cabinet.

3.8 The BAF is currently in its second year and a review was undertaken in November 2017 which created a number of recommendations. One of which was to increase the maximum grant approved by panel from £10k - £20K under delegated authority. The aim is to increase the number of applications as organisations may not have to 'match' fund which has restricted the number of applications.

3.9 An increase in award would expedite the approval process as grants in excess of £10k can take approximately four to six months from submission of the initial application to approval by Cabinet which may delay the delivery of a much needed advice service.

4.0 Financial Implications

4.1 The Voluntary Sector Initiative Fund budget for 2018/19 is £1.7m. The approved annual VSIF Infrastructure Grant is £160K. This grant will be awarded in full to CVS Brent, on a conditional grant basis. The currently existing budget is sufficient to cover the grant.

4.2 The current grant includes the provision that all posts funded through the grant will need to be paid at least the London Living Wage. CVS Brent already pay all their staff at least the London Living Wage, therefore this condition will be met.

5.0 Legal Implications

5.1 Under S1 of the Localism Act 2011 the Council has a general power of competence to do anything which an individual may do unless it is expressly prohibited.

5.2 The giving of grants to voluntary organisations is a discretionary power which must be exercised reasonably taking into account all relevant considerations and ignoring irrelevant considerations.

5.3 The decision to award or extend a grant is discretionary. The Council's discretion must not be fettered by previous commitments they may have given and it should make its decision in the light of present circumstances.

5.4 Under section 3(1) of the Local Government Act 1999, Brent Council, as a "best value authority" is under general duty of best value to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". Under the duty of best value, the Council should consider overall value, including environmental and social value, when reviewing service provision.

5.5 Before deciding how to fulfil their best value duty, local authorities are required to consult a wide range of local persons, including voluntary and community sector organisations and businesses as set out in section 3(2) of the Local Government Act 1999.

5.6 Relevant Officers currently have delegated authority under the Constution to agree the award of grants under the Brent Advice Fund to a maximum grant of £10k per annum and it is recommended to increase this level to a maximum grant of £20k per annum. As an executive decision, Cabinet is able to approve the increase. If approved, this will require amendment to the Constitution to reflect the increased financial level.

6.0 Equality Implications

6.1 Under Section 149 of the Equality Act 2010, the Council has a duty when exercising its public functions to have 'due regard' to the need to eliminate discrimination and other conduct prohibited under the Act; advance equality of opportunity, and foster good relations between those who share a "protected characteristic" and those who do not. This duty is known as the public sector equality duty (PSED). The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Due regard is the regard that is appropriate in all the circumstances.

6.4 An Equality Analysis attached at Appendix 1 was undertaken as part of the approval of the initial Brent's Local Advice and Guidance Service contracts and has been updated to assess any potential equality implications of this proposal. This report refers to the purely procedural matter of approving the Brent CVS grant award and BAF grant approved by delegated authority.

7.0 Consultation with Ward Members and Stakeholders

7.1 None required

8.0 Human Resources/Property Implications (if appropriate)

8.1 None

Report sign off:

PETER GADSDON
Director of Performance, Policy and Partnerships

Equality Analysis Screening Stage

Department: Partnership & Engagement **Person Responsible: Genevie George**

Created: 16/01/2018 **Last Review: November 2017**

Status: Open **Next Review (if applicable):**

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 provision of advice and guidance to local residents is a critical public service. Access to high quality legal and generalist advice is vital to enabling early resolution of potential problems that without intervention can lead to complex and distressing circumstances for residents which could have been prevented. The council currently funds a number of local organisations to provide independent general and legal advice. Changes in technology and the ways in which people wish to access advice and information have created greater opportunities to engage and support the advice needs of local residents.

In considering how local public services should evolve and in supporting resilience building across the borough, a new model for advice and guidance services has been developed, which aims to provide support in the right place, at the right time, through a range of channels to meet the needs of different individuals and groups.

A two-year VSIF grant totalling £320K for CVS Brent was approved in 2016. £160K is awarded annually based on a conditional grant agreement to provide infrastructure support including capacity building, training, business development and fundraising plans, accessing external funding and developing partnerships and networks for Brent's voluntary and community sector. The grant provides essential funding to enable the council's ongoing engagement with the voluntary and community sector.

In February 2016, Cabinet approved the award of the BAP contract to Brent's Citizen's Advice Bureau. In order to ensure efficient administration of the Brent Advice Fund grants programme, previous reports detailed that the grants applications would be assessed by a BAF panel and any grants up to £10k would be awarded pursuant to officer delegated powers of authority. In exceptional circumstances, the grant value may exceed £10k, however this requires officer sign-off and approval by Cabinet.

The BAF is currently in its second year and a review was undertaken in November 2017 which created a number of recommendations. One of which was to increase the maximum grant from £10K-£20K under officer delegated powers of authority. The aim is to increase the number of applications as organisations may not have to 'match' fund which has restricted the number of applications.

This Equality Analysis will assess the impact of an extension of the existing funding to CVS Brent for 2018-19 and the impact of an increase in the award of grants under the Brent Advice Fund to a maximum grant of £20k per annum.

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

The current proposal will have a positive impact on residents, staff and external stakeholders by providing a continued service and increased funding for all voluntary sector organisations equally, therefore benefitting all their service users, alleviating pressure on council services and resources, and building stronger partnerships with external stakeholders.

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

No. While the proposal will not have a disparate impact on people with protected characteristics, we anticipate better outcomes for all protected groups and those who are not protected by developing a stronger voluntary and community sector support network.

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

No. Same considerations as above.

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

No. It will increase the provision for free advice, capacity building and funding and it will reduce the processing times for BAF funding applications.

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

No. The proposal will benefit all wards equally.

3.5 Is the proposal likely to be sensitive or important for some people because of their equality characteristics?
No.

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

Yes.
EO2: To involve our communities effectively

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

Recommend this EA for Full Analysis? No.

Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Community Wellbeing

Authority to Award a Contract For Clement Close Sensory Impairment Supported Living Scheme

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	**Part Exempt -** Appendix 1 is exempt pursuant to 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"*
No. of Appendices:	4
Background Papers:	None
Contact Officer:	Edwin Mensah NAIL Commissioner Tel: 020 8937 4132 Edwin.mensah@brent.gov.uk

1. Purpose of the Report

1.1. In accordance with Contract Standing Orders 88, this report seeks Cabinet authority to award a care and support contract for the Sensory Impairment scheme at Clement Close. This service has been developed to meet the needs of people who have a Sensory Impaired such as deafblind.

1.2. This report summarises the rational for this request and the impact on the wider community as well as the financial implication on the London Borough of Brent. The report also outlines the tendering process which was conducted through the Accommodation Plus 2017 Dynamic Purchasing System (DPS)

2. Recommendation(s)

That Cabinet:

2.1. Awards a contract to deliver care and support at Clement Close to Sense for a period of 4 years with an option to extend by up to two further years.

3. Background

3.1. Clement close is a supported living scheme designed to support service users who have a Sensory Impairment. These individual may also have a learning disability or mental health support needs. This specialist services will respond to individual assessed needs, delivering support for people who are deaf, hard of hearing, blind, partially sighted or have low vision. This may also include people who are both deaf and blind (Dual sensory impairment).

3.2. The Clement close scheme is the first new build scheme under the NAIL project and will contain 12 fully self-contained units, situated in the Brondesbury Park ward. The property has been specifically developed to respond to the needs of the tenant. Each unit in Clement close is open plan, with distinct features such as color contrast in the bathrooms and kitchens that will support people with a visual impairment. There are also fire alarms fitted that use flashing lights to alert tenants who have a hearing impairment. It is envisaged that there will be a high use of assistive technology in this scheme to support the management of positive risk taking alongside the promotion of independence.

3.3. This Scheme has been developed by the NAIL project and is the first new build supported living accommodation the Council has developed from the ground up. This accommodation increases the council's ability to offer quality accommodation and support to Brent residents. This scheme will help promote individual independence and demonstrate the Council's ability to deliver schemes that are cost effective and offer quality and choice to the tenants

3.4. Officers worked proactively with the market due to the specific needs of this tenant group. There was also joint working with colleagues in Adult Social Care and Mental Health services (CNWL who manage the Council's Social Care activities with residents experiencing mental ill health) to develop New Accommodation for Independent Living services (NAIL) to help meet the Borough's existing and future needs for such services. This includes Clement Close Supported Living Scheme (the "Scheme") referred to in this report.

3.5. The Scheme will support the key vision set out in the Brent Market Position Statement, which is to increase provision of tenanted models of care and support by providing an alternative to residential care, thus moving away from the 'traditional' residential care model and enabling residents to build on their skills and abilities to live a more independent life.

Service Requirements

3.6. This Scheme will enable tenants who have Sensory Impairment needs access to flexible levels of care and support which responds to their changing needs and ensures they maintain as much independence as is practical. The tenants will also have access to a staff team that will be able to communicate using preferred communication method as this is seen as a large barrier to integration.

3.7. This Scheme will deliver a service which builds on tenant's strengths and abilities whilst delivering support that is tailored to individuals' varying needs. The Scheme will ensure that there is enough staff time available to support tenants fluctuating needs during the orientation period when tenants first move into Clement Close.

3.8. The Scheme has been designed to provide tenants with the opportunity to flourish and settle in their home without any thoughts of being asked to move into the next stage accommodation. Tenants will only move if their needs change significantly or they become ready for more independent accommodation.

3.9. There will be an increased use of assistive technology within this scheme to give tenants greater autonomy whilst offering support in the least restrictive option possible. This will support tenant's safety as staff will only be alerted when tenants need assistance.
We anticipate this scheme using a number of assistive technology devices as part of the service delivery which we believe will improve the tenant's experience. This is in line with the council's digital strategy.

3.10. There will be a 24 hour staff presence which is designed to work with tenants to build on their skills and abilities and provide background care and support. The care and support provider will work with other professionals to ensure individual needs are met and any changes responded to accordingly. The provider will also deliver the service in a manner empowers the tenants and supports them develop new skills and improve their quality of life.

3.11. The services at the Scheme will be available 24 hours a day, 365 days of the year and will principally be delivered at the Scheme but may be delivered in the community as dictated by the tenants needs.

3.12. The group of individuals for which the Scheme has been designed would struggle to live in general needs accommodation due to their vulnerability and sensory needs. Officers believe that this Scheme will bridge the gap between general needs and supported accommodation due to the independence the accommodation provides. The Scheme will allow staff to work with tenants on an individual basis, responding to their assessed needs and offering support and practical solutions.

3.13. This Scheme will use support hours that will consist of core and assessed hours. Core hours are delivered across the service and are deemed requirements by officers to operate the service safely. Assessed hours are based on individuals assessed care needs and will be used depending on the needs and support plan. This allows support to be tailored to the individual as required, but also means whenever an individual's needs fluctuate, there is support available from the same support staff, ensuring continuity of care.

The tender process

3.14. Tenders were requested from the from providers on Lot 4.1 of the Accommodation plus Dynamic Purchasing System ("DPS") on the 27th November 2017 for the provision of Care and Support at Clement Close supported living scheme. There two were two submissions received from the bidders detailed in Appendix 1. The low number was expected due to the specialist requirements expected from the service provider.

3.15. These submissions were evaluated by Council officers from the Adult Social Care and Commissioning and Quality Team. As part of the evaluation process we also asked the providers to delivers presentations to service users and families. These bids were robustly evaluated on 60% cost and 40% quality via the DPS online function which limits errors and offers a full audit history.

3.16. 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. A copy of the bidder's scoring is attached as Appendix 2 and it will be noted that Sense scored 91.11% the winning bid in a very competitive tender.

3.17. With regard to pricing, Officers compared pricing with other bids in the tender and also checked the bidder's price with other pricing information available for similar provision and concluded that the bidders' pricing was competitive

3.18. Having satisfied themselves as to quality and cost elements of the bid, Officer therefore recommend that the contract for Clement Close should be awarded to Sense.

4. Financial implications

4.1. The cost of the proposed service at Clement Close will be £482k per annum. These contract costs are inclusive of the core daily service which is anticipate to be £270k and specific assessed hours per individual which is anticipate to be £212k.

4.2. As stated above, this contract represent a more cost effective care model than traditional care settings due to costs partially being offset by individual's housing benefit income. Individuals therefore move from or can be diverted from more restrictive and costly care home provision to supported living provision, which will generate savings for the Council

4.3. This Scheme will contribute savings of approximately £110k pa towards the Councils NAIL program.

4.4. The cost of the proposed contract is inclusive of London Living Wage

5. Legal Implications

5.1. The estimated annual value of Clement Close contracts is detailed in the paragraph 4.1. The estimated value for the contract is in excess of the EU threshold for Schedule 3 Services under the Public Procurement Regulations 2015 (the "EU Regulations"). Consequently, the award of this contract is governed by the EU Regulations. The award of the contracts 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 the contracts.

5.2. Whilst there is no strict legal requirement for the Council to observe a minimum 10 calendar day standstill period between the tenderer(s) being notified of the contract award decision and the actual award of the contract, such period is recommended in order to protect against possible post-contractual ineffectiveness claims. Therefore once the Cabinet has determined whether to award contracts the tenderer(s) 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.

6. Equality Implications

6.1. The proposed contract will require the provider to deliver services which:

- Address the needs of people who have a range of support needs including their sensory impairment needs, integrate into their community. The provider will identify long term factors that stand in the way of residents developing skills to build resilience and flourish in their community.
- Ensure staff have appropriate training in areas that will raise their awareness of issues faced by vulnerable people from different ethnic backgrounds
- Ensure that the staff group have appropriate support to raise and address the complex issues that face vulnerable adults.

6.2. 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, quarterly monitoring meetings and provision of quarterly performance information to the Council

6.3. 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 1. In accordance with the Equality Act 2010 officers believe that there are no adverse diversity implications and in fact the impact should be positive as this is less restrictive than alternatives and will allow tenants to build on their independence.

7. Public Services (Social Value) Act 2012

7.1. Since 31 January 2013, the council, in common with all public authorities subject to the PCR 2015, has been under duty to consider the economic, social and environmental well-being of its area when undertaking public procurements of services contracts. This is set out in the Public Services (Social Value) Act 2012. This duty applies to the proposed award of the contract until such time as it is entered into. The duty requires authorities to consider how what is procured might improve economic, social and environmental well-being of their area, and how it might act in procuring the service to secure that improvement. Whilst there are few ways of securing social value in the way in which the procurement is conducted, this service is required for the purpose of meeting the needs a vulnerable group of service users and will help to improve economic, social and environmental well-being of those service users and others in Brent. It should also be mentioned that it is proposed that the contract be awarded on the basis that the London Living Wage is paid to staff.

8. Consultation with Ward Members or Stakeholders

8.1. None.

9. Human Resources/Property Implications

9.1. The proposed contract award for the Scheme at Clement Close does not have any implications for council staff as it is a new Scheme. It is not considered that there are any TUPE implications for the Scheme.

Report sign off:

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.

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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
Clement Close Supported Living Scheme

		BIDDER WEIGHTED SCORE			
	Weighting of 40%	A1	A2	Lot 4.1	
1. Please outline your organisations experience in working with people who have Sensory Impairment care and support needs and detail how you will deliver the supported living scheme at Clement Close for this group? Please give examples in your answer of similar services you have delivered	5%	4.59	3.12	A	
2. Tenants will be moving in to new environment with other tenants and a new staff team. What challenges do you think this will present, and how will you overcome them? Also, please provide an example of when you have supported somebody with a sensory impairment to move to a new environment?	5%	4.38	3.12	A&C	
3. Please give an outline of how your organisation promotes choice in vulnerable people and how staff will support tenants at Clement Close to maintain their autonomy and independence where possible. Please also describe how you will encourage tenants to engage with their wider community	5%	4.16	3.75	A&C	
4. Describe how you will develop clear focused support plans which will take into account the diverse community of Brent and support individuals with Sensory needs to achieve positive outcomes.	4%	2.67	2.50	B&C	
5. Please describe how your organisations Safeguarding policy will be implemented at Clement Close to keep tenants safe in their individual flats and how tenants will be supported to understand the organisations policy.	4%	3.00	2.50	A	

6. Why is consistency important when providing support and how would you ensure that tenants at Clement Close receive continuity in their support	3%	2.75	1.75	B&C	
7. Please describe your organisations policy and procedure on staff training, supervisions and appraisal. How would this link in with the specialist support required at Clement Close?	3%	2.25	2.00	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.	5%	4.16	4.16	E	
9.Please provide a PowerPoint presentation as an attachment which answers the following question: Please describe why you believe your organisation can provide support to service users and their families as described in the specification for Clement close and what added value you will bring to the service and service users?. Please outline how your organisation will communicate with tenants at Clement close who will have a range of sensory impairment difficulties including but not limited to deaf and hard of hearing, blind, partially sighted or people who are deaf and blind. (Dual sensory impairment) etc.	6%	6.00	4.50	D&A	
Total	**40%**	33.96	27.41		

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.

Clement Close

Service	Bidder Ref	Quality score (out of 40%)	Cost score (out of 60%)	TOTAL SCORE	RANK
	A1	33.96	57.15	91.11	1
	A2	27.41	60.00	87.41	2

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APPENDIX 3 – TENDER EVALUATION CRITERIA

Each bidder was assessed against the following ITT criteria agreed when the Accommodation Plus 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

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APPENDIX 4

Brent Council Equality Analysis Form –

Equality Analysis- New Accommodation for Independent Living (NAIL)

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 the further decisions would be made on basis of the demographic of clients remaining in residential care at that time (2014) Analysis of number of people receiving accommodation and support in 2017 suggest that figures from 2014 were underestimated.

• **Client Group**	• **Total clients in residential care (2014)**	• **Total Number of clients receiving accommodation and care in 2017**	• **Planned number of units delivered by NAIL project by March 2017**
• Learning Disability 18-64	• 220	• 271	• 62
• Mental Health	• 46	• 106	• 22
• Older People's Services	• 407	• 550	• 93
• Physical Disability 18-64	• 23	• 44	• 22
• **Grand Total**	• 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 dealing with people with Physical Disability needs is accepted as being a specialism, requiring a specific skill set from the staff, a large number of people with Physical Disabilities in Brent are currently placed in generic supported housing, or temporary housing for a long period of time.

This proposal will diversify providers mix, encouraging greater skills and expertise mix, 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 in residential care or who would have traditionally be offered this service when their needs become too complex to be managed in the community will now be offered.Supported living scheme that supports their Physical Health needs The project will reduce the level of disabling institutional dependency within protected groups, without reduction in the level of care and support provided.

Younger population with Physical Disability would be provided in the setting that is age appropriate and with the mix of residents of similar age and needs.

Carers and Families

Where the families have been providing care, 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:

- People with Learning Disabilities, Mental illness and physical disabilities improving access to permanent accommodation
- People with MH needs and 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 the 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
- Newly diagnosed clients coming to terms with their illness and proactive approach to management strategies.

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 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, 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.

The programme also involves purchasing the new accommodation, so the overall number of units available will be increased. Some sites will be reduced in the number of units during the repurposing, where there was overcrowding, whilst some will be increased with redistribution of the space and site development.

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 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 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, the project 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

When it comes to development of the property for people with physical health problems, quality, design, location, management, accessibility and integration in the community matter as much as numbers of accommodation units.

The dispersed stock of single accommodation and smaller supported housing projects, located in residential areas, appear a better alternative than a large self-contained scheme with mixed use, which reinforces the institutionalised feel of the temporary hostel environment. Location of accommodation away from the high concentration social housing, crime hotspots, and areas known for antisocial disturbances, is one of the determining factors of what can be attached to a good quality accommodation.

NAIL is developing its own standards for minimum requirements, to ensure that accommodation is suitable as 'home for life', rather than a temporary accommodation in an institutionalised environment, these will follow some of the HAPPI standards. As a minimum it is accepted that all bedrooms will have en-suite bathrooms, unless it is a self-contained unit and will have at least two communal areas, so that the privacy is protected, whilst the risk of isolation and exclusion is

mitigated by design. Additional features to all properties will regard a good access to natural light throughout, robust doors and fittings, good sound insulation and access to well maintained and secure outdoors space. Sensitive use of CCTV and telecare will be built in the design of the developed properties. Furniture design, colour choice, soft furniture, wide stairs and curved walls would be taken into account, to avoid creating the institutional feel of the space, but to strive to facilitate establishing and maintaining homely feel in the new accommodation.

Service Model

With Hub and Spoke model, the staff presence will be variable, with one unit acting as a base where the staff could be based 24/7 and adjoining property providing medium level of support (staffed during the day) and the large number of units being supported with floating support plus (staff would be expected to have a greater level of competency in relation to working with people with mental health problems than is expected from a generic support provider, in as much as being able to manage the medication concordance, key work clients, and deliver psychosocial interventions). Economies of scale would allow for a shared clinical governance, management, domestic support, as well as a reactive flexibility within the support packages, across staff at different sites.

In addition to the development of the new shared accommodation sites, repurposing and refurbishing the existing neglected stock of accommodation used by other services will enable the NAIL project to move away from “site based institutionalised support”, to develop a structure that could deliver mobile packages in scattered stock of independent accommodation.

Types of Packages:

Whilst the client group does not require high level of personal care due to their physical, or cognitive disability, their lack of motivation, life style choices and the side effects of psychotropic medication, commonly used in treatment of mental health conditions, makes self-neglect and environmental neglect a common feature amongst the client group, impacting adversely on individuals wellbeing and their propensity to isolation and social exclusion.

Depression has been linked to 67% increased risk of death from heart disease, 50% of increased risk of death from cancer, while schizophrenia doubles the risk of death from heart disease, triples the risk from respiratory disease. (Mental Health Foundation). People with MH conditions are less likely to receive a physical health care they are entitled to, including routine check-ups that may detect symptoms of these diseases earlier. They also have greater difficulty in adhering to the requirements for management of chronic diseases, like diabetes. Additionally, the transient life style, poor nutrition, lack of exercise, side effects of medication make the obesity more prevalent in the client group than the general population.

Packages would include support with setting up and attending medical appointments, engaging proactively with the treatment services and making a life style changes that would improve health and general wellbeing.

Medication compliance is one of the critical features of maintaining independence and functionality of the client group and supporting clients to maintain engagement with the treatment services would be one of the critical component of the care package.

Client group is vulnerable, prone to exclusion, exploitation, abuse, being a victim of a crime as well as having a fluctuating insight and capacity and needs access to advocacy, low key conflict mediation.

Typically the packages would offer:

- Assistance and supervision of medication
- Domestic support
- Prompting and support with hygiene and domestic tasks
- Nutritional support
- Access to advocacy, mediation, conflict resolution and support with tenancy sustainment tasks
- Support with enabling access and maintaining engagement with health care services
- Health promotion enabling access and enhancing motivation to engage with healthier life style activities
- Keyworking and psychosocial support

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?

In the preparation of the analysis we have looked at the following consultation to gain an understanding of the situation for adults with mental health issues,

1. CNWL have undertaken reviews of customers
2. General consultation events that were held as part of the Housing Vulnerable Adults Outcome Based Review,
3. Consultation with Support Providers on the key issues facing customers
4. The group and individual consultation activity undertaken as part of the review of the Council's Supporting people's services.

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 a disproportionate impact on this protected characteristic. However, if there are eligible clients who are either parents of young children or have a partner who is pregnant, we will consider their individual circumstances to ensure that their / their family's needs are met. **Sex:**
Policy is likely to address disproportionally high number of men currently in temporary accommodation.

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.**

Three consultation events have been held with the clinical professionals.

Individual consultation meetings with service users have taken place.

Fortnightly meetings are taking place with Housing Officer, CNWL and NAIL officers since March 2017, discussing with individuals with mental health needs with the potential for move on and housing need.

Meetings took place with small groups of service users accommodated in the same service type (hostel, supported housing)

Two provider forums discussed developments proposals.

Annual service users consultation event solicited views form Brent residents receiving support in the borough, including those with presentation of the Mental Health problems.

NAIL Equality Analysis 2014

CNWL RAG rated support modalities estimates (October 2016 and Dec 2016)

Brent Health and Wellbeing Strategy 2014-17

Bringing Together Physical and Mental Health, Kings Fund, 2016

Mental Health and Housing Report 2016, Mental Health Foundation

Fundamental Facts about Mental Health, 2015, Mental Health Foundation

Eliot, J. Briefing: Demonstrating the Effectiveness of Housing Support Services for People with Mental Health Problems: A Review, National Housing Federation, March 2011

Patel V, Kleinman A. (2003). Poverty and common mental disorders in developing countries. Bulletin of the World Health Organization, 81(8), 609- 615.

Pettitt, B., Greenhead, S., Khalifeh, H., Drennan, V., Hart, T., Hogg, J., Borschmann, R., Mamo, E., and Moran, P. (2013). *At risk, yet dismissed: the criminal victimisation of people with mental health problems*. London: Victim Support

What did you find out from consultation or data analysis?

There is a significant shortfall in availability of good quality accommodation for people with mental health problems in Brent.

Overuse of temporary accommodation, overprovision and under provision of support are present in significant numbers, with a large proportion of people with mental health problems being placed in institutional setting that promotes dependency. The system is responsive in a crisis, but a lot of improvements to the prevention of the crisis could be made by this proposal.

Service users describe support system as confusing with unmanageable access to housing. Poor access to housing seems to be preventing people from moving 'out of the system' and it is difficult to get back in unless there is a crisis.

Large number of people with sufficient independent living skills are staying in accommodation and services that provide greater level of support than they need. Placing people in independent accommodation with support packages would be more desirable, efficient and cost effective.

Some supported accommodation used by people with mental health problems has been severely neglected.

Type of support people with mental health need are usually related to prompting and encouragement with domestic and personal care tasks, rather than assistance, increasing motivation to engage in activities that would improve wellbeing and increase independence, but the system and the delivery is often institutionalised. Social isolation and self-neglect are the most common problems presented by the protected group.

The current system that places the expectation that people would be moving from the acute setting to supported housing for a period of two years and then to independent living is not working, as there is insufficient independent accommodation that is available and people have nowhere to move to from the supported living.

Baton passing and linear progression through the system/ revolving door as the system do not reflect the dynamic nature of the changing client needs. .

8. The Findings of your Analysis

Overall this analysis has found that the proposal would have a beneficial effect of the quality of life and the wellbeing of the service users. It would address some inherent inequalities experienced by the protected group.

The analysis has also identified younger people with physical disability and Korsakoff as a group that would benefit from the development of the specialist residential centres in the Borough. Two properties in Wembley Park drive have been identified as suitable for this purpose.

STAGE 3: ACTION PLANNING

9. Action plan and outcomes

- Take over neglected properties
- Purchase additional properties
- Develop pathways for the PFI flats
- Ongoing monitoring of the changing needs profile
- Develop hub and spoke service across all properties.

Commission provision of specialist care and support across the developed sites.

Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Regeneration and Environment

On-Street Parking Management Review

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	2
Background Papers:	None
Contact Officers:	Tony Kennedy Head of Highways and Infrastructure Tel: 020 8937 5600 tony.kennedy@brent.gov.uk Sandor Fazekas Project Development Service Manager Highways and Infrastructure Tel: 020 8937 5600 sandor.fazekas@brent.gov.uk

1.0 Purpose of the Report

1.1 This report provides Cabinet with an update on the On-Street Parking Management Review further to the approval by Cabinet on 24th July 2017, for an initial programme of introducing new Controlled Parking Zones (CPZs) and reviewing existing CPZs.

1.2 It provides details of an analysis of feedback from the public to identify levels of demand for changes and whether these should be considered for inclusion in our Parking Management Review programme.

1.3 The report also considers anticipated future levels of demand and a continuing annual review programme.

2.0 Recommendations

2.1 That Cabinet notes the responses to the online survey and requests for changes to parking management in the borough, further to the previous Cabinet report that considered requests between 25th April 2017 and 6th November 2017.

2.2 That Cabinet agrees that the number of requests for new CPZs or changes to existing CPZ's for this period do not demonstrate a high enough level of public support to be considered further at this present time.

2.3 That Cabinet authorises lead officers to contact lead petitioners to inform them of the decision in relation to their petition, as set out in paragraph 3.17 of this report.

2.4 That Cabinet notes that the online information, guidance and application process for parking changes will remain in place, and that future requests will be considered when developing future programmes.

2.5 That Cabinet notes that future reports on the level of demand for new CPZs or changes to existing CPZs, will be considered by the Highways Committee.

3.0 Detail

3.1 In recognition of an increase in public demand for parking management changes in the borough, Cabinet approved the report titled "On-Street Parking Management Review" at its meeting on 15th November 2016. The report set out the approach, scope and how a programme would be developed and implemented. It provided information on how areas where there are numerous requests for changes, evidence of on-street parking pressures and also a high level of public support would be prioritised, with the aim of introducing on-street parking controls that will benefit residents and businesses alike.

3.2 Information about the on-street parking management review and an online application form was made available from 1st December 2016 whereby residents and businesses could apply for new CPZ's, changes to existing CPZ's or the Wembley Stadium Protective Parking Scheme (WSPPS) or new waiting and loading restrictions. Residents and businesses are encouraged to submit petitions to demonstrate that there is a high level of support for proposed new CPZs or reviews of existing CPZs.

3.3 Cabinet considered a further report on 24th July 2017 which provided an analysis of feedback from the public to identify levels of demand for changes and also a desktop analysis to identify areas where there may be on-street parking pressures. Cabinet approved a programme for changes to on-street parking arrangements in prioritised areas, subject to public consultation and further approval by Highways Committee.

3.4 Up until 24th April 2017, the Council received 12 petitions and 464 requests, either for new CPZs, the review of existing CPZs or, for yellow line waiting restrictions. CPZs were prioritised in areas where on-street parking pressures were demonstrated through a high number of requests and from parking surveys.

3.5 Officers developed a prioritisation methodology based on petitions received, the results of analysing survey responses, a desktop study, and evidence of on-street parking pressure from surveys. **Appendix A** provides details of schemes prioritised and included in the current 2017/18 programme.

3.6 A detailed progress report on the approved 2017/18 On-Street Parking Management Review Programme has been considered by Highways Committee on 24th January 2018. This report provided the Committee with an update on the

development of the programme, expenditure in relation to budgets, and the outcome the public consultation process, and sought approval to proceed with publication and consultation for the making of the Traffic Management Orders necessary for the implementation of changes.

Demand

3.7 An analysis of requests received between 25th April 2017 and 6th November 2017 has been summarised below;

- 5 petitions were received, 2 for changes to existing CPZs and, 3 for a new CPZs of which 2 are included in our current programme.
- 211 requests for parking changes were received via the online application process
- 87 of these requests are for new CPZs, of which 25 come from existing CPZ areas
- 95 of these requests are for changes to existing CPZs
- 3 requests are for changes to the Wembley Stadium Protective Parking Scheme.
- 29 requests are for new yellow line waiting restrictions

Appendix B provides a summary of the requests received, including petitions. Some requests were for more than one change.

Petitions

3.8 The first petition is requesting the removal of parking controls on Jeymer Avenue and Kenneth Crescent in MW zone on Saturdays (see Appendix B). MW Zone operates 8.00 am - 6.30 pm Monday to Saturday and includes 19 streets near Willesden Green underground station. The petition contained the names and addresses of 8 residents from Jeymer Avenue, but was not signed by the petitioners. Jeymer Avenue and Kenneth Crescent are situated a short walk from Willesden Green underground station. Officers are of the opinion that the petition does not demonstrate a high level of public support for changes, that removal of the restriction in these streets on Saturdays may increase on-street parking pressure from neighbouring streets and station users, and therefore this should only be considered if there are higher levels of demand in a wider area.

3.9 The second petition is requesting changes to CPZ restrictions in Heber Road in GM zone from those currently in force, to the same hours as those in neighbouring roads where the restricted hours on Residents' only bays and Pay and Display Bays are 10am Monday to Friday. The petition has 33 signatures. A review of GM zone has already been included in our 2017/18 programme, options will be developed for consultation in late May 2018 (see Appendix A).

3.10 The third petition is requesting a new CPZ in Dollis Hill Lane. This is close to the Parkside and Campbell Gordon Way area which already been included in our 2017/18 programme. It is also close to the Brent Cross development area, where there are already plans to consult on introducing CPZs to protect parking for residents in future years. The petition has 27 signatures. Officers are working with ward councillors on developing options for a new CPZ in this area that meets the needs of the community.

3.11 The fourth petition is from residents of Riverside Gardens in Alperton requesting a CPZ in their street. The petition has 16 signatures. A new CPZ was developed to include 9 streets in this area and consulted on in the spring of 2016, following Highways Committee approval on 22 January 2015 and the securing of S106 developer funding. The proposed scheme was not generally supported and a letter was sent to residents in October 2016 informing residents that it would therefore not be progressed. CPZs are usually introduced to clusters of streets, in order to minimise the potential for parking being displaced into neighbouring streets. Only streets adjacent to an existing CPZ will usually be considered on an individual basis. Officers are of the opinion that the petition does not demonstrate a high level of public support for changes, and that this request should only be considered if there are higher levels of demand in a wider area.

3.12 The fifth petition was from residents requesting a subsidised CPZ in the North End Road Area. It has 22 signatures. This scheme is already included in the current 2017/18 programme after taking into consideration indiscriminate parking, on-street parking pressure, and development in the Wembley area. Proposals will be developed and consulted on early in 2018, and the results and recommendations considered at a future Highways Committee.

Future Demand

3.13 Funding for introducing CPZs may be available under S106 agreements in areas where on-street parking pressures are anticipated.

3.14 CPZs may be introduced either by developers or by the Council, either as specific parking schemes or in conjunction with other highway improvements to mitigate the effects of a development.

3.15 Regeneration areas where CPZs are likely to be introduced in the future include the Brent Cross Development, with some 200 retail restaurants and circa 6,700 new homes planned for the area. It is anticipated that circa £180,000 will be made available through developer funds, via Barnet, for an area-wide CPZ in the Dollis Hill ward. The new CPZ is likely to be progressed in 2018/19 and 2019/20. It is also anticipated that a new CPZ will be required in the Alperton area within the next few years to mitigate the effects of the Northfields development.

3.16 Where CPZs are introduced, this often results in parking displacement and increased demand for CPZs in adjacent areas.

Conclusions

3.17 We did not receive a sufficient number of online requests for changes to individual streets or areas to indicate a high level of support within the 6 month period. Typically there were only one or two requests for new CPZs per street.

3.18 There were relatively few requests for reviewing the operations of existing CPZs or the Wembley Stadium Protective Parking Scheme (WSPPS).

3.19 Five petitions were received and considered in paragraphs 3.8, 3.9, 3.10, 3.11 and 3.12 of this report. Taking into consideration the number of new requests we have received and the existing programme, no additional schemes have been prioritised for inclusion in the programme.

3.20 Requests for yellow line restrictions or any minor localised changes will be assessed for inclusion in our Transport for London (TfL) funded annual Short Sections of Waiting Restrictions programme.

3.21 The Council should continue to provide online information, guidance and application process for parking changes, and that these requests should be considered when developing future programmes for Cabinet approval. Cabinet will be provided with an update report in six months' time.

4.0 Financial Implications

4.1 No new CPZ or CPZ review schemes have been prioritised and therefore there are no financial implications arising from this report and its recommendations at this time.

5.0 Legal Implications

5.1 The requirements for publication and consultation regarding the making of Traffic Management Orders are set out in the Road Traffic Regulation Act 1984 (as amended and hereafter referred to as "the 1984 Act"). On-street parking restrictions are created by orders made by a local traffic authority under the provisions sections 1 and 2 of the 1984 Act (orders prohibiting or restricting the waiting of vehicles or loading and unloading of vehicles); 32(1) (b) of the 1984 Act (parking for which no payment is required) and section 45 of the 1984 Act (parking bays for which payment is made by the motorist). Other related traffic restrictions may be made by traffic management orders made under other provisions of the 1984 Act. Controlled Parking Zones are defined in Regulation 4 of the Traffic Signs Regulations and General Directions 2002, which was made pursuant to the powers set out in the 1984 Act and the Road Traffic Act 1988.

5.2 Decisions regarding amending current CPZs and making new CPZs will be considered and made by the Highways Committee which has scope to make decisions including scheme approval for traffic management and related matters associated with the public highway. However, for strategic and high level highways and transportation matters involving expenditure over £500k, or matters which have a significant on income, strategies or policies in respect of highways and transportation, these matters will be considered by the Cabinet.

5.3 There are no further legal implications arising from this report and its recommendations at this time.

6.0 Equality Implications

6.1 The public sector duty set out at Section 149 of the Equality 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 share a protected characteristic and those who do not share that protected characteristic.

6.2 There are no specific diversity implications arising from this report and its recommendations at this time.

7.0 Consultation with Ward Members and Stakeholders

7.1 Cabinet approved the approach to the Council's On-street Parking Management Review on 15th November 2016.

7.2 A further report informed the Cabinet of the outcome of the review process and an initial programme of introducing new Controlled Parking Zones (CPZs) and reviewing existing CPZs was approved on 24th July 2017.

7.3 Proposed changes are subject to a public consultation process with Ward Members and affected stakeholders. The outcome is considered by the Highways Committee who approve any proposed changes, subject to the outcome of statutory consultation and the placing of notices for Traffic Management Orders as set out under Road Traffic Regulation Act 1984.

7.4 The Strategic Director of Regeneration and Environment, in consultation with the Lead Member for Environment, will consider any objections or representations arising from the statutory consultation process for making Traffic Management Orders, and implement proposed changes if there are no substantial objections, or otherwise refer objections or representations to the Highway Committee for further consideration.

8.0 Human Resources/Property Implications (if appropriate)

8.1 Not applicable.

Report sign off:

AMAR DAVE
Strategic Director of Regeneration and Environment

Appendix A - Parking Management Review Programme 2017/18

Priority		Implementation Cost (£)	2017 Jul	2017 Aug	2017 Sep	2017 Oct*	2017 Nov	2017 Dec	2018 Jan*	2018 Feb	2018 Mar*	2018 Apr	2018 May	2018 Jun*	2018 Jul	2018 Aug	2018 Sep	2018 Oct*	2018 Nov	2018 Dec	2019 Jan*	2019 Feb	2019 Mar*	2019 Apr
NEW CPZ SCHEMES																								
1	Alpine House New CPZ	20k (S106 funded)																						
2	New CPZ on North End Road and surrounding streets	65k (S106 funded)																						
3	New CPZ on Parkside and Campbell Gordon Way	30k																						
4	New CPZ on Robson Avenue	10k																						
CPZ REVIEW SCHEMES																								
1	Review operation times and days of Zone KG	25k																						
2	Review operation times and days of zone GM	40k																						
MINOR CPZ CHANGES																								
1	Convert some resident bays to shared and/or P&D bays on Ealing Road (zone E) and adjacent streets and reduce operation times to 6:30pm	10k																						
2	Review zone C (part) in order to consider: - the provision of P&D bays on High Road, Wembley (between 584 - 604) - dual use resident and P&D parking on Thurlow Gardens and Ranelagh Road	5k																						
3	Wembley Park Traders - Provide P&D bays and parking bays in area	20k																						

Design of Proposed Changes	
Consultation and Decision (Highways Committee)	
Analysis and approval	
Traffic Orders / Implementation	

Implementation Cost 2017-18 FY: £105 (£45k S106)

Implementation Cost 2018-19 FY: £120k (£40k S106)

Appendix B - Requests for new CPZs, CPZ reviews and parking restrictions

Period covered: **25 April 2017** to **6 November 2017**

1. General Statistics:

- Total number of requests: **211**
- Number of petitions to be considered for this period: **3**
- Number of requests for new CPZs: **87, of which 25 requests come from existing CPZs**
- Number of requests for reviewing existing CPZs: **95**
- Number of requests for new yellow line restrictions: **29**

2. Statistics on new CPZ requests (streets in blue are located within an existing CPZ):

Post Code	Number of new CPZ Requests	Name of Streets
HA0	16	Alliance Close; Bridgewater Road; Chestnut Avenue (zone ST); District Road; Farm Avenue; Heather Park Drive (2); Jazzfern Terrace; Mount Pleasant; Mount Pleasant; Norval Road; Priory Crescent; Rosebank Avenue (3); Rugby Avenue (zone SA)
HA3	2	Northwick Avenue; Viewfield Close
HA7	1	Lowther Road
HA9	13	Chamberlayne Avenue; Ecclestone Place; Edison Drive; Elliott Close; Elmstead Avenue; Empire Way; Lakeside Way; Oakington Manor Drive; Pilgrims Way (2); The Avenue; Walton Gardens; Wembley Park Drive
NW2	14	Alder Grove; Ashford Court; Chandos Road (zone MW); Crest Road; Deacon Road (zone GC); Dollis Hill Lane (2); Gladstone Park Gardens; Heber Road; Kenneth Crescent (zone MW); Melrose Avenue; Oxgate Gardens; Summit Court (zone MA_1); Tanfield Avenue
NW6	3	Malvern Road (zone KM); Salusbury Road (zone KQ); Willesden Lane (zone KD)
NW9	7	Brampton Road; Hyde Crescent; Mallard Way; Rose Bates Drive; Uphill Drive; Westmoreland Road; Winston Avenue
NW10	31	Acton Lane (zone HS); Brentfield Road; Burns Road; Casselden Road (3); Clifford Gardens (zone KL); Craven Park (zone HS); Crediton Road (zone KS); Fawood Avenue; Furness Road; Hamilton Road (zone GB); Harlesden Road (2) (zone GH) ;Harrow Road; Hawthorn Road (zone GH); Hazeldean Road; High Road (2) (zone G); Midstrath Road (zone NS); Mortimer Road (zone KR_1); Paulet Way; Rainborough Close; Sherrick Green Road (zone GB); St Thomas's Rd (zone HY); Talbot Walk; The Oaks (zone KS); Tudor Mews (zone GH); Wood Road; Wrottesley Road (zone HW); Yeats Close

3. Statistics on requests for reviewing existing CPZs:

Zone	Number of Requests
C	5
E	2
GA	2
GB	4
GC	3
GD	1
GH	1
GM	9
GS	2
H	2
HA	2
HA/HW	1
HS	2
HW	10
HW/HA	1
HY	1
K	1
KC	2
KL	3
KQ	1
KR_1	2
KS	11
MA	3
MA_2	0
MW	13
NS	1
NW	1
SA	1
SH	3
ST	1
T	1
WPPS	3

4. Petitions

Received	Petition Wording	CPZ	Number of Signatures	Review Cycle
June 2017	Residents have signed the petition below as they would like the removal of the Control parking on Saturdays on Jeymer Avenue and Kenneth Crescent. The primary reasons are; No requirement for Jeymer Avenue and Kenneth Crescent to be controlled on Saturday as this area does not experience difficulties with parking. Secondly having restrictions on a Saturday puts off builders! Traders from coming around and if they do come around they are focusing on the time remaining and the meter rather than the job at hand. Thirdly, when friends and family come over why should they have to pay central London charges just to visit family on a Saturday. Finally it's just shocking and surprising as certain residents have careers coming around on a Saturday and have to pay- again this put friend's family and careers from coming around. The residents are calling for the removal of control parking on Jeymer Avenue & Kenneth Crescent on Saturdays. We are calling for the local council and planning department to remove the controlled hours for a Saturday effectively immediately.	MW	8	Jan-18
July 2017	Petition to reduce the hours/days of restricted parking in Heber Road NW2 (GM CPZ) July 2017 The GM Controlled Parking Zone has had controlled parking restrictions from 10 am – 9 pm Monday to Saturday for many years since the CPZ in this area was first created. For many residents, this has been a great source of inconvenience and irritation since its introduction and has had a detrimental effect on people's social life, with family and friends discouraged from stopping by at will on weekday afternoons and evenings or on Saturdays unless it's after 9 pm at night. It has also made it difficult for health professionals, repair technicians and other professionals to visit households in the area during the working week or even on Saturdays.	GM	33	Jan 18

	The residents of Heber Road have had to endure these unreasonable, unnecessarily draconian controls in our street since the CPZ was introduced many years ago, whilst neighbouring zones have sensible, anti-commuter restrictions in place, for example from only10 am – 3pm Monday to Friday. Many residents of Heber Road are of the firm opinion that the GM zone hours which apply in their road should be scaled back to tie in with those of surrounding areas and that there should be no weekend restrictions in force at all. Therefore we propose that restrictions in Heber Road are changed to be in force from 10 am – 3 pm Monday to Friday only. We, the undersigned, request that Brent Council alters the CPZ restrictions in Heber Road from those currently in force to the same hours as those in neighbouring roads, such as Anson Road and Blackstone Road, where the restricted hours on Residents' only bays and Pay and Display Bays are 10am Monday to Friday.			
July 2017	REQUEST FOR CPZ ZONE ON DOLLIS HILL LANE We the residents request resident parking for the following reasons □ Over the past few months or indeed in many cases over the past few years we have found the parking situation on Dollis Hill Lane (Edgware Rd end) unbearable □ Residents are having to compete with road sweepers, lorries, vans, trucks, abandoned vehicles, cars with faulty alarms (from cars parked up weeks on end), rubbish clearance vans, holiday commuters, traffic commuters, London visitors, company vehicles, bus drivers and many more. Some vehicles once parked can remain for weeks or even months at a time □ By 7am on a weekday morning the road is almost packed and in some cases drivers are waiting to park up as soon as residents (or others) leave □ Dollis Hill Lane (and the surrounding roads) is now one of a few streets in the area that does not have resident parking □ The spot is particularly attractive to drivers from all across London and even to those outside London as there is excellent access to central London with buses and Thameslink services close by □ With the flats (at the bottom of Edgware Rd) due to be completed by May next year (2018) the parking problem is only likely to get worse □ This influx of non- residential vehicles is causing the residents undue stress and is affecting their mental health. Conflicts with some of these non-residential drivers have caused arguments and tensions. Non-residents argue they have a right to park where they want (and they have - with no restrictions). Residents have been verbally abused and even on one occasion the police were called. Residents are continually stressed not knowing from one day to the next whether they will be able to park near their homes or not	N/A	27	Jan 18

	Often cars are parked so close to people's driveways that the poor visibility makes it dangerous for residents coming out of their driveways The roads have not been cleaned properly for years as cars are so tightly parked next to each other no machine or broom can come anywhere near the road side kerb to clean. Some cars are parked for so long lots of rubbish grit and stones collect The additional parked vehicles to the area are causing unnecessary litter. People often throw rubbish out of their vehicles before they leave. People do not treat the area with respect as they do not live here Residents have to park on some occasions away from their properties and carry heavy shopping because there is no space near their homes There tends to be a lot of vehicles parked up at the weekend as drivers leave their cars and company vehicles over the weekend and return on Monday As a result we would like the restricted parking zone to run from Monday to Saturday and must include a morning and an afternoon slot from say 8am – 10am and then 4pm – 8pm (this is just a suggestion) We suggest CPZ from the bottom of Dollis Hill Lane to perhaps Pippin Close but the zone may have to be extended to include the surrounding roads as this will impact on them greatly if CPZ is introduced on Dollis Hill Lane We would appreciate the Council's strong consideration on this matter as many residents are now frustrated and very fed up with the situation and it is affecting our mental well-being. The situation is making us very anxious and is causing us unnecessary stress.			
July 2017	With great respect, we request a controlled zone (restricted parking) at Riverside Gardens, Wembley. It is an ongoing problem for many years and last year we had good news that the Council will put lines in the street and make parking for residents, but nobody know the outcome.	N/A	16	Jan 18
July 2017	Support for a subsidised CPZ for North End Rd and the surrounds We the undersigned petition the council to introduce a new subsidised CPZ in the vicinity of Danes and Empire Court (North End Road, Fulton Road, Albion Way, Rutherford Way etc.) in the wake of the redevelopment of Amex House on North End Road (application ref 16/1404) (and the development of over 1000 student units). A funded CPZ for existing residents was proposed as part of the planning application by Anthology in order to safeguard current parking for residents of Danes & Empire Court. This petition is to show the council there is support for a new subsidised CPZ in our area.	N/A	22	Jan 18

	We, the residents at Danes and Empire Court, welcome the introduction of a subsidised CPZ on North End Road and the surrounds (council to decide/consult on the full extent of the zone). Since the development of Victoria Halls, Felda Halls, the on-going Apex House and the nearly approved Amex House, we have been really struggling to find parking on North End Road despite the promises that these new developments would be 'car-free' schemes. The only way to ensure that the developments are 'car-free 'is by implementing a CPZ for existing residents to safeguard their parking and mitigate the impacts of the new developments. We the residents are aware and acknowledge that the following developments were all granted planning on the condition that their residents and owners would not have access to permits when/if a CPZ was in place…….			

Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director Regeneration and Environment

CCTV Parking Enforcement of School Keep Clear Markings

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer:	Debbie Huckle Team Leader Safety and Travel Planning Tel: 020 8937 5570 Debbie.huckle@brent.gov.uk

1.0 Purpose of the Report

1.1 To inform Cabinet of the results of the School Keep Clear re-mountable CCTV camera enforcement trial which commenced in September 2017.

2.0 Recommendations

That Cabinet agrees to:

2.1 Note the content of this report, the approach taken and progress to date; and,

2.2 Expand the initiative through capital investment by purchasing another re-mountable CCTV camera for enforcement of School Keep Clear restrictions.

3.0 Detail

3.1 School arrival and dispersal periods place extensive pressure on Brent's road network as many parents and carers drive their children to school.

3.2 The Council receives numerous complaints from residents in the vicinity of schools relating to illegal and or inconsiderate parking, traffic congestion, and concerns about the safety of pupils endangered by parked vehicles obstructing visibility.

3.3 Travel plans aim to assist schools to reduce congestion by promoting sustainable travel, in particular walking and cycling. This year, 73% of all Brent schools have an active travel plan; this includes primary and secondary schools in both the local authority and academies sectors, and independent schools.

3.4 The Council works with all Brent schools to promote sustainable travel and help them to develop a bespoke package of initiatives to reduce congestion and improve safety outside their school. These include;

- promoting park and stride, encouraging parents to park away from the school and walk the last 5 to 10 minutes (all primary schools have been provided with maps to identify these walking distances)
- an anti-idling campaign to help improve air quality near schools
- the Junior Travel Ambassador programme where pupils assist with school assemblies and help promote sustainable travel, road safety, and considerate and safe parking
- encouraging staggered form finish times and introducing breakfast and after school clubs, to reduce the number of pupils and parents arriving and leaving at the same time
- promoting sustainable travel and encouraging parents and carers to park considerately and safely in school newsletters.

3.5 The Council has a school expansion programme to provide sufficient places for the increasing number of children who live in the borough, and despite working with schools to promote sustainable travel, this is likely to add to the issues of parking and traffic congestion, and poor air quality near some schools.

Enforcement

3.6 The Council has a school enforcement deployment plan covering the whole borough. This is produced by Serco (our parking enforcement contractor) and the Council's Parking team. This plan is based on compliance ratings, observation and complaints. Schools with low compliance ratings are given a higher priority and receive more enforcement visits per month. The deployment plan is reviewed and changed to target areas where there are higher levels on non-compliance, on a regular basis

3.7 There are practical challenges commonly faced in undertaking enforcement of yellow line restrictions outside schools. Waiting parents are typically at the wheel of their car, and if illegally parked they often drive away before a Civil Enforcement Officer (CEO) can issue a Penalty Charge Notice (PCN). The period between 15:00 and 16:30 is the busiest period of the day for parking enforcement, and the pool of CEOs available to cover Brent schools is particularly stretched at this time. The Council can use CCTV cameras to enforce school keep clear markings, which improves compliance, but cannot use CCTV cameras to enforce yellow lines and loading restrictions.

The trial

3.8 The Council has purchased a single re-mountable CCTV camera as a pilot to improve enforcement of school Keep Clear (SKC) yellow zig zag markings.

3.9 The following eight schools have been prioritised in the enforcement deployment plan and have all agreed to participate in the trial:

- Al-Sadiq & Al-Zahra School, SKC on Chevening Road, NW6
- Ark Franklin Primary Academy, SKC on Harvist Road, NW6
- Oakington Manor Primary School, SKC on Oakington Manor Drive, Wembley
- Preston Park Primary School, SKC on College Road, Wembley
- Princess Frederica Primary School, SKC on Purves Road, NW10
- St Andrew & St Francis C of E Primary School, SKC on Belton Road, NW2
- St Robert Southwell Primary School, SKC on Slough Lane, NW9
- Sudbury Primary School, SKC on Perrin Road, Sudbury

3.10 The pilot CCTV camera was located outside Preston Park Primary School on College Road, Wembley, from September to December 2017. During this period it was used to issue PCNs to drivers parking illegally on the SKC zig zags during operational times (08:15 - 09:15 and 14:30 – 16:30).

3.11 From January 2018 this CCTV camera was relocated to Sudbury Primary School, Perrin Road, Sudbury, and will remain at this location until March 2018.

3.12 Whilst we plan to keep the CCTV camera at each school for one full term this will be reviewed on a site by site basis. If, after two months, compliance levels have significantly improved Officers may consider relocating the camera before the end of term.

3.13 Following the relocation of the CCTV camera, a series of visits will be conducted by a camera car to measure conformance levels at Preston Park Primary School. This will enable Officers to monitor whether the deployment of the pilot CCTV camera has had a longer term positive impact. Over time, these visits will be aligned with the regular schools deployment programme.

3.14 With only one pilot CCTV camera available, it could take two years to complete the pilot programme.

3.15 Although the aim to improve parking management near schools, reduce congestion and also improve air quality and not to generate revenue, for

financial planning purposes, we anticipate that approximately £15k per annum will be generated by the CCTV camera from PCNs.

3.16 The repayment period for investment in CCTV camera enforcement of SKC markings is significantly longer, in comparison to the CCTV cameras used to enforce moving traffic contraventions.

Next Steps

3.17 Subject to agreement by Cabinet a second CCTV camera could be purchased and deployed as part of this pilot scheme, allowing the programme to be completed within a single year.

3.18 If the pilot CCTV camera scheme proves to be successful in relation to improving compliance, then after the trial both cameras will continue to be used outside additional schools prioritised within the schools deployment plan.

4.0 Financial Implications

4.1 Approving the recommendation stated in paragraph 2.2 of this report will commit the Council to a cost of £25k to purchase the second CCTV camera and a further on going annual cost of approximately £1.5k to keep the camera operational and costs related to issuance of PCN's.

4.2 The cost to purchase and operate the camera will be funded from existing approved budgets within the Parking/Highway service.

4.3 Any income generated from issuing PCNs in future years will be used to support the boroughs transportation and traffic management initiatives.

5.0 Legal Implications

5.1 In accordance with the Traffic Management Act 2004, the Secretary of State issued updated Statutory Guidance to local authorities on the civil enforcement of parking contraventions in 2016 and paragraphs 2.1, 2.4 and 2.5 of the said guidance states as follows:

"Enforcement authorities should aim to increase compliance with parking restrictions through clear, well designed, legal and enforced parking controls. Civil parking enforcement provides a means by which an authority can effectively deliver wider transport strategies and objectives. Enforcement authorities should not view it in isolation or as a way of raising revenue.

Enforcement authorities should design their parking policies with particular regard to: • managing the traffic network to ensure expeditious movement of traffic, (including pedestrians and cyclists), as required under the Traffic Management Act 2004 (Network Management Duty); • improving road safety; • improving the local environment; • improving the quality and accessibility of public transport; • meeting the needs of people with disabilities, some of

whom will be unable to use public transport and depend entirely on the use of a car; and • managing and reconciling the competing demands for kerb space.

For good governance, enforcement authorities need to forecast revenue in advance. But raising revenue should not be an objective of civil parking enforcement, nor should authorities set targets for revenue or the number of Penalty Charge Notices they issue".

5.2 Following the implementation of regulations under the Deregulation Act 2015 the Council can still enforce School Keep Clear restrictions by using CCTV cameras. However, the Council cannot enforce single or double yellow lines, waiting, or loading restrictions by using CCTV cameras.

6.0 Equality Implications

6.1 S149 of the Equality Act 2010 provides that the Council must have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between those who share a protected characteristic, and those who do not.

6.2 There are no diversity implications arising from this report and its recommendations at this time.

7.0 Consultation with Ward Members and Stakeholders

7.1 The Lead member for Environment has been consulted on this report. The schools involved have been consulted on the deployment of the re-mountable CCTV camera, and have strongly supported the pilot scheme.

Report sign off:

AMAR DAVE
Strategic Director of Regeneration and Environment

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Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director for Regeneration and Environment

Adoption of Revised Planning Design Guide for the Mapesbury and Roe Green Village Conservation Areas

Wards Affected:	Mapesbury, Queensbury
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	3
Background Papers:	None
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1.0 Purpose of the Report

1.1 The design guides for both the Mapesbury and Roe Green Village Conservation Areas were identified for updating due to age and also potential development pressures that might otherwise dilute the special character of the Conservation Areas.

1.2 The Director of Regeneration and Environment, under delegated powers conferred by Cabinet on the 13 February 2017, approved the issuing of the guides for public consultation. The consultation commenced on 22 June 2017 (for 28 days). This had followed an extensive period of discussion with the Residents Associations on the content of the guides.

1.3 Overall, the documents were well received. Responses have been reviewed, and where appropriate, recommendations to make amendments to the guides made. A full list of comments received, officer response and recommended changes are set out in Appendix A.

1.4 If adopted by Cabinet, the documents will replace the existing design guides for the areas. The consultation responses in relation to the Mapesbury guide also identified concerns that the boundary of the conservation area is not a

reflection of the extent of area that should have this status. The report also sets out how this issue can be addressed.

2.0 Recommendation(s)

2.1 Cabinet consider the consultation responses and recommended revisions to the Design Guides as set out in Appendix A

2.2 Cabinet approves the adoption of the Mapesbury Conservation Area Design Guide in Appendix B as a Supplementary Planning Document and that the existing guide is revoked.

2.3 Cabinet approves the adoption of the Roe Green Village Conservation Area Design Guide in Appendix C as a Supplementary Planning Document and that the existing guide is revoked.

3.0 Detail

Delegated authority

3.1 The Strategic Director Regeneration and Environment, in consultation with the Lead Member for Regeneration, Growth, Employment and Skills, has delegated authority to approve draft Supplementary Planning Documents and other planning guidance for consultation. This was conferred by a Cabinet decision of the 13 February 2017. The drafts were authorised for consultation on 18 May 2017.

About the guides

3.2 Paragraph 127 of the National Planning Policy Framework (NPPF) cautions local planning authorities to ensure that an area justifies designation as a conservation area because of its special architectural or historic interest. With appropriate management procedures in place, such as an up to date agreed design guide, the character and appearance of a conservation area will be preserved. It is generally accepted that change is inevitable, however, not necessarily harmful, and often beneficial. Design guidance sets out ways to manage change in a way that conserves and enhances the conservation areas.

3.3 The existing Mapesbury and Roe Green Village Conservation Area Design Guides date from the 1980s and have not been updated for many years. They do not provide clear guidance for existing residents and those proposing to move into the area about all types of works that are generally accepted.

3.4 Whilst the general approach to development remains unchanged, the updated documents are intended to be more ‘user friendly’ and provide clearer advice on the interpretation of guidance given current legislation and the NPPF.

3.5 The following are the key changes to the Design Guides:

- A better understanding of why the respective conservation areas are significant, explaining why the Council is more restrictive with alterations and extensions in these areas.
- Clarity around the interpretation of the Article 4 Directions.
- More detailed text, illustrations, diagrams and examples to help householders.
- Particular guidance on the parameters for rear, side and roof extensions.
- Further clarity on replacement windows including examples of the plans and level of detail required as part of a planning application to assist applicants and ensure acceptable replacement windows are provided.
- Details on works to front and rear gardens, including boundary treatment, ratio of soft to hard landscaping and trees.

3.6 Both guides have been drafted in consultation with the respective residents' association planning committee board members and have local councillor support. The Mapesbury Residents' Association (MapRA) www.mapra.org.uk has a planning and conservation group to oversee planning applications and liaise with Brent Council to try to maintain and improve the area. It has provided a 'drop-in' discussion and assisted with the dissemination of the guide.

3.7 Likewise, the Roe Green Village Conservation Area Planning Committee www.roegreenvillage.org.uk has made comments on the draft guide.

3.8 Good practice guidance from Historic England (contained within its Advice Note 1, 2016, Conservation Area Designation, Appraisal and Management) advocates consultation with local amenity and heritage groups. It specifically advises that 'There are major advantages, particularly in public support, in encouraging owners, residents' groups, amenity groups, businesses and community organisations to discuss the issues facing the area and how these might be addressed.' It goes on to advise that 'Design Guides and Management plans, which are drawn up without effective consultation are likely to be misunderstood and ineffective.'

3.9 Guidance, both printed and available online, to help home owners, businesses and developers understand how the community wants the area to develop in a sympathetic way is beneficial. It saves officer time in advising on unnecessary and unacceptable proposals. It clearly explains why an area has been designated, what constraints and opportunities (including restrictions on permitted development, the need for consent over demolition of buildings, parameters for extensions and the need to give prior notice before undertaking works to trees).

Consultation

3.10 The Town and Country Planning (Local Planning) (England) Regulations 2012 set out what the Council needs to do when seeking to adopt a Supplementary Planning Document. It has to publicise the consultation, notifying those that might be interested and making the document together with a consultation statement available on the website, in its principal office and in other locations it regards as appropriate.

3.11 Specifically, public consultation on the guides (for 28 days) was undertaken from 22 June 2017. Both residents' associations kept a hard copy of the draft guide for local residents to view. It took the form of:

- individual letters to owner/occupiers in the respective conservation areas notifying of the consultation and seeking views.
- the consultation being available on the Councils website for comment for 28 days with the draft guides available to download.
- hard copies being available at local libraries.
- a public notice which was placed in the local newspaper.

3.12 A full list of comments received, officer response and recommended changes are set out in Appendix A.

Mapesbury Conservation Area boundary review

3.13 Boundary Review: One resident, with the support of Councillor Dr Helen Carr and the Mapesbury Residents' Association, has specifically requested that the boundaries of the Mapesbury Conservation Area be reviewed. The suggestion is to look at the curtilage/gateways to conservation area – the High Road, Chichele Road and Walm Lane. The resident points out that it is important that the conservation area is outward facing and inclusive. And without the quality of architecture preserved and reflected in the quality of buildings on these 'gateway corners', the conservation area is inward facing and consequently its qualities are less accessible.

3.14 Discussion: There are a small number of properties at the junctions and at the entrance 'gateways' to the Mapesbury Conservation Area which form part of the original estate and were not considered when the conservation area was initially designated in 1982. These properties appear to merit inclusion and remain unprotected from development. Furthermore, the retail development on the High Road slightly pre-dates the Mapesbury Conservation Area but it backs onto it. It has significant pressure for development. As it is outside the Mapesbury Conservation Area it is hard to control development that would preserve the setting of the conservation area. Although the retail premises pre-date the development of the Mapesbury estate they are interrelated and are of high architectural quality. There may be a case to include some of these properties too.

3.15 Conclusion: For these reasons it is considered that in terms of future work programme associated with the borough's conservation areas, that a boundary review of the Mapesbury Conservation Area should be a priority.

4.0 Financial Implications

4.1 The cost of the production of the document for adoption are small. The majority of resource is associated with the staff time required to edit the document, which has been met from existing planning policy budgets. Printing costs will be minimal, relating to the paper copies held at the Civic Centre and Council libraries. Although regulations set out that interested parties have a right to ask for a paper copy, in reality this is rare as most copies are downloaded from the Council's website. There were no additional comments or changes requested by the Head of Finance.

5.0 Legal Implications

5.1 The Planning and Compulsory Purchase Act 2004 and the Town and Country [Local Planning] [England] Regulations 2012 as amended provide for Local Planning Authorities to adopt Supplementary Planning Documents.

5.2 These documents are to provide more detailed guidance on how a development plan policy will be interpreted in the determination of planning applications. Supplementary Planning Documents cannot introduce new policy or allocate sites for development. The status of the documents as adopted Supplementary Planning Documents gives them increased weight in the determination of planning applications.

6.0 Equality Implications

6.1 The Equality Act 2010 introduced a new public sector equality duty under section 149. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Council must, in exercising its functions, have "due regard" to the need to:

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
2. Advance equality of opportunity between people who share a protected characteristic and those who do not.
3. Foster good relations between people who share a protected characteristic and those who do not.

6.2 Statutory public consultation has been carried out in the process of preparing and adopting the Supplementary Planning Document. An Equalities Impact Assessment screening opinion has been undertaken which identified no positive of negative impacts in relation to those with protected characteristics as a result of the document.

7.0 Consultation with Ward Members and Stakeholders

7.1 The local ward Councillors are aware of the new guides. Both Residents' Associations circulated the draft document. There has been specific support from Councillor Lia Colacicco (Mapesbury); Councillor Dr Helen Carr (Mapesbury) and Councillor Sandra M Kabir (Queensbury) who all offered to assist with the consultation of the respective Design Guides. Councillor Dr

Helen Carr has specifically requested that the boundaries of the Mapesbury Conservation Area be reviewed.

7.2 The Town and Country Planning (Local Planning) (England) Regulations 2012 set out what the Council needs to do when seeking to adopt a Supplementary Planning Document. This includes consultation with stakeholders and consultees. A full list of comments received, officer response and recommended changes are set out in Appendix A.

8.0 Human Resources/Property Implications (if appropriate)

8.1 None arising specifically from the draft Supplementary Planning Document.

Report sign off:

AMAR DAVE
Strategic Director of Regeneration and Environment

Appendix A

Revised Planning Design Guide for the Mapesbury and Roe Green Village Conservation Areas

A full list of comments received, officer response and recommended changes

Responses from Mapesbury Residents'

1.0 A total of 6 comments were received from the residents' within the Mapesbury Conservation Area. Four residents supported the new guide and 2 requested amendments.

1.1 Allow rooflights to be installed on front roof slopes: In terms of the installation of rooflights the resident respectfully requested that serious consideration be given to allowing conservation style rooflight windows in front facing elevations in homes within Mapesbury. In their view, front facing conservation-style rooflights would deliver multiple benefits to the residents and would provide an opportunity for a modest growth to the number of bedrooms within the existing housing stock. They would also be consistent with the recent decision by the Council to allow 1 front facing conservation style rooflight windows in nearby Queen's Park Conservation Area.

1.2 Discussion: The Queen's Park estate has a different character to Mapesbury, and roofs are generally shallower pitch, and some of the terraces are three storey, and so the roofs are less visible. Many rooflights were installed some time ago before the conservation area was designated. Preventing the use of front rooflights does not preclude the 'modest growth to the number of bedrooms within the existing housing stock'. The Council still permits the adaptation of the roof space with a rear dormer and side rooflights.

1.3 Conclusion - *rooflights not to be permitted on front roof slopes*. The character of the conservation area is well preserved and the Mapesbury estate was not designed with such a feature. There are in fact very few front facing rooflights and those that exist either pre-date the conservation area or illustrate the harmfulness of such an installation. Prevention will better preserve the character and appearance of the conservation area.

1.4 Allow street facing solar panels: The resident considered the policy on street facing solar panels to be 'retrograde'. The resident went on to say that 'solar slates' and 'in roof systems' exist that protect the character of an area. The resident suggested that 'decarbonisation should come first, then concerns about preserving character'.

1.5 Discussion: The change of roofing materials or extension to the roof is covered by the article 4 Direction which means that solar (PV) installations need planning permission. There are currently no cases of solar installations on front roof slopes within the conservation area. As with front facing roof lights, solar PV panels will be visible from the street. Solar PV panels are retrofitted onto an existing roof, on top of the tiles or other roofing materials, using roof anchors and mounting rails. Covering the roof tiles with the panels, especially given the raised nature, would harm the character of the building and the appearance of the conservation area. Solar PV roof

tiles have a black mirrored-glazed surface, so do not replicate the undulating matt appearance of black slate or red clay tiles.

1.6 Conclusion: - *Solar installations not to be permitted on front roof slopes*. The character of the conservation area is well preserved and the Mapesbury estate was not designed with such a feature. There are no existing instances of such an installation within the conservation area. They are very visible on the roof and look out of place against the existing roof coverings of decorative layered slates and red plain clay tiles. Prevention will better preserve the character and appearance of the conservation area.

Responses from Roe Green Village Residents'

1.7 A total of 4 comments were received from the residents within the Roe Green Village Conservation Area. Three residents supported the new guide and 1 objected because they felt that single storey rear extensions should be allowed up to 3 metres in depth rather than the current 2.5.

1.8 Allow 3 metre deep single storey rear extensions: The resident suggested that proposals for single storey rear extensions should be increased from 2.5 metres to 3 metres. This was to help people with younger families. Three metres would give the opportunity to create a second toilet downstairs which was badly needed. The gardens are long and the resident pointed out that lots of other properties within the village already have 3 metre extensions.

1.9 Discussion: The cottages in Roe Green Village were originally designed as modest dwellings for aeroplane workers. They were all carefully designed and grouped, setting some back, and some forward, to a picturesque and interesting effect. The rear of the properties are often visible, especially from upper levels. Although 3 metre extensions have always been permitted on the semi-detached properties (there are 16 out of 550 properties) this is because they are generally larger in size and have longer rear gardens. However, 3 metre extensions are considered too big and bulky on other properties throughout the estate because they are flats and more modest in scale. The resident suggests that a downstairs bathroom could not be fitted in a 2.5 metre extension but it has been successfully achieved. Furthermore, the 2.5 metre extension limit has been upheld by a Planning Inspector when appealed.

1.10 Conclusion: - *Single storey rear extensions to remain at 2.5 metres in depth*. The character of the Roe Green Village Conservation Area is well preserved. A 3 metre single storey rear extension is considered to provide a bulky addition to the properties and harmful to the conservation area. The 2.5 metre depth limit has been upheld by the Planning Inspectorate.

General responses from Residents to both guides

1.11 Another resident was concerned about outbreaks of Knotweed in the conservation areas and that the Council should be notified. *A sentence about who to contact regarding Knotweed has be added.*

1.12 The conservation areas would benefit from more sympathetically designed lighting columns and lanterns, should the opportunity arise. *Lamp post replacement is not a priority for these conservation areas but a sympathetic design would be recommended should the opportunity arise.*

Consultee responses

1.13 Historic England supported the publication of the conservation area design guides. In its view they should facilitate sustainable development within the two conservation areas as required by the National Planning Policy Framework. It was specifically pleased to see that the legislative background had been clearly stated and the architectural character of the area had been carefully studied and described in easily accessible language. The management proposals logically followed on from the analysis of the areas, and it welcomed the concise explanation of Article 4 directions. Both documents were considered to be well-illustrated.

1.14 The Woodland Trust welcomed and supported Brent's commitment to the protection of trees in both guides. It suggested some minor rewording.

1.15 NHS Brent Collaborative Clinical Commissioning Group requested that the design guides recognise that there are non-residential uses within these areas and when considering planning applications the Council acknowledge that GP premises will need to be improved and modernised to continue to provide safe and accessible care.

1.16 Highways England; The Ministry of Defence (MOD); Natural England; Network rail; Thames Water Utilities Ltd and Transport for London had no specific comment to make on the guides.

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MAPESBURY CONSERVATION AREA DESIGN GUIDE

Brent

Draft February 2018


Dartmouth Road

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1.0 Introduction

1.0 Introduction

Conservation areas were first established as a result of the Civic Amenities Act of 1967 and are intended to identify valuable architectural or historic characteristics in a locality that may need protection and enhancement.

1.1 Designation

The Council is responsible for designating conservation areas with the law set down in the Planning (Listed Buildings and Conservation Areas) Act 1990. Section 69 of the 1990 Act recognises that there are particular areas of 'architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance'. Conservation areas are defined as 'designated heritage assets' in the National Planning Policy Framework 2012 (NPPF). The Council, with the support of English Heritage (now Historic England), made Mapesbury a conservation area in December 1982. This enables the Council, with the aid of localised design criteria and additional controls over Permitted Development, to influence the type of physical changes that would otherwise be harmful in the area.

The only statutory listed building in the conservation area is St Gabriel's Church on Walm Lane which is Listed Grade II. The Mapesbury Conservation Area is not within an Archaeological Priority Area nor has it been identified to have archaeology of local importance.

1.2 Legislative framework and policy

The Planning (Listed Buildings and Conservation Areas) Act 1990 is the primary legislation. This Act sets out statutory duties and responsibilities in relation to designated heritage assets, including the management of conservation areas.

The National Planning Policy Framework (NPPF) sets out the government's planning policies and how they are expected to be applied. One of the NPPFs core Planning Principles which should underpin decision-taking is that planning should 'Conserve heritage assets in a manner appropriate to their significance, so that they can be enjoyed for their contribution to the quality of life of this and future generations.' Chapter 12 (paragraphs 126 to 141) of the NPPF specifically deals with conserving and enhancing the historic environment.

Brent's Local Plan Policy DMP7 deals with proposals for or concerning affecting heritage assets. In 1987, 1990 and 2010, the Council, with the support of residents, added additional planning controls known as Article 4 Directions to provide extra protection from development that may damage the character of the area. The specifics of the Article 4 are set out in Section 1.6.



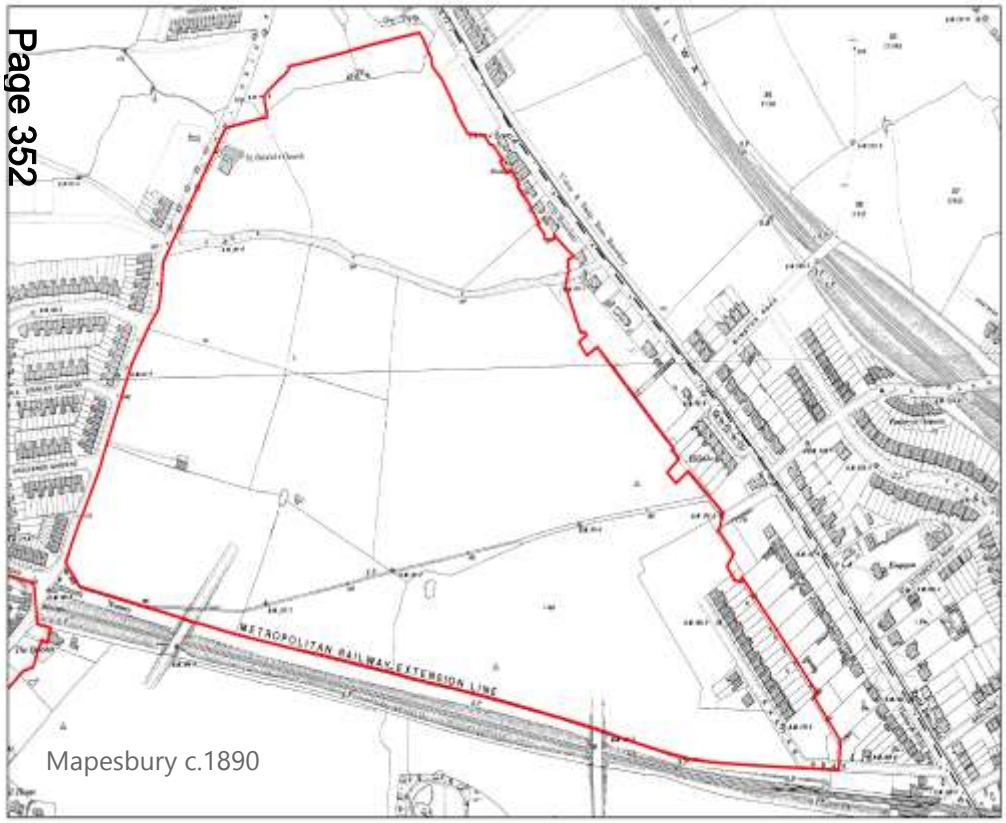
Mapesbury Road

This guide explains why Mapesbury is significant, gives guidance on the specific planning controls and sets outs ways in which your property can be extended or altered in a manner appropriate for the conservation area to help you achieve Planning Permission. It also gives advice on ways to repair and improve your home so that it helps preserve and enhance the character and appearance of the area.

1.3 What is significant about Mapesbury?

Mapesbury is one of the largest of the conservation areas in Brent. The area formed part of the Middlesex parish and manor of Willesden, which was held by the chapter of St Paul's Cathedral by the time of the Norman Conquest. The manor was divided into eight prebends to support the various members of the chapter. One of these duly gained the name "Mapesbury" after Walter Map, prebendary from 1173–c1192.

The area remained countryside until the 1860s, when residential development began. By 1875 there were a number of large suburban villas and by 1880 the Metropolitan Railway opened its line in the area, and building lots were let for 'first class residences'. The first step in development appears to have occurred in the mid-1870's at the junction of Exeter Road and Dartmouth Road but properties on the east side of Exeter Road did not appear until 1885. Even so, the development of the surrounding area did not begin in earnest until ten years later.



Mapesbury c.1890

The majority of the building construction within the conservation area was undertaken by a dozen firms between 1895 and 1905, including Callow and Wright, Charles Cheshir and John Neal and Company. The Development of the area continued until 1920, with the majority of the later properties (1905 - 1920) being to the designs of C.W.B. Simmonds and G. A. C. Bridge.

The Mapesbury Conservation Area is characterised and is significant because it remains largely unaltered. Its turn of the century town-houses are of high architectural quality and have intricate detailing. Later inter-war development is of similar architectural quality and integrate well the earlier houses.

Mapesbury estate is set in wide tree-lined streets with bold front boundary brick walls and tall gate posts. Large semi-detached and detached houses predominate within the conservation area while rear gardens which often exceed 25 m in depth, typically contain mature trees and other mature planting, establishing an almost park-like character that has become an integral part of the area's setting. These factors play a vital role in establishing the open and spacious character of the area.

The detailing of individual houses is well designed and executed. However, the detailed architectural solutions come from a menu of these solutions that the various architects mixed and matched between streets and groups of buildings.

There are a number of factors that set the Mapesbury Conservation Area apart from housing schemes in the local and wider context. The scale of the buildings, the quality of architecture and detailing combined with the largely unaltered nature of the majority of the building frontages enable the area to retain its rather grand personality. The views between the houses and the open nature of the rear gardens of the houses are relatively exposed to view and give the area its characteristic green and open vista.

The following photograph is a postcard dating from 1907 and is an illustration of Walm Lane. It shows the importance and grandeur of the Estate at the time not only in the quality of the architecture but also by the fact that it was considered influential enough to be photographed for a postcard. The paired chimneys are an especially striking feature together with the rhythm of the roof slopes, prominent canted bay windows and front boundary piers.



Old Walm Lane, Cricklewood.

Reeves' Series.

Love to all. Hugh.

London. N.W.
8.2.07.
24


Walm Lane







Variety of architectural pilaster details used throughout the estate







1.4 Who is this Guide for?

This guide is for residents, consultants and builders working in the Mapesbury Conservation Area. It provides information on Mapesbury's specific planning constraints, as well as advice on ways to restore, repair, maintain and improve your home so that it helps sustain and enhance the character or appearance of the area.

Alterations that are out of keeping with the original appearance of the houses and streets can spoil the quality of the environment and reduce the desirability of the area forever. The Council can do much to lead in the protection of the Mapesbury Conservation Area, but residents need to care for their own home with the attention to detail shown by the original designers. We share a duty to protect the special character of the area, not only for today's residents and visitors, but also for those of tomorrow.

As a resident, it is in your interest to keep or restore the special character of your home and area. Usually, houses in well-maintained conservation areas have a greater value than those outside. There are many conservation areas throughout the country all with different characters and building types; but it is only those areas in which the residents are actively involved in conservation that successfully retain their character.

This guide should answer many of the questions you may have, but if you are in any doubt please contact the Planning Service on 020 8937 5210 or planandbuild@brent.gov.uk for advice. Some of the technical terms you will come across are marked with an asterisk. These are explained in section 6.

1.5 Is my property in the Mapesbury Conservation Area?

The Mapesbury Conservation Area is marked with a red line boundary in Figure 1. All the properties within the red line boundary are in the Conservation area and are covered by Article 4 Directions.

1.6 What is an Article 4 Direction?

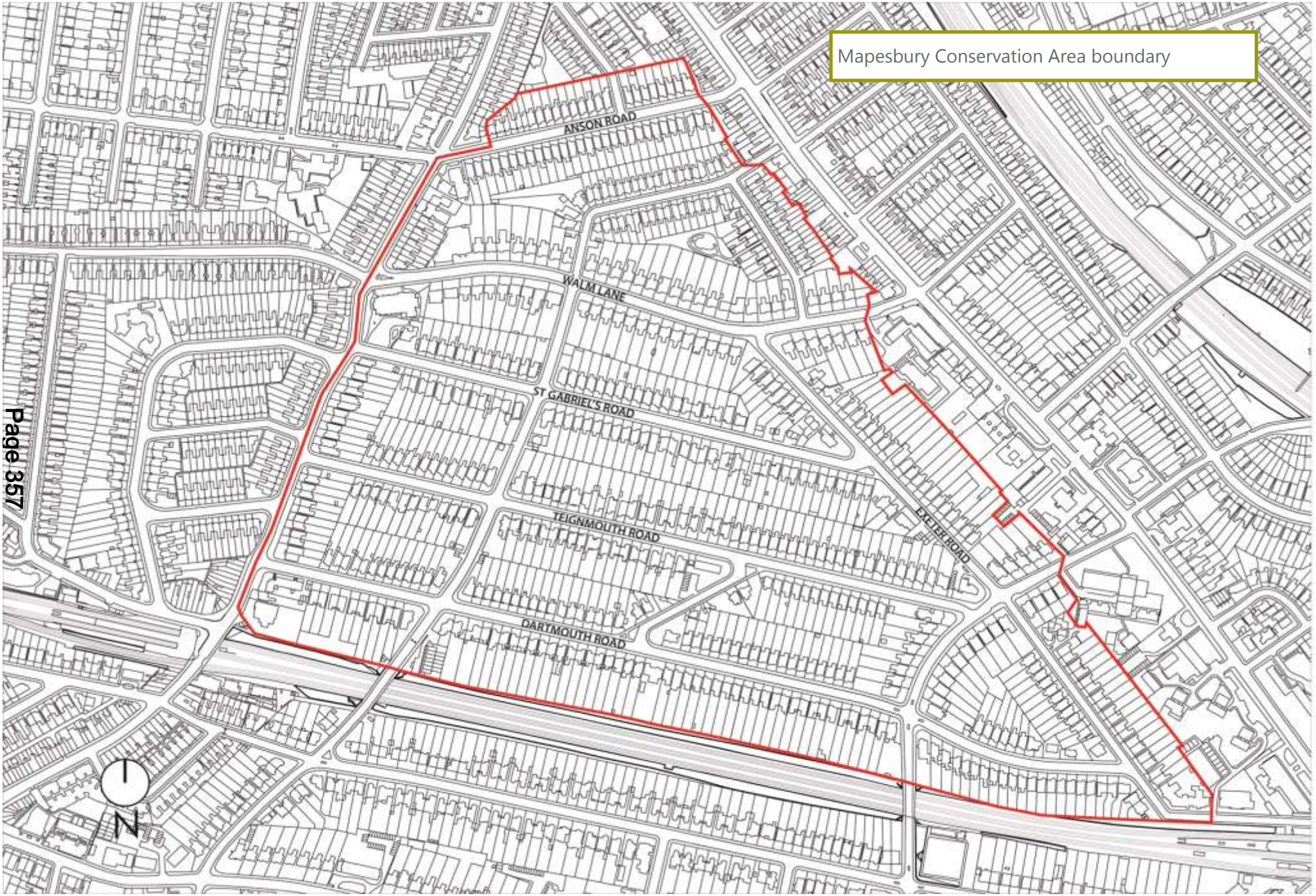
An Article 4 Direction is a special control which gives extra protection to a conservation area by removing some of the property owner's Permitted Development rights. This enables the Council to prevent insensitive development which would otherwise be out of its control. This does not mean that an owner cannot make any alterations to their home, but it does give the Council more control over the design and specification of proposed alterations to houses and gardens. Therefore, whilst permission is usually not required to repair any existing features, replacement and alteration of existing features will require Planning Permission. The Article 4 helps the Council preserve the character and appearance of the Conservation Area.

All properties within the conservation area are covered by the Article 4 Direction. The extra effort that owners have to make to obtain the appropriate planning permissions is recognised by the Council. Therefore, within an Article 4 Direction area, the Council does not charge a fee for deciding Planning Permission where proposals would normally be permitted development.



Table 1: Properties wthin the conservation area

Street	House number
Anson Road	3-61, 2-48, Anson Hall
Chichele Road	85-99, Alexandra Mansions and Doral Court
Dartmouth Road	1-153, 2A, 2-118, Westly Court
Dawlish Road	1-4 Consec, out-building (coach house)
Exeter Road	1A, 3A, 1-87, 2A, 2-48, Byron Court, Exeter Mansions, Mondesfield & Nigel Court
Hoveden Road	1-35, 2-18
Keyes Road	1-37, 6-50
Lydford Road	10-22
Mapesbury Road	17-45, 22-50, Teignmouth Court
Petrie Close	1-12
St. Gabriel's Road	1-97, 2-64
Teignmouth Road	1-89, 4-114, Teignmouth Lodge
Walm Lane	129-197. 110-226, United Synagogue


Mapesbury Conservation Area boundary
ANSON ROAD
WALM LANE
ST GABRIEL'S ROAD
TEIGNMOUTH ROAD
DARTMOUTH ROAD
EXETER ROAD
N

2.0

When do I need to apply for Planning Permission


HOVEDEN ROA
Walm Lane

2.0 When do I need Planning Permission?

The Town & Country Planning (General Permitted Development) (England) Order 2015 allows owners of houses to carry out certain types of alterations and modest building work to their homes without the need to apply to the Council for planning permission. However, within a conservation area, the type of work allowed under Permitted Development is more limited. There are greater restrictions over the amount a house can be extended or how much demolition can be carried out without planning permission.

2.1 Additional controls by the Article 4 Direction

In addition, in consultation with local residents, the Council applied an Article 4 Direction on the Mapesbury Conservation Area to ensure its special character is sustained and enhanced. The Article 4 Direction is an additional restraint that allows the Council to guide the way in which alterations, improvements and repairs are carried out.

All properties located within the Mapesbury Conservation Area require Planning Permission for the following works. Please note that although you need Planning Permission for all of the following, in many cases, this might not be granted or may need to be carried out, installed or constructed in a specific way. The subsequent sections of this guide advise in further detail.

- The construction of any first floor or two storey extensions
- The construction of any single storey side or rear extensions
- The construction of dormer windows
- Building, altering or infilling a porch
- Erect, demolish or make alterations to any chimney
- Replace, alter or install a new window or door opening into an existing wall that faces the street. **Be aware that on end-of-terrace or corner plot properties this may affect the side, or rear, of your property**
- Any extensions and alterations to the roof of a property, including but not limited to changing tiles or slates or original chimneys
- The formation or renewal of any hard-surface, or a means of access to the highway
- The removal of soft landscaping with the replacement of hard surface
- The construction of gates, fences, walls or other types of boundary enclosure to front gardens or any other boundary facing the street
- Externally mount a satellite dish to the house
- Apply stone, paint, timber or other cladding to properties in the conservation area including boundary walls and outbuildings
- Alter or remove any external architectural feature or finish such as half timbering or pargetting or other cladding
- Install new pipes, vents or stacks penetrating the roof Building any outbuilding or shed within any part of the garden, including the side or rear garden

Note: You may also require **Building Regulations** approval for alterations to your property, further guidance is set out in Section 6.3 of this Design Guide.

Permitted Development rights only apply to houses that have not been subdivided. They do not apply to flats, maisonettes or multiple-occupancy properties where planning permission is required for all material external alternations.



3.0

Extending and altering your property

3.0 Extending and altering your home

Most properties in Mapesbury are large detached or semi-detached houses situated in long linear plots. However, irregular rear building lines mean that in most cases nothing other than a modest extension will be acceptable. A subordinate extension will also not harm the garden setting.

The Mapesbury Conservation Area benefits from a consistent and fairly unaltered character and all alterations to homes within the area must maintain that consistent quality. Above all, for a proposal to be acceptable, it must either preserve, or preferably enhance, the character of the area.

3.1 Extensions

You will need Planning Permission for many types of extension in Mapesbury. General guidance on altering and extending your home is set out in another Council document, SPG5. However, in conjunction you should consider the following points before submitting your application:

Will your proposed changes add to or detract from the enjoyment of the whole area by you, your neighbours and visitors?

Will the extension affect your neighbours' view or daylight?

- How will the extension affect the overall shape of the house? The extension should not dominate the existing building or streetscene.
- Will the extension make the building too big in relation to the plot size? The extension should not spoil the original yard/garden setting and should be subsidiary to the original house.
- The extension should continue in the style of the original house, however, a high quality imaginative, but contextual, contemporary design may be acceptable.
- Does the proportion of the extension, position of openings, and roof pitch refer to the appearance or the host building? All door and window openings on the extension must be the same or complement the proportions of those on the original house.
- New window frames and doors for new extensions should complement the character of the original house. Originally windows and doors for the houses in Mapesbury were manufactured using timber. Therefore, the best way to preserve the character of the property is to use timber windows and doors in the new extension. Permission to use materials other than wood will rarely be given.
- Roofs on extensions should complement the roof on the original house.
- Matching materials should be used.
- Extensions to the rear should not totally in-fill the lightwells between houses. This changes the character of the rear of the houses and has a significant impact on the rear element of the neighbour's house.
- Side extensions should not unbalance a pair of semi-detached properties or infill the gap between properties creating a joined-up 'terraced' effect.
- For properties on the ends of terraces, permission to infill rear gardens with new buildings facing onto side streets will only exceptionally be permitted.
- Brickwork bonding* on new building work should match the original and where possible should stitch into the existing brick work. Bricks and mortar should match the existing in colour and texture. Reclaimed bricks can be used but well chosen new bricks will eventually weather down to blend in with the original.
- Guttering should be incorporated within your property and should not overhang property boundaries.
- You are encouraged to use materials that are environmentally sustainable to construct your extension. In particular, recycled bricks and roofing materials can be cheaper and may match your original materials more easily.



Brick dentil course

3.2 Rear extensions

Development in rear gardens can have a serious impact on the character of the conservation area and the amenity of your neighbours. On the majority of houses, only a single storey extension would be acceptable. You should address the following standards when considering the design of your rear extension:

New single storey rear extensions should respect the style of the host building, its proportions and character. It should harmonise with it. Infill extensions should not project further than 3 metres from the main rear elevation (face) of a terraced or sem-detached house or 4m from a detached house, and should have an average height of no more than 3 metres to a ridge or 2.5m to a parapet.

Infill extensions should usually be no higher than 2m on the boundary of the site (including integrated guttering) rising to no more than 3m in height within a 2m width of your neighbouring boundary. Furthermore, these extensions should usually be designed to be light and transparent, in materials to match, to maintain the integrity of the original form of the houses.

A set back of a brick width from the rear face of the outrigger is desired to maintain integrity. Where roof lights are proposed, these should always be flush fitting and be of obscured glazing if they overlook a neighbouring property.

A reduced size extension may be necessary where there are habitable rooms within the flank wall of your neighbour's house, or where there are ground level changes. **The following page sets out and gives specific guidance on rear extensions that should be adhered to.**

3.3 Conservatories

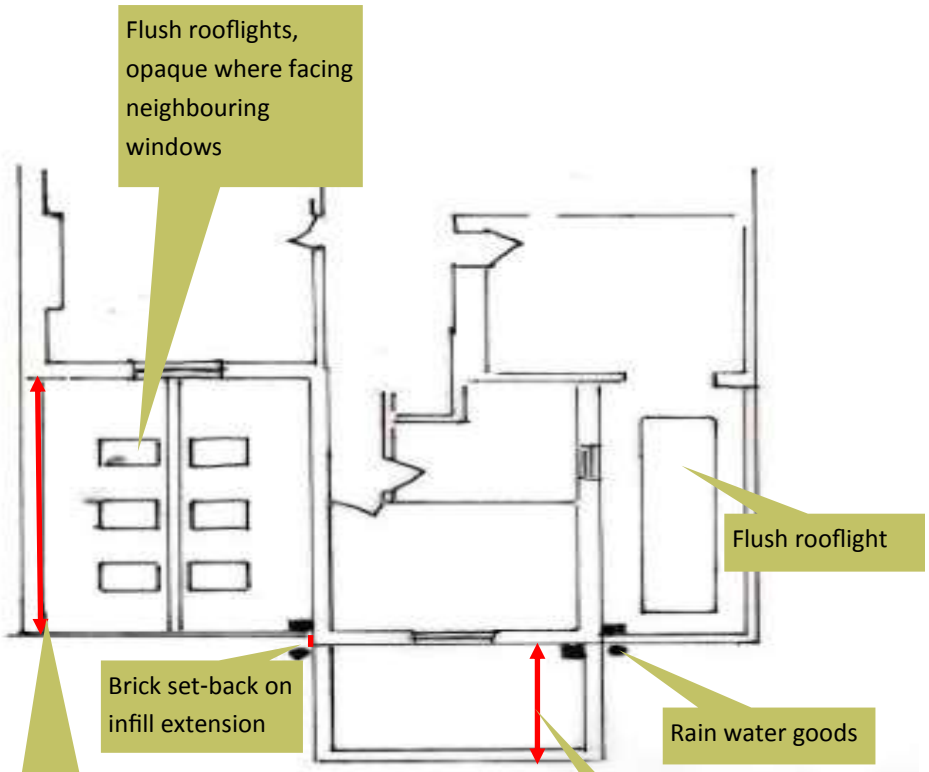
'Off-the-shelf' PVCu conservatories do not provide sufficient quality to complement the character of the properties. However, well designed conservatories constructed using traditional materials, such as timber and steel, will be considered on their individual merits. Conservatories must also comply with the guidance on single storey rear additions, above and the following page.

3.4 Single storey side extensions

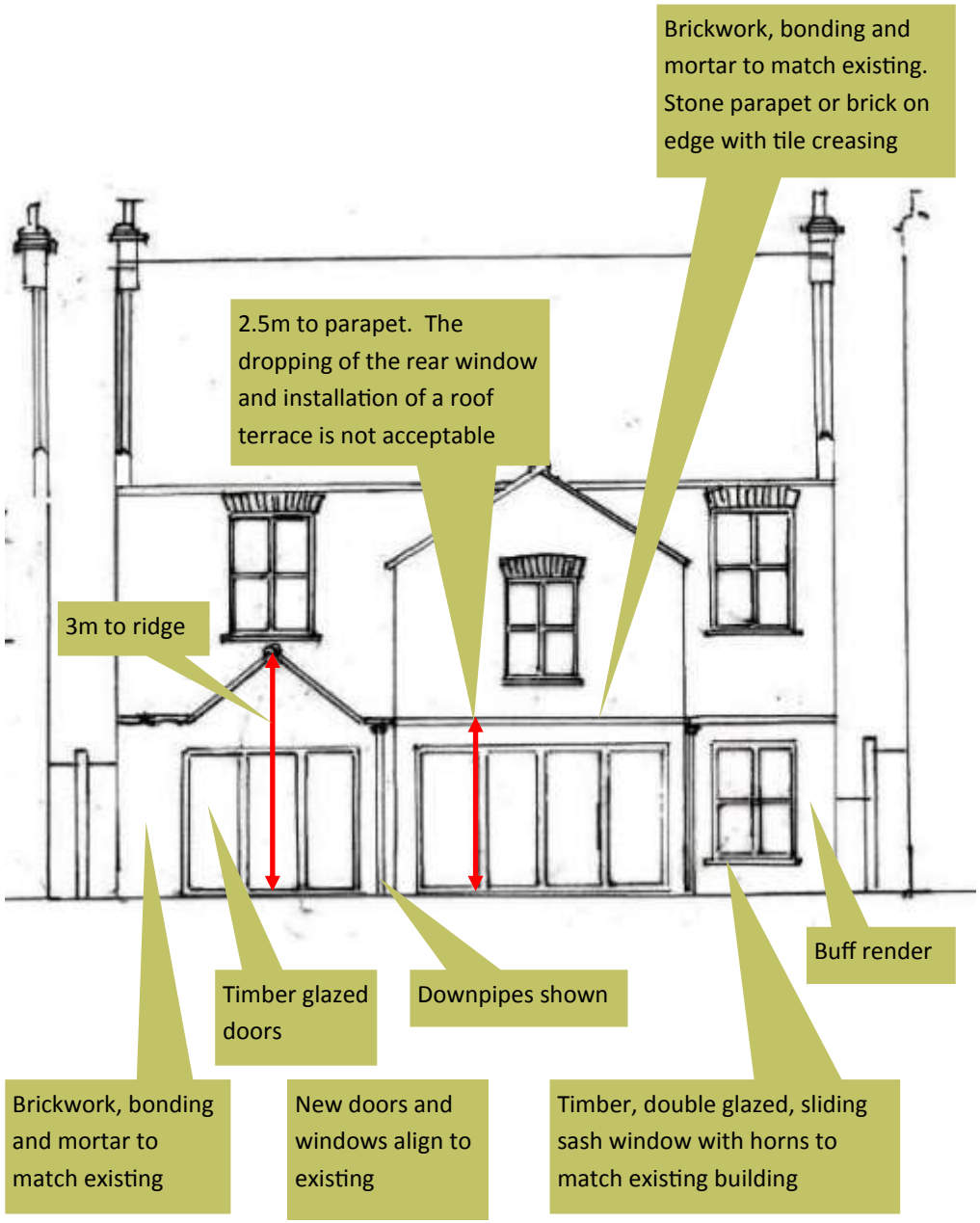
Side extensions have a direct impact on the character of the original house, the street and the wider area. Few properties in the Mapesbury Conservation Area have the space which will allow the building of a side extension. Where there is space, the size of any new side extension will be judged on its individual circumstances. However, a single storey side extension would need to be subservient, and set back from the main front façade. As a general rule, it should be constructed in materials to match and be no higher than 2m on the boundary of the site (including integrated guttering) rising to no more than 3m in height within a 2m width of the neighbouring boundary.



Single storey extensions – first floor plan



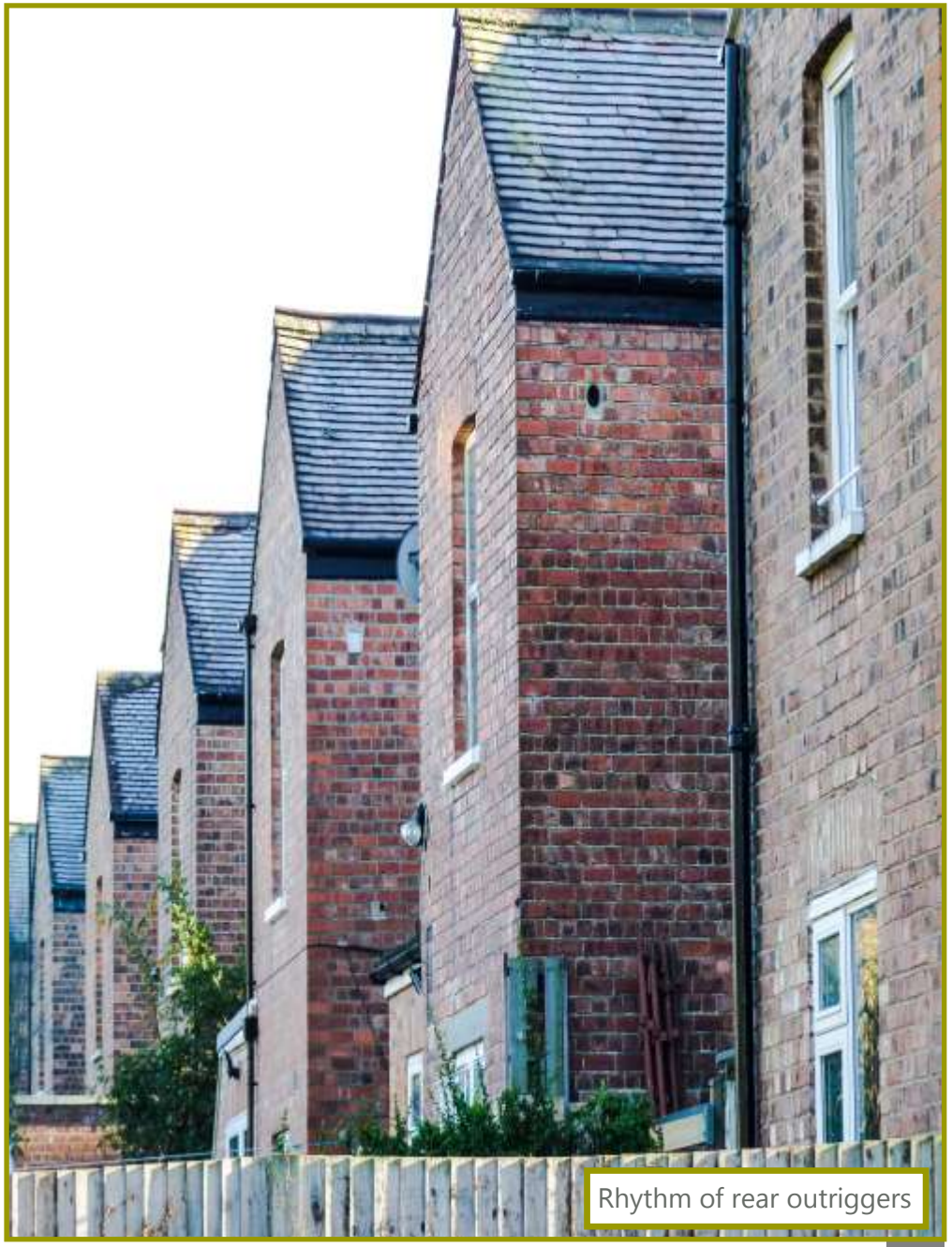
Single storey extensions – elevation plan



3.5 Two storey extensions

Two storey extensions are generally not permitted in the Mapesbury Conservation Area. This is because they are unlikely to respect its scale and character. Specifically, **two storey side additions** will infill the gap between properties creating a joined-up effect and spoiling the essential spaces separating buildings. They can also unbalance a semi-detached pair. Similarly, **two storey rear extensions** are likely to be bulky, harming the rhythm of the terrace/outriggers and the integrity of the original building. Furthermore, such extensions can often have an overbearing impact on your neighbours.

If you wish to propose a two storey extension at your property, it is strongly recommended you submit a pre-application for informal advice.



Rhythm of rear outriggers


Hoveden Road

3.6 Dormers, loft conversions & alterations to the roof

Making use of the roof space for additional accommodation is a popular way of extending a property. However, dormers and poorly designed alterations to the roof therefore can seriously damage the character of the Mapesbury Conservation Area.

The roof form of within Mapesbury is very much unspoilt and the Victorian properties were generally not designed with front or side dormers. This provides its special regular character and well-preserved exceptional appearance. Although some of the later 1920s properties do have such a feature, it is part of their style. Incorporating such dormers to the Victorian properties is considered harmful.

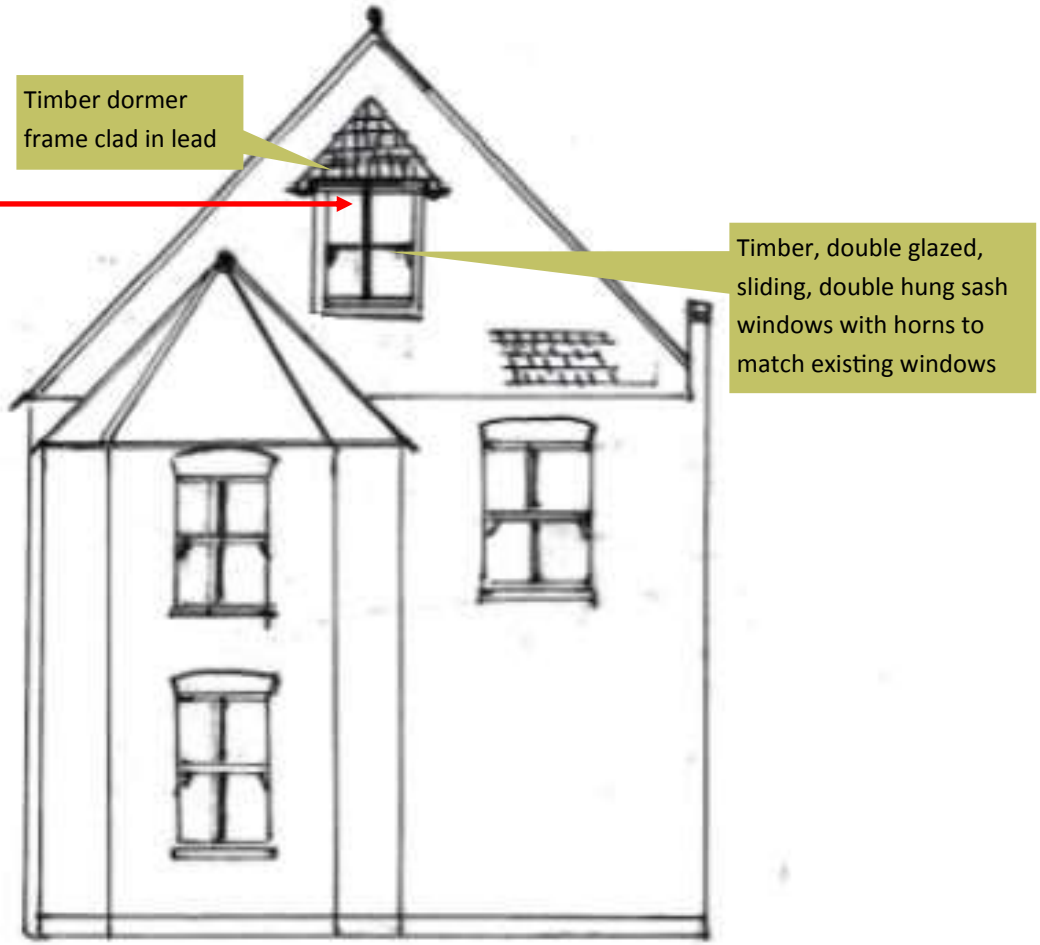
Any proposals for a loft conversion will be considered on its individual merits and should also have regard for the Council's standards set out in SPG5. If you are thinking extending your property into the roof, please first consider the following advice:

- New front dormers will not be permitted in the Mapesbury Conservation Area as they generally not a feature of the buildings. Where original front dormers exist, replacements must replicate the original design for the individual property to preserve the character of the street.
- Side dormers are also not normally permitted as they are visible in profile and harm the existing roof form and rhythm when seen from the street.
- Rear dormers can be acceptable where they have been designed to complement the style of the main property and relate to the architectural features below. The design and proportion of the dormer should respect the existing building using a pitched or flat roof as appropriate to the design of the existing roof. It should also match and consider the existing property's fenestration in size, scale and location.
- The front face of the dormer should include matching timber fenestration that reflects the design of the original windows. The window frame should fill the whole dormer opening but still have good proportion.
- The side triangular cheeks and roof should be in materials to match the existing roof or in a lead finish with corniced eaves.
- Alterations to existing dormers that are not original to the building should be of sympathetic design or removed entirely.
- Rooflights, sunpipes, lantern lights and other forms of natural daylight solutions are not permitted on the front roof slopes of the house or where they face the street.
- At the rear of the property, carefully and appropriately positioned and sized roof lights are allowed in place of a dormer, but must not be excessive in number. They must also be flush with the roof slope.
- Flank rooflights to each side of the roof slope may be acceptable, but only where they are set back from the front of the property and not visible from the street. They must also be flush roof.

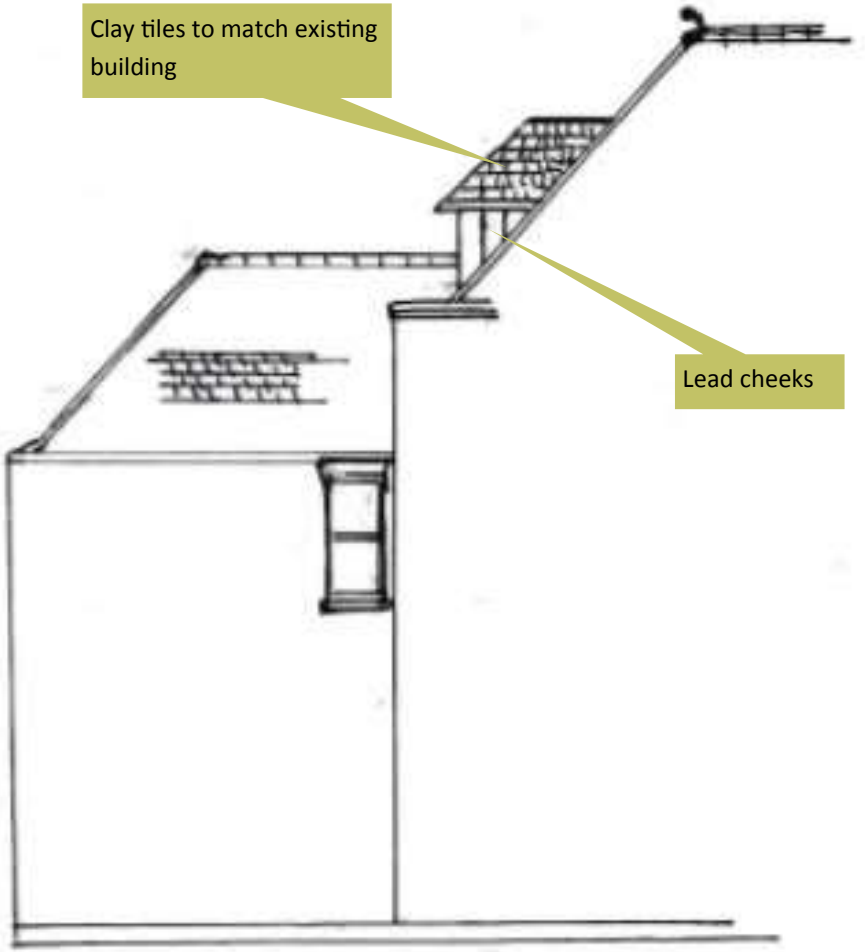


Rhythm in roofscape

Rear dormer— rear elevation plan



Rear dormer— side elevation plan



Rear dormers can be acceptable where they have been designed to complement the style of the main property and relate to the architectural features below. The design and proportion of the dormer should respect the existing building using a pitched or flat roof as appropriate to the design of the existing roof. It should also match and consider the existing property's fenestration in size, scale and location.

Note dormer design:

Front face with matching timber fenestration that reflects the design of the original windows. The window frame fills the whole dormer opening but still has good proportion. The side triangular cheeks are in a lead finish with corniced eaves. Roof in tiles to match existing building.

3.7 Terraces

Terraces at roof level are unlikely to be acceptable. This is because Mapesbury estate houses were not designed with such a feature. The roofs of the properties within the estate are especially visible and it is unlikely that the construction of such a private amenity could be integrated unobtrusively and successfully.

The accompanying railings and access arrangements as well as the associated fixtures and domestic paraphernalia are likely to harm the character of the building. Furthermore, there is usually issues around the control of noise and overlooking with the creation of such a feature. For the same reasons, terraces proposed on the top of rear extensions or outriggers will not be permitted.

3.8 Basements

Brent's residents are showing increasing interest in excavating new basements below houses and gardens as a means of increasing their amount of accommodation. However, the houses in the Mapesbuy Estate were not originally built with full basements and therefore it is difficult to integrate them without harming the special architectural character.

Front lightwells are likely to be especially noticeable from the street. The upstands required, the depth of the lightwell and the alterations to provide light — the new windows, grille or glass lay-light are likely to harm the character of the façade. For this reason it is unlikely that a front lightwell will be acceptable.

Where a basement is considered acceptable, it is advised that you should comply with the following standards:

- **Front lightwells** will rarely be acceptable because of their visual impact.
- Where considered acceptable, new front lightwells should project from the front wall of the house by no more than 800mm.
- Basement elevations should be designed to complement the elevations above.
- The front lightwell must be no wider than the windows above.
- Front Lightwells should be finished with a horizontal metal grill or flush glazing and not a vertical balustrade or upstand.
- There should be careful planting to hide the lightwell.

Basement **lightwells to the rear** should not be excessive and are limited to 3 metres from the rear wall of the house into the back garden area.

- The visual impact of basements especially any retaining walls, staircases, railings, barriers and terraces must be kept to a minimum necessary.
- Special attention should be given to soft landscaping and planting at the rear so that the rear lightwell is integrated well into the garden.

If you are considering a basement extension it is advised that you submit a pre-application for your proposal. Further information can be found in the Basement SPD.



3.9 Window repair and replacement

Please repair and refurbish original windows wherever possible. This may be cheaper than replacing them and will ensure you keep the character of your house.

It is possible that rotten areas of sills*, jambs* and sashes* can be cut out and replaced with new timber cut to the same size and shape. If leaded lights* have been damaged, these can be restored to their original condition. The Planning Service can advise on the best techniques for this type of repair.

Painting of windows and other woodwork can help preserve original features. Colours should be traditional and in keeping with the Victorian character. Window frames are normally painted white in the conservation area.

If you do need to replace the windows, you should copy the original design and glazing that existed when the property was constructed and which was typical of the street. As the Mapesbury Estate is largely intact, it is not difficult to research the original design. Likewise, on later development, the original design for the building will always sustain its appearance.

It is unlikely that you will find standard off the shelf replacement frames that will give a close enough match the original windows. A good joiner will be able to make a replacement using the original window or door as a pattern so that no detailing is lost. Poor window replacement can have the single most negative impact on the character of the conservation area.

If you want the replacements to be double-glazed, you need to take extra care to ensure they still look like the originals. New double glazed timber windows can usually be made to match. However, where original windows have decorative glazing bars* or leaded lights* it may not be possible to replicate the details faithfully. As an alternative, carefully fitted secondary glazing will not spoil the appearance of your home and will allow you to retain your original windows.

Most of the original windows in the area have either casement* windows with a drip rail* feature (including many of the timbered/ rendered properties), or sliding sash opening lights with fanlights* to the upper frames (often red brick properties). Please do not substitute one style for another. Refit windows in their original position. Windows should be set back into their original position within the depth of the reveal*. Please do not change the original size of the original window opening.

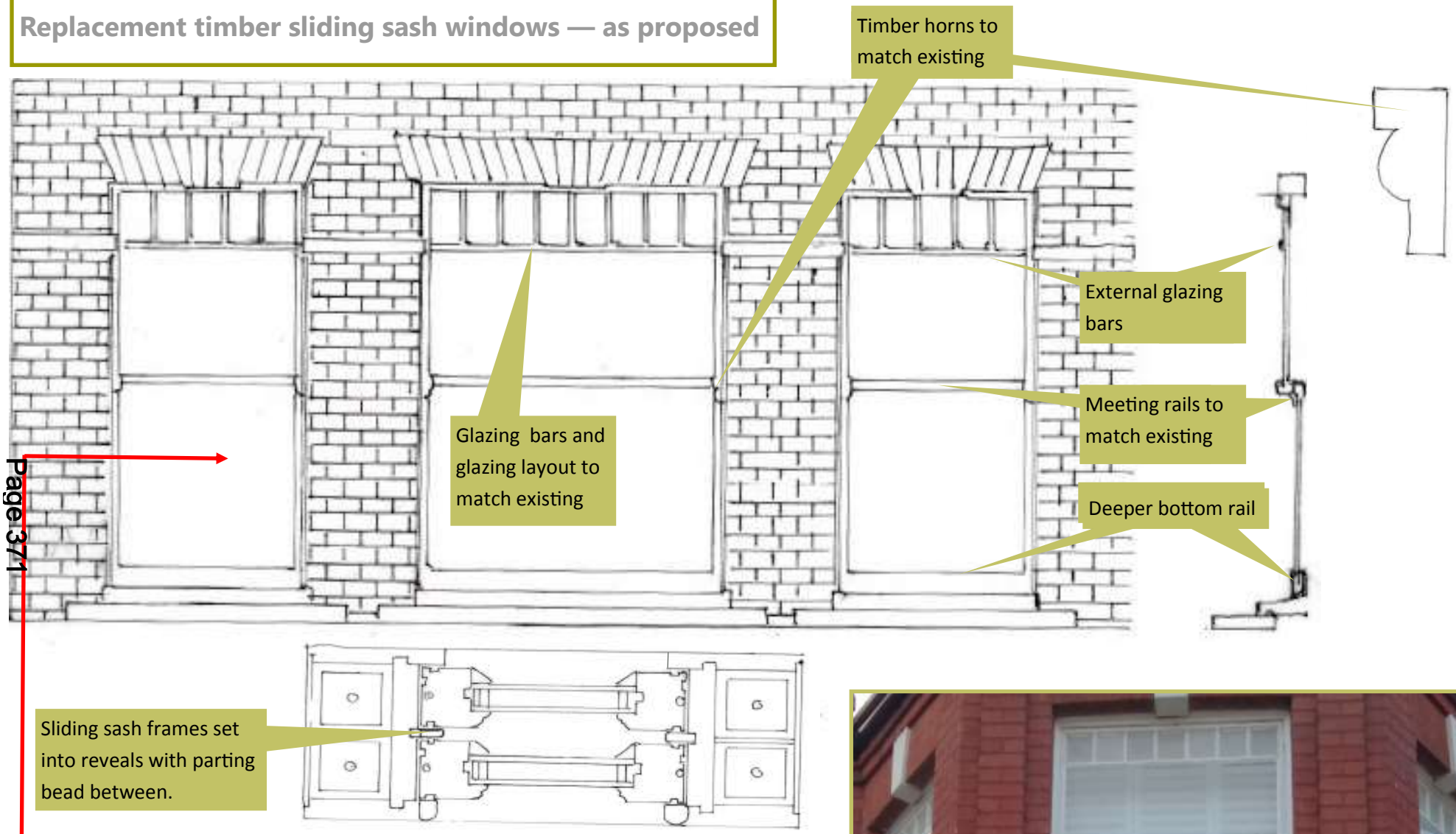
To the front and other visible elevations, where existing windows are of a non -original design or material, the Council will only consider replacements that replicate the originals to enhance the character of the area. Replacement of timber windows with PVCu* is not acceptable as PVCu is unable to replicate the intricate detail and character of original windows in the Mapesbury Conservation Area.

The installation of external security sliding shutters and bars is not considered acceptable as they harm the integrity of the building and mask architectural features. The insertion of stained glass windows where it never existed or a design that bears no relation to the original style will also be resisted.



Stained glass upper lights

Replacement timber sliding sash windows — as proposed



If you do need to replace windows, you should copy the original design and glazing that existed for the building and the street when constructed. If you want the replacements to be double-glazed, you need to take extra care to ensure they still look like the originals. To do this, fully labelled plans and sections at scale 1:10 (existing and proposed) will be required by the Council. The above gives an indication of what will be required.





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Anson Road

3.10 Front doors, porches and canopies

It is always best to retain the original front door, porch or canopy in their original form. Any replacement front door requires planning permission, and these should be of timber and should match the character of the area. Painting of doors and other woodwork can help to preserve original features. Colours should be of a traditional nature and in keeping with the character of the conservation area. These are usual darker, sober colours. The Council will not give Planning Permission for garish or bold colours that stand out and break the uniformity of the streetscene.

The replacement of canopies that are not original and infilling of porches with extra door sets will rarely be allowed. However, if you wish to change any of these original features, you should ensure that the replacements are detailed to match the original design for the property. All replacement doors need to reflect the character of the property and should be timber. Where porches have previously been infilled renewal of the infill will not normally be permitted and a return to the original configuration will be required in order to enhance the character of the conservation area.



Stained glass



Decorative timber fretwork to porch

4.0

General repairs & other modifications to your home



4.0 General repairs & other installations

Living in a conservation area does not mean that you cannot make alterations to your home but it does mean that the changes that you may wish to make must preserve or enhance the character and appearance of the property and the area.

The houses in the Mapesbury Conservation Area were built to a variety of designs. However, they all blend together because similar building materials, similar overall sizes and architectural details were used. Also, many streets and short runs of houses were built to consistent designs. This unity of design gives the area its unique character. Alterations to an individual building may affect the whole streetscene if they are not in keeping. Inconsistent alterations have a cumulative negative effect on the area.

Some properties were altered before the strict controls of the Article 4 Directions were put in place. Where this has happened, we encourage residents to restore the original appearance of their property. In time, the character of the area will be enhanced and the desirability and value of individual homes is likely to increase.

4.1 Decorative features and details

The original designers and builders working in Mapesbury paid great attention to the architectural details and decorations of the houses. There is quite a variety of embellishment to be seen.

These include: console brackets*, string courses*, decorative brick mouldings, terracotta details*, stained and leaded* glass, carved timber work, roof tiles, ridge tiles, pargetting, finials, chimney pots, bricks, cast iron railings, balconies, stone window sills, stone cornices and projecting eaves.

Once original details are lost, they are all too often rarely replaced. Removal of building detail can spoil the appearance of individual buildings as it is often the quality of the decorative features that add to their significance. Furthermore, the cumulative loss of individual features will harm the overall appearance of the street and therefore the conservation area. If decorative features are beyond repair, specialists will be able to make an exact replica or a building materials salvage supplier may be able to trace an original replacement. Houses with original architectural detailing are more attractive to potential purchasers.

It is important to note that changes made prior to the Article 4 Direction coming into force do not mean that owners can make similar changes now.





Examples of decorative pargetting

4.2 Repairing and re-pointing

Where bricks have spalled*, chipped or decayed, they can be cut out and replaced with bricks of the same size, texture and colour. The brick bond* should also match exactly. Second-hand bricks from a building salvage supplier or a specialist brick manufacturer can be used. Re-pointing should be carried out to the highest standards as poor re-pointing can make the brickwork decay more quickly.

Ask for a method statement. A contractor should generally rake out loose and decayed mortar by hand using a hammer and chisel (not an angle grinder). The mortar should match the colour and texture of the original. Generally, a lime based mortar should be used as cement based products can cause decay of the brick in the longer term and care should be taken not to let mortar spread over the faces of the bricks.



Re-pointed brickwork

You can avoid costly repairs by regular maintenance. For example, you should clear blocked gutters, repaint woodwork regularly and refit roof tiles or slates when they become loose. It will be much more expensive to carry out repairs if you leave problems to get worse.

The Council would always recommend using a specialist contractor with knowledge of traditional brickwork and historic buildings to undertake such brickwork repairs.



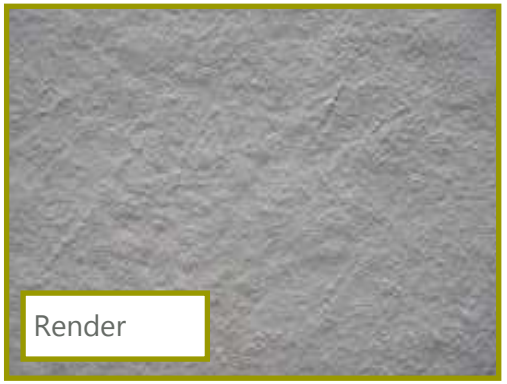


Spalled brickwork

4.3 Roughcast and render

Original roughcast* or render to walls should not be removed unless required for repair, in which case it should be replaced. Take care to match the existing colours and texture. The composition of the roughcast or render should be established before the right material can be chosen for repair. If it is possible, rendered surfaces should be left natural and not painted. Where roughcast or render is painted, white paint should be applied which does not require Planning Permission.


Roughcast


Render

4.4 Repainting and other wall coverings

Original brickwork, keystones, stonework or pebbledash should not be painted or covered with any other artificial finishes. If architectural details are covered over, this can spoil the appearance of the property. Moreover, it may trap moisture and cause serious damage to walls. It is usually possible to remove paint from original brickwork using a specialist contractor. Where brickwork has been painted, and it is not possible to remove the paint without damage to the bricks, there are restrictions on colour and paint type. **Add in painting half timbering**

Please call the Planning Service on 020 8937 5210 for advice on how to remove paint and clean the brickwork.


Painted brickwork


Pebbledash

4.5 Tile hanging

Some houses in Mapesbury have areas of tile hanging, which are standard plain clay roof tiles applied to the walls on timber battens. Sometimes, bands of specially shaped tiles are added. Tile hanging can easily be repaired or replaced if necessary. Make sure that new tiles match the plain clay originals.




Vertical tile hanging

4.6 Roofs, chimneys, gutters and drainpipes

Many roofs in the area are covered in Welsh slate tiles which are decorative and have a variety of shapes (e.g. Keyes Road, Walm Lane, Hoveden Road etc.) although other properties have plain clay tiles (e.g. parts of Mapesbury Road Teignmouth Road, Dartmouth Road).

If you need to carry out repairs, it is usually possible to re-use seventy five percent of original slates. However, if replacement is necessary, care must be taken to match the colour, texture, size and materials of the originals, as slates and clay tiles come in many shapes and sizes and different weathering properties. Where the roof material being replaced is not the same as the original, the new material should match the original appropriate to the house

Most ridges are finished with crested terracotta roof tiles and topped with finials where the ridges meet gables or form apexes. These should be maintained and restored. Where possible, if these have been removed they should be replaced. Where Building Regulations require that the roof space should be ventilated, the traditional method is to ventilate from under the eaves and at the ridge, do not use off-the-shelf plastic ventilator tiles.

Existing barge boards, half-timbering or other boarding should be treated with a shade of dark brown wood preserving stain that relates to the existing and adjoining properties. The Council will not give Planning Permission for garish colours that stand out and break the uniformity of the streetscene.

There are many different styles of chimney in the Mapesbury Conservation Area. In some cases they were built using decorative bricks and they are an important part of the character of the area and must not be taken down or altered. Please keep your chimney in good repair. A chimney helps ventilate your house and if you need a new flue for a new central heating system it can be run inside the existing chimney.

It is essential to keep your gutters and drainpipes in good repair because leaks can cause damp problems in walls, which may cause expensive problems inside your home. The original gutters and drainpipes in the conservation area were cast iron. If you need to replace your gutters and drainpipes you may be able to use painted cast aluminium, which can look similar to Cast iron. Check it matches the original and paint it either black or another dark colour to match your paintwork. If you have to install new rainwater goods, please retain decorative cast iron hopper heads*.

All plans and elevations will need to show these original details including tiles, finials, position of gutters and drainpipes etc.

Welsh slate roofs



Crested ridge



Decorative eaves







Damaged drainpipe





Blocked gutter

4.7 Satellite dishes and aerials

Satellite dishes and aerials must be fixed to the back of houses. Do not place them where they can be seen from the street, on the chimney, or on your roof. You will not normally get permission to fix dishes in these locations. Please contact Planning Service on 020 8937 5210 or planandbuild@brent.gov.uk for advice on more appropriate options. Cable television should be considered as an alternative which does not require the installation of a dish.

4.8 Gas, electricity, water service boxes & burglar alarms

Where the property is detached or semi-detached, modern gas, electricity and water meters should be positioned discreetly at the side of the house so that they are not noticeable. Where the property is terraced (such as Hoveden Road), if there is no alternative such as to the back of a bay, meters may be located low down on the frontage and disguised, where possible, by suitable landscaping. Meters should be painted in a colour that will best disguise them from view. Burglar alarms should be located in a position that enables them to be a deterrent without dominating the front elevation of your home.

4.9 Solar panels and other environmental installations

The Council encourages environmental improvements, but also recognises that many installations are not appropriate for conservation areas.

Most external installations can be visually intrusive and will require Planning Permission. For example, the installation of thermal insulation will seriously affect the character of the building. This should always be installed internally. Similarly, ventilation systems and the associated need for copious weep vents, passive vents and other inlets can have a serious impact on the appearance of the property.

It is always best to install or situate mechanical installations such as ground source heat pumps internally where possible because of the noise nuisance as well as the visual impact. If installations are deemed acceptable and have to penetrate the wall externally, the environmental technology should not impact on the character of the building or the appearance of the conservation area.

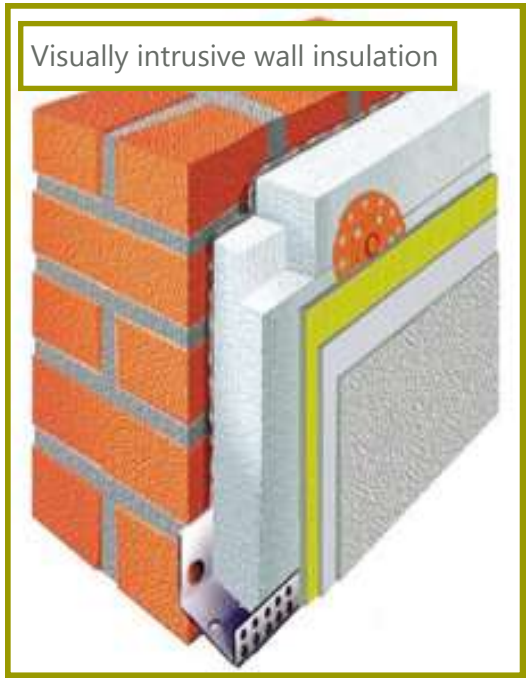
Solar panels will not be granted permission on roof slopes facing or visible from the street. On the rear of properties consideration must be given to the size and design of solar panels. Panels should be set as close to the roof plane as possible. To achieve this, many manufactures provide an in-roof system where the panels are recessed flush with the roof tiles. Please contact Planning Service to discuss appropriate options.



Well placed satellite dish



Discreet gas box



Visually intrusive wall insulation



Solar tiles flush with roof

5.0

Gardens and curtilage

5.0 Gardens

Gardens are as important to the character of Mapesbury as the houses. This includes the actual garden layout, boundary treatment and paving. In addition to their aesthetic and environmental value, shrubs and plants can provide privacy and security. Alterations to gardens usually come about through the need for off-street parking. **However, the Council will only grant off-street parking in exceptional circumstances. See section 5.8.**

Where re-paving or a new layout is proposed the Council will look to ensure that there is a carefully designed layout in keeping with the character of the property and the street. The Council will expect there to be an overall improvement, enhancement and reinstatement to the design.

5.1 Front gardens, walls, fences and boundaries

The original front gardens are a distinctive feature of the Mapesbury Conservation Area. Front gardens that have planted soft landscaping features enhance the appearance the property and the conservation area. The removal of garden walls and hedges and the formation of hard surfaces will only be permitted where they form part of an acceptable off-street parking and landscape scheme (see section 5.8) and where boundary enhancements are secured.

The depths of front boundaries vary within Mapesbury; streets such as Keyes Road have relatively shallow front boundary depths. Care should be taken to retain a traditional front path to the door with the remainder being landscaped. Some properties have more generous front boundaries, with some having depths of up to around 6 metres or more including parts of Walm Lane.

Where they have been lost, the Council will encourage traditional front boundary walls, gates and piers to be replaced. Walls and piers should be built to match the original boundary design for the property and the particular road. Individual houses and roads have different requirements for frontages and detailing. The maximum height of a front wall usually is around 10 brick courses, although many are lower. Original front gates were in timber or cast iron. Again the design differs for the street.

You will need to assess the original context of your street to decide what is most appropriate, although advice can always be sought from the Planning Service. For example, the pedestrian entrance must be separate from the driveway entrance (not combined). There should be a separate pathway leading to the front door and the whole garden layout reconsidered within this context.

As an example, some properties in the Mapesbury Conservation Area have a 'battered' wall appearance with a thick coping stone (i.e. traditional brick and clinker walls that taper towards the top with engineers brick base) including parts of Dartmouth Road and St. Gabriel's Road. Keyes Road has a dwarf wall and stone coping with decorative cast iron railings and gate. In Walm Lane the gates were wooden on strap hinges attached to the piers.

Most properties across the conservation area have stone copings atop the walls, brick piers at the ends of walls and adjoining their pedestrian footpath/crossovers and stone caps atop the piers. The stone caps can be a different design depending on the design of the house, the section of the street and the road. Dartmouth Road for example has a 'Ω' shape design. A small number of properties have railings atop their walls, although this is predominantly found within Keyes Road only.



Battered clinker wall



Stone coping

Side boundaries between neighbouring properties within the front garden often consist of timber feather edge boarded fences of up to a metre in height. Dwarf brick boundary walls also feature with clipped hedges. In Keyes Road railings sometimes separate the properties.

Within the front garden it is important to consider how the party division will affect the appearance of the conservation area but also your neighbour's amenity. Anything over a metre in height or bulky is unlikely to be acceptable.







Examples of decorative stone pier caps in the Mapesbury Conservation Area







5.2 Front paths

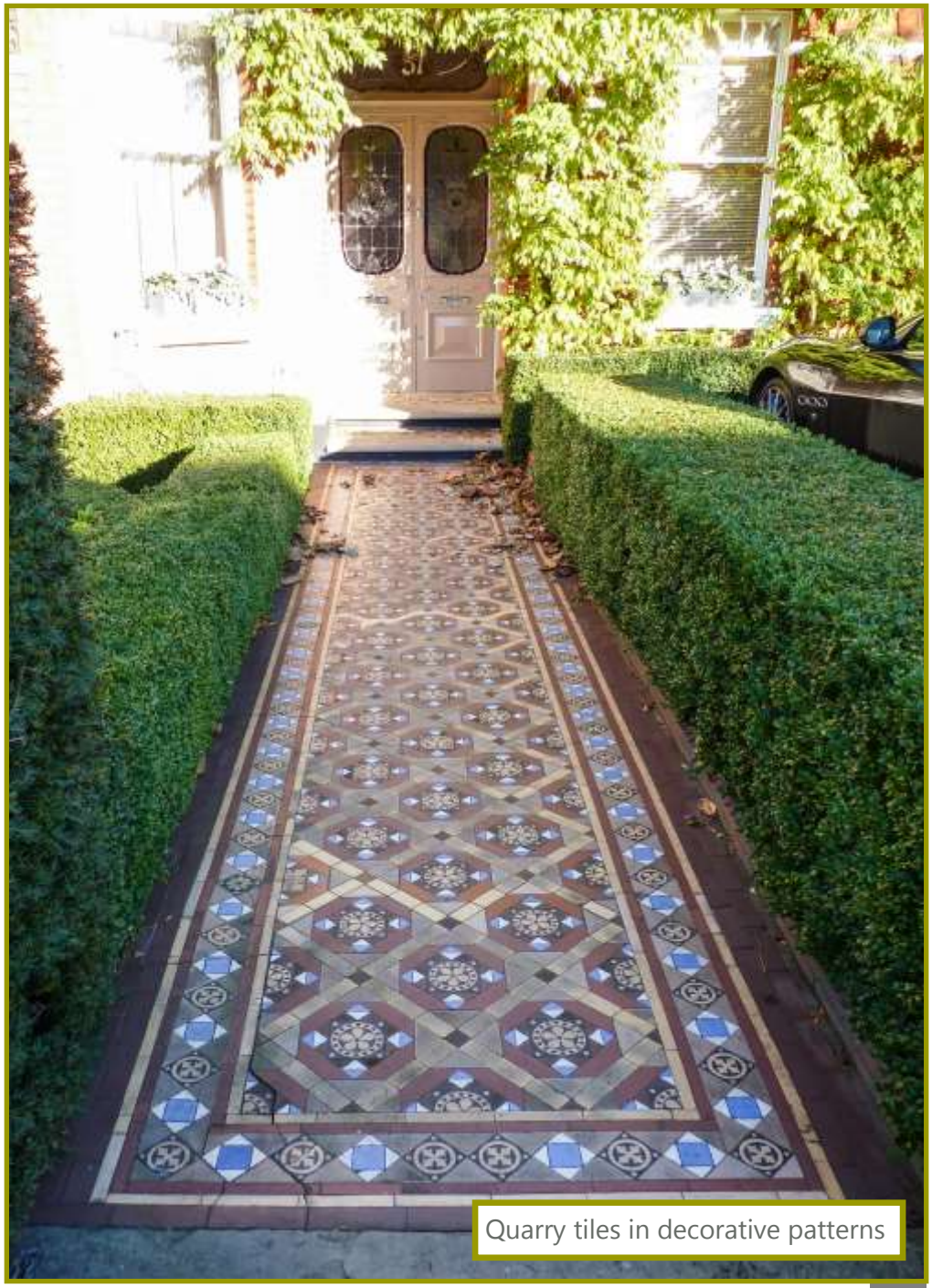
There are a number of different approaches to the design of paths in Mapesbury, including stone pavers, small quarry tiles* (laid to decorative tessellated patterns) and terrazzo* (with contrasting border patterns). These should always be repaired and retained as these important elements as they help to define character. It is possible to repair these paving systems and salvaged or new materials can be sourced. Where they have been lost, as part of any new hardstanding or parking scheme, the Council will insist that they are replaced. Please contact the Planning Service on 020 8937 5210 or planandbuild@brent.gov.uk to discuss appropriate options.

5.3 Ramps

In some cases, depending on your circumstances, there may be need to introduce a ramp to gain easier access to your home. Consideration should be given to not just the ramp itself and what material is suitable but also to handrails and handles. A portable ramp may be better than some form of concrete pathway which damages the frontage of the property.



Simple ramp



Quarry tiles in decorative patterns

5.4 Front garden trees, hedges, shrubs and planting

The old image of Anson Road (page 45) gives a clear indication of the original front gardens showing ample planting and lush hedges. Originally, the Mapesbury Estate had rather simple front gardens formally and neatly set out with flower beds and maybe a lawn and pathways leading to the front doors.

Smaller garden trees play an important role in Mapesbury with Acers, Cherries, Crab apples, Magnolias, and many other smaller species adding to the beauty and biodiversity of the area. An appropriate choice of front garden tree makes a valuable contribution to the streetscene.

Hedges also played an important role by adding to the character and setting of the dwellings. The majority of hedges would have been privet although holly and yew were also a popular evergreen hedge. Hedges would have typically been trimmed to a height of 1.2-1.5 metres. lonicera, box and beech are also good hedging choices that can easily be maintained in a formal or semi-formal shape.

The removal of hedges would drastically alter the natural/urban balance within Mapesbury. Hedges should be retained (if you have them) and front garden alterations will be expected to re-instate hedges where possible.

Over time, the range of available plants has increased immeasurably along with peoples tastes. The Council does not want to be too prescriptive with regards to planting but would urge those redesigning their frontages to work with the spirit of the time their property was first constructed. However, artificial grass is considered unacceptable.

5.5 Rear and side gardens

The rear gardens across the Mapesbury Conservation Area vary in length and a few have become substantially wooded and lush. Some properties, particularly where they are situated at the end of the terrace, have substantial side gardens rather than rear. These side gardens are especially visible because they face the main road. You do not need Planning Permission to lay a path or paving at the rear as long as the garden does not face a road.



Privet hedge

The Council urge all residents to consider their hedges and trees and the impact they may be having on others and to take specialist advice when pruning works are required. They not only form part of the character of the conservation area but are important for biodiversity and wildlife. More advice on trees can be found in section 5.12.

You do not need Planning Permission to plant a hedge or a tree in your rear garden. The maintenance of hedges and trees is sometimes an issue especially where they overhang a neighbouring garden or building. Traditionally, hedges and boundaries were no more than 1 metre in height. Two metres has become acceptable norm and part of the established character.

5.6 Rear fences and boundaries

The side and rear boundaries between neighbouring properties consist of timber feather edge boarded fences of around 2 metres in height. Closer to the rear elevation of the properties, a brick boundary wall usually separates buildings.

You do not need Planning Permission to erect a boundary fence or wall which is under 2 metres in height unless your rear garden faces the road or you own a flat or maisonette. Any boundary over 2 metres is unlikely to be acceptable, but where security is an issue, a more robust alternative may be considered. The Council encourages the planting of boundary hedges as this was the original design of the estate.

5.7 Bins and cycle storage

Carefully designed and located bin storage is required as part of any new landscaping scheme. This is because unsightly bins can damage the visual amenity of an area and contribute to increased levels of anti-social nuisance. Space for bin storage should be considered from the beginning of the design process in order to avoid compromising the overall design of the scheme by retrofitting bin stores into front gardens. Bin stores should be considered alongside other ancillary services that may be required in a scheme such as cycle parking, lighting and landscaping.

The location is key, and for most properties within Mapesbury there is room for such structures along the party wall. Landscaping should be used to help detached structures assimilate with their surroundings. It is important that materials should complement the design.

Likewise, with cycle stores, these should be carefully considered early in the design process and located away from the very front of the property towards the side or flank position. If cycle stores are in public view it is particularly important that materials should complement the design.

5.8 Garages

Only a very few houses in Mapesbury have garages. Original garages make an important contribution to the character of the Mapesbury Conservation Area and their retention will be encouraged. However, where it can be demonstrated that an original garage is too small to accommodate a car then the Council may consider proposals for a replacement. If you want to replace an existing one, the design must be in keeping with the house. It should have a steep pitched roof with wooden side hung doors that incorporate top hung windows. A decorative gable-end with half timbering will ensure that your garage will preserve the character of the conservation area. It should be set well back from the front wall of the house. Where there is space for a new garage, the appropriateness will be judged on its individual circumstances. Where an existing garage is to be converted to a habitable room, features of the original garage (including the retention or re-provision of side hung timber garage doors) should be retained to preserve its character as an original garage.

5.9 Carports and pergolas

Planning Permission will be refused for carports and pergolas within the front garden area. This includes standalone tented structures, glazed structures, timber-framed-trellis work and fixed metal canopies. These structures were not envisaged as part of the original estate design. They therefore standout, and the cramped nature of many of the gardens mean that such structures are overbearing in nature.



Bin storage

5.10 Off-street parking

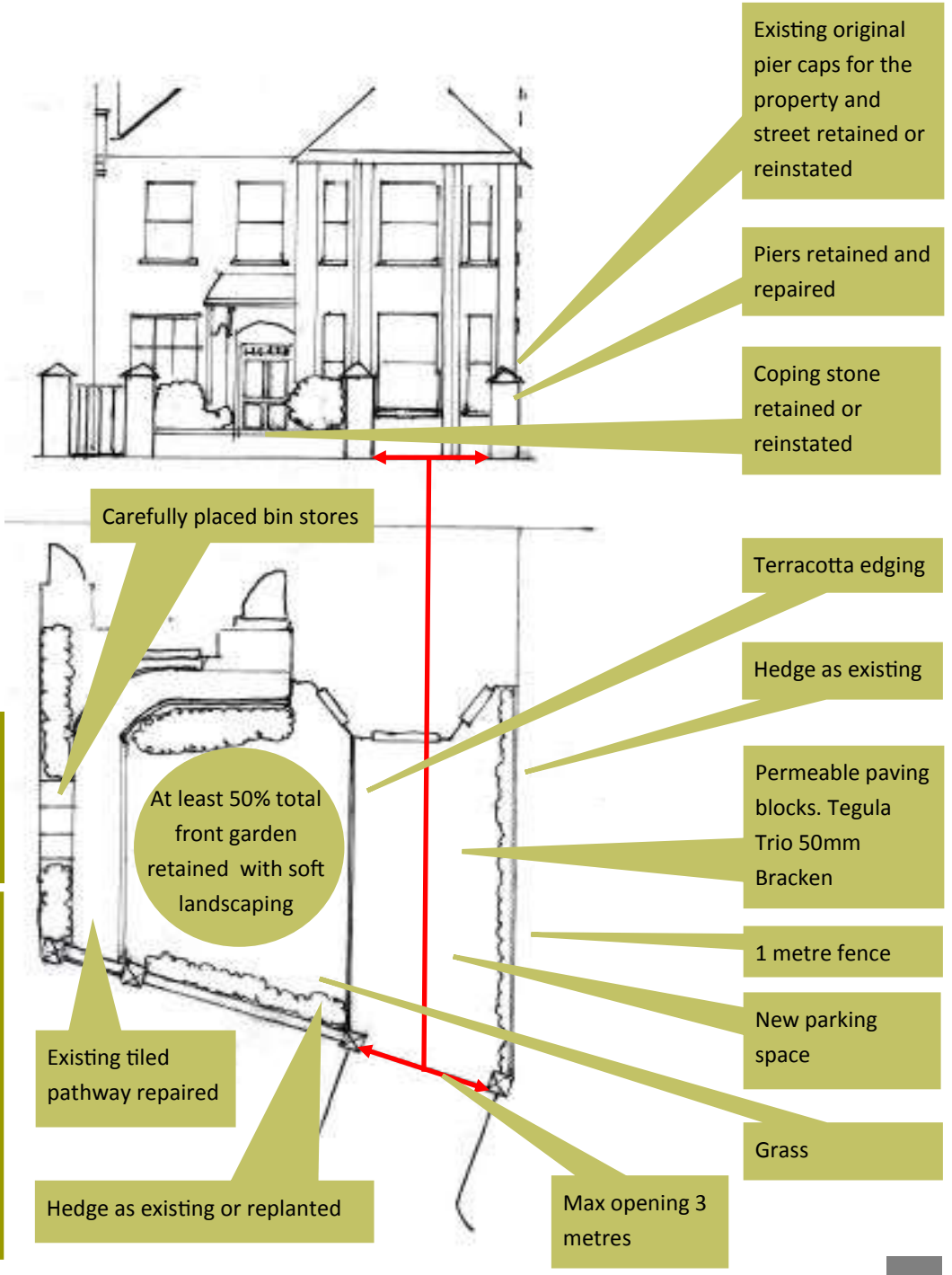
In exceptional circumstances the Council may grant permission for a standard off-street parking space where at least 50% of the total front garden area will be retained and is suitably landscaped with soft planting features. Planning Permission will only be given to properties with the most generous front boundary depths. Existing original pathways to the front door should remain (see 5.3) and where lost it should be reinstated.

Any new hard surfaces should be formed using traditional, permeable materials. The most sustainable are natural stone pavers, although other materials such as stone setts, traditional looking permeable pavers and loose gravel (with a lip to retain stones on the driveway) may be acceptable.

If a new access point is permitted as part of the proposal, the remaining boundary walls must be carefully considered and properly finished. For example, the pedestrian entrance must be separate from the driveway entrance (not combined). There should be a separate pathway to the front door and the whole garden layout reconsidered within this context. New piers replicating the original design for the property and street may be required. The boundary wall may need to be raised-up or rebuilt to an original design. Most of all, the remaining boundary must continue to provide a sense of enclosure to the garden, be stable and have a continuous original appearance.

No access must block or impede the pedestrian pathways to the house. Planning Permission for off-street parking spaces will also be subject to assessment by the Council's Transportation Unit. Further guidance on the Council's standards for off-street parking can be found on the Councils website www.brent.gov.uk





5.11 Rear and side garden buildings and structures

The rear gardens across the Mapesbury Conservation Area are subject to their own Article 4 protection.

The shallower gardens, usually up to 10 metres in length, include places such as Dawlish Road and other plots on the corners of roads, such as the 'Mondesfield' properties on Exeter Road. Gardens up to 20 metres in length include many properties on Keyes Road and Hoveden Road, whilst those between 20 metres and 30 metres in length include many properties on Exeter Road and St. Gabriel's Road. Dartmouth Road, Teignmouth Road, Mapesbury Road and Walm Lane often have the largest gardens, often more than 30m in length.

As with extensions and alterations to the main house, new buildings or structures within rear gardens of the conservation area must preserve or enhance the character and appearance of the area, the property, and the garden.

The following will be used by the Planning Service to guide its assessment of the acceptability of such proposals:

All outbuildings should usually be constructed with traditional materials such as brick, timber slats and a felt roof. They should be screened with soft landscaping to reduce their impact. A rendered or pebbledashed structure may be acceptable, but would have to be considered on its merits. Careful fenestration detailing will be required to match that of the house. PVCu conservatories or outbuildings with PVCu windows are unlikely to be considered acceptable.

In gardens of between 10 and 25 metres in length, the general maximum size of individual garden buildings should be no greater in plan (footprint) than 1/5 (20%) of the overall length and 1/2 (50%) of the width of the garden. The buildings should be located in the rear 1/4 (25%) of the garden. The maximum footprint is 15m2. The maximum height to the eaves for a pitched roof is 2.1 metres and 2.5 metres maximum overall height for a flat roof. Buildings of this size will normally be required to be set away from joint boundaries by at least 1m to reduce their impact and screening in the form of soft landscaping will be required.

New buildings within gardens of longer than 25 metres or less than 10 metres will be assessed on their individual merits. However, they should generally comply with the building proportions described above or less depending on the circumstances.

Outbuildings in very small rear gardens are likely to unacceptably reduce the size of the garden or prevent the future extension of the house. You should also check that you comply with the Councils further guidance 'Altering and Extending Your Home' (SPG5).

If you wish to position your building within the first 3/4 (75%) of your garden the Council will assess your application on its individual merits. However, it is likely that a building in this location will have to be significantly smaller than the proportions of buildings described above. Where your gardens abuts a neighbour's garden you may have to reduce the size and scale of your proposed building to reduce the impact on the neighbouring garden and views out of your neighbours house.

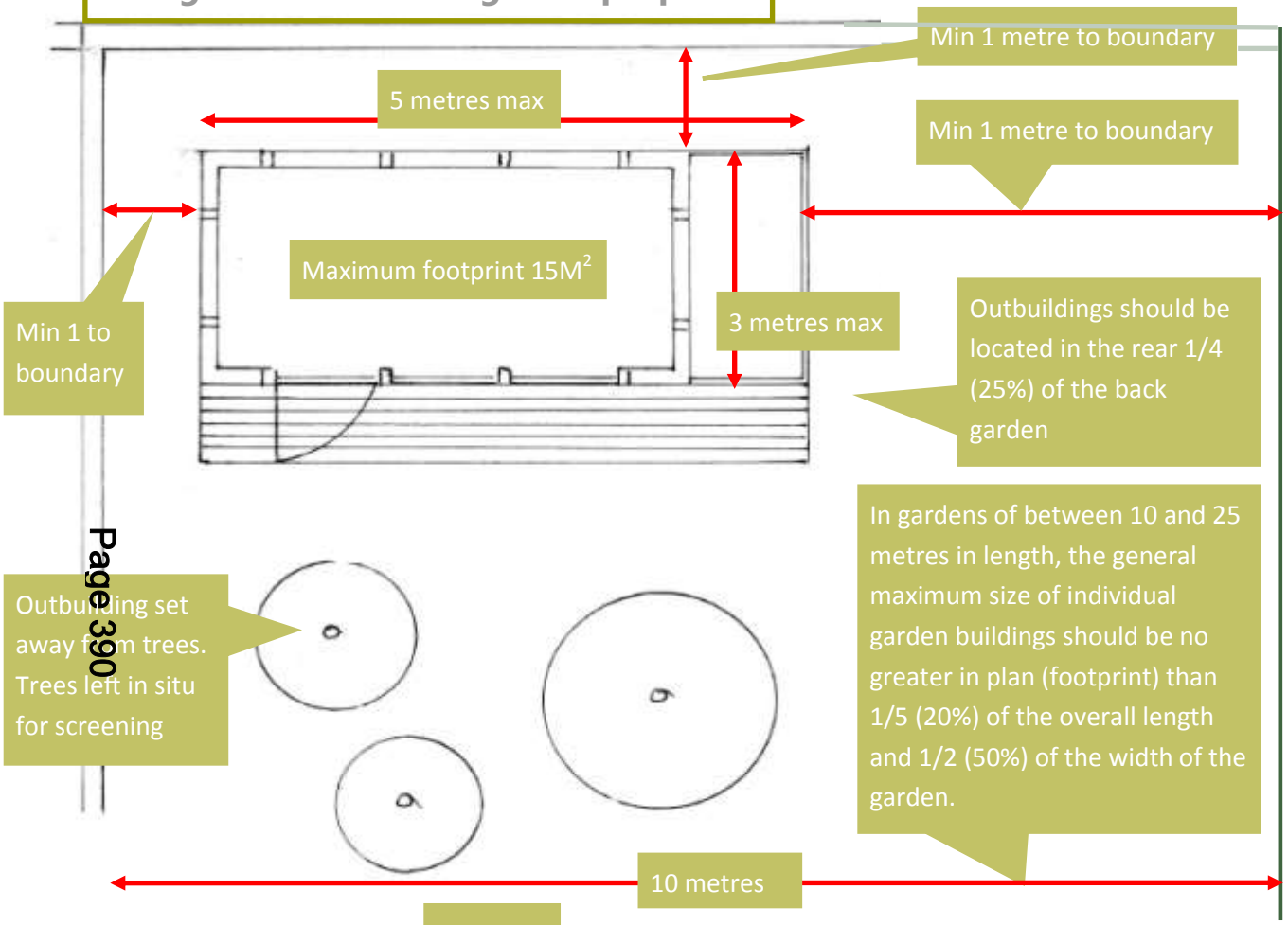
The Council will not grant Planning Permission for the creation of a new and separate dwelling house: the building must have an ancillary use to the main house and garden.



Out building in a traditional style and materials

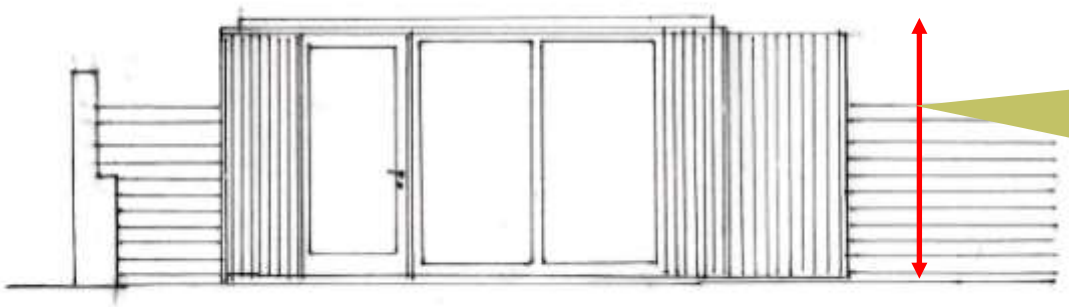
Trees are often damaged and sometimes die as a result of the inconsiderate construction of back garden buildings and hard landscaping works. Where the placement of a building could result in the loss or damage to a significant tree, either in the applicants garden or within a neighbouring property, consent may be refused unless a suitable design solution that retains the tree(s) can be found. In the event of a tree being removed for development regardless of its condition, a replacement tree(s) will be required to mitigate the loss.

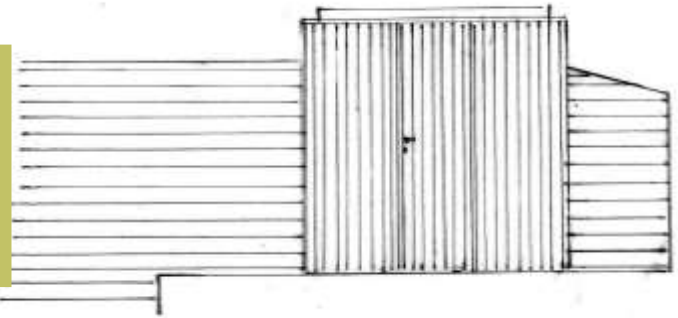
Rear garden outbuilding — as proposed



Outbuilding – material details

- Western reddish brown cedar panels
- Western reddish brown cedar panels to side shed
- Powder coated metal coping RAL 5004 Black
- Double glazed single stained hardwood timber door
- Double glazed sealed powder coated window units RAL 5004 Black
- Standard stained timber decking





5.12 Trees

There is now a wealth of evidence on the many benefits of high tree canopy cover, including improving: physical and mental health; air quality; water quality; water management (reducing flooding); shading; cooling through evapotranspiration; as well as the more obvious benefit of improving biodiversity and wildlife. Larger forest type trees provide greater benefits and older trees generally support more biodiversity.

All trees within the Mapesbury Conservation Area that have a stem diameter greater than 75mm when measured at a height of 1.5m above ground level are legally protected. You will need to provide the Council with six weeks' written notice of any works you may wish to carry out.

Written notice can be in the form of a letter or email, although you may wish to use the Local Government Planning portal where you will find a form for works to trees covered by tree preservation orders and within conservation areas. Your notice or application must contain full contact details including your postal address, the location and species of tree(s). Importantly you should also provide a detailed description of the type of work you wish to carry out along with a site plan.

In addition to conservation area protection, some trees may also be subject to a **Tree Preservation Order**. You can find out more about tree preservation orders at http://planningguidance.communities.gov.uk/blog/guidance/tree-preservation-orders/tree-preservation-orders-general/ or by contacting the Council's Landscape Team at planningstrategy@brent.gov.uk The Council can also provide an up to date list of Arboricultural Association approved Tree surgery contractors.

As the Mapesbury Estate developed, many forest type trees were planted or self seeded on the boundaries of back gardens. Many of those trees still exist and due to their size and maturity may need special care and attention. As well as making an important visual contribution to gardens and the conservation area as a whole, large forest type trees are better for the environment and providing habitat for all types of fauna. Where large trees have to be removed, the Council encourage the planting of suitable tree species especially where they provide further benefits for native wildlife.

The maintenance of trees is sometimes an issue especially where they overhang a neighbouring garden or building. The Council urge all residents to consider their trees and the impact they may be having on others and to take specialist advice when pruning works are required. The Arboricultural Association is a good starting point when choosing a tree surgery contractor or engaging a tree consultant with regards to building works.

The Council discourages the use of Lawson and Leyland cypress as a hedge or screen as these fast growing trees can very quickly get out of control and become a nuisance. Similarly, you do not have to remove Japanese Knotweed from your land but you could be prosecuted for causing a nuisance if you allow it to spread onto anyone else's property. Please note the Council does not deal with the growth of Knotweed on private property.

Residents are reminded that it is an offence to carry out any works to trees without the written consent of the Council. For more information and advice, the Council's Landscape Team can be contacted at planningstrategy@brent.gov.uk



Significant rear garden tree


Tree lined streets

6.0

Getting permission and technical terms

6.0 Getting permission

When planning any changes to your home, including maintenance, it is likely you will require Planning Permission.

6.1 Planning Permission

It is very important to remember that the Article 4 Direction planning controls placed on the conservation area by the Council are legally binding. In addition to standard planning controls, you must apply for Planning Permission for any of the work listed in Section 2.1. It is always best to call the Planning Service on 020 8937 5210 or planandbuild@brent.gov.uk to find out whether you need to make an application.

6.2 Works to trees and Tree Preservation Orders

In conservation areas it is necessary to give 6 weeks written notice to the Planning Service before removing or lopping a tree that has a trunk diameter exceeding 75mm at a height of 1.5 metres. In the written notice you should include a description of the tree, its location, what work you intend to do and why. Some trees may also have Tree Preservation Order.

The Council can take enforcement action against you if you carry out work without permission. You may be required to undo the work and reinstate original details at your own expense. If you need to contact the Enforcement Team to report a breach of planning, it can be contacted at planningenforcement@brent.gov.uk

For more information on works to trees see sections 5.10 and 11.

6.3 Building Regulation approval

You will need Building Regulations Approval for most alterations and extensions. You will need to check with the Council's Building Control department before you start the work. Please remember that you may need Planning Permission even if you do not require Building Regulations Approval and vis versa. Building Control may be contacted at BuildingControl@brent.gov.uk

6.4 How to apply and Heritage Statements

You will need to fill in a Planning Application form which can be obtained through the Planning Portal www.planningportal.gov.uk Clear existing and proposed plans are required. The Council recommends that you use a qualified architect or similarly skilled professional to undertake the drawings.

As part of the application a **Heritage Statement** is required. This should include all of the following:

- An assessment of the building or property and the conservation area (in context) which may be affected by the proposed development,
- An assessment of the impact of the proposed development on the building or property and the conservation area; and
- A mitigation statement outlining measures to address any impacts of the proposed development on the building, property or conservation area.

The amount of detail that is required in a heritage statement will vary according to the particular proposal. A **Design and Access Statement** will also be required for the provision of one or more new houses or the construction of a building or buildings where the floor space created by the development is 100m2 or more.

Please refer to the Council's website www.brent.gov.uk for further guidance on submitting a Planning Application in a conservation area. There are specific guidelines on certain necessary **Validation Requirements.**

The Planning Service aims to determine household and minor planning applications within 8 weeks. It is likely that permission will be subject to providing additional information, such as material samples to be approved on site, before the work can be undertaken. A proposal which does not adhere to the guidance or a contemporary design may need further submissions to assist the Council. This may include larger scale drawings, perspectives, photomontage, models, details and samples.

6.5 Specialist help

To make repairs and alterations that preserve or restore the character of the property, a specialist supplier or craftsmen may be required. Some of the materials and skills may no longer be in common use and may take time to find. Please check with the Council's Planning Service if you are in any doubt. It might be able to source local specialist assistance.

Specialist services and supplies are sometimes more costly than the mass-market, ready-made alternatives, but not always. In most circumstances specialist help need not cost more. However, when it does, many residents view the extra expense as an investment. If you preserve or restore the original appearance of your house, this can help to maintain or even increase its value.

6.6 Explanation of technical terms

Brick bond: Arrangement of bricks in a wall, combining bricks laid lengthways (stretchers) and bricks laid widthways (headers).

Casement window: A window which is side or top hung and opens on hinges within a smaller sub frame, called a casement.

Console bracket: A decorative wall bracket which supports a bay window, porch, part of a roof or other feature that projects out from the house.

Cill: The bottom section of a window frame that projects out from the wall to allow rain to run away.

Drip rail: A section of wood mounted above the opening casement of windows to shed water away from the opening when opened.

Eaves: The junction of the wall and the lower edge of the roof.

Glazing bars: The bars of wood which separate individual glass panes in a window.

Half timbering: Often called 'timber framing', this means timbers applied vertically or horizontally to the walls of houses as a decorative feature. The timbering can also be formed of render to provide the same appearance.

Jambs: The side section of a door or window frame.

Leaded light: A window made of small pieces of glass joined by strips of lead.

Parapet: A section of a wall that projects above the eaves of a flat roof.

PVCu: Unplasticised Poly Vinyl Chloride. This usually refers to plastic windows.

Roughcast: Rendered wall finish with small stones added to the mixture.

Sash window: A window that has two frames fixed one above the other that open by being moved up and down.

Spalled bricks: Bricks that have lost their front faces through frost damage.

Terracotta details: Specially shaped and moulded clay masonry used as decorative features.

ROE GREEN VILLAGE | CONSERVATION AREA DESIGN GUIDE

Brent

Draft February 2018


Roe Lane

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The Green of Roe Green Village

1.0

Introduction

1.0 Introduction

Conservation areas first came into force as a result of the Civic Amenities Act of 1967 and are intended to identify valuable architectural or historic characteristics in a locality that may need protection and enhancement.

1.1 Designation

The Council is responsible for designating Conservation Areas with the law set down in the Planning (Listed Buildings and Conservation Areas) Act 1990. Section 69 of the 1990 Act recognises that there are particular areas of 'architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance'. Conservation areas are defined as 'designated heritage assets' in the National Planning Policy Framework (NPPF). The Roe Green Village Conservation Area was the first Conservation Area to be designated within the Borough, receiving this status in November 1968.

1.2 Legislative framework and policy

The Planning (Listed Buildings and Conservation Areas) Act 1990 is the primary legislation. This Act sets out statutory duties and responsibilities in relation to designated heritage assets, including the management of conservation areas.

The National Planning Policy Framework (NPPF) sets out the government's planning policies and how they are expected to be applied. One of the NPPFs core Planning Principles which should underpin decision-taking is that planning should 'Conserve heritage assets in a manner appropriate to their significance, so that they can be enjoyed for their contribution to the quality of life of this and future generations.' Chapter 12 (paragraphs 126 to 141) of the NPPF specifically deals with conserving and enhancing the historic environment.

Brent's Local Plan Policy DMP7 deals with proposals for or concerning affecting heritage assets. In 1977 and in 1990 the Council, with the support of residents, added additional planning controls known as Article 4(1) Directions to provide extra protection from development that may damage the character of the area. The specifics of the Article 4 controls are set out in Section 1.6.

The only statutory listed building in the conservation area is a K6 telephone box on Stag Lane which is Listed Grade II. The Roe Green Village Conservation Area is not within an Archaeological Priority Area nor has it been identified to have archaeology of local importance.



Bacon Lane

This guide explains why Roe Green Village is significant, gives guidance on the specific planning controls and sets out ways in which your property can be extended or altered in a manner appropriate for the Conservation Area to help you achieve Planning Permission. It also gives advice on ways to repair and improve your home so that it helps preserve or enhance the character and appearance of the area.

1.3 What is significant about Roe Green Village?

In 1916 the Office of Works commissioned its principal architect, Sir Frank Baines, KCVO, CBE, FRIBA (1877 - 1933), to design an estate of cottages for aircraft workers employed at the Aircraft Manufacturing Company Limited (AIRCO). AIRCO was a British aircraft manufacturer operating from 1912 to 1920. It produced thousands of aircraft for the British military during the First World War, most of which were designed by their chief designer, Geoffrey de Havilland. Advertised in 1918 as the largest aircraft company in the world, its premises employed over 4,400 people assembling 190 machines a month.

The necessary employment for increased aircraft output brought problems of accommodation and public transport to what had hitherto been a relatively isolated country area. A new estate was therefore required.

Baines was heavily influenced by the arts and crafts movement and in 1915 designed the Woolwich Garden Suburb (the Well Hall Estate) for the Woolwich Arsenal. The cottages in Roe Green Village were deliberately designed and constructed along the same 'garden village' lines and in a traditional English rural style.

Like Woolwich, the cottages were arranged in small groups, in pairs and in short terraces in a combination of brick or render with either slate roofs sweeping down to first floor level or with tiled roofs and vertical tile hanging. The roads were narrow and winding and some passageways were created between groups of houses. There was a feeling of spaciousness, in spite of the narrow, curving roads, with each house having 100ft of land and quite a few houses having side gardens. Internally, the dwellings were arranged in 5 formats and the modest plan form for a 3-bedrooms is illustrated on the next page.

Constructed partially with cavity walls, the estate displays high quality craftsmanship and a coherent design associated with the Garden City and Arts and Crafts movements. Many design details are replicated on the houses throughout the area creating a strong sense of place. In particular Baines placed a strong emphasis on ensuring that the detailing on each house contributed to the overall design of the area. Features such as bracketed guttering over deep eaves soffits, brick patterning, Cornish and Welsh slates, tile creasing* and chimney detailing have all been incorporated in a way that creates an impressive pastiche of a typical rural settlement.

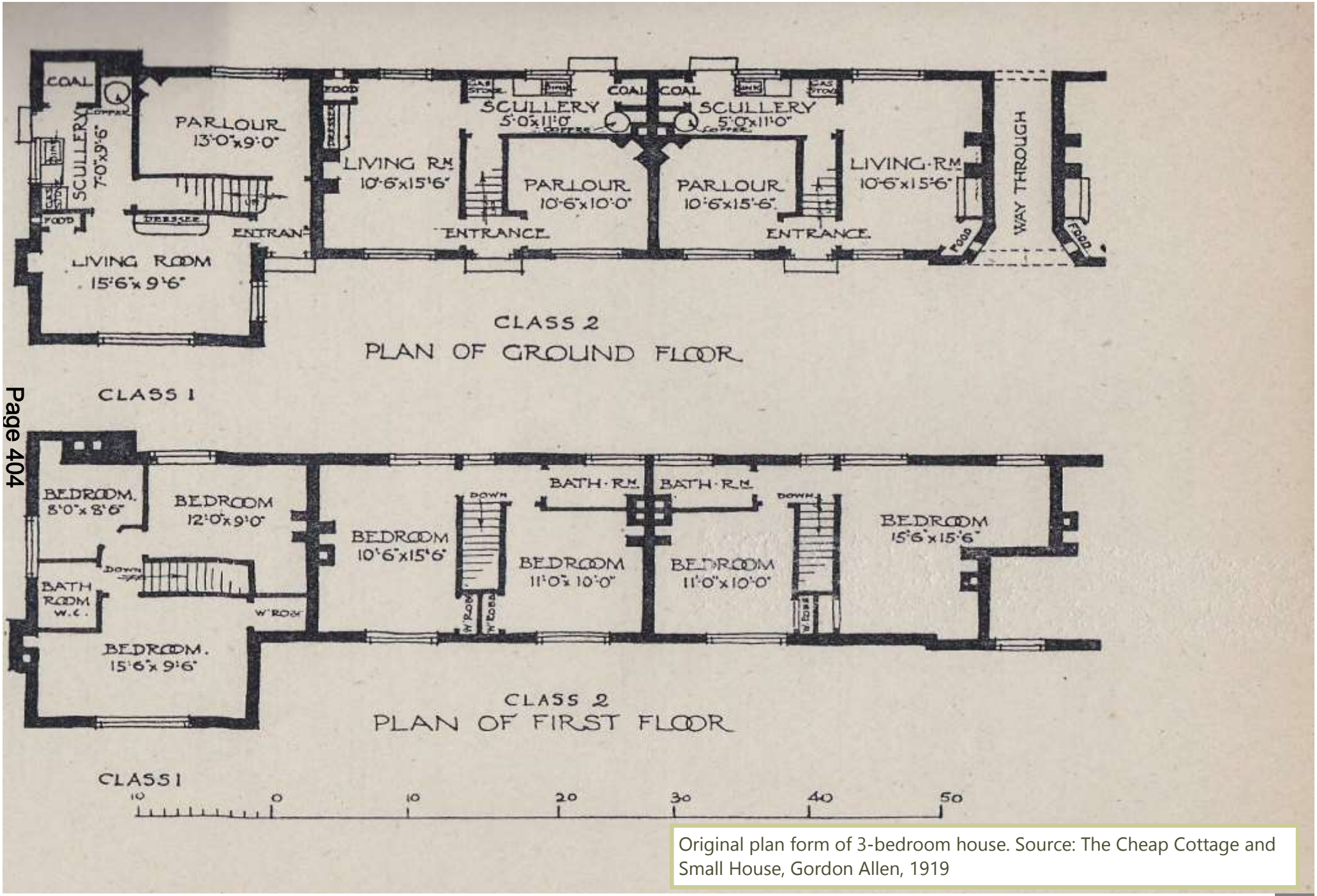
The boundary hedges lining Roe Lane, the loosely structured layout of the houses and the slight variations to the design form are just a few of the features which help create the organic character that distinguishes Roe Green Village from the surrounding areas. Central to the layout of the area is the village green which acts as a focal point for the estate.

The special character of the Roe Green Village Conservation Area is derived from the estate's distinct village feel and well preserved appearance.

The design and detailing of individual houses is well designed and executed. However, the detailed architectural solutions come from a menu of these solutions that the architect mixed and matched between streets and groups of buildings.



Roe Green Village c1940



Original plan form of 3-bedroom house. Source: The Cheap Cottage and Small House, Gordon Allen, 1919








Mixed and matched architectural details illustrated by chimneys




1.4 Who is this Guide for?

This guide is for residents, consultants and builders working in Roe Green Village. It provides information on Roe Green Village's specific planning constraints, as well as advice on ways to restore, repair, maintain and improve your home so that it helps sustain and enhance the character or appearance of the area.

Alterations that are out of keeping with the original appearance of the houses and streets can spoil the quality of the environment and reduce the desirability of the area forever. The Council can do much to lead in the protection of the Conservation Area, but residents need to care for their own home with the attention to detail shown by the original designers. We share a duty to protect the special character of the area, not only for today's residents and visitors, but also for those of tomorrow.

As a resident, it is in your interest to keep or restore the special character of your home and area. Usually, houses in well-maintained Conservation Areas have a greater value than those outside. There are many Conservation Areas throughout the country all with different characters and building types; but it is only those areas in which the residents are actively involved in conservation that successfully retain their character.

This guide should answer many of the questions you may have, but if you are in any doubt please contact the Planning Service at planandbuild@brent.gov.uk for advice. **Some of the technical terms you will come across are marked with an asterisk.** These are explained in section 6.6

1.5 Is my property in the Conservation Area?

The Roe Green Village Conservation Area is marked with a red line boundary in Figure 1 over the page. All the properties listed in Table 1 are in the Conservation Area and are covered by the Article 4 Directions.

1.6 What is an Article 4 Direction?

An Article 4 Direction is a special control which gives extra protection to a conservation area by removing some of the property owner's Permitted Development rights. This enables the Council to prevent insensitive development which would otherwise be out of its control.

This does not mean that an owner cannot make any alterations to their home, but it does give the Council more control over the design and specification of proposed alterations to houses and gardens. Therefore, whilst permission is usually not required to repair any existing features, replacement and alteration of existing features will require Planning Permission. The Article 4 helps the Council preserve the character and appearance of the Conservation Area.

All the properties with Roe Green Village are covered by the Article 4 Direction. The extra effort that owners have to make to obtain the appropriate planning permissions is recognised by the Council. Therefore, within an Article 4 Direction area, the Council does not charge a fee for deciding Planning Permission where proposals would normally be permitted development.

For more information on Article 4 Directions and Planning Permission please see Section 2.

Table 1: List of properties in the Roe Green Village Conservation Area

Street	House number
Bacon Lane	2 - 50
Goldsmith Lane	1 -95, 2 - 58
Roe End	1 - 26 Consec
Roe Lane	1 - 59, 2 - 98
Scudamore Lane	1 - 7, 2 - 8
Shorts Croft	1 - 17, 2 - 24
Stag Lane	316 - 364

Please note that flats or maisonettes within Roe Green Village do not have Permitted Development rights and any external works to such properties will require Planning Permission with the associated fees.

However, if you own a house your proposed works would normally be Permitted Development but removed by the Article 4 so that no fee is required.



Figure 1. Roe Green Village Conservation Area


Roe End

2.0

When do I need to apply for Planning Permission

2.0 When do I need Planning Permission?

The Town & Country Planning (General Permitted Development) (England) Order 2015 allows owners of houses to carry out certain types of alterations and modest building work to their homes without the need to apply to the Council for Planning Permission. However, within a Conservation Area, the type of work allowed under Permitted Development is more limited. There are greater restrictions over the amount a house can be extended or how much demolition can be carried out without planning permission.

2.1 Additional controls by the Article 4 Direction

In addition, in consultation with local residents, the Council applied an Article 4 Direction on the Roe Green Village Conservation Area to ensure its special character is sustained and enhanced. The Article 4 Direction is an additional restraint that allows the Council to guide the way in which alterations, improvements and repairs are carried out.

All properties located within the Roe Green Village Conservation Area require Planning Permission for the following works. Please note that although you need Planning Permission for all of the following, in many cases, this might not be granted or may need to be carried out, installed or constructed in a specific way. The subsequent sections of this guide advise in further detail.

- The construction of any single storey side or rear extensions
- The construction of any first floor or two storey extensions
- The construction of dormer windows
- The erection of a porch
- Erect, demolish or make alterations to any chimney
- Replace, alter or install a new window opening into an existing wall that faces the street. **Be aware that on end-of-terrace or corner plot properties this may affect the side, or rear, of your property**
- Any extensions and alterations to the roof of a property, including but not limited to changing tiles or slates or original chimneys
- The formation or renewal of any hard-surface, or a means of access to the highway
- The removal of soft landscaping with the replacement of hard surface
- The construction of gates, fences, walls or other types of boundary enclosure to front gardens or any other boundary facing the street
- Externally mount a satellite dish to the house
- Apply stone, paint, timber or other cladding to properties in the conservation area including boundary walls and outbuildings
- Alter or remove any external architectural feature or finish such as render, tile hanging or other cladding
- Install new pipes, vents or stacks penetrating the roof
- Installation of solar PV or solar thermal equipment on the dwellinghouse or an outbuilding in the curtilage
- Building any garage, outbuilding or shed within any part of the garden, including the side or rear garden

You may also require **Building Regulations** approval for alterations to your property, further guidance is set out in Section 6.3 of this Design Guide.



3.0

Extending and altering your property

3.0 Extending your home

The modest nature of the cottages and well-preserved character of Roe Green Village means that there is limited scope to extend your home without harming the character of the buildings and appearance of the Conservation Area.

This section of the guide sets out the strict parameters for extensions within the Roe Green Village Conservation Area in order to harmonise with the existing building and will not be out of place within the streetscene.

3.1 Extensions

Many properties in Roe Green Village are in terraces or in small groups. They are relatively small in size, therefore, it is only a moderate and carefully designed extension that will integrate with the property relatively successfully and preserve the appearance of the Conservation Area. A subordinate extension will also not harm the garden setting.

You will need Planning Permission for all extensions in the Roe Green Village Conservation Area. General guidance on altering and extending your home is set out in another Council document, SPG5. However, in conjunction you should consider the following points before submitting your application:

- Will your proposed changes add to or detract from the enjoyment of the whole area by you, your neighbours and visitors?
- Will the extension affect your neighbours' view or daylight?
- How will the extension affect the overall shape of the house? The extension should not dominate the existing building or streetscene.
- Will the extension make the building too big in relation to the plot size? The extension should not spoil the original yard/garden setting and should be subsidiary to the original house.
- Does the proportion of the extension, position of openings, and roof pitch refer to the appearance or the host building? All door and window openings on the extension must be the same or complement the proportions of those on the original house.

3.2 Single storey rear extensions

Single storey rear extensions are permitted in the Roe Green Village Conservation Area. Although the rear of the property may only be visible from surrounding gardens and upper windows, rear extensions impact on residential areas since they have a cumulative effect on these modest properties and the residential area. Therefore, you should comply with the following standards:

The new extension should not project further than 2.5 metres from the rear elevation (face) of the property. However, a full width addition is accepted. On semi-detached properties 3.0 metres will be considered but this may be reduced if visible from the street, a corner property or if there is an adverse effect on adjoining properties or upstairs flats.

The height of the extension should be kept to the lowest practical level, internally matching the rooms inside whilst still complementing the character of the original house.

The preferred design for a single storey rear extension includes a pitched roof. The use of roofing materials should match the original property. If a flat roof is proposed, this should be treated with a parapet* detailed to match the property either with brick on edge and tile creasing* or rendered/ roughcast* with coping*.

New construction work, especially the bricks, mortar and brickwork bonding*, should match the original and where possible should tie into the existing brickwork. Equally new roughcast or render should also match.

Windows and doors should reflect the original village style (see also section 3.10. The position of the openings (doors and windows) on the extension should also be in proportion with the property.

In some cases there may be differences in the levels of gardens, which may mean that your extension will have to be reduced in size to reduce its impact on your neighbour.

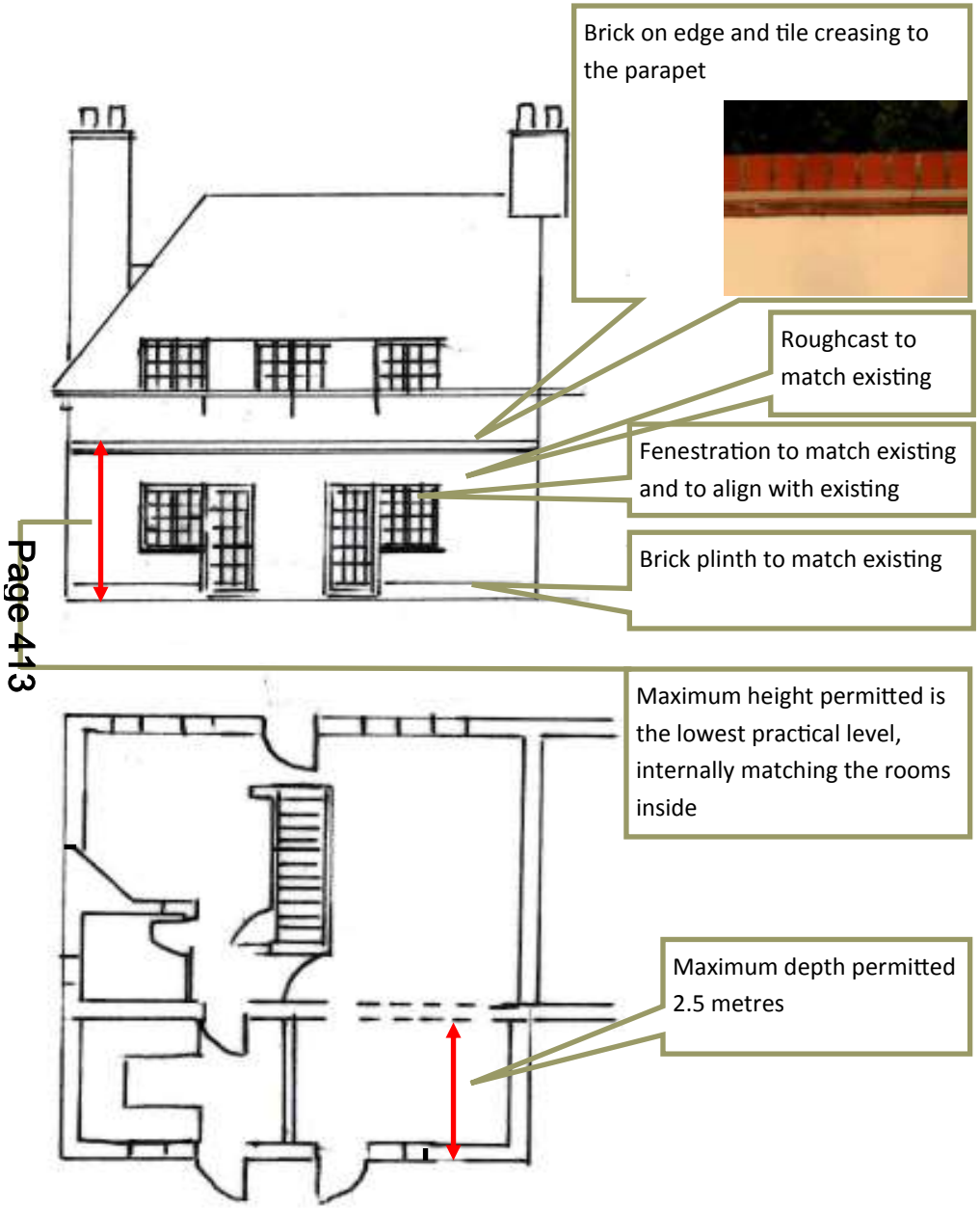
You are encouraged to use materials that are environmentally sustainable to construct an extension. In particular, recycled bricks and roofing materials can be cheaper and may match the original materials more easily.

Guttering and downpipes should be incorporated within the design and should not overhang property boundaries.

3.3 Conservatories

Well designed, single storey conservatories, constructed using traditional materials such as timber and steel, will be considered on their individual merits in place of a solid rear extension. However, conservatories must also comply with the guidance on single storey rear extensions, above.

Single storey rear extensions



3.4 Side extensions

Side extensions are not permitted within the Roe Green Village Conservation Area. They have a direct impact on the character of the original house, the street and the wider area. Few properties in the Roe Green Village Conservation Area have the space which will allow the building of a side extension. The gaps between properties make up the area's special significance and are very limited in width. Extensions to the side harm the appearance of the area by infilling the gaps and creating a 'terraced-like' effect and changing the individual nature of the street.

3.5 Two storey rear extensions

A two storey rear extension is not permitted within the Roe Green Village Conservation Area. The unpretentious and simple design of the cottages within the Roe Green Village Conservation Area means there has never been any scope for two storey extensions wherever located. The overall size of such extensions do not integrate with the architecture of the properties, appearing bulky, harming the integrity of the original building. There are also often associated neighbouring amenity issues with such extensions.



3.6 Dormers, loft conversions & alterations to the roof

Making use of the roof space for additional accommodation is a popular way of extending a property. However, the unrestricted roof space makes internal adaptation difficult. Furthermore, extending the roof in any other way, shape or form would harm the consistent construction and cottage character of the properties.

Most of the houses were originally designed and constructed with dormer windows to front and rear. Additional dormers to these properties would harm the original design and provide a cluttered appearance. Introducing dormer windows to a property where one was not constructed originally would harm the integrity of the whole terrace, unbalancing its symmetrical and integral design.

Rooflights, sunpipes and other forms of natural daylight solutions are also not permitted on any roofslope.



Existing twin dormers in Roe End featuring flared eaves



A detail of a flat roof dormer and its relationship with window below



Roe Lane. Source: The Cheap Cottage and Small House, Gordon Allen, 1919

3.7 Terraces

Terraces at roof level are unlikely to be acceptable. This is because the Roe Green Village estate was not designed with such a feature. The roofs of the properties within the estate are especially visible and it is unlikely that the construction of such a private amenity could be integrated unobtrusively and successfully.

Likewise, terraces proposed on the top of rear extensions will also not be permitted. This is because the associated railings, privacy screens and access arrangements are likely to harm the character of the building. Furthermore, there is also likely to be issues around the control of noise and overlooking with the creation of such a feature.

3.8 Basements

Full depth basements to properties within the Roe Green Village were never a feature of the original estate plans. The properties were all constructed to be modest accommodation for the factory employees of AIRCO. The construction configuration and the need for natural light by a lightwell means that such excavations are highly visible within the streetscene. Constructing a basement would change the modest appearance of the property to something grander – harming the very nature of the design strategy behind the estate.

Basement extensions will therefore be resisted within this Conservation Area.

Further information on all extensions can be found on the Council's website and in SPG5 at .www.brent.gov.uk

You may need Building Regulations Approval for most alterations and extensions. Please remember that you will need to check with the Council's Building Control department at BuildingControl@brent.gov.uk before you start the work.

Also that you might need Planning Permission even if you do not require Building Regulations Approval and vice versa.



Shorts Croft


Roe Lane

3.9 Window repair

The original windows within the Roe Green Village were in a distinct 'cottage' style side hung timber casement* with small panes. These casement windows, whether opening or fixed were generally four panes deep and two panes wide. They were painted a dark colour and there were no fanlights. The only exception is that a few properties also had bow windows at ground floor.

Please repair and refurbish original windows wherever possible. This will be cheaper than replacing them and will make sure you keep the character of your house. Rotten areas of sills* and jambs* can be cut out and replaced with new timber cut to the same size and shape. This is a fairly quick and inexpensive way to repair your windows and does not require Planning Permission.

3.10 Window replacement

Please note, replacement windows to elevations fronting the highway will require Planning Permission as covered by the Article 4 Direction. You will also require Planning Permission to replace all your windows if your property is a flat or maisonette.

In consultation with residents, PVCu* replacement windows have been agreed as alternative materials to timber subject to the replacement windows replicating the design of the original windows (even if the windows have already been replaced previously).

However, poor window replacement can have the single most negative impact on the character of the Conservation Area. Therefore, replacement windows must have the same overall section arrangement and proportions as the original windows, including the same number of uprights, the same number of horizontals and the same number of glazing bars all at the same position as the originals. They must have even sightlines*.

Carefully note the original glazing pattern for your property and the street. In most cases each casement has 2 panes over 4, but in some situations the window is 2 over 3 as the dormers in Roe End. Specifically, each pane has a 5:4 height to width ratio. To restructure the PVCu dimensions to reflect the original's, the standard depth of between 60mm and 70mm is required. This will ensure the whole window profile is slimline enough to match the original wooden frames and sections (see page 23).

Windows should be set back into their original position within the depth of the reveal*. Please do not change the original size of the window opening. The use of fanlights or internal glazing bars* does not faithfully recreate the style of the original windows and will not be permitted (even where they have been installed subsequently). External trickle vents are not permitted.

When submitting a planning application for replacement windows, the following information will be required:

All window elevations to be replaced at a scale of 1:10 or with all dimensions clearly annotated. Property elevations or photographs of the whole of the property, with the windows to be replaced numbered to correspond with window elevations.

A cross-section at a scale of 1:5 or preferably full size through the mullion* showing the relationship of fixed and opening casements, with full size details of any glazing bars which must be mounted externally.

The above requirements all also applies to windows within extensions.

Please see the following page which provides further advice and illustrations on what is and what is not permitted.



TOP: Timber side hung casement window in a flat roof dormer. Note the even sightlines and the particular window design.

BOTTOM: An existing timber bow window within the village. It has been accepted that bow windows cannot be replicated in PVCu and therefore carefully designed canted bay windows will be permitted as an alternative.

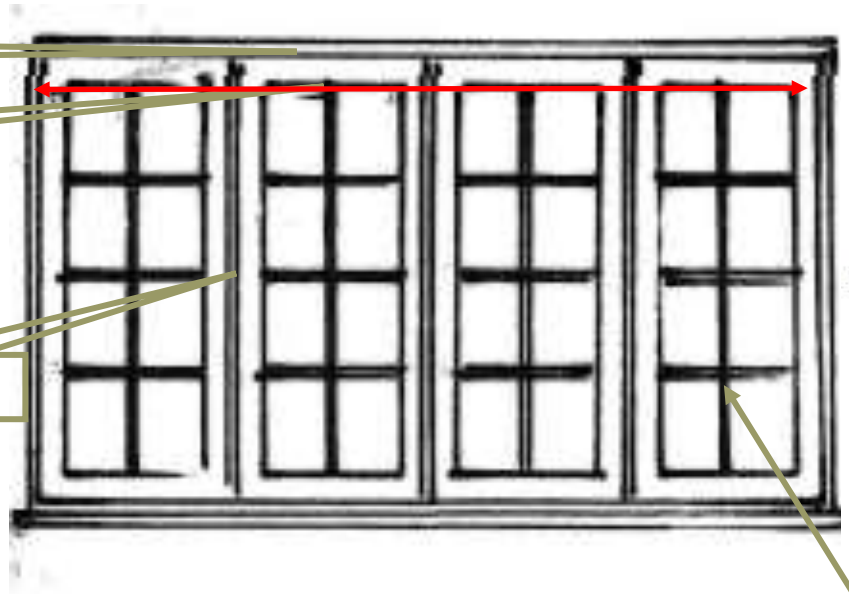
Window replacement

Drip rail

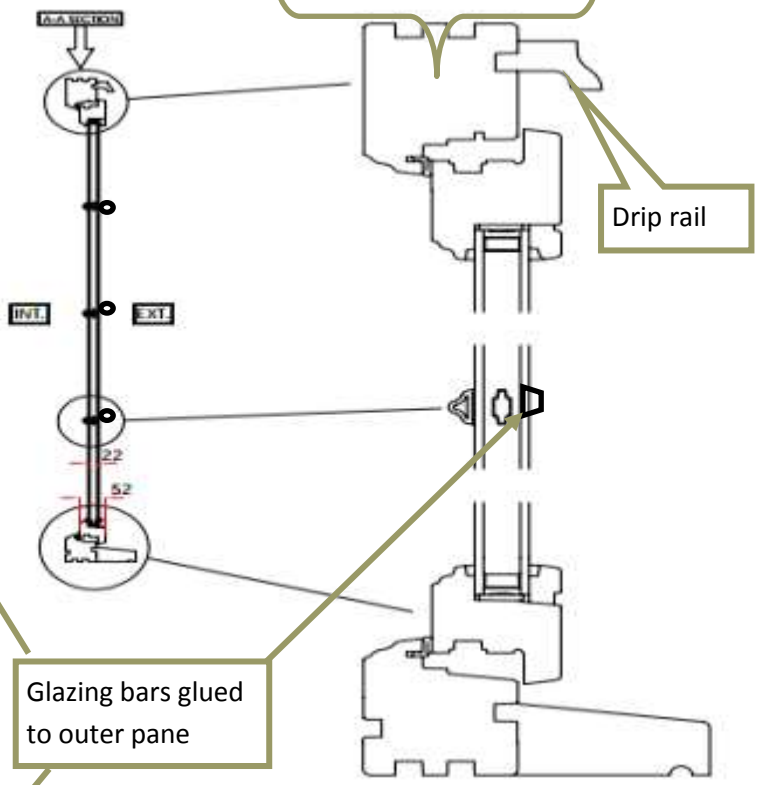
Even sightlines

5:4 height to width ratio

60–70mm frame



Cross section magnified



Glazing bars glued to outer pane

Carefully note the original glazing pattern for your property and the street. In most cases each casement has 2 panes over 4, but in some situations the dormer is 2 over 3 as in Roe End.



No top-hung fanlights

No external visible trickle vents

Windows fitted back into their original position

Please ensure you include window elevations 'as existing' and 'as proposed' at scale 1:10 or with all dimensions clearly annotated.

Property elevations or photographs of the whole of the property will be required, with the windows to be replaced numbered to correspond with existing and proposed windows.

A cross-section (as above) at a scale of 1:5 or preferably full size through the mullion showing the relationship of fixed and opening casements with full size details of any glazing bars.



Goldsmiths Lane. Source: The Cheap Cottage and Small House, Gordon Allen, 1919

3.11 Front doors, porches and canopies

The original designers and builders working in Roe Green Village paid great attention to the architectural details and decorations of the cottages. There is quite a variety of architectural embellishment and articulation to be seen.

The original front doors in Roe Green Village were of a simple 'cottage' type – solid timber 3-panelled with six panes of glazing over (see Figure 2) painted a dark colour. The door to the common parts had vertical wooden detailing (see Figure 3). Original doors to the estate should be retained and repaired wherever possible as they make up the special character of the area.

If the property is flat, a replacement front door requires Planning Permission. Timber looks best, but PVCu and composite is acceptable as long as it matches the cottage style and character of the area.

The original house designs did not include porches or canopies but some properties have added these in a sympathetic way. It is important that porches or canopies are designed to respect the form of the original property and are constructed using materials to match the original house. A new porch will require Planning Permission and proposals will be considered on their individual merits.



Figure 2



Figure 3



Figure 4



In some cases new porches will be acceptable as above. The design should follow the style of the house and be in matching materials. Note the careful stepped tile creasing detail at the eaves. Some properties have a different architecture and a porch would harm the design of the building (see Figure 4).

4.0

General repairs & other modifications to your home

4.0 General repairs & other installations

There are many reasons why people want to make changes to their home. Repairs and alterations may be necessary due to weathering, families may need more space and new owners may wish to personalise their home.

Living in a Conservation Area does not mean that you cannot make alterations to your home but it does mean that the changes that you may wish to make must preserve or enhance the character and appearance of the property and the area.

The cottages in the Roe Green Village Conservation Area were built to a limited variety of designs. They all blend together because similar building materials, similar overall sizes and architectural details were used. Also, many streets and short runs of houses were built to consistent designs. This unity of design gives the area its unique character. Alterations to an individual building may affect the whole street scene if they are not in keeping. The more inconsistent the alterations, the more negatively the area may be affected.

Some properties were altered before the strict controls of the Article 4 Directions were put in place. Where this has happened, we encourage residents to restore the original appearance of their property. In time, the character of the area will be enhanced and the desirability and value of individual homes is likely to increase. Changes made prior to the Article 4 Direction coming into force do not mean that owners can make similar changes now.

4.1 Decorative features and details

The original designers and builders working in Roe Green Village paid great attention to the architectural details and decorations of the cottages. There is quite a variety of architectural embellishment and articulation to be seen.

These include: brick patterning, exposed brick lintels, Cornish and Welsh slates, tile creasing*, tile hanging, bracketed guttering, picket fences and chimney pots and projecting eaves*. Once original details are lost, they are rarely replaced. Removal of building detail can spoil the appearance of individual buildings as it is often the quality of the decorative features that add to their significance. Furthermore, the cumulative loss of individual features will harm the overall appearance of the street and therefore the Conservation Area. If decorative features are beyond repair, specialists are expected to make an exact replica or a building materials salvage supplier may be able to trace an original replacement. Houses with original architectural detailing are more attractive to potential purchasers.


Flared eaves soffit


Canted chimney stack


Bracketed guttering


Vertical slate hanging



Canted entrance to common parts



Decorative corbel



Stepped chimney stack

Decorative elements in the Roe Green Village Conservation Area





Graded tiles

4.2 Repairing and re-pointing

Where bricks have spalled*, chipped or decayed, they can be cut out and replaced with bricks of the same size, texture and colour. The brick bond should also match exactly. Second-hand bricks from a building salvage supplier or a specialist brick manufacturer can be used. Re-pointing should be carried out to the highest standards as poor re-pointing can make the brickwork decay more quickly. The Council would always recommend a specialist contractor with knowledge of traditional brickwork and historic buildings to undertake such brickwork repairs.

Ask for a method statement. A contractor should generally rake out loose and decayed mortar by hand using a hammer and chisel (not an angle grinder). The mortar should match the colour and texture of the original. Generally, a lime based mortar should be used as cement based products can cause decay of the brick in the longer term and care should be taken not to let mortar spread over the faces of the bricks.



Specialist repointing

4.3 Roughcast and render

Roughcast or render to walls should not be removed unless required for repair, in which case it should be replaced. Take care to match the existing texture. The composition of the roughcast or render should be established before the right material can be chosen for repair. The roughcast walls were originally unpainted but have subsequently been always painted British Standard white.

You can repaint roughcast and render with British Standard white without the need for Planning Permission. However, repainting in any other colour requires Planning Permission and the colour might not be permitted.



Painted roughcast

4.4 Painting and other wall coverings

Original brickwork should not be painted or covered with any other finishes. If architectural details are covered over, this can spoil the appearance of the property. Moreover, this may trap moisture and cause serious damage to walls. It is usually possible to remove paint from original brickwork.



Painted brickwork

Please contact the Planning Service at planandbuild@brent.gov.uk for advice on how to remove paint and clean the brickwork of the house.

4.5 Tile hanging and timber boarding

Some cottages in Roe Green Village have areas of tile or slate hanging, which are standard plain clay roof tiles or slates applied to the walls on timber battens. Tile hanging can easily be repaired or replaced if necessary.

Make sure that new slates or that the plain clay tiles match the originals. Existing horizontal timber boarding* should be treated with a shade of dark brown wood preserving stain that relates to the existing and adjoining properties.

4.6 Roofs

Most roofs in Roe Green Village are covered in either natural Cornish slate or hand-made clay tiles. Problems that arise are usually due to rotten fixing nails or wooden battens. Straightforward repairs and replacement of missing tiles to match will not require Planning Permission. Complete re-roofing in new materials will.

Where replacement is necessary, care must be taken to match the colour, texture, size and materials of the originals. On slate roofs, re-roofing should be carried out using natural Cornish slate or a precise match. On roofs with handmade clay tiles matching tiles should be sourced. Close attention should be paid to the roof details, for example the grading of the slates, eaves*, soffits*, ridge tiles and verges. It is usually possible to re-use up to fifty percent of original slates or tiles.

Where Building Regulations require that the roof space should be ventilated, the traditional method is to ventilate from under the eaves and at the ridge. Off-the-shelf plastic ventilator tiles will not be permitted.

A number of gable ends in the village are clad with horizontal timber boarding. This should be retained wherever possible and, if replacement is necessary, matching boarding will be required.

4.7 Chimneys

There are many different styles of chimney in the Roe Green Conservation Area. In some cases they are relatively tall, were built using decorative bricks, are corbelled or have other ornate brick courses (Page 9). They are an important part of the character of the area and must not be taken down or altered. Please keep your chimney in good repair. Repairs should take account of tile creasing and capping details and retain or reintroduce matching pots. A chimney helps ventilate your property and if you need a new flue for a new central heating system it can be run inside the existing chimney.

4.8 Gutters and drainpipes

It is essential to keep your gutters and drainpipes in good repair because leaks can cause damp problems in walls, which may cause expensive problems inside your home. The original gutters and drainpipes in the Conservation Area were cast iron. You do not need Planning Permission to carry out repairs or fully replace rainwater goods. Where full replacement is necessary, painted aluminium is the best match to cast iron. Please retain decorative cast iron hopper heads* and the bracketed gutter supports.

You can avoid costly repairs by regular maintenance. For example, you should clear blocked gutters and drains, repaint regularly and get slates refitted when they become loose. It will be much more expensive to carry out repairs if you leave problems to get worse. If you cannot do this yourself, it is advised to seek help from a professional with experience in historic buildings.


Replace slipped slates


Clear drains


Repair downpipes


Clear blocked gutters

4.9 Aerials and satellite dishes

Even the most attractive building can be spoilt by the poor siting and excessive telecommunication equipment. Ideally, TV aerials should be located off the skyline as far to the rear as possible so that they are out of public views. However, it is accepted that nearly all properties in the Village already have 1 TV aerial in place, usually on the chimney. Planning Permission is not needed to alter the position.

The installation of a satellite dish requires Planning Permission. These should be fixed out of the sightline of neighbouring properties in the least obtrusive location so that they do not concern neighbours'. They can also be placed in back gardens.

Do not place them where they can be seen from the street: on the chimney, elevations facing the street or on your roof. Planning Permission will not be granted for such installations in these sensitive, visible locations.

Cable television is available in the Village and a good alternative.

4.10 Gas, electricity and water service boxes

If at all possible this type of equipment should be housed inside the communal areas or on side returns. Position modern gas, electricity and water meter boxes so they are not too noticeable.

4.11 Solar panels and other environmental installations

The Council encourages environmental improvements, but also recognises that many installations are not appropriate for Conservation Areas. The installation of this type of equipment will always require Planning Permission.

Solar PV panels are not permitted on the roof slopes or the elevations of the cottages within the Roe Green Village Conservation Area. This is because the Roe Green Village estate is especially well preserved and integrally designed. However, it might be possible to install solar panels where they are discreetly located at ground level to the rear. This will be considered on a case by case basis.

Most other external installations can also be visually intrusive and will require Planning Permission. For example, the installation of cavity wall ventilation systems and the associated need for copious weep vents, passive vents and other inlets. It is always best to install environmental technology that does not impact on the character of the conservation area such as internal thermal insulation and ground source heat pumps.



Please contact the Planning Service at planandbuild@brent.gov.uk for advice or clarification on the installation of such technical equipment on your property.

5.0

Gardens and curtilage

5.0 Gardens and curtilage

Gardens are as important to the character of Roe Green Village as the cottages. This includes the actual garden layout, boundary treatment and paving. In addition to their aesthetic and environmental value, shrubs and plants can provide privacy and security.

5.1 Off-street parking and front garden layout

The Council will not normally give permission for driveways and off-street parking in Roe Green Village as this would have a harmful effect on the character of the Conservation Area. In exceptional circumstances the Council may grant permission for a standard off-street parking space in Stag Lane where at least 50% of the total front garden area will be retained and is suitably landscaped with soft planting features to properties with the most generous front boundary depths.

Any new hard surfaces should be formed using traditional, permeable materials. The most suitable and sustainable materials are gravel and concrete using a high aggregate. The use of tarmac is not considered acceptable on the garden or the pavement crossover.

If a new access point is permitted as part of the proposal the remaining boundary should always be properly considered. The total removal of garden fences and hedges across the whole width of the front plot is not acceptable. Furthermore, where a boundary is missing, an appropriate replacement will also be required.

Planning Permission for off-street parking spaces will also be subject to assessment by the Council's Transportation Team. Further guidance on the Council's standards for off-street parking can be found in the Council's document: **Roads, making an access to a road (SPG 3)** which can be downloaded free from Brent's website www.brent.gov.uk.

5.2 Front gardens, fences and boundaries

The front garden layout is a distinctive feature of each individual property and part of the original 'cottage garden' estate. Originally, Roe Green Village had rather simple 'open-plan' front gardens—mainly grass, the odd feature tree and rose bushes lining rear boundaries. Narrow concrete pathways led to the front doors.

Over time, the range of available plants has increased immeasurably along with peoples tastes. The traditional front garden plot now includes a picket fence, gate and/or boundary hedges together with soft landscaping such as planting, lawn and trees. These features now make up the special character of the Village and form part of its cottage garden appearance. Fortunately Roe Green Village is well preserved and the majority of front gardens have not been paved over and their boundary hedges and fences remain.

The Council does not want to be too prescriptive with regards to planting but would urge those redesigning their frontages to work with the spirit of the cottage garden appearance. The loss of picket fences, hedges or cottage garden features will be resisted. **Please also see advice on hedges on the following page.**

Side boundaries between neighbouring properties within the front garden usually consist of timber feather edge boarded fences of up to a metre in height, picket fence or hedge. These should carefully repaired or maintained. Within the front garden it is important to consider how the party division will affect the appearance of the Conservation Area but also your neighbour's amenity. Anything over a metre in height or bulky is unlikely to be acceptable.



Picket fence and pathway to front door

5.3 Hedges

Boundary hedges are an intrinsic part of the Roe Green Village Conservation Area not only adding to the character and setting of the dwellings but also providing valuable habitat and food source for local wildlife. These hedgerows typically trimmed to a height of 1.0-1.3 metres serve to define boundaries and identify access points. Hedges should be cut back to the boundary to allow easy access for pedestrians. Please contact the Landscape Team for advice on maintenance or where this has become an issue at planningstrategy@brent.gov.uk

The removal of hedges drastically alters the natural/urban balance within Roe Green Village. Therefore, the Council recommends and actively encourages the retention and on-going management of boundary hedges in both front and back gardens as this is the best way to preserve the character of the village.



For further advice regarding the maintenance of existing or establishment of new hedges, contact the Landscape Team at planningstrategy@brent.gov.uk



5.4 Trees

There is now a wealth of evidence on the many benefits of high tree canopy cover, including improving: physical and mental health; air quality; water quality; water management (reducing flooding); shading; cooling through evapotranspiration; as well as the more obvious benefit of improving biodiversity and wildlife. Larger forest type trees provide greater benefits and older trees generally support more biodiversity.

All trees within the Roe Green Village Conservation Area that have a stem diameter greater than 75mm when measured at a height of 1.5m above ground level are legally protected. You will need to provide the Council with six weeks' written notice of any works you may wish to carry out.

Written notice can be in the form of a letter or email, although you may wish to use the Local Government Planning portal where you will find a form for works to trees covered by tree preservation orders and within conservation areas.

Your notice or application must contain full contact details including your postal address, the location and species of tree(s). Importantly you should also provide a detailed description of the type of work you wish to carry out along with a site plan.

In addition to conservation area protection, some trees may also be subject to a Tree Preservation Order. You can find out more about tree preservation orders at http://planningguidance.communities.gov.uk/blog/guidance/tree-preservation-orders/tree-preservation-orders-general/ or by contacting the Council's Landscape Team at planningstrategy@brent.gov.uk The Council can also provide an up to date list of Arboricultural Association approved Tree surgery contractors.

The original village was planned around the existing fields and hedgerows that was farmland in Kenton. Some of these trees can be seen and survive in the village today (Figure 4).

As the village developed, many forest type trees were planted or self seeded on the boundaries of back gardens. Many of those trees still exist and due to their size and maturity may need special care and attention. As well as making an important visual contribution to gardens and the conservation area as a whole, large forest type trees are better for the environment and providing habitat for all types of fauna. Where large trees have to be removed, the Council encourage the planting of suitable tree species especially where they provide further benefits for native wildlife.



Figure 4: A surviving tree from original farmland

The maintenance of trees is sometimes an issue especially where they overhang a neighbouring garden or building. The Council urge all residents to consider their trees and the impact they may be having on others and to take specialist advice when pruning works are required. The Arboricultural Association is a good starting point when choosing a tree surgery contractor or engaging a tree consultant with regards to building works.

Smaller garden trees also play an important role in Roe Green Village with Acers, Cherries, Crab apples, Magnolias, and many other smaller species adding to the beauty and biodiversity of the area. An appropriate choice of front garden tree makes an invaluable contribution to the streetscene as does a carefully planned front garden space.

Residents are reminded that it is an offence to carry out any works to trees without the written consent of the Council. For further advice regarding the maintenance of existing or establishment of trees, contact the Landscape Team on planningstrategy@brent.gov.uk







Roe Lane

5.5 Garages

Garages were never a feature of the original estate as the mass production of motor cars was in its infancy in 1916.

The integral design layout of Roe Green Village means that there is limited space beside the terraces to construct such a structure. However, there are a few examples of garages constructed in the rear gardens where there is separate driveway access. In all instances these have been designed to complement the cottage style of the estate in brick, with pitched roofs and bargeboards.

The erection or replacement of a garage will require Planning Permission. At the front of the property there is unlikely to be any scope for a garage. This is because it would obscure the front elevation of the property introducing an alien structure to the streetscene and the estate. Proposals for new or replacement garages in the rear garden location should match the style and materials of the host property and have a pitched roof.

5.6 Carports and pergolas

Planning Permission will be refused for carports and pergolas within the front garden area. This includes standalone tented structures, glazed structures, timber-framed-trellis work and fixed metal canopies. These structures were not envisaged as part of the original estate design. They therefore standout, and the cramped nature of many of the gardens mean that such structures are overbearing in nature.

5.7 Bins and cycle storage

Bins can become an eyesore if left in public view after collection days. Carefully designed and located bin storage is required as part of any new landscaping scheme. This is because bins can damage the visual amenity of an area and contribute to increased levels of anti-social nuisance such as odour and litter. The location is key, and for some properties within the Roe Green Village there is room for such structures along the party division. Soft landscaping should be used to help assimilate with their surroundings.

Likewise, with cycle stores, these should be carefully considered early in the design process and located away from the very front of the property towards the side or flank position. If cycle stores are in public view it is particularly important that materials should complement the design rather than appearing as utilitarian.

5.8 Ramps

In some circumstances, there may be need to introduce a ramp to gain easier access to your home. Consideration should be given not just to the ramp itself and what material is suitable but also to handrails and handles. A portable ramp may be better than some form of concrete pathway which damages the frontage of the property. A temporary ramp will not require Planning Permission and can be removed at a later date.



Garages in Goldsmith Lane

5.9 Rear and side gardens

The rear gardens across the Roe Green Conservation Area are relatively similar in that they are generous in length. The individual cottages have long narrow gardens i.e. Shorts Croft. The flats, i.e. in Goldsmith Lane, were designed with their own individual garden accessed by a thin concrete and aggregate pathway between the plots (see image following page). The rear gardens have become substantially wooded and lush.

Some properties, particularly where they are situated at the end of the terrace, i.e. 24 Shorts Croft, have substantial side gardens rather than rear. These side gardens are especially visible because they face the main road.

You do not need Planning Permission to plant a hedge or a tree in your rear garden. The maintenance of hedges and trees is sometimes an issue especially where they overhang a neighbouring garden or building. Traditionally, hedges and boundaries were no more than 1 metre in height. Two metres has become acceptable norm and part of the established character. The Council urge all residents to consider their hedges and trees and the impact they may be having on others and to take specialist advice when pruning works are required. They not only form part of the character of the conservation area but are important for biodiversity and wildlife. More advice on trees can be found in section 5.4.

5.10 Rear fences and boundaries

You do not need Planning Permission to erect a boundary fence which is under 2 metres in height unless your rear garden faces the road or you own a flat or maisonette. Any fence over 2 metres is unlikely to be acceptable, but where security is an issue, a more robust alternative may be considered. The Council encourages the planting of boundary hedges rather than fences as this was the original design of the estate.

You do not need Planning Permission to lay a path or paving at the rear as long as the garden does not face a road.

5.11 Outbuildings and structures

Rear and side garden outbuildings and structures include sheds and greenhouses as well as other ancillary garden buildings such as swimming pools, ponds, sauna cabins, kennels, enclosures (including tennis courts) and many other kinds of structure for a purpose incidental to the enjoyment of your house.

Planning Permission is required for such structures in any of the following circumstances:

- if you own a flat or maisonette
- if it is at the side of the property
- if it is to be constructed forward of the front elevation of the property
- if it has a veranda, balcony or raised platform

Where Planning Permission is required, as with extensions and alterations to the main house, new buildings or structures within rear and side gardens of the Conservation Area must preserve or enhance the character and appearance. Proposals would also need to follow the advice in SP20 as well as the below:

Larger structures and outbuildings should be positioned and set well away from the house within the very rear of the garden.

The maximum footprint should be 15m2, 2.1 metres max height to eaves for a pitched roof and 2.5 metres max overall height for a flat roof.

All outbuildings should be constructed with traditional materials such as brick, timber slats and a felt roof.

They should be screened with soft landscaping to reduce their impact.

A rendered or pebble-dashed structure may be acceptable, but would have to be considered on its merits. Careful fenestration detailing will be required to match that of the house.

Under no circumstances will PVCu conservatories be considered acceptable.

Where your garden abuts a neighbours garden you may have to reduce the size and scale of your proposed building to reduce the impact on the neighbouring garden and views out of your neighbour's house.

Where the placement of a building is likely to result in the loss or damage to a significant tree, either in the applicant's garden or within a neighbouring property, a suitable design solution that retains the tree(s) must be found.

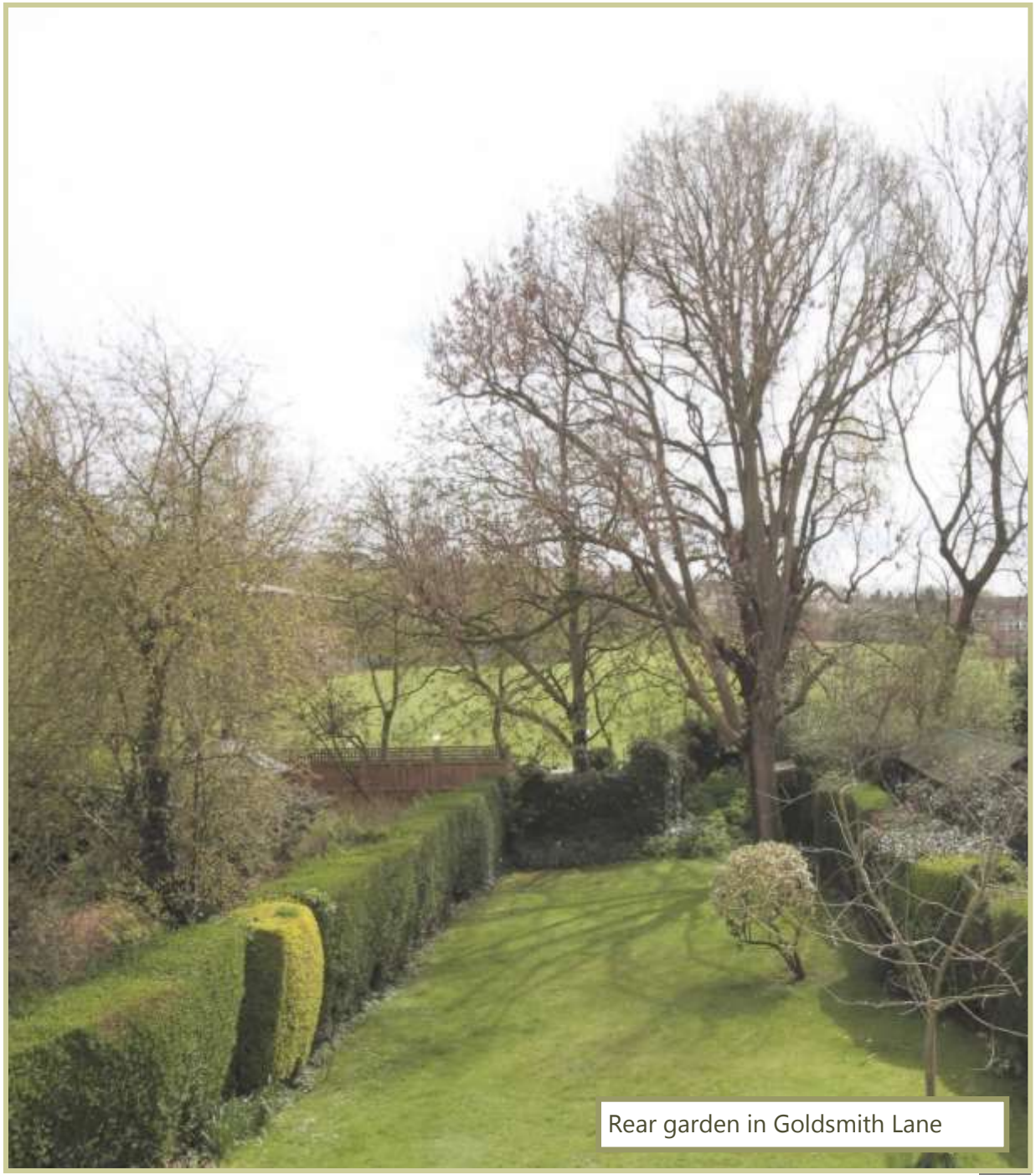
An illustration of the size, dimensions and design can be seen in Figure 5.

If you own a house, outbuildings are considered to be Permitted Development within certain size parameters and subject to the limits above. To be certain of the size parameters and limits you are advised to contact the Planning Service.



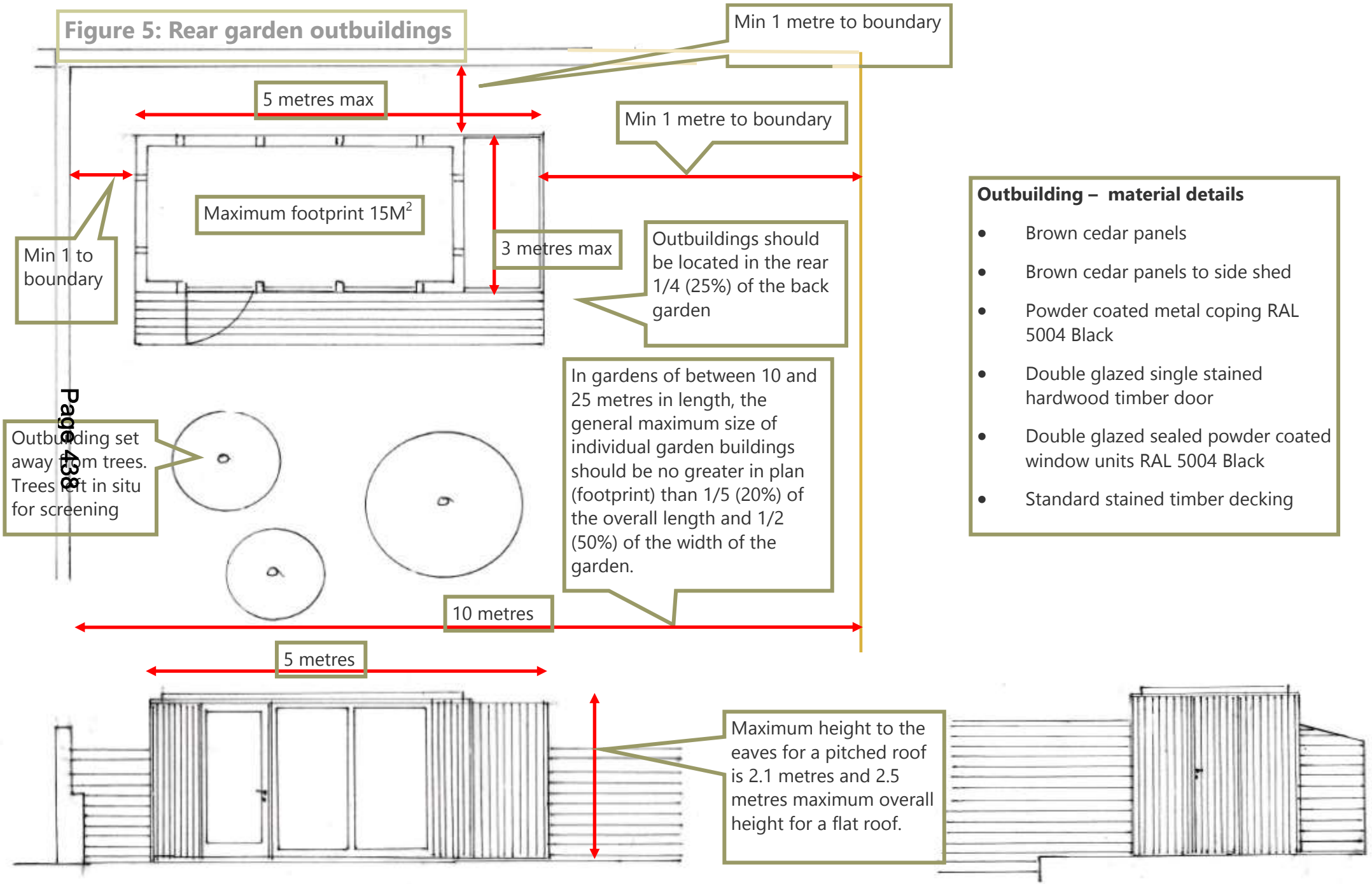
Goldsmiths Lane showing original planting.. Source: The Cheap Cottage and Small House, Gordon Allen, 1919





Rear garden in Goldsmith Lane

Figure 5: Rear garden outbuildings



Outbuilding – material details

- Brown cedar panels
- Brown cedar panels to side shed
- Powder coated metal coping RAL 5004 Black
- Double glazed single stained hardwood timber door
- Double glazed sealed powder coated window units RAL 5004 Black
- Standard stained timber decking

6.0

Getting permission

6.0 Getting permission

Whether you need Planning Permission depends on what you want to do. However, in many cases it is likely that you will need permission from the Council before you make any changes to the outside appearance of your house.

6.1 Planning Permission

It is very important to remember that the Article 4 Direction planning controls placed on the conservation area by the Council are legally binding. In addition to standard planning controls, you must apply for Planning Permission for any of the work listed in Section 2.1. It is always best to contact the Planning Service at planandbuild@brent.gov.uk to find out whether you need to make an application.

6.2 Works to trees and Tree Preservation Orders

In conservation areas it is necessary to give 6 weeks written notice to the Planning Service at planningstrategy@brent.gov.uk before removing or lopping a tree that has a trunk diameter exceeding 75mm at a height of 1.5 metres. In the written notice you should include a description of the tree, its location, what work you intend to do and why. Some trees may also have Tree Preservation Order. For more information on works to trees see section 5.4.

6.3 Building Regulation approval

You will need Building Regulations Approval for most alterations and extensions. You will need to check with the Council's Building Control department at BuildingControl@brent.gov.uk before you start the work. Please remember that you may need Planning Permission even if you do not require Building Regulations Approval and vis versa.

6.4 How to apply and Heritage Statements

You will need to fill in a Planning Application form which can be obtained through the Planning Portal www.planningportal.gov.uk Clear existing and proposed plans are required. The Council recommends that you use a qualified architect or similarly skilled professional to undertake the drawings as well as for any additional reports such as **Heritage Statements**.

As part of the application a **Heritage Statement** is required. This should include all of the following:

- An assessment of the building or property and the conservation area (in context) which may be affected by the proposed development,
- An assessment of the impact of the proposed development on the building or property and the conservation area; and
- A mitigation statement outlining measures to address any impacts of the proposed development on the building, property or conservation area.

The amount of detail that is required in a heritage statement will vary according to the particular proposal. For small householder extensions and alterations this need not be onerous. Enough to explain that your proposal will preserve the character and appearance of your property. It can take the form of statement in a small report or set out in an email. It can also be provided as part of a **Design and Access Statement**.

A Design and Access Statement will be required for the provision of one or more new houses or the construction of a building or buildings where the floor space created by the development is 100m2 or more.

Please refer to the Council's website www.brent.gov.uk for further guidance on submitting a Planning Application in a conservation area. There are specific guidelines on certain necessary **Validation Requirements** as well as further information Heritage Statements.

The Planning Service aims to determine Planning Applications within 8 weeks. It is likely that permission will be subject to providing additional information, such as material samples to be approved on site, before the work can be undertaken.

A proposal which does not adhere to the guidance or a contemporary design may need further submissions to assist the Council. This may include larger scale drawings, perspectives, photomontage, models, details and samples.

6.5 Specialist help

To make repairs and alterations that preserve or restore the character of the property, a specialist supplier or craftsmen may be required. Some of the materials and skills may no longer be in common use and may take time to find. Please check with the Council's Planning Service at planningstrategy@brent.gov.uk if you are in any doubt. It might be able to source local specialist assistance.

Specialist services and supplies are sometimes more costly than the mass-market, ready-made alternatives, but not always. In most circumstances specialist help need not cost more. However, when it does, many residents view the extra expense as an investment. If you preserve or restore the original appearance of your house, this can help to maintain or even increase its value.

6.6 Explanation of technical terms (words with *)

Brickwork bonding: Arrangement of bricks in a wall, combining bricks laid lengthways (stretchers) and bricks laid widthways (headers).

Casement window: A window which is side or top hung and opens on hinges within a smaller sub frame, called a casement.

Cill/Sill: The bottom section of a window frame that projects out from the wall to allow rain to run away.

Drip rail: A section of wood mounted above the opening casement of windows to shed water away from the opening when opened.

Eaves: The junction of the wall and the lower edge of the roof.

Even sightlines: This is where the window frame is of equal size/width all the way around and the panes of glass are all the same size.

Glazing bars: The bars of wood which separate individual glass panes in a window.

Timber boarding: Timbers applied vertically or horizontally to the walls of houses as a decorative feature.

Hopper head: Is a water collection feature/container placed at the top of a downpipe.

Jambs: The side section of a door or window frame.

Mullion: a vertical structural member/upright of a window frame.

Parapet: A section of a wall that projects above the eaves of a flat roof. A parapet can be topped with **brick on edge** with **tile creasing** (tiles laid flat under) or with a **coping stone** (a flat stone laid across the top).

PVCu: Poly Vinyl Chloride Unplasticised. This usually refers to plastic windows.

Reveal: The masonry opening for which a window is fitted. The reveal is the depth of the opening.

Roughcast: Rendered wall finish with small stones added to the mixture.

Spalled bricks: Bricks that have lost their front faces through frost damage.

Soffit: The underside of a structure such as a window or overhanging eaves.

Brent	**Cabinet** 12 February 2018
	Report from the Strategic Director of Regeneration and Environment

Decision to delegate authority for the award of contract for a delivery partner for Peel Project, and for approval to amend red line and for appropriation for the Peel Site

Wards Affected:	Kilburn
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	**Part Exempt –** Appendix 5 is exempt from 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)"*
No. of Appendices:	6
Background Papers:	None
Contact Officers:	Jill Rennie Senior Project Manager Tel: 020 8937 2556 E-mail: jill.rennie@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

1.0 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 2016, 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 This report seeks approval for proposed amendments to the red line boundary for the Peel site. This report also seeks approval to authorise the Strategic Director of Regeneration and Environment in consultation with the Lead Member Regeneration, Growth, Employment and Skills to award a contract for a Delivery Partner for the Peel site within the South Kilburn Regeneration Programme.

1.6 This report also seeks authority, subject to the considerations set out below, for the appropriation for planning purposes of the Council-owned land within the Peel site (as shown edged red on the plan at Appendix 1) under section 122 of the Local Government Act 1972. Appropriation is proposed in order to facilitate the redevelopment of the Peel site, for which planning permission was granted on 8 September 2017. Once effected, appropriation would also enable use of the powers in section 203 of the Housing and Planning Act 2016 which override third party rights (such as easements, restrictive covenants and rights of light), thereby facilitating that redevelopment. Accordingly, this report also seeks approval to advertise the Council's intention to appropriate and thereafter dispose of open space (the open space shown coloured green on the attached plan – appendix 2) within the Peel site, and to appropriate the whole site ("the Peel Site"), including open space, for planning purposes (the Peel Site is shown edged red on the attached plan – at appendix 1).

1.7 For the purposes of this report, Peel Precinct (including the former Robert Peel Public House / former West Kilburn branch of the Royal British Legion); 97-112 Carlton House, Canterbury Terrace; 8-14 Neville Close; 2 Canterbury Road (South Kilburn Studios) & Peel Site Garages, London, NW6 are together defined as "the Peel Site" (or "Peel") which is shown edged red on the plan at appendix 1 (the new red line boundary).

1.8 This report also seeks to reaffirm previous approvals/decisions.

2.0 Recommendation(s)

2.1 Cabinet to reaffirm its original approvals given in the resolutions made on 11 November 2013 authorising the making and implementation of a compulsory purchase order ("CPO") to further the redevelopment of the Peel Site (as previously documented under the headings 'Peel Recommendations' and 'CPO Recommendations' at paragraph 16 of the Minutes of the Executive meeting held on 11 November 2013.

2.2 Cabinet to reaffirm the previous Executive and Cabinet decisions as detailed in paragraph 3.5 to utilise Ground 10A of the Housing Act 1985 (if approval is given by the Secretary of State) and compulsory purchase powers under section 226(1)(a) of the Town and Country Planning Act 1990 to secure the vacant possession of properties within the Peel.

2.3 Cabinet to approve the new red line boundary for the Peel site as shown on the plan at appendix 1.

2.4 Cabinet to delegate authority to the Strategic Director of Regeneration and Environment in consultation with the Lead Member Regeneration, Growth, Employment and Skills to award a contract for a Delivery Partner for the Peel site for the reasons detailed in paragraph 3.8 following the OJEU procurement process.

2.5 Cabinet to approve the advertisement of the Council's intention to appropriate the open space (shown at appendix 2) in accordance with its powers under section 122 of the Local Government Act 1972 and dispose of open space at the Site to a third party in accordance with the provisions of section 233 of the Town and Country Planning Act 1990.

2.6 Cabinet to delegate to the Strategic Director of Regeneration and Environment, in consultation with the Lead Member for Regeneration, Growth, Employment and Skills, authority to consider the representations made by the public in response to the advertisement to appropriate and dispose of the open space and thereafter to decide whether to appropriate and dispose of the open space.

2.7 Cabinet to delegate to the Strategic Director of Regeneration and Environment in consultation with the Lead Member for Regeneration, Growth, Employment and Skills authority to Appropriate the open space at the Peel Site, and appropriate and dispose of the whole Site including open space for planning purposes (shown at appendix 1) if the Strategic Director of Regeneration and Environment in consultation with the Lead Member for Regeneration, Growth, Employment and Skills decides to do so following the consultation.

2.8 Cabinet to approve the application to the Secretary of State by the Strategic Director of Regeneration and Environment to seek the Secretary of State's consent under section 19 Housing Act 1985 to appropriate any part of the Site

including any part consisting of a house or part of a house so that the Site is no longer held for the purpose of part II of the Housing Act 1985.

3.0 Detail

3.1 The South Kilburn Estate is an amalgam of Council residential blocks from the 1950's and 60's including a number of different post-war social housing typologies in a poorly designed and low quality physical environment. The estate is located in the south of the borough and sits between Kilburn High Road to the east, Queen's Park to the northwest and extends towards Maida Vale in the south. It is the Southern-most part of Brent and shares a boundary with the City of Westminster. It is an area surrounded predominantly by privately-owned terraced Victorian and Edwardian housing that commands high values. The over and underground facilities of Queen's Park and Kilburn Park stations and Kilburn High Road over ground station lie close to the estate's borders.

3.2 The estate is the largest concentration of social housing in Brent and amongst the largest in London. Much of the housing suffers from inherent internal design problems and the relationships between buildings, streets and spaces are poor and indeterminate. The area is not amenable for maintenance or improvement and as a whole the estate presents significant management challenges. These physical conditions manifest themselves in some of the highest levels of social and economic exclusion in the borough (which are amongst the highest in the country).

<u>Amendment to the Red Line Plan</u>

3.3 Planning Committee resolved to grant planning permission for the Peel site (see appendix 3 – plan showing current red line boundary) on 15 February 2017 with the planning permission granted on 8 September 2017. This was a hybrid planning application.

3.4 The current proposals require the re-alignment of Neville Close which requires the utilisation of a small area (approximately 139m2) of land attached to Craik Court, to the west of Neville Close (see the plan at appendix 4). Officers have advised that these works may, in due course, be carried out pursuant to an agreement under section 278 of the Highways Act 1980. However, the current, previously approved CPO red line boundary does not include this part of the site. Following discussions with our external legal advisors, Pinsent Masons, the Council has been advised that the red line boundary for the CPO should be extended to include this area. There have also been very minor amendments to the original CPO red line boundary as a consequence of investigation of the Council's titles, carried out as part of the diligent inquiry which underpins preparatory work when a CPO is contemplated. The new red line boundary, if approved, will be used for the purposes of the CPO and this report in turn seeks reaffirmation of the previous Executive and Cabinet decisions as detailed in the paragraphs below to approve the use of Ground 10A of the Housing Act 1985 (if approval is given by the Secretary of State) and compulsory purchase powers under section 226(1)(a) of the Town and Country Planning Act 1990 to secure the vacant possession of properties within the Peel site.

3.5 The Council has approval for possession proceedings based on Ground 10A in relation to the secure tenants and then CPO for all other interests from the following previous Executive and Cabinet resolutions:

3.5.1 15 October 2012 - South Kilburn Regeneration Progress Update.
Included that it was resolved:
(xv) that approval be given to proceed with securing vacant possession of the properties within 113 -136 and 97 -112 Carlton House, Peel Precinct (together defined as 'Peel') as identified edged red on Plan D at Appendix 1 and Hereford House and Exeter Court as identified edged red on Plan E at Appendix 1 to the Director's report (together with Peel defined as 'Phase 3') through negotiation and private treaty and then, if necessary, via possession proceedings based on Ground 10A in relation to the secure tenants and then CPO for all other interests

3.5.2 11 February 2013 – Amendment to South Kilburn Regeneration Progress Update Report. Included that it was resolved:
(i) that it be noted that the definition of Peel in recommendation 2.15 of the Report to the Executive on 15 October 2012 should not have included 113 to 136 Carlton House (all numbers inclusive) and should have included 8 to 14 Neville Close (all numbers inclusive;
(ii) that approval be given to rescind the decision in the minutes of the meeting of the Executive on 15 October 2012 Clause 8 (xv) as referred to in the paragraph 2.15 of the report to that meeting and to replace it with the following:
(xv) that approval be given to securing vacant possession of the properties within 8 to 14 Neville Close (all numbers inclusive), 97 to 112 Carlton House, Peel Precinct (together defied as "Peel") as identified edged red on Plan D and Hereford House and Exeter Court as identified edged red on Plan E at Appendix 1 (together with Peel defined as "Phase 3") through negotiation and private treaty and then, if necessary, via possession proceedings based on Ground 10A in relation to the secure tenants and then the CPO for all other interests.

3.5.3 11 November 2013 South Kilburn Regeneration Progress Update.
Included a series of resolutions including in respect of CPO, Ground 10A and appropriation. Further detail is available in the Executive report and the Executive Summary of Decisions background papers.

3.5.4 15 September 2014 – South Kilburn Regeneration Programme.
Included that it was resolved:
(iii) that, having noted and considered the responses to the consultation as set out in Appendix 2 in connection with seeking approval of the Secretary of State for use in seeking possession of the 36 affordable homes which are currently occupied by secure tenants (the 'Peel Homes') under Ground 10A of Schedule 2 to the Housing Act 1985, authority be delegated to the Strategic Director of Regeneration and Growth to seek the Secretary of State's consent pursuant to Part V of Schedule 2 to the Housing Act 1985 to the disposal and development of the Peel Site for the purpose of Ground 10A of Schedule 2 to be used to obtain possession of the Peel Homes;

(iv) that, having noted and considered the responses to the consultation as set out in Appendix 2 in connection with the intention to make a Compulsory Purchase Order (CPO) on the Peel Homes and in connection with the draft Allocation Policy for the Peel Homes, approval be given to the adoption of the Allocation Policy which will apply to the Peel Homes and which includes the proposal to make a CPO on the Peel Homes as well as seeking possession of the Peel Homes, subject to the Secretary of State's consent, under Ground 10A of Schedule 2 to the Housing Act 1985. This Allocation Policy sets out the basis on which replacement homes will be allocated to secure tenants in the Peel Homes and the legal means to be adopted for seeking possession of the Peel Homes through the use of Ground 10A of the Housing Act 1985 (if approval is given by the Secretary of State) and compulsory purchase powers under section 226(1)(a) of the Town and Country Planning Act 1990.

Delivery Partner

3.6 At Cabinet on 24 April 2017, Cabinet approved the procurement of a delivery partner for the Peel site through inviting tenders using a Competitive Procedure with Negotiation under the Public Contracts Regulations 2015 on the basis of the pre-tender considerations set out in paragraph 3.18 of that Cabinet report and evaluating the tenders on the basis of the evaluation criteria set out in that paragraph.

3.7 The Procurement of the delivery partner is currently underway. The procurement has been a three stage process. The first stage "Prior Information Notice", is a pre-procurement stage which provides the Council with feedback prior to advertising the opportunity in the Official Journal of the European Union, this was issued on the 26 May 2017. The next stage was the "Selection Questionnaire" which was issued on the 21 July 2017. The Council received twelve submissions of which five were taken through to the Invitation to Competitive Procedure with Negotiation stage. Following the Council's verification of the ranking of Initial Tenders, the Council could have at its sole discretion either awarded the Contract to the Bidder with the highest score or asked the three highest ranking Bidders to enter into a round of negotiations. The Council chose to enter into a round of negotiations (which it is currently in). Following these negotiations the Council will invite Final Tenders. The Council shall then award the Contract on the basis of the best and final offers received using the evaluation criteria agreed by Cabinet on 24 April 2017. Confidential appendix 5 includes details of the remaining three bidders. The preferred bidder is expected to be selected in April 2018, and following internal approvals between April to June 2018, the Council would expect to award the contract no later than June 2018.

3.8 The Council is seeking delegated authority at this time, as due to the pre-election period a decision would otherwise not be able to be taken until June 2018 at the earliest.

3.9 The current estimated timescales for delivery from start on site are:

Phase 1: July 2018 – December 2019
Phase 2 & 3: January 2020 to November 2021

This is a slip from the previous reported estimated timescales of:

Phase 1: April 2018 – September 2019
Phase 2 & 3: September 2019 – July 2021

3.10 The current site comprises of 56 residential units, 36 of which are deemed social rent units and 20 owner occupier/leaseholder units. There are 16 commercial properties along with the former Robert Peel Public House / former West Kilburn branch of the Royal British Legion and the temporary South Kilburn Studios. To date there remain 22 social tenanted properties who will be offered the opportunity to move into the new affordable (social rent) units on the Peel site if they are still on the Peel site at that time. Also there are seven owner occupier/leaseholder properties. (In the interim, as properties became vacant the Council did let these out on temporary licence to homeless families to provide short term accommodation; these families are now in the process of being moved to other temporary accommodation to ensure a vacant site). The Council's Property team are negotiating to acquire the remaining seven residential leasehold properties and acquire/gain vacant possession of 5 commercial units. All residential owner occupier leaseholders have been offered the opportunity to acquire a shared equity/shared ownership property on the South Kilburn Estate. One leaseholder has taken up this opportunity.

3.11 Of the commercial units, there are three properties which are still to be acquired with a long lease and two others where arrangements to vacate the premises are being made. The Peel Precinct Surgery at 3 and 4 Peel Precinct (Dr. Shaikh GP) as one of the three identified GP practices to move into the new health centre is due to be relocated to Carlton Hall (Brent Council is supporting this process). The South Kilburn Trust has vacated Carlton Hall and the Council has instructed a quantity surveyor to manage the process of refurbishing Carlton Hall into a GP practice. At the same time the property team is progressing legal proceedings to ensure that vacant possession of 3 and 4 Peel Precinct is received should the proposed move to Carlton Hall fail for whatever reason. The small businesses who are currently occupying South Kilburn Studios are due to be able to move to the Granville Centre in March 2018. The remaining retail units are either vacant or being used for short term purposes which aids the wider regeneration of the South Kilburn estate, for example Network Homes are currently utilising a unit in connection with the new Kilburn Quarter development on the former Bronte and Fielding Houses site.

Appropriation

3.12 Section 122 (2A) of the Local Government Act 1972 provides that prior to the appropriation of any land consisting or forming part of an open space, the Council must advertise its intention to appropriate the open space and must consider any representations or objections made by the public in response to the advert. Accordingly, the Council is required to advertise its intention to appropriate the open space for two consecutive weeks in a local newspaper circulating in the area in which the land is situated.

3.13 Following the advertisement of the Council's intention over two consecutive weeks there will be a two week period for consultation during which the public may make and submit representations (objections) to the Council. After the two week consultation period the Strategic Director of Regeneration and Environment, in consultation with the Lead Member for Regeneration, Growth, Employment and Skills, will decide whether the appropriation (and subsequent disposal) of the open space should occur, having first taken into consideration the representations made in response to the advertisement and consultation, together with consideration of the matters set out in the paragraph below.

3.14 In considering whether or not the Council-owned land within the Peel Site should be appropriated for planning purposes (and potentially disposed of subsequently in connection with such planning purposes), thereafter engaging the powers conferred by section 203 of the Housing and Planning Act 2016, the Strategic Director of Regeneration and Environment, in consultation with the Lead Member for Regeneration, Growth, Employment and Skills will consider:

- whether the land which is to be appropriated is already owned by the Council (this is a prerequisite to appropriation);
- whether the land which is to be appropriated is no longer required by the Council for the purpose for which it is currently held (again, this is a prerequisite to appropriation);
- whether the purpose for which the Council would be appropriating the land is a purpose authorised by statute (in the case of land to be appropriated for planning purposes, the relevant purposes would be authorised by sections 226 and 227 of the Town and Country Planning Act 1990);
- whether the proposed redevelopment of the Peel site would be in the public interest;
- whether the public interest benefits which would arise from the redevelopment of the Peel site would be sufficient to justify interference with any private rights, such that the interference was proportionate;
- whether the Council could (in the alternative) acquire the land compulsorily for the purposes of the redevelopment;
- whether any related financial liabilities of the Council would be indemnified; and
- whether prior consultation had taken place (as outlined above).

3.15 Appropriation of the whole Site for planning purposes would facilitate the carrying out of the development. There is a compelling case in the public interest to appropriate the Peel Site (including the open space) for planning purposes, as developing the Site would serve the public interest by providing new and improved housing and community facilities and accordingly, such development outweighs the effect of the appropriation on the private rights of individuals. In addition, the carrying out of the proposed redevelopment, regeneration and improvement of land within the Peel site (in accordance with the planning permission granted on 8 September 2017) will ultimately contribute to the promotion and improvement of the economic and social well-being of the Council's area – and these benefits could not be realised within a reasonable timescale (in the context of the Council's comprehensive South

Kilburn Regeneration Programme) without interference with the private (third party) rights affected by the appropriation.

3.16 If a third party is able to establish that it has an easement or a right over the Peel Site or over a part of the Peel Site (such easements could include but are not limited to a right of way or a right to light) then the third party could potentially obstruct the redevelopment and regeneration of the Site by applying for an injunction to prevent the delivery of the development. The effect of appropriation, followed by the engagement of the powers in section 203 of the Housing and Planning Act 2016 which override such third party rights that may exist within the Peel Site and convert them into a right to compensation only (as opposed to a right to apply for an injunction), is therefore to facilitate the re-development and improvement of the Site It should be noted that third parties may be entitled to compensation for loss of their rights. Such compensation would be awarded for injurious affection (compensating for any depreciation in the value of the land or property arising from the interference with the right) rather than on a reinstatement or ransom basis.

3.17 Under the Agreement for Lease and Development (to be entered into by the Council and its delivery partner in due course) the Council would agree to appropriate its interest in the Site for planning purposes. The Agreement for Lease and Development would include provisions requiring the delivery partner to indemnify the Council in relation to any claims for compensation arising from any interference with third party rights in connection with the Council's appropriation and disposal of land under, respectively, section 122 of the Local Government Act 1972 and section 233 of the Town and Country Planning Act 1990, or arising from the subsequent and related exercise of the powers under section 203 of the Housing and Planning Act 2016.

4.0 Financial Implications

4.1 The financial model for the South Kilburn regeneration programme seeks to be self-financing within the funding envelope generated from land sales which are ring-fenced. All the capital receipts generated are reinvested back into the South Kilburn regeneration programme which enables the rolling regeneration programme to continue to deliver much needed new homes to help meet the Council’s housing delivery target.

4.2 This particular scheme in itself was envisaged that it may not be self-financing due to the inclusion of a health centre to be delivered by the selected developer. However officers have worked to produce a procurement package which would be appealing to the market, and in addition, if necessary, other schemes within the South Kilburn Programme are anticipated to offset any additional cost whilst external funding is also being pursued.

4.3 The South Kilburn model has traditionally worked through a process of the Council obtaining planning consent for a particular site, this site is then marketed to suitable delivery partners, who offer a land receipt plus potential overage in return for a long leasehold interest. The developers base their bids on the value they believe will be generated from private sales which should also cover the cost of the affordable homes required to be built on site.

Consequently in return for the site, the delivery partner will build much needed affordable and social housing, while also delivering capital receipts to support the capital programme.

4.4 Estimated total project cost for the redevelopment of the Peel site is £11.17m, of which £5.4m spent prior to 2017/18. A budget of £5.6m is allocated for the Peel project between 2017/18 and 2019/20.

4.5 The anticipated capital receipt for the Peel redevelopment site is expected to cover the costs of bringing this site to market which, if achieved, would have a positive impact on the overall cash-flow of the South Kilburn Programme. The actual sum to be received will be determined via the on-going negotiations

4.6 There will be minor costs associated with the appropriation in respect of the advertisement costs. Not doing the consultation would prevent appropriating the land, putting the entire project taking place at risk.

4.7 Claims could be made against the Council in respect of loss of third party rights, but as discussed above there will be indemnity within the Agreement for Lease and Development in respect of any such claims.

5.0 Legal Implications

5.1 Officers consider that the development of the Peel site is best achieved through the use of a development agreement with a third party. As a result of rulings in the European Court of Justice, if the Council utilises a development agreement in respect of the land where there is a requirement as to the development to be constructed, it needs to undertake some form of procurement process which is compliant with EU law in order to identify a partner to carry out the development.

5.2 As approved by Cabinet on 24 April 2017, the intention is to identify a delivery partner through inviting tenders using the Competitive Procedure with Negotiation pursuant to the Public Contracts Regulations 2015 (the “PCR 2015”).

5.3 The estimated value of this proposed procurement over its lifetime is higher than the EU threshold for Works and the procurement of the contract is therefore governed in full by the PCR 2015.

5.4 The estimated value of the procurement is in excess of £5m and therefore it will be classed as a High Value Contract under Contract Standing Orders and accordingly Cabinet approval to the award is required. For the reasons detailed in paragraph 3.8 however, Cabinet approval is sought to delegate authority to award the development agreement and lease to the Strategic Director of Regeneration and Environment in consultation with the Lead Member Regeneration, Growth, Employment and Skills once the most economically advantageous tender has been identified.

5.5 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.

5.6 Cabinet is advised that section 122 of the Local Government Act 1972 provides that a Council may appropriate land within its ownership from one purpose to another provided that immediately before the appropriation the land is no longer required for the purpose for which it is held and provided that the purpose for which the land is to be appropriated is one for which the Council is authorised to acquire land by agreement. In the case of the Peel Site, the effect of the Council's proposals to regenerate the South Kilburn estate is such that the land within the Peel Site is no longer required for its current purpose. However, the land is needed for the purpose of the Council's regeneration proposals for the Peel Site, in relation to which the acquisition of interests in land by agreement could be authorised by section 227 of the Town and Country Planning Act 1990.

5.7 S122(2A) of the Local Government Act 1972 provides an additional requirement in relation to the appropriation of open space, which is to advertise the Council's intention to appropriate the open space for two consecutive weeks in a newspaper circulating in the vicinity of the open space land which is proposed to be appropriated and consider the representations made by the public in response to that advertisement. S123(2A) also imposes a similar requirement to advertise the intention to dispose of open space (again for two consecutive weeks in a local newspaper) and consider the representations made by the public.

5.8 Once appropriation has taken place, section 233 of the Town and Country Planning Act 1990 (the 1990 Act) enables the Council to dispose of the land appropriated for planning purposes to such person in such manner and subject to such conditions as appear to the Council to be expedient in order to secure the best use of the land or to secure the erection, construction or carrying out on the site of any buildings or works appearing to be needed for the proper planning of the Council's area. The consent of the Secretary of State is needed where the disposal of the Site is for less than the best consideration that can reasonably be obtained except in the case of leases for a term of less than 7 years.

5.9 Provided that the land is validly appropriated then under section 203 of the Housing and Planning Act 2016 the private rights or interests of third parties will be overridden (and converted into a right to claim compensation), provided that planning permission has been obtained and used for the building or maintenance work to be undertaken on the site and the maintenance or building work is for a purpose related to the purpose for which the land was acquired, vested or appropriated, and that purpose must be in the public interest.

5.10 Using section 203 to override easements such as rights to light, rights of way and restrictive covenants, allows the construction or maintenance work to be carried out even if it interferes with such a right; compensation (for injurious affection) will need to be paid to the parties whose rights have been interfered with.

5.11 Prior to development however it is prudent to make enquiries to ascertain what rights might exist over the land. This will involve inspection of the site to see if there are any obvious rights and checking land ownership records.

5.12 The benefit of the power to override such third party rights can be enjoyed by those deriving title from the Council. Accordingly, if, following the appropriation, the Council disposes of the land, transferring it to a developer, the power to override third party rights will operate when the development is commenced by that developer in accordance with the planning permission (as granted on 8 September 2017).

5.13 The Council should obtain the consent of the Secretary of State under section 19 Housing Act 1985 in order to appropriate any part of the land consisting of a house or part of a house.

6.0 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 Peel site, the secure tenants who are on the Peel site at the time the new units are complete 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 The public sector equality duty requires public bodies to pay due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- Advance equality of opportunity between people who share a protected characteristic and those who do not;
- Foster good relations between people who share a protected characteristic and those who do not.

6.4 The Equality Act 2010 and the Public Sector Equality Duty (outlined above) cover the following nine protected characteristics: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.

6.5 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).

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 tenants 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 These groups maybe more likely to access GP facilities. There will not be a break in the delivery of a GP facility. The current GP on the Peel site is due to move to a nearby location - Carlton Hall - until the new Health Centre is built. The Peel site GP is envisaged to then move into the new facility.

6.8 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).

6.9 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.

6.10 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/shared-ownership 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/dependent children responsibilities. The Council has recruited an estate regeneration leasehold liaison officer who is liaising with all leaseholders providing support and guidance as to the options available to relocate or sell their property

6.11 The new accommodation on the Peel has been designed with the needs of the current secure tenants in mind and occupational therapy adaptation will be put in as required for secure tenants. Across the 226 units, 23 dwellings (10%) have been designed to be wheelchair adaptable dwellings and meet the requirements set out in Part M4(3) 'wheelchair user dwellings'. All other dwellings across the scheme have been designed to meet the requirements set out in Part M4(2) 'accessible and adaptable dwellings”.

Socio-economic Disadvantage

6.12 Local services on the Peel site will cease during the redevelopment, with some functions not returning. There will still be provision of a general store for day to day goods and a GP practice in walking distance of the Peel Site throughout the redevelopment, and there will be a new health centre with improved facilities to that currently on site delivered as part of the redevelopment, along with commercial/retail. A new proposed pharmacy on the Peel site is likely to improve service for vulnerable groups of people as one is not currently on the Peel site. Those services which are not returning to the Peel site or available nearby are not deemed critical for day to day living.

6.13 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.

6.14 All residents of South Kilburn will be able to benefit from the new Health Centre, Commercial/Retail offer and highways and public realm improvements. The residents of 65 to 96 Carlton House will also have access to the new private amenity space behind Blocks D and E, there will also be limited parking provision made available which will be given to the Housing Department to decide on how to allocate (intended for 65-96 Carlton House).

6.15 This report seeks Cabinet approval to advertise the Council's intention to appropriate and thereafter dispose of open space at the Peel Site, and to appropriate the whole site including open space for planning purposes. The appropriation is not altering (with the exception of the extension of the red line boundary) existing plans for the site, but is a statutory process required in the context of the Council's land use planning functions.

7.0 Consultation with Ward Members and Stakeholders

7.1 The paper will be circulated to ward members

7.2 There have been a number of consultation events for the Peel site as part of the process to submit a scheme to planning

8.0 Human Resources/Property Implications (if appropriate)

8.1 There are no specific implications for Council staff or accommodation associated with the proposals contained in this report.

8.2 There are property implications in terms of properties which are still to be acquired and vacant possession to be gained, this is outlined in section 3. The site shown in appendix 6 will be sold under a long lease to a Delivery Partner.

9.0 Public Services (Social Value) Act 2012

9.1 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 procurement.

9.2 The services being procured aim to improve the economic, social and environmental well-being of residents of South Kilburn through the disposal of the Peel site. The new homes will improve living conditions of residents of South Kilburn. The draft S106 agreement has an Employment and Training schedule which includes that the Developer covenants with the Council in respect of the construction of the Development (but not in respect of any demolition or piling works):

(i) prior to a Material Start (excluding demolition or piling), to inform in writing Brent Works of the projected amount of construction jobs, training opportunities and provide a copy of the Schedule of Works;

(ii) prior to a Material Start, to prepare and submit for the Council's approval an Employment and Training Plan;

The Employment and Training Plan is a written plan approved by the Council for the provision of training, skills and employment initiatives for residents of the Borough relating to the construction of the Development

9.3 The development will also deliver a new Health Centre, with flexible first floor space, 3no A-class retail units at ground floor, highways and public realm improvements (including new public space) available to all South Kilburn residents.

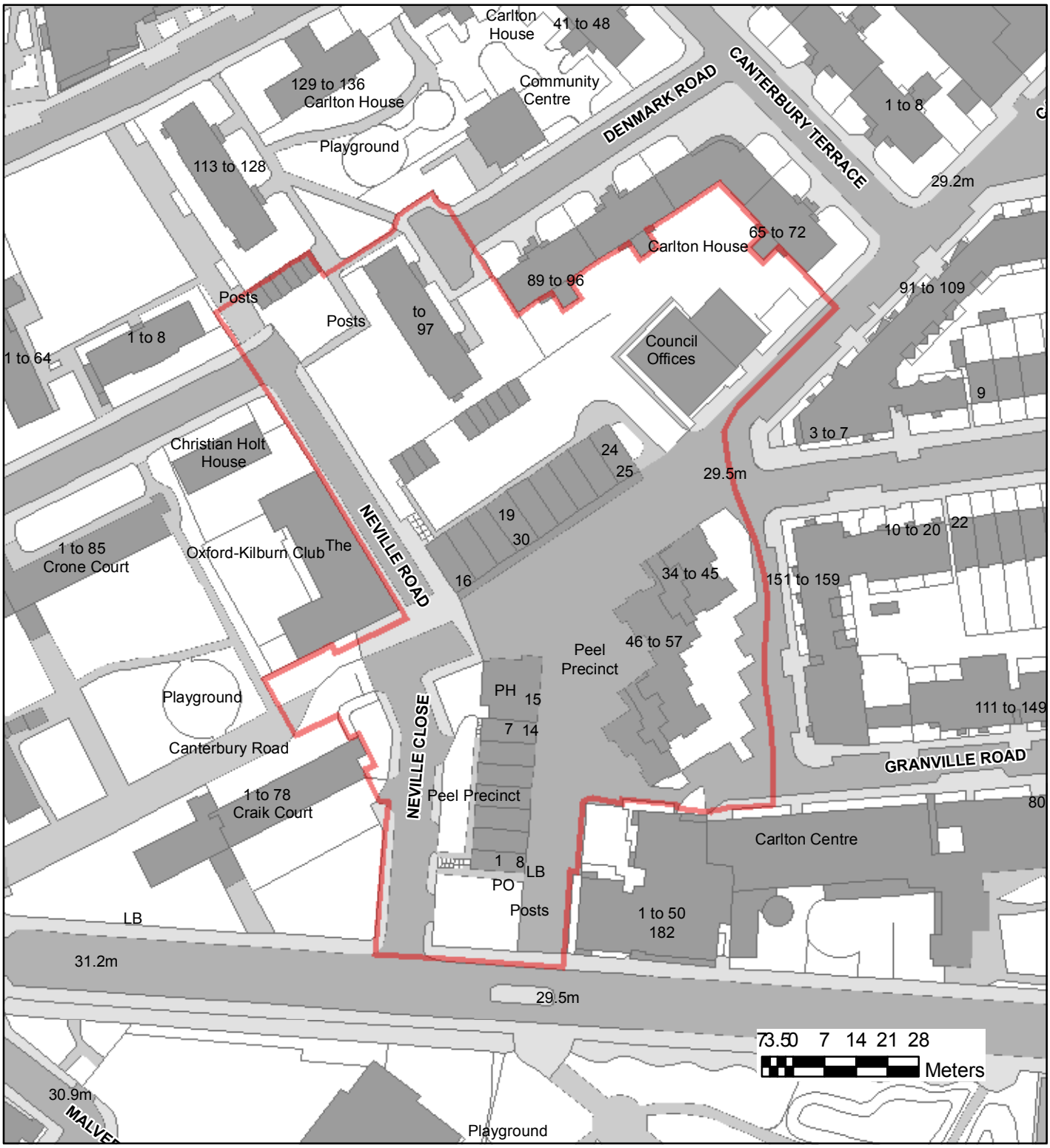
9.4 Officers also have regard to the Social Value Act in its procurement of a delivery partner. Within the evaluation, 10% of the score is for social value. Bidders are asked to express what they will offer as part of the contract, outlining firm commitments using the Social Value Action Plan and by submitting a Social Value Statement. Commitments will be included in the contract for the winning bidder.

Report sign off:

AMAR DAVE
Strategic Director of Regeneration and Environment

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Peel
Red Line Plan



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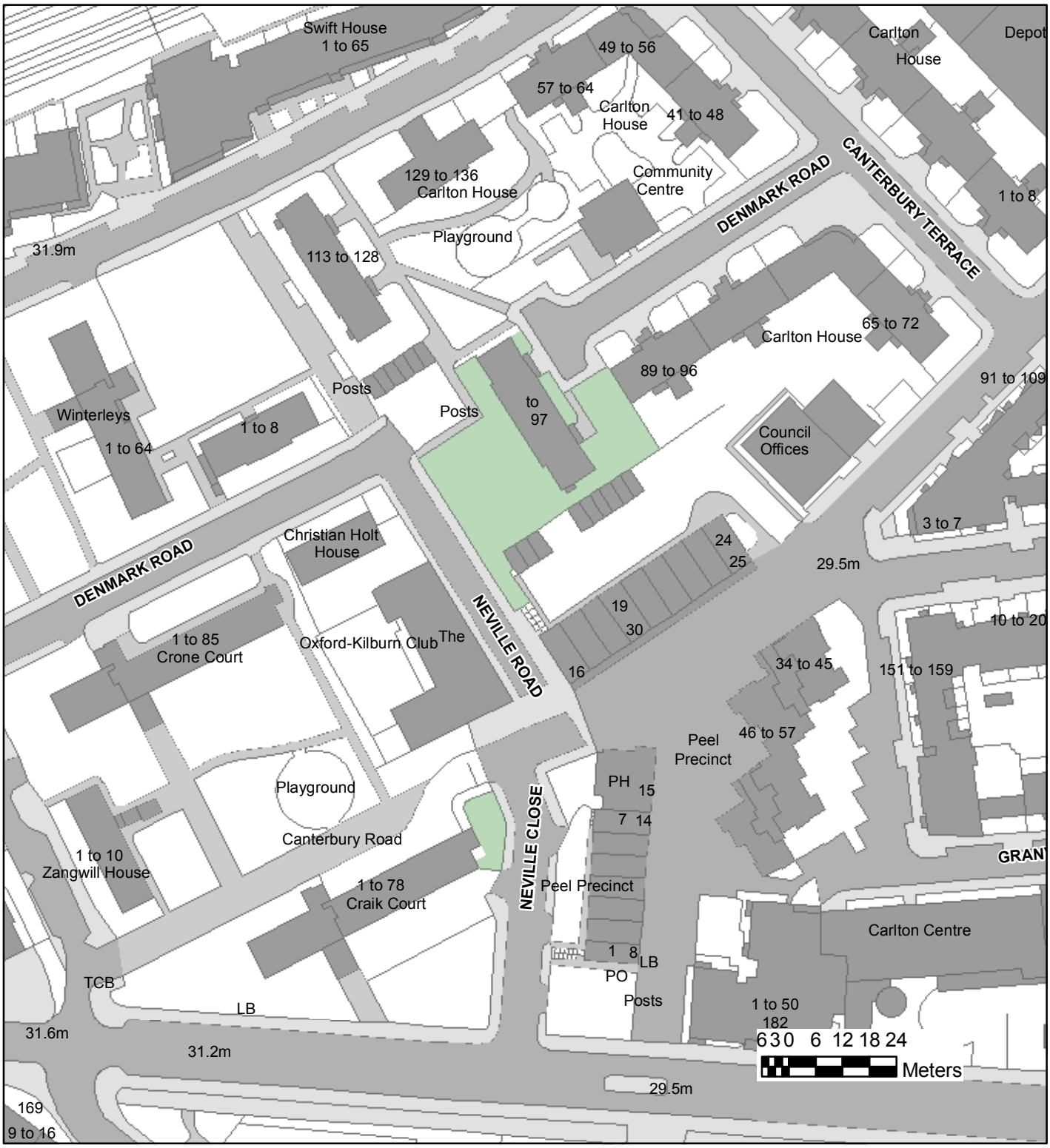
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Peel
Open Space



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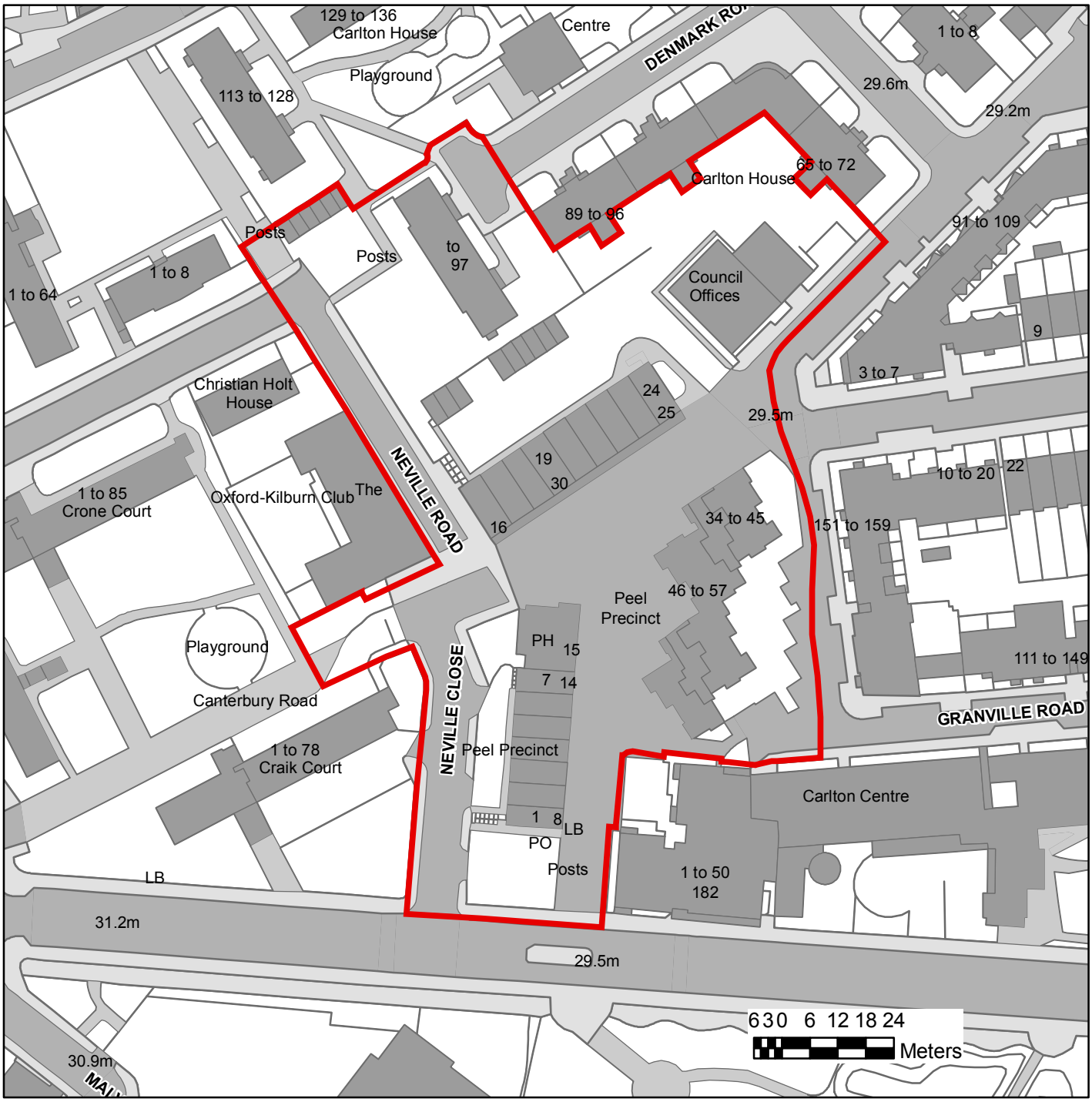
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Peel
Site Boundary



Site boundary

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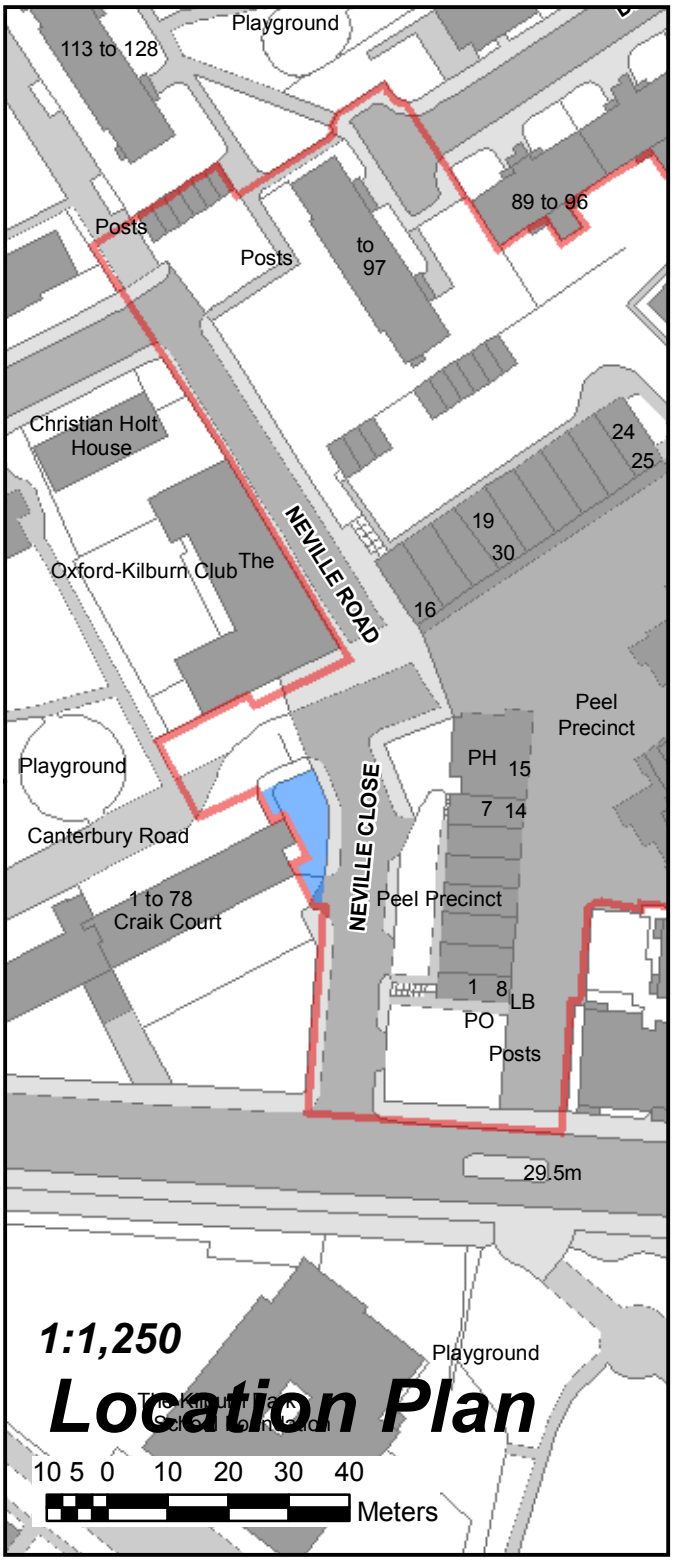
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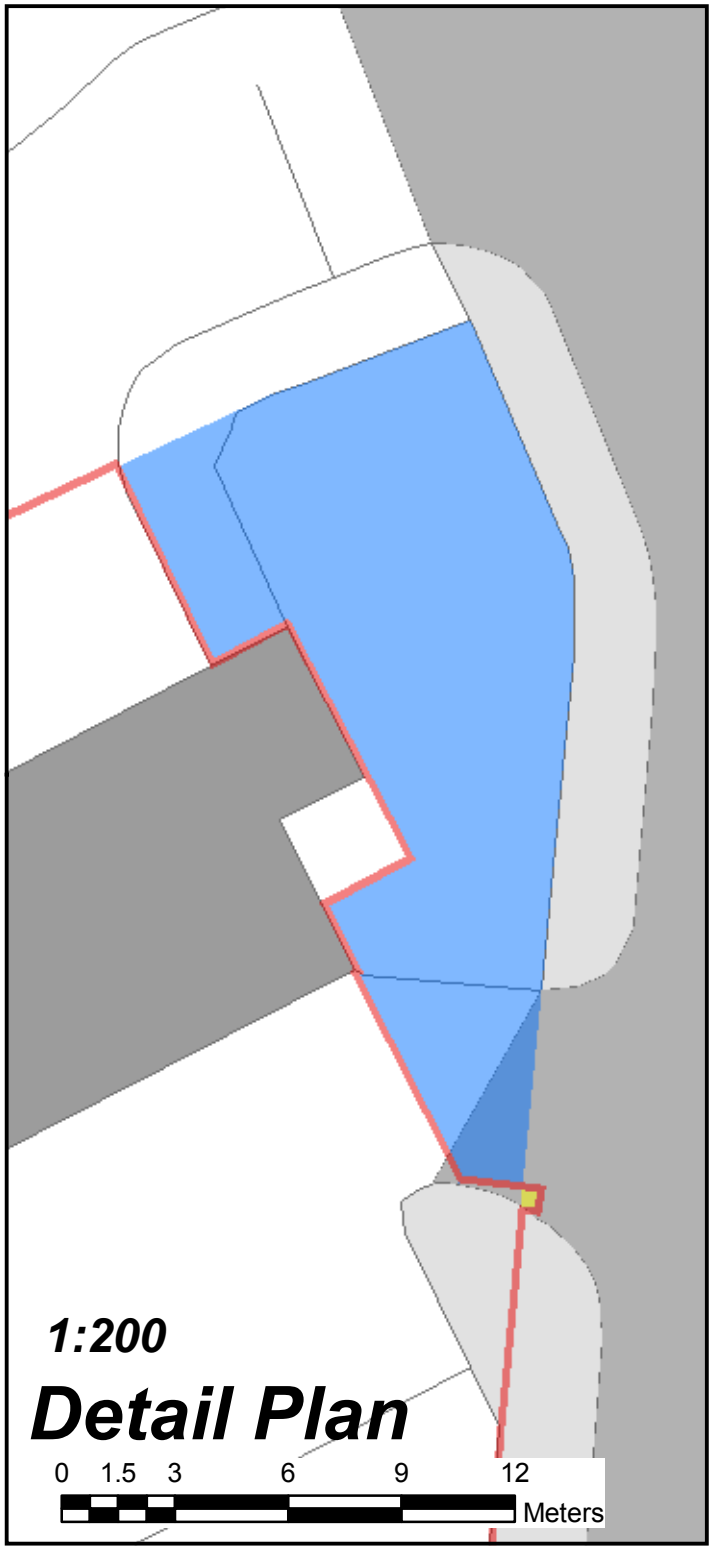
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Peel
Red Line Plan Boundary Adjustment





Red Line Boundary | Land Added | Land Removed

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Peel
Lease Extent



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